

## LOCAL LEGISLATION BILL

---

### EXPLANATORY NOTE

*Clause 1* relates to the Short Title.

#### *City and Borough Councils*

*Clause 2* validates the sale of a municipal endowment by the Cambridge Borough Council that was illegal because the consent of the Minister of Local Government was not obtained.

*Clause 3* relates to 3 loans raised by the Hamilton City Council. These are the property Acquisition Loan 1974, the Property Acquisition Loan No. 2 1974, and the Property Acquisition Supplementary Loan 1974. In each case the Council spent money out of its General Fund in anticipation of the raising of the loan, and then repaid that money out of the loan. (\$15,300 in the case of the Property Acquisition Loan 1974, \$17,133.69 in the case of the Property Acquisition Loan No. 2 1974, and \$22,029.19 in the case of the Property Acquisition Supplementary Loan 1974.) The clause validates the repayments.

*Clause 4* validates the rate purported to have been made and levied by the Huntly Borough Council in respect of the 1974/75 rating year, which was invalid by virtue of being in excess of the limit imposed by section 90 of the Municipal Corporations Act 1954.

*Clause 5* relates to 2 loans raised by the Huntly Borough Council. These are the Water Supply Improvement Loan 1974 and the Fire Station Loan 1975. In each case the Council spent money out of its General Bank Account in anticipation of the raising of the loan, and then repaid that money out of the loan. (\$16,453.14 in the case of the Water Supply Improvement Loan 1975, and \$29,366.38 in the case of the Fire Station Loan 1975.) The clause validates the repayments.

*Clause 6* validates the payment of \$41,000 by the Lower Hutt City Council to the former owner of land taken by proclamation, who failed to apply for compensation within the time specified by law.

*Clause 7* validates the rate purported to be made and levied by the Petone Borough Council in respect of the 1975/76 rating year. The Council's calculations mistakenly included certain property not subject to rates, and as a result the rate exceeded the limit imposed by section 90 of the Municipal Corporations Act 1954.

*Clause 8* validates the special order made by the Upper Hutt City Council in 1976 adopting a system of differential rating. The order was invalid because notice of the time and place of the meeting at which it was to be confirmed was not given within the time prescribed by law.

No. 110—1

*County Councils*

*Clause 9* relates to the rate made by the Great Barrier Island County Council in respect of the 1976/77 rating year. Although it had not rescinded a special order of 1975 establishing 2 differential rating areas, the Council purported to make the same rate in respect of each area. For the avoidance of doubt, the section validates the rate.

*Clause 10* relates to land in Wainuiomata taken by the Hutt County Council partly for a picture theatre and partly for drainage purposes. The land is no longer required for these purposes; and the Council has obtained the necessary permission under the Public Works Act 1928 to dispose of it. That Act would require disposal to be by public tender unless the purchaser owns land adjacent to the land. The Council wishes, however, to explore the possibility of acquiring offices on the land by means of a lease-back arrangement. The clause accordingly authorises the Council to sell the land privately to a purchaser who will undertake to build a building on it to the requirements of the Council, and lease it back to the Council.

*Clause 11* validates a rate purported to be made by the Opotoki County Council in respect of the 1976/77 rating year. The rate was invalid first because the proper procedures were not followed in the making of the necessary special order, and secondly because the Council's public notice of its intention to make the rate did not specify the day on which it was to become payable.

*Clause 12* relates to a sum of \$5,500 borrowed by the former Taieri County Council in respect of a loan known as the Rural Housing Loan No. 2 1969. Consent to the raising of the loan was granted on 23 April 1969; but no money was borrowed within the following 3 years, and accordingly the consent expired. The \$5,500 was borrowed later, and the clause validates the borrowing.

*Clause 13* relates to an area within the Tauranga County known as the Papamoa Differential Rating Area No. 6. A differential rate of 1 cent per dollar was made for the 1977/78 year in respect of rateable land within this area. It was later discovered that this rate imposed too great a burden on some land within the area; and this clause creates a further differential rating area within the larger area and substitutes a rate of 0.6 cents per dollar for the rate already made.

*Clause 14* relates to a second gymnasium to be built at Burnside High School. Section 16 of the Local Legislation Act 1975 authorised the Waimairi County Council to pay \$20,000 towards the cost of the gymnasium. This clause authorises the payment of a further \$20,000 and the loan of \$15,000 at 6.25 percent per annum.

