

7. REPRESENTATION REVIEW - INITIAL PROPOSAL

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<i>Reporting Officer/s & Unit:</i>	Anna Eady, Team Leader Governance Jane McLoughlin, Corporate Planning Lead

7.1 Purpose of Report

To consider Napier City Council's (NCC) initial proposal for representation arrangements for the 2025 and 2028 elections.

Officer's Recommendation

That Council:

- a. **Receive** the Representation Review – Initial Proposal report; and
- b. **Consider** how its representation arrangements can best provide for the fair and effective representation of identified communities of interest; and
- c. **Adopt**, in accordance with sections 19H and 19J of the Local Electoral Act 2001, one initial proposal option for representation arrangements outlined in the report to apply for the 2025 and 2028 elections; and
- d. **Direct** that as required by section 19M of the Local Electoral Act 2001, public notice of the selected initial proposal be given within 14 days of this resolution, and that the proposal be distributed for public consultation.

7.2 Background Summary

What are representation arrangements?

The representation review (review) process takes place within the framework provided by the Local Electoral Act 2001 (the Act 2001) and the decision-making requirements of the Local Government Act 2002. The Local Government Commission has developed Guidelines to aid local authorities in the conduct of representation reviews.

The Act 2001 section 19H(2)(b) requires councils and other local authorities to review their representation arrangements at least every six years. NCC last reviewed its arrangements in 2018. The aim of the review is to investigate whether the current arrangements are still providing fair and effective representation for a community.

A review of representation arrangements is a review of the following options:

- The basis of election; that is, whether the election of members (also known as councillors, other than the Mayor) is by:
 - the entire electoral district (called 'at large'), noting NCC voted in 2021 in favour of establishing Māori wards from the 2025 local government election. Under the Act 2001 this means an 'at large' basis of election is not possible.

- the division of the district into wards for electoral purposes, or
- a mix of 'at large' and ward representation.
- If wards are used, the names and boundaries of each ward, and the number of members that will represent each ward.
- The total number of members that are elected to the governing body of the Council (the legal requirement is no less than 6 and no more than 30 members, including the Mayor), and
- Whether to have community boards, and if so, how many boards, and what their boundaries and membership would look like.

In its review, NCC must provide for effective representation of communities of interest and fair representation of electors, this is where the membership of wards provides approximately the same population equality per member, that is, all votes are of approximately equal value (referred to as the +/- 10% rule) unless there are good reasons to depart from this requirement.

It is noted that the decision as to whether or not to have Māori electoral wards is not part of this review. That decision has already been determined by Council and is out of scope.

Similarly, the choice of electoral system is not part of this review. Council has already determined to retain the "First-Past-the Post" electoral system.

What is the process officers have undertaken to inform this representation review?

Local authorities undertaking reviews are strongly encouraged to carry out preliminary consultation prior to publicly notifying their initial proposal to the community.

For this review, Officers undertook education and pre-consultation with Napier residents in November and December 2023 (561 responses were analysed), and in May 2024 (702 responses were analysed). The pre-consultation engagement summary (Attachment 6) and survey analysis reports (Attachments 7 & 8) are attached.

The process undertaken reflects the Local Government Commission's (LGC) best practice guidelines that state that councils should undertake pre-consultation with the public and undertake analysis (Attachment 10) on fair and effective representation. This is because the decision on representation arrangements must not be limited to reflecting community views but must seek to achieve fair and effective representation for all individuals and communities.

As part of the pre-consultation there were several community events designed to inform residents about what a review is, encourage participation in the online surveys and to answer questions and capture feedback from the community. These are detailed in Attachment 6. Officers also held two workshops with the elected members and presented formal reports to Mana Ahuriri, Council and Ngā Mānukanuka o te Iwi Komiti. All these pre-consultation processes have been used to inform this report.

The General Ward Options

The full details of the options consulted on this year are contained in Attachment 5.

Officers present no preferred option as each option is valid. At this stage of the review, it is at the discretion of elected members to use their judgement to identify the appropriate initial proposal.

For whichever option it resolves to adopt, Council must satisfy itself that it accurately reflects the distinct and unique communities of interest which are present in Napier and provides for fair and effective representation of these communities.

