



Local Government (Tamaki Makaurau Reorganisation) Amendment Act 2010

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Commencement see section 2

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Local Government (Tamaki Makaurau Reorganisation) Amendment Act 2010.

2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent.

3 Principal Act amended

This Act amends the Local Government (Tamaki Makaurau Reorganisation) Act 2009.

4 Purpose of this Act

- (1) The purpose of this Act is to resolve further matters relating to the reorganisation of local government in Auckland.
- (2) To this end, this Act amends the principal Act by adding provisions to—
 - (a) enable the establishment of new and various local governance arrangements for Auckland; and
 - (b) facilitate the transition of assets from existing local government organisations to entities forming part of the new arrangements; and
 - (c) prepare for the October 2010 local government triennial general elections in Auckland; and
 - (d) provide clarity in respect of planning and reporting arrangements for existing local authorities and other entities during the reorganisation period; and
 - (e) provide for the Governor-General, Ministers, and other public officials and bodies to exercise certain powers or to undertake specified duties to facilitate the reorganisation.
- (3) This Act also makes other amendments to the principal Act.

5 Commencement

- (1) Section 2(1) is amended by omitting “subsections (2) and (3)” and substituting “subsections (3) and (4)”.
- (2) Section 2(2) is repealed.
- (3) Section 2(3) is amended by omitting “and subpart 3 of Part 3”.
- (4) Section 2 is amended by adding the following subsection:
“(4) Subparts 3 and 4 of Part 3 (as substituted by section 26 of the Local Government (Tamaki Makaurau Reorganisation)

Amendment Act 2010) come into force on the day after the date on which that Act receives the Royal assent.”

6 Background and purpose of Act

- (1) Section 3(7)(a) is repealed.
- (2) Section 3(7)(b) is amended by omitting “at the close of the preceding day” and substituting “on 1 November 2010”.
- (3) Section 3(7) is amended by inserting the following paragraph after paragraph (d):

“(da) to provide for the Governor-General, Ministers, and other public officials and bodies to undertake specified duties to facilitate the reorganisation; and”.

7 Outline of Act

- (1) Section 4(3) is repealed.
- (2) Section 4(4) is amended by omitting “Accordingly, this Part (other than sections 27 and 28 and subpart 3) commences 2 days after the date on which this Act receives the Royal assent”.
- (3) Section 4(7) is repealed and the following subsections are substituted:

“(7) Subpart 3 of Part 3 provides for the dissolution of the existing local authorities and other local government organisations. For the most part, the impact of the dissolution is that the functions, duties, powers, interests, property, rights, liabilities, etc, of the existing local authorities become functions, duties, powers, interests, property, rights, liabilities, etc, of the Auckland Council. However, the subpart provides for different outcomes in particular cases, or in relation to particular interests. For example, specified assets, liabilities, interests, rights, or obligations of an existing local authority may become assets, liabilities, interests, rights, or obligations of a council-controlled organisation of the Auckland Council, rather than of the Council itself.

“(8) Subpart 4 of Part 3 deals with miscellaneous matters relating to the setting up of the Auckland Council.”

8 Interpretation

- (1) Section 5(1) is amended by inserting the following definitions in their appropriate alphabetical order:
- “**Auckland Transport** means the entity established by section 38 of the Local Government (Auckland Council) Act 2009
- “**boundary adjustment Order** means the Order in Council—
- “(a) made under section 35 of the Local Government (Auckland Council) Act 2009; and
- “(b) that gives effect to the Local Government Commission’s determination of the boundaries of Auckland in accordance with section 33 of that Act; and
- “(c) published in the *Gazette* (2010, p 858)
- “**receiving entity**, in relation to a terminating organisation, means the entity named in the second column of Schedule 4
- “**terminating organisation** means an entity that is named in the first column of Schedule 4”.
- (2) The definition of **Auckland** in section 5(1) is repealed and the following definition substituted:
- “**Auckland** has the same meaning as in section 4(1) of the Local Government (Auckland Council) Act 2009”.
- (3) The definition of **Auckland Council** or **Council** in section 5(1) is repealed and the following definition substituted:
- “**Auckland Council** or **Council** has the same meaning as in section 4(1) of the Local Government (Auckland Council) Act 2009”.
- (4) The definition of **existing local authority** in section 5(1) is repealed and the following definition substituted:
- “**existing local authority**—
- “(a) means the Auckland Regional Council, the Auckland City Council, the Franklin District Council, the Manukau City Council, the North Shore City Council, the Papakura District Council, the Rodney District Council, and the Waitakere City Council; but
- “(b) in subparts 3 and 4 of Part 3, excludes the assets, liabilities, rights, obligations, and other matters of the Franklin District Council transferred to the Hauraki District Council or the Waikato District Council under the boundary adjustment Order”.

- (5) Paragraph (b)(iii) of the definition of **existing local government organisation** in section 5(1) is amended by omitting “2004;” and substituting “2004) and any subsidiary of the Auckland Regional Transport Authority;”.
- (6) Paragraph (b)(iv) of the definition of **existing local government organisation** in section 5(1) is amended by adding “and any subsidiary of Auckland Regional Holdings”.

9 Part 2 repealed

Part 2 is repealed.

10 Governing body of Transition Agency

Section 11(4) is amended by omitting “The Schedule” and substituting “Schedule 1”.

11 Functions and duties of Transition Agency

- (1) Section 13(1)(c)(i) is amended by omitting “the Schedule” and substituting “Schedule 1”.
- (2) Section 13(1) is amended by inserting the following paragraphs after paragraph (ca):
 - “(cb) to do the following in relation to waste management and minimisation:
 - “(i) oversee the work, if any, of the existing local authorities in preparation for the first waste assessment that the Auckland Council will make under section 50(2) of the Waste Minimisation Act 2008; and
 - “(ii) oversee the preparation by the existing local authorities of detailed proposals for achieving long-term integrated waste management and minimisation planning and services in Auckland (including proposals for managing waste contracts, leases, and other arrangements in relation to waste); and
 - “(iii) prepare options on these matters for consideration by the Auckland Council:
 - “(cc) to develop, in consultation with the Secretary for Internal Affairs, proposals in relation to the establishment

of an Ethnic Peoples Advisory Panel to the Auckland Council (as required by section 86 of the Local Government (Auckland Transitional Provisions) Act 2010) for consideration by the mayor of Auckland on his or her election.”.

- (3) Section 13(1)(g)(iv) is amended by omitting “section 18” and substituting “sections 18 and 18B”.
- (4) Section 13(1)(g)(iva) is amended by omitting “1 November 2010 to 30 June 2011” and substituting “beginning on 1 November 2010 and ending at the close of 30 June 2012”.
- (5) Section 13(1)(g) is amended by inserting the following subparagraph after subparagraph (iva):
 - “(ivb) establishing a waterfront development entity as a council-controlled organisation of the Auckland Council under section 19B; and”.
- (6) Section 13(1)(g) is amended by adding “; and” and also by adding the following subparagraph:
 - “(vii) making arrangements under section 21A (and 21C, as the case may be) in relation to the initial operation of Auckland Transport.”
- (7) Section 13(2)(b) is repealed and the following paragraph substituted:
 - “(b) develop a change management plan that includes protocols and processes for managing—
 - “(i) the transition of assets from existing local government organisations to give effect to the new local governance arrangements for Auckland; and
 - “(ii) the transition or termination of staff from existing local government organisations to give effect to the new local governance arrangements for Auckland, having regard to the existing employment agreements applying to the staff.”

