

Golden Bay Local Board Submission

1. Introducing Tasman District Council


- 1.1 Tasman District Council is one of only six Unitary Authorities. We combine the functions, duties and powers of both a territorial authority and a regional council. This includes promoting community wellbeing and development, public health and safety, reserves, recreation, libraries and culture, resource management, infrastructure (water supply, stormwater, wastewater, solid waste, roads), river and coastal management, biosecurity, civil defence and emergency management, regional land transport and environmental information.
- 1.2 Tasman District is located in the north-west of the South Island and covers an area from the boundary of Nelson City in the east, to Murchison in the south and Golden Bay in the north-west. Our District covers more than 14,800 square kilometres of mountains, parks waterways and territorial sea including 812 kilometres of coastline.
- 1.3 The land area alone is 9,771 square kilometres. Of this, a significant proportion is owned by Te Tau Ihu Iwi Trusts and Maori entities. Approximately 66% of Tasman District's land area is managed by the Department of Conservation. Our population is 54,700 and by 2043 is projected to reach 63,900 (high growth) or 55,800 (medium growth).
- 1.4 The elected Council consists of the Mayor and 13 councillors. The Mayor represents the District at large, while the Councillors cover five areas of the District (Golden Bay, Motueka, Moutere-Waimea, Lakes-Murchison and Richmond). We also have two community boards comprising four members each in the Golden Bay and Motueka Ward.

2. Does this document provide the community/district with sufficient information to make an informed assessment?

- 2.1. The Options paper developed by the Local Government Commission (LGC) seeks "community views on the option of establishing a Golden Bay local board and more particularly the levels of support and opposition for such a board". The Tasman District Council (the Council) is concerned that the information presented in the Options paper does not have sufficient depth of analysis or that it fairly portrays the current breadth of responsibilities, advocacy and collaboration opportunities that the Golden Bay Community Board currently has compared to that delivered through a local board.
- 2.2. Specifically, the Council believes the following information will be misinterpreted by readers who are unfamiliar with the purpose and functions of the Council and that of the current community boards.
 - Page 6 of the paper lists key differences between a local board and community board. The presentation suggests that only a local board would be "responsible for certain decisions in its areas...and is accountable to the local community for these decisions" and that it will also be given the new opportunity of being "Required to identify and communicate local interests and preferences in relation to council strategies, policies, and bylaws". The Local Government Act 2002 Part 5, S52 specifies these as current responsibilities of a Community Board. These are not unique to a local board.

- Page 8 – the image of the Tasman District Council should have included the following comparative population and ratepayer statistics:

2.3. Table 1: Comparative population and representative statistics broken down by Ward

	Current Representation	Number of Rate payers ¹	Number of Electors in roll ²	Population (est) ³	Population representation per member ⁴
Lakes-Murchison Ward	1	2,304	2,654	3,230	3230
Golden Bay Ward	2+4	3,505	4,029	5,370	895
Golden Bay Local Board	2+5	3,505	4,029	5,370	767
Motueka Ward	3+4	5,888	9,116	13,130	1876
Moutere-Waimea Ward	3	5,790	10,519	15,500	5167
Richmond Ward	4	6,820	12,696	17,530	4283
Total		24,307	39,014	54,760	2608

- Pages 9 – 11 describes ‘What might a Golden Bay local board do?’ with the paper listing Advocacy and Collaboration across a number of areas. These are existing responsibilities of the current Community Board, and while the Council recognises the nuances of the terminology used within the introductory paragraph such as “enhanced” and “stronger”, there is a genuine concern that these finer points are easily overlooked by other submitters.
- Page 14 lists the Advantages and Disadvantages of a Golden Bay local board. The Advantages which are listed are intangible and cannot be measured. The Disadvantages are tangible and can be measured. Presenting the Advantages and Disadvantages this way does not allow a submitter to undertake a balanced assessment.
- Page 14 listed as a disadvantage the “requirements for new funding policy, three year plan and annual plan” but did not go into sufficient detail as to why these processes are a disadvantage. It would help other submitters if they understood that while local boards prepare their local board plans (and may have to meet the associated costs), the prioritising

¹ Numbers taken from July 2020 rates strike, as are the “Capital Value by ratepayer”

² Number of Residential Electors as at 30 April 2019 received from Enrolment Services.

³ Subnational population estimates 30 June 2019 - data extracted on 16 Jul 2020 01:28 UTC (GMT) from NZ.Stat

⁴ Population figure divided by the total number of councillors and community board, for each Ward.

of funding for implementation remains the responsibility of the governing body and that the local community may still not achieve all of their stated priorities if they are to rely on district-wide funding to support them.

