
7 Pūrongo me whakatau | Decision Reports

Representation Review - Initial Proposal for consultation

CM No.: 2448510

Rāpopotonga Matua | Executive Summary

Purpose

The purpose of this report is for Matamata-Piako District Council (Council) to resolve an initial proposal for its review of representation arrangements (number of Councillors, wards, etc.) that will apply for the 2022 and 2025 triennial elections.

This report provides a background to the current electoral structure of the Matamata-Piako District, details relevant legislative obligations and canvasses options for the consideration of Council with a view of publicly notifying an initial proposal.

Overview

Local authorities are required to carry out a representation review at least every six years. Council last conducted a representation review in 2018/19 (for the 2019 and 2022 triennial elections) and is required to carry out a representation review in every six years. In May 2021 Council decided to establish a Māori Ward for the 2022 elections which has triggered a representation review this year.

The requirements relating to representation reviews are specified in sections 19A to 19Y of the Local Electoral Act 2001 (LEA).

In reviewing representation arrangements, Councils are required to provide for effective representation of communities of interest and fair representation of electors. There are three key factors to consider:

- communities of interest
- effective representation of communities of interest
- fair representation of electors.

A representation arrangements initial proposal must be made no later than 31 August 2021. Public notification of the resolution is required to be made and the public invited to make submissions.

If no submissions are received, the initial proposal becomes final proposal. In circumstances where submissions are received, Council considers these and may amend its initial proposal accordingly.

The final proposal is then publicly notified, and if no appeals or objections are received, it becomes the basis of election.

Any appeals or objections received are forwarded to the Local Government Commission (LGC) for determination. A determination of the LGC is not able to be challenged, except on a point of law (to the High Court).

If Council's final proposal is non-compliant with the fair representation criterion (known as the +/- 10% rule), then this is treated as an appeal and referred to the LGC for determination, irrespective of whether there are any other appeals or objections.

Representation structure

Council must determine how its representation structure is to be arranged for the next triennial local authority elections in 2022 and 2025. Council is required to determine by resolution an initial proposal after consideration of:

- whether Councillors (other than the mayor) are to be elected by electors of the district as a whole ('at large') or by electors of two or more wards, or in some cases by a combination of the electors of the district as a whole ('at large') and by electors of wards
- Māori Ward/s
- the proposed number of Councillors to be elected ('at large', by ward, or a combination of both)
- the proposed name and boundaries for each ward (if applicable).

In addition, communities and Community Boards are required to be considered as part of the review process. If applicable, Council must determine the number of elected and appointed members of a Community Board.

Representation options

Current representation arrangements are the mayor (elected at large), 11 Councillors (elected from three wards) and no Community Boards.

Under the LEA, after identifying communities of interest, Council is required to consider effective representation of these communities of interest and fair representation of electors.

Under the fair representation of electors, Council is to ensure the ward populations do not vary by more than +/- 10% in terms of the population per Councillor. There is however some legislative leeway with this requirement if compliance divides a community of interest between wards, or, unites two or more communities of interest with few commonalities of interest.

Currently two of the three wards (Te Aroha and Matamata Wards) do not comply with the +/- 10% rule. The status quo is not an available option because a Māori Ward now needs to be accommodated within the structure.

Council discussed in a workshop a range of possible options for representation, some of which did not comply with the +/-10% rule. From the various options discussed, Council identified five reasonably practicable options to be explored further, these being:

- Option 1: Decreasing to 9 ward Councillors, 3 in Matamata, 3 in Morrinsville, 2 in Te Aroha (no change in ward boundaries), and 1 Māori Ward Councillor (the Māori Ward being the whole district)
- Option 2: Maintaining 11 Councillors with 8 ward Councillors, 3 in Matamata, 3 in Morrinsville, 2 in Te Aroha plus some (number to be determined – assumed 2 as example) Councillors elected 'at large' (no changes in ward boundaries) and 1 Māori Ward Councillor (the Māori Ward being the whole district).
- Option 3: Increasing to 12 ward Councillors, 4 in Matamata, 4 in Morrinsville, 3 in Te Aroha (no change in ward boundaries) and 1 Māori Ward Councillor (the Māori Ward being the whole district).

Note: Option 3 is the status quo with the addition of a Māori Ward Councillor.

- Option 4: Increasing to 13 ward Councillors, 5 in Matamata, 4 in Morrinsville, 3 in Te Aroha (no change in ward boundaries) and 1 Māori Ward Councillor (the Māori Ward being the whole district).
- Option 5: Increasing to 14 ward Councillors, 5 in Matamata, 4 in Morrinsville, 3 in Te Aroha (no change in ward boundaries) and 2 Māori Wards (the district could be divided into 2 Māori Wards).

Of all the above options, only Option 3 does not comply with the + /- 10% rule.

Council now needs to give consideration to the issues and confirm its initial proposal and set out reasons for the proposal.

Next steps - timeframes

The proposed timeframe for the process is as follows:

- Council to determine its initial proposal – 14 July Council meeting
- Public notice of initial proposal – 20 July
- Submission period - 20 July – 22 August
- Hearing/deliberations – 15 September
- Council to determine its final proposal – 15 September (or 22 September)
- Public notice of final proposal – 21 September (or 28 September)
- Appeal/objection period – 21 September – 24 October (or 28 September to 31 October)
- If no appeals or objections are received and the final arrangements comply with the +/- 10% rule, then Council's proposal becomes final – October/November
- If appeals or objections are received and/or Council's proposal does not comply with the +/- 10% rule the LGC makes a determination - by 10 April 2022

WHAKATUANGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. The information be received.
2. Pursuant to section 19H of the Local Electoral Act 2001, Council agrees to adopt as its initial proposal for the review of representation arrangements for the 2022 and 2025 triennial elections (and any by-elections), the following:
 - a) Matamata-Piako District Council comprising the area delineated by SO 58040 deposited with Land Information New Zealand to comprise 12 Councillors elected under the ward, plus the mayor elected by the electors of the District as a whole.
 - b) Matamata-Piako District Council be divided into three general wards, as follows:
 - (i) Matamata Ward being the existing ward comprising the area delineated by SO Plan 58041 deposited with Land Information New Zealand
 - (ii) Morrinsville Ward being the existing ward comprising the area delineated by SO Plan 58043 deposited with Land Information New Zealand
 - (iii) Te Aroha Ward being the existing ward comprising the area delineated by SO Plan 58042 deposited with Land Information New Zealand
 - c) Matamata-Piako District Council be divided into one Māori ward(s), as follows:
 - (i) Māori Ward being the whole Matamata-Piako District comprising the area delineated by SO 58040 deposited with Land Information New Zealand
 - d) Councillors are to be elected by electors on the general roll as follows:
 - (i) 4 councillors elected by the electors of Matamata Ward
 - (ii) 4 councillors elected by the electors of Morrinsville Ward
 - (iii) 3 councillors elected by the electors of Te Aroha Ward
 - e) Councillors are to be elected by electors on the Māori roll as follows:
 - (i) 1 councillor selected by the electors of the District as a whole.
 - f) The different communities of interest identified as part of the 2018/19 representation review were, in summary, our three main towns, small rural townships, rural, and Māori. Council confirms these remain the same as the current three wards and new Māori Ward reflect the district's communities of interest.
3. Pursuant to section 19J of the Local Electoral Act 2001 Council determines in light of the principle of fair and effective representation under section 4(1)(a):
 - a) No Community Boards be established - In Council's view this initial proposal provides sufficient representation for the electors of Matamata-Piako District.

4. Pursuant to section 19K Council's explanation of the reasons for the initial proposal are:
- a) The arrangement used for the 2019 election (being the Te Aroha and Matamata Wards) no longer complies with the +/- 10% rule as per section 19V of the Local Electoral Act 2001. By adding a Māori Ward Councillor to the existing representation it means the Matamata Ward complies with the +/- 10% rule pursuant to section 19V of the Local Electoral Act 2001.
 - b) With this proposal the only the Te Aroha Ward falls outside of the allowable range of Councillors per person by 78 people (which equates to -12.67%).which is considered to be a small non-compliance with the +/-10% rule.
 - c) Council determines that we should maintain the wards as described above and distribute membership in a way that does not comply with the +/-10% rule because compliance would require the Te Aroha Ward to be expanded into the Morrinsville and/or Matamata Wards to increase the Te Aroha Ward population. This would limit effective representation of communities of interest by dividing a community of interest within the Morrinsville and/or Matamata Wards.
 - d) Council determines that maintaining the status quo (of 11 General Ward Councillors) with the addition of 1 Māori Ward Councillor provides for effective representation to the Matamata-Piako District residents, the alternative options and combinations that would be needed to comply with the +/- 10% rule we believe would not create fair and effective representation as our community have told us they believe what we have is currently working well.
 - e) At their meeting on 2 March 2021 when Te Manawhenua Forum recommended Council introduce a Māori Ward/s for the 2022 triennial election, Discussion at this meeting indicated Forum members didn't want the Māori Ward Councillor to replace any of the existing Councillor roles and compromise current representation.
 - f) Central government are undertaking a review of Local Government and are reforming the three waters activity. It is possible that this will result in changes to the number of Councils around New Zealand and their roles and responsibilities. Council considers it would be best to wait for the outcomes of these reviews before making any changes to how people in our district are represented.
 - g) To comply with the +/-10% rule this would go against 84% of respondents to the preliminary informal consultation in 2017 who believe the ward they live in best reflects their community of interest and the 80% of respondents who thought the current representation system fairly reflects their community. This proposal is as close to the 'business as usual' approach as possible, which is familiar and has been supported by the community.
 - h) The current approach to representation has been in place for many years and is familiar to the community
 - i) The district population is continuing to increase and the number of Councillors has not increased since 1989 (in fact the number of Councillors decreased from 12 to 11 in the mid-1990s). We project the district will keep growing at a moderate rate so providing one extra Councillor to represent the Māori Community will help represent a growing community and help build relationships with iwi.