In consultation with elected members and using the survey results from November 2023, five options for the general wards and the representation structure were put to the community in the May pre-consultation survey for feedback. The results of that survey showed no single option was preferred by a clear majority of respondents. Option 4 (three wards) was the most selected, receiving 34% of the votes. Options 1 (status quo) and 2 (two wards) were nearly tied, with 21% and 22% support respectively. 15% of respondents either disagreed with all five presented options or with some aspect of them. The results of the survey were discussed by elected members in a workshop on 30 May 2024 and the feedback was that options 1 and 4 were felt to provide for the most fair and effective representation.

Options 1, 2 and 4 retain a full ward system. A mixed system does have the advantage of giving all voters more choice in who gets elected to Council and can avoid parochial decision making. A full ward system gives a guaranteed voice to each ward area, and it is clear who the elected members are accountable to and where their particular area of focus should be.

Statistics New Zealand have provided the demographic information which the options are based on, and the population data is the most up-to-date available information.

Option 1 (closest option to status quo) (see Attachment 1)

The considerations for option 1 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 13 Councillors, elected from the existing four general electoral wards and a single Māori electoral city-wide ward.

The size of the Council, at 14 in total including the Mayor, is one member larger than the current Council. It is not a radical departure from the current Council size, which is generally regarded as effective in providing good governance for the city. Because of the addition of Māori wards at the 2025 election, minor ward boundary changes are required, and the current Nelson Park Ward would have one less ward councillor due to having over half of the Māori electoral population living in this general ward area.

The May pre-consultation survey responses indicate support for this option as it closely resembles the current arrangements and provides distinct ward representation.

Council requested a boundary change to include the Bupa retirement village within the Light Green ward as when the communities of interest test is applied to this village the feedback has indicated that the residents have a functional relationship with the Pirimai suburb and Pirimai Residents Association.

The scenario provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Blue ward	10,250	2	5,125	-148	-2.80
Dark Green ward	9,550	2	4,775	-498	-9.44

Light Green ward	17,100	3	5,700	427	8.10
Pink ward	21,100	4	5,275	2	0.04
Sub total - general wards	58,000	11	5,273		
Māori ward	9,480	2	4,740		N/A
Total	67,480	13	5,191		N/A

Option 2 (2 wards) (see Attachment 2)

The considerations for option 2 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 11 Councillors, elected from two general electoral wards and a single Māori electoral city-wide ward.

The reasons for the proposed change in the number of wards and ward boundaries are that this combines the city's communities of interest with similar socio-demographic characteristics and who would use similar shared services and facilities in a simpler structure. It is also the closest option to an 'at large' / city-wide general ward structure, which was an electoral system which had 23% support from respondents in the 2023 pre-consultation.

This option received support in the pre-consultation as it has fewer elected members overall. Advocates for it in the pre-engagement indicated it provided a more balanced Council that better represents the diversity of the city by bringing together the current ward structure into two wards which broadly share similar socio-demographic characteristics and needs.

The option provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Pink ward	32,700	5	6,540	96	1.48
Green ward	25,300	4	6,325	-119	-1.85
Sub total - General wards	58,000	9	6,444		
Māori ward	9,480	2	4,740		N/A
Total	67,480	11	6,137		N/A

Option 4 (3 wards) (see Attachment 3)

The considerations for option 4 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 11 Councillors, elected from three general electoral wards and a single Māori electoral city-wide ward.

The reasons for the proposed change in the number of wards and ward boundaries are that this combines the city’s communities of interest in a simpler structure which allocates an almost even split of councillors across all wards.

The May pre-consultation survey responses indicate this option was most preferred across the current four wards as it provided fewer elected members overall, the over-riding concern across all responses. This option was also seen as providing the fairest representation of wards and councillors as it has the same number of councillors in each ward.

Council requested further modelling of this option to include Jervoistown suburb and Meeanee suburb up to Willowbank Road within the Pink ward; also they requested Bupa retirement village to be included in the Green ward. Due to adding additional population into the Green ward, Onekawa West was split into two (as per the current ward structure).