3. Will a local board encourage greater community involvement in decision making in Golden Bay?

- 3.1 The Council does not believe that a local board will change the appetite of the community to be involved in local decision making in Golden Bay.
- 3.2 The community, if choosing to go down the path of a local board, will still be selecting representation from the same talent pool. A change in structure does not guarantee a change in the relationships, skills or experience on the board.
- 3.3 The Council is aware of the historical frustrations expressed by parts of the Golden Bay community, and believes that significant progress has been made in terms of improving the relationship and addressing those concerns. The recent solution surrounding the Golden Bay Grandstand is evidence of that.
- 3.4 The existing Community Board is empowered with a number of decision making responsibilities, and these are always open for expansion where legislation allows. The Council has a positive history of adding delegations and these are reviewed periodically and often occur on a project basis. Working groups are also frequently established to ensure localised input to decision making is supported and encourages participation from as large a cross section of the interested community as possible. Recent examples include Takaka Freshwater and Land Advisory Group, Golden Bay Natural Landscapes Project and the Port Tarakohe development.

4. What might a Golden Bay local board cost?

- 4.1 It is difficult to ascertain the actual costs of running a local board in advance of any final structure being determined, however the experiences of the Auckland Council establish a reliable base-line.
- 4.2. Advice from the Auckland Council on the level of support required to support a geographically isolated local board, indicates the following direct staff support required in Golden Bay:
 - Lead team member
 - Customer support officer
 - Senior and part time advisor
 - PA/Community liaison officer
- 4.3. We also sought to understand the costs to deliver this support and used figures from the Auckland Council's 2017/18 Annual Report for Governance costs specific to a comparable local board:
 - Waiheke (5 members, pop 9250) governance costs were \$918,000
 - Great Barrier (5 members, pop 939) governance costs in were \$909,000
 - Great Barrier is 10% of the population of Waiheke but has similar governance costs demonstrating there are fixed overhead costs associated with supporting a local board structure.

4.4. Tables 2 and 3 below show the likely additional ratepayer costs calculated by the Council over and above the costs already incurred in servicing a Community Board. These are based on the Auckland Council figures and compared to those provided in the Options paper. The column 'Costs if only funded by Golden Bay' shows the cost if all the costs of a local board were covered by a targeted rate. The column 'Costs if funded district-wide' shows the cost if all the costs were spread across the District.

4.4.1 Table 2: Costs based on Auckland Council figures from their 2017/2018 Annual Report

		Costs if only funded by Golden Bay	Costs if funded district-wide
	\$	\$ Per property	\$ Per property
Current targeted rate (from Tasman District Council reports)	17,558	5.01	-
Elected Members Local Board remuneration	75,000	21.40	3.09
Governance costs (from Auckland Council)	900,000	256.78	37.03
	975,000	283.18	40.11

4.4.2. Table 3: Costs based on Local Government Commission figures provided in Options paper

		Costs if only funded by Golden Bay	Costs if funded district-wide
	\$	\$ Per property	\$ Per property
Current targeted rate	17,558	5.01	-
Elected Members Local Board remuneration	75,000	21.40	3.09
Direct costs (from LGC estimates)	240,000	68.47	9.87
Indirect costs (from LGC estimates)	190,000	54.21	7.82
	505,000	149.09	20.78

4.5. These costs are indicative and the two scenarios are not the only options. The purpose of this table is to demonstrate that the costs provided in the report severely underestimate what the actual costs are more likely to be, based on the actual experience of Auckland Council. Even if the costs of a Golden Bay local board were half the cost of the Auckland example, that would still represent an increase in costs, the benefits of which are understated or unclear.

4.6. If costs were funded through general rates the allocation of costs by Ward would be based on capital value as set out in the table below (that is, the additional cost of a local board would be met in proportion to the capital value split shown):

4.6.1. Table 4: General rates split by Ward

Ward	Capital Value	%
Lakes-Murchison Ward	\$ 1,624M	9%
Golden Bay Ward	\$ 2,229M	13%
Motueka Ward	\$ 3,838M	22%
Moutere-Waimea Ward	\$ 4,716M	26%
Richmond Ward	\$ 5,389M	30%

5. Allocated and Delegated functions

- 5.1 Page 9 of the Options Paper does not specify which powers and functions would be allocated and which would be delegated. This is relevant because there is a difference between allocation and delegation of powers and functions. Allocated powers are more permanent (and difficult to change) compared with delegated functions.
- 5.2 As an additional point, many of the powers and functions listed as possibly being delegated or allocated to the local board are already delegated to the community board. In the Council's view, this is not adequately highlighted by the Options Paper. This is problematic because it would be difficult for members of the public to weigh up the differences between the existing community board (and its functions/powers) and the proposed local board.
- 5.3 As it is currently worded, the Options Paper does not have enough detail as to which specific powers are proposed to be delegated or allocated to the local board. The Council recognises that that additional detail is not necessarily required at this stage of the Commission's process, however given the existing delegations to the community board it is important that the differences between the powers allocated and delegated be clear. The Council suggests more robust analysis be undertaken in relation to the powers that are proposed to be allocated or delegated to the local board (and that this be clearly compared with the existing delegated powers of the community board).