- j) The workload on the Mayor and Councillors is increasing as Council is responding to new challenges, new external Committees and developing iwi partnerships and meeting legal requirements. This proposal will allow the workload to be shared amongst more elected members and provide more opportunity for Councillors to specialise in having certain responsibilities.
 - k) It will allow for a broader and more diverse range of views, interests and opinions to be elected to Council and represented, in particular with the introduction of a Māori Ward Councillor.
 - l) It will allow for enhanced communication between Councillors and the community and promote good governance. There will be more opportunities for the community to have face to face interaction with Councillors and provide greater choice for residents on who to approach on local issues.
 - m) Council does not have Community Boards, which many other Councils have. Increasing the number of Councillors by one would mean we do not need another layer of elected representation from Community Boards. The Mayor and the Councillors can provide fair and effective representation under the proposed structure.
 - n) Council acknowledges that this initial proposal results in non-compliance with the fair representation (+/- 10% rule), and if this is confirmed by Council as its final proposal, the proposal must be treated as an appeal under section 19V(5) of the Local Electoral Act 2001 and referred to the Local Government Commission following the appeal/objection period. The Local Government Commission will then determine the outcome for Matamata-Piako District Council for the 2022 and 2025 elections.
5. The above initial proposal be notified for formal public consultation, including inviting submissions in the period 20 July to 22 August 2021.

Moved by: Cr C Casey
Seconded by: Cr A Wilcock

KUA MANA | CARRIED

Cr James Sainsbury and Cr Kevin Tappin voted against the motion.

Item 7.1 was taken out of order and considered after 7.6

Horopaki | Background

Historic arrangements

The Council comprised 12 elected members (excluding the mayor) when it was constituted in 1989 and for the 1992 and 1995 elections, and it has comprised 11 elected members (4 Matamata, 4 – Morrinsville, 3 – Te Aroha Wards) since then (the Matamata Ward was reduced from 5 to 4 Councillors for the 1997 election).

2006 Review

Council's first review under the LEA was completed in 2006. The Council's final proposal was essentially to retain the existing representation structure, but reduce the number of Community Board members from six (6) to four (4) but to retain all other aspects of representation. These arrangements applied for the 2007 and 2010 elections.

2012 Review

Council undertook a further representation review in 2012.

The initial proposal was to maintain the current wards and elected members of Council but to disestablish the three Community Boards (Morrinsville, Te Aroha and Matamata). The Community Boards consisted of four elected members each.

Council formally recorded its reasons for proposing the disestablishment of the Community Boards as follows:

- In Council's view, 11 Councillors and one mayor provides sufficient representation for the electors of Matamata-Piako District.
- The district currently has very active and effective community and interest groups that lobby Council on behalf of the community.
- There is currently a duplication of roles and representation given that the communities cover the same geographic area as Council's wards.
- The cost of maintaining the Community Boards is excessive given that they perform limited functions and provide limited value over and above representation provided by Council.

37 submissions were received on this proposal and following consideration of these, Council resolved to adopt its initial proposal as its final representation proposal (i.e. without change). Six appeals were received, all against the proposed disestablishment of the Community Boards.

The 2012 representation review was based on the 2010 population estimates. All wards complied with the +/-10% fair representation rule when the 2010 population estimates were used. However, when the most recent population estimates became available (2011), the Morrinsville and Matamata Wards complied with the +/-10% fair representation rule but the Te Aroha Ward marginally did not (-10.09%).

The matter was subsequently heard and determined by the LGC, who upheld Council's final proposal. These representation arrangements applied for the 2013 and 2016 elections.

2018 Review

Council undertook a further representation review in 2018.

The population and representation statistics as they were at the time are set out below:

Wards	Population*	Number of Councillors per Ward	Population per Councillor	Deviation from district average population per Councillor	% deviation from district average population per Councillor
Matamata	13,800	4	3,450	+93	9.27%
Morrinsville	12,700	4	3,175	18	0.56%
Te Aroha	8,230	3	2,743	-414	-13.11%
Total	34,730	11	3,157		

* These are 2017 population estimates.

195 submissions (including one late submission) were received with 160 submissions or 82% of these in support of the Councils Initial Proposal. Following a hearing Council resolved to adopt its initial proposal as its final representation proposal (i.e. without change). Three appeals were received to this (one appeal sought a Māori Ward for the district, another sought an additional, fourth member for the Te Aroha Ward and a further appeal sought the re-establishment of community boards). As the final proposal did not comply with the + / - 10% rule it had to be referred to the LGC for determination irrespective of the appeals.

The matter was subsequently determined by the LGC, who upheld Councils final proposal. This representation arrangements applied for the 2019 elections. Attached to the agenda is a copy of the LGC determination.

Ngā Take/Kōrerorero | Issues/Discussion

Introduction to 2021 Review

The LEA requires every Council to undertake a review of their representation arrangements at least once every six years. As noted previously, Council last reviewed its representation arrangements before the 2019 triennial elections. With the creation of a Māori Ward Council is required to undertake a review before the 2022 triennial elections.

Matters already considered

Council has already considered a number of matters including:

- the LGC guidelines
- the electoral system to be used
- Māori representation
- Pre-consultation with the community.

These are explained further below:

LGC guidelines

The LGC has issued guidelines for local authorities when undertaking a review of representation arrangements. A copy of these guidelines (as issued March 2021, 8th edition) has previously been provided to Councillors and is available at www.lgc.govt.nz.

The statutory requirements described in these guidelines are binding on both Council and the LGC in the exercise of its powers on objections, appeals and referrals and other content describe recommended practice when undertaking a review process.

Electoral system

Council has the option to choose either the first past the post (FPP) or, single transferable voting (STV) electoral system by September two years before the next triennial election. At its meeting on 20 June 2020, Council resolved to retain the FPP system for the 2022 triennial elections. The choice of electoral system is undertaken prior to the representation review commences and accordingly is not part of the review process itself.

Māori Representation

The Local Electoral (Māori Wards and Māori Constituencies) Amendment Act 2021 changed the way Māori Wards can be created, allowing until 21 May 2021 for them to be established for the 2022 elections. The law change also removed the binding poll provisions.

As a result of these changes, Council sought advice from Te Manawhenua Forum Mo Matamata-Piako ("TMF") as to whether a Māori Ward should be established or not. The TMF recommended Council create a Māori Ward. At its meeting on 28 April 2021 Council decided to establish one or more Māori Ward(s). This takes effect for the next two triennial general elections (i.e. 2022 and 2025), and for any associated by-elections, and continues in effect after that until a further resolution takes effect. Council now needs to accommodate a Māori Ward with its representation structure.

Pre-consultation

A pre-consultation survey on "Who Represents you?" was undertaken by Council in the period 27 November to 15 December 2017.

The survey asked:

- the ward/voting area people live in
- the community they most associate with
- whether people think the ward in which they live reflect their community of interest – and if not, which ward would they prefer to be represented in?
- whether the current representation system fairly reflects our community – and if not, what alternatives are preferred (e.g. urban and rural wards, a Māori ward)
- whether Council should re-establish Community Boards?
- did you vote in the previous local government elections?

This preliminary consultation assists in understanding whether the current representation structure reflects the interests of our community; the communities of interest that exist within the district and whether these have changed over time.

