



**LOCAL GOVERNMENT COMMISSION**

**REORGANISATION SCHEME  
FOR THE UNION OF  
OTOROHANGA DISTRICT  
AND WAITOMO DISTRICT  
TO FORM AN  
OTOROHANGA-WAITOMO DISTRICT**

***Reorganisation Scheme  
for the union of  
Otorohanga District  
and Waitomo District  
to form an  
Otorohanga-Waitomo District***

Local Government Commission  
WELLINGTON

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## **SECTION A**

### ***Introductory Statement***

## ***Introductory Statement***

**Note:** This introductory statement does not form part of the reorganisation scheme and explanatory statement but is designed to assist the reader to understand the procedures involved and the nature and content of the formal documentation, namely the reorganisation scheme and explanatory statement.

### **INTRODUCTION**

- 1 The Local Government Commission has prepared a reorganisation scheme for the union of Otorohanga District and Waitomo District and the constitution of a Otorohanga-Waitomo District and Otorohanga-Waitomo District Council. This follows the receipt of a reorganisation proposal pursuant to Part IIBB of the Local Government Act 1974, a review of local government in the Otorohanga and Waitomo Districts pursuant to section 37ZZTB of the Local Government Act 1974, and the subsequent publication on 29 August 2003 of a draft reorganisation scheme.\*
- 2 The formal documents relating to the scheme consist of:
  - (a) the reorganisation scheme prepared pursuant to section 37ZZZA of the Local Government Act 1974 (“the Act”); and
  - (b) the explanatory statement prepared pursuant to section 37ZZZB of the Act.

These documents should be read in conjunction with the provisions of Part IIBC and Schedule 3B of the Act. Many matters that are not addressed by the reorganisation scheme, or at least not in detail, are dealt with in that legislation.

- 3 Maps of the proposed Otorohanga-Waitomo District, the wards and communities of the District are in Section E of this document.

### **DRAFT REORGANISATION SCHEME**

- 4 Before issuing the draft reorganisation scheme and explanatory statement, the Commission was required to consider whether implementation of the proposal would promote the good local government of Otorohanga District and Waitomo District. On the basis of the information made available to it, the Commission did come to such a view. Consequently, the Commission decided to issue the draft reorganisation scheme and explanatory statement.

\* While the provisions of the Local Government Act 2002 relating to reorganisation proposals came into force on 1 July 2003, the Commission was required under sections 24(3) and 291 of the Local Government Act 2002 to undertake its proceedings and to complete consideration of the matters in accordance with the provisions of the Local Government Act 1974 as if the Local Government Act 2002 had not been passed.

## CONSIDERATION OF SUBMISSIONS AND AMENDMENTS TO DRAFT SCHEME

- 5 The draft reorganisation scheme and explanatory statement issued on 29 August 2003 were open for submissions until 31 October 2003.
- 6 Written submissions were received from 31 persons and organisations. 10 submitters also appeared before the Commission at a hearing held in Otorohanga on 21 November 2003. A list of submitters is attached as an appendix to this Introductory Statement - submitters who appeared before the Commission are marked with an asterisk.
- 7 The submissions contained arguments in favour of:
- abandoning the draft scheme and retaining the status quo
  - finalising the draft scheme without modification
  - finalising the draft scheme with modifications, including changes to the proposed name of the new district, and the representation arrangements of the new district.
- 8 After considering the submissions and the comments made at the hearings, the Commission decided, pursuant to paragraph (1)(b) of section 37ZZZA of the Local Government Act 1974, to approve the draft scheme with certain modifications, and issue it as the reorganisation scheme. In deciding to proceed with a final scheme the Commission was satisfied that the scheme meets the provisions of sections 37ZQA, 37ZR and 37ZRA of the Local Government Act 1974.
- 9 In addition to consequential and minor changes throughout the scheme, substantive changes were made to the following clauses of the draft reorganisation scheme:
- |           |   |
|-----------|---|
| Clause 2  | Subclauses 1 and 2 amended by changing “King Country District” to “Otorohanga-Waitomo District”.  |
| Clause 4  | Amended to provide for six wards – three from the area of the existing Otorohanga District and three from the area of the existing Waitomo District.  |
| Clause 5  | Subclause (2) amended to provide for eight members to be elected from six wards – with the Te Kuiti and North-East Wards each electing two members and the four other wards each electing one member. |
| Clause 10 | Deleted. The location of the new Council’s administration headquarters will be a matter for the transitional committee to consider and to make recommendations to the new Council.                    |
| Clause 11 | Deleted. The new Council will be able to determine whether service centres are required at any particular locations.  |