The option provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Blue ward	19,050	3	6,350	-94	-1.47
Green ward	20,400	3	6,800	356	5.52
Pink ward	18,550	3	6,183	-261	-4.05
Sub total - General wards	58,000	9	6,444		
Māori ward	9,480	2	4,740		N/A
Total	67,480	11	6,136		N/A

Ward Names

When resolving to establish an electoral area of any type a local authority must also determine a name for that area.

The LGC gives guidance that names of electoral areas should generally:

- Use the most common or predominant place or feature name (whether official or recorded (recorded names are unofficial names that have been used in at least two documents that are considered to be authoritative, eg: maps or charts)) within the electoral area concerned.
- Avoid duplication and confusion with names of electoral areas with those in other local authority areas. For example, if ‘North Ward’ was selected it could be distinguished from other local authority areas by adding the city name to it ‘Napier North Ward’.

There are, however, a number of instances around the country where the names of wards do not reflect official or recorded names, such as Napier’s current Nelson Park Ward, and Central Otago District’s Vincent Ward. If a council is considering general ward names that do not reflect official or recorded place names in the area, it should consider whether the names are unique (across all local authority wards in New Zealand), and reflective of significant features of that ward.

Appeals and/or objections may be lodged with the LGC against the names of community boards or wards.

Given 70% of respondents to the 2023 pre-engagement survey could name their ward correctly, officers consider it is appropriate to keep the general electoral ward names as close to status quo as possible at this stage, especially for option 1, unless there is significant public interest to change.

The names of the current wards are:

- **Taradale ward**
 - o This reflects the residents own identity with the area, and the centre of gravity of the ward being in Taradale (as opposed to in Napier central).
- **Ahuriri ward**
 - o This provides a useful geographical mid-way point between the suburbs represented.
- **Onekawa-Tamatea ward**
 - o This name is a bit misleading as the ward is made up of suburbs in Tamatea predominately, half of Pirimai, half of Marewa, and then some of Onekawa-West (very low population area), and Onekawa Central which has just over 1,600 residents, (whereas Nelson Park ward contains Onekawa South which has over 3,500 residents in it).
- **Nelson Park ward**
 - o It is unclear what the rationale was to select this name, other than that it provides a geographical reference to one of its suburbs. This ward generally encompasses suburbs referred to as 'Napier South' by residents in Napier.

A list of the ward names suggested by the Project Team and elected members for each option are in Attachment 9.

Of interest, in the 2023 pre-consultation officers asked for suggestions of Māori ward names. The name Ōtatara for the Taradale area was put forward by some respondents (Attachment 7, page 18), and this has also been suggested as general ward name by elected members.

The Māori Ward Options

The introduction of Māori ward(s) from 2025 will improve the effective representation of the Māori electoral population.

The number of Councillors to be elected from a Māori ward or wards is determined by a formula specified in the Local Electoral Act 2001 (clause 2, Schedule 1A). The formula calculates the number of Māori ward members by dividing the Māori electoral population by the total electoral population (i.e., Māori electoral population plus general electoral population), and multiplying that number by the total number of Councillors to be elected from wards. For more information see Attachment 5.

Discussions with those who have an interest in Māori representation have led to the initial proposal options incorporating a single Māori city-wide ward with two elected members.

Reasons for this officer recommended option are:

- The rohe or takiwā (community of interest) of mana whenua is Ahuriri/Napier City,
- The two councillors can work collaboratively with collective responsibility,
- It will be an easier selection process for voters, and it also avoids issues of single member wards – that someone is elected unopposed, or no one stands in a ward.

9.5% of respondents in the May pre-consultation disagreed with having any Māori wards in Napier. As previously noted however, the decision as to whether or not to have Māori electoral wards is out of scope of this review.

Māori Ward Name

For Māori ward names, the same LGC guidance applies as for general electoral wards. The LGC has typically endeavoured to ensure Māori ward names reflect any preferences expressed by mana whenua, recognising that mana whenua are best placed to identify names that are meaningful to the electoral population those wards represent.

The ward name proposed is Te Whanga. This name means ‘the great harbour’ and was suggested to Council by the Mana Ahuriri Trust Board.