The communication included two parts:

- targeted consultation with residents along the ward boundaries:
 - a letter was mailed to all properties within 2 kilometres of the internal ward boundaries (i.e. not those along the district boundaries with other Councils) enclosing a hard-copy of the survey;
 - SIL Research Ltd (an independent research company) undertook a landline-based telephone survey of 200 sample residents. The SIL survey was the same as hard-copy version.
- general consultation with the community:
 - half-page newspaper advertisements on 27 November and 6 December 2017 in the Piako Post and Matamata Chronicle (a copy of the survey form);
 - online survey, e-newsletters, social media, library displays, attending town market days and a mayoral interview with Nga iwi FM.

Overall, 423 people responded to the survey of which 200 were from the SIL telephone survey of residents along the ward boundaries.

A summary of results is attached to the agenda.

Ngā Take | Issues

Matters for determination for this review:

Part 1A of the LEA sets out the requirements for a representation arrangements review.

- the proposed number of Councillors to be elected in each category (as a whole/ward/mixture - if applicable);
- the proposed name and boundaries for each ward (if Council agrees to elect its members under the ward system);
- whether there should be communities and 1 or more Community Boards, and if so, the nature of a community and structure of a Community Board including:

- the number elected and appointed members
- the board area boundaries
- the basis of election for the elected board members (from the community as a whole; subdivisions or wards)
- where members are to be elected from subdivisions:
 - The name and boundaries of subdivisions
 - The number of members to be elected from each subdivision (in accordance with the +/- 10% rule).

For clarity in this context the phrase “community” means the area of a Community Board. Therefore a decision relating to establishing (or not establishing) a Community Board implicitly also deals with the issue of the community.

Key principles

In undertaking a representation arrangements review, the following key principles must be considered:

- communities of interest
- effective representation
- fair representation (+/- 10% rule)

These are discussed each, in turn, below.

Communities of interest

Defining communities of interest is an essential part of the review process and needs to be done before Council determines how to provide effective representation.

The LGC refers to ‘community of interest’ as a three-dimensional concept with perceptual and functional aspects:

- perceptual – a sense of belonging to a clearly defined area or locality
- functional – the ability to meet with reasonable economy the community’s requirements for comprehensive physical and human services
- political – the ability of the elected body to represent the interests and reconcile the conflicts of all its members.

The perceptual and functional aspects relate to a sense of community identity and belonging reinforced by:

- distinct physical and topographical features
- similarities in economic and social activities carried out in the area
- similarities in the demographic, socio-economic and/or ethnic characteristics of the residents of a community
- distinct local history of the area
- the rohe or takiwā of local iwi
- dependence on shared facilities and services in an area, including schools, recreational and cultural facilities and retail outlets, transport and communication links.

Decisions relating to the representation of communities of interest (the political dimension) need to reflect these interests and needs.

Communities of interest can change over time and therefore there is a need to revisit them when doing the review. During a representation review Council needs to determine:

- any identifiable communities of interest below the district level
- whether these communities of interest are located in identifiable geographical areas, justifying the establishment of wards, or are spread across the district.

Communities of interest is not defined in the LEA and may mean different things to different people. They must be able to be defined as a single geographical area i.e. a physical boundary must be able to be defined.

Communities of interest in Matamata-Piako District

A preliminary survey was undertaken in 2011 to gather views on the district's communities of interest. From this, the 2012 representation review identified the following communities of interest in the Matamata-Piako District:

- Māori
- Māori of each distinct iwi
- Te Aroha urban
- Matamata urban
- Morrinsville urban
- District rural
- Te Aroha rural
- Matamata rural
- Morrinsville rural
- Small rural townships such as, for example, Waihou, Waharoa, Tatuani, and Waitoa.

It was noted that some of these communities of interest may overlap and that people may belong to more than one community.

The 2017 pre-consultation survey on "Who Represents you?" showed that 84% of respondents thought the ward where they live reflected their community of interest.

Council should now give consideration to whether the above communities of interest have changed and what representation structure will fairly and effectively represent the community of interest.

Perceptual aspects

The district encompasses the southern end of the Hauraki Plains and much of the Thames Valley, and is bounded in the east by the Kaimai Range. The rivers Piako and Waihou run through the district. Unlike many other rural districts of similar population, our district does not have one dominant, or central, town but three towns located towards the edges of the district.

The district of Matamata-Piako was formed in 1989 following nationwide local government reform. The district was previously governed by several boroughs and counties and these historical arrangements can impact on perceptions of communities of interest.

The boundaries of the existing wards can be somewhat arbitrary (although they generally align to roads). The geography of the district is relatively similar with no significant physical features that divide the three wards. The land use of the three wards is relatively similar with rural activities occurring in all wards and an urban town in each. The socio-economic characteristics of the three wards are relatively similar although the rate of population growth is notably higher in the Matamata and Morrinsville Wards.

Ward as a basis of a perceived community of interest, likely reduces the further one travels from the main towns (i.e. the further out you go from the towns the sense of belonging can diminish and become blurred with another ward).

Residents generally have a strong feeling of identity and belonging within the urban towns. In other words, they tend to feel a sense of difference and separateness to the other main towns that

support identification as separate communities of interest. Residents are often proud of their own town, its unique characteristics and see the other towns as having a different identity.

The rural community can feel part of a wider district-wide community of interest but usually have a relationship to a particular town as well given they are most likely to travel there to meet their general day to day needs.

Residents can also feel association to the Thames Valley especially for Te Aroha and the surrounding area. The Thames Valley is a non-administrative region being the valley component of the Waihou River catchment. Civil defence co-ordination previously operates on a Thames-Valley basis (now disbanded Thames Valley Civil Defence Group). Some sports also follow Thames Valley groupings. Another strong element within the Thames Valley is the flood protection schemes provided by Waikato Regional Council.

People in our district intrinsically understand and acknowledge that there are distinct rural and urban groups (e.g. farmers and townies).

Functional aspects

The total land area of the Matamata-Piako District is 175,477 hectares. The map of the district (attached to the agenda) shows the towns and settlements within each ward.

The district's population as at 30 June 2020 was 36,300 of whom 8,310 lived in the town of Morrinsville, 8,460 in the town of Matamata, and 4,670 in the town of Te Aroha. Within the district, Morrinsville and Matamata are the largest towns with approximately 17,000 people combined (47% of the district's population).

There are a number of small towns in the area including Waharoa, Tahuna, Waitoa, Te Poi and Hinuera. These rural townships/villages are all considerably smaller than the three main towns (i.e. less than 1,000 population).

Historically, settlements were often associated with a creamery or dairy factory (e.g. Ngarua, Te Aroha West). These settlements included housing for factory workers and sometimes included a recreational facility of some kind. With improvements in transport and refrigeration, a number of dairy factories closed, the populations of many settlements declined (e.g. Ngarua, Te Poi etc.). Other settlements were built around a school and/or community hall. Historically, rural communities of interest have been defined by hall rating areas and primary schools. The trend in the past 10 years or so has seen rural schools close, and use of rural halls decline.

Council is aware that the rural area includes a multitude of land uses including farming, cropping, lifestyle, industrial and residential uses. The main industries in the district is dairy farming and thoroughbred breeding/training, food manufacturing/processing with tourism playing an increasing role. Morrinsville, in particular is a strong agricultural service centre and home to agricultural manufacturing and similar industries.

The three main towns are the main commercial and administrative centres for the district. Council's head office is based in Te Aroha with service centres (area offices) in both Matamata and Morrinsville. The 'hub' for each ward is clearly the main towns which provide a degree of connection of the different communities within a ward.

The preliminary survey from 2017 indicated less satisfaction from Te Aroha residents with their community of interest. Te Aroha has experienced some changes in over the past few years with the closure of remaining bank branches, the post-shop and other businesses such as Bunnings. These factors may contribute to Te Aroha residents travelling to Morrinsville or elsewhere to

access services/retail if they are not available locally. It is quite possible as people visit another town for services they begin to feel that ward better reflects their community of interest. Also if people start shopping in another place they may be more likely to shift other aspects of their lives such as children's schooling, doctors, sports teams etc. to the new town changing their community of interest over time.

The district is relatively self-contained in terms of day to day shopping however some residents travel to nearby areas such as Hamilton City to access a wider range of goods (for example to places like the Base Shopping mall in Hamilton). The travel time between each of the main towns is approx. 25-35 minutes. State Highways 27 and 29 run through the district and there is good road connectivity between the wards and the different settlements.

The Council itself provides services to the community as a mix of both district-wide (e.g. planning services) and local services (e.g. water supply, refuse) reflecting efficiency and effectiveness considerations. Generally speaking, the urban towns receive more direct services such as water, wastewater, stormwater and refuse collection. Many Council facilities are replicated in each town, for example libraries event/civic centres, transfer stations, major parks etc. The service delivery arrangements reflect the nature of the district being a relatively compact geographical area with a population spread across three main towns and a number of small settlements.

Political dimensions

As noted above, the LGC recognises the political dimension of communities of interest to represent a balance between the other two dimensions i.e. perceptual and functional.

