



**Local Government
Commission**

Mana Kāwanatanga ā Rohe

Briefing for the incoming Minister of Local Government

January 2025

Nau mai haere mai

Waiho i te toipoto, kaua i te toiroa
Let us keep close together, not wide apart

Introduction

The Local Government Commission (the Commission) welcomes you to your appointment as Minister of Local Government. We look forward to collaborating with you to support you to deliver the priorities of the Local Government portfolio.

The Commission is an independent statutory body formed under the Local Government Act.

The Commission's main roles are:

- Promoting good practice in local government
- Considering proposals for local government reorganisation
- Representation reviews
- Reporting to the Minister of Local Government on local government issues

The Commission's membership

The Local Government Act provides that the Commission shall consist of three members appointed by the Minister of Local Government. One of those members must have knowledge of tikanga Māori and be appointed after consultation with the Minister of Māori Development. One of these members must have experience as an elected member or the chief executive of a local authority and must be appointed by the Minister after consultation with the New Zealand Local Government Association Incorporated (LGNZ)

The current Commission members are Brendan Duffy, Bonita Bigham and Dr Sue Bidrose. Brief biographies of the Commission members are attached as Appendix 1.

The Act also provides for the appointment of temporary Commissioners to assist with workload when needed. Gwen Bull is currently appointed as a temporary Commissioner.

The Commission's functions

The Commission is constituted under Subpart 3 of Part 3 of the Local Government Act 2002. It does, however, have functions under a number of different Acts.

The principal functions of the Commission are to:

- respond to applications for the reorganisation of local authorities.
- provide information about local government.
- promote good practice relating to a local authority or to local government generally.
- report to the Minister of Local Government, or to any local authority, on matters relating to local government, or on any matter arising from the performance of the Commission's functions (this may be done at the request of the Minister of Local Government or on the Commission's initiative)
- consider appeals and objections relating to a local authority's proposals for ward or constituency boundaries, community boards, and the number of members following a representation review.
- determine disputes between local boards and the governing bodies of unitary councils about the allocation of decision-making responsibility to local boards and local board bylaw proposals.
- consider appeals against decisions of territorial authorities not to constitute communities and community boards.

The Electoral Act 1993 also provides that the Chairperson of the Commission is a non-voting member of the Representation Commission which is responsible for reviewing the boundaries of parliamentary electorates.

A full list of the Commission's functions is included as Appendix 2.

The Minister and the Commission

The roles of the Minister of Local Government in respect of the Commission are as follows:

- To appoint members and temporary members of the Commission
- To determine rates of remuneration paid to members of the Commission
- To take the lead on the Government's policy direction on local government generally, and the powers and constitution of the Commission specifically, as expressed through legislation
- To specify measures and expectations relating to the Commission's performance of local government reorganisation responsibilities.

The Minister is also responsible for arranging for the implementation of the Commission's decisions on local government reorganisation by Order in Council.

The relationship between the Minister of Local Government, the Local Government Commission and the Department of Internal Affairs is set out in diagrammatic form in Appendix 3.

The Commission's work

Representation reviews

To achieve fair and effective representation at these elections, local authorities are required by the Local Electoral Act 2001 to review their representation arrangements at least once every six years.

A representation review addresses the total number of councillors there should be for a district or region and the way they are elected. In the case of territorial authorities, this involves deciding whether councillors are elected from wards or 'at large' across the whole district, or by a mix of both wards and 'at large'.

A review also covers the boundaries of wards and constituencies, and their names. In the case of territorial authorities, a review also needs to address whether there should be community boards in the district and, if so, the number of boards; their names and boundaries; the number of members for each board including any appointed members; and whether the board area should be subdivided for electoral purposes.

The Commission becomes involved in a review if:

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

The Commission is currently in the middle of one of the review cycles. 41 local authorities are reviewing their representation arrangements prior to the 2025 local elections. A table showing the progress of these Councils through the various phases

is shown in Appendix 4. The deadline for the Commission to have made any necessary determinations is 10 April 2025.

Local Authorities that established a Māori ward without holding a poll following the 2021 legislation changes will be required to hold a poll at the 2025 local elections. Depending on the outcome of these polls, this may result in an increased number of local authorities needing to conduct a representation review ahead of the 2028 elections. This in turn may result in an increase in workload for the Commission.

