

House of Representatives

Supplementary Order Paper

Tuesday, 27 November 2012

Local Government Act 2002 Amendment Bill

Proposed amendments

Eugenie Sage, in Committee, to move the following amendments:

Clause 11

Delete *clause 11* (line 19 on page 6 to line 32 on page 7).

Clause 23

Delete clause 23 (lines 14 to 16 on page 29).

Clause 27

Delete clause 27 (lines 4 to 10 on page 33).

Schedule 1

Delete Schedule 1 (line 1 on page 34 to line 16 on page 65).

In *Schedule 1, new Schedule 3, clause 7(2)(a)*, after “electors” (line 7 on page 39), insert “, having been signed by not less than 10% of qualified electors in each of the affected local authorities”.

In *Schedule 1, new Schedule 3, clause 25*, after “poll” (line 16 on page 50), insert “, for qualified electors in each of the affected local authorities,”.

Explanatory note

This Supplementary Order Paper deletes *clause 11* in its entirety. This clause proposes that the Governor-General be empowered to make orders to delay scheduled local authority elections for up to 12 months where public notice of a final reorganisation proposal has been given.

Suspension of scheduled elections should be used sparingly for emergency situations because they are a core part of our democracy and help to ensure that elected representatives are held to account. In the case of a reorganisation pro-

posal, as envisaged in this Part of the Bill, there is merit in the voting public knowing how, and deciding which, elected representatives will work with the other local authority throughout the transitional period for the benefit of their community.

This Supplementary Order Paper deletes clause 23 and the corresponding Schedule 1, which would introduce a new Schedule 3 (Reorganisation of local authorities) in the Local Government Act 2002. Schedule 3 sets out the detailed provisions of how local authorities are reorganised, including reorganisation applications, proposals and schemes. This Supplementary Order Paper also deletes clause 27 as a consequential amendment. This clause provides transitional arrangements for the reorganisation proposals in clause 23 and Schedule 1 of the Bill.

This Supplementary Order Paper retains the current reorganisation provisions in Schedule 3 of the Local Government Act 2002 because there is no evidence that the current law is causing a problem. The current Act's provision for a poll of electors in each district or region affected by a reorganisation proposal promotes democratic decision making.

Initiating and implementing a reorganisation proposal requires careful thought to minimise any adverse impacts and ensure it benefits residents and ratepayers. The current test in the Local Government Act 2002 strikes the right balance between enabling such reorganisations and mergers to occur where their implications have been properly assessed and the proposals have community support and promoting stability in local government and a smooth transition to any new council structure.

This Supplementary Order Paper also amends Schedule 1. Currently, all local electoral decisions require there to be a majority of electors within the relevant ward or local authority area who vote in favour of a decision or candidate in order for it to be carried and given effect. This principle applies to reorganisation proposals, which require a majority vote of eligible electors in each of the affected local authority areas to support the reorganisation proposal in order for it to be carried.

Clause 25 of new Schedule 3 is a major departure from the majority vote principle because it proposes that an overall majority vote in favour of a reorganisation proposal by electors in the combined local authority areas is sufficient for it to be carried.

This Supplementary Order Paper strengthens the provisions relating to local authority reorganisations to ensure that there is significant community support (in each of the affected communities) for the reorganisation before energy, resources and cost is invested:

- by the Local Government Commission and others in assessing the merits of a proposal; and
- by the public in organising a petition for a poll on a reorganisation proposal; and
- in finalising such a proposal, following a poll.

This Supplementary Order Paper makes it clear that a proposal must be supported by:

- at least 10% of eligible voters in each of the affected local authority areas rather than 10% of eligible voters overall, for the purposes of a petition to trigger a reorganisation poll; and
- at least 50% of eligible voters in each of the affected local authority areas rather than 50% of eligible voters overall, for the purposes of giving effect to the proposal.

The changes in this Supplementary Order Paper help to protect local democracy and to ensure that the views of the communities in each of the affected local authority areas are clear. This recognises the partnership nature of reorganisations and the importance of having a democratic mandate from electors in each of the affected local authority areas. This is particularly important where one local authority may have a larger number of eligible voters.