12 Appointment of electoral officer for October 2010 triennial general elections

- (1) Section 14(1) is amended by inserting “or under” after “on an electoral officer by”.

- (2) Section 14(2) is amended by omitting “Part 2 of this Act” and substituting “section 6 of the Local Government (Auckland Council) Act 2009”.
- (3) Section 14(3)(a) is amended by omitting “will” and substituting “must”.
- (4) Section 14(3) is amended by adding “; and” and also by adding the following paragraph:
 - “(c) the election of members of the Waitakere and Portage Licensing Trusts must be held using the electoral system commonly known as First Past the Post (as defined in section 5(1) of the Local Electoral Act 2001).”

13 Appointment of interim chief executive for Auckland Council

- (1) Section 17(2)(b) is amended by inserting “of a chief executive in order” after “required”.
- (2) Section 17(2)(b)(ii) is amended by omitting “section 18” and substituting “sections 18, 18A, and 18B”.
- (3) Section 17(3) is repealed.

14 Interim chief executive may appoint staff and enter into contracts

- (1) The heading to section 18 is amended by omitting “**and enter into contracts**” and substituting “, **enter into contracts, and call first meeting of Council**”.
- (2) Section 18(1) is amended by adding “; and” and also by adding the following paragraph:
 - “(c) exercise the duties of a chief executive under clause 21 of Schedule 7 of the Local Government Act 2002 to call the first meeting of the Council before 1 November 2010 (to be held on or after that date).”
- (3) Section 18(3) is amended by omitting “Part 2 of this Act” and substituting “section 6 of the Local Government (Auckland Council) Act 2009”.

15 New sections 18A and 18B inserted

The following sections are inserted after section 18:

**“18A Interim chief executive must enter contract with
Watercare Services Limited for collection of water rates**

- “(1) The chief executive appointed under section 17, acting on behalf of the Council under section 53 of the Local Government (Rating) Act 2002, must, no later than 31 October 2010, enter into a contract with Watercare Services Limited to—
- “(a) deliver rates invoices under section 46(4) of the Local Government (Rating) Act 2002 for the specified rates; and
 - “(b) collect payments of the specified rates in respect of the invoices referred to in paragraph (a); and
 - “(c) carry out any matter ancillary to the matters referred to in paragraphs (a) and (b).
- “(2) The contract—
- “(a) may provide for Watercare Services Limited to retain all money received by it under subsection (1)(b) for the purposes of section 32(3) of the Local Government (Auckland Transitional Provisions) Act 2010; but
 - “(b) must not provide for Watercare Services Limited to be reimbursed for the administrative costs (other than extraordinary costs) associated with the delivery of rates invoices and the collection of payments.
- “(3) In this section, **specified rates** means rates that are set by the Franklin District Council, the North Shore City Council, the Rodney District Council, or the Waitakere City Council under section 19 of the Local Government (Rating) Act 2002—
- “(a) in accordance with section 29B of this Act; and
 - “(b) in respect of any water supply services that will, from 1 November 2010, be provided by Watercare Services Limited.

**“18B Interim chief executive must ensure arrangements for
Auckland rating information database and district
valuation roll**

- “(1) In order to assist the implementation of a single integrated Council rating policy from 1 July 2012 for Auckland, the chief executive appointed under section 17 must make arrangements to ensure that—

- “(a) a single rating information database for Auckland is prepared under the Local Government (Rating) Act 2002; and
 - “(b) a district valuation roll for Auckland is prepared under the Rating Valuations Act 1998; and
 - “(c) the district valuation roll represents values current as at 1 July 2011.
- “(2) The chief executive must notify the Valuer-General, no later than 1 October 2010, of the arrangements made to give effect to the obligations under subsection (1) and, in doing so, must include the following information (supplied in accordance with section 8 of the Rating Valuations Act 1998):
- “(a) the person or body who is to undertake the valuation services; and
 - “(b) the values and valuation bases proposed to be implemented or used in preparing the valuation roll and related information.
- “(3) In this section, **district valuation roll** and **valuation services** have the meanings given to them in section 2(1) of the Rating Valuations Act 1998 and **rating information database** has the meaning given to it in section 5 of the Local Government (Rating) Act 2002.”

16 Transition Agency may exercise powers under section 18 in certain circumstances

- (1) The heading to section 19 is amended by inserting “**or 18B**” after “**section 18**”.
- (2) Section 19 is amended by omitting “section 18—” and substituting “section 18 or 18B—”.

17 New section 19A substituted

Section 19A is repealed and the following section substituted:

“19A Preparation of planning document

- “(1) The Transition Agency must prepare a planning document for the Auckland Council for the period beginning on 1 November 2010 and ending at the close of 30 June 2012.
- “(2) In preparing the document, the Transition Agency—

- “(a) must make an initial allocation of decision-making responsibility for the non-regulatory activities of the Council between the Council’s governing body and its local boards; and
 - “(b) must prepare estimated budgets for the 2011/2012 financial year for each local board, based upon the projected costs of the local activities in each local board area for the 2010/2011 financial year; and
 - “(c) must ensure that the document complies with the requirements of Schedule 2.
- “(3) The Transition Agency must allocate responsibilities under subsection (2)(a) in accordance with the principles for allocating responsibilities set out in section 17(2) of the Local Government (Auckland Council) Act 2009.
- “(4) The Transition Agency must complete the document by 31 October 2010.”

18 New sections 19B and 19C inserted

The following sections are inserted after section 19A:

“19B Establishment of waterfront development council-controlled organisation

- “(1) The Transition Agency must establish an entity as a council-controlled organisation of the Auckland Council, with responsibility for development of the Auckland waterfront, to operate on and from 1 November 2010.
- “(2) The Transition Agency must establish the entity in a way that complies with—
- “(a) the Order in Council made under subsection (3); and
 - “(b) Part 5 of the Local Government Act 2002.
- “(3) The Governor-General must, by Order in Council made on the recommendation of the Minister,—
- “(a) specify the objectives of the entity; and
 - “(b) specify the governance structure of the entity; and
 - “(c) specify any other details concerning the structure and operation of the entity that the Minister recommends.
- “(4) Without limiting subsection (3)(c), and to avoid doubt, an order made under subsection (3) may specify details concerning the financial structure and operation of the entity.

- “(5) The Minister must not recommend the making of the order without first consulting the Transition Agency.
- “(6) The Minister may appoint initial directors of the entity under section 48.
- “(7) For the purposes of subsection (2)(b), Part 5 of the Local Government Act 2002 applies—
 - “(a) as if the Transition Agency were a local authority; and
 - “(b) with any necessary modifications, except that—
 - “(i) sections 56 and 57(1) of that Act do not apply; and
 - “(ii) the initial constitution of the entity must provide for a review of its provisions by the Auckland Council before 30 June 2012.

