

known as the Stratford District (hereinafter referred to as "the new district").

(2) The Stratford Borough Council and the Stratford County Council (hereinafter referred to as "the former authorities") are hereby dissolved.

(3) A council for the new district to be known as the "Stratford District Council" (hereinafter referred to as "the district council") is hereby constituted).

3. Wards—The new district is hereby divided into four wards as follows:

the Stratford Ward, comprising the area of the former Stratford Borough and those areas of the former Stratford County as described in the First Schedule hereto;

the Central Ward, comprising the area of the North and East Ridings of the former Stratford County;

the Western Ward, comprising the areas of the West and South Ridings of the former Stratford County, but excluding those areas included in the Stratford Ward as described in the Second Schedule hereto; and

the Eastern Ward, comprising the areas of the Mangaehu and Whangamomona Ridings of the former Stratford County.

4. First Election of Council—(1) The first election of the district council shall be held on the 28th day of March 1989.

(2) For the purposes of conducting the first election of the district council the principal administrative officer and the returning officer for the new district shall be the principal administrative officer and returning officer of the Stratford County Council.

(3) The first election of the district council shall be conducted by postal vote.

5. Membership of council—The district council shall comprise a Mayor to be elected by the electors of the new district as a whole, and 12 members elected as follows:

6 members to be elected by the electors of the Stratford Ward;

2 members to be elected by the electors of the Central Ward;

2 members to be elected by the electors of the Western Ward;

2 members to be elected by the electors of the Eastern Ward.

6. Mayor—The Mayor of the new district shall have and may exercise the duties, powers and functions of the Mayor and Chairman of the former authorities.

7. Principal administrative officer—(1) The principal administrative officer of the district council shall have and may exercise the duties, powers and functions of the principal administrative officers of the former authorities.

(2) The principal administrative officer of the district council shall be such person as may be appointed jointly by the former authorities.

8. First meeting of council—The first meeting of the district council shall be convened by the principal administrative officer appointed pursuant to clause 7 of this Order.

9. Taranaki United Council—(1) The district council shall appoint 2 members to the Taranaki United Council.

(2) Those members of the Taranaki United Council appointed separately by the councils of the former authorities shall continue in office until such time as successors are appointed.

10. Finance—(1) Notwithstanding anything in this Order, for a period of not more than 7 years as the district council may by special order determine, the new district shall for the purposes of finance be divided into 2 divisions as follows:

(a) the Urban Financial Division, which shall comprise the Stratford Ward; and

(b) the Rural Financial Division, which shall comprise the remainder of the new district.

(2) While the new district is divided into financial divisions in accordance with the provisions of subclause (1) of this clause:

(a) in respect of all administrative, engineering, inspectorial and supervisory activities carried out by the district council, the district council shall transfer to its administration account from the amount of the appropriate financial division an account equivalent to 9 percent of the cost of that activity, or such other percentage as the district council may from time to time determine;

(b) any deficit in the district council's administration account shall be apportioned between the Urban Financial Division and the Rural Financial Division according to the mean of the percentages that:

(i) the population;

(ii) the number of rating assessments;

(iii) the amount of rates levied;

(iv) the net rateable capital value; and

(v) the number of members of the district council

for each division bears to the total for the district:

Provided that those costs related to the community facilities and recreation advisory activities of the district council shall be met solely by the Urban Financial Division; and

(c) the district council shall in each year transfer to the account of the Urban Financial Division an amount equivalent to 4 percent of the general rate collected in the Rural Financial Division.

(3) All loan liabilities existing at the date of the constitution of the new district shall continue to be secured against the areas over which they were secured as at that date.

(4) The special funds of the former authorities shall be expended only for the purposes for which they were set aside and, after provision has been made for all liabilities, for the benefit of the division in which they originated, and money required to be paid into any other special fund to meet any deficiency shall be found from within the division in respect of which that special fund originated.

(5) Any decision to alter any of the provisions of this clause within the first 5 years after the date of the constitution of the new district shall require a majority of not less than two thirds of the members of the district council.

11. Rating—(1) The system of rating in the new district shall be the land value system.

(2) The method of payment of rates by instalments in force in Stratford County prior to the provisions of this Order coming into force shall become the method of payment of rates within the new district.

12. Local Authorities Petroleum Tax—(1) For the purposes of Part XI of the Local Government Act 1974, the district council shall be the successor to the former authorities.

(2) For such period as the new district is divided into financial divisions in accordance with clause 10 of this Order, the local authorities petroleum tax received by the district council shall be allocated to the accounts of the Urban Financial Division and the Rural Financial Division in proportion to the rates levied in each division.

13. Town and country planning—The district planning schemes and scheme statements and codes of ordinances in force in the districts of the former authorities shall be deemed to be the district planning scheme and the scheme statement and code of ordinances of the new district, and the district council shall not be required to prepare a new district planning scheme before the 1st day of August 1992.

14. Transfer of responsibilities and other matters—Except as otherwise provided in this order, the district council respect of the districts of the former authorities;