

**DRAFT BOUNDARY REORGANISATION SCHEME FOR MANAWATU DISTRICT
AND PALMERSTON NORTH CITY FOR THE LONGBURN, KAIRANGA,
BUNNYTHORPE AND ASHHURST AREAS**

**DECISION OF JOINT BOUNDARY COMMITTEE OF MANAWATU DISTRICT
COUNCIL AND PALMERSTON NORTH CITY COUNCIL**

Date of Decision: 2 November 2011

The COMMITTEE RESOLVED that, pursuant to Clause 18 of Schedule 3 of the Local Government Act 2002, the Draft Boundary Reorganisation Scheme for Manawatu District and Palmerston North City for the Longburn, Kairanga, Bunnythorpe and Ashhurst areas, dated July 2011, be adopted in the form set out in Appendix One attached to this decision with the amendments that have been made to the Draft Reorganisation Scheme subsequent to submissions being contained in Appendix Two attached to this decision.

The Joint Boundary Committee was established by Manawatu District Council and Palmerston North City Council (collectively referred to in this decision as “the two Councils” or “both Councils”) in June 2011 for the purpose of processing the proposal for a boundary alteration served on Palmerston North City Council by Manawatu District Council. The processing duties of the Committee included the preparation of a Draft Boundary Reorganisation Scheme, notifying that scheme to the public and inviting submissions, and then making a decision on the scheme after considering the submissions received. The Committee was constituted and operated in accordance with the procedures set out in Schedule 3 of the Local Government Act 2002. The Manawatu District Council appointees to the Committee were Councillors Matt Bell, Barbara Cameron and Tony Jensen and the Palmerston North City Council appointees were Councillors Jim Jefferies, Annette Nixon and Tangi Utikere.

The Committee arrived at its decision after fully examining all the evidence, which included 212 written submissions, together with oral statements from 64 submitters who attended or were represented at a hearing of the Committee held at the Manawatu District Council offices in Feilding from Tuesday 11 October to Friday 14 October 2011. After hearing the submissions, the Committee’s options were to adopt the Draft Reorganisation Scheme, or to adopt the scheme with amendments taking account of recommendations, submissions and other information received by the Committee, or to decide that the scheme should not proceed.

The Committee expressly confirms that it has accepted and based its decision on the relevant statutory criteria, as more particularly set out in Clauses 3 to 5 of Schedule 3 to the Local Government Act 2002. In doing so, particular attention was given to the requirement that a Reorganisation Scheme should promote good local government of the districts concerned, ensuring that each local authority affected by the proposal would have the necessary resources to enable it to carry out its responsibilities if the scheme was implemented, and contain within its district a sufficiently distinct community or communities of interest.

The Committee noted that the Draft Reorganisation Scheme was supported by Manawatu District Council and Palmerston North City Council, apart from suggestions made by both Councils for minor amendments. While there was some support for the draft scheme from other submitters, the Committee noted that the majority of submitters were opposed to the scheme.

The rationale for the scheme, as stated in the Explanatory Notes attached to the draft scheme as Attachment C, was that the two Councils were experiencing growth pressures on the boundary between the two authorities. Such pressure was coming largely from industrial growth around the boundary, raising issues about land use and infrastructural planning. If growth pressures were not addressed in a coordinated consistent way, then it was possible that the greater Manawatu area might miss out on economic and social opportunities that might otherwise arise from this growth. In particular:

- There was the prospect that both Councils were continuing to expend significant resources in dealing with proposals for private development near the boundary. In this regard, the submission from Palmerston North City Council pointed out that over the last five years, there have been three private plan change requests lodged with Manawatu District Council to rezone land for a mix of commercial and industrial activity for land adjoining but lying outside the city boundary. In addition, there had also been a number of informal approaches for industrial development in the north east part of the City near the boundary area.
- The City Council submission also underlined the importance of the strategic roading network as detailed in the Palmerston North - Manawatu Joint Strategic Transport Study and the Regional Land Transport Strategy. The Joint Study was commissioned by the two Councils, New Zealand Transport Agency and Horizons Regional Council. The City Council expressed a concern in its submission that it had been unable to advance the planning, implementation and funding of road improvements near the city as it had no control over the roads. The District Council agreed in its submission, adding that it was inequitable that the District Council should be required to fund infrastructure work that was primarily for the benefit of the City.
- A realignment of the boundary would bring within Palmerston North areas which already share a significant community of interest with Palmerston North City. Both Councils mentioned in their submissions that more than half of the residents living in the area affected by the scheme worked in Palmerston North (54% reported in the 2006 Census), while 95% saw the City as their principal shopping destination (Marketview retail expenditure, June 2010).