“19C Establishment of other council-controlled organisations

- “(1) The Transition Agency must establish the council-controlled organisations (if any) that it is directed to establish in accordance with section 44.
- “(2) The Transition Agency must establish a council-controlled organisation to which this section applies in a way that complies with—
 - “(a) the requirements of the relevant Order in Council; and
 - “(b) Part 5 of the Local Government Act 2002; and
 - “(c) any other relevant enactment.
- “(3) For the purposes of subsection (2)(b), Part 5 of the Local Government Act 2002 applies—
 - “(a) as if the Transition Agency were a local authority; and
 - “(b) with any necessary modifications, except that—
 - “(i) sections 56 and 57(1) of that Act do not apply; and
 - “(ii) the initial constitution of the organisation must provide for a review of its provisions by the Auckland Council before 30 June 2012.”

19 New sections 21A to 21C inserted

The following sections are inserted after section 21:

“21A Appointment of interim chief executive for Auckland Transport

- “(1) The Transition Agency must, as soon as practicable, appoint a chief executive for Auckland Transport for a term ending no later than 30 June 2012.
- “(2) In making an appointment under subsection (1), the Transition Agency must have regard to the skills and experience required of a chief executive in order to—
- “(a) prepare for the establishment of Auckland Transport on 1 November 2010; and
 - “(b) exercise the powers set out in section 21B; and
 - “(c) provide effective leadership of the staff and management of the systems and resources of Auckland Transport during its infancy.

“21B Interim chief executive for Auckland Transport may appoint staff and enter into contracts

- “(1) A chief executive appointed under section 21A may, on behalf of Auckland Transport,—
- “(a) employ staff for Auckland Transport (whose start date may be before, on, or after 1 November 2010 as the chief executive thinks fit); and
 - “(b) enter into contracts, leases, and other agreements to enable Auckland Transport to operate efficiently and effectively on and from 1 November 2010.
- “(2) In acting under subsection (1)(a), the chief executive must follow the change management plan developed under section 13(2)(b) and any other protocols or processes developed by the Transition Agency.
- “(3) For the purposes of this section, the chief executive must exercise the powers and carry out the functions described in this section as if section 6 and Part 4 of the Local Government (Auckland Council) Act 2009 (as substituted by section 31 of the Local Government (Auckland Council) Amendment Act 2010) were in force and the Auckland Council and Auckland Transport were established, and—
- “(a) any appointment made under subsection (1)(a) by him or her before 1 November 2010 is—

- “(i) deemed to be made with the express authority of Auckland Transport; and
- “(ii) valid and enforceable; and
- “(b) any contract, lease, or other agreement entered into under subsection (1)(b) by him or her before 1 November 2010 is—
 - “(i) deemed to be entered into with the express authority of Auckland Transport; and
 - “(ii) valid and enforceable.
- “(4) Despite subsection (3), the Transition Agency is responsible for all costs and other obligations associated with any appointment, contract, lease, or other agreement made by the chief executive under subsection (1) and incurred before 1 November 2010.

“21C Transition Agency may exercise powers under section 21B in certain circumstances

The Transition Agency may exercise the powers of the chief executive described in section 21B—

- “(a) with the agreement of the chief executive; or
- “(b) as the chief executive, if no person is, for the time being, appointed under section 21A.”

20 New section 26A inserted

The following section is inserted after section 26:

“26A Transition Agency not required to prepare annual financial statements for year ending 30 June 2010

- “(1) Despite sections 154 to 156 of the Crown Entities Act 2004 (as applied by section 45M of the Public Finance Act 1989), the Transition Agency is not required to produce audited financial statements for the financial year ending 30 June 2010.
- “(2) Instead, the financial statements required by section 45J of the Public Finance Act 1989 must cover the entire period of the Transition Agency’s existence.
- “(3) The Auditor-General must—
 - “(a) audit the financial statements referred to in subsection (2); and

“(b) provide an audit report on them to the Minister and the Auckland Council before 28 February 2011.”

21 Dissolution of Auckland Transition Agency

Section 27(2) is repealed and the following subsections are substituted:

- “(2) Any property of the Transition Agency remaining at the time of its dissolution vests in the Auckland Council.
- “(2A) All information held by the Transition Agency at the time of its dissolution is transferred to the Auckland Council.
- “(2B) All money payable to or by the Transition Agency at the time of its dissolution becomes payable to or by the Auckland Council.
- “(2C) Any rights, liabilities, contracts, entitlements, or engagements of the Transition Agency remaining at the time of its dissolution become rights, liabilities, contracts, entitlements, and engagements of the Auckland Council.
- “(2D) The dissolution of the Transition Agency and the transfer of any property, information, money, rights, liabilities, contracts, entitlements, or engagements to the Auckland Council—
- “(a) is not to be treated as placing a person in breach of, or in default under, any contract, or in breach of trust, or in breach of confidence, or as otherwise making the person guilty of a civil wrong; and
 - “(b) is not to be treated as entitling a person to—
 - “(i) terminate or cancel or modify a contract, an agreement, or an arrangement; or
 - “(ii) enforce or accelerate the performance of an obligation; or
 - “(iii) require the performance of an obligation not otherwise arising for performance; and
 - “(c) does not release any surety wholly or in part from all or any obligation; and
 - “(d) does not invalidate or discharge any contract or security.”

22 Obligations of existing local authorities in relation to 2010/2011 annual report

- (1) The heading to section 29C is amended by omitting “2010/2011” and substituting “2009/2010”.
- (2) Section 29C(2) is amended by omitting “for each existing local authority, and adopted” and substituting “by each existing local authority for completion and adoption”.
- (3) Section 29C(3) is amended by omitting “and adopted”.

23 New sections 29D to 29H inserted

The following sections are inserted after section 29C:

“29D Obligations of existing local authorities under section 79 of Resource Management Act 1991

An existing local authority that works on the development of a regional policy statement, regional plan, or district plan to be made by the Auckland Council after 1 November 2010 is deemed to have complied with section 79 of the Resource Management Act 1991.

“29E Obligations of existing local authorities in relation to October 2010 triennial general elections

- “(1) For the purposes of preparing for the October 2010 triennial general elections in Auckland, each existing local authority that is a territorial authority must, no later than 1 July 2010,—
 - “(a) make a bylaw, or amend an existing bylaw,—
 - “(i) to give effect, within its district, to the rules and requirements set out in Schedule 3 (which relates to signs); and
 - “(ii) that identifies all the land owned by the existing local authority on which signs may be erected in accordance with the bylaw; and
 - “(b) revoke any existing bylaw or part of any bylaw that is inconsistent with the rules and requirements set out in Schedule 3.
- “(2) Sections 155 and 156 of the Local Government Act 2002 do not apply to the making, amending, or revoking of a bylaw under this section.

“(3) To avoid doubt, subsection (1) does not require the Franklin District Council to make, amend, or revoke any bylaw in respect of any part of its district in which, because of the boundary adjustment Order, elections for the Auckland Council will not be held.

“29F Rodney District Council and Waitakere City Council 2010 revaluations not required

“(1) The Rodney District Council and the Waitakere City Council are not required to revise their district valuation rolls in 2010 for the purposes of a general revaluation.

“(2) Subsection (1) applies despite the requirements of—

“(a) section 9(1), or any other provision, of the Rating Valuations Act 1998; or

“(b) the Local Government (Rating) Act 2002.

“29G Auckland Regional Council must ensure sufficient Watercare Services Limited employees appointed as enforcement officers

“(1) The Auckland Regional Council must ensure that sufficient Watercare Services Limited employees are appointed (with effect no later than the close of 31 October 2010) as enforcement officers under section 177 of the Local Government Act 2002 for the purposes of dealing with or enforcing (by operation of section 67 of the Local Government (Auckland Transitional Provisions) Act 2010) water supply and wastewater services offences and bylaws after the Council is dissolved.