Reorganisations

Local government reorganisation means changes to the structure or the responsibilities of local authorities and local boards. It could involve one or more of the following:

- the alteration to boundaries of districts or regions
- the union of districts or regions
- the constitution of a new district or region and a council(s) for that area
- the abolition of a district or region and the council(s) for that area
- the transfer of responsibilities between councils
- the establishment of joint committees
- the establishment, alteration of boundaries, or abolition of local boards.

There are two main pathways to reorganisation under Schedule 3 of the Local Government Act 2002 (LGA):

- A request may be made to the Commission for it to consider a proposed reorganisation covering one or more of the above matters – this is called a reorganisation initiative
- A request may be made to the Commission for it to conduct an investigation into an issue or matter without proposing a particular organisation structure – this is called a reorganisation investigation

In either case, a reorganisation initiative or reorganisation investigation can be submitted or requested by:

- One or more affected local authorities
- A group of at least 10% of electors in the affected area (including evidence of this)
- The Minister of Local Government

The Commission does not have any reorganisation initiatives or investigations open currently. Conversations have taken place with the Southland District Council about a potential proposal.

Two reorganisation processes were completed by the Commission in 2024.

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. It included public consultation 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 concluded in March 2024.

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.

Greater Bunnythorpe Community Board

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 met with relevant parties in December 2022, and April-May 2023, to better understand the challenges facing the Bunnythorpe community and its relationship with Palmerston North City Council.

The Commission released its determination on 20 July 2023. While the Commission did not uphold the appeal to establish a community board, the Commission made recommendations to Palmerston North City Council under section 30(2) of the Local Government Act 2002, which empowers the Commission to provide information about local government and to promote good practice relating to a local authority or to local government generally.

In May 2024 the Commission requested an update from Palmerston North City Council to understand the actions undertaken by the Council in relation to the Commission's recommendations. These will be considered by the Commission in July 2024 and the positive progress made to date was acknowledged.

Wānaka-Upper Clutha District Constitution

In 2023, the Commission agreed that an elector-initiated reorganisation initiative seeking the constitution of a Wānaka-Upper Clutha District Council, 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.

In August 2023, the Commission considered information received from Queenstown-Lakes District Council. The Commission agreed that there was insufficient information in the response to assess whether or not to investigate the reorganisation initiative and requested further information from the Wānaka-Upper Clutha Community Board, Te Rūnanga o Ngāi Tahu and Queenstown-Lakes District Council which was received between September and December 2023.

In December 2023, the Commission decided that an investigation into the separate Wānaka-Upper Clutha district proposed by the initiative was not warranted because on balance:

- The information received by the Commission does not sufficiently demonstrate that the purpose of the reorganisation is 'to promote good local government by enabling and facilitating improvements to local governance'
- There is little demonstrated potential scale and scope of improvements to local governance and services that might result from an investigation;
- There is the potential for negative effects arising from a reorganisation investigation, including costs and disruption for Queenstown-Lakes District Council and the Wānaka-Upper Clutha community;
- There does not appear to be an urgent need for a reorganisation investigation to be undertaken.

At the same meeting on 13 December 2023, and in accordance with the Commission's power to promote good practice relating to a local authority or to local government generally, under section 30(2) of the Local Government Act the Commission recommended that Queenstown-Lakes District Council develop an action plan, this was presented to the Commission on 31 May 2024. It was considered by the Commission in July 2024 when it was agreed that a further update in April 2025 would be of value.

Promoting good practice

Code of Conduct

As part of its focus on good governance in local government, the Commission is interested in addressing governance issues across the sector.

The Local Government Commission is aware that conduct issues and Codes of Conduct are an area of concern for the Local Government sector. The Commission is interested in the role that Codes of Conduct, associated complaints and issues play as part of good local governance. As a response to this, a report on Local Government Codes of Conduct was presented to the Minister in 2021. A copy of that report can be found here: <https://www.lgc.govt.nz/our-work/good-practice/codes-of-conduct/>.

Governance Education Strategy

In 2022, following the report on Local Government Codes of Conduct, the Commission looked at how the governance capability of councils can best be supported. It led a working group with diverse sector experience, and widely canvassed councils to take stock of the sector's governance education needs. A report on a governance education strategy for local government went to the Minister of Local Government in June 2023.

