

**Document No:** A455012

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Deputation – Hamilton and Waikato Tourism Limited - Reporting against Partnership Agreement

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to introduce Jason Dawson, Chief Executive of Hamilton and Waikato Tourism (HWT) who will attend the meeting at 9.00am to present and speak to the HWT 2018/2019 Annual Report.

## Background

- 2.1 On 29 October 2008 Council considered a business paper outlining the scope for development of a Tourism Plan for the Waitomo District.
- 2.2 Work on the project to prepare the Tourism Plan commenced in January 2009.
- 2.3 In March 2009, Hamilton International Airport (HIA) announced they had appointed a full time Marketing Manager.
- 2.4 The newly appointed HIA Marketing Manager confirmed the intention to re-establish a Regional Tourism Organisation (RTO) in the Waikato. Council therefore decided to await the communication of the proposed HIA work plan before progressing further with the Waitomo Tourism Plan.
- 2.5 In July 2011 the Hamilton and Waikato Regional Tourism Organisation was established. A draft Service Level Agreement was presented to 7 local authority partners in September 2012 for review.
- 2.6 The draft Service Level Agreement was considered and amended by the parties, with the final Agreement signed by member Council's in early 2013.
- 2.7 Member Councils include Hamilton City Council, Waipa District Council, Waikato District Council, South Waikato District Council, Matamata Piako District Council, Otorohanga District Council and Waitomo District Council.
- 2.8 The current Service Level Agreement covers the term 1 July 2018 to 30 June 2021. In accordance with conditions of the Agreement, HWT reports to Council on a six monthly basis.
- 2.9 Attached to and forming part of this business paper is a copy of the HWT 2018/2019 Annual Report and a document outlining background information for Councils reference.

## Suggested Resolutions

The Deputation from Hamilton and Waikato Tourism Limited – Reporting against Partnership Agreement be received.



HELEN BEEVER  
**GENERAL MANAGER – COMMUNITY SERVICES**

November 2019

- Attachments:
1. Hamilton and Waikato Tourism – Background Information
  2. Hamilton and Waikato Tourism 2018/2019 Annual Report

## Background information



### **About Hamilton & Waikato Tourism**

Hamilton & Waikato Tourism is the region's official Regional Tourism Organisation (RTO) whose role is to generate competitive economic benefit through visitor sector strategies focused on increasing visitor length of stay and spend.

#### **Our core purpose is aligned to our annual Statement of Intent:**

- To promote the Hamilton & Waikato region as an appealing destination to international and domestic visitors in order to deliver economic benefits to the region's communities
- To grow visitor nights and expenditure
- To grow the number of business events and market share of delegate days
- To support the tourism industry to develop and deliver quality visitor experiences
- To maintain and strengthen support for the visitor sector through partnerships with local government, the visitor industry and the wider community

### **Historic background**

Tourism Waikato was disestablished in 2007 when the major funder, Hamilton City Council, withdrew their funding once they secured the V8 Supercars. Hamilton City Council believed they could deliver destination marketing on their own.

Following a period of significant decline in domestic and international visitor expenditure, a drop in overnight stays, lack of national and international tourism profile and destination marketing, the regional tourism organisation, Hamilton & Waikato Tourism was reformed in July 2011. The re-establishment of the organisation was supported by seven local government partners compared to the original three in 2007 (Hamilton, Waikato and Waipa).

### **Key activities**

To achieve the overall goals of delivering a super-charged visitor economy, create a more sustainable industry and deliver to the well-being of the region, Hamilton & Waikato Tourism undertake the following activities:

- Destination marketing – domestic, international and consumer
- Travel trade marketing – direct with wholesalers and tour operators
- Convention bureau – business events, meetings, exhibitions and incentives
- Major regional events – bid and attraction
- Industry and product development – sector capability and new experiences

## **Funding structure**

Hamilton & Waikato Tourism is funded through a public/private partnership with the region's seven local authorities and the tourism industry. We receive \$1,228,680 from local government which will be leveraged with another \$450,000 of investment from tourism operators and other stakeholders. They also receive funding from external and industry grants to support their activities and key projects.