- Clause 18      Provision is now made for the transitional committee to make recommendations to the Council on the location of its administration headquarters.

### **EXPLANATORY STATEMENT**

- 10      The Commission was required under section 37ZZW to prepare an explanatory statement of the advantages and disadvantages of the proposal, as proposed to be given effect to in the draft reorganisation scheme. The Commission included in that statement those advantages and disadvantages which, in its opinion, should be taken into account by any person entitled to vote in the requisite polls.
- 11      Following the submissions and hearings, the Commission decided, pursuant to paragraph (b) of section 37ZZZB, to issue a new explanatory statement.

### **FUTURE PROCEDURE**

- 12      Not later than 10 March 2004, the Commission, after consulting with the Electoral Officers of the Otorohanga District Council and Waitomo District Council, will set the date of the polls on the proposal which will be conducted under the Local Electoral Act 2001. If more than 50% of the votes cast in each poll are in favour of the proposal, the reorganisation scheme will proceed.
- 13      If the proposal succeeds at the polls, an Order in Council will give effect to the reorganisation scheme.

## APPENDIX TO INTRODUCTORY STATEMENT - List of submitters

1	Doug Stone*
2	Allan Andrews
3	Carol Fagan
4	Gwenith and Evan Raven
5	K A Harvey and N C Rankin
6	Project Kiwiana
7	John and Marion Loveridge
8	Kawhia Community Board
9	Karam and John Haddad*
10	Danny and Bev Moloney
11	Otorohanga District Council*
12	Waipa District Council
13	Megan Rose*
14	Waikato Regional Council
15	M Tuhua
16	Waitomo District Council*
17	Brian Pitts-Brown*
18	Mataroa Frew
19	W H Earwaker
20	Otorohanga Community Board*
21	T R J Skilton*
22	Peter Keelling
23	E A Hewald
24	I M Perry
25	Lindsay McGrath*
26	Mark Ammon
27	Nancy Jensen
28	Otorohanga Business Association
29	Waikato District Health Board
30	Otorohanga District Federated Farmers
31	Ian Wards*

\* Appeared before the Commission

## **SECTION B**

***Reorganisation Scheme  
for the union of  
Otorohanga District  
and  
Waitomo District  
to form an  
Otorohanga-Waitomo District***

# REORGANISATION SCHEME FOR THE UNION OF OTOROHANGA DISTRICT AND WAITOMO DISTRICT TO FORM AN OTOROHANGA-WAITOMO DISTRICT

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# ***Reorganisation Scheme***

Pursuant to Part IIBB of the Local Government Act 1974, the Local Government Commission has prepared a reorganisation scheme as follows:

## **CONSTITUTION**

### **1 Commencement**

- (1) Except as provided in subclause (2), this scheme shall come into force on the day after the day on which the electoral officer, pursuant to the Local Electoral Act 2001, declares the results of the first election of the members of the Council.
- (2) The provisions of this scheme necessary:
  - (a) To provide for the first election of the members of the Council and the members of the community boards constituted by this scheme, and
  - (b) For the purpose of clauses 11 to 17,

shall come into force on the date fixed by the Order in Council giving effect to this scheme.

