

# House of Representatives

# Supplementary Order Paper

**Tuesday, 19 March 2019**

## **Local Government (Community Well-being) Amendment Bill**

### *Proposed amendments*

Hon Nanaia Mahuta, in Committee, to move the following amendments:

#### *Clause 13*

In *clause 13, new section 200(5)*, after “a territorial authority” (page 4, line 7), insert “or a council-controlled organisation”.

In *clause 13, new section 200(5)(a)*, after “the territorial authority” (page 4, line 10), insert “or the council-controlled organisation”.

#### *New clause 14*

After *clause 13* (page 4, after line 32), insert:

#### **14 Schedule 1AA amended**

(1) Replace the Schedule 1AA heading with:

**Schedule 1AA**  
**Application, savings, and transitional provisions**

s 8A

(2) In Schedule 1AA, before clause 1, insert the Part heading set out in **Part 1** of the **Schedule** of this Act.

(3) In Schedule 1AA, repeal clause 8.

(4) In Schedule 1AA, after clause 13, insert the **Part 2** set out in **Part 2** of the **Schedule** of this Act.

#### *New Schedule*

After *new clause 14* (as inserted by this SOP), insert:

**Schedule**  
**Amendments to Schedule 1AA**

s 14

**Part 1**  
**New Part 1 heading inserted into Schedule 1AA**

**Part 1**  
**Provisions relating to Local Government Act 2002  
Amendment Act 2014**

**Part 2**  
**New Part 2 inserted into Schedule 1AA**

**Part 2**  
**Provisions relating to Local Government (Community  
Well-being) Amendment Act 2018**

**14 Interpretation in this Part**

In this Part, **2018 Act** means the Local Government (Community Well-being) Amendment Act **2018**.

**15 Transitional provision relating to development contributions for certain community infrastructure**

- (1) This clause applies to any work or programme that—
- (a) was not within the definition of community infrastructure as it was immediately before the commencement of **section 11** of the **2018 Act**, but is within the definition of community infrastructure immediately after the commencement of that section; and
  - (b) was completed on or after 8 August 2014 and before the commencement of **section 11** of the **2018 Act**.
- (2) If a territorial authority amends its development contribution policy to require development contributions in relation to any work or programme described in **subclause (1)**,—
- (a) the work or programme must be separately identified in the schedule required by section 201A; and

- (b) for each work or programme separately identified, instead of the matters specified in section 201A(1)(c) and (d), the schedule must list—
  - (i) the proportion of the capital cost of the work or programme that the territorial authority would have proposed to recover through development contributions had it been possible to recover development contributions in respect of all developments that meet the criteria in the amended policy; and
  - (ii) the proportion of the capital cost of the work or programme that the territorial authority would have proposed to recover from other sources had it been possible to recover development contributions in respect of all developments that meet the criteria in the amended policy; and
  - (iii) based on the proportion specified under **subparagraph (i)**, the amount that would have been recoverable in respect of resource consents granted, building consents granted, and service connections granted before the date on which the amendment to the development contribution policy came into effect (and which therefore cannot be recovered through development contributions); and
  - (iv) after taking into account the territorial authority's inability to recover the amount specified in **subparagraph (iii)** from development contributions,—
    - (A) the adjusted proportion of the capital cost that the territorial authority proposes to recover through development contributions; and
    - (B) the adjusted proportion of the capital cost that the territorial authority proposes to recover from other sources.

### **Explanatory note**

This Supplementary Order Paper (SOP) proposes amendments to the Local Government (Community Well-being) Amendment Bill (the **Bill**).

This SOP proposes amendments to *clause 13* of the Bill. That clause amends section 200 of the Local Government Act 2002 (the **principal Act**), which imposes limits on a territorial authority's ability to require development contributions, including where a third party has funded infrastructure. The amendment proposed by the Bill as introduced would facilitate territorial authorities' entry into funding arrangements with the New Zealand Transport Agency, in certain circumstances, without affecting an

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Local Government (Community Well-being)  
Amendment Bill**

SOP No 200

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authority's ability to require development contributions. The amendment extends the effect of the clause to also cover funding agreements entered into by council-controlled organisations (for example, Auckland Transport).

This SOP also proposes to insert a *new clause 14* that amends *Schedule 1AA* of the principal Act. That schedule sets out transitional provisions. The amendments made by *new clause 14* propose to—

- restructure the schedule into 2 parts; and
- repeal a clause that is no longer required as a result of the changes proposed by the Bill; and
- insert a *new clause 15* that sets out certain information that must be reported if a local authority wishes to amend its development contribution policy to recover development contributions in respect of capital expenditure incurred in the period between 8 August 2014 and the date on which the Bill comes into force (being the period during which a narrower interpretation of the term “community infrastructure” would have applied).

**Departmental disclosure statement**

The Department of Internal Affairs considers that a departmental disclosure statement is not required to be prepared for this Supplementary Order Paper.