



LOCAL GOVERNMENT COMMISSION
REVIEW OF BANKS PENINSULA DISTRICT
Commission's Findings and Decisions

REVIEW OF BANKS PENINSULA DISTRICT

1.0 INTRODUCTION

1.1 This document is published pursuant to section 37ZZTJ(a) of the Local Government Act 1974 (“the Act”).

1.2 On 10 June 1997, electors of Banks Peninsula District (the “proposers”) submitted a proposal for the abolition of the Banks Peninsula District (“the District”) and its union with Christchurch City (“the City”). The Banks Peninsula District Council (“the District Council”) would also be dissolved. Local government functions within Banks Peninsula would be performed by the Christchurch City Council (“the City Council”). The proposal was submitted pursuant to Parts IIB and IIBB of the Act. The proposal was checked for its validity within the District Council, and then referred to the Commission for its consideration on 9 July 1997.

2.0 PRELIMINARY CONSULTATION

2.1 Under section 37ZZQB of the Act, the Commission sought the views of nominated representatives of the proposers, the District Council and the City Council, a number of government departments and agencies, the Selwyn District Council, and the Canterbury Regional Council. The Commission also held public meetings within the Banks Peninsula District, where the proposal was discussed and the Commission’s responsibilities and the possible outcomes for the proposal were explained.

3.0 UNDERTAKING A REVIEW

3.1 Under section 37ZZS of the Act the Commission, after receiving the proposal and undertaking preliminary consultation, is required to consider whether to carry out a review of the affected districts. This possibility was explored in the preliminary meetings involving the affected councils, and the public meetings held throughout the District, and attracted a number of submissions. In addition to those from the proposers and the affected authorities, and two from central government agencies, there were 25 from the public or community groups.

3.2 The submissions contained varying opinions on -

- the pattern of communities of interest in the district and their relationships with other communities;
- whether or not good local government would be best promoted by the proposal or by an alternative option;
- the most appropriate structure of local government for Banks Peninsula; and

- the role of community boards, both within the existing district and in any new structure.

- 3.3 Specific alternative structural arrangements suggested to the Commission related to -
- implementation of the proposal;
 - the retention of the District in its existing form;
 - the division of the District between Christchurch City and Selwyn District; and
 - regardless of which of the above options may be pursued, the inclusion of Kaitorete Spit and Lake Ellesmere in the Selwyn District.

3.4 Given the significance of issues raised in the preliminary submissions, the Commission concluded that the most appropriate means of forming a judgement on the merits of the issues put to it would be by carrying out a review of Banks Peninsula District. Although the scope of the review could have legally been extended to Christchurch City, the Commission received no evidence to suggest that this was either necessary or appropriate. Accordingly, the review was solely directed to local government in Banks Peninsula.

3.5 A number of the submissions sent to the Commission made comment on the performance of the Council or its officers, either generally or in relation to specific issues. The Commission's view was that it should confine its considerations to the appropriate local government structure for the District in accordance with the statutory criteria.

4.0 MATTERS CONSIDERED IN THE REVIEW

4.1 The Commission passed a resolution to undertake a review of the District on 14 October 1997, and then proceeded to give notice of the review. In that notice, it stated that it would -

- (a) Consider what system of local government in the District would best meet the criteria specified in sections 37ZQA to 37ZRA of the Act, and in particular whether they would be best met by -
 - (i) the union of the District and Christchurch City;
 - (ii) the inclusion of any part of the District in the district of another local authority; or
 - (iii) the continued existence of the District.
- (b) Consider, when determining which system of local government best met the criteria -
 - (i) which system would best promote the good local government of the affected districts;
 - (ii) which system would best result in districts -
 - with the resources necessary to enable their local authorities to carry out their functions, duties and powers;
 - which would be appropriate for the efficient and effective exercise of local authority functions, duties and powers; and
 - with a sufficiently distinct community of interest or sufficiently distinct communities of interest;
 - (iii) which system of representation would best meet the criteria specified in section 37ZRA of the Act, i.e., whether it was appropriate to divide the

- District into wards and, if so, their number and boundaries, and the number of elected members; and
- (iv) whether the good local government of the District would be best promoted by -
- the existing system of communities and the functions, duties, and powers of community boards;
 - an alternative system of communities; or
 - a change in the functions, duties and powers of the community boards.
- (c) Consider any other matters which it could consider and determine, whether in accordance with Parts IIB or IIBB of the Act, or some other statutory provision, but not the performance of the Council or its staff.