The district has a number of active interest groups such as Federated Farmers, Grey Power and Chamber of Commerce / business associations which advocate to Council. Council has relationships (at a staff and political level) with many of these organisations.

Council currently has a committee structure in place, adopted at the last triennial election, to assist it to carry out its responsibilities. No Community Boards are currently established in the district. Council has formal systems in place to allow Māori to contribute to decision-making to ensure their views are represented and has recently decided to establish a Māori Ward.

Council currently has no ward-based decision making bodies (e.g. a committee) except the Ward Councillors decide on community grant applications within their Ward. All decision making is done district-wide.

Conclusions on communities of interest

A consideration in the review is how representation arrangements for communities of interest apply not just now but in the future, and this depends on an analysis of how communities may change over time. Some observations on this point and the characteristics of the Matamata-Piako District are set out below:

- The Matamata-Piako District Council was created in 1989 by amalgamating some former counties and boroughs. The current ward boundaries have remained the same since 1989.
- The district's rural and urban populations and location have a major influence on the identified communities of interest.
- The pre-consultation survey results where 84% (or 354 of 423) of survey respondents think the ward where they live reflects their community of interest.
- Over the next 30 years (2021-2051) the district's population is expected to increase 5.2%. This equates to around 2,000 people (an average of 67 per year or 0.2% annual average growth).

- The growth will not be evenly spread across the district. Most of our rural areas are projected to have a relatively static population or experience a slight decrease in population with increases projected in all three urban towns.
- Other than Māori, no new communities of interest have been identified during the review process (from what was recognised in 2012 and 2018) that would warrant specific recognition.

In its 2013 determination the LGC made the following comments:

Despite the description of the boundaries between wards as being arbitrary we conclude from the information provided by the council that the three wards centred on the main towns do represent the broad communities of interest in the district.

In conclusion, it can be argued that the current three wards and their boundaries are an appropriate reflection of the districts communities of interest.

Effective representation

Under section 19T of the LEA Council must ensure effective representation of communities of interest. Issues to consider in achieving effective representation require identifying communities of interest that are geographically distinct:

- once communities of interest have been defined by geographical boundaries, need to consider how these communities will be most effectively represented
- does each community of interest require separate representation?
- can communities of interest be grouped together to achieve effective representation?
- is effective representation best achieved by an at large system, a ward system or a mixed system?
- if at large - how many members would provide effective representation for the district as a whole?
- if wards - how many members for each ward would provide effective representation?
- should there be communities and Community Boards?
- ward and Community Board boundaries to coincide with mesh block boundaries.

Effective representation must be achieved by having between 5 and 29 members (excluding the mayor). Factors to consider include the size, nature, and diversity of the district.

Effective representation of communities of interest is achieved by ensuring that, where possible and warranted, any distinct geographical communities of interest are given specific representation by wards. Factors that may be considered in determining what constitutes effective representation are:

- Not splitting recognised communities of interest between electoral subdivisions.
- Not grouping together two or more communities of interest that share few commonalities of interest.
- Accessibility, size and configuration of an area, including:
 - Reasonable access to elected members.
 - Elected representatives being representative of the views of their electoral area.
 - Ability of elected members to interact in person with electors of their electoral area.
 - The role that Community Boards have in contributing to the representation of communities.

Election by ward will not always be appropriate and Council may propose that elected members be elected at large. Factors generally supporting elections at large are:

- A relatively compact geographic area.

- Very strong commonalities of interest among identified communities of interest, or a shared common community of interest at the district level.
- Distinct communities of interest are not geographically definable but rather are spread across the whole district.

The LGC guidelines suggest that when there are a large number of communities of interest, Council should identify any common interests and consider combining the communities of interest into one or more larger wards. In Matamata-Piako smaller rural communities could potentially be seen as separate community of interests but are likely to have common interests that can appropriately be combined into a larger ward.

Council should also give consideration the relative merits of one and multi-member wards:

- single-member wards provide a close direct link between local electors and their representative
- multi-member wards/constituencies can provide:
 - greater choice for voters
 - following the election, provide greater choice for residents on who to approach on local issues
 - allow sharing and specialising in responsibilities between the ward representatives.

Currently Council has three multi-member wards which provide the benefits set out above. It is considered the current multi-member ward structure has worked effectively.

All Councillors elected under a ward (or mixed) system make the same declaration on coming into office - to act in the best interests of the whole district. In other words, the members under a ward (or mixed) system have the same obligation to the district as any members elected 'at large' if applicable. Therefore there is no functional difference in the decision making role of members elected 'at large' and members elected by way of a ward system.

It is open for Council to conclude that the current ward structure ensures that there is a fair geographical coverage of Councillors from across the district. The current total Council membership can be considered to provide for effective representation and provide reasonable access between residents/communities and elected members.

Effective representation will provide reasonable access between residents/communities and Councillors. Council may consider the current total Council membership provides for effective representation.

Fair representation

The requirement that the average number of resident population to elected members not exceed +/-10 per cent is required to be taken into account. This applies towards wards and subdivisions of Community Boards (if applicable). The process to follow when undertaking a representation arrangements review is:

- Identify the district's communities of interest.
- Determine the effectiveness of members by looking at the overall number of members, whether they represent the district at large or from wards or by a mixture, in order to ensure that members are effective (are able to listen to and represent constituents effectively).
- Investigate whether there should be Community Boards, and if so, the number, boundaries, number of members, whether they be subdivided etc.
- Determine that members fairly represent their constituents by ensuring the average population ratio is no more than a +/- 10% variance.

The objective of the +/- 10% rule is population equity where Councillor, regardless of which ward or Community Board they represent, is elected by a roughly equivalent portion of the district's population. This ensures that all votes are of approximately equal value and electors are fairly represented.

The latest population estimates (as at 30 June 2020) for each current ward are (based on the current arrangements):

Ward	Population 2020	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	14,580	4	3,645	346	10.48%
Morrinsville	13,190	4	3,298	-2	-0.05%
Te Aroha	8,520	3	2,840	-459	-13.92%
Totals	36,290	11	3,299		

Currently the Te Aroha and Matamata Wards do not comply with the +/- 10% rule, with the Te Aroha Ward being over represented and Matamata Ward being slightly under represented. Morrinsville Ward has almost the 'ideal' number of Councillors per person.

There is a tension between obtaining effective representation of communities of interest and ensuring that there is fair representation of electors. Effective representation of communities of interest may require that wards be established to represent distinct communities of interest. However, the need to ensure that electors are fairly elected limits the manner in which wards may be established.

Population data

Section 19X of the LEA provides that the population of the district and wards is to be based on either:

- the ordinary resident population as shown by the figures for the most recently published census, or
- any subsequent estimate of the ordinary resident population as estimated by Statistics New Zealand.

It is noted that while the LGC recommends that the most recent population estimates be used, it is not a legislative requirement.

Statistics New Zealand publishes population estimates each year (as at 30 June). The estimates for 30 June 2021 will be available later in 2021 (they are usually released around October/November each year) – after consideration of an initial proposal has been made by Council.

The assessment of Council's representation arrangements is based on the June 2020 population estimates and this is considered appropriate given this is the most up to date information available.

If Council was to use the 2018 Census data as a basis for this representation review, the Matamata Ward would comply but Te Aroha Ward would still not comply with the +/- 10% rule - however the extent of over representation would be less (-11.88%).

For comparison the 2018 census population* for each ward (based on the current arrangements) is as follows:

Ward	2018 census Population	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	13,635	4	3,409	281	8.99%
Morrinsville	12,501	4	3,125	-2	-0.08%
Te Aroha	8,268	3	2,756	-372	-11.88%
Totals	34,404	11	3,128		

*Usually resident population

Should Council decide to use the 2018 Census data for this representation review, there could be some risk, particularly if the LGC became involved later in the process and the 2020 population estimates (being the most up to date figures available) were adopted by them.

Issues

Councillor numbers

Pursuant to section 19A of the Act Council must have between 5 and 29 members (excluding the mayor). Whether the basis for elections is by ward or at large affects the possible number of Councillors and the number of Councillors per ward.

In order to consider what the number of elected members is to be, it is therefore first necessary to consider the options for structure, size and number of wards that are open to Council.

There is no particular guidance on the number of Councillors that could reasonably be elected at large. It's a judgement call but based ultimately on what gives fair and effective representation. Factors might include:

- What ward arrangement results in compliance with the +/-10% rule?
- If wards have to be changed, what arrangement provides effective representation of communities of interest?

The number of Councillors should reflect the district population. In its 2013 determination the Local Government LGC made the following comments:

The Council was proposing retention of 11 elected members and we believe this appears to be within an appropriate range for the Council.

