

**Chairperson and Committee Members**  
OPERATIONS & FINANCE COMMITTEE

17 MAY 2018

Meeting Status: **Public**

Purpose of Report: For Decision

**SUBMISSION ON LOCAL GOVERNMENT (COMMUNITY WELL-BEING) AMENDMENT BILL**

**PURPOSE OF REPORT**

- 1 This report requests approval of the draft submission to the Governance and Administration Committee on the Local Government (Community Well-being) Amendment Bill.

**DELEGATION**

- 2 As per section 6 of the Standing Orders, the Operations & Finance Committee has the authority to approve submissions on behalf of Council.

**BACKGROUND**

- 3 The main objectives of this Bill are to:
  - 3.1 restore the purpose of local government "to promote the social, economic, environmental, and cultural well-being of communities";
  - 3.2 restore territorial authorities' power to collect development contributions for any public amenities needed as a consequence of development; and
  - 3.3 make a minor modification to the development contributions power.
- 4 The Bill was introduced to Parliament on 5 April 2018, and was referred to the Governance and Administration Committee following its first reading on 11 April 2018.
- 5 The Governance and Administration Committee has invited submissions on the Bill, with the closing date of 25 May 2018.
- 6 Local Government New Zealand (LGNZ), the Society of Local Government Managers (SOLGM), and the Development Contributions Working Group (DCWG)<sup>1</sup> are also making submissions on this Bill.

**ISSUES AND OPTIONS**

- 7 The draft submission will be tabled at the Operations & Finance Committee meeting on 17 May, with Councillors given time to read the submission prior to the discussion.

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<sup>1</sup> The DCWG is an unincorporated body that represents and coordinates the efforts of local government development contributions practitioners throughout New Zealand.

## Four well-beings

- 8 Part 1 of the Bill proposes an amendment to change the purpose of local government to give effect to the four well-beings (social, economic, environmental, and cultural), and proposes changes to the definitions of community outcomes, good-quality and significance to align with the newly proposed purpose.
- 9 Council's draft submission is aligned with SOLGM and LGNZ who support these proposed changes.
- 10 While one argument against the proposed changes is that it will be difficult for territorial authorities to set limits on the scope of their work programmes, we have argued that the proposed changes give councils and communities the opportunity to consider a wide range of well-beings but it doesn't mean that they must carry out programmes for each well-being. Each territorial authority will work with its local community to identify, prioritise, and plan programmes of work. It is likely that there will be competing interests and many demands, but this is part and parcel of the local government process.

## Development Contributions

- 11 Part 2 of the Bill proposes a new definition of community infrastructure, a repeal of some earlier restrictions on development contribution powers for reserves, and clarifies some rules related to limitations applying to development contribution requirements.
- 12 In Council's draft submission, we are generally aligned with SOLGM, LGNZ and the DCWG. We propose a few minor amendments to address some issues that could arise during implementation.

## CONSIDERATIONS

### Policy considerations

- 13 At this time, there are no policy considerations; however, if the Bill is enacted, then changes will be required for the Development Contributions Policy and the Revenue and Financing Policy.

### Legal considerations

- 14 If the Bill is enacted, internal legal advice will be sought to ensure that all legal requirements are met.

### Financial considerations

- 15 The finance team has participated in the development of this submission. It is important that the impact of proposed changes to territorial authorities' power to collect development contributions are well understood because development contributions are important to Council's financial wellbeing.

### Tāngata whenua considerations

- 16 There are no specific tāngata whenua considerations for this submission.

## **SIGNIFICANCE AND ENGAGEMENT**

### Significance policy

17 According to Council's Significance and Engagement Policy, this submission is not deemed to be significant.

### Consultation already undertaken

18 No consultation has been undertaken in the development of this submission.

### Engagement planning

19 An engagement plan is not required for this submission.

### Publicity

20 This submission will be made available to the public on Council's website.

### Other considerations

21 There are no other considerations for this submission.

## **RECOMMENDATIONS**

22 That Council approve the submission to the Governance and Administration Committee on the Local Government (Community Well-being) Amendment Bill.

<b>Report prepared by</b>	<b>Approved for submission</b>	<b>Approved for submission</b>
Brandy Griffin	Janice McDougall	Kevin Black
<b>Senior Policy Advisor, Strategy and Planning</b>	<b>Acting Group Manager, Corporate Planning and Reporting</b>	<b>Acting Group Manager, Strategy and Planning</b>