6. The four questions in the Options paper:

6.1 What are your views on an appropriate balance between:

- More local decision making in Golden Bay and
- District-wide decision making?

6.1.1 The Council believes there currently is an appropriate balance between local decision making and district-wide decision making, especially given the way in which activities are funded.

6.1.2 The current community board has appointments on the Takaka Aerodrome User Group, the Port Tarakohe Advisory Group, the Golden Bay Museum Board, all Hall Committees, holds a budget for funding community activities and projects, and Community Boards hold portfolio responsibilities for the respective standing committees.

6.1.3 In assigning functions, LGC and the community need to be aware of legislative limitations imposed by legislation, for example the Reserves and Other Land Disposal Act 1959,

which specifies the ongoing management arrangements of the recreation reserve in Takaka.

6.2 Given its geographical features and the relative remoteness of Golden Bay, do you consider more local decision-making is necessary to promote local community resilience and well-being now and in the future?

6.2.1 The Council also believes that the mechanism necessary to promote local community resilience and well-being exist within the current governance structure and that a local board will not enhance this.

6.2.2 Nor does the Council support the establishment of a local board on the basis of 'relative remoteness'. In fact, there is only a 6 minute differential in driving time between Takaka to Richmond vs Murchison to Richmond⁵.

6.2.3 The Council entirely agrees that local decision-making is necessary to promote local community resilience and well-being now and in the future, for any community. The Council has always acknowledged the uniqueness of the Golden Bay Ward with the higher number of representatives than normally provided by legislation. In the 'Table 1: Comparative population and representative statistics broken down by Ward' it shows clearly that Golden Bay already has a higher representative to population ratio than the other Wards with each member representing 895 people, versus, for example, the Motueka Ward representing 1876 people per member. If the decision is to proceed with a local board, the Council encourages the LGC to be more explicit in their expectations of an appropriate governance structure for the board that would be in proportion to, and not disadvantage, the rest of the District.

6.2.4 A local board in Golden Bay risks encouraging further isolation rather than the current inclusive club approach across the District.

6.2.5 To provide utility infrastructure, the Council has three clubs – one for each of the water supply, wastewater and stormwater activities. How the clubs operate is that most of the urban areas where the Council provides utility infrastructure services all pay the same amount of rates per household or business for those services. Clubs only apply to the urban areas which receive these services. The rural areas, which do not get these services, do not pay.

6.2.6 Over time, the Council spends money maintaining, renewing and upgrading the three waters services in each urban area and the funding for this work comes out of the Club funding pool. By taking this approach, it reduces the fluctuations in rates incurred by ratepayers due to lumpy infrastructure demands. It also tends to mean that the smaller communities are provided with infrastructure that they may not otherwise be able to afford without some cross-subsidisation from the larger urban communities. A local board proposal in Golden Bay, or in other areas of the District, has the potential to unwind the Club approach, reinforce "user-pays", and therefore make it harder for smaller communities across the District to:

⁵ Google Maps driving time from Richmond to Takaka is 1 hour 34 minutes, the driving time from Richmond to Murchison is 1 hour 28 minutes

- a. upgrade their water supplies to meet the ongoing increase in the Government's drinking water standards;
 - b. meet increasing environmental standards for wastewater treatment; and
 - c. meet the increasing need for stormwater management due to climate change and other factors.
- 6.2.7 With respect to community infrastructure, the Council has taken a Club approach to the provision of new multi-purpose community facilities. The Council recently constructed a new \$4.2 million community recreation facility in Takaka for the Golden Bay community. Over \$1 million of this funding was raised by community fundraising, but the balance came from funding spread across the District. Smaller communities in our District may not be able to afford such facilities without District-wide funding through the Club approach.
- 6.2.8 District-wide funding through the Club approach enables the Council to deliver similar levels of service to all the urban areas within our District, with everyone paying the same amount of rates for that service no matter where they live. The question arises as to how funding one local board might impact on this arrangement, or how it can be ring-fenced to ensure it doesn't.

6.3 Is there community support for the establishment of local boards elsewhere in the Tasman District? Can you demonstrate the level of support?