*Clause 15* relates to a loan of \$20,000, known as the Staff Housing Loan 1975, raised by the Waimate West County Council. The Council expended \$20,000 out of its General Account in anticipation of the raising of the loan, and then used the proceeds of the loan to repay that account. This clause validates that repayment.

*Clause 16* relates to the borrowing of \$10,000 from the Canterbury Savings Bank by the former Waipara County Council. Although consent to the raising of a loan of \$40,000 known as the Rural Water Supplies Improvements Loan 1975 was given on 27 February 1976, the Council had already borrowed \$10,000 in anticipation of the granting of that consent; and the clause validates the borrowing.

*Harbour Boards*

*Clause 17* validates the expenditure of some \$7,000 by the Otago Harbour Board on 2 social functions celebrating the opening of the Port Chalmers Container Terminal.

*Clause 18* relates to money formerly held in the interest account of the former Patea Harbour Board. Section 13 of the Taranaki Harbours Act 1965 provided for the money to be distributed among the local authorities whose districts formed part of the Patea Harbour District, and required the amounts so distributed to be applied towards rates levied by the Taranaki Harbour Board or the Wanganui Harbour Board. No such rates have been levied; and the clause empowers the local authorities to spend the money for other purposes, and validates the actions of the Eltham County Council and the Hawera Borough Council which have already spent the money illegally.

---

*Hon. Mr Highet*

## LOCAL LEGISLATION

### ANALYSIS

Title	
1. Short Title	10. Hutt County Council: Authorising sale of land
<i>City and Borough Councils</i>	
2. Cambridge Borough Council: Validating illegal agreement to sell land	11. Opotiki County Council: Validating invalid rate
3. Hamilton City Council: Validating refunds of money from loans	12. Taieri County Council: Validating unauthorised borrowing
4. Huntly Borough Council: Validating excessive rate	13. Tauranga County Council: Varying rate in respect of certain property
5. Huntly Borough Council: Validating refunds of money from loans	14. Waimairi County Council: Authorising loan and further grant towards gymnasium
6. Lower Hutt City Council: Validating payment of compensation	15. Waimate West County Council: Validating refund of money from loan
7. Petone Borough Council: Validating excessive rate	16. Waipara County Council: Validating illegal borrowing
8. Upper Hutt City Council: Validating special order adopting differential rating system	
<i>County Councils</i>	
9. Great Barrier Island County Council: Declaring rate to be valid	

### A BILL INTITULED

**An Act to confer certain powers on certain public bodies and to authorise and validate certain transactions and other matters**

5 BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. **Short Title**—This Act may be cited as the Local Legislation Act 1977.

*City and Borough Councils*

**2. Cambridge Borough Council: Validating illegal agreement to sell land**—(1) Notwithstanding that they were without the consent of the Minister of Local Government required by section 150 (4) of the Municipal Corporations Act 1954, the actions of the Mayor Councillors and Citizens of the Borough of Cambridge in agreeing to sell to Walter Clifford Griffin of Cambridge, storeman, and Margarite Tina Janet Griffin, his wife, the municipal endowment described in subsection (3) of this section for \$6,250 are hereby validated and declared to have been lawful.

(2) The said \$6,250 shall be invested—

(a) In other lands; or

(b) In securities of other local authorities; or

(c) On deposit with the National Provident Fund or any bank; or

(d) In first mortgage loans for staff housing—

so as to preserve the endowment.

(3) The said municipal endowment comprises all that parcel of land containing 36.6 perches more or less being Lot 8 D.P. S2654, being part Allotment 464 Town of Cambridge East, and being part of the land comprised and described in Certificate of Title Volume 1207 folio 42 (South Auckland Registry).

**3. Hamilton City Council: Validating refunds of money from loans**—The actions of the Mayor Councillors and Citizens of the City of Hamilton in paying into its General Fund—

(a) \$15,300 out of the proceeds of the loan known as the Property Acquisition Loan 1974; and

(b) \$17,133.69 out of the proceeds of the loan known as the Property Acquisition Loan No. 2 1974; and

(c) \$22,029.19 out of the loan known as the Property Acquisition Supplementary Loan 1974,—

(being in each case an amount spent, for purposes for which the loan concerned was to be raised, in anticipation of the raising of that loan) are hereby validated and declared to have been lawful.

