

Report No:	RCN12-07-01
File No:	
Date:	10 July 2012
Decision Required	

REPORT SUMMARY

Report to: Full Council
Meeting Date: 19 July 2012
Report Author: Susan Edwards
Subject: **Submission to the Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill 2012**

EXECUTIVE SUMMARY

The Local Government Act 2002 Amendment Bill 2012 is currently before the Select Committee and all members of the public have been given the opportunity to submit on the Bill. The final day for submissions to be received is 26 July 2012.

Among other matters the Bill covers:

- An amended purpose for local government.
- Changes to the process to reorganise local authorities.
- Changes to the role and powers of Mayors.
- New powers for the Minister of Local Government to intervene in local authority operations and governance.
- New regulations to introduce benchmarks for local authority fiscal prudence.
- New provision to enable local authorities to prepare remuneration and employment policies.
- Amended powers and responsibilities for the Remuneration Authority.

The Bill contains provisions that Council can support and others which Council may wish to see amended or deleted. The submission discusses these matters and suggests comments Council may wish to make to the Select Committee on the Bill.

DRAFT RESOLUTION

That the Tasman District Council:

- 1. receives the report on the submission to the Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill 2012 – RCN12-07-01; and**
- 2. approves the submission on the Local Government Act 2002 Amendment 2012, as attached in Appendix 1 subject to amendments discussed at the meeting; and**
- 3. requests that staff send the submission to the Select Committee by the closing date of 26 July 2012; and**
- 4. authorises the Mayor and Chief Executive to approve any minor amendments to the submission prior to it being finalised and sent to the Select Committee; and**
- 5. authorises the Mayor or Deputy Mayor and relevant staff to present the submission to the Select Committee.**

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Subject: **Report on the submission to the Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill 2012 – RCN12-07-01**

1. Purpose

1.1 The purpose of this report is to seek Council approval of the submission to the Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill 2012.

2. Background

2.1 The Local Government Act 2002 Amendment Bill 2012 is currently before the Select Committee and all members of the public have been given the opportunity to submit on the Bill. The final day for submissions to be received is 26 July 2012.

2.2 Among other matters the Bill covers:

- An amended purpose for local government.
- Changes to the process to reorganise local authorities.
- Changes to the role and powers of Mayors.
- New powers for the Minister of Local Government to intervene in local authority operations and governance.
- New regulations to introduce benchmarks for local authority fiscal prudence.
- New provision to enable local authorities to prepare remuneration and employment policies.
- Amended powers and responsibilities for the Remuneration Authority.

2.3 Councillors Bryant, Ensor and Maling attended the Local Government New Zealand and Society of Local Government Managers seminar on the Bill in Nelson, along with some staff and Motueka Community Board Chair, David Ogilvie. Those councillors, Cr Edgar and staff have prepared the submission attached for Council's consideration.

3. Present Situation/Matters to be Considered

- 3.1 Each of the matters outlined in paragraph 2.2 can be considered by Council in terms of whether it wishes to submit on them and, if so, what position it wishes to take on each matter. The submission discusses each matter, what the Bill is proposing to do in relation to the matter and what the group preparing the submission considers should be Council's response. The discussion is not repeated in this report but should be considered by Council as part of this report.

4. Financial/Budgetary Considerations

- 4.1 There are no financial or budgetary implications on the recommendations, apart from the time spent on the submission and the cost of attending the Select Committee hearing, which is likely to be in Wellington. These costs will be covered within existing budgets.

5. Evaluation of Options

Option A: Decide not to send a submission on the Bill to the Select Committee

- 5.1 Council could decide not to send a submission on the Bill to the Select Committee. There are no advantages with this option, apart from a time saving by not finalising the submission and potential cost savings from not attending the Select Committee hearing of submissions.
- 5.2 The disadvantages of this option are that the Council would not get its views inputted into the process of considering the Bill. The Bill may end up being enacted without the opportunity for changes to be considered and made that would improve outcomes for councils and their communities.
- 5.3 The Council has previously indicated that it would like to submit on the Bill, due to the importance of the matters contained in the Bill. Staff recommend that Council does submit on the Bill, therefore, this option is not supported.

Option B: Decide to send the attached submission to the Select Committee.

- 5.4 If Council decides to submit on the Bill it could send in the submission attached to this report in Appendix 1 either in its current form or with amendments (option C).
- 5.5 Staff recommend that a submission is sent to the Select Committee on the Bill due to the importance to Council and local communities of the matters

contained in the Bill. These matters are important enough for Council to have its views considered. Also there are a number of technical matters that need to be amended in the Bill before it is enacted to make it more workable. These should be presented to the Select Committee for consideration.

- 5.6 If the Council is agrees with the content of the submission in Appendix 1, then staff recommend this option is accepted.

Option C: Decide to send the attached submission to the Select Committee subject to amendments agreed to at the meeting

- 5.7 The comments in paragraphs 6.4 and 6.5 also relate to this option.

- 5.8 If the Council wishes to send in a submission but does not agree with part of the content of the submission in Appendix 1, then staff recommend this option is accepted and that Council indicates to staff the changes it would like made to the submission.

Presentation of the submission at the Select Committee hearings

- 5.9 Council has the option of either presenting the submission at the Select Committee hearings or of just sending the submission in without presenting it. Council's usual practice is to present the submission to the Select Committee where matters covered are important. Doing so enables Council to highlight the most important matters in the submission and to enable the Select Committee to ask questions or points of clarification.

- 5.10 Staff recommend that Council agrees to present the submission to the Select Committee.

6. Significance

- 6.1 This is not a significant decision according to the Council's Significance Policy, as the Bill is promulgated by the Government and is not a matter of Council policy or operation.

7. Recommendation

- 7.1 That Council approves the submission for sending to the Local Government and Environment Select Committee with or without amendments, and that Council formally presents the submission to the Select Committee hearings.

8. Timeline/Next Steps

- 8.1 If Council decides to send a submission on the Bill to the Select Committee, staff will finalise it incorporating any changes requested at the meeting. The submission will be sent to the Select Committee by 26 July. Hearings of submissions are likely to occur during August. We will need to wait to hear from the Select Committee when it would like Council to present. The Select Committee has been asked to report back to Parliament on the Bill by 15 October. Enactment is likely in November 2012.

9. Draft Resolution

That the Tasman District Council:

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- 5. authorises the Mayor or Deputy Mayor and relevant staff to present the submission to the Select Committee.**

Appendices: Appendix 1 - Submission to the Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill 2012