

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 2025 Mō te tau i mutu i te 30 Hune 2025

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 2025.

Nāku noa, nā

The Local Government Commission

Brendan Duffy Chairperson
Bonita Bigham Commissioner
Sue Bidrose 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 2025, the Commission has been actively involved in each of the above three principal functions. Issues dealt with are discussed further below.

Membership Ngā mema

Throughout the year the Commission comprised:

- Brendan Duffy (Chairperson)
- Bonita Bigham
- Dr Sue Bidrose

In October 2024 Gwen Bull was appointed by the Minister of Local Government to be a temporary member of the Commission to assist with representation reviews.

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 produce a standardised code of conduct for local authority elected members.

This work builds on work the Commission undertook in 2021 that identified improving codes of conduct is supported by the sector and requires legislative

 $^{^{\}rm 1}$ A complete list of the Commission's functions is contained in Appendix 1.

change - but must be supported by broader governance measures, including sector input, clear complaints processes, and professional development.

The Commission is required to report back to the Minister by 20 December 2025. The Commission has begun engaging with key stakeholders and seeking information to help draft a standardised code.

Priorities in developing a standardised code of conduct include highlighting freedom of speech for elected members, democratic decision making, and conflict management principles, while not restricting council decision-making. The purpose of developing a standardised code of conduct is to provide consistency and certainty to the sector about their roles, responsibilities, and professional standards.

Local government reorganisation Te whakaraupapa anō i ngā kaunihera

Request for reorganisation of local government in Southland

On 21 February 2025, Southland District Council lodged a local government reorganisation initiative with the Local Government Commission under section 24(1)(c) and (f) of the Local Government Act 2002 (the Act), seeking two unitary authorities for Southland. The Commission agreed that the reorganisation initiative is a valid initiative, containing the information required by Schedule 3, clause 4 of the Act.

The Commission has been undertaking consultation with affected local authorities and iwi on the factors it must consider when deciding whether to investigate the initiative (listed in Schedule 3, clause 6 of the Act). The four affected local authorities are; Gore District Council, Invercargill City Council, Southland District Council and Southland Regional Council (Environment Southland).

In early July 2025, the Commission will decide whether to investigate the reorganisation initiative.

Kawerau District/Whakatane District boundary alterations

In April 2024, the Commission adopted a reorganisation plan for altering the boundary between Kawerau District and Whakatane District, to take effect on 1 September 2024. The reorganisation plan and the subsequent reorganisation implementation scheme were given effect by Orders in Council on 31 May 2024 and 31 July 2024 respectively.

The Commission subsequently identified the need for minor alterations to the boundary between Kawerau District and Whakatane District to align with the local authorities' operational boundaries. Following consultation by the Commission with each local authority, these alterations were made by the Minister of Local Government on the Commission's advice. The alterations were given effect by notice by the Minister published in the Gazette in February 2025.

Queenstown-Lakes District Council and Wānaka-Upper Clutha community

Following receipt of a reorganisation initiative in 2023 proposing a separate Wānaka-Upper Clutha District Council, the Commission determined in December 2023 that a reorganisation investigation was not warranted. Instead, the Commission, under section 30(2) of the Local Government Act, made a number of recommendations focusing on the Council's relationship with the Wānaka-Upper Clutha community, and with Te Rūnanga o Ngāi Tahu and the relevant rūnaka of Ngāi Tahu. The Commission requested an action plan from Queenstown-Lakes District Council, which was received in May 2024 and considered in July 2024.

The Commission considered that the action plan demonstrated Queenstown-Lakes District Council was cognisant of public concerns, understood where improvements needed to be made, and was taking necessary steps towards improving relations with the Wānaka-Upper Clutha community. The Commission sought a further update from Queenstown-Lakes District Council to understand how the impacts of the actions were being realised, and any further actions being implemented. This update will be considered by the Commission in July 2025.

Bunnythorpe community

In December 2021, the Commission received an appeal against the decision of Palmerston North City Council not to establish a Bunnythorpe Community Board. The Commission released its determination in July 2023, in which it did not uphold the appeal. As part of its determination, the Commission made recommendations to the Council aimed at building a stronger relationship between the Council and the Bunnythorpe community.

In July 2024, the Commission considered an update from Palmerston North City Council on progress made towards the Commission's recommendations, along with feedback from the community. The Commission observed positive progress towards improved relationships and communication between the Council and the Bunnythorpe community and wrote to the Council, encouraging continuation of actions addressing the Commission's recommendations. This correspondence marked the end of the Commission's formal involvement with the Greater Bunnythorpe Community Board appeal.

