

House of Representatives

Supplementary Order Paper

Tuesday, 15 September 2009

Local Government (Auckland Council) Bill

Proposed amendments

Hon Rodney Hide, in Committee, to move the following amendments:

Clause 17C

To add the following subclause (after line 6 on page 25):

- (7) No delegation under this section relieves the governing body or a local board of the liability or legal responsibility to perform or ensure performance of any function or duty.

Clause 18

Subclause (1A): to omit this subclause (line 25 on page 25 to line 5 on page 26).

Subclause (2)(c): to omit “**Part 2 of**” (line 35 on page 26).

Subclause (2A): to omit “boundaries determined under **subsections (1A) and (2)**” (line 1 on page 27) and substitute “boundary determined under **subsection (2)**”.

Subclause (5A): to insert after “this section,” (line 18 on page 27) “**section 19, and the Schedule**”.

Subclause (5A): to insert the following definition after the definition of Auckland region (after line 21 on page 27):

Franklin district means the area described as the Franklin district in the Local Government (Auckland Region) Reorganisation Order 1989 (*Gazette* 1989, p 2267)

Subclause (5A): to omit the definitions of **Kaipara district**, **Northland region**, and **Rodney district** (lines 25 to 33 on page 27).

Clause 19

Subclause (4A)(c)(i): to omit this subparagraph (lines 18 to 21 on page 30) and substitute the following subparagraph:

- (i) a single-member ward based on the rural area of Rodney district (as that district is described in the

Local Government (Auckland Region) Reorganisation Order 1989 (*Gazette* 1989, p 2253); and

Clause 23

To insert the following subclause after *subclause (1)* (after line 7 on page 33):

(1A) Section 13(1)(g) is amended by inserting the following subparagraph after subparagraph (iv):

“(iva) preparing a planning document for the Auckland Council for the period 1 November 2010 to 30 June 2011 in accordance with **section 19A**; and”.

New clauses 23B to 23D

To insert the following clauses after *clause 23A* (after line 27 on page 33):

23B New section 19A inserted

The following section is inserted after section 19:

“19A Preparation of planning document

“(1) The Transition Agency must prepare a planning document for the Auckland Council for the period 1 November 2010 to 30 June 2011.

“(2) The document must be treated as satisfying section 95 of the Local Government Act 2002—

“(a) as that section applies to the Auckland Council as a local authority; and

“(b) for the 2010/2011 financial year.

“(3) The Transition Agency must complete the document by 31 October 2010.”

23C Dissolution of Auckland Transition Agency

Section 27(3) is repealed.

23D New sections 29A to 29C

The following sections are inserted after section 29:

“29A Obligations of existing local authorities in relation to 2010/2011 annual plan

“(1) This section applies in relation to the annual plan for the financial year commencing 1 July 2010 that each existing local authority is required to prepare and adopt under section 95 of the Local Government Act 2002.

“(2) The annual plan is only required to cover the period from 1 July 2010 to 31 October 2010 (being the period from the commencement of the financial year until the date on which each existing local authority is dissolved under section 35).

“(3) Despite section 95(2) of the Local Government Act 2002, the annual plan may simply be adopted by resolution of the exist-

ing local authority, but only if the plan is consistent with the financial statements and funding impact statement included in its long-term council community plan (**LTCCP**) for the 2010/2011 financial year.

- “(4) An annual plan is not inconsistent with the financial statements and funding impact statement included in the LTCCP for the 2010/2011 financial year because—
- “(a) the plan applies to a 4-month period; or
 - “(b) the plan reflects more accurate estimates of—
 - “(i) the costs of achieving and maintaining the levels of service provision identified in the LTCCP in respect of that year; or
 - “(ii) any other costs or expenses identified in the LTCCP in respect of that year; or
 - “(iii) any revenue or other income of the existing local authority identified in the LTCCP in respect of that year.
- “(5) An existing local authority must consult the Transition Agency throughout the preparation of the annual plan.
- “(6) Except to the extent that it is modified by this section, section 95 of the Local Government Act 2002 applies to the annual plan.
- “(7) Nothing in **subsection (5)** limits or affects the obligations imposed on an existing local authority under section 29 or 31.