An overview of local government partners and their funding contributions are detailed below:

- ↳ Hamilton City Council - \$585,000 + CPI per annum
- ↳ Matamata-Piako District Council - \$150,000 + CPI per annum
- ↳ Otorohanga District Council - \$60,000 + CPI per annum
- ↳ South Waikato District Council - \$60,000 + CPI per annum
- ↳ Waikato District Council - \$150,000 + CPI per annum
- ↳ Waipa District Council - \$150,000 + CPI per annum
- ↳ Waitomo District Council - \$60,000 + CPI per annum

Hamilton & Waikato Tourism currently has a three-year Service Level Agreement (SLA) and an annual schedule of services detailing key performance indicators (KPIs) with their seven local government partners.

## **Governance structure**

Hamilton & Waikato Tourism is a limited liability company and a subsidiary of Waikato Regional Airport Limited (WRAL), which is a Council-Controlled Organisation (CCO).

The have an independent board which is chaired by Annabel Cotton. Board members are independently appointed and currently include Richard Leggatt, Steve Gow and Mark Morgan.

## **Organisation structure**

Hamilton & Waikato Tourism is based at Hamilton Airport and has a team of eight staff, including the Chief Executive Jason Dawson. The organisation is structured under three key workstreams:

- Marketing – trade, domestic, international and consumer
- Convention Bureau – business events and incentives
- Development – industry and product

## **Find out more**

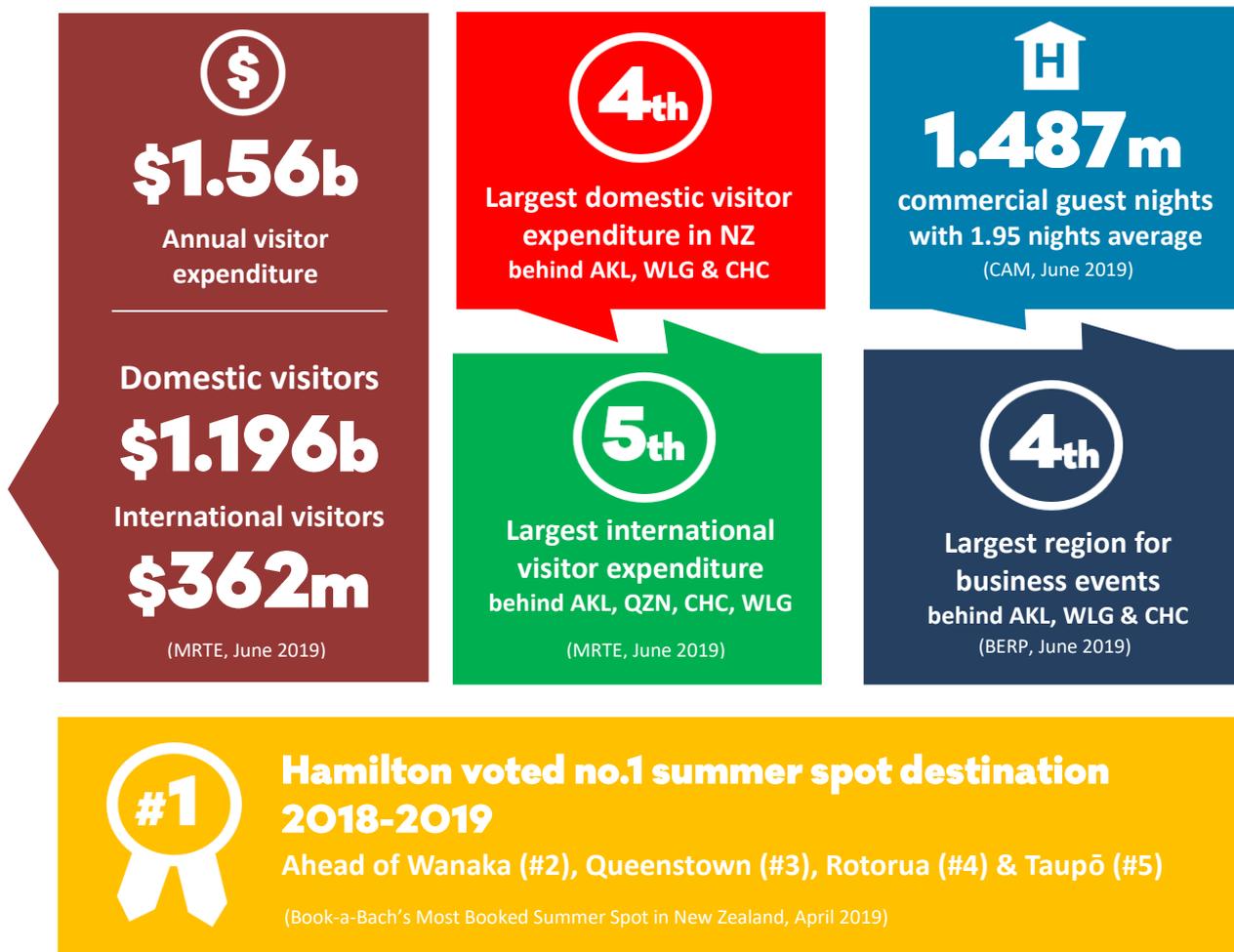
You can view the plans, resources and key activities of Hamilton & Waikato Tourism on their website: [www.waikatoz.com](http://www.waikatoz.com)