“(2) The Auckland Regional Council must consult the Transition Agency before acting under subsection (1).

“29H Franklin District Council must prepare and adopt schedules relating to development contributions

“(1) This section applies to the Franklin District Council in respect of development contributions under subpart 5 of Part 8 of the Local Government Act 2002 payable in its district in accordance with its development contributions policy.

“(2) No later than 30 September 2010, the Council must prepare and adopt—

- “(a) a schedule specifying the community facilities—
 - “(i) in the areas of its district that on 1 November 2010, in accordance with the boundary adjustment Order, will become part of the Waikato District; and
 - “(ii) for which development contributions may be required under its development contributions policy; and
 - “(b) based on the schedule in paragraph (a), a schedule of development contributions payable in respect of those areas; and
 - “(c) a schedule specifying the community facilities—
 - “(i) in the areas of its district that on 1 November 2010, in accordance with the boundary adjustment Order, will become part of the Hauraki District; and
 - “(ii) for which development contributions may be required under its development contributions policy; and
 - “(d) based on the schedule in paragraph (c), a schedule of development contributions payable in respect of those areas; and
 - “(e) a schedule specifying the community facilities—
 - “(i) in the areas of its district that on 1 November 2010, in accordance with the boundary adjustment Order, will become part of Auckland; and
 - “(ii) for which development contributions may be required under its development contributions policy; and
 - “(f) based on the schedule in paragraph (e), a schedule of development contributions payable in respect of those areas.
- “(3) The schedules referred to in subsection (2)(b), (d), and (f) must comply with the requirements of section 202 of the Local Government Act 2002, and that section applies accordingly with any necessary modifications.
- “(4) In preparing the schedules, the Franklin District Council is not required to use the special consultative procedure but must

consult the Waikato District Council, the Hauraki District Council, and the Transition Agency.

- “(5) Development contributions payable under a schedule referred to in subsection (2)(b), (d), or (f) must not exceed the development contributions payable in the same circumstances and for the same purposes as stated in the development contributions policy.
- “(6) In this section, **development contributions policy** means the policy on development contributions—
- “(a) adopted by the Franklin District Council under section 102(4)(d) of the Local Government Act 2002; and
 - “(b) included in its long-term council community plan as at 1 July 2010.”

24 No October 2010 triennial general election for existing local authorities

Section 32 is amended by adding the following subsection as subsection (2):

- “(2) Each member of an existing local authority and each member of a community board of an existing local authority remains in office until the close of 31 October 2010.”

25 New section 34A inserted

The following section is inserted after section 34:

“34A Employees of existing local authorities and terminating organisations

Part 2 of the Local Government (Auckland Transitional Provisions) Act 2010 applies to employees of existing local authorities and terminating organisations.”

26 New subparts 3 and 4 substituted

Subpart 3 of Part 3 is repealed and the following subparts are substituted:

“Subpart 3—Dissolution of existing local
authorities and other local government
organisations

“**35 Dissolution of existing local authorities**

“(1) On 1 November 2010, each existing local authority is dissolved and—

- “(a) the functions, duties, and powers of each existing local authority under any enactment become functions, duties, and powers of the Auckland Council; and
- “(b) except in respect of terminating organisations, the interests of each existing local authority in any council-controlled organisation or council organisation become interests of the Auckland Council in the council-controlled organisation or council organisation; and
- “(c) Part 2 of the Local Government (Auckland Transitional Provisions) Act 2010 applies to the employees of each existing local authority; and
- “(d) all property belonging to each existing local authority vests in the Auckland Council; and
- “(e) all information held by each existing local authority is held by the Auckland Council; and
- “(f) all money payable to or by each existing local authority becomes payable to or by the Auckland Council; and
- “(g) all rights, liabilities, contracts, entitlements, and engagements of each existing local authority become rights, liabilities, contracts, entitlements, and engagements of the Auckland Council; and
- “(h) anything done, or omitted to be done, or that is to be done, by, or in relation to, each existing local authority (including, to avoid doubt, the existing community boards of each existing local authority) must be treated as having been done, or having been omitted to be done, or to be done, by, or in relation to, the Auckland Council; and
- “(i) proceedings commenced, continued, or enforced by or against each existing local authority may instead be commenced, continued, or enforced by or against the Auckland Council (without amendment to the proceedings); and

- “(j) a matter or thing that would have, but for this section, been completed by an existing local authority must be completed by the Auckland Council.
- “(2) To avoid doubt, the dissolution of an existing local authority does not, of itself, affect any of the following matters:
 - “(a) any decision made, or anything done or omitted to be done, by the existing local authority in relation to the performance of the authority’s functions and duties or the exercise of its powers under any enactment:
 - “(b) any proceedings commenced by or against the existing local authority:
 - “(c) any other matter or thing arising out of the existing local authority’s performance, or purported performance, of the authority’s functions and duties, or the exercise, or purported exercise, of its powers under any enactment.
- “(3) In subsection (1)(b), **interests** includes property, rights, liabilities, contracts, entitlements, powers, duties, and functions.
- “(4) Subsection (1)(a), (b), and (d) to (j) apply in respect of each existing local authority except to the extent that an Order in Council under section 36 or 37 provides otherwise.

“**36 Vesting of assets, etc, of existing local authorities in entities other than Auckland Council**

- “(1) The Governor-General may, by Order in Council made on the recommendation of the Minister,—
 - “(a) vest any specified assets of an existing local authority in an entity other than the Auckland Council (an **alternative entity**):
 - “(b) specify any liabilities of an existing local authority as liabilities of an alternative entity:
 - “(c) specify any rights, obligations, or other matters of an existing local authority as rights, obligations, or other matters of an alternative entity.
- “(2) An order made under this section—
 - “(a) must be made before 1 November 2010; and
 - “(b) has effect on and from 1 November 2010; and
 - “(c) must specify the alternative entity (which must be one of the entities described in section 43(2)(b)(ii) or (iii)).

“(3) The Minister must not recommend the making of an order without first consulting the Transition Agency.

“**37 Vesting of assets, etc, of existing local authorities in Watercare Services Limited**

“(1) The Governor-General may, by Order in Council made on the recommendation of the Minister,—

“(a) vest any specified assets of the existing local authorities that are used for or relate to water supply or wastewater services in Watercare Services Limited:

“(b) specify any liabilities of the existing local authorities that relate to water supply or wastewater services as liabilities of Watercare Services Limited:

“(c) specify any rights, obligations, or other matters of the existing local authorities that relate to water supply or wastewater services as rights, obligations, or other matters of Watercare Services Limited.

“(2) An order may also—

“(a) identify the total liability of the existing local authorities that—

“(i) relates to water supply or wastewater services (including any relevant portions of general liabilities); and

“(ii) by operation of section 35(1)(g) will become the liability of the Auckland Council; and

“(b) provide for a corresponding debt (however structured), owed by Watercare Services Limited to the Auckland Council.

“(3) An order made under this section—

“(a) must be made before 1 November 2010; and

“(b) has effect on and from 1 November 2010.

“(4) The Minister must not recommend the making of an order without first consulting the Transition Agency.

