Local Government Commission
Mana Kāwanatanga ā Rohe

Report of the proceedings and operations of the

Local Government Commission

Te pūrongo mō ngā whakahaere me ngā mahi a te

Mana Kāwanatanga ā Rohe

For the year ended 30 June 2026
Mō te tau i mutu i te 30 Hune 2026

Presented to the House of Representatives pursuant to clause 31 of Schedule 4 of the Local Government Act 2002.

He mea whakatakoto atu ki Te Whare o Ngā Māngai i raro i te whiti 31 o te Hōtaka 4 o Te Ture Kāwanatanga ā Rohe 2002.

Minister of Local Government
Parliament Buildings
Wellington

Tēnā koe Minister

We forward, in accordance with clause 31 of Schedule 4 of the Local Government Act 2002, the report of the Local Government Commission for the year ending 30 June 2026.

Nāku noa, nā

The Local Government Commission

Dr Sue Bidrose	Chairperson
Bonita Bigham, KSM	Commissioner
Andrew Turner	Commissioner

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Introduction
Kōrero whakataki

The Local Government Commission (the Commission) is an independent statutory body established under the Local Government Act 2002. The principal functions of the Commission are:

- Promoting good local government in New Zealand through promoting good practice in local government and providing information about local government;
- Reorganisation of local authorities; and
- Reviewing and making any required decisions on the electoral representation arrangements of local authorities.[1]

In the year ending 30 June 2026, the Commission has been actively involved in each of the above three principal functions. Issues dealt with are discussed further below.

Membership
Ngā mema

As at 30 June 2026 the Commission's membership was comprised of:

- Dr Sue Bidrose (Chairperson)
- Bonita Bigham
- Andrew Turner

In December 2025, Dr Sue Bidrose was appointed chairperson, and Andrew Turner appointed as a Commissioner.

The Commission acknowledges the service of former Chairperson Brendan Duffy, whose appointment ended on 20 December 2025. Mr Duffy served as a temporary member from 1 March 2017, was appointed a full member on 31 July 2018, and served as Chairperson from 9 September 2019 until the conclusion of his term. The Commission expresses its appreciation for his leadership, commitment, and significant contribution to the Commission's work during his more than eight years of service.

[1] A complete list of the Commission's functions is contained in Appendix 1.

Promoting good local government
Te hāpai i ngā kāwanatanga mahi pai

Code of Conduct

On 13 February 2025, the Minister of Local Government gazetted terms of reference requiring the Commission to develop a standardised code of conduct for local authority elected members.

This work built on the Commission's 2021 review of local authority codes of conduct, which found strong sector support for improvements to existing arrangements. That review identified that any reforms would require legislative change and should be supported by broader governance measures, including sector input, clear complaints processes, and professional development opportunities.

In developing the standardised code, the Commission engaged with key stakeholders across the local government sector and a range of other organisations. Key priorities included recognising elected members' freedom of expression, supporting effective democratic decision-making, promoting constructive conflict management, and avoiding unnecessary constraints on local authority decision-making. The purpose of the code is to provide greater consistency and certainty across the sector regarding roles, responsibilities, and expected standards of elected member conduct.

The Commission completed its work on the standardised code of conduct in December 2025 and submitted a report to the Minister of Local Government along with the standardised code.

In May 2026 the Minister wrote to the Commission requesting it to take on the role of collecting and sharing good practice about dealing with conduct complaints, and collecting statistical information about complaints, at least until a central organisation is appointed to manage a nationwide pool of investigators for complaints. The Minister also requested the Commission to work with the, now, Ministry of Cities, Environment, Regions and Transport to consider options to progress a governance education programme for the local government sector.

The Commission welcomed the opportunity to take on a role in sharing good practice and collecting statistics and expressed its interest in further discussions regarding how it could most effectively contribute to governance education. Substantive work on this is dependent on the enactment of the Local Government (System Improvements) Amendment Bill and the eventual approval by the Secretary for Local Government of a standardised code of conduct under the new legislation.

Local government reorganisation
Te whakaraupapa anō i ngā kaunihera

Reorganisation of local government in Southland

On 21 February 2025, the Southland District Council lodged a local government reorganisation initiative with the Local Government Commission under sections 24(1)(c) and (f) of the Local Government Act 2002. The initiative sought the establishment of two unitary authorities for the Southland region.

The Commission determined that the proposal was a valid initiative, as it contained the information required under Schedule 3, clause 4 of the Act.

In March 2025, the Commission determined that the initiative met the statutory requirements set out in Schedule 3 of the Act and undertook engagement with the affected local authorities and Te Ao Mārama Incorporated, representing Ngāi Tahu ki Murihiku. Following consideration of feedback received, the Commission agreed in July 2025 to investigate the proposal.

During 2025/26, the Commission's investigation included phased engagement with councils, iwi and other stakeholders to inform its consideration of the matters it is required to take into account under the Act. This work supported the Commission's assessment of issues relevant to local government reorganisation in the Southland region, including potential implications and structural options.

In 2026/27, the Commission will continue its investigation and, subject to the outcomes of this work, determine whether to prepare and publicly consult on a draft reorganisation plan. If the Commission subsequently decides to adopt a final reorganisation plan, it would be subject to a binding poll of Southland electors, anticipated to take place in the second half of 2027.

Representation reviews
Ngā arotake whai kanohitanga

Upcoming Representation Reviews

33 territorial authorities and 4 regional councils are required to review their representation arrangements prior to the 2028 local elections, while others may do so if they choose. The Commission is required to determine representation arrangements arising from these reviews where appeals or objections are received on any of them, or if any of the proposed arrangements do not comply with the +/-10% fair representation rule in section 19V(2) of the Local Electoral Act 2001.