# Hamilton & Waikato TOURISM

## Annual Report to Waitomo District Council 1 July 2018 – 30 June 2019

Hamilton & Waikato Tourism (HWT) is the region's Regional Tourism Organisation (RTO) whose role is to generate competitive economic and social benefit through visitor sector strategies focused on increasing visitor length of stay and spend. HWT is funded through a public/private partnership with the region's seven local authorities and the tourism industry.

### Key highlights 2018-2019



## Executive summary

The region's visitor expenditure has climbed to \$1.558 billion for the 12 months ended June 2019, a 3% increase on the previous year. International visitors contributed an estimated \$362 million to the region, while domestic spend injected \$1.196 billion into the regional economy.

Our national rankings also continue to climb with the Waikato RTO region now the fifth largest in New Zealand for international visitor expenditure behind Auckland, Christchurch, Queenstown and Wellington. We are now the fourth largest region for domestic visitor expenditure behind Auckland, Christchurch and Wellington.

Commercial guest nights are also growing with an estimated 1.487 million commercial guest nights in the region, which is a 5.8% increase on the previous year (Commercial Accommodation Monitor: year ending June 2019).

Peer to peer accommodation continues to grow in our region. AirBnB data that is available shows 2095 listings for the month of June 2019 (568 more than June 2018). Occupancy rates range from 35% at the lowest month (May) through to 68% for the highest month (January).

The mighty Waikato is now the fourth largest region behind Auckland, Wellington and Christchurch for conventions, meetings and business events for the year ending June 2019. Our region has now secured an 10.1% market share of total events of this lucrative market.

Every conference we secure for Hamilton and Waikato is significant for the region, regardless of the sector or size. Our most significant international conference hosted in 2018-2019 was the Native American & Indigenous Studies Association (NAISA) Conference at The University of Waikato and Claudelands. The conference attracted a record-breaking 1,872 delegates with the majority from countries in North America, Central & South America, Scandinavia and Asia-Pacific. Early indications suggest the event could be worth \$4 million in economic benefit to the region.

Two game-changer projects from the Tourism Opportunities Plan have been delivered during 2018-2019, including the Regional Major Events Strategy our new regional visitor brand – 'The Mighty Waikato – where magic runs deep'.

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## About Hamilton & Waikato Tourism

*Hamilton & Waikato Tourism is the regional tourism organisation charged with increasing international and domestic leisure and business travellers, expenditure and stay. The organisation is funded through a public/private partnership and covers the heartland Waikato areas of Hamilton City, Matamata-Piako, Otorohanga, South Waikato, Waikato, Waipa and Waitomo Districts. Find out more at [www.waikatoz.com](http://www.waikatoz.com)*