4.2 The various parties referred to in section 37ZZTF of the Act were notified and supplied with a copy of the statement of review, and informed that they would be given the opportunity to meet and be heard by the Commission. The Commission also requested the District and City Councils to jointly undertake an analysis of the likely financial impact of a union of the District and the City.

4.3 A total of 13 submissions were received from the public and interested organisations, the District and City Councils, other interested local authorities, the proposers, one community board, and the Parliamentary Commissioner for the Environment. A list of those who made submissions is attached as an Appendix to this statement.

4.4 The financial analysis requested was prepared and, at meetings in August 1998, agreed to by a joint working party of elected members of the two affected councils. It was then forwarded to the Commission for consideration.

5.0 HEARING AND CONSIDERATION OF SUBMISSIONS AND OTHER INVESTIGATIONS

5.1 To meet its obligations under section 37ZZTF of the Act, the Commission held a meeting in Lyttelton on 3 August 1998, for those parties referred to in that section, and all others who had made written submissions. At this meeting, the Commission heard submissions from representatives of the District Council and the City Council, the proposers, the Akaroa-Wairewa Community Board, the Selwyn District Council, the Canterbury Regional Council, and four others who spoke on their own behalf or on behalf of an interested organisation.

5.2 In addition to its discussions with those persons and organisations, the Commission also carried out further investigations on financial matters and communities of interest.

6.0 SUMMARY OF MATTERS RAISED IN SUBMISIONS

6.1 The main points raised in the submissions were as follows:

- that the proposal should go ahead in its original form;
- that the proposal should not go ahead;
- that the powers of community boards should be enhanced;
- that there should be a small change to the boundaries of the District around Lake Ellesmere and the Port Hills;
- that the Wairewa Ward and parts of the Akaroa Ward share a community of interest with Lincoln in the Selwyn District;
- that part of the Mount Herbert area be included in the Wairewa Ward to equalise ward populations;
- that the Akaroa and Wairewa Wards be combined;
- that a single community be constituted for the whole district; and
- that the Lyttelton Harbour basin be united with Christchurch City and the rest of the district joined with Selwyn District.

6.2 A subsequent submission from the Selwyn District Council requested the inclusion of part of the Banks Peninsula District in the Selwyn District, with the former being split along “the Herbert ridge-line”.

7.0 DISCUSSION OF PROPOSALS IN RELATION TO CRITERIA

7.1 Section 37ZQA(1)(a) of the Act requires the Commission to satisfy itself that a proposal or scheme will “promote the good local government” of the districts concerned. With regard to the word “promote”, the Commission is conscious that it has various meanings, but is satisfied that in the context of the legislation, the clear intention was that the word have the meanings: to advance, help forward, enhance, or improve. The expression “good local government” is not defined in the Act. However, the Commission has adopted a view, based on section 37K of the Act (which sets out the purposes of local government), that the achievement of those purposes would be the basis of good local government. Additionally, section 37ZQA(1) itself, by listing various requirements to be met, can, in the Commission’s opinion, be accepted as a strong indicator of matters to be taken into account in determining what may be good local government. When considering the various criteria set out in subparagraphs (i) to (iv) of paragraph (b) of 37ZQA(1), the Commission must consider also the factors in subsection (2) of that section.

7.2 By conducting a review, the Commission could also consider, in terms of section 37ZZTB(2)(a), which system of local government for the affected districts best meets the criteria specified in sections 37ZQA to 37ZRA of the Act.

7.3 By considering all of the above factors, the Commission interpreted the expression “promote the good local government” as meaning that implementation of the proposal would best improve or enhance the ability of the local authority for the proposed enlarged district to achieve the purposes of local government as set out in section 37K.

8.0 CONSULTATIONS WITH AFFECTED COUNCILS

8.1 As stated previously, both affected Councils were consulted prior to the Commission deciding to undertake this review. While the District Council did not support the proposal, and the City Council had not taken a position on it, both they and their officers cooperated fully with the Commission. This cooperation has continued after the formal consideration of submissions on the review statement. As already noted, a joint working party of both Councils has agreed upon a statement of the possible financial impacts following implementation of the proposal (“Service Level Issues and Financial Implications of an Amalgamation”).