“(5) In this section,—

“**existing local authorities** means the Auckland City Council, the Manukau City Council, the North Shore City Council, the Waitakere City Council, the Franklin District Council, the Papakura District Council, and the Rodney District Council

“water supply and wastewater services—

- “(a) includes both bulk and retail supply and services; but
- “(b) does not include—
 - “(i) water supply or wastewater schemes that are independent of a water supply network or wastewater network, as the case may be, within Auckland;
 - “(ii) privately owned water supply or wastewater schemes;
 - “(iii) stormwater drainage services, except to the extent that any stormwater drainage infrastructure is also used for wastewater services under normal dry weather flow conditions.

“38 Terminating organisations

- “(1) On 1 November 2010, each terminating organisation is dissolved and—
 - “(a) all property belonging to each terminating organisation vests in its receiving entity; and
 - “(b) the interests of each terminating organisation in any other council-controlled organisation or council organisation become interests of its receiving entity in the council-controlled organisation or council organisation; and
 - “(c) Part 2 of the Local Government (Auckland Transitional Provisions) Act 2010 applies to the employees of each terminating organisation; and
 - “(d) all information held by each terminating organisation is held by its receiving entity; and
 - “(e) all money payable to or by each terminating organisation becomes payable to or by its receiving entity; and
 - “(f) all rights, liabilities, contracts, entitlements, and engagements of each terminating organisation become rights, liabilities, contracts, entitlements, and engagements of its receiving entity; and
 - “(g) anything done, or omitted to be done, or that is to be done, by, or in relation to, each terminating organisation must be treated as having been done, or having been

- omitted to be done, or to be done, by, or in relation to, its receiving entity; and
- “(h) proceedings commenced, continued, or enforced by or against each terminating organisation may instead be commenced, continued, or enforced by or against its receiving entity (without amendment to the proceedings); and
 - “(i) a matter or thing that would have, but for this section, been completed by a terminating organisation must be completed by its receiving entity.
- “(2) To avoid doubt, the dissolution of a terminating organisation does not, of itself, affect any of the following matters:
- “(a) any proceedings commenced by or against the terminating organisation:
 - “(b) if the terminating organisation has statutory functions, duties, or powers under any enactment,—
 - “(i) any decision made, or anything done or omitted to be done, by the organisation in relation to the performance of those functions and duties or the exercise of those powers:
 - “(ii) any other matter or thing arising out of the organisation’s performance, or purported performance, of those functions and duties, or the exercise, or purported exercise, of those powers.
- “(3) No director or board member of a terminating organisation is entitled to any compensation in respect of the termination of his or her office as a result of the dissolution of the organisation under this section.
- “(4) In subsection (1)(b), **interests** includes property, rights, liabilities, contracts, entitlements, powers, duties, and functions.
- “(5) Subsection (1)(a), (b), and (d) to (i) apply in respect of each terminating organisation except to the extent that an Order in Council under section 39 provides otherwise.
- “**39 Vesting of assets, etc, of terminating organisations in entities other than receiving entity**
- “(1) The Governor-General may, by Order in Council made on the recommendation of the Minister,—

- “(a) vest any specified assets of a terminating organisation in an entity other than its receiving entity (an **alternative entity**):
 - “(b) specify any liabilities of a terminating organisation as liabilities of an alternative entity:
 - “(c) specify any rights, obligations, or other matters of a terminating organisation as rights, obligations, or other matters of an alternative entity.
- “(2) An order made under this section—
- “(a) must be made before 1 November 2010; and
 - “(b) has effect on and from 1 November 2010; and
 - “(c) must specify the alternative entity (which must be one of the entities described in section 43(2)(b)).
- “(3) The Minister must not recommend the making of an order without first consulting the Transition Agency.
- “40 Obligations of terminating organisations in relation to 2009/2010 annual report**
- “(1) A terminating organisation is not required to prepare and adopt an annual report for the 2009/2010 financial year.
- “(2) Instead, a report for the period beginning on 1 July 2009 and ending at the close of 31 October 2010 must be prepared by the organisation for completion and adoption by its receiving entity.
- “(3) However, if a terminating organisation does prepare an annual report for the 2009/2010 financial year, a report for the period beginning on 1 July 2009 and ending at the close of 31 October 2010 must also be prepared by the organisation for completion and adoption by its receiving entity.
- “(4) Sections 67 and 68 of the Local Government Act 2002 apply, with all necessary modifications, to a report prepared under subsection (2) or (3) as if the report were an annual report.
- “41 Auckland Regional Transport committee disestablished**
- “(1) On 1 November 2010, the Auckland Regional Transport committee is disestablished and the term of office of every member of the committee ends.

- “(2) No member of the committee is entitled to any compensation in respect of the termination of his or her office under subsection (1).
- “**42 Rights, obligations, etc, not affected by dissolutions, transfers, vestings, etc, effected under this subpart**
- “(1) This section applies to the following actions effected under this subpart:
- “(a) the dissolution of an existing local authority and the transfer of its property, rights, obligations, etc, to the Auckland Council under section 35:
 - “(b) the vesting of assets, etc, of an existing local authority in an alternative entity under section 36:
 - “(c) the vesting of water supply or wastewater services assets, liabilities, etc, of an existing local authority in Watercare Services Limited under section 37:
 - “(d) the dissolution of a terminating organisation and the transfer of its property, rights, obligations, etc, to its receiving entity under section 38:
 - “(e) the vesting of assets, etc, of a terminating organisation in an alternative entity under section 39.
- “(2) An action to which this section applies—
- “(a) is not to be treated as placing a person in breach of, or in default under, any contract, or in breach of trust, or in breach of confidence, or as otherwise making the person guilty of a civil wrong; and
 - “(b) is not to be treated as entitling a person to—
 - “(i) terminate or cancel or modify a contract, an agreement, or an arrangement; or
 - “(ii) enforce or accelerate the performance of an obligation; or
 - “(iii) require the performance of an obligation not otherwise arising for performance; and
 - “(c) does not release any surety wholly or in part from all or any obligation; and
 - “(d) does not invalidate or discharge any contract or security.”

“Subpart 4—Miscellaneous provisions

“*Governor-General’s powers*“**43 Power to amend Schedule 4**

- “(1) This section applies only to a council-controlled organisation that is wholly owned or controlled by—
- “(a) 1 or more existing local authorities; or
 - “(b) 1 or more terminating organisations; or
 - “(c) 1 or more existing local authorities and 1 or more terminating organisations.
- “(2) The Governor-General may, by Order in Council made on the recommendation of the Minister, amend Schedule 4 to—
- “(a) identify a council-controlled organisation as a terminating organisation by inserting its name in the first column of that schedule; and
 - “(b) identify 1 of the following entities as the receiving entity for the council-controlled organisation by inserting the name of the entity in the second column of that schedule:
 - “(i) the Auckland Council;
 - “(ii) an existing local government organisation that, on and from 1 November 2010, by operation of this Act, will be a council-controlled organisation of the Auckland Council;
 - “(iii) a council-controlled organisation of the Auckland Council established on and from 1 November 2010 by or under this or any other enactment (whether or not the enactment is in force at the time of the making of the order).
- “(3) An order made under this section must be made before 1 November 2010.
- “(4) The Minister must not recommend the making of an order—
- “(a) unless he or she is satisfied that,—
 - “(i) at the time of making the recommendation, the council-controlled organisation is a council-controlled organisation to which this section applies; and

- “(ii) the dissolution of the council-controlled organisation is necessary for the effective and efficient governance of Auckland and does not inappropriately constrain the discretion and accountability of the Auckland Council; and
 - “(b) without first consulting the Transition Agency.
- “(5) To avoid doubt, an order may be made under this section in respect of Auckland Regional Holdings.