The report outlined a holistic governance education strategy, including an overarching capability framework and three supporting pillars: public accountability, good practice budget guidance, and accreditation. The Commission explored options for progressing the governance education strategy while being mindful of the Commission's stewardship role and focussing on how the Commission might work with other sector stakeholders to ensure a collective and cohesive approach to governance education that avoids duplication.

Given the current fiscal environment and the need for efficient resource use, the Commission's ability to advance key areas such as public accountability, funding, and accreditation is limited. The immediate focus being on fulfilling our statutory role in local authority representation reviews, in June 2024 the Commission decided to conclude its work on the governance education strategy. However, the Commission remains open to revisiting the strategy in future should changes in context warrant it. This was communicated to the Minister of Local Government following the Commission's decision to cease work on the governance education strategy.

A Standardised Code of Conduct

The Commission is aware that the Minister may be considering referring a piece of work to the Commission using the provision in the Local Government Act. This relates to working towards a standardised code of conduct for elected members, to be used across the sector. The Commission is awaiting further advice from the Department of Internal Affairs on the outcome of this matter and would be happy to be involved in any appropriate discussions.

Anything else you need?

You can contact the Commission's Chief Executive Officer, Penny Langley on 0272 805 865 or penny.langley@lgc.govt.nz

Biographies of Commissioners



Brendan J Duffy ONZM, JP (Chair)

Brendan was appointed as a temporary member of the Commission in March 2017 and as a full member in June 2018. He was appointed Chair in 2019.

He served a three-year term as Vice President of Local Government New Zealand for 3 years and also chaired its Rural and Provincial Sector.

Brendan was first elected as a member of Horowhenua District Council in 1995 and served as Mayor of Horowhenua from 2004 to 2016.



Bonita Bigham - Ngaruahine, Te Atiawa

Bonita was appointed as a temporary member of the Commission in June 2021 and as a full member in July 2022.

Bonita was elected to the Taranaki Regional Council in 2022. She has previously been a member of the Taranaki Coastal Community Board (2019-2022) and a councillor at South Taranaki District Council (2010-2019).

She has chaired Te Maruata, Local Government New Zealand's national collective of Māori in governance roles in local government and served on LGNZ's National Council and the Community Board Executive Committee.

Bonita currently sits on the Arts Council at Creative New Zealand, and Te Puna, the Māori advisory committee to Taumata Arowai, having previously held other appointments.



Dr Sue Bidrose

Sue was appointed as a member of the Commission in July 2022.

Sue is also Chief Executive Officer of Crown Research Institute, AgResearch. Prior to taking on that role, she had been Chief Executive of the Dunedin City Council for seven years and had held other senior management roles at the Dunedin and Waitakere City Councils.

She has also worked in central government in a number of research, policy and operational roles.



Gwen Bull

Gwen was appointed as a temporary Commissioner in November 2024.

Elected as a Manukau Representative to the Auckland Regional Council in 1995. She spent the first two terms on Council as Chair of the Strategic Policy and Planning Committee, and the third term as Chair of the Council.

Gwen completed the Making Good Decisions Course for RMA and chaired many hearings. Also involved in the District Licensing Committee. Appointed to the Local Government Commission that oversaw the reorganisation of Auckland from seven TLA'S to one Council. Awarded CNZM for services to Local Government and is a Justice of the Peace.

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

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 the Board cannot agree on an arbitrator, the Commission must appoint an arbitrator.

Electoral Act 1993

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

Local Electoral Act 2001

The Commission has four responsibilities under the Local Electoral Act 2001:

- Under sections 19JA and 19JB, to consider and determine minor alterations to the boundaries of electoral areas made outside the representation review process.
- Under section 19R, to consider and determine any appeals and objections relating to a local authority's representation proposals for the next triennial local elections.
- Under section 19V, to consider and determine a local authority's representation review proposals where the population to member ratio for any electoral area falls outside the +/-10% range.
- Under section 19Z to issue guidelines that identify the matters a local authority should take into account when carrying out a review of representation.

Determinations under sections 19R and 19V for the Bay of Plenty Regional Council are made subject to the Bay of Plenty Regional Council (Māori Constituencies Empowering) Act 2001.