## Performance targets

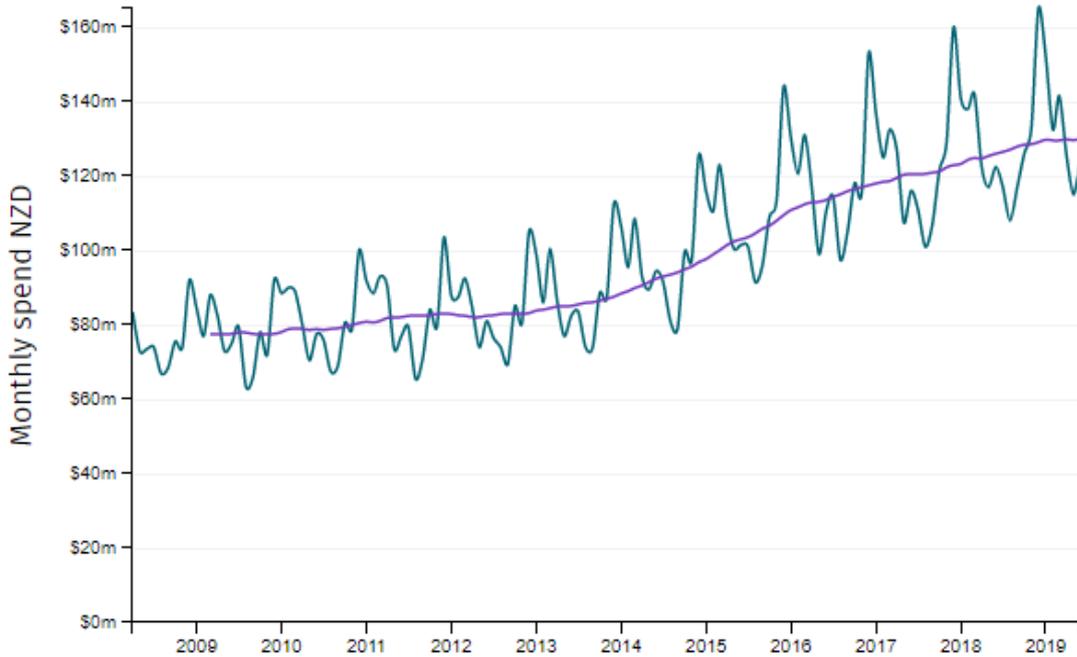
Hamilton & Waikato Tourism (HWT) have seven performance targets which are set in the 'Schedule of Services for Local Government 2018-2019'. The results are provided below.

Measure	Result
 <p><b>Visitor nights</b> 5% increase of total visitor nights' vs national</p>	 <p><b>5.8%</b> for Waikato Region <b>1.3%</b> national growth rate (Year ending June 2019)</p>
 <p><b>Visitor spend</b> 5% increase in visitor spend across the region</p>	 <p><b>3%</b> increase on previous year <b>\$1.558 billion</b> annual expenditure (Year ending June 2019)</p>
 <p><b>Conventions, incentives &amp; business events</b> Grow market share of business events from 9% to 10%</p>	 <p><b>10.1%</b> market share Fourth largest region behind Auckland, Wellington &amp; Christchurch (Year ending June 2019)</p>
 <p><b>Visitor awareness &amp; perception</b> Improve by 3 points, including Waikato residents</p>	 <p><b>8/10</b> average score: likelihood to recommend as a place to visit (Year ended June 2019)</p>
 <p><b>Website &amp; social media: waikatoz.com</b> 5% digital engagement on 2017-18</p>	 <p><b>11.36%</b> 10.64% from 1 July 17 to 30 June 18</p>
 <p><b>Industry investment</b> \$450,000 of industry contribution towards marketing activities &amp; campaigns</p>	 <p><b>\$450,830</b> international &amp; domestic campaigns, trade show investment, famil in-kind contributions &amp; visitor guide sales (Year ending June 2019)</p>
 <p><b>Return on investment</b> Total visitor spend per dollar of HWT spend</p>	 <p><b>\$1,268</b> Visitor spend per dollar of council funding (Year ending June 2019)</p>
	<p><b>1.21</b> Commercial guest nights per dollar of council funding (Year ending June 2019)</p>