“44 Power to direct Transition Agency to establish council-controlled organisation

- “(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, direct the Transition Agency to establish 1 or more entities as council-controlled organisations of the Auckland Council to operate on and from 1 November 2010.
- “(2) An order made under this section—
- “(a) must be made before 1 November 2010; and
 - “(b) must specify the objectives of the council-controlled organisation; and
 - “(c) must specify the governance structure of the organisation; and
 - “(d) may specify any other details concerning the structure and operation of the organisation that the Minister recommends.
- “(3) Without limiting subsection (2)(d), and to avoid doubt, an order made under subsection (1) may specify details concerning the financial structure and operation of the organisation.
- “(4) The Minister must not recommend the making of an order—
- “(a) unless he or she is satisfied that the establishment of the council-controlled organisation concerned is necessary for the effective and efficient governance of Auckland and does not inappropriately constrain the discretion and accountability of the Auckland Council; and
 - “(b) without first consulting the Transition Agency.
- “(5) The Minister may appoint initial directors of a council-controlled organisation established under this section under section 48.

“45 Power to specify certain fees and charges

- “(1) This section applies to a fee or charge that—
- “(a) is prescribed by an existing local authority; and
 - “(b) relates to a certificate, authority, approval, or permit, or a consent from, or inspection by, or registration with, the existing local authority that is required by or under an enactment; and
 - “(c) is authorised by or under that enactment or section 150 of the Local Government Act 2002; and
 - “(d) does not relate to goods, services, or amenities provided by the existing local authority in reliance on its general powers under section 12 of the Local Government Act 2002.
- “(2) The Governor-General may, by Order in Council made on the recommendation of the Minister, replace a fee or charge with 1 or more new fees or charges.
- “(3) An order made under this section—
- “(a) must be made before 1 October 2010; and
 - “(b) has effect on and from a specified date (being no later than the close of 31 October 2010).
- “(4) The Minister must not recommend the making of an order without first consulting the Transition Agency.

“46 Power to prescribe standing orders for Auckland Council

- “(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, prescribe standing orders to serve as the standing orders of the Auckland Council until the Council adopts its first standing orders under clause 27 of Schedule 7 of the Local Government Act 2002.
- “(2) The prescribed standing orders must not contravene the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, or any other Act.
- “(3) An order made under this section—
- “(a) must be made before 1 November 2010; and
 - “(b) has effect on and from 1 November 2010.
- “(4) The Minister must recommend the making of an order, but must first consult the Transition Agency.

“47 Transitional regulations

- “(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations to—
- “(a) prescribe matters in respect of the establishment of the Auckland Council and its subsidiaries that may be in addition to or in place of the provisions of this Act:
 - “(b) extend the time for completing an action, a step, or a procedure that is required by or under this Act and that is not done or cannot be done by the time required:
 - “(c) make provision for a situation for which no or insufficient provision is made by or under this Act.
- “(2) The Minister must not recommend the making of regulations unless he or she is satisfied that to do so is necessary for the effective and efficient governance of Auckland on and from 1 November 2010.
- “(3) Any regulations made under this section that are in force on 31 October 2010 expire at the close of that day.

*“Ministerial powers***“48 Minister may appoint initial directors of certain council-controlled organisations**

- “(1) This section applies to the following council-controlled organisations:
- “(a) the entity established under section 19B:
 - “(b) an entity established as a council-controlled organisation in accordance with section 44.
- “(2) The Minister may, by notice in the *Gazette*, appoint initial directors of a council-controlled organisation to which this section applies on any terms and conditions that he or she specifies. However,—
- “(a) no director may be appointed for a term greater than 3 years; and
 - “(b) no more than one-third of the total number of directors appointed may be appointed for a term greater than 2 years; and
 - “(c) no more than two-thirds of the total number of directors appointed may be appointed for a term greater than 1 year.

- “(3) The Minister must not appoint a person under this section unless he or she is satisfied that the person has the skills, knowledge, or experience to—
- “(a) guide the council-controlled organisation, having regard to the nature and scope of its activities; and
 - “(b) contribute to the achievement of the objectives of the organisation.
- “(4) The Minister may appoint directors under this section to act as the chairperson and deputy chairperson of a council-controlled organisation until the Auckland Council makes any appointment to those positions (whether under section 95 of the Local Government (Auckland Council) Act 2009 or otherwise).
- “(5) The Minister must not appoint a person under this section without first consulting the Transition Agency.

“**49 Minister of Transport and Minister may appoint initial directors of Auckland Transport**

- “(1) The Minister of Transport and the Minister may, by notice in the *Gazette*, appoint initial directors of Auckland Transport on any terms and conditions that the Ministers specify. However,—
- “(a) no director may be appointed for a term greater than 3 years; and
 - “(b) no more than one-third of the total number of directors appointed may be appointed for a term greater than 2 years; and
 - “(c) no more than two-thirds of the total number of directors appointed may be appointed for a term greater than 1 year.
- “(2) The Ministers must not appoint a person under this section unless they are satisfied that the person has the skills, knowledge, or experience to—
- “(a) guide Auckland Transport, having regard to the nature and scope of its activities; and
 - “(b) contribute to the purpose of Auckland Transport.
- “(3) The Ministers may appoint directors under this section to act as the chairperson and deputy chairperson of Auckland Transport until the Auckland Council makes appointments to those

positions under section 43(3) of the Local Government (Auckland Council) Act 2009.

- “(4) The Ministers must not appoint a person under this section without first consulting the Transition Agency.

“Public officials’ duties

“50 Chief executive of Ministry of Pacific Island Affairs must develop proposals in relation to establishment of Pacific Peoples Advisory Panel

- “(1) The chief executive of the Ministry of Pacific Island Affairs must develop proposals in relation to the establishment of a Pacific Peoples Advisory Panel (as required by section 86 of the Local Government (Auckland Transitional Provisions) Act 2010) for consideration by the mayor of Auckland on his or her election.
- “(2) The proposals must be developed no later than 1 November 2010.
- “(3) In acting under subsection (1), the chief executive—
- “(a) must consult the Transition Agency and each existing local authority; and
 - “(b) may consult any other person as he or she thinks fit.

“51 Remuneration Authority to determine remuneration for Auckland Council and local boards

- “(1) The Remuneration Authority must, no later than 15 July 2010, determine the remuneration, allowances, and expenses payable to—
- “(a) the mayor and members of the Auckland Council;
 - “(b) the chairpersons and members of local boards of the Auckland Council.
- “(2) For the purposes of this section, the Remuneration Authority must act as if Part 2 of the Local Government (Auckland Council) Act 2009 were in force and the Auckland Council were established, and clauses 6 to 13 of Schedule 7 of the Local Government Act 2002 apply accordingly, with any necessary modifications.

“52 Auckland Council to be entered in register of building consent authorities

Before the close of 31 October 2010, the chief executive of the Ministry that is responsible for the administration of the Building Act 2004 must, for the purposes of section 73 of the Local Government (Auckland Transitional Provisions) Act 2010, enter the name of the Auckland Council in the register of building consent authorities kept under section 273(1)(a) of the Building Act 2004 without applying sections 191 to 197 of that Act.

