

MUNICIPAL CORPORATIONS AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Municipal Corporations Act 1954.

Clause 1 relates to the Short Title.

Clause 2 increases the maximum amount of the annual allowance that may be paid to the Mayor of a borough.

The maximum allowance is to be as follows:

- (a) Where the borough has a population of not more than 5,000 – £500.
- (b) Where the borough has a population of more than 5,000 but not more than 10,000 – £750.
- (c) Where the borough has a population of more than 10,000 but not more than 20,000 – £1,000.
- (d) Where the borough has a population of more than 20,000 but not more than 50,000 – £1,500.
- (e) Where the borough has a population of more than 50,000 (except in the case of the cities of Auckland, Wellington, Christchurch, and Dunedin) – £2,000.
- (f) In the case of the cities of Auckland, Wellington, Christchurch, and Dunedin – £2,500.

Provision is made in the clause authorising increases to be made in existing allowances within six months after the amendment comes into force.

Clause 3: By section 152 (1) (a) of the principal Act, a Council is empowered to lease any lands or buildings or other real or personal property of the Corporation for any term not exceeding 66 years without right of renewal. This clause extends the maximum term to 99 years.

Clause 4: By section 330A of the principal Act (inserted by section 19 (1) of the Municipal Corporations Amendment Act 1964), a Council is empowered to erect flats and dispose of them to persons desiring to occupy them on an “own your own flat” scheme, and for this purpose the Council may promote a company and dispose of shares to persons wishing to occupy the flats.

This procedure is appropriate only in cases where the company system of providing “own your own flats” is adopted. Another system is now being used in certain parts of New Zealand, under which the promoter erects a block of flats and then disposes of individual flats by selling to the purchaser a proportionate undivided share in the land on which the block of flats is erected and granting to him a long-term lease of the individual flat at a nominal rental.

No. 83—1

Price 6d.

The purpose of this clause is to enable a Borough Council to dispose of flats under this system as an alternative to using the company system.

Clause 5: By section 351c of the principal Act, a Council may, instead of requiring a subdividing owner to set aside land for reserves, accept from him a cash payment in lieu of reserves or accept other land. All money received in lieu of reserves or from the sale or letting of land accepted in lieu of reserves is to be applied for the purchase of land to be held as public reserves or the development of existing reserves or the improvement and development of other land as pleasure grounds or sports grounds, and is to be so applied as far as possible in the locality in which the subdivision is situated.

This clause provides that, with the consent of the Minister, the Council may pay any such money to any local authority or public body in which land outside the district is vested for the purpose of public recreation, in order that the land may be added to, improved, or developed, if that addition, improvement, or development will be to the benefit of the inhabitants of the locality in which the land in the subdivision is situated.

Clause 6 substitutes new First and Second Schedules to the principal Act bringing up to date the list of boroughs that have been declared to be cities and the list of independent town districts. Since the passing of the principal Act, several boroughs have been declared to be cities and some of the independent town districts have been merged in adjoining counties or boroughs or have themselves become boroughs.

Hon. Mr Seath

MUNICIPAL CORPORATIONS AMENDMENT

ANALYSIS

Title	
1. Short Title	5. Reserve contributions on sub- divisions
2. Annual allowance to Mayor	6. Cities and independent town dis- tricts
3. Maximum term of lease	Schedule
4. Sale of flats	

A BILL INTITULED

An Act to amend the Municipal Corporations Act 1954

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

1. **Short Title**—This Act may be cited as the Municipal
Corporations Amendment Act 1966, and shall be read together
with and deemed part of the Municipal Corporations Act
1954* (hereinafter referred to as the principal Act).