### **2 Constitution**

- (1) The districts of Otorohanga District and Waitomo District are united into one district to be known as Otorohanga-Waitomo District (referred to in this scheme as “the united district”).
- (2) There shall be a council for the united district to be known as the Otorohanga-Waitomo District Council (referred to in this scheme as “the Council”).
- (3) The Otorohanga District Council and the Waitomo District Council (referred to in this scheme as the “former Councils”) are dissolved.
- (4) The Otorohanga Community and the Kawhia Community are abolished.
- (5) The Otorohanga Community Board and the Kawhia Community Board are dissolved.

### **3 First Election of Council**

- (1) The first election of the Council shall be held on 9 October 2004.

- (2) For the purposes of the first election of the Council, the electoral officer for the united district shall be the electoral officer of the former Waitomo District Council.
- (3) The first election of the Council shall be conducted by postal voting.
- (4) Voting documents cast in the first election of the Council shall be processed during the voting period.

#### **4 Wards**

- (1) The united district shall be divided into six wards.
- (2) The wards shall be:
  - (a) The North-West Ward, comprising the areas delineated on S.O Plans 58020 and 59037 (South Auckland Land District) deposited with Land Information New Zealand;
  - (b) The North-East Ward, comprising the areas delineated on S.O Plans 59038, 59039 and 59040 (South Auckland Land District) deposited with Land Information New Zealand, and meshblocks 1001002 and 1001202;
  - (c) The Otorohanga Ward, comprising meshblocks 0995702, 0998500, 0998600, 0997300, 0997400, 0997500, 0997600, 0997100, 0997200, 0996400, 0997000, 0996300, 0996200, 0996500, 0996600, 0996700, 0995502, 0997700, 0997800, 0998000, 0998100, 0997900, 0998200, 0998300, 0998400, 0996800, 0996900, 0998700, 1001102, 1001401, 1001402, 1002703, 1002704, 1002802, 1003502 and 1001203;
  - (d) The South-West Ward, comprising the areas delineated on S.O Plans 58030, 58033 and 58034 (South Auckland Land District) deposited with Land Information New Zealand, and meshblocks 1010000, 1010201, 1016001, 1017400, 1019102, 1019104, 1010101, 1010103, 1017500 and 1010102 ;
  - (e) The Te Kuiti Ward, comprising the area delineated on S.O Plan 58299 (South Auckland Land District) deposited with Land Information New Zealand; and
  - (f) The South-East Ward, comprising the areas delineated on S.O Plans 58029 and 58032 (South Auckland Land District) deposited with Land Information New Zealand, and meshblocks 1018000, 1018401, 1018300, 1018200, 1018500, 1015400, 1015800, 1015700, 1015600, 1015500, 1015900, 1017700, 1017800, 1018100, 1011604, 1014801, 1011603, 1017900 and 1017600.

#### **5 Membership**

- (1) The Council shall consist of a Mayor and eight members.

- (2) The members of the Council to be elected at the first election of the Council shall be elected as follows:
- (a) One member shall be elected by the electors of the North-West Ward;
  - (b) Two members shall be elected by the electors of the North-East Ward;
  - (c) One member shall be elected by the electors of the Otorohanga Ward;
  - (d) One member shall be elected by the electors of the South-West Ward;
  - (e) Two members shall be elected by the electors of the Te Kuiti Ward; and
  - (f) One member shall be elected by the electors of the South-East Ward.

## **6 Otorohanga Community**

- (1) There shall be constituted a community for the area of the Otorohanga Ward to be known as “the Otorohanga Community”.
- (2) The community board for the Otorohanga Community shall comprise:
- (a) Four members elected by the electors of the Otorohanga Community; and
  - (b) The person elected as a member of the Council representing the Otorohanga Ward and appointed to the community board by the Council.

## **7 Kawhia Community**

- (1) There shall be constituted a community for the area delineated on S.O Plan 58099 (South Auckland Land District) deposited with Land Information New Zealand, to be known as “the Kawhia Community”.
- (2) The community board for the Kawhia Community shall comprise:
- (a) Four members elected by the electors of the Kawhia Community; and
  - (b) The person elected as a member of the Council representing the North-West Ward and appointed to the community board by the Council.