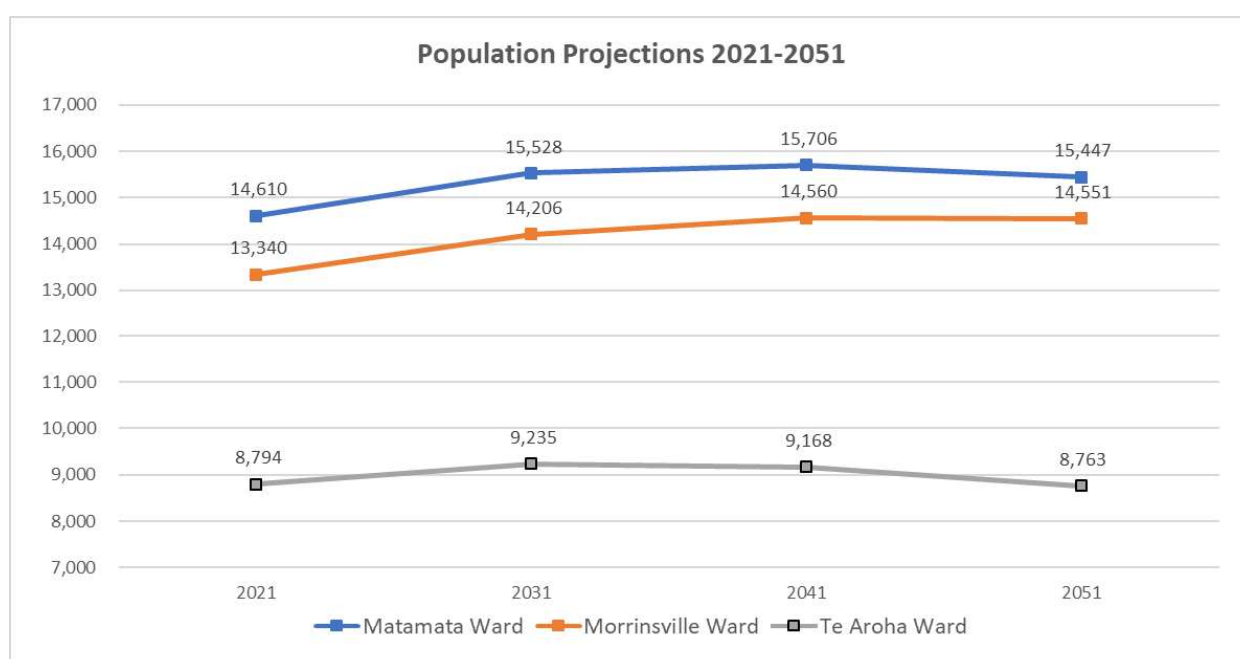
In relation to effective representation, we note that Matamata-Piako has a relatively high level of Councillor representation for districts in the 20 – 50,000 population range.

Note the 2018 determination made no specific comments on the total number of Councillors. A chart showing the Councillor representation for all Councils within the 20-50,000 population range has been previously circulated to Council and is attached to the agenda for information.

Council may wish to reflect on the projected population growth for the district and the distribution of this growth across the wards. If Council decides to increase the number of Councillors keeping within an appropriate range for the size of our population will be important.

Statistics NZ does not provide population projections for ward areas. In 2020 Council Commissioned a review of the district's resident population, dwelling and rating unit projections out to 2051 from InfoMetrics consultants. These projections provide low (declining population), medium (steady growth in population) and high (strong population growth) growth scenarios. Council considers the medium growth scenario is most appropriate for our long term planning.

The district is projected to grow over the next 30 years (2021-2051) by around 2,000 people (an average of 67 per year or 0.2%). The graph below shows the projected population growth of each ward using the medium growth series:



Under these projections the projected population of Matamata-Piako District is 36,744 (as at 30 June 2021). The urban areas provide for approximately 58% of the District's Population. Nearly 100% of the population growth and 70% of the dwelling growth is forecast to occur in the three urban towns (Matamata, Morrinsville and Te Aroha). Of the three urban towns, Matamata and Morrinsville are projected to experience the highest population growth, at around 32 and 37 people respectively per year out to 2051. This is significantly higher than the projected increase in Te Aroha (17 people per year).

In view of the projected population, increasing the number of Councillors may be warranted to provide fair and effective representation.

The ongoing shifts in the district population since the last representation review in 2018 increased the deviation from the +/- 10% rule. The deviation has now increased to -13.92% (using the 2020 population estimates) which signals a continuing trend towards greater non-compliance over time.

Ward boundaries

It is noted that s19T of the Act requires that ward boundaries coincide with the boundaries of meshblocks and that, so far as is practicable, ward boundaries should coincide with Community Board boundaries. This supports communities of interest, local electors' identification with their area and may encourage participation, such as voting or standing as a candidate.

In their 2013 determination for Council the LGC said: *We also agree with the Council's assessment that the district is compact relative to many other districts in the country facilitating ward-wide representation by Councillors.*

The LGC's 2019 determination noted:

We note that the ward boundaries fall roughly half way between Te Aroha and Morrinsville, and between Te Aroha and Matamata. Given the apparently weaker pull of Te Aroha we do not see extending the boundaries of the Te Aroha Ward to make it compliant to be a practicable option. To do so risks splitting the community of interest of either Matamata or Morrinsville and limiting effective representation.

If Council wishes to change the ward boundaries there is a process to be followed to have the boundary surveyed and new plans certified. Council has previously indicated in workshops it does not wish to change the boundaries so staff have not investigated this process and the costs around it further at this stage.

Basis of election by wards or at large

In respect of the basis for election, Council has the following broad options:

- 1) Retain the Status quo – election by wards
- 2) Change to elections at large
- 3) A mixture of wards and elections at large

Election by wards

Wards provide for Councillors to be potentially more accessible to their constituents and able to concentrate on issues of local importance, and have a greater affiliation with the local issues. Wards can help give communities of interest within the district have more direct representation.

Change to elections at large

Councillors govern for the district as a whole and Councillors elected at large may avoid parochial ward attitudes, responsibilities of wards Councillors (or perception of such) in favour of representing the whole community. Potentially it may afford opportunities for small communities to be directly represented on Council, if they are able to muster sufficient support for a candidate. It would also provide an ability for Council to manage changes in the district' population, as the +/- 10% rule does not apply to Councillors elected at large.

Election via a mixed system (some Councillors elected by ward & at large)

It is possible that some Councillors could be elected at large to represent the common communities of interest at the district level (for example, the rural community of interest).

Council may find a balance of district wide and ward Councillors could provide multiple ways of representation for communities. Having both district wide Councillors and ward Councillors could cater to the dual nature of the Matamata-Piako District (i.e. rural and urban).

The provision of some Councillors elected district wide may also reflect the fact that:

- council services are funded on a district-wide basis
- the retention of some ward Councillors would provide representation for geographically distinct communities of interest

- the community continues to place value on local democracy.

Options for electing Councillors

Council has held a workshop to discuss and consider the relevant issues when undertaking a review and initially considered a range of possible options, including many different structures some of which did not comply with the +/-10% rule. From the various options discussed, Council identified the status quo as well as three other reasonably practicable options to consider further these are detailed below. With the exception of option 1 – status quo, all of the following options explained further below would comply with the +/- 10% rule.

Status quo (Matamata – 4, Morrinsville – 4, Te Aroha – 3)

The district as a whole has a 3,157 people per Councillor. The ward populations per ward Councillor are: 3,645 (Matamata), 3,298 (Morrinsville), and 2,840 (Te Aroha).

This option does not comply with the +/- 10% rule with the Te Aroha Ward being over represented and Matamata Ward being under represented. The status quo is not a practicable option for the future as Council has decided to establish a Māori Ward so this needs to be accommodated in the structure.

Ward	Population 2020 estimate	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	14,580	4	3645	346	10.48%
Morrinsville	13,190	4	3298	-2	-0.05%
Te Aroha	8,520	3	2840	-459	-13.92%
Totals	36,290	11	3299		

Further considerations include that:

- the preliminary survey from 2017 indicated a high level of satisfaction with the current representation arrangements
- the existing representation structure has been in place for many years (except in relation to Community Boards)
- Council may consider the existing approach is fairly and effectively representing the community and there is no need for change from the general ward structure (noting that a Māori Ward needs to be included).

Option 1 - Decrease general ward members to 8 plus 1 Māori Ward member, same wards and structure (Matamata 3, Morrinsville 3, Te Aroha 2, Māori 1)

The district as a whole has 4,032 people per Councillor. The ward populations per ward Councillor are 4,267 (Matamata), 3,900 (Morrinsville), 3,830 (Te Aroha), 4,130 (Māori). Reducing the Councillor numbers in this way results in an average increase of 18% in the count of population represented by each Councillor.

Each ward is within 10% of the ratio for the district as a whole.