**4. Huntly Borough Council: Validating excessive rate**—Notwithstanding that the general rate on the unimproved value of rateable property of 4.63 cents per dollar resolved to be made and levied in respect of the year that ended with the 31st day of March 1975 by the Huntly Borough Council at

a duly notified ordinary meeting held on the 29th day of July 1974 (in this section referred to as the said rate) was invalid by virtue of its exceeding the limit imposed by section 90 of the Municipal Corporations Act 1954,—

- 5 (a) The said rate is hereby validated and declared to have been lawfully made:
- (b) All actions of the Mayor Councillors and Citizens of the Borough of Huntly (in this section referred to as the Council) in levying and collecting the said
- 10 rate are hereby validated and declared to have been lawful:
- (c) All money received by the Council in payment of the said rate is hereby declared to have been lawfully paid to and received by it:
- 15 (d) Such part of the said rate as has not yet been paid to the Council is hereby declared to be lawfully payable, and capable of being collected as if it had always been lawfully payable.

20 **5. Huntly Borough Council: Validating refunds of money from loans**—The actions of the Mayor Councillors and Citizens of the Borough of Huntly in paying into its General Bank Account—

- (a) \$16,453.14 out of the proceeds of the loan known as the Water Supply Improvement Loan 1974; and
  - 25 (b) \$29,366.38 out of the proceeds of the loan known as the Huntly Fire Station Loan 1975,—
- (being in each case an amount spent, for purposes for which the loan concerned was to be raised, in anticipation of the raising of that loan) are hereby validated and declared to
- 30 have been lawful.

**6. Lower Hutt City Council: Validating payment of compensation**—(1) Notwithstanding section 45 of the Public Works Act 1928, the actions of the Mayor, Councillors, and Citizens of the City of Lower Hutt in paying to Chan Soo Ning

35 of Lower Hutt on the 26th day of January 1977 the sum of \$41,000 in compensation for the land described in subsection (2) of this section, which was taken by proclamation on the 21st day of April 1969, are hereby validated and declared to have been lawful.

(2) The said land comprises all that parcel of land containing 33.8 perches, more or less, being Lot 22, Block III, on Deposited Plan 1306, and being all the land comprised and described in certificate of title, Volume 167, folio 129 (Wellington Registry).

5

**7. Petone Borough Council: Validating excessive rate—** Notwithstanding that the general rate on the land value of rateable property of 2.833 cents per dollar resolved to be made and levied in respect of the year that ended with the 31st day of March 1976 by the Petone Borough Council at a duly notified ordinary meeting held on the 22nd day of July 1975 (in this section referred to as the said rate) was invalid by virtue of its exceeding the limit imposed by section 90 of the Municipal Corporations Act 1954,—

10

(a) The said rate is hereby validated and declared to have been lawfully made:

15

(b) All actions of the Mayor Councillors and Citizens of the Borough of Petone (in this section referred to as the Council) in levying and collecting the said rate are hereby validated and declared to have been lawfully:

20

(c) All money received by the Council in payment of the said rate is hereby declared to have been lawfully paid to and received by it:

(d) Such part of the said rate as has not yet been paid to the Council is hereby declared to be lawfully payable, and capable of being collected, as if it had always been lawfully payable.

25

**8. Upper Hutt City Council: Validating special order adopting differential rating system—**Notwithstanding that the special order made pursuant to section 92A of the Municipal Corporations Act 1954 at a special meeting held on the 8th day of June 1976 by the Upper Hutt City Council adopting a system of differential rating was invalid by virtue of the fact that the second public notice of the place and date fixed for the meeting at which it was to be confirmed was not given within the time prescribed by section 77 (c) of that Act, that order is hereby validated and declared to have been lawfully made and confirmed.

30

35

County Councils

5 **9. Great Barrier Island County Council: Declaring rate to be valid—**(1) Notwithstanding anything in the Counties Act 1956, the rate on rateable property of 0.34 cents per dollar resolved to be made and levied in respect of the year that ended with the 31st day of March 1977 by the Great Barrier Island County Council at a duly notified ordinary meeting held on the 28th day of May 1976, in respect of both the differential rating areas created by a special order made on the 20th day of June 1975 and confirmed on the 8th day of August 1975, (in this section referred to as the said rate) is hereby validated and declared to have been lawfully made.