Local Government Act 1974

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

Local Government Act 2002

The Local Government Act 2002 gives the Commission the following responsibilities:

- 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.
- Under section 26, to amend reorganisation plans and reorganisation implementation schemes.
- Under section 27 to consider and determine applications from a territorial authority wishing to be called a city council or a district council.
- under section 30, if considered appropriate, to provide information about local government and promote good practice in respect of a local authority or of local government generally.
- 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, or matters relating to a local authority or to local government them.
- Under sections 48R and 48S, to determine certain disputes between local boards and the governing body of a unitary authority about the allocation of decision-making responsibilities and proposed bylaws.
- Under Schedule 3, to undertake reorganisation investigations¹ following receipt of a reorganisation initiative or reorganisation requests², (and to develop and issue any resulting reorganisation plans and reorganisation implementation schemes).
- Under clauses 22A to 22B, Schedule 3, to consider a reorganisation plan resulting from a local authority-led reorganisation application, (and to develop and issue the subsequent reorganisation implementation scheme).
- Where a poll is to be held on a reorganisation plan:
 - Under clause 25, Schedule 3, to designate the electoral officer to conduct the poll
 - Under clause 26, Schedule 3, to determine the date of the poll
 - Under clause 30, Schedule 3, if a local authority requests, to provide a ruling on whether or not material proposed to be published by the local authority during the period leading up to a poll on a reorganisation proposal contains factual or referential material presented in a balanced way.
- Under clause 53, Schedule 3, if there is disagreement on how the assets and liabilities are to be apportioned between local authorities when a reorganisation scheme has been implemented, the Commission must make a direction.
- Under Schedule 3A, to undertake reorganisation investigations following receipt of a reorganisation initiative or reorganisation request relating to the establishment or reorganisation of a local board (and to develop and issue any resulting reorganisation plans).

¹ A reorganisation investigation can result in recommendations to a local authority, one or more reorganisation plans, or both.

² A reorganisation initiative seeks a specific reorganisation, e.g., a boundary alteration, while a reorganisation request seeks an investigation into an issue or matter but without proposing a particular reorganisation.

- Under clause 16, Schedule 3A, to consider a reorganisation plan resulting from a local authority-led reorganisation application relating to the establishment or reorganisation of a local board.
- Under Schedule 6, It must consider and determine appeals against a territorial authority's decision to decline a request from a group of electors for the constitution of a community board.

Local Government (Auckland Council) Act 2009

Under sections 97 to 99, it must determine disputes between local boards and the governing body of the Auckland Council about the allocation of decision-making responsibilities and proposed bylaws.

Museum of Transport and Technology Act 2000

Under section 20(10), if the Museum Board and the Museum's Electoral College cannot agree on an arbitrator to determine the amount of the museum's levy, the Local Government Commission is to appoint an arbitrator.

