



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 2023
Mō te tau i mutu i te 30 Hune 2023

*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 2023.

Nāku noa, nā

The Local Government Commission

Brendan Duffy	Chairperson
Bonita Bigham	Commissioner
Sue Bidrose	Commissioner

Contents

Ngā kaupapa

	Page
Introduction/ Kōrero whakataki	4
Membership/ Ngā mema	4
Promoting good local government/ Te hāpai i ngā kāwanatanga mahi pai	4
Governance Education Strategy	4
Local government reorganisation/ Te whakaraupapa anō i ngā kaunihera	5
Greater Bunnythorpe Community Board	5
Kawerau District/Whakatane District boundary alterations	5
Wānaka-Upper Clutha District Constitution	5
Representation reviews/ Ngā arotake whai kanohitanga	6
The year ahead/ Te tau e tū mai	6
Duties and functions of the Commission/ Ngā mahi a te Mana Kāwanatanga ā-Rohe	7
Contact details/ Ngā taipitopito whakapā	10

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 2023, the Commission has been actively involved in each of the above three principal functions. Issues dealt with are discussed further below.

Membership

Ngā mema

At the beginning of the year the Commission comprised:

- Brendan Duffy (Chairperson)
- Bonita Bigham (temporary member)

On 18 July 2022, Dr Sue Bidrose was appointed as a member of the Commission. At the same time, Brendan Duffy was reappointed as Chair and Bonita Bigham was appointed as a member of the Commission.

The Commission acknowledges, with regret, the death of Whetūmārama Wereta in June 2023. Whetūmārama Wereta was a member of the Commission from 1990-1993. E moe e te rangatira.

Promoting good local government

Te hāpai i ngā kāwanatanga mahi pai

Governance Education Strategy

As part of its focus on good governance in local government, the Commission is interested in addressing governance issues across the sector. Following on from its 2021 report on Local Government Codes of Conduct, the Commission has looked at how the governance capability of councils can best be supported. It has led a working group with

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

diverse sector experience, and widely canvassed councils to take stock of the sector's governance education needs.

Ongoing, sector-specific governance education is an essential foundation for good governance. As a response to this, the Commission is working on a strategy that supports robust, ongoing professional development in the sector and addresses some of the barriers relating to funding, training quality, incentivisation, and accountability. The Commission is working with a wide range of sector stakeholders and stewards to ensure a collaborative and comprehensive approach is taken. A report on a governance education strategy for local government went to the Minister of Local Government in June 2023.

Local government reorganisation

Te whakaraupapa anō i ngā kaunihera

Greater Bunnythorpe Community Board

In December 2021, the Commission received an appeal against the decision of Palmerston North City Council not to establish a Greater Bunnythorpe Community Board. Between June and August 2022, the Commission sought and received further information from key stakeholders in the appeal process, including the Council, appellant, iwi and community members. Between December 2022 and May 2023 meetings were held between the Commission and stakeholders to consider whether the Bunnythorpe area was a sufficiently distinct community of interest and whether the challenges outlined by the Bunnythorpe community were best supported through the establishment of a community board. By the end of the year the Commission had gathered sufficient information to enable it to make a decision about whether or not to uphold the appeal, and a decision is expected to be issued in July 2023.

Kawerau District/Whakatane District boundary alterations

In June 2022 the Commission agreed to investigate a reorganisation initiative, proposing the transfer of three areas from Whakatane District to Kawerau District. The investigation process was publicly notified in October 2022. A public consultation process was held from 28 October 2022 to 31 March 2023 as well as site visits and meetings with representatives from both councils, affected landowners and iwi and hapū. Subsequently, the investigation process was amended to incorporate additional engagement which is due to conclude by 17 November 2023.

Wānaka-Upper Clutha District Constitution

The Commission received an elector-initiated reorganisation initiative seeking the constitution of a Wānaka-Upper Clutha District Council, separate from the Queenstown-Lakes District Council. The initiative includes a list of names 1,822 people supporting the initiative. The proposed district would comprise the area of the current Wānaka-Upper Clutha Ward. In June 2023 the Commission agreed that the initiative contained the

information required by Schedule 3, clause 4 of the Local Government Act and commenced consultation with the affected local authority, Queenstown-Lakes District Council about whether to undertake an investigation in respect of the initiative.

Representation reviews

Ngā arotake whai kanohitanga

34 local authorities are required to review their representation arrangements prior to the 2025 local elections, while others may do so if they chose. The Commission will become involved in these reviews if 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.

The Commission is focusing on communications and engagement with stakeholders to inform and guide the sector in preparation for the next representation review cycle.

The year ahead

Te tau e tū mai

The primary focus of the Commission in 2023-2024 will be the following activities:

- Continuing engagement with the local government sector on matters relating to good local government and representation issues.
- Continuing work on implementing a governance education strategy for local government.
- Determining the Greater Bunnythorpe Community Board appeal.
- Investigating the reorganisation initiative lodged by Kawerau District Council
- Considering whether to undertake an investigation into the reorganisation initiative seeking the constitution of a Wānaka-Upper Clutha District Council.
- Supporting councils with information as they undertake representation reviews.
- Dealing with any new reorganisation initiatives or requests it receives.
- Preparing for the Commission's role in the formation of regional planning committees proposed as part of the reform of the resource management system.
- Where required, responding to any outcomes relating to the Future for Local Government Panel's Final Report.

Appendix 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 investigations² following receipt of reorganisation initiatives³ and reorganisation requests⁴;
- (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 this Act provides for the Commission to determine certain disputes between the Auckland Council's governing body and local boards.

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 (Maori 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.

Water Services Entities Act 2022

Schedule 4 of this Act gives the Commission several responsibilities in respect of proposals by a water services entity to sell or divest an interest in water services on significant infrastructure, and polls on such proposal. These responsibilities include notifying the proposal and preparing balanced information about the proposal, determining the date of the poll, designating the electoral officer to run the poll and deciding whether advertising relating to the proposal by water services entities and local authorities is neutral.

Contact details

Ngā taipitopito whakapā

Local Government Commission

Street address: 45 Pipitea Street, Thorndon, Wellington 6011

Postal address: PO Box 5362, Wellington 6140

Telephone number: 64 4 460 2228

Email address: info@lgc.govt.nz

Website: www.lgc.govt.nz