# Visitor statistics and expenditure

## Regional visitor expenditure

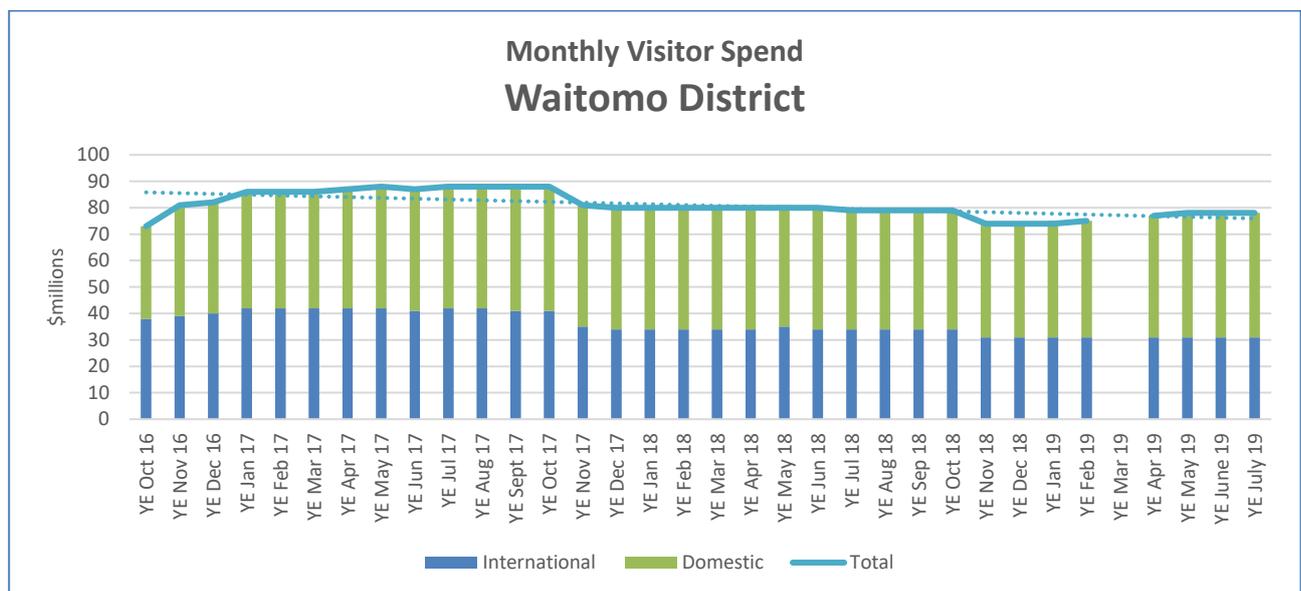
Historical monthly spending pattern



Source: Monthly Regional Tourism Estimates, MBIE (June 2019)