Port Companies Act 1998

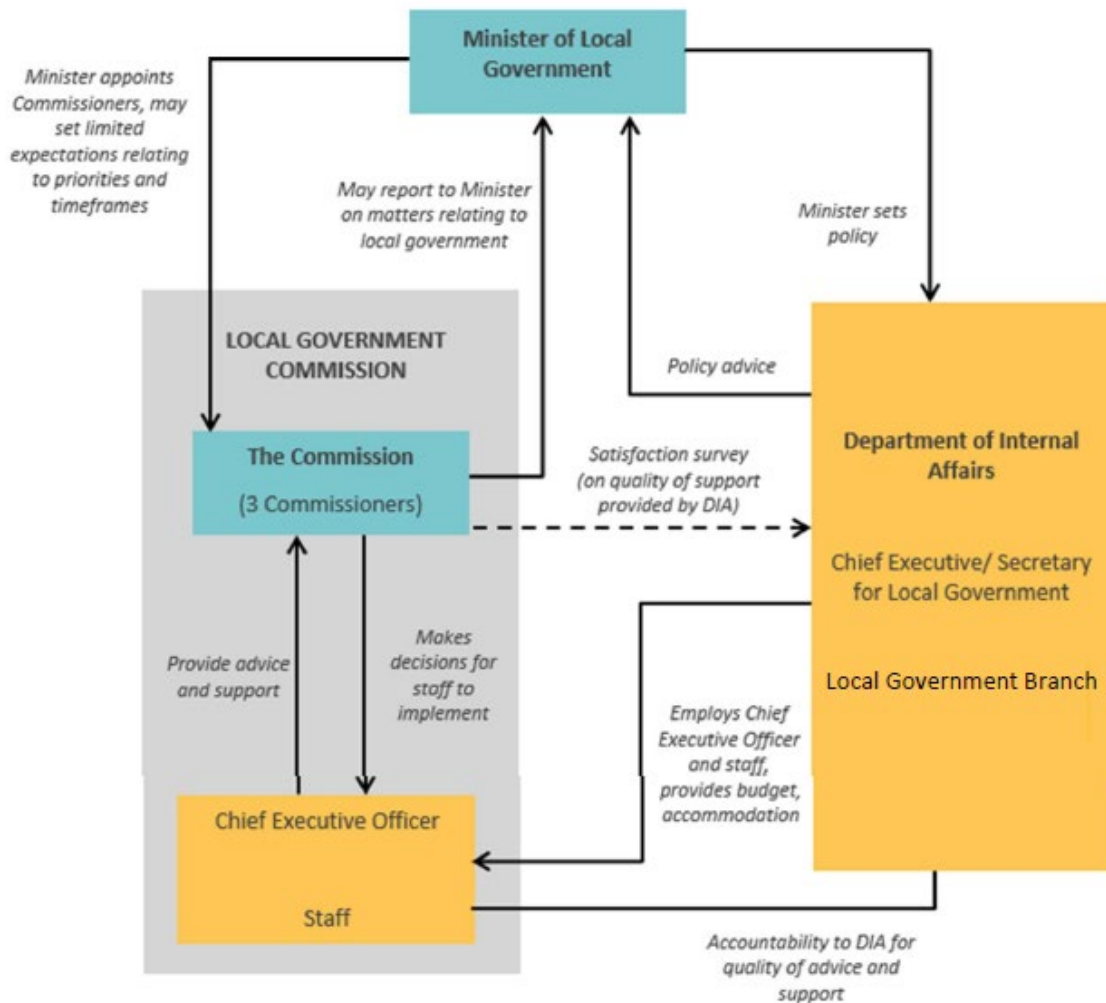
Under section 2A, the Commission may determine any matter where a regional council and a territorial authority are unable to reach agreement in respect of any function, power, duty, property, right or undertaking of a former harbour board transferred to them.

Sale and Supply of Alcohol Act 2012

Under sections 304, 337 and 363, the Commission may review the boundaries of licensing trust districts and wards, and the boundaries of community trusts, to ensure that those boundaries conform with meshblock boundaries.

Appendix 3

Current relationship between Minister, Local Government Commission, and the Department of Internal Affairs



Progress of Councils through representation review phases as of 21 January 2025

Step in process	Council
Completed with no appeals received (and no further action required by the Commission)	Ashburton District Council Buller District Council Carterton District Council Central Hawke's Bay District Council Clutha District Council Gore District Council Hauraki District Council Kaipara District Council Kawerau District Council Napier City Council Waikato Regional Council Waimate District Council Waipa District Council Wairoa District Council Waitomo District Council Westland District Council
Completed with no submissions received (and no further action required by the Commission)	Chatham Islands Council Grey District Council Kaikoura District Council West Coast Regional Council

Determination issued by Commission	Bay of Plenty Regional Council Central Otago District Council Far North District Council Hurunui District Council Timaru District Council Thames-Coromandel District Council Hutt City Council Whanganui District Council Southland District Council Waitaki District Council
Hearing completed (and a determination from the Commission pending)	
Appeals received and hearing scheduled	Auckland Council Ōpōtiki District Council Otago Regional Council Selwyn District Council Southland Regional Council South Wairarapa District Council Tasman District Council
Appeals received, no hearing needed, and a determination from the Commission pending	Environment Canterbury
No appeals received but non-compliant with the +/-10% rule (and a determination from the Commission required)	
Appeals received and awaiting decision on whether to hold a hearing	Greater Wellington Regional Council Kapiti Coast District Council Western Bay of Plenty District Council
Final proposals resolved and waiting for appeals	
Submissions on initial proposal received, yet to resolve final proposal	
Initial proposal resolved and waiting for submissions	