## **8 Te Kuiti Community**

- (1) There shall be constituted a community for the area of the Te Kuiti Ward to be known as “the Te Kuiti Community”.
- (2) The community board for the Te Kuiti Community shall comprise:
  - (a) Five members elected by the electors of the Te Kuiti Community; and
  - (b) The two persons elected as members of the Council representing the Te Kuiti Ward and appointed to the community board by the Council.

## **9 Functions of Community Boards**

The Otorohanga Community Board, Kawhia Community Board and Te Kuiti Community Board shall each have the following powers, functions and duties within the area of their community:

### *Planning*

- (a) To provide input into the budgetary process of the Council through the Annual Plan process.
- (b) To provide input into the Long-term Council Community Plan.
- (c) To allocate project funding from the Board’s discretionary fund (the quantum of funding to be determined by the Council).

### *Resource Management*

- (d) To provide input into the District Plan.
- (e) To provide input on resource management issues of local significance.

### *Policy*

- (f) To provide input into policy making through the Council’s consultation processes.
- (g) To provide input into the disposal or acquisition of property assets.
- (h) To consult with and make recommendations to the Council on tourism issues of interest to the Board in respect of the Community area.
- (i) To provide input into the development of tourism strategies and initiatives proposed by the Council in respect of the Community area.
- (j) To participate in Council deliberations on any matters impacting on the area of the Community.

### *Community Development and Consultation*

- (k) To consult with, advocate and promote the interest of the community.
- (l) To make submissions to any organisation relating to matters of interest to the Board in respect of the Community area (with any such submission being copied to the Council's Chief Executive at the time the submission is made).

### *Parks and Reserves*

- (m) To provide local input into policy making concerning local parks and reserves.
- (n) To provide local input into the temporary use of local parks and reserves.

### *Civil Defence*

- (o) To participate under delegated authority as part of the Civil Defence Plan.

### *Traffic Management*

- (p) To provide input into policy making.
- (q) To provide input into the temporary use of roads and footpaths.
- (r) To provide input into roading capital works priorities.
- (s) To determine a traffic management plan concerning the placement of road signage, controls on vehicle parking, traffic constraints and controls.
- (t) To approve the temporary use and closure of roads, footpaths and Council owned land for market days, street appeals, stalls and parades and specific events and functions.

### *General*

- (u) Any other functions delegated by the Council.

## **RATING SYSTEM**

### **10 Rating**

The system of rating in the united district shall be the Capital Value system.

## **TRANSITIONAL COMMITTEE**

### **11 Transitional Committee**

- (1) The former Councils shall unite in appointing a transitional committee for the united district.

- (2) The transitional committee shall be deemed to be a joint committee of the former Councils.

## **12 Membership of Transitional Committee**

The transitional committee shall consist of:

- (a) Three members appointed by the Otorohanga District Council;
- (b) Three members appointed by the Waitomo District Council; and
- (c) The General Manager of the Otorohanga District Council and the Chief Executive of the Waitomo District Council, who shall be non-voting members of the transitional committee.

## **13 Chairperson**

The voting members of the transitional committee shall appoint a chairperson from their membership.

## **14 No Casting Vote**

The chairperson of the transitional committee or other person presiding at any meeting of that committee shall not have a casting vote in the case of equality of votes.

## **15 Exclusion of Non-Voting Members**

The transitional committee may resolve to exclude any non-voting member of the committee from any meeting or part of a meeting where it proposes to consider any matter that affects that member personally.