Ward	Population 2020 estimate	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	12,800	3	4,267	247	6.14%
Morrinsville	11,700	3	3,900	-120	-2.99%
Te Aroha	7,660	2	3,830	-190	-4.73%
Total general Ward Councillors	32,160	8	4,020		
Māori Ward	4,130	1	4,130		
Totals	36,290	9	4,032		

In considering a reduction in the number of Councillors care must be taken to ensure that:

- There is a sufficient number of Councillors available to manage the affairs of Council.
- The Elected Members' workloads do not become excessive.
- There is an appropriate level of elector representation. A reduced number of Elected Members may limit the likelihood of diversity of opinion and less understanding of the issues confronting the local community
- Diversity in Councillor skill sets, experience and backgrounds is maintained.
- There are adequate lines of communication between the community and Council.
- Consideration is given to whether 9 Councillors is too small as a representative body. Matamata-Piako has no Community Boards – so there could be a risk of under representing the community with 9 Councillors.
- The meeting quorum would be 4 Councillors plus the Mayor – which could be viewed as a relatively small number and if a Councillor is absent for any reason the ward representation could be compromised. Under the Local Government Act 2002 (clause 23, schedule 7) a quorum at a Council meeting consists of half of the members if the number of members (including vacancies) is even; or a majority of members if the number of members (including vacancies) is odd.

Option 2 - Elect some Councillors by ward and some at large (Matamata – 3, Morrinsville – 3, Te Aroha – 2, Māori - 1; some at large (number to be determined))

The ward populations per ward Councillors are: 4,267 (Matamata), 3,900 (Morrinsville), and 3,830 (Te Aroha) and is within 10% of the ratio for the district as a whole. There is no particular guidance on the number of councillors that could reasonably be elected at large

Ward	Population 2020	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	12,800	3	4267	247	6.14%

Ward	Population 2020	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Morrinsville	11,700	3	3900	-120	-2.99%
Te Aroha	7,660	2	3830	-190	-4.73%
Total general ward Councillors	32,160	8	4,020		
Councillors elected at large	34,730	TBC (assume 2)			
Māori Ward	4,130	1	4,130		
Totals	36,290	11 (assumed 2 at large)	3,299		

In considering a change to having some Councillors elected at large care must be taken to ensure that:

- There is a shared common community of interest at the district level warranting members elected at large.
- Communities of interest are spread across the district rather than being geographically distinct.
- Specific representation of individual communities of interest is needed to ensure fair and effective representation via the ward system.
- The +/-10% rule only applies to the wards, not the at large component so provides flexibility for future population changes - for example, an extra at large member could be established in the future if warranted.
- The lines of communication between Council and the community could be perceived to be enhanced given that members of the community can consult with their specific Ward Councillors as well as members elected at large.
- Contesting 'at large' elections could require more costly campaigning across the entire district. Under this model there would still be an option for candidates to stand in a Ward area at potentially lower cost. In this scenario the Māori Ward would cover the entire district as well.
- This approach could possibly be confusing to people and possibly decrease voter turnout. People would have the option to vote for their preferred ward candidates and at large candidates.
- Ward Councillors are required to act in the district's best interests anyway, and if some at large seats are established people may question what value is.

Option 3 - Increase members to 12 with the addition of 1 Māori Ward, same wards and structure (Matamata 4, Morrinsville 4, Te Aroha 3, Māori 1)

Option 3 is the status quo with the addition of 1 Māori Ward Councillor. The district as a whole has 3024 people per Councillor. The ward populations per ward Councillor are 3,200 (Matamata), 2,925 (Morrinsville) and 2,553 (Te Aroha). Increasing the Councillor numbers by 1 to 12 results in a 9% decrease in the count of population represented by each Councillor.

Te Aroha Ward falls outside the +/- 10%

Ward	Population 2020 estimate	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	12,800	4	3,200	276	9.45%
Morrinsville	11,700	4	2,925	1	0.05%
Te Aroha	7,660	3	2,553	-370	-12.67%
Total general Ward Councillors	32,160	11	2,924	32,160	
Māori Ward	4,130	1	4,130		
Totals	36,290	12	3024		

Option 3 is as close as possible to a 'business as usual' approach (keeping the same number of general Ward Councillors, adding a Māori Ward Councillor). Options 1 and 3 also have the advantage of being relatively familiar by retaining the ward structure and the same ward boundaries.

Option 4 - Increase members to 13, same wards and structure (Matamata 5, Morrinsville 4, Te Aroha 3, Māori 1)

The district as a whole has 2,792 people per Councillor. The ward populations per ward Councillor are 2,560 (Matamata), 2,925 (Morrinsville) and 2,553 (Te Aroha). Increasing the Councillor numbers by 2 to 13 results in 18% decrease in the count of population represented by each Councillor.

Each ward is within 10% of the ratio for the district as a whole.

Ward	Population 2020 estimate	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	12,800	5	2560	-120	-4.48%

Ward	Population 2020 estimate	Councillors	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Morrinsville	11,700	4	2925	245	9.14%
Te Aroha	7,660	3	2553	-127	-4.73%
Total general Ward Councillors	32,160	12	2,680		
Māori Ward	4,130	1	4,130		
Totals	36,290	13	2,792		

In considering an increase in the number of Councillors care must be taken to ensure that:

- An increase to 13 members could be perceived to take Council out of the range of appropriate representation (i.e. may well create over representation). It is noted that over representation is not 'effective representation' as required by the LEA.
- the numbers of Councillors is appropriate for a district of our size, districts of similar populations mostly have less than 13 members. Council would need to provide solid reasons why it is proposing an increase of 2 Councillors. The closest population to Matamata-Piako District for a 13 member Council is Marlborough District which has a population of 50,240. Matamata-Piako District has a population of 36,320 so it could be questioned whether Matamata-Piako District warrants 13 Councillors relative to its population size.
- The Morrinsville Ward has a similar population to Matamata Ward (approx. 900 difference) so consideration could be given to increasing the number of Councillors in Morrinsville Ward as well so the two Wards have equal representation as per the status quo. Future population growth in the Morrinsville Ward such as the Lockerbie development may be a consideration also. Adding an extra Councillor for the Morrinsville Ward (total 13 general ward Councillors) would comply with the + / - 10% rule.
- Increasing workload for Councillors driving the need for more Councillors for example:
 - Creation of Working parties since the 2019 elections – for Te Aroha Domain, Morrinsville Recreation Ground and Solid Waste requiring elected member input;
 - Increasing capital programme
 - Greater involvement in regional and sub-regional co-ordination occurring (e.g. FutureProof, Waikato Plan, Waikato Wellbeing project, regional economic development, regional housing work)
 - Ongoing District Plan review – changes to the RMA requiring formal accreditation/training to sit on hearings;
 - Three Waters reform and other central government reforms
 - The creation of the Māori Ward may lead to more work with iwi/Māori from all elected members
 - Iwi partnerships – increasing focus demanding elected member attention
 - Treaty Settlements – potential for further co-governance arrangements and the number of Committees increasing

- This option may be the most equitable in terms of fair representation (the numbers demonstrate this) and arguably other combination of Councillors doesn't achieve this to the same extent.
- Due to a lack of candidates at the 2016 election (with two of the three wards and Mayorality having candidates elected unopposed) there may be difficulty filling Councillors positions, without incurring the expense of a by-election. By increasing the number of Councillors, Council is more exposed to the costs of a by-election if Councillor roles are not filled at the triennial election.

Option 5 - Increase members to 14, same wards and structure (Matamata 5, Morrinsville 5, Te Aroha 3, Māori 2)

The district as a whole has 2,445 people per Councillor. The ward populations per ward Councillor are 2,560 (Matamata), 2,925 (Morrinsville) and 2,553 (Te Aroha). Increasing the Councillor numbers by 2 to 14 results in a 15.36% decrease in the count of population represented by each Councillor.

Each ward is within 10% of the ratio for the district as a whole.

Ward	Population 2020 estimate	Councillors 2020	Average People Per Councillor	Deviation from Average Population per Councillor	% Deviation from Average Population per Councillor
Matamata	12,800	5	2560	-120	-4.48%
Morrinsville	11,700	4	2925	245	9.14%
Te Aroha	7,660	3	2553	-127	-4.73%
Total general Ward Councillors	32,160	12	2,680		
Māori Ward 1	2065	1	2065	0	-0%
Māori Ward 2	2065	1	2065	0	0%
Totals	36,290	14	2,445		

The same considerations as per Option 4 are relevant for Option 5.

The number of Māori Ward Councillors is tied to the total number of Councillors. For Matamata-Piako this works out as follows:

Number of Māori Councillors	1	2
Total Number of Councillors	6-13	14-30

Note: Under the Act, Councils can have between 6 and 30 Councillors.

