

House of Representatives

Supplementary Order Paper

Wednesday, 13 May 2009

Local Government (Auckland Reorganisation) Bill

Proposed amendment

Sue Kedgley, in Committee, to move the following amendment:

Part 3: New clause 23A

To insert after clause 23 the following new clause 23A:

- 23A Transparency in expenditure recovery**
- (1) Before commencing any changes, the Transition Agency must prepare a transition budget to cover the period between the coming into force of this Act and the 2016 local government triennial elections.
 - (2) The transition budget, any and all supporting documents, must be publicly available.
 - (3) The transition budget must be publicly available prior to its approval being sought, after each new approval or variation is sought, and at 6 monthly intervals with the fiscal calendar.
 - (4) The transition budget must be set out by individual budget item and include the costs associated with the following:
 - (a) seconded employees:
 - (b) cost differentials associated with secondees replacement contracted employees to local councils:
 - (c) all capital expenditure associated with the transition:
 - (d) all operating expenses associated with the transition:
 - (e) all transaction costs to CCOs associated with the transition:
 - (f) costs of contactors:
 - (g) costs of legal advice:
 - (h) any transition costs not specified.
 - (5) After 1 November 2010 the transition budget and reporting may be limited to reflect ongoing transition costs.

- (6) Any variations to or cost overruns associated with the operation of the Transition Agency must be met by the Crown. This subsection prevails over **section 27(2)** and **section 23**.
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Explanatory note

This Supplementary Order Paper amends the Local Government (Auckland Reorganisation) Bill to require the Auckland Transition Agency (ATA) to prepare and seek approval for (as provided for in this Bill, clause 22) a transition budget prior to commencing changes, covering the period from assent of this Bill until the Local Body Elections of 2016, and to limit the Auckland ratepayer's liability for expenditures to that initial budget amount, leaving any variations or cost overruns as a Crown Liability.