## **16 Functions**

The functions of the transitional committee shall be to:

- (a) make arrangements for a person to be the Acting Chief Executive of the Council until a person appointed by the Council takes up the position of Chief Executive;
- (b) undertake preparatory work for the 2005/06 draft annual plan for the Council;
- (c) make a recommendation to the Council on the location of its administration headquarters;
- (d) make recommendations to the Council on its administration structure;
- (e) make recommendations to the Council on general principles of funding and rating policies for the united district;

- (f) make recommendations to the Council on any proposed powers of community boards, which would be additional to those prescribed in the reorganisation scheme for the united district;
- (g) make recommendations to the Council on the quantum of discretionary funding to each community board;
- (h) make recommendations to the Council on whether the Council should have committees, and what the membership and functions of any committee should be; and
- (i) make recommendations to the Council on such other administrative matters as are required to ensure that the Council is able to function effectively from the day on which it comes into existence.

#### **17 Costs of Transitional Committee**

The costs of the transitional committee shall be borne and paid for by the former Councils on an equal basis.

### **TRANSITIONAL MATTERS**

#### **18 Resource Management Act**

- (1) The district plans and the proposed district plans under the Resource Management Act 1991 of the former Councils shall be the district plans, or as the case may be, the proposed district plans of the Council.
- (2) Any other matters including proceedings before, or initiated by, the former Councils under the Resource Management Act 1991 shall have effect as matters before, or initiated by, the Council.
- (3) Paragraph 21 of Part II of Schedule 3B of the Local Government Act 1974 shall not apply to this reorganisation scheme.

#### **19 Transitional Matters**

Subject to clause 18(3) of this scheme, Parts II and III of Schedule 3B of the Local Government Act 1974 shall apply in respect of this scheme.

### **LOCAL GOVERNMENT COMMISSION**

**Grant Kirby, Chairman**  
**Linda Constable, Commissioner**  
**Kerry Marshall, Commissioner**

**30 January 2004**

## **SECTION C**

### ***Explanatory Statement Related to the Reorganisation Scheme for the Union of Otorohanga District and Waitomo District to form an Otorohanga-Waitomo District***

# ***Explanatory Statement Related to the Reorganisation Scheme for the Union of Otorohanga District and Waitomo District to form an Otorohanga-Waitomo District***

## **INTRODUCTION**

This statement is issued pursuant to sections 37ZZW and 37ZZZB of the Local Government Act 1974. The advantages and disadvantages are those which in the opinion of the Commission should be taken into account by persons entitled to vote in any polls held in respect of the proposal.

## **ADVANTAGES**

### **Meets the statutory criteria**

The proposal will promote good local government. In particular the Commission is satisfied that –

- It would result in a district containing distinct communities of interest;
- The new district will have the resources necessary to enable its local authority to carry out its functions, duties and powers;
- The new district will be appropriate for the effective and efficient exercise of local government functions, duties and powers;
- The new Council will have the ability to deliver appropriate services to the various parts of the new district in an effective and efficient manner; and
- The proposal meets the statutory criteria that the Commission is required to take into account when considering such proposals.

### **Financial Considerations**

The Commission is of the opinion that in appropriate circumstances it will be more economic to provide services to a similar standard through one local authority than through two. This would be achieved through avoiding duplication, through economies of scale, ensuring responsiveness to local concerns and having good financial resources and professional administration. The Commission considers that this will apply to the union of Otorohanga District and Waitomo District.

The financial study\* prepared by Beattie Rickman for the Commission, the key findings of which were endorsed in a later independent review\* by Capital Strategy Limited, indicates that savings from the union of the Otorohanga and Waitomo Districts would conservatively be in the order of \$857,000 in the first year and approximately \$1 million in subsequent years. If the new Council were to decide to return these savings to ratepayers this would equate to an average of approximately \$96 per rateable property in the first year and \$118 per rateable property each year thereafter.

\*The financial study and financial review documents are available from the Commission or may be accessed at [www.lgc.govt.nz](http://www.lgc.govt.nz).

Although both Councils have achieved some financial savings since the financial study was undertaken, the Commission is satisfied that the levels of savings identified in the report remain achievable.