9.0 CONSIDERATION OF CRITERIA IN SECTION 37ZQA

Paragraph (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.1 This is the principal criterion which the Commission must satisfy itself would be complied with if the proposal were given effect to. Whether the proposal promotes good local government can only be determined once the criteria listed in paragraph (1)(b) and the additional matters listed in paragraph (2) have been considered. An assessment of whether the proposal promotes good local government can then be made.

Subsection (1) (b)

(i) Whether the authority or authorities continued in existence will have the resources necessary to enable them to carry out their functions, duties, and powers.

9.2 The District Council and the City Council are to be commended on the extensive studies, discussions and agreement reached by their joint working party on service level issues and financial implications of an amalgamation between their districts.

9.3 These reports show that substantial administrative and capital savings of \$438,000 in year one, \$578,000 in year two and \$609,000 in subsequent years can be achieved. The agreed position of the joint working party is that significant improvements in service levels in the Banks Peninsula District, particularly in the provision and maintenance of parks, the improvement of roads and an enhanced programme for the maintenance of housing and property should then be undertaken. The costs of these improvements, after allowing for the savings resulting from an amalgamation, if the current rating policies of the two authorities are maintained, would result in an overall rate increase of 0.34% across the combined district. The joint working party agreed that the efficiency gains achievable from an amalgamation should be used to finance desirable increased levels of service in Banks Peninsula District. From the excellent work done by the joint working party the Commission is satisfied that a local authority resulting from the union of the District and the City would have the resources necessary to enable it to carry out its functions, duties and powers.

9.4 The Commission is satisfied that this criterion is met in respect of the proposal.

9.5 The Commission is not in a position to make definitive statements on the financial effects of implementation of the alternative proposal that part of the District be included in the Selwyn District. However, given that the Selwyn District Council is presently able to fund its functions from its current resources, whether by way of expenditure directly from revenue or by way of loans secured against future revenue, the Commission considers that the resources of an enlarged Selwyn District would be, at the very least, sufficient to ensure the continued performance of those responsibilities. It would not be possible, however, to achieve the significant improvement in service levels desired and agreed between the District and City Councils without significant rate increases in that part of the District joining with Selwyn District and/or in Selwyn District.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.6 With an area of approximately 150,000 hectares, a district combining the District and the City would be about three times the size of either Auckland or Manukau Cities, but rather less than half the area of Dunedin City. These three existing Cities have extensive rural areas interfacing with metropolitan areas.

9.7 Implementation of the proposal may require administrative changes but the Commission accepts that any necessary changes in approach would be readily achievable. Given the ability of the local authority of an enlarged district to add any additional expertise needed for the administration of a large rural area, the Commission believes that implementation of the proposal would create a district which would be appropriate for the effective and efficient exercise of local government functions, duties, and powers.

9.8 The analysis of financial and service level issues agreed to by the joint working party referred to above shows significant efficiency gains being used to increase the effective exercise of local government functions.

9.9 The Commission is satisfied that this criterion is met in respect of the proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

9.10 The Lyttelton Harbour Basin is increasingly becoming a suburb of Christchurch. This fact was noted by the Commission itself in its Draft Reorganisation Scheme for the Canterbury Region in 1988. At that time, almost 50% of the Lyttelton-Mount Herbert workforce were employed in Christchurch, while a significant proportion of the Lyttelton Harbour Basin workforce comprised Christchurch residents. Statistics from the 1996 Census reveal that this interdependence had continued to grow to the extent that almost 65% of the Lyttelton and area workforce were employed in Christchurch. Possibly even more notable is that

46% of those employed in the Lyttelton-Mount Herbert area were Christchurch residents. In fact, in Lyttelton itself, Christchurch resident workers outnumbered Lyttelton resident workers by 615 to 432.

- 9.11** Employment for people who live elsewhere in the District is almost entirely within the District, and, in most cases, close to where they live. This is, of course, what would be expected in a district where employment is largely rural or tourist-oriented, outside of the Lyttelton Harbour Basin.
- 9.12** Maintaining the rural community of interest outside the Lyttelton Harbour Basin depends in the long run on sufficient financial strength to maintain environmental and lifestyle standards adjacent to Christchurch. The joint service level study undertaken by the joint working party is an excellent illustration of how service levels in the Banks Peninsula District can be enhanced to the benefit of the rural/tourism related community of interest. Residents' needs (as identified by the working party) can only be met when greater financial resources become available.
- 9.13** While many residents of the District, outside of the Lyttelton Harbour Basin, have little daily contact with metropolitan Christchurch, the Commission was informed that most secondary school pupils from the Akaroa Ward, outside of Akaroa township, travel to Christchurch for their schooling. Some secondary students, principally from the Little River area, travel to Lincoln. Residents of Christchurch figure largely as absentee owners of land in the District. With Banks Peninsula being an important recreational area for residents of Christchurch, the City Council has recently acquired an extensive area of land in the District for use as a reserve, accentuating the position of the Peninsula as an important area for recreation for Christchurch residents.
- 9.14** The Commission is satisfied that this criterion is met in respect of the proposal.