*“Board promoting issues of significance for
mana whenua groups and mataawaka of Tamaki
Makaurau*

“53 Initial members of board promoting issues of significance for mana whenua groups and mataawaka of Tamaki Makaurau to be appointed on or before 1 November 2010

- “(1) The initial members of the board established by section 81 of the Local Government (Auckland Council) Act 2009 must be appointed on or before 1 November 2010 (in order for the board to be ready to carry out its functions under Part 7 of that Act on and from 1 November 2010).
- “(2) For the purposes of this section, the Minister of Māori Affairs, the selection body, the mana whenua groups concerned, and any other person with a role in the appointment process of board members must act as if Part 7 and Schedule 2 of the Local Government (Auckland Council) Act 2009 were in force and the Auckland Council established.
- “(3) The Transition Agency is responsible for any reasonable costs any person may incur in acting under this section, including the costs of the Minister and the mana whenua groups.

*“Application of Acts and Regulations
Publication Act 1989 and Regulations
(Disallowance) Act 1989*

“54 Application of Acts and Regulations Publication Act 1989 and Regulations (Disallowance) Act 1989

An Order in Council made under section 19B or a provision of this Part is a regulation for the purposes of the Acts and

Regulations Publication Act 1989 and the Regulations (Dis-allowance) Act 1989.

“Local Government (Watercare Services Limited) Order 2007

“55 Amendment to Local Government (Watercare Services Limited) Order 2007

“(1) This section amends the Local Government (Watercare Services Limited) Order 2007.

“(2) Clause 3 is amended by omitting ‘30 June’ and substituting ‘31 October’.

“Relationship of this Part to enactments applying to existing local government organisations

“56 Relationship of this Part to enactments applying to existing local government organisations

If there is any inconsistency between this Part and any enactment that applies to any existing local government organisation, this Part prevails.”

27 New Schedules 2 to 4 added

The Schedules 2 to 4 set out in the Schedule of this Act are added.

Schedule

s 27

**New Schedules 2 to 4 added to Local
Government (Tamaki Makaurau
Reorganisation) Act 2009****Schedule 2**

s 19A

**Provisions relating to planning document
required under section 19A****1 General requirements of planning document**

- (1) The planning document must be based on a consolidation of the information contained in the 2009/2019 long-term council community plans and, to the extent relevant, the annual plans prepared under section 29A of this Act of the existing local authorities.
- (2) The information must be reorganised and amended in order to reflect—
 - (a) the Transition Agency's initial identification of non-regulatory activities of the Auckland Council (known as local activities) for which decision-making responsibility of the Council is allocated to local boards; and
 - (b) the transfer of assets and liabilities between entities and organisations (resulting from the reorganisation); and
 - (c) the creation or dissolution of council-controlled organisations for Auckland in accordance with this Act; and
 - (d) any other changes arising from the reorganisation, including those resulting from the operation of section 27(2) of this Act; and
 - (e) any other relevant factor.
- (3) The information in relation to subclause (2)(a) must be set out in accordance with section 18 of the Local Government (Auckland Council) Act 2009.

2 Contents: generally

- (1) The planning document must include—
 - (a) an integrated accounting policy for the Council and associated set of assumptions (formulated in accordance with clause 3(2), (3), and (4)); and

Schedule 2—*continued*

- (b) interim funding and financial policies (formulated in accordance with clause 4).
- (2) The document must identify budgets for each local board area for the 2011/2012 financial year based on the estimated costs of—
 - (a) achieving the service levels for the local activities within each local board area; and
 - (b) providing administration and support for each local board.
- (3) The document must include the information specified in subclause (4) in relation to each group of activities of the Auckland Council,—
 - (a) in detail, in relation to the remainder of the 2010/2011 financial year and to the 2011/2012 financial year; and
 - (b) in outline, in relation to each of the subsequent 7 financial years.
- (4) The information referred to in subclause (3) is—
 - (a) a statement of the intended levels of service provision for the group of activities, including the performance targets and other measures by which actual levels of service provision may meaningfully be assessed:
 - (b) the estimated expenses of achieving and maintaining the identified levels of service provision, including the estimated expenses associated with maintaining service capacity and the integrity of assets:
 - (c) a statement of how the expenses are to be met:
 - (d) a statement of the estimated revenue levels and other sources of funds.
- (5) The information required under subclause (4)—
 - (a) must, as far as practicable, consistently identify and group activities across Auckland; but
 - (b) may be presented by reference to the districts of existing local authorities.

3 Contents: forecast financial statements

- (1) The planning document must include forecast financial statements for the Council (and may include forecast financial

Schedule 2—*continued*

statements for any council-controlled organisation or other entity under the control of the Council),—

- (a) in detail, for the remainder of the 2010/2011 financial year and for the 2011/2012 financial year; and
 - (b) in outline, for each of the subsequent 7 financial years.
- (2) The document must clearly identify all the significant forecasting assumptions and risks underlying the statements.
- (3) Without limiting subclause (2), the document must clearly identify the following assumptions on which the financial statements are based:
- (a) the assumptions concerning the useful life of significant assets; and
 - (b) the assumptions concerning sources of funds for the future replacement of significant assets.
- (4) In any case where significant forecasting assumptions involve a high level of uncertainty, the document must identify—
- (a) the fact of the uncertainty; and
 - (b) an estimate of the potential effects of that uncertainty on the financial estimates provided.

4 Contents: funding and financial policies

- (1) The planning document must include a liability management policy for the Council containing the Council's initial policies in respect of the management of both borrowing and other liabilities, including—
- (a) interest rate exposure; and
 - (b) liquidity; and
 - (c) credit exposure; and
 - (d) debt repayment; and
 - (e) specific borrowing limits; and
 - (f) the giving of securities.
- (2) The planning document must include an investment policy for the Council containing the Council's initial policies in respect of investments, including—
- (a) the objectives in terms of which financial and equity investments are to be managed; and
 - (b) the mix of investments; and

Schedule 2—*continued*

- (c) the acquisition of new investments; and
 - (d) an outline of the procedures by which investments are managed and reported to the Council; and
 - (e) an outline of how risks associated with investments are assessed and managed.
- (3) The planning document must include the policies that, as at 1 July 2010, were included in the long-term council community plans of the existing local authorities in respect of—
- (a) development contributions or financial contributions under section 106 of the Local Government Act 2002; and
 - (b) remission and postponement of rates on Māori freehold land under section 108 of the Local Government Act 2002; and
 - (c) rates remission under section 109 of the Local Government Act 2002; and
 - (d) rates postponement under section 110 of the Local Government Act 2002.
- (4) The planning document must include either an initial integrated policy of the Council on partnerships between the Council and the private sector or the policies that, as at 1 July 2010, were included in the long-term council community plans of the existing local authorities under section 102(4)(e) of the Local Government Act 2002.
- (5) The planning document must include—
- (a) an initial integrated revenue and financing policy of the Council; or
 - (b) the revenue and financing policies under section 102(4)(a) of the Local Government Act 2002 that, as at 1 July 2010, were included in the long-term council community plans of the existing local authorities; or
 - (c) the revenue and financing policies under section 102(4)(a) of the Local Government Act 2002 that, as at 1 July 2010, were included in the long-term council community plans of the existing local authorities, together with a statement or schedule of adjustments to those policies that reflects—

Schedule 2—*continued*

- (i) any relevant requirements of this Act; and
 - (ii) any requirements that the Local Government (Auckland Council) Act 2009 and the Local Government (Auckland Transitional Provisions) Act 2010 will impose on the Council; and
 - (iii) changes in projected expenses and capital expenditure since the adoption of those policies, including changes as the result of the reorganisation (for example, in respect of water supply and wastewater services); and
 - (iv) changes in revenue sources as the result of the reorganisation (for example, as a result of any standardisation of regulatory fees).
- (6) For the purposes of subsection (3)(a), the schedule adopted by the Franklin District Council under section 29H(2)(f) of this Act must be treated as forming part of the Franklin District Council's policy on development contributions.