10 (2) All actions of the Chairman Councillors and Inhabitants of the County of Great Barrier Island (in this section referred to as the Council) in levying and collecting the said rate are hereby validated and declared to have been lawful.

15 (3) All money received by the Council in payment of the said rate is hereby declared to have been lawfully paid to and received by it.

20 (4) Such part of the said rate as has not yet been paid to the Council is hereby declared to be lawfully payable, and capable of being collected, as if it had always been lawfully payable.

25 **10. Hutt County Council: Authorising sale of land—**

(1) Notwithstanding section 35 of the Public Works Act 1928, but subject to section 170 of the Counties Act 1956, the Chairman Councillors and Inhabitants of the County of Hutt (in this section referred to as the Council) may by private treaty sell the land described in subsection (2) of this section upon and subject to the condition that the purchaser erect upon it a building to the requirements of the Council, and let all or such part of that building to the Council, and upon such terms and conditions and at such rental, as the Council may specify.

30 (2) The said land comprises all those parcels of land containing together 1089 m<sup>2</sup> more or less being Lots 18 and 19 D.P. 17210 and Lots 1 and 2 D.P. 25430 and being all the land comprised and described in first Certificate of Title Volume 903 folio 19, and secondly Certificate of Title Volume 625 folio 46, and thirdly Certificate of Title No. 8C/218, and fourthly Certificate of Title No. 14B/188 (all Wellington Registry), together with water rights created by Transfers 271704 and 329109.



**11. Opotiki County Council: Validating invalid rate—**

(1) Notwithstanding that—

- (a) The rate on the land value of rateable property of 1.45 cents per dollar resolved to be made and levied in respect of the year that ended with the 31st day of March 1977 by the Opotiki County Council at a special meeting held on the 6th day of May 1976 (in this section referred to as the said rate) was not so resolved to be made and levied by a valid special order; and
- (b) No public notice in accordance with section 52 (1) of the Rating Act 1967 was given of the day upon which the said rate was to become payable—

the said rate is hereby validated and declared to have been lawfully made.

(2) The said rate is hereby declared to have become payable to the Chairman Councillors and Inhabitants of the County of Opotiki (in this section referred to as the Council) on the 30th day of July 1976.

(3) All actions of the Council in levying and collecting the said rate are hereby validated and declared to have been lawful.

(4) All money received by the Council in payment of the said rate is hereby declared to have been lawfully paid to and received by it.

(5) Such part of the said rate as has not yet been paid to the Council is hereby declared to be lawfully payable, and capable of being collected, as if it had always been lawfully payable.

**12. Taieri County Council: Validating unauthorised borrowing—**Notwithstanding that section 40 of the Local Authorities Loans Act provides that the consent of the Minister of Finance to the raising of a loan under that Act expires after 3 years if no part of the loan is raised within that time, the actions of the former body corporate called the Chairman Councillors and Inhabitants of the County of Taieri in borrowing the sum of \$5,500, in respect of a loan known as the Rural Housing Loan No. 2 1969, after the 22nd day of April 1972 (being the final day of a period of 3 years from the date on which the Minister of Finance authorised the raising of that loan) when no money had previously so been borrowed are hereby validated and declared to have been lawful; and every debenture and other security issued in

respect of the borrowing and repayment of that sum is hereby declared to be as valid and effectual as it would be if that sum had been borrowed on the said 22nd day of April 1972.

5 **13. Tauranga County Council: Varying rate in respect of certain property**—(1) The area described in subsection (6) of this section (in this section referred to as the said area) is hereby deemed to have been created a differential rating area within the meaning of section 111A of the Counties Act 1956 on the 6th day of June 1977.

10 (2) There is hereby deemed to have been resolved to be made and levied in respect of the year ending with the 31st day of March 1978 by the Tauranga County Council, at a duly notified meeting held on the 7th day of June 1977, in substitution for the rate of 1 cent per dollar on rateable  
15 property there resolved to be made and levied on all rateable property in the said area as part of the Papamoa Differential Rating Area No. 6 (in this section referred to as the higher rate), a rate of 0.6 cents per dollar on all rateable property in the said area (in this section referred to as  
20 the lower rate); and the higher rate shall be deemed to have been made in respect of only that rateable property within the Papamoa Differential Rating Area No. 6 not situated within the said area.