Representation reviews Ngā arotake whai kanohitanga

Forty-one local authorities reviewed their representation arrangements under the Local Electoral Act 2001 (the LEA) in this electoral cycle.

Of the 41 local authorities, the Commission determined 21 representation reviews over a period of six months and by the statutory deadline of 10 April 2025. It was required to consider those reviews because appeals or objections were lodged against the local authorities' decisions or because, in some cases, local authorities sought exemptions for proposed representation arrangements that did not comply with the +/-10% fair representation rule in section 19V(2) of the LEA².

The Commission's determinations on those reviews are summarised in the following table:

Local authority	Number of appeals or objections	Council's proposal	Commission's decision
Auckland	18	 20 councillors elected from 13 wards 151 local board members, elected from 21 local boards with 20 subdivisions (previously 149 local board members, elected from 21 local boards with 18 subdivisions) The following electoral areas not complying with section 19V(2): Albany Ward North Shore Ward Hibiscus Coast Subdivision (Hibiscus and Bays Local Board) East Coast Bays Subdivision (Hibiscus and Bays Local Board) Maungakiekie Subdivision (Maungakiekie-Tāmaki Local Board) Ötara Subdivision (Ōtara-Papatoetoe Local Board) 	Boundaries altered for: • Waitematā and Gulf Ward • Ōrākei Ward • Maungakiekie- Tāmaki Ward All electoral areas not complying with section 19V(2) upheld

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² Section 19V(2) of the Local Electoral Act 2001 requires a council and the Commission to ensure that the population of each ward, constituency or subdivision, divided by the number of members to be elected from each area produces a figure no more than 10% greater or smaller than the population of the district, region or community board area divided by the total number of elected members of the body concerned. This is referred to as the '+/-10% rule'. Section 19V(3) enables the Commission to grant exceptions if one of the criteria listed in section 19V(3) is met.

Local authority	Number of appeals or objections	Council's proposal	Commission's decision
		 Waiuku Subdivision (Franklin Local Board) Pukekohe Subdivision (Franklin Local Board) 	
Bay of Plenty Regional Council	-	 14 members elected from 4 general constituencies and 3 Māori constituencies Eastern Bay of Plenty and Tauranga general constituencies not complying with section 19V(2) 	Council's proposal upheld
Canterbury Regional Council	2	 14 members elected from 7 constituencies Christchurch West/Ōpuna, Mid- Canterbury/Ōpākihi and South Canterbury/ Ōtuhituhi constituencies not complying with section 19V(2) 	Council's proposal upheld
Central Otago District Council	-	 10 members elected from 4 wards 4 community boards each with 4 elected members Maniototo, Teviot Valley and Vincent wards not complying with section 19V(2) 	Council's proposal upheld
Far North District Council	-	 10 members elected from 4 wards 3 community boards; 2 with 6 elected members each, 1 with 7 elected members Te Hiku General Ward, the North Cape and the Doubtless Bay Subdivisions of the Te Hiku Community Board, the Russell-Ōpua and the Whangaroa Subdivisions of the Bay of Islands -Whangaroa Community Board, and the South Hokianga Subdivision of the Kaikohe-Hokianga Community Board not complying with section 19V(2) 	Council's proposal upheld
Greater Wellington Regional Council	2	 14 councillors elected from 6 general constituencies and 1 Māori constituency Te Upoko o te ika a Māui Māori Ward established Kāpiti Coast General, Porirua-Tawa General, Te Awa Kairangi ki Uta/Upper Hutt General, Te Awa Kairangi ki Tai/Lower Hutt General constituencies not complying with section 19V(2) 	Council's proposal upheld

Local authority	Number of appeals or objections	Council's proposal	Commission's decision
Hurunui District Council	11	 10 councillors elected from 3 wards 2 community boards establishment of a new South Ward community board and continuation of the existing Hamner Springs community board) 	Council's proposal upheld
Hutt City Council	17	 13 members; 8 elected from 6 wards, 5 elected at large 3 community boards disestablished Wainuiomata General Ward not complying with section 19V(2) Mana Kairangi ki Tai Māori Ward established 	 Council's proposal not to comply with section 19V(2) upheld Petone Community Board disestablished, Eastbourne and Wainuiomata Community Boards to remain
Kapiti Coast District Council	3	 10 Councillors elected from 5 wards 5 community boards each with 4 elected members Kapiti Coast Māori Ward established 	Council's proposal upheld
Ōpōtiki District Council	1	 7 members elected from 2 general wards and 2 Māori wards 1 community board with 4 elected members Coast Māori Ward and Ōpōtiki Māori Ward not complying with section 19V(2) 	Council's proposal upheld
Otago Regional Council	2	12 members elected from 4 constituencies	Council's proposal upheld
Selwyn District Council	5	 11 members elected from 4 wards Malvern Community Board, with 5 members elected from 3 subdivisions 	Arrangements altered to: 8 members elected from 4 wards 2 members elected by the electors of the district as a whole Malvern Community Board boundaries altered, reduced to 2 subdivisions, remaining with 5 members