The savings identified in the independent financial study take into account the one-off transition costs of approximately \$650,000 that would be incurred through:

- Redundancy payments to staff and redundancy support
- Recruitment and change management
- Disposing of surplus assets
- Combining financial information
- Combining strategy documents, district plans and other information
- Aligning corporate, regulatory and environmental policies
- Rebranding.

The ongoing savings would be achieved through not requiring:

- Separate Mayors and elected member structures
- Separate Chief Executives and administration structures
- Separate computer systems
- Separate annual planning, annual reporting and financial management systems
- Separate roading management structures and reporting arrangements to Transfund New Zealand
- Separate district plans under the Resource Management Act
- Separate administration of the requirements of the Resource Management Act.

## **Rating**

Taking into account the financial savings identified above, the Commission is of the view that if the new Council were to approach its funding in a total district manner, ratepayers in the united district may find their rates reduced. However, any reduction would be dependent on the funding policies adopted by the new Council.

## **Participation in Decision-Making**

The ward structure of the new Council is intended to provide effective representation for communities of interest in the new district.

The existing Kawhia Community Board will be reconstituted. A new community board will be constituted for the Te Kuiti area. A new community board will be constituted covering the area of the new Otorohanga Ward.

The three community boards will have a wide range of functions, duties and powers, including the opportunity to input into Council decision-making. The new Council will have the opportunity to provide further delegations to the Community Boards.

Residents of the existing Otorohanga District will have a greater opportunity to participate in the planning and development of the existing Waitomo District.

Residents of the existing Waitomo District will have a greater opportunity to participate in the planning and development of the existing Otorohanga District.

The Commission is satisfied that a range of administrative arrangements can be made to ensure that local views are taken into account across the new district.

### **Responsibilities and workload**

The statutory workload of local authorities has increased significantly in recent years. In addition to the significant statutory responsibilities of local authorities under the Resource Management Act, new legislation such as the Local Government Act, the Gambling Act and the Prostitution Reform Act have provided a wide range of new responsibilities. Also, draft legislation currently before Parliament, such as the Building Bill will likely create further requirements for local authorities.

For a local authority to adequately carry out its functions, duties and powers there is a need to attract and retain qualified staff. With the increasing range of responsibilities and the complexity of the issues involved, larger local authorities will be better placed to attract staff with the necessary competencies.

In the opinion of the Commission, the new authority would have an enhanced ability to obtain and retain the services of staff with the needed competencies, because of the larger administrative base.

### **A stronger voice at the regional and national level**

With a population of approximately 19000, the united district will rank 48<sup>th</sup> out of 74 territorial authority districts in terms of population. This compares with the current ranking of the Waitomo and Otorohanga Districts of 61<sup>st</sup> and 62<sup>nd</sup> respectively.

The greater population of the united district will enhance its voice in both regional and national affairs. It will provide the opportunity for the united district to promote its competitive and comparative advantages in an integrated manner.

### **DISADVANTAGES**

There may be a perceived loss of local democracy in the Otorohanga and Waitomo areas, for instance through the Council for a larger district not necessarily being able to attend in detail to as many matters as the Council of a smaller district. This concern can be addressed in part through providing the community boards of the new district with wide ranging responsibilities, and through delegations to Council staff.

## **CONCLUSION**

The Commission considers that the perceived disadvantages will be outweighed by the advantages listed above and the benefits that will result from the proposed union.

## **SECTION D**

***Notes to the Reorganisation Scheme  
for the Union of  
Otorohanga District and Waitomo District to form an  
Otorohanga-Waitomo District***

**Notes to the Reorganisation Scheme  
for the Union of  
Otorohanga District and Waitomo District to form a  
Otorohanga-Waitomo District**

These notes are intended as a guide to the contents of the reorganisation scheme.

**Purpose**

The purpose of this reorganisation scheme is to provide for:

- The union of Otorohanga and Waitomo Districts to form a new district;
- The new Council for the united district to be called the Otorohanga-Waitomo District Council.

**First election**

It is proposed that the members of the Otorohanga-Waitomo District Council be elected at the 2004 local elections, and that the new Council come into existence when the results of that election have been declared.