(3) Where any person has paid to the Chairman  
25 Councillors and Inhabitants of the County of Tauranga (in this section referred to as the Council) any money in respect of rates for the year ending with the 31st day of March 1978 on any land in the said area calculated on the basis of the higher rate, the Council shall apply that money towards the  
30 rates on the said land calculated on the basis of the lower rate; and where the money so paid exceeds the rates calculated on the basis of the lower rate, the Council shall, as soon as may be practicable, refund to that person the amount of the excess.

35 (4) Where, upon the sale of any land in the said area, an allowance or apportionment was made for or of the rates on that land for the year ending with the 31st day of March 1978 calculated on the basis of the higher rate, an appropriate adjustment shall be made between the vendor and the  
40 purchaser.

(5) The Council shall allow a discount of \$5 per cent on rates on land in the said area for the year ending with the 31st day of March 1978 that are paid before the expiration of 30 days from the commencement of this Act.

(6) The said area comprises that part of the Papamoa Differential Rating Area No. 6 (as constituted by special order passed on the 1st day of March 1976 and confirmed by resolution passed on the 5th day of April 1976 and shown on Tauranga County Council plans numbered A2761/10 to A2761/12) zoned Rural B under the Tauranga County Council Operative District Scheme which became operative on the 1st day of April 1976. 5

**14. Waimairi County Council: Authorising loan and further grant towards gymnasium**—Notwithstanding that the Chairman Councillors and inhabitants of the County of Waimairi (in this section referred to as the Council) is not otherwise authorised to do so,— 10

(a) The Council is hereby authorised and empowered to pay to the Board of Governors of Burnside High School (in this section referred to as the Board) out of its Land Subdivision Account, in addition to the sum of \$20,000 so authorised and empowered to be paid by section 16 of the Local Legislation Act 1975, a further sum of \$20,000; and 15 20

(b) The Council is hereby authorised and empowered to lend to the Board out of its Land Subdivision Account, upon terms that until repayment it shall bear interest at the rate of \$6.25 percent per annum payable half yearly from the date of advance but otherwise upon and subject to such terms and conditions as the Council thinks fit, and the Board is hereby authorised and empowered so to borrow and agree to repay, the sum of \$15,000— 25

towards the cost of constructing a gymnasium at Burnside High School; and the Board shall hold and apply both sums for that purpose: 30

Provided that the receipt of the Secretary for the time being of the Board shall be a full and sufficient discharge to the Council for those sums and the Council shall not be obliged to see to their application. 35

**15. Waimate West County Council: Validating refund of money from loan**—The actions of the Chairman Councillors and Inhabitants of the County of Waimate West in paying into its General Account the sum of \$20,000 (being the 40

proceeds of a loan known as the Staff Dwelling Loan 1975), in repayment of amounts spent for purposes for which that loan was to be raised, in anticipation of its raising are hereby validated and declared to have been lawful.

- 5     **16. Waipara County Council: Validating illegal borrowing**—Notwithstanding section 3 of the Local Authorities Loans Act 1956, the actions of the former body corporate called the Chairman Councillors and Inhabitants of the County of Waipara in borrowing the sum of \$10,000 from the  
10 Canterbury Savings Bank on the 19th day of December 1975 without the consent of the Minister of Finance are hereby validated and declared to have been lawful.

*Harbour Boards*

- 15     **17. Otago Harbour Board: Validating unauthorised expenditure**—In addition to the amount of \$10,000 authorised by section 92 (2) (d) of the Public Revenues Act 1953 to be expended by it for purposes not otherwise authorised by any Act or law for the time being in force, the Otago Harbour Board is hereby deemed to have been authorised to spend,  
20 during the year that ended with the 30th day of September 1977, any amount or amounts not exceeding in total the sum of \$7,000 for the purpose of holding social functions to celebrate the opening of the Port Chalmers Container Terminal.

- 25     **18. Taranaki Harbours Board: Money formerly held in interest account of former Patea Harbour Board**—(1) Section 13 of the Taranaki Harbours Act 1965 (in this section referred to as the said section) is hereby repealed.

30     (2) The local authorities to which money was distributed under subsection (2) of the said section may apply it for any purpose for which they may lawfully expend money.

35     (3) All actions of the Chairman Councillors and Inhabitants of the County of Eltham and the Mayor Councillors and Citizens of the Borough of Hawera shall be as valid and effectual as if this section had come into force on the 1st day of April 1968.