

Auckland Council Bill Passes With More Changes

On 4 September 2009 we reported on the Select Committee Report on the Local Government (Auckland Council) Bill.

On 17 September 2009 the Bill was passed under urgency largely in the form recommended by the Auckland Governance Legislation Select Committee, but without the proposed changes to the northern boundary of Auckland.

Boundary changes

Lobbying since the report back version of the Bill was released has resulted in the proposed split of Rodney District into two being deleted. The provisions relating to boundaries revert to those originally proposed so that Rodney remains as part of the Auckland Council. However, the flexibility has been retained for that part of the Franklin District situated between the Mangatangi Stream catchment and the Firth of Thames to be included in either the Hauraki District or the Waikato District. The ownership of the regional parks and water supply dams that will thereby fall outside of the Auckland Council area is not resolved by this Bill, although the Minister of Local Government says that Auckland will retain ownership.

Financial Planning and Reporting

In addition to addressing boundary issues there are further amendments to the Local Government (Tamaki Makarau Reorganisation) Act 2009. A new section 19A is inserted into that Act requiring the Transition Agency to prepare an annual plan for the Auckland Council for the period 1 November 2010 to 30 June 2011.

At the same time new provisions are inserted relating to the obligation of existing local authorities to prepare an annual plan for the financial year commencing 1 July 2010. Existing local authorities must now prepare an annual plan for the period 1 July 2010 to 31 October 2010, being the period from commencement of the financial year until the date on which each of those existing local authorities is dissolved. As long as that annual plan is consistent with the financial statements and funding impact statement included in the current LTCCP for the 2010/2011 financial year it may be adopted by resolution without compliance with the special consultative procedure. Consultation with the Transition Agency is required in the preparation of those annual plans.



In addition, and despite the fact that the annual plan is for a limited period, each existing local authority must set rates for the full financial year 1 July 2010 to 30 June 2011.

Existing local authorities are not required to prepare an annual report for the 2009/2010 financial year. Instead a report for period 1 July 2009 to 31 October 2010 must be prepared for each existing local authority and adopted by the Auckland Council.

Other matters

The only other change of note is the deletion of section 27(3) of the Local Government (Tamaki Makarau Reorganisation) Act 2009, which was clearly an error carried over from the earlier bill version of that Act.

Now that the form of the Auckland Council is known, and principles are in place for the relationship between the Auckland Council and local boards, existing local authorities and the Transition Agency can work towards the establishment of the new Council with a greater degree of certainty.

We look forward to the third instalment of this three part legislative journey, which will provide further organisational detail and address outstanding issues such as those relating to the transition provisions for existing staff.

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