Some provisions of the scheme will come into effect as soon as the final reorganisation scheme is implemented by Order in Council – those provisions necessary to arrange the first election of the new Council, and those relating to the establishment of a transitional committee to recommend administrative arrangements for the new Council.

**Council representation arrangements**

The scheme provides for the following wards and membership:

<b>Wards of the Otorohanga-Waitomo District</b>	<b>Ward Population</b>	<b>Number of members</b>	<b>Areas of existing districts contained within ward</b>
North-West Ward	2562	1	The area of the Kawhia and Tihiroa Wards of Otorohanga District.
North-East Ward	4218	2	The area of the Waipa, Kiokio-Korakonui and Wharepuhunga Wards <b>plus</b> part (meshblocks 1001002 and 1001202) of Otorohanga Ward of Otorohanga District.
Otorohanga Ward	2505	1	The area of the Otorohanga Ward of Otorohanga District <b>less</b> meshblocks 1001002 and 1001202 of Otorohanga Ward.

South-West Ward	2553	1	The area of the Tainui, Te Anga and Waitomo Wards <b>plus</b> part (meshblocks 1010000, 1010201, 1016001, 1017400, 1019102, 1019104, 1010101, 1010103, 1017500 and 1010102) of Paemako Ward of Waitomo District.
Te Kuiti Ward	4362	2	The area of the Te Kuiti Ward of Waitomo District.
South-East Ward	2535	1	The area of the Aria and Mangaokewa Wards, <b>plus</b> part (meshblocks 1018000, 1018401, 1018300, 1018200, 1018500, 1015400, 1015800, 1015700, 1015600, 1015500, 1015900, 1017700, 1017800, 1018100, 1011604, 1014801, 1011603, 1017900 and 1017600) of Paemako Ward of Waitomo District.

Four members will be elected from the area of each former district.

Although the Commission was not bound to apply the population criterion of the Local Electoral Act 2001 in determining the representation arrangements for the new Council, it considered it appropriate to do so. The desirability of complying with the new statutory criteria was raised in several submissions on the draft scheme. The wards specified in the final scheme comply with the requirement of section 19V(2) of the Local Electoral Act 2001, which requires that the population that each elected member represents must be within plus or minus ten percent of the figure derived from dividing the population of the district by the total number of members (excluding the Mayor). For an eight member Council (excluding the Mayor) the permissible range is 2108 to 2576 persons, based on 2001 Census information on usually-resident population. To meet this requirement, and taking into account comments made in submissions on the draft reorganisation scheme, the Commission has made some modifications to the ward arrangements proposed in the draft reorganisation scheme.

### **Community Boards**

Three Community Boards will be constituted. The Kawhia Community Board will comprise four elected members and the councillor for the North-West Ward. The Otorohanga Community Board will comprise four elected members and the councillor for the Otorohanga Ward. The Te Kuiti Community Board will comprise five elected members and the two councillors for the Te Kuiti Ward.

The scheme sets out the powers, functions and duties of the community boards. The new Council will be able to delegate further functions to the community boards if it wishes to.

## **Rating**

The scheme provides that the rating system in the new District will be the Capital Value system.

## **Transition Committee**

A transitional committee will be formed by the Otorohanga and Waitomo District Councils. The purpose of the committee is to make recommendations to the new Council on administrative arrangements and funding and rating policies.

## **Legislative provisions**

Except for paragraph 21 of Part II of Schedule 3B to the Local Government Act 1974 (which relates to the repealed Town and Country Planning Act), the provisions of Parts II and III of Schedule 3B to the Local Government Act 1974 apply. Part II, which applies to all reorganisation schemes except those specifically excluded, deals with the passing of property to the new local authority, continuation of bylaws, and other matters that carry over from one local authority to another. Part III deals with the apportionment of assets and liabilities, loan liabilities and local authorities' petroleum tax, and applies to all reorganisation schemes.

## **SECTION E**

### ***Maps***