Local authority	Number of appeals or objections	Council's proposal	Commission's decision
Southland District Council	-	 12 members elected from 5 wards 9 community boards; 8 electing 6 members each and 1 electing 7 members Öreti, Waihōpai Toetoe, and Stewart Island/Rakiura Wards, Parawa Fairlight and West Dome Subdivisions of the Northern Community Board, and Makarewa Subdivision of the Öreti Community Board not complying with section 19V(2) 	Council's proposal upheld
Southland Regional Council	2	 12 members elected from 6 constituencies Fiordland, Southern, and Invercargill- Rakiura Constituencies not complying with section 19V(2) 	 Council's proposal not to comply with section 19V(2) upheld Boundary between Southern and Hokonui Constituencies altered
South Wairarapa District Council	1	 10 members elected from 3 general wards and 1 Māori ward 3 community boards continued Ta Karu o Te Ika a Māui Māori Ward established 	Council's proposal upheld
Tasman District Council	2	 14 members elected from 6 wards 2 community boards, each with 4 elected members Golden Bay General, Moutere Waimea General, and Richmond General Wards not complying with section 19V(2) 	 Council's proposal not to comply with section 19V(2) upheld Boundary between Moutere Waimea and Lakes Murchison General Wards altered
Thames- Coromandel District Council	-	 10 members, elected from 5 wards Te Tara o te Ika Māori Ward established 5 community boards, each with 4 elected members Coromandel-Colville and South East General Wards not complying with section 19V(2) 	Council's proposal upheld
Timaru District Council	-	 9 members, elected from 3 wards 3 community boards, each with 5 or 6 elected members Geraldine Ward not complying with section 19V(2) 	Council's proposal upheld

Local authority	Number of appeals or objections	Council's proposal	Commission's decision
Waitaki District Council	-	 10 members elected from 4 wards 2 community boards each with 4 elected members Ahuriri Ward not complying with section 19V(2) 	Council's proposal upheld
Western Bay of Plenty District Council	37	 9 members elected from 3 general wards and 1 Māori ward Waka Kai Uru Māori ward established 3 Community boards with subdivisions, covering the entire district 	 Council's proposal for wards upheld 3 Community boards retained with limited change. A new Ōmokoroa—Kaimai Community Board established, covering the full Kaimai General Ward A new Te Puke—East Community Board established covering Te Puke and the neighbouring eastern communities of Paengaroa, Pongakawa, and Pukehina
Whanganui District Council	8	 12 members elected from 2 wards Whanganui Māori Ward established Whanganui Rural Community Board, with 7 members elected from 3 subdivisions 	Boundaries of Whanganui and Kai Iwi Subdivisions of Whanganui Rural Community Board altered Resulting non- compliance with section 19V(2) for Whanganui and Kai Iwi Subdivisions upheld

In April 2025 an appeal under Schedule 5 of the Local Government 2002 was lodged with the High Court against the Commission's determination for Tasman District Council. A hearing date is scheduled for August 2025.

Representation Commission Te Komihaha Whakatau Rohe Pōti

The Commission's chairperson, Brendan Duffy, is currently sitting as a member of the Representation Commission as it is reviewing parliamentary electorate boundaries for the 2026 and 2029 general elections. The review commenced in February 2025 and is due to be completed in August 2025.

The year ahead Te tau e tū mai

The primary focus of the Commission in 2025-2026 will be the following activities:

- Report back to the Minister of Local Government with recommendations for a standardised code of conduct for local authority members.
- Continuing engagement with the local government sector on matters relating to good local government and representation issues.
- Dealing with any new reorganisation initiatives or requests it receives.
- Investigating the reorganisation initiative lodged by Southland District Council.

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;
- 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 investigations³ following receipt of reorganisation initiatives⁴ and reorganisation requests⁵;
- (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;

³ A reorganisation investigation can result in recommendations to a local authority, one or more reorganisation plans or both.

⁴ 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.

⁵ A reorganisation request seeks an investigation into an issue or matter but without proposing a particular reorganisation.

- (I) 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;⁶
- (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.

⁶ 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

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