Community Boards

Some local authorities have community boards representing specific communities, which have functions and powers delegated to them by their councils. They act in the interests of their community and liaise with organisations and special interest groups in their community on council matters. The cost of community boards is funded through rates.

Currently Napier does not have any community boards, but in the 2019 LGC Representation Review Determination it was recommended NCC consider a community board for Maraenui as it was identified as a unique community which may require extra representation due to the low engagement in local democracy and as having the highest deprivation levels, which can be a barrier to engagement.

In the November pre-consultation survey there was positive feedback from communities based in and near Maraenui for establishing a community board.

Feedback from the May pre-consultation survey on a community board in the Maraenui area did not reach a consensus. The results were split 45% against and 41% in favour, and 14% unsure or neutral.

Supporters of a board suggested Maraenui residents need a stronger voice in civic matters, that a board would help progress outcomes in the area, and that there is a lack of diversity in the Council which electing board members may address (for example someone living in Maraenui or who has strong relationships in Maraenui).

Opponents of a board in the Maraenui area cited it was an additional cost to the rate payer and that it was inequitable for one area to receive special representation. 46% of responses also said there is already means for this area to be represented with the general ward councillors and also the new Māori ward councillors, who despite representing the whole city have a large portion of their voting base in this area. They suggested if the existing means are not working well improvements should be considered.

What are the issues that need addressing in Maraenui?

It has been identified:

- Maraenui has the lowest voter turnout at local elections in the city, the lowest ward awareness and the lowest satisfaction with democracy and governance measures.
- Maraenui has the biggest challenges when comparing statistical data (income levels, heating in houses, education etc...) and deprivation ratings of the suburbs in Napier.

- NCC does not have the relationships they once had with the residents due to staff turnover and the deferment of the Te Pihinga project.
- Although officers engage with communities of interest through council strategies, there is no specific mandate for officers to engage or deliver services in a focused way to Maraenui.

Advantages of a Community Board

Community boards:

- Give an area representation at the ‘grassroots’ level,
- Can be seen as more accessible to the public because they are more informal,
- Provide a link between residents, council staff and elected members,
- Are elected by the population they represent,
- Are a mouthpiece to advocate for things the community say they need, and can help socialise Council initiated projects with their communities,
- Are able to provide insight to Council in advance of NCC initiated consultation.

Disadvantages of a Community Board

- Additional cost of election process, paying the board members, training, and operating the board,
- They require officer support, which is not available currently without reprioritisation or deferral of existing priorities. This would be challenging given an already ambitious work programme which the Governance and Engagement Teams support,
- They require a candidacy campaign and support to encourage people to stand.

Potential Community Board Model

If the Council decide to establish a community board a suggestion for its structure is:

	Area of community	Number of members elected	Number of members appointed	Population of the area	Delegation
Maraenui Community Board	SA2 area of Maraenui Suburb*	4 (<i>this is the minimum required under the Act 2001, section 19F</i>)	2 (<i>one from the relevant general ward and one from a Māori ward</i>)^	3950 (MEP: 1,710, GEP: 2,240)	Advisory \$5,000 funding to allocate to local projects.

*See Attachment 1, page 8 - Statistical Area 2 map of the Maraenui suburb.

^ The Council is able to make appointments to community boards such that it appoints less than half of the membership of the board. Appointees must be members of the Council and must represent a ward in which the community (or part thereof) is situated.

Suggested Alternative Representation Improvements (Council Officer Recommendation)

If the Council decide not to establish a community board, there is already some targeted work in place:

- Maraenui wellbeing improvement is a priority in the Community Development Fund; and
- A Maraenui Resilience Plan is being worked on – this is something which will aid community connection and connection to NCC.

This work could be complemented with other initiatives which may address the issues identified above, for example:

1. A ward awareness campaign, to improve resident's awareness and interaction with NCC and their ward councillors.
2. Considering the introduction of consistent standards for ward meetings and attendance at Resident Association meetings and/or neighbourhood support meetings.
3. A targeted voting campaign for the 2025 local elections to improve voter turnout.
4. Māori and general ward candidate supportive wānanga to encourage potential candidates to stand and build their confidence. These would build understanding of what it means to be a councillor, the election process and what happens once elected.
5. A dedicated Community Connector, an officer who is the point of contact for people from this area. Or a Maraenui Champions Group of council officers spread across NCC, to ensure projects and service requests are proactively addressed. This would be an opportunity for council staff to build enduring relationships in this area.
6. A dedicated Councillor Portfolio role for Maraenui (this will be at the discretion of the Mayor and Council of the day).