(iv) Whether the proposed authority would be able to meet the requirements of section 223C of the Act.

- 9.15** The Commission is satisfied that the local authority of a larger district or districts would be able to maintain governing and administrative structures which would comply with the requirements of this section.
- 9.16** The Commission is satisfied that this criterion is met in respect of the proposal.

Section 37ZQA Subsection (2) paragraph (a) Area of impact of functions, duties, and powers of the proposed authority; and paragraph (b) Area of benefit of services provided.

- 9.17** The Commission considered the area of impact of functions, duties, and powers of the proposed authority and the area of benefit of services provided and concluded that the proposed district would be appropriate for the delivery of those functions and services.

There do not appear to the Commission to be any areas where service networks or areas of benefit are split between districts.

9.18 Overall the Commission concluded that the proposed new authority would have the ability to deliver appropriate services to the various parts of its new district in a more efficient and effective manner.

9.19 The Commission is satisfied that this criterion is met in respect of the proposal.

Section 37ZQA Subsection (2) paragraph (c) Likely effects of the exclusion of any area from the proposed district

9.20 This criterion is not relevant to the proposal or the suggested alternative proposal. Giving effect to either proposal would not leave a remainder district with diminished resources through the loss of a greater or lesser part of its district.

10.0 CONSIDERATION OF BEST FIT TO CRITERIA FOR PROMOTION OF GOOD LOCAL GOVERNMENT

10.1 Having addressed the specific matters referred to in section 37ZQA of the Act, the Commission further considered the overall question of the promotion of good local government for the residents of the affected districts. In this regard the Commission has a number of comments.

10.2 The obligations imposed by section 37ZQA of the Act will be met only if the Commission is satisfied that, -

- implementation of the proposal will improve or enhance the ability of the affected local authorities to achieve the purposes of local government as set out in section 37K of the Act; and
- all the requirements of section 37ZQA(1)(b) are met.

10.3 Legislation enacted since 1989 has, in the Commission's view, increased the demand for competencies in local government. Larger authorities, with their greater and more broadly-based resources, will tend to have an advantage in providing the needed competencies. Likewise, an authority must be sufficiently resourced to be able to put meaningful and realistic financial planning into effect.

10.4 The Commission considers that there is a need for long-term resource management and financial planning. The integrity of such planning must be maintained if an authority is to be able to respond to the wishes and aspirations of its residents.

10.5 The above mentioned report agreed to by a joint working party of elected members of the District Council and the City Council indicates widespread service benefits to the Banks Peninsula District. An extra \$605,000 per year would likely be available for parks and reserves in the District, and an extra \$843,000 for roads. An extra \$225,000 would likely

be available for housing and property in the first two years and an extra \$175,000 in years thereafter. A range of smaller annual sums would be spent on service improvements on solid waste, liquid waste, libraries, leisure and community services, and management information systems.

- 10.6** These service enhancements have been agreed by the joint working party as being achievable with only a 0.34% increase in rates across the combined district. They are enhancements that would not happen without a union of the two districts or a significant increase in rates in the Banks Peninsula District. A newly constituted Council would have the opportunity to ensure that such additional expenditure was meeting community wishes and aspirations and that the administrative savings jointly identified at this stage could be carried out. The Commission has therefore concluded that the requirements of section 37ZQA(1)(a) are met by the proposal.
- 10.7** The joint exercise undertaken by the two Councils has enabled the Commission to identify significant aspects of how a union could provide a system of local government which better meets the statutory criteria.
- 10.8** The Commission is of the view that good local government would be promoted by adopting the proposal and providing for sufficiently distinct communities of interest within the new district.