Therefore, for a Council comprising 14 Councillors, as with Option 5, the number of Māori Ward Councillors would be 1.59, rounded to the nearest whole number, being two. Council may consider that having two Māori Ward candidates is desirable (e.g. to spread the workload between them or have greater Māori representation).

In this scenario, Council would have the option to have two Māori Ward Councillors elected from a single ward, or divide the district into two Wards with one Councillor elected from each Ward.

The Option above has two Wards, with the total Māori electoral population of 4,130 divided into two. In reality, as the Wards boundaries would need to be mapped around statistical areas, and reflect communities of interest etc. the population split would probably not be perfectly equal as shown in the table. This would need to be investigated further if Council wishes to consider this option.

Other options

There are other options that could be considered for example:

- Shifting Ward boundaries. Care would need to be taken not to split the community of interest of either the Matamata or Morrinsville Wards and limiting effective representation.
- Creating a rural and urban ward structure. Under the scenarios modelled by staff it has not been possible to create a structure that complies with the + / - 10% rule.
- Electing all Councillors at large.

Community Boards

Under section 19J of the Act Council is required to consider both the establishment and the nature and structure of Community Boards as a part of its representation review. The issue to be addressed by Council is whether Community Boards are appropriate to provide fair and effective representation for communities in its district.

Factors that should be considered in determining the matters under s19J of the Act are:

- The views of the community sought by Council through the pre-consultation questionnaire:
 - 64% of respondents said Council should not re-establish community boards, with 29% saying they should be. Of those that provided a reason, 45% felt the current system works well/Councillors are accessible.
 - The specific comments relating to communities of interest, effectiveness of representation Community Boards.
 - Council's annual resident survey undertaken by an external research company indicates resident satisfaction with the performance of the Mayor and Councillors is increasing. In 2021 58% of residents surveyed were satisfied/very satisfied with the performance of the Mayor and Councillors, this percentage increased from the previous year (2015: 63%, 2016: 65%, 2017: 68%, 2018: 70%, 2019: 55%, 2021: 58%).
 - Whether the Community Boards are necessary for the effective representation of communities of interest:
 - Accessibility, size and configuration of an area, as well as the number of elected members (both Councillors and Community Board members), including:
 - Reasonable access to elected members.
 - Elected representatives being representative of the views of their electoral area; and
 - Ability of elected members to interact in person with electors of their electoral area.
 - Regarding the subdividing of communities for electoral purposes:
 - Not splitting recognised communities of interest between electoral subdivisions.
 - Not grouping together two or more communities of interest that share few commonalities of interest.
 - Whether the community subdivisions are fairly represented by their votes being of approximately equal weight (+/- 10% rule).

- The election of members of the Community Board will provide effective representation of communities of interest within the community and fair representation of electors; and
- Ensuring the boundaries of any Community Board and subdivision of a Community align to statistical mesh blocks

Council must also consider the criteria applying to local government reorganisation proposals as set out in Subpart 2 of Part 1 of Schedule 3 of the LGA when considering Community Boards:

- Will the proposal promote the good local government of the parent district and the community area concerned?
- Will the district and the community have the resources necessary to enable them to carry out their respective responsibilities, duties and powers?
- Will the district and the community have areas that are appropriate for the efficient and effective performance of their role?
- Will the district and the community contain a sufficiently distinct community of interest or sufficiently distinct communities of interest?

The minimum number of elected community board members is 4 and there can be appointed community board members in addition to those elected.

Three Community Boards (Morrinsville, Te Aroha and Matamata) were constituted in Matamata-Piako District in 1989 and between 2007-and 2013 they had 4 elected members each. All three Boards were disestablished in 2013 through the previous representation review process. The reasons for that decision are explained earlier in this report. Council may consider the reasons set out for disestablishing for the Boards at the last review are still valid and therefore Boards are not warranted.

Council has a broad discretion as to the extent of the power which may be exercised by Community Boards. Community Boards can do very little without specific delegations from the Council. Prior to their disestablishment in 2013 each of the Community Boards were given delegation to allocate \$5,000 in community grants per annum. The role of allocating these grants has since been taken over by the Ward Councillors under the Community Ward Grant policy.

It is considered that without some significant delegations from Council a Community Board/s would not be effective. If Council wishes to establish a Community Board/s it should give consideration to what delegations the Board would have.

The budget for Community Boards for the 2012/2013 year provided for direct costs of \$60,000.00 and \$270,151.00 in overheads. At the time of the last representation review it was estimated that roughly \$50,000.00 to \$100,000.00 of these overheads might be realised as savings were Council to decide to disestablish Community Boards. It is not known what the costs of re-establishing and operating the Community Boards in 2022 would be but the previous costs provide some indication. Council would also incur higher election costs that are currently unfunded for electing Board members along with Councillors.

Council may consider the Mayor and Councillors engage with residents/communities effectively at present and it is not considered necessary to establish a Community Board/s. Council continues to work with and support a network of community organisations and the Mayor and Councillors engage with these groups regularly such as Grey power, Chambers of Commerce / Business Association, Federated Farmers.

It is noted that 10% of electors of the district's community are able to petition for the establishment of a Community Board at any time under Schedule 6 of the Local Government Act 2002.

Options – Community Boards

In light of the views of the community and the above considerations, Council has the following options in respect of Community Boards:

- 1) Status quo – no Community Boards
- 2) Re-establish Community Boards (and consider the membership and structure)

LGC Expectations/ process

The proposal that Council is asked to decide upon now is the 'initial proposal' for community consultation. Following the submissions process and hearing Council will decide on its final proposal and this will be publically notified. The final proposal may differ from the initial proposal.

Once the final proposal has been notified to the public, an appeal and objection period will be open:

- an appeal may be made by a submitter on the initial proposal about matters related to their submission (s19O LEA)
- an objection may be lodged by any person or organisation if a Council's final proposal differs from its initial proposal (s19P LEA). The objection must identify the matters to which the objection relates. The person making the objection does not need to have submitted on the initial proposal. They can make an objection because they may have been comfortable with the initial proposal (so didn't submit to Council) but are dissatisfied with the Council's final proposal.
- Council must refer its final proposal to the LGC if the proposal does not comply with the '+/- 10% rule' (s19V LEA). This referral is treated as an appeal.

LGC does not limit itself to the subject of an appeal or objection, but can look at all aspects of the representation review. Council must be prepared for the LGC to make a determination that it may not agree with and will have to accept for the next two election cycles.

The LGC must rectify any element of Council's proposal that does not comply with the LEA, whether or not that element of the proposal was the subject of an appeal or objection. This means if the LGC does not consider that Council has established grounds for a departure from the '+/- 10% fair representation rule' in section 19V(2), then the LGC is required to ensure that this requirement is met. Once the LGC has made its determination Council will be advised, along with news media and various statutory organisations and a public notice will be issued.

Non-compliance

Any decision not to comply with the +/-10% rule must be referred to the LGC for determination (even if there are no appeals or objections to the final proposal). Councils are required to clearly identify the grounds for any proposed non-compliance with the '+/-10% rule' in its formal public notices which also assists the LGC in its deliberations.

The key considerations in relation to non-compliance with '+/-10% rule' are:

- Requirement to take principles into account including "fair and effective representation for individuals and communities" (s. 4 LEA)
- Strength of communities of interest concerned

There are three situations where non-compliance with the '+/- 10 per cent rule' may be acceptable:

1. If non-compliance is required for effective representation of communities of interest within island and/or isolated communities.

Matamata-Piako District does not have any island communities. LGC has recommended Councils consider various factors when considering whether an isolated community warrants specific representation such as significant distance or travel time, or other physical/practical travel difficulties. Matamata-Piako District is a relatively compact geographic area and the Local Government LGC determination in 2013 agreed with this position. Whilst there are dispersed rural settlements and a large rural component to the district, it is considered that there are no genuinely isolated communities. The rural communities generally have good access to the urban towns for services and elected members have reasonable ability to represent all parts of the district. Therefore, it is considered that this ground of exemption would not be applicable to Council.

