

Priority Urgent



THE DEPARTMENT OF INTERNAL AFFAIRS

Te Tari Taiwhenua

Local Government Briefing

Hon Rodney Hide
Minister of Local Government

Copy to: Hon John Carter
Associate Minister of Local Government

Title: Notes on Supplementary Order Papers Nos. 19, 20 and 21 from Sue Kedgley on the Local Government (Auckland Reorganisation) Bill 2009

Date: 14 May 2009

Key issues
Notes on Supplementary Order Papers Nos. 19, 20 and 21 from Sue Kedgley on the Local Government (Auckland Reorganisation) Bill 2009.

Action sought	Timeframe
Note the contents of this briefing.	14 May 2009

Contact for telephone discussion (if required)

Name	Position	Telephone		Suggested first contact
		direct line	after hours	
Anne Carter	Deputy Secretary	04 495 9323	021 229 6261	✓
Marilyn Little	Director Policy	04 494 0589	021 228 8118	

Return to: John Sutton
DMS file reference: PLG-1779-4 609154DB
Ministerial database reference: LGC200901691

Purpose of briefing

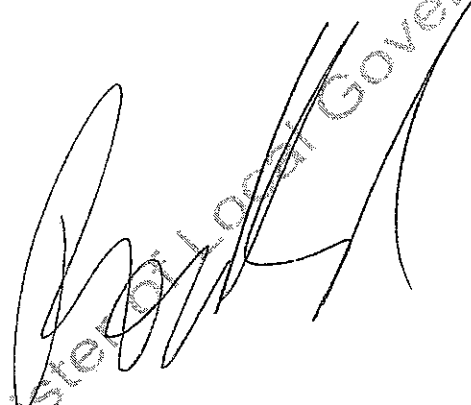
1. This briefing provides you with notes on the attached Supplementary Order Papers Numbers 19, 20, 21 from Sue Kedgley of the Green Party on the Local Government (Auckland Reorganisation) Bill 2009.

Recommendations

2. The recommendation is that you **note** the contents of this briefing.



Anne Carter
Deputy Secretary
Local Government and Community



Hon Rodney Hide
Minister of Local Government

20 15 /2009

Proactively Released by the Minister of Local Government

SUPPLEMENTARY ORDER PAPER No 19. *Sue Kedgley MP*

The proposed amendments seek to remove the power for the Auckland Transition Agency (ATA) to review "or determine" agendas for forthcoming meetings of existing Auckland local authorities and other local government organisations.

Comment

The provision for the ATA to review agendas is intended to allow the ATA to identify, and give notice to organisations, that it considers that decisions on a particular matter may impact on the reorganisation, or on the future capacity or assets of the Auckland Council. Such decisions must be reviewed and confirmed in writing by the ATA before they are implemented.

Removing the power to review items on forthcoming agendas, would leave the ATA able only to identify such decisions after they had been made, under clause 20(3). It will be far less disruptive if local authorities are aware of the need to seek confirmation before decisions are taken, rather than retrospectively.

There is no power in the Bill for the ATA to "determine" local government agendas.

Additional points

The powers to review both decisions and agenda items are safeguards, to cover decisions not already covered by the confirmation requirements in clause 31, or not recognised as covered by those provisions.

The requirement that the ATA confirm decisions does not mean that those decisions will be blocked. It is recognised that existing councils will need to make some decisions that have consequences for the Auckland Council, to take opportunities when they arise or address identified needs in a timely way. The process merely allows the ATA to be satisfied that the impacts of those decisions are justified by the benefits.

In the debate in relation to the establishment of the Select Committee, the proposing Member commented that this provision would prevent councils putting particular matters on their agendas. The clause does not do this.

SUPPLEMENTARY ORDER PAPER No 20. *Sue Kedgley MP*

The proposed amendment seeks to explicitly require the approval of the Cabinet Appointments and Honours Committee to Ministerial appointments to the Auckland Transition Agency.

Comment

It is contrary to legislative conventions to refer to Cabinet or Cabinet Committees in this way in statute.

It is noteworthy that no other statute that provides for Ministerial appointments refers to the Cabinet Appointments and Honours Committee.

Proactively Released by the Minister of Local Government

SUPPLEMENTARY ORDER PAPER No 21. *Sue Kedgley MP*

The proposed amendment seeks to insert a new clause that would require the Transition Agency, "before commencing any changes", to prepare a transition budget to cover the period until the 2016 triennial elections.

The budget is to be publicly available, prior to approval is being sought, when variations are sought, and at 6 monthly intervals. [The proposed clause does not specify who is to approve it.]

The proposal lists the individual components of the transition and the budgeted costs of each.

The amendments propose that any variations or cost overruns from the budget be met by the Crown.

Comment

The Bill already requires the Auckland Transition Agency to obtain the approval of the responsible Minister and Minister of Finance to its budgeted expenditure (clause 22). It also imposes a range of financial reporting and accountability requirements including the provision of audited financial statements for presentation to Parliament (under the Public Finance Act 1989) and providing a narrative report of its activities (clause 13(1) (c) (ii)) on its dissolution.

In the absence of an elected Auckland Council, it is appropriate that the accountability of ATA is to Ministers and through them to Parliament which has established it and set its duties and powers.

The creation of a binding budget running through to 2016, as proposed, would be particularly problematic given that responsibility for finalising the reorganisation and bedding down the change will be exercised by the Auckland Council from 1 November 2010. Accountability for how this is done, and the costs incurred, will belong to that council.

Proactively processed by the Minister of Local Government

House of Representatives
Supplementary Order Paper

Wednesday, 13 May 2009

Local Government (Auckland Reorganisation) Bill

Proposed amendments

Sue Kedgley, in Committee, to move the following amendments:

Part 3:

Clause 13: to omit from subclause (1)(g)(v) "or any item on the agenda for a meeting of an existing local government organisation (or any committee of an existing local government organisation) to be held during the transition period" (line 28 to 32 on page 10).

Heading to clause 20: to omit "and meeting agendas" (line 20 on page 14).

Clause 20: to omit "and" in subclause (1)(a) and the following subclause (1)(b) (lines 24 to 28 on page 14).

Clause 20: to omit subclause (4) (lines 1 to 6 on page 15).

Explanatory note

This Supplementary Order Paper amends the Local Government (Auckland Reorganisation) Bill to remove any authority to review or determine agenda items for local government organisations.

House of Representatives
Supplementary Order Paper

Wednesday, 13 May 2009

Local Government (Auckland Reorganisation) Bill

Proposed amendment

Sue Kedgley, in Committee, to move the following amendment:

Part 3: clause 11(1)

To insert after "Minister", ", subject to the approval of the Cabinet Appointments and Honours Committee." (line 29 on page 8)

Explanatory note

This Supplementary Order Paper amends the Local Government (Auckland Reorganisation) Bill to ensure Cabinet oversight and accountability in the appointment of the Transition Agency's members and chair.