- 6.3.1 When the LGC originally called for submissions only one submission supported a local board, which is not indicative of support by the wider community.
- 6.3.2 Nor was this supported through the representation review, conducted in 2018, prior to the 2019 triennial elections. While the Representation Review did not ask about local boards, there was the opportunity to ask for community boards through the Review process.
- 6.3.3 No requests for other community boards were received as part of the submission process.⁶
- 6.3.4 Should the Commission decide on a local board, the Council's least preferred option is five local boards across the District due to increased costs, increased inconsistency of policy and service levels across the community and cuts across communities of interest.⁷
- 6.3.5 Costs and staff resources would be considerably higher with additional local boards to service. There would be more transaction costs liaising with boards on regulatory and non-regulatory matters and as a statutory recognised entity the current informal arrangements that currently exist with community organisations may cease.⁸
- 6.3.6 The Council believes that while there may be some limited support for local boards, it is based on incomplete information and that the support is not universally widespread. It also believes that local boards based on the current Wards may not necessarily correlate with communities of interest.

⁶ [Final Representation Review Proposal 2018](#), August 2018

⁷ Letter from Tasman District Council to Local Government Commission, Key Matters to Consider for Local Board Proposal, June 2019

⁸ Local Board Workshop material, May 2019

6.3.7 Further to this, the Council believes that any new requests for local boards initiated as part of this process should be considered under the current Reorganisation rules⁹, where the threshold would require 10% of electors in the affected area, with the affected area being the entire District, not just a Ward, as the funding arrangements potentially impact the entire District.

6.4 Do you have comments on possible local board representation arrangement or on councillor presentation in the event a local board (s) is established in Tasman District?

6.4.1 The Golden Bay Ward currently has two Councillors for a population of 5,370 (2,685 per member) with an average population per Councillor of –32.43% when compared to the District average. This is outside of the ‘+/- 10% rule’ as outlined in section 19V(2) of the Local Electoral Act 2001. Please note that this representation does not take into account other elected representatives as currently provided by community boards.¹⁰

6.4.2 However, the Act allows for particular community of interest considerations to justify a deviation of this rule. The Council already considers Golden Bay Ward to be treated as an isolated community under section 19V(2) of the Local Electoral Act 2001 for the following reasons:

- The Ward is an isolated community requiring specific representation in order to provide effective representation;
- Reducing the number of members will compromise the rural voice and increase the population per member to almost 5,000;
- It has a very clear geographic line that separates Golden Bay from the balance of the District;
- Weather patterns can vary considerably from the rest of the District that can isolate the Bay, as shown recently by Cyclone Gita;
- Contracts for roading, parks and reserves etc. are all carried out from depots and staff based in the Bay;
- Has a relatively small permanent population which swells considerably during the holiday season with domestic and international visitors;
- There are four distinct settlements within the Golden Bay Ward which make up the broader community of interest;
- Elected members are the ‘eyes and ears’ of the community and often their first point of contact.

6.4.3 If Golden Bay was to get a local board, it will receive a higher level of governance service than other areas in the District. Therefore, it would be difficult to justify a second Councillor for Golden Bay on the Council. As many matters of importance to Golden Bay (along with the rest of the Tasman District) will still be considered by the Council, it may disadvantage the Golden Bay community if their representation on the Council was reduced to one Councillor.¹¹

6.4.4 The Council is required to undertake a representation review for the 2025 Triennial elections. If a local board is established this would need to be considered as part of this

⁹ Schedule 3 of the LGA deals with reorganisation

<http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM4926391.html>

¹⁰ Final Proposal for Representation Arrangements for the 2019 Local Elections, August 2018

¹¹ Letter from Tasman District Council to Local Government Commission, Key Matters to Consider for Local Board Proposal, June 2019

process, and as mentioned earlier the Council encourages the LGC to be more explicit in their expectations of an appropriate governance structure for the board that would not disadvantage the rest of the District.

7. Conclusion

- 7.1 We appreciate the legislation empowers the LGC to make a final reorganisation proposal once it has considered feedback on the current proposal. The Council also appreciates and acknowledges the desire of communities within Tasman to have voice in the decision making processes affecting them. On the basis of what the LGC has presented, we are unconvinced that a compelling case for a local board has been presented given the likely cost implications to the Tasman community generally and Golden Bay in particular. We draw the attention of the LGC to the Council's earlier submission as we do not believe the proposal currently out for submission has adequately addressed the matters we raised.
- 7.2 We would like the opportunity to speak to our submission in person at the Commission hearing.

Yours sincerely



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Mayor, Tasman District Council



Janine Dowding
Chief Executive, Tasman District Council