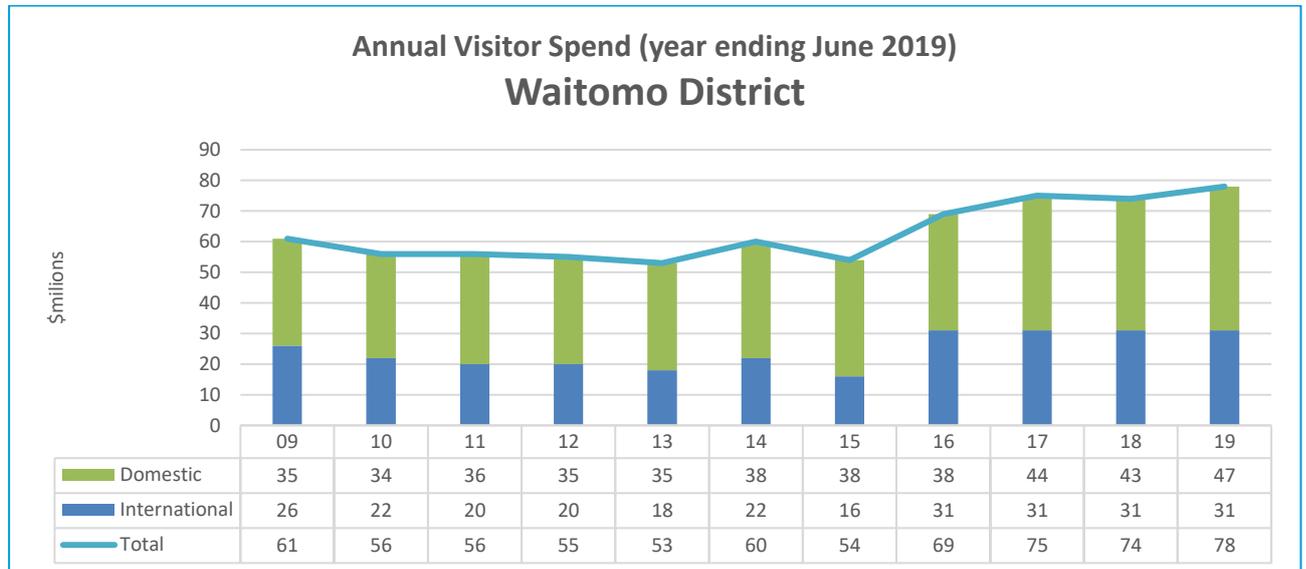
## Visitor expenditure in Waitomo

Visitor expenditure data is measured by the Ministry of Business, Innovation and Employment (MBIE) in the Monthly Regional Tourism Estimates (MRTE).



Source: Monthly Regional Tourism Estimates, MBIE (June 2019)

Overall annual visitor expenditure for Waitomo has slightly increased, with a 5% total annual decrease between June 2018 and June 2019.

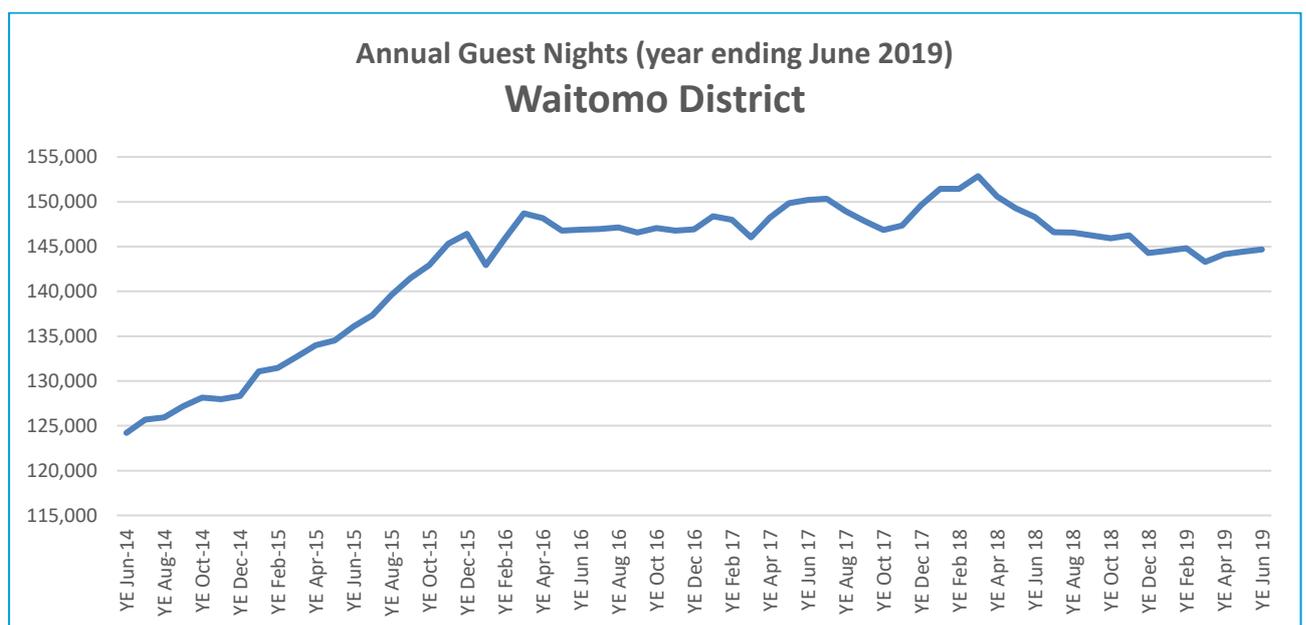


Source: Monthly Regional Tourism Estimates, MBIE (June 2019)

## Commercial accommodation in Waitomo

Commercial guest nights (hotels, motels, backpackers & holiday parks) for Waitomo has slightly decreased over the past 12 months. The latest statistics confirm 144,688 commercial guest nights for the year ending June 2019, which is 2.4% down from 2018.

**Note:** The