The submissions opposing the Draft Reorganisation Scheme did so for a variety of reasons. Some submitters believed that the City and District Councils should amalgamate. This is in line with the preferred option expressed in the *Morrison Low Report*. This report was commissioned by the two Councils to make recommendations to the Councils about whether the Councils should amalgamate, alter their common boundary, or place a greater emphasis on cross boundary services. Otherwise, submitters opposing the Draft Reorganisation Scheme commonly did so because:

- The City Council had not demonstrated a sufficient need to expand its boundaries, particularly for future residential development. Several submitters pointed out that the City presently included sufficient land to accommodate future residential development within the existing City boundary for the next 30 to 50 years.
- Much of the area included in the Draft Reorganisation Scheme was unsuitable for future urban or industrial development because the land concerned was prone to flooding, particularly in parts of Areas A and B, and in Area C to the south-west of Bunnythorpe.
- If urban or industrial development was to take place on some of the land proposed to be included in the City, this would involve the use of land and soils that were otherwise highly productive for agriculture purposes.
- The financial viability of Manawatu District Council would be threatened because the Council would be “giving away” a significant proportion of its assets. Several submitters commented that businesses did not grow by parting with significant assets.
- The proposal would mean the splitting of communities, particularly in the Kairanga locality where the use of the Kairanga-Bunnythorpe Road as the boundary would divide residents between the City and District.
- The City Council had little understanding of rural matters and villages, having historically focussed on matters associated with urban development.

After considering all the submissions, the Committee deemed it appropriate to partially reduce the area of land proposed to be included in the City. In particular:

- In Area A at Longburn, it was decided that the land west of the North Island Main Trunk Railway and Reserve Road be excluded from the scheme. This land was unlikely to be of strategic benefit to the City in the foreseeable future. The Committee believed that the railway line made a natural boundary for a good part of this area, with future industrial and commercial development likely to take place on the eastern side of the railway line.

- In Area C, the Committee accepted that there was little likelihood of urban development taking place to the north and east of Bunnythorpe. Further, it is likely that there would be little impact on the strategic roading network if that part of Area C was excluded from the scheme. The Committee considered that Bunnythorpe town and the area to the west and south of the township should be included in the City, because the likely future course of urban development in Palmerston North would be in a northerly direction from the existing City towards the Bunnythorpe area.
- In the Ashhurst area, Areas F and G have been excluded from the scheme. Area F is unlikely to be of strategic benefit to the City in the foreseeable future. The small Area G, proposed to be transferred from City to District, was deleted because it was linked to Area F. Under the scheme as adopted by the Committee, the Saddle Road Bridge would continue to lie partly in the City and partly in the District.

With regard to the Kairanga community, the Committee considers that this community has not developed into a township as have Linton, Bunnythorpe and Ashhurst, and that it is geographically located much closer to the commercial centre of Palmerston North than to the commercial centre of Feilding. The community, therefore, already has a close connection with Palmerston North.

The Committee noted that the City Council already had an understanding of “rural matters”, evidenced by the fact that 81.5% of the geographical area of the City is rural. The Council has also passed a resolution to provide a high level of protection for the future use of high class soils. A change in local authority boundaries, in itself, also has no impact on the ultimate use of the land. This is regulated by District Plan provisions made in consultation with the community.

With regard to representation, the Committee has agreed with the proposals set out in the draft scheme, but acknowledges that these will be reviewed by both Councils in the near future. Both Councils are required to address representation issues and publically announce their proposals by 31 August 2012 and the next elections for both Councils will be carried out on the basis of the outcome of the representation reviews. There appears to be little value in the Committee making major alterations to representation arrangements that would be in place for little more than a year before the next local authority elections. In the meantime, existing ward boundaries in Palmerston North City will be maintained except that those areas becoming part of the City will be added to the appropriate adjacent wards.

Apart from reducing the size of the geographic area covered by the Draft Reorganisation Scheme, the Committee has modified the scheme to accommodate suggestions made by Manawatu District Council with regard to the transitional payment and building consents proposals. The alteration to the transitional payment will provide for greater certainty and will eliminate the need for reviews, whilst changes to building consent provisions acknowledge that these services have been undertaken by the City Council on behalf of the District Council since 2007.

In summary, the Committee accepts that the boundary alteration proposals should proceed, but on a modified basis, as reflected in the amendments that have been made to the Draft Reorganisation Scheme.

Dated this 2nd day of November 2011

Councillor Matt Bell
Chairperson