10 2. **Annual allowance to Mayor**—(1) Section 45 of the
principal Act is hereby amended by repealing subsection (1)
(as substituted by section 2 (1) of the Municipal Corporations
Amendment Act 1962), and substituting the following sub-
section:

*1957 Reprint, Vol. 10, p. 377
Amendments: 1958, No. 81; 1959, No. 91; 1960, No. 73; 1961, No. 60;
1962, No. 39; 1963, No. 102; 1964, No. 119

“(1) The Mayor may be paid such annual allowance out of the district fund as the Council from time to time fixes, not exceeding—

“(a) In the case of a borough having a population of not more than five thousand, five hundred pounds: 5

“(b) In the case of a borough having a population of more than five thousand but not exceeding ten thousand, seven hundred and fifty pounds:

“(c) In the case of a borough having a population of more than ten thousand but not exceeding twenty thousand, one thousand pounds: 10

“(d) In the case of a borough having a population of more than twenty thousand but not exceeding fifty thousand, one thousand five hundred pounds:

“(e) In the case of a borough having a population of more than fifty thousand (other than the cities of Auckland, Wellington, Christchurch, and Dunedin), two thousand pounds: 15

“(f) In the case of the cities of Auckland, Wellington, Christchurch, and Dunedin, two thousand five hundred pounds,— 20

but no alteration in the amount of that allowance shall take effect during the term of office of any Mayor.”

(2) Subsections (1) and (3) of section 2 of the Municipal Corporations Amendment Act 1962 are hereby repealed. 25

(3) Notwithstanding anything in subsection (1) of section 45 of the principal Act (as substituted by subsection (1) of this section), the allowance of the Mayor of any borough who is in office at the date of the passing of this Act may, by resolution of the Council passed within six months after that date, be increased once during his term of office. 30

3. Maximum term of lease—Section 152 of the principal Act is hereby amended by omitting from paragraph (a) of subsection (1) the words “sixty-six years”, and substituting the words “ninety-nine years”. 35

4. Sale of flats—Section 330A of the principal Act (as inserted by section 19 (1) of the Municipal Corporations Amendment Act 1964) is hereby amended by repealing paragraph (g) of subsection (2), and substituting the following paragraphs: 40

- 5 “(g) Sell to any person desirous of personally occupying any flat in any such block of flats an undivided share in the land on which the block of flats is erected, proportionate to the number of flats in the block:
- 10 “(h) Lease any flat in any such block of flats to any person desirous of personally occupying that flat, or to some other person as trustee for a future lessee or intending lessee of that flat, and, notwithstanding any other provision of this Act, for such term of years, at such nominal rental, and subject to such other provisions as the Council thinks fit:
- 15 “(i) Take all such other steps as may be necessary to enable a person desirous of owning and personally occupying a flat in any such block of flats to become the lessee of that flat and the owner as aforesaid of a proportionate undivided share in the land on which the block of flats is erected:
- 20 “(j) Exercise such other incidental powers as may be necessary.”

25 **5. Reserve contributions on subdivisions**—Section 351c of the principal Act (as substituted by section 26 (1) of the Municipal Corporations Amendment Act 1964) is hereby amended by inserting, after subsection (5), the following subsection:

30 “(5A) Notwithstanding anything in subsection (4) or subsection (5) of this section, the Council may, with the consent of the Minister, and subject to such terms and conditions as the Minister thinks fit, pay any money to which subsection (4) of this section applies, or so much thereof as the Minister approves, to any local authority or public body in which land outside the district is vested for the purpose of public recreation, in order that the land may be added to, improved, or developed, if that addition, improvement, or development

35 will be to the benefit of the inhabitants of the locality in which the land included in the plan of subdivision is situated.”

40 **6. Cities and independent town districts**—The principal Act is hereby further amended by revoking the First and Second Schedules, and substituting the First and Second Schedules set out in the Schedule to this Act.

SCHEDULE

Section 6

NEW FIRST AND SECOND SCHEDULES TO PRINCIPAL ACT

"FIRST SCHEDULE

Section 4 (b)

BOROUGHS DECLARED TO BE CITIES

Auckland.	Manukau.	Takapuna.
Christchurch.	Napier.	Tauranga.
Dunedin.	Nelson.	Timaru.
Gisborne.	New Plymouth.	Upper Hutt.
Hamilton.	Palmerston North.	Wanganui.
Hastings.	Papatoetoe.	Wellington.
Invercargill.	Porirua.	Whangarei.
Lower Hutt.	Rotorua.	

"SECOND SCHEDULE

Section 8 (b)

INDEPENDENT TOWN DISTRICTS

Hikurangi.	Manunui.	Warkworth.
Huntermville.	Nightcaps.	Waverley.
Kawakawa.	Ohura.	Wyndham".
Manaia.	Otautau.	