11.0 DETERMINATION OF APPROPRIATE SCHEME

- 11.1** The Commission is satisfied that the union of the District and Christchurch City would best promote good local government for the residents of the District. They would find, within the City Council's existing resources, an organisation which already has, or could readily engage, staff with all the skills needed to provide them with an appropriate support service and the provision of appropriate local government support services. It is conceivable that if the City Council for an enlarged territorial district were to approach its funding in a liberal, total-district manner, Banks Peninsula residents could find their total rates reduced. However, the amount of any possible reduction would be dependent upon the extent to which the new council may decide to support district-wide funding for activities which may be considered to be of local benefit, and whether the new Council wished to set, for some of its services, the same standards for works and service delivery within both the urban and rural areas of the city.
- 11.2** Whilst the benefits of service enhancements to Banks Peninsula residents have been commented upon, the Commission considers that there is at least one other area where the residents of the present City could derive an immediate benefit from implementation of the proposal. Banks Peninsula is an area of considerable recreational importance for Christchurch citizens and, if Banks Peninsula were to become a part of the City, Christchurch citizens would be able to have a more direct say in planning for, and the provision of recreational facilities within the area. The agreed sum of \$200,000 per annum identified in the "Service Levels and Financial Implications" Report for allocation to the purchase of strategic reserves is an example of this.

- 11.3** The Commission is proposing that the new Council come into existence at the time of the 2001 local elections. This is to give sufficient time for new arrangements, such as administrative structures and rating policies, to be established prior to the date of constitution. The transitional process is dealt with in more detail in section 16 below.
- 11.4** The Selwyn District Council, in its amended submission, requested the inclusion of part of the Banks Peninsula District in the Selwyn District, with the former being split along “the Herbert ridge-line”. A proposal of this nature was suggested by the then Commission when it issued its draft reorganisation scheme for the Canterbury Region in 1988. In doing so, it recognised the community of interest shared by residents of the former Ellesmere and Wairewa Counties, both because of their common concern with the control and management of Lake Ellesmere, and their common rural background. Although this proposal did not proceed at the time, the Commission has been advised in submissions and by its own research, that this community of interest still exists. However, the question is, what is the best form of local government for this particular community of interest? For the reasons set out in sections 9 and 10 above, the Commission is satisfied that the proposed union of the District and the City best meets the criteria. It has not received any direct representation from the residents in and around Little River or elsewhere within the Wairewa Ward asking for any such alteration to the proposal.

12.0 BOUNDARIES (REQUIREMENTS OF SECTION 37ZR)

- 12.1** The Commission certifies that, in respect of a union of Banks Peninsula District and Christchurch City, the boundaries of the districts affected would still conform with the boundaries of the Canterbury Region.
- 12.2** The Commission also certifies that the boundaries of the affected districts, as proposed to be amended, conform to the boundaries of statistical meshblock areas determined by Statistics New Zealand and used for Parliamentary electoral purposes.
- 12.3** The requirements of section 37ZR of the Act would therefore be met by the proposal.

13.0 REPRESENTATION AND MEMBERSHIP

- 13.1** The proposal for union of the District and the City requires the Commission to fix appropriate membership and representation for the new district. The criteria for fixing membership are set out in section 37ZRA of the Act which provides as follows -

“Where a principal local authority or the Commission is required to determine the membership of a local authority as a consequence of any reorganisation proposal or reorganisation scheme, the principal local authority or the Commission, as the case may be, shall—

(a) Provide for the effective representation of the electors of the local authority; and

- (b) Comply with the requirements of sections 101C, 101CA, 101D, 101E, and 101L of this Act; and*
- (c) Take into account the need to provide effective and accountable local government; and*
- (d) Take into account the functions, duties, and powers of the local authority.”*

Paragraph (b) of the section requires compliance with a number of other sections in the Act. Briefly, the provisions of these sections (other than section 101L) are as follows,-

- *Section 101C* states that a territorial authority’s membership shall be not less than 6 nor more than 30;
- *Section 101CA* fixes the membership of regional councils;
- *Section 101D* authorises the division of territorial authority districts into wards, requires that regions be divided into constituencies, and prohibits some members of a territorial authority being elected from wards and some at large; and
- *Section 101E* provides that at least one member of an authority shall be elected from each ward or constituency, and states who may elect councillors and community board members.