During the past year the Commission focused on engaging with local authorities to inform and guide them in preparation for the next representation review cycle. This work will continue in the coming year.

Representation Review Guidelines

In accordance with the requirements under Section 19ZI of the Local Electoral Act 2001, the Commission updated its representation review guidelines to support councils undertaking the next round of representation reviews. The revised guidelines aim to make the information in them more accessible to users.

In particular, the new guidelines place greater emphasis on councils providing robust evidence to support the decisions contained in their proposals. The guidelines also make it clearer that councils should demonstrate they have considered and tested alternative representation arrangements before reaching their preferred option. These changes are intended to improve the transparency and quality of representation reviews and support well-reasoned decision-making that reflects the needs and interests of local communities.

The year ahead
Te tau e tū mai

The primary focus of the Commission in 2026-2027 will be the following activities:

- Continue engagement with the local government sector on matters relating to good local government and representation issues.
- Progress its investigation into the local government reorganisation initiative lodged by Southland District Council.
- Support councils undertaking representation reviews by providing guidance, information, and advice ahead of the 2028 local authority elections.
- Consider any new local government reorganisation initiatives received under the Local Government Act 2002, or related requests.
- Further develop work on its code of conduct good practice and data collection role, as requested by the Minister of Local Government, while longer-term institutional arrangements are considered.

Appendix/Āpitihanga 1

Duties and functions of the Commission
Ngā mahi a te Mana Kāwanatanga ā-Rohe

Local Government Act 2002

Under this Act the Commission has a number of responsibilities. These are:

(a) under section 16(7), to provide advice to the Minister of Local Government when a local authority has sought a binding ruling from the Minister on significant new activities proposed by a regional council;

(b) under section 26, to amend reorganisation plans and reorganisation implementation schemes;

(c) under section 27, to consider and determine applications from territorial authorities wishing to be called a city council or a district council;

(d) under section 30, to provide information about local government and to promote good practice relating to a local authority or to local government generally;

(e) under section 31, of its own volition or at the request of the Minister of Local Government, to report on and make recommendations to the Minister and any relevant local authority, on matters relating to a local authority or local government;

(g) under sections 48R and 48S, to determine certain disputes between the governing body of unitary authorities (outside Auckland) and local boards;

(h) under Schedule 3, to undertake reorganisation investigations[2] following receipt of reorganisation initiatives[3] and reorganisation requests[4];

(i) under Schedule 3, clause 22B to review local authority-led reorganisation applications;

(j) under Schedule 3, clause 31 to consider for rulings that material published by a local authority complies with clause 31(1);

(k) under Schedule 3, clause 41 to prepare and issue reorganisation implementation schemes;

[2] A reorganisation investigation can result in recommendations to a local authority, one or more reorganisation plans or both.

[3] A reorganisation initiative seeks a specific reorganisation, i.e. the union, constitution, and abolition of districts and regions, creation of unitary authorities, boundary alterations, and transfers of responsibility.

[4] A reorganisation request seeks an investigation into an issue or matter but without proposing a particular reorganisation.

(l) under Schedule 3, clause 53, to decide the apportionment of assets and liabilities between local authorities following implementation of a reorganisation scheme, where there is disagreement;

(m) under Schedule 6, to consider and determine appeals where a territorial authority declines a request from a group of electors for the constitution of a community.

Local Government Act 1974

Section 517T of this Act provides that the Commission must hear and determine objections regarding proposals for the transfer of ownership and administration of local authority land drainage and water race schemes.

Local Government (Auckland Council) Act 2009

Section 98 of the Local Government (Auckland Council) Act 2009 provides for the Commission to determine certain disputes between the Auckland Council's governing body and local boards. These disputes may relate to the allocation of decision-making responsibilities, decisions on proposed bylaws or revocation of bylaws, or a local board's compliance with statutory requirements relating to certain transport-related decisions.

Local Electoral Act 2001

Under this Act the Commission has four responsibilities:

(a) under section 19R and Schedule 1A, to consider and determine appeals and objections relating to a local authority's representation proposals for the next triennial local elections;[5]

(b) under section 19V, to consider decisions of local authorities to not comply with the fair representation requirement of section 19V(2);

(c) under sections 19JA and 19JB, to make minor alterations to the boundaries of electoral areas; and

(d) under section 19ZI, to issue guidelines identifying factors and considerations for local authorities to take into account when undertaking their representation reviews.

Auckland Regional Amenities Funding Act 2008

Section 29 of this Act provides that if the Auckland Council does not approve a levy recommended by the Auckland Regional Amenities Funding Board, and the Council and Board cannot agree on an arbitrator, the Commission must appoint an arbitrator.

[5] In the case of a representation review undertaken by the Bay of Plenty Regional Council the Bay of Plenty Regional Council (Māori Constituency Empowering) Act 2001 also applies.

Electoral Act 1993

Section 28 of this Act provides that the Chairperson of the Local Government Commission is to be a non-voting member of the Representation Commission.

Museum of Transport and Technology Act 2000

Section 20(10) of this Act provides that where the Museum Board and the Museum's Electoral College cannot agree on an arbitrator to determine the amount of the Museum's levy, the arbitrator is to be appointed by the Local Government Commission.

Port Companies Act 1988

Section 2A of this Act provides that the Commission may determine any matter where a regional council and a territorial authority are unable to reach agreement in respect of any function, power, duty, property, right or undertaking of a former harbour board transferred to them.

Sale and Supply of Alcohol Act 2012

Sections 304, 337 and 363 of this Act empower the Commission to review the boundaries of licensing trust districts and wards, and of community trusts, to ensure they conform with the boundaries of meshblocks.

Contact details
Ngā taipitopito whakapā

Local Government Commission

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