5 Contents: funding impact statements

- (1) The planning document must include funding impact statements for each of the former districts of the existing local authorities in respect of—
- (a) the remainder of the 2010/2011 financial year; and
 - (b) the 2011/2012 financial year.
- (2) The funding impact statements referred to in subclause (1)(a) must be based on the funding impact statements included in the 2010/2011 annual plans of the existing local authorities.
- (3) The funding impact statements referred to in subclause (1)(b) must be based on—
- (a) the funding impact statements included in the 2010/2011 annual plans of the existing local authorities; and
 - (b) the funding impact statements included in the 2009/2019 long-term council community plans of the existing local authorities in respect of the 2011/2012 financial year (but modified to the extent that all rates

Schedule 2—*continued*

for water supply or wastewater services are omitted from the statements).

- (4) The funding impact statements referred to in subclause (1)(b) must be—
- (a) based on the funding impact statements included in the 2010/2011 annual plans of the existing local authorities and the 2009/2019 long-term council community plans of the existing local authorities (in respect of the 2011/2012 financial year); and
 - (b) modified to reflect the requirements of sections 33 and 34 of the Local Government (Auckland Transitional Provisions) Act 2010 and any other relevant provisions of that Act that will be imposed on the Council.

6 Contents: council-controlled organisations

- (1) Subclause (2) applies in relation to each council-controlled organisation of an existing local authority that continues in existence on and from 1 November 2010 (whether by operation of section 35(1)(b) of this Act or otherwise).
- (2) For each council-controlled organisation, the planning document must—
- (a) name the organisation and any subsidiary of it; and
 - (b) identify—
 - (i) the nature and scope of the activities to be provided by the organisation; and
 - (ii) the key performance targets and other measures by which the organisation's performance may be judged; and
 - (iii) the existing local authority's significant policies and objectives in regard to ownership and control of the organisation.
- (3) Subclause (4) applies in relation to each council-controlled organisation that comes into existence on and from 1 November 2010 (whether by operation of this Act or otherwise).
- (4) For each council-controlled organisation, the planning document must—
- (a) name the organisation and any subsidiary of it; and

Schedule 2—*continued*

- (b) identify—
 - (i) the instrument by which the organisation is established; and
 - (ii) the objectives of the organisation.

7 Audit of planning document

- (1) The planning document must be audited—
 - (a) by the Auditor-General or a person appointed by the Auditor-General; and
 - (b) on the extent to which the document complies with the requirements of this Act.
- (2) The resulting audit report must be included in the planning document.

8 Adoption and publication of planning document

- (1) The planning document must be adopted by the Transition Agency.
- (2) Promptly after adopting the document, but in any event no later than 31 October 2010, the Transition Agency must—
 - (a) make the document publicly available (within the meaning of section 5(3) of the Local Government Act 2002); and
 - (b) send copies of it to the Minister, the Secretary for Local Government, the Auditor-General, and the Parliamentary Library.

9 Information in planning document to be prepared in accordance with generally accepted accounting practice

The information required to be included in the planning document under this Act must be prepared in accordance with generally accepted accounting practice, if the information is of a form or nature for which generally accepted accounting practice has developed standards.

Schedule 3

s 29E(1)(a)(i)

**Matters in relation to election signs that
must be included in bylaw to be made for
purposes of section 29E(1)(a)(i)****1 Interpretation**

In this schedule,—

election means the October 2010 triennial general elections in Auckland

local authority designated site means land identified in accordance with section 29E(1)(a)(ii)

sign means a sign erected for the purposes of the election and includes an election hoarding.

2 No building consent required or fee payable for sign 3 m² or less in size

- (1) Signs do not require a building consent or fee to be paid.
- (2) Subclause (1) applies only if the sign is 3 m² or less in size.
- (3) This clause applies whether the sign is erected on a local authority designated site or on private property.

3 Time period that sign may be displayed

- (1) A sign may be displayed at any time within the 2 months preceding the election.
- (2) Every sign must be removed before the day on which the voting period for the election ends (polling day).
- (3) This clause applies whether the sign is erected on a local authority designated site or on private property.

4 Prohibited sites for signs

- (1) A sign must not be erected on any footpath, traffic island, or road (except if the sign is on or connected to a legally parked motor vehicle within the meaning of section 2(1) of the Land Transport Act 1998).
- (2) A sign may be erected on private property only—
 - (a) with the landowner's consent; or

Schedule 3—*continued*

- (b) where the property is subject to a tenancy agreement, and the erection of a sign is not inconsistent with that agreement, the tenant's consent.

5 Signs must be erected in manner that ensures public safety

A sign must be erected in a way that, in the opinion of an officer authorised by the existing local authority for the purpose, ensures public safety.

6 Signs on local authority designated sites

- (1) A sign erected on a local authority designated site must comply with the following conditions:
 - (a) the sign must be less than 3 m above ground level:
 - (b) there must be at least 1.4 m clearance between the base of the sign and the ground:
 - (c) the sign must have an area of 3 m² or less:
 - (d) the sign must be securely braced and anchored at ground level:
 - (e) the sign must be free-standing (for example, it must not be fixed to a tree, building, or furniture):
 - (f) the sign must be placed outside the dripline of any tree.
- (2) A sign must also comply with any site-specific requirements.
- (3) Only 1 sign may be erected per candidate on each site.

7 Existing local authority may remove signs

- (1) An existing local authority may remove a sign that—
 - (a) does not meet the requirements of this schedule; or
 - (b) is unsafe in the opinion of an officer referred to in clause 5.
- (2) The existing local authority may recover from the candidate concerned the costs of removing and storing a sign to which this clause applies and any associated administrative costs.

Schedule 3—*continued*

8 Candidates must supply contact details of person responsible for signs

- (1) Each candidate must supply the electoral officer with the name and contact details of the person responsible for establishing and maintaining signs for the candidate.
 - (2) The electoral officer may make this information available to any existing local authority.
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Schedule 4

ss 5(1), 43

**Terminating organisations and receiving
entities**

Terminating organisation	Receiving entity
Auckland Regional Transport Authority	Auckland Transport
Auckland Regional Transport Network Limited	Auckland Transport
Manukau Water Limited	Watercare Services Limited
Metro Water Limited	Watercare Services Limited

Legislative history

2 June 2010	Divided from Local Government (Auckland Law Reform) Bill (Bill 112–2) by committee of the whole House as Bill 112–3A
3 June 2010	Third reading
14 June 2010	Royal assent

This Act is administered by the Department of Internal Affairs.