13.2 Section 101L is the principal legislation in this group, especially subsections (2) and (3) which provide as follows; -

“(2) In determining whether the council is to be elected by the electors of the district as a whole or by the electors of two or more wards and in determining (where necessary) the number and boundaries of wards, ...the Commission shall ensure-

- (a) That the election of members of the council by the electors of the district as a whole or by the electors of the two or more wards whose number and boundaries are determined will provide effective representation of communities of interest within the district; and*
- (b) That ward boundaries coincide with the boundaries of current statistical meshblock areas determined by the Department of Statistics and used for Parliamentary electoral purposes; and*
- (c) That, so far as is practicable, ward boundaries coincide with community boundaries.*

(3) In determining the number of members to be elected by the electors of any constituency or ward, ... the Commission shall ensure that the electors of the constituency or ward receive fair representation having regard to the population of every constituency or ward within the region or district and, if the circumstances so require, the rateable values, areas, or other relevant characteristics of the various constituencies or wards.”

13.3 The present wards and memberships for the District Council and the City Council were confirmed by the Commission in March 1998, when its determination of appeals upheld both councils’ proposals. The determination of representation for the District Council took account

of the population, area, and rateable value of the various wards, and some other special characteristics of the Akaroa Ward. That for the City Council took account of population only. Both the City and the District are divided into wards so as to provide effective representation for the various communities of interest.

- 13.4** The Commission, in its determination for Christchurch City, made a strong statement of its view that the present Council membership is larger than it needs to be. Therefore it considered whether it would be appropriate to provide for a consequential, major, restructuring of the City's wards and membership in any draft reorganisation scheme to give effect to the proposal. While not resiling from its view that there is a need for significant changes to the City's representational structure, the Commission declined to undertake such a task at this stage of the review. While section 101ZRA would, on the surface, allow a major reconstruction of the membership of the City Council, the Commission has not carried out a review of local government in the City. The Commission is of the opinion that natural justice would require that it undertake such a review before making major change.
- 13.5** The options open to the Commission in fixing representation were to provide for the,-
- retention unchanged of the existing current ward systems of both authorities in a new district;
 - incorporation of the District in the City's existing ward system; or
 - incorporation of the District with a mixture of existing and altered wards.
- 13.6** The Commission considered whether the sole criterion for fixing the membership of the new City Council should be population, and whether this would be desirable in the development of a ward system to ensure effective representation for communities of interest. While there would no doubt be advocates for this approach, the Commission is of the opinion that such a course would not be desirable. Nor would such a provision be in accordance with the intent of the 1991 amendments to the Act, which removed the requirement for population equality between wards and included a requirement for the constitution of wards where they would be necessary to ensure the effective representation of communities of interest within a district. The Commission has noted, in a number of its determinations of appeals since 1992, that where a community of interest differs significantly from other communities of interest within a district, and requires a separate ward to achieve effective representation, it matters not if the population of that ward is considerably below the average population per member in the other wards. This state of affairs exists in a number of districts and in Auckland, Manukau, Waitakere and Dunedin Cities, so there is no question of a special arrangement for Banks Peninsula setting a precedent. It would merely bring the new Christchurch City, with its different social and political situation, into line with the accepted situation in other districts. The Commission considered that its first task was to determine how the communities within the existing District would be most effectively represented.
- 13.7** There is ample evidence that the residents of the Lyttelton Harbour Basin and of the rest of the Peninsula have distinct communities of interest. The Commission itself in 1988 contemplated the inclusion of the Lyttelton Basin in a ward of Christchurch City, and Akaroa and Wairewa in a completely different district. While there has been a degree of growing together within the District since 1989, all the evidence presented to the Commission has

tended to show that the community of interest of the residents of the Lyttelton Harbour Basin are still distinctly different to the communities of interest of residents of Akaroa and Wairewa. Lyttelton is becoming very much a suburb of Christchurch, and therefore has much in common with other suburbs, such as Heathcote, Halswell, and Sumner.

- 13.8** The extent to which residents of the Lyttelton Harbour Basin share commonalities with the residents of the present City means, in the Commission's opinion, that they would continue to be effectively represented as part of one of the urban wards. The communities of interest of the rest of the residents of the District do not fit so easily with the communities in the City, and therefore the Commission considered that the establishment of a separate Banks Peninsula Ward, represented by one councillor, for Akaroa and Wairewa would be appropriate.
- 13.9** Subject to the requirement that there be a Banks Peninsula Ward as discussed above, the Commission is proposing that the ward system for the new district be determined in the final reorganisation scheme based on submissions to be requested from the Banks Peninsula District Council and the Christchurch City Council, as well as any other submissions received on this issue. For this purpose the period for lodging submissions on the draft reorganisation scheme will be extended from the statutory minimum of 2 months to 3 months.

