



Local Government Amalgamation

In its Draft Annual Plan 2013-14 consultation process last month Council highlighted the topic of amalgamation. Many submissions on the Draft Annual Plan 2013-14 raised questions and concerns on this matter. Council shares some of these concerns and there are some questions that simply don't have answers, even now.

Local Government is legislated by over 40 Acts of Parliament. One of these Acts is the Local Government Act 2002 which governs much of what local authorities do, why we do it and how we do it.

In December last year several amendments to this Act were made. One of these amendments makes it easier for someone to start the amalgamation process and makes it harder for anyone to stop the process. This factsheet has been included with your Annual Plan decision letter to help answer many of the questions that you may have about amalgamation.

We have prepared this using the Local Government Commission's website: www.lgc.govt.nz/lgcwebsite.nsf. If you would like more information on amalgamation, please visit this website. Just note that the Local Government Commission talks about 'reorganisation' rather than 'amalgamation'.

The best thing to do once an amalgamation process has begun is to make sure you stay informed so that you can have your say. If everyone has their say, at least those making the decisions will have a clear understanding of the depth of community feeling.

What is the process?

Communities have a number of opportunities to make input at different stages of the process. The process that must occur is:

- Anyone, or any group, can lodge an amalgamation application with the Local Government Commission. The applicant must demonstrate that the changes proposed in their application have community support in each of the territorial authority districts affected by the application. 'Support' is not defined by the legislation.
- When the Commission is satisfied that an application is complete (ie that it contains all the information it is required to), and if there are no statutory reasons to decline the application, the Commission will publicly notify it received it and will seek alternative applications.

Members of the community have the opportunity to make alternative applications at this stage if they wish to do so. ***Once the original application is notified, the affected Councils are not allowed to participate in the process in any way, nor are they allowed to make any information available to the public. In other words from this point, we at Council, cannot do anything to promote the issue, express concerns or mobilise the community.***

- The Commission then assess all applications received, and may introduce new options not received from applicants.
- If the Commission's preferred option is to proceed with amalgamation, it prepares a draft proposal for community consultation. Submissions on the draft proposal are made to the Commission.

- The Commission considers the submissions and may hold hearings on submissions.
- The Commission decides whether a final proposal is to be issued.
- If a final proposal is issued, a poll on the proposal may be requested by a petition signed by at least 10% of the electors in one of the affected districts. A poll would then be held over the whole of the affected area.
- If the proposal fails to gain the support of 50% of the votes cast over the whole affected area, it will not proceed. If a proposal is supported by a poll, or if there is no poll, a 'reorganisation scheme' is prepared and implemented. All poll costs are borne by the affected communities, and carried out by the affected councils according to a set legal process.

What is important to know about this process?

Once the Local Government Commission notifies a proposal, Council is gagged and bound - it is not allowed to transfer any asset/s or speak out about the proposal in any way. This is particularly important for Council's \$25 million South Waikato Investment Fund. ***Once the Commission has notified a proposal, it will be too late for Council to transfer the fund to an independent organisation.***

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Council thanks you for your feedback



How would amalgamation affect local democracy?

Amalgamation could make it more difficult for the current South Waikato communities to have their say. If we were to amalgamate with a larger town or city, such as Hamilton or Rotorua, it is likely that their voice would be 'louder' than our communities', because they have a larger population. Communities would also have fewer elected members representing them in the new super-council.

What would amalgamation mean for the services delivered by Council?

Residents should still receive all the same services they currently enjoy. Some services may be delivered by Council owned companies rather than the super-council, such as water, wastewater or roading companies.

Has Council heard of any proposals? If so, what are these proposals? To merge with who?

Yes, there are three proposals that have already been accepted by the Local Government Commission - Northland, Wairarapa and the Hawkes Bay area. We already know of people who are preparing reorganisation scheme proposals for the Coromandel and greater Hamilton areas, but these have not yet been submitted to the Commission. When either of these is submitted, it is likely that the South Waikato will be included as an affected district because we are in the area administered by the Waikato Regional Council.

Has this Council made any proposals?

No, Council has not made any proposals because we believe that local democracy and local representation could be lost when super-councils are formed. We have been looking at other ways to become more efficient and effective for our communities, including shared planning for and provision of services with other councils and using technology better to save time and money.

Council has low debt, other Councils have high debt; would amalgamation mean that we take their debt on?

Any agreement will allow for transition measures to be put in place, which should help Council keep other councils' debts away from our ratepayers.

Could the South Waikato be split during the course of amalgamation?

Yes it could be.

How will I know if/when I'm affected by an amalgamation proposal?

You need to be aware so that you stay in touch with what is happening. When the Local Government Commission is satisfied that an application is complete, and it accepts the application, then the media will report on it in the papers. Council will also let ratepayers know through our regular newsletters - so read them when they are delivered to you with your rates notices. The Commission will then publicly notify the application and seek alternative applications. At that stage, you will see the notices in the papers and you will have the opportunity to make an alternative application.

What do I do if I oppose the final proposal?

You will have 60 days to put together a petition signed by 10% of the affected population. Council will not be able to assist the community with this in any way.

Can the Government force local authority reorganisations?

No, it does not force reorganisations, but it has changed the legislation to make it easier for anyone to set the ball in motion. Anyone can apply or submit and no person or organisation carries more weight than another.

How will reorganisation changes affect Māori representation?

The Local Government Commission is not able to provide for Māori wards and constituencies unless they are already provided for in the district or region concerned. The Local Electoral Act 2001 provides for a poll on Māori wards and constituencies following a petition from at least five percent of electors in each district or region.