“**29B Rates and other revenue mechanisms**

- “(1) Each existing local authority must set each rate and any other revenue mechanism provided for in the funding impact statement included in the annual plan to which **section 29A** applies for the full financial year.
- “(2) **Subsection (1)** applies despite the annual plan only covering the 4-month period from 1 July 2010 to 31 October 2010.
- “(3) In setting each rate or other revenue mechanism, an existing local authority must ensure that the rate or mechanism is set at a level sufficient to meet—
- “(a) the amount of funds required from the mechanism (as set out in the funding impact statement) for the 4-month period; and
 - “(b) the amount of funds that would be required from the mechanism for the balance of the financial year, if the requirements identified in **paragraph (a)** continued for that period.

**“29C Obligations of existing local authorities in relation to
2010/2011 annual report**

- “(1) An existing local authority is not required to prepare and adopt an annual report for the 2009/2010 financial year.
- “(2) Instead, a report for the period 1 July 2009 to 31 October 2010 must be prepared for each existing local authority, and adopted by the Auckland Council.
- “(3) Sections 98 and 99 of the Local Government Act 2002 apply, with all necessary modifications, to a report prepared and adopted under **subsection (2)** as if the report were an annual report.”

Schedule

Schedule heading: to omit this heading (lines 1 to 6 on page 35) and substitute the following heading:

Schedule **s 18(2)(c)**
**Matters to be addressed by Local
Government Commission when making
determination in relation to southern
boundary of Auckland**

Part 1: to omit this Part (line 6 on page 35 to line 19 on page 37).

Part 2 heading: to omit this heading (lines 20 to 22 on page 37).

Clause 1: to omit “Part” (line 24 on page 37) and substitute “schedule”.

Clause 2: to add the following paragraph (after line 24 on page 39):

- (j) the matters to be included in the annual plan of the Hau-raki District Council or the Waikato District Council for the 2010/2011 financial year, in relation to the parts of its district that were formerly part of Franklin district.

Explanatory note

This Supplementary Order Paper amends the provisions of the Bill relating to the determinations of the Local Government Commission in relation to the northern boundary of Auckland. The amendments effectively require that all of the current Rodney district be included in Auckland and a single-member ward based on the rural area of that district be established.

This Supplementary Order Paper also amends the Bill by inserting further provisions into Part 4. Part 4 amends the Local Government (Tamaki Makaurau Reorganisation) Act 2009.

New clause 23B inserts a further obligation in respect of the Auckland Transition Agency (the Agency responsible for making arrangements to enable the Auckland Council to operate on and from its establishment on 1 November 2010) to

prepare a planning document for the Auckland Council that will apply, as the Council's annual plan, until the end of the 2010/2011 financial year.

New clause 23C corrects a drafting error that arose during the passage of the Local Government (Tamaki Makaurau Reorganisation) Act 2009.

New clause 23D inserts 2 further obligations in respect of the existing local authorities of the Auckland region. *New section 29A* requires each existing local authority to fulfil the obligation to prepare an annual plan for the 2010/2011 financial year, but limits that requirement to the 4-month period in which the authority will actually exist. *New section 29B* clarifies that existing local authorities must set rates and other revenue mechanisms for a 12-month period, despite the fact that they will be dissolved 4 months into the 12-month period. This is necessary to ensure revenue for the Auckland Council for the first 8 months of its existence.

New clause 23D also inserts *new section 29C*, which effectively removes the obligation of an existing local authority to prepare and adopt an annual report for the 2009/2010 and 2010/2011 financial years and replaces it with an obligation to prepare one report for the period 1 July 2009 to 31 October 2010.

This Supplementary Order Paper also makes some technical and consequential amendments to the Bill.