The suggestions would require project scoping and planning work to ensure they can be resourced appropriately. If, for example, it was decided a Community Connector would be more effective and less costly than a community board at addressing Maraenui's unique needs then reprioritisation of work programmes would need to be carried out as there is not currently any budget set aside for this.

If a community board is not established through the review process a community can request one be established. The criteria for this can be found in the Local Government Act 2002, Schedule 6.

What are the next steps in the process?

This report presents the analysis of the review to inform Council's decision on the initial proposal; this will then be publicly notified, and submissions invited.

Once Council makes a decision on the initial proposal, the statutory process commences.

Napier residents will have an opportunity to provide their thoughts on the proposal via submissions once the initial proposal is notified. If submissions are received and residents wish to speak to their submissions a hearing will be held where Council can consider feedback from Napier residents and decide whether to modify their initial proposal or not.

The final proposal will be publicly notified, and Napier residents will have the opportunity to make an appeal or objection on the final proposal to the LGC. At this point, if appeals or objections are received, it is the LGC which makes a final determination on Napier's representation arrangements, and Council has no further role in the decision making. Similarly, if any part of the proposal adopted by Council does not comply with the +/- 10% requirements for fair representation, the proposal will be referred to the LGC for determination.

Indicative timeframes for the statutory process include:

- Council decision 27 June 2024 and public notice of initial proposal (July)

- Submission period and consideration (8 July – 8 August)
- Public notice of final proposal (3 October last day)
- Appeals and objections to Local Government Commission (October-November)
- *If no appeals or objections* – Public notice of arrangements (December)
- *If appeals or objections* - Local Government Commission considers appeals and objections and determines the representation arrangements (January - April 2025)
- Implementation of Determination (April-June 2025).

7.3 Issues

The Coalition Government have introduced a Bill into Parliament which will restore the pre-2021 binding poll provisions for the establishment of Māori wards if it is enacted into legislation, which is expected to be at the end of July 2024. As NCC made the decision to establish Māori wards post 2021 it is going to be required either to rescind its decision to establish Māori wards, or to hold a binding poll at the 2025 election. If the result of the binding poll is that the community vote to remove Māori wards for the 2028 election another representation review will be required next triennium.

If, as part of the current review, Council resolves to adopt a general ward structure that is significantly different from the status quo, with new ward names, it will take some time for the community to adjust to the new arrangements, especially in areas where ward awareness is low.

If another review is required in three years, which has another significant ward structure and name change, community ward awareness could be even lower.

Another issue is if Council do not adopt an initial proposal today the subsequent timeline will need to be pushed out as there is not enough time between this meeting and consultation opening to accommodate further modelling of ward boundaries.

Under the Act 2001 an initial proposal must be adopted by 31 July 2024.

7.4 Significance and Engagement

Representation arrangements affect all Napier residents and have a high degree of significance. Quality democratic processes are important and foster a richer form of citizenship and civic engagement. Electoral arrangements need to be representative and fair so that communities feel that they have influence and can effect change.

Council's Significance Policy states, "*On every issue requiring a decision, Council will consider the degree of significance and the most appropriate level of engagement.*"

Extensive consultation is required to ensure Council's representation arrangements accurately reflect our city and the communities of interest within it.

Further, if no submissions are received, the initial proposal will automatically become the basis of representation for the 2025 elections.

7.5 Implications

Financial

The cost of elected member salaries is not directly affected by amending the total number of councillors, as these are funded by a fixed pool set by the Remuneration Authority (an independent body from NCC). The Remuneration Authority sets these with regard to three factors:

1. The size of the governance role of each council,

2. The average time required by a local government member on a council of a particular size,
3. A general comparison with parliamentary salaries.