14.0 COMMUNITY STRUCTURE

- 14.1** Both the District and the City are currently divided into communities. The Commission heard no evidence to suggest that this basic concept should be altered, although, there was acceptance that some adjustment would need to be considered as a part of the implementation of any proposal.
- 14.2** The District has two communities: the Lyttelton-Mount Herbert Community for that ward, and the Akaroa-Wairewa Community for the other two wards of the District.
- 14.3** Given the ward decisions discussed in Section 13 above, the Commission came to the view that the Akaroa-Wairewa Community should be retained - although it believes that it should now be more appropriately renamed "the Banks Peninsula Community". The Board would continue to comprise four elected members, and the member of the Council elected from the Banks Peninsula Ward.
- 14.4** The Commission considered whether it would be appropriate to retain the Lyttelton-Mount Herbert Community, or to abolish it and include it within another Community. On balance, the Commission was of the opinion that the local government interests of the residents of Lyttelton and Mount Herbert would be better served by retaining the community under the same name. The Board would comprise four elected members and two appointed members.

15.0 POWERS OF COMMUNITY BOARDS

15.1 The City Council has delegated a considerable degree of responsibility to its existing community boards. The Commission expects that the two new boards would also be given a degree of autonomy appropriate to their location and in accordance with the level of service delivery which the residents of the communities expect from them. However, the Commission will not make provision for specific delegations in the draft reorganisation scheme. That will leave an opportunity for the two affected councils, the two community boards, and affected people and organisations to consider and explore in submissions on the draft scheme any possible desirable delegations. This is also a matter the Transitional Committee (discussed in section 16 below) might also wish to give consideration to.

16.0 OTHER ISSUES AND ARRANGEMENTS CONSEQUENTIAL TO THE SCHEME

16.1 The draft reorganisation scheme provides for the retention of the existing service centres at Little River and Akaroa, and for the establishment of a service centre in Lyttelton. These service centres would continue to operate until at least 1 November 2004 and, the Commission considers, should offer at least similar levels of service as that available from the present service centres.

16.2 This scheme also provides for a transitional committee to be established by the District Council and the City Council to appoint a Chief Executive from the new City Council and to recommend to the in-coming Council in 2001 an appropriate administrative structure for the new district. Other matters which the committee should make recommendations on include but would not be restricted to -

- the method of rating over the whole of the new district; and
- the ways in which works would be funded.

16.3 Assuming the statutory procedures of the Local Government Act are completed by that date the Commission proposes that the transitional committee come into existence from 1 July 2000 and remain in existence until the members of the new Council come into office after the 2001 local elections.

17.0 CONSIDERATION OF OTHER MATTERS

17.1 There are two other matters which the Commission considered merited further consideration. These issues relate to -

- the Government's proposals for change to the responsibility for the provision and maintenance of roading; and
- the time taken to complete consideration of the proposal.

Proposed Changes to Roading Legislation

- 17.2** The Government has recently announced its intention to promote changes in the way in which roads in New Zealand are constructed and administered. If the direct responsibility for the construction and maintenance of roading ceases to be a direct local government responsibility, many of this country's territorial authorities will need to give serious consideration to the way in which the provision of local government services is organised. The District Council and neighbouring local authorities may be among that number. The Commission did not believe, however, that it was appropriate to take account of possible legislative change in this area as a factor in its consideration of this proposal.

Delays in Process

- 17.3** The Commission first received advice of the proposal on 11 July 1997. While there has been a lengthy period since receipt of the advice for the consideration of a proposal of this nature, there are three main factors which have contributed to this. These are now discussed.

The process itself and general matters affecting the Commission

- 17.4** By mid October 1997 the Commission had undertaken the initial consultation required by section 37ZZQB of the Act and decided to undertake a review of Banks Peninsula District. The closing date for submissions on the review was set at 19 December 1997.
- 17.5** During the period from the beginning of November 1997 until the end of March 1998, the Commission was fully engaged in the determination of appeals relating to territorial authority and regional council proposals for the members to be elected at the local authority elections in October 1998. This is a statutory responsibility of the Commission, and was required to be complete before the end of March 1998.
- 17.6** At the end of March the then members of the Commission went out of office, and were not immediately replaced. Two members (but not a chairperson) were appointed in mid-April, but one member was then required to take the former Chairman's place on the Representation Commission which was, at that time, completing its determination of parliamentary constituencies. This meant the Commission could not function.
- 17.7** At the conclusion of the hearing of submissions, the Commission considered that it would be inappropriate to release its report during the election process or, indeed until the incoming councillors had an opportunity to become familiar with the issues and the process. It therefore deferred consideration of the report until the end of November.