2. If compliance would mean a community of interest was split between wards or subdivisions limiting effective representation
3. If compliance would combine communities of interest with few commonalities of interest limiting effective representation

The LGC has previously granted an exemption on these grounds in 2019 (refer determination attached to the agenda)

Council may wish to give consideration to the following aspects:

- Council has indicated a view that the current three ward structure (and boundaries) still correctly reflects the district's communities of interest. To shift the boundaries to comply with the +/-10% rule could potentially divide a community of interest between wards or unite two or more communities with few commonalities.
- The preliminary survey indicated 84% of respondents thought the ward where they live reflected their community of interest.
- If compliance would mean a community of interest was split between wards or subdivisions limiting effective representation.
- If compliance would combine communities of interest with few commonalities of interest limiting effective representation.
- The preliminary survey showed a higher percent of respondents in the Te Aroha ward who identified themselves with different communities of interest. It could be argued some communities such as Waitoa/Ngarua who are currently 'grouped' within the Te Aroha Ward could be altered to move the relevant meshblocks into the adjacent Morrinsville Ward however this would serve to exacerbate non-compliance with the +/-10% rule by reducing the population of the Te Aroha Ward.
- Each of the three Ward boundaries wholly contains the 3 main towns so there would likely be no division of the urban community of interests. The current communities of interest within the Te Aroha Ward are both urban and rural. It could be difficult to sustain the argument that effective representation would be limited if parts of the ward was divided or united with another ward.
- The urban residents generally view their towns as their primary community of interest. The current Ward boundaries do not cut through any of the 3 main towns so it is only the rural community that would be split or inappropriately combined through forcing compliance.
- The case for non-compliance with the Te Aroha Ward could potentially be based on the minimal amount of non-compliance (13.92% under the status quo) but this is not one of the reasons specified in section 19V (3) (a).
- The case for non-compliance could also be argued based on our preliminary survey results indicating overall satisfaction with current structure but again this is not one of the reasons specified in section 19V (3) (a).

- It is considered that compliance with +/-10% fair representation rule for the Te Aroha Ward will only become more challenging given the projected future population spread across the district's wards. If we assume that the majority growth will be occurring in Morrinsville and Matamata, then this option does not provide for any future proofing.

The LEA was amended in 2014 to allow the LGC to provide an exemption where compliance would limit effective representation of communities by dividing a community of interest or grouping together communities of interest with few commonalities of interest. Previously the exceptions to the +/-10% rule could only be made in relation to island or isolated communities. This change gave the LGC greater flexibility in determining local representation arrangements.

If Council has undertaken the process, conducted preliminary and formal consultation with its community and come to the view that a non-complying structure (+/- 10% rule) is the most relevant for our community this may potentially be considered by the LGC however this is not directly provided for under the LEA and decisions must be based on the legislation. Therefore if a non-complying option is selected there is a risk that the LGC will come up with a representation arrangement that the Council does not agree with.

Mōrearea | Risk

There is a risk the community will view the proposal unfavourably through the consultation process.

If the final proposal (following consultation on the initial proposal) does not comply with the + / - 10% rule it must be referred to the LGC and there is a risk they will make a decision Council does not agree with.

Ngā Whiringa | Options

The options have been discussed earlier in this report.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The legal requirements of the LEA covered elsewhere in this report.

Statutory requirements for decision-making

Section 76 of the Local Government Act 2002 ("LGA") provides that Council must make decisions in accordance with sections 77-82 of the LGA.

Section 77(1) of the LGA provides that Council must, when making decisions, seek to identify all reasonably practicable options for the achievement of the objective of a decision, and assess the options in terms of their advantages and disadvantages.

Section 77(2) of the LGA provides that s77(1) is subject to s79. Section 79 of the LGA provides that Council must exercise its discretion in making judgments about how to achieve compliance with ss77-78 in a manner that is in proportion to the significance of the matters affected by the decision, and about:

- (i) The extent to which different options are to be identified and assessed; and
- (ii) The degree to which benefits and costs are to be quantified; and
- (iii) The extent and detail of the information to be considered; and
- (iv) The extent and nature of any written record to be kept of the manner in which it has complied with those sections.

Section 79(2) of the LGA provides that in making such a judgment Council must have regard to the significance of all relevant matters as well as:

- (a) The principles set out in section 14 of the LGA;
- (b) The extent of Council's resources; and
- (c) Whether the circumstances of the decision allow Council to consider a range of options, views or preferences.

Section 78 of the LGA provides that Council must, in the course of its decision-making process, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter.

Significance and Engagement Policy

In considering the options, Council must have regard to its Significance and Engagement Policy. The Policy states:

We will take into account the following matters when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:

- *there is a legal requirement to engage with the community*
- *the level of financial consequences of the proposal or decision*
- *whether the proposal or decision will affect a large portion of the community*
- *the likely impact on present and future interests of the community*
- *recognising Māori cultural values and their relationship to land and water through whakapapa*
- *whether the proposal affects the level of service of a Significant Activity*
- *whether community interest is high*
- *whether the likely consequences are controversial and will have a likely impact on the reputation of Council*
- *whether community views are already known, including the community's preferences about the form of engagement*
- *the form of engagement used in the past for similar proposals and decisions*

If a proposal or decision is affected by a number of the above considerations, it is more likely to have a higher degree of significance.

In general, the more significant an issue, the greater the need for community engagement.

The Policy states that we are required to use prescribed consultative processes when specified by law.

Comment on the LGA legislative requirements

- A consultation process is legally required which will provide an understanding of community views. A pre-consultation process was undertaken in 2017 which provides information on communities of interest and views on the representation structure.
- This issue is significant under the Significance and Engagement Policy. The representation review is not high value financial but it impacts on all people in the district by deciding how they are represented by Councillors.
- The reasonably practicable options are covered earlier in this report. Each option has advantages and disadvantages and some of the factors Council can consider are discussed above. The overall objective is the fair and effective representation of the community.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

Council is asked to resolve an initial proposal of its review of representation arrangements for public consultation. This will trigger a formal consultative process giving the ability for the public to make submissions on the proposal. Any submissions received over the submission period will need to be considered by Council before a final proposal is resolved.

The Communications Plan has been previously discussed with Council at a workshop and will be circulated at the meeting.

Ngā Wātaka | Timeframes

Under the provisions of the LEA, following a Council resolution of its initial proposal, a proposed timetable is recommended as follows:

Council initial proposal decided on	14 July 2021	(section 19H LEA)
Public notice of initial proposal	20 July 2021	(section 19M LEA)
Public submission period	20 July 2021 – 22 August 2021	(section 19M LEA)
Submissions heard	15 September 2021	(section 19M LEA)
Council resolution of final proposal	15 September 2021 (or 22 September 2021)	(section 19N LEA)
Public notice of final proposal	21 September (or 28 September)	(section 19N LEA)
Public appeals/objection period	21 September – 24 October (or 28 September to 31 October)	(section 19N LEA)
Public notice of final representation arrangements, if no appeals/objections	October/November 2021	(section 19Y LEA)
Forward material to LGC, if required	October/November 2021	(section 19Q LEA)
Determination by LGC	Before 11 April 2022	(section 19R LEA)

Ngā take ā-lhinga | Consent issues

There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Council has set a vision for the Long Term Plan 2021-31 as: *Matamata-Piako – The Place of choice – Lifestyle. Opportunities. Home.* A set of Community Outcomes have been developed to support this vision. The outcomes relevant to this decision are:

Healthy Communities

We encourage community engagement and provide sound and visionary decision making.

Economic Opportunities

We provide Leadership and advocacy is provided to enable our communities to grow.

Vibrant Cultural Values

We value and encourage strong relationships with iwi and other cultures, recognising waahi tapu and taonga/significant and treasured sites and whakapapa/ ancestral heritage.

Tangata Whenua with Manawhenua status (those with authority over the land under Maaori lore) have meaningful involvement in decision making

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

Representation Review

The consultation on the representation review project is covered within existing budgets.

The introduction of a Māori Ward will cost an additional \$4-5K in election costs. Additional election costs will be incurred if there are additional members to be elected.

Internal costs of changing Councillors numbers

Increasing the number of Councillors will also result in a minor increased cost to Council for example IT equipment and licences, furniture, travel, training, printing, catering, and governance support. The reverse would also apply.

Councillor remuneration – impact of any changes in the number of Councillors

The remuneration system is set by the Remuneration Authority. It does not form part of the representation review process however a summary of the remuneration impact is outlined below for Council's information.

Councillors are remunerated through a total governance pool which provides the total amount that can be paid in remuneration to councillors in each individual council. The governance pool has no relationship to the number of councillors. Changes in councillor numbers following a representation review will not affect the council's governance remuneration pool. However, it will have an impact on councillors' minimum allowable remuneration and consequently it will impact the remuneration rate set for a base councillor and for positions of responsibility.

The reduction in councillor numbers will see an increase in the funds available from within the governance pool to allocate to the base councillor position and positions of responsibility. Conversely more councillors would mean that the available governance pool would need to be spread among more people.

Ngā Tāpiritanga | Attachments

- A. Rep review pre-consultation survey results 2017
- B. Members to Population comparison
- C. Current Ward Map
- D. MPDC Survey Plan (SO 58040)
- E. Representation Review - Final Proposal 2018
- F. Representation Review - Local Government Commission determination, 9 April 2019
- G. Representation Review - Initial Proposal draft Council recommendations - resolutions for 14 July 2021 Council meeting

Ngā waitohu | Signatories

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