The remuneration for community board members is set by the Remuneration Authority, separately from the Mayor and councillors, and is linked to the number of residents each board member represents per capita. The Remuneration Authority has given an indicative annual remuneration for the four elected members of the above proposed Maraenui Community Board as follows:

- Chair: \$10,548
- Member (x3): \$5,274

The above rates are provisional and may change following the 2025 local elections.

If Council were to delegate significant additional responsibilities to the Board, a proportion of board costs would be met from the elected member remuneration pool.

Staff resource would be required to support a board, likely 0.5 FTE to 1FTE required spread across the Governance, Community Strategies and Communications Teams. Additional cost to establish the Board, run the election process, train board members, operate it, and allocate project or grants funding for the Board to distribute is estimated at between \$40,000 to \$100,000 per annum on top of the \$26,370 for salaries. This can be funded from a targeted rate levied on the community represented or from general rates.

If Council chose not to establish a community board but gave direction for work in Maraenui to be a priority, as there is no budget allocated for this work officers would only be able to focus on building relationships until budget was allocated.

The cost of communicating any changes of representative arrangements to residents will be related to the size and scale of the changes.

Social & Policy

There are no Social & Policy factors to consider in this report.

Risk

There is a risk that the Council's representation decision could be overturned by an appeal. Under section 190 of the Act 2001, anyone who has made a submission on the review resolutions can lodge an appeal against Council's decision. The appeals are forwarded to the LGC which makes the final determination.

There is also a reputational risk for Council if the review process and final decisions are perceived as unfair or incomplete by the community.

There is a risk that the signalled changes to the Local Electoral Act 2001 to restore pre-2021 legislated poll provisions on the establishment of Māori wards may create confusion in the community around the inclusion of Māori wards in the initial and final proposals. Officers will continue to signal to the community that until the Bill is passed into legislation NCC will continue to operate under the current legislation, which means Māori wards will be part of Napier's representation arrangements next triennium.

7.6 Options

The options available to Council are as follows:

- a. To adopt an initial proposal for Napier City Council's representation arrangements from the options put forward in this paper, to put to the community for consultation; or
- b. To adopt an initial proposal for Napier City Council's representation arrangements from options not discussed in the paper, to put to the community for consultation; or

- c. Not adopt an initial proposal and seek alternative options prior to the legislated final date of 31 July 2024 for an initial proposal to be adopted.

7.7 Development of Preferred Option – Consultation on the initial proposal

Once an initial proposal is adopted it will be publicly notified, as required under the Act 2001. Then NCC is required to consult with the public on the initial proposal for at least one month, this is proposed from 8 July 2024 – 8 August 2024.

SIL Research has been engaged to help with this consultation, and it will be promoted through the usual NCC social media channels, the NCC website, and through a public notification in The Courier and Hawke's Bay Today newspapers. Information will also be available at Customer Services and the libraries.

Any submissions received on the initial proposal will assist Council to either confirm its chosen representation arrangements or inform its amendment. Hearings for submitters wishing to speak to their submission, and deliberations, are proposed for 9 September 2024.

Local authorities are required under the Act 2001 to communicate their initial proposal to their applicable regional authority, the LGC, the Surveyor-General, the Government Statistician, the Secretary for Local Government and the Remuneration Authority. This is to help these organisations anticipate and plan the work required of them as a result of representation reviews.

7.8 Attachments

- 1 2024 Option 1 - Four General Ward - Boundaries map (Status Quo).pdf
- 2 2024 Option 2 - Two General Wards - Boundaries map (Doc Id 1769255)
- 3 2024 Option 4 - Three General Wards - Boundaries map
- 4 2024 Maraenui Suburb map (Doc Id 1769272)
- 5 2024-05 Pre-engagement content. (Doc Id 1767654) (Under separate cover 1)
- 6 2024-06 Representaton Review pre-consultation record of engagement (Doc Id 1768674) (Under separate cover 1)
- 7 2023 Pre-engagement Representation Review Report (Doc Id 1767657) (Under separate cover 1)
- 8 2024-05 Pre-engagement Representation Review Report. (Doc Id 1767656) (Under separate cover 1)
- 9 2024-06 Suggested Ward Names (Doc Id 1768851) (Under separate cover 1)
- 10 2024-06 Representation Review Analysis Report (Doc ID: 1771668)