

1963/75



THE LOCAL GOVERNMENT COMMISSION (FINANCIAL  
ADJUSTMENTS) ORDER 1963

BERNARD FERGUSSON, Governor-General  
ORDER IN COUNCIL

At the Government House at Wellington this 22nd day of May 1963

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Local Government Commission Act 1961, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

ORDER

1. This order may be cited as the Local Government Commission (Financial Adjustments) Order 1963.

2. In this order, unless the context otherwise requires,—

“The Act” means the Local Government Commission Act 1961:

“Area” means a part of a district referred to in paragraph (a) of subsection (1) of section 26 of the Act or, as the case may be, an area referred to in paragraph (b) of that subsection:

“Commission” means the Local Government Commission:

“Rateable value”, in relation to any area, means the rateable value based on the system of rating in force in the area immediately before the date on which the Order in Council or other instrument constituting the new district or altering the boundaries came into force.

3. In making an order apportioning assets and liabilities pursuant to section 26 of the Act, the Commission shall have regard to—

(a) The matters specified in clauses 4 and 5 of this order; and

(b) The effect on the financial position of any of the local governing authorities affected by the order;—

and, where the Commission considers that an order made having regard to those matters would place an undue financial liability on any local governing authority, the Commission may amend the order in such manner as it thinks fit so as to relieve that liability to the extent that the Commission considers desirable.

4. The Commission may, pursuant to this order, apportion between the local governing authorities concerned any of the following assets and liabilities of the local governing authority in whose district an area comprising or included in a new district or included in another district was included before the constitution of the new district or, as the case may be, the alteration of boundaries, namely:

- (a) Debit and credit balances in general, separate, or special fund accounts; and
- (b) Stocks in hand, plant, machinery, land (including reserves), buildings and other real estate, sundry debtors (including rates outstanding relating to the area), and sundry creditors; and
- (c) Interest and sinking fund or interest and principal repayment of any loans applicable to the area; and
- (d) Such other assets and liabilities as the Commission considers should form part of the apportionment of assets and liabilities.

5. Assets and liabilities that the Commission determines are to be the subject of an apportionment pursuant to this order shall be apportioned between the local governing authorities concerned in the proportion that the total rateable value immediately before the date on which the Order in Council or other instrument giving effect to the final scheme came into force of property in the area bears to the total rateable value immediately before that date of all property in the district in which that area was formerly included:

Provided that the Commission may, where it considers an apportionment of any asset or liability on this basis would be unreasonable, make that apportionment on the proportionate rateable values at some earlier date to be determined by the Commission.

T. J. SHERRARD,  
Clerk of the Executive Council.

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#### EXPLANATORY NOTE

*This note is not part of the order, but is intended to indicate its general effect.*

This order specifies the matters that are to be taken into account by the Local Government Commission in making an order under section 26 (3) of the Local Government Commission Act 1961 apportioning assets and liabilities between the local governing authorities concerned in cases where an area forming part of the district of a local governing authority is constituted or included in a new district or is included in another existing district on a change of boundaries.

This order applies only where the local authorities concerned have not reached agreement as to an apportionment of assets and liabilities.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 23 May 1963.

These regulations are administered in the Department of Internal Affairs.