Consultation requirements of legislation

17.8 The legislation governing the consideration of proposals is, in the opinion of the Commission unnecessarily complex. At each stage of the process, the Commission has been required to undertake formal consultation with,-

- the proposers;
- the affected councils;
- government departments;
- neighbouring authorities;
- community boards; and
- the general public and community groups.

17.9 The Commission understands the importance and value of consultation, and will be making submissions to the Government suggesting changes to the legislation which will increase the importance of consultation, but at the same time streamlining the process.

Commission's resources

17.10 The number of support staff available to the Commission is inadequate. This has been of concern to the Commission for some time, and has been reported to the Minister and to Parliament. The following are extracts from the Commission's annual reports for the years ended June 1997 and 1998.

1997 Report

“When the Commission last had a “peak” in its workload, it was supported by a permanent staff of 5, and found this number to be barely sufficient for the task. The permanent staff has now been reduced below that level, so the Commission looks upon the coming few months with some unease.”

1998 Report

“In its report for the year ending 30 June 1997 the Commission expressed concern about the level of staff available to support the Commission. This concern remains. If the Commission is to fulfil its statutory obligations and make better progress in dealing with proposals, it needs, in addition to improved legislation, sufficient, expert, staff support.”

17.11 The present Commission is determined to significantly reduce delays in dealing with future proposals by following the following strategy;

- it will focus upon improvements it can make to its procedures within the existing legislation; and

- it will work to promote changes to the governing legislation which will, among other things, reinforce the importance of focused consultation and expeditious decision making by the Commission.

18 DECISIONS

18.1 After considering,-

- the submissions it had received before and after the commencement of the review from the proposers, the District Council and its community boards, the City Council, the public, and other interested organisations;
- the information it had obtained during its own investigations since the receipt of the proposal; and
- the provisions of Parts IIB, and IIBB of the Act,

the Commission made the decisions outlined in the following paragraphs.

18.2 The Commission,-

- considered what system of local government in the Banks Peninsula District would best meet the criteria in sections 37ZQA to 37ZRA of the Act; and
- being satisfied that a reorganisation scheme resulting from the proposal for the union of Banks Peninsula District and Christchurch City would promote the good local government of the Banks Peninsula District; and
- being satisfied that the inclusion of any part of Banks Peninsula District in the district of another local authority (other than Christchurch City) would not promote the good local government of Banks Peninsula District;

resolved, pursuant to section 37ZZTI of the Act to issue a draft reorganisation scheme under section 37ZZV of the Act which will implement the proposal for the union of Banks Peninsula District and Christchurch City with effect from the 2001 local elections.

18.3 The Commission considered which system of representation would best meet the criteria specified in section 37ZRA of the Act and resolved that the draft scheme would make provision for representation of the residents of the District through -

- the establishment of a Banks Peninsula Ward for the areas of the present Akaroa and Wairewa Wards to be represented by one member;
- the inclusion of the area of the present Lyttelton-Mount Herbert Ward with an adjacent urban ward of the City; and

- the determination of the membership and basis of election of the new Christchurch City other than the Banks Peninsula Ward, be determined in the final reorganisation scheme following receipt of further submissions on this issue.

18.4 The Commission considered whether the good local government of the Banks Peninsula District would be best promoted by -

- the existing system of communities and functions, duties and powers of community boards;
- an alternative system of communities; or
- a change in the functions, duties and powers of the community boards.

and resolved that the draft scheme provide for -

- the re-constitution of the Akaroa-Wairewa Community as the Banks Peninsula Community with a community board comprising 4 elected members and the member of the Council elected from the Banks Peninsula Ward.
- the continuation of the present Lyttelton-Mount Herbert Community with a community board comprising four elected members and two members of the Council elected from the ward in which the community is situated; and
- the two community boards to have such powers as may be delegated to them by the new City Council.

For the Local Government Commission

Barbara Durbin, Commissioner

Bruce Anderson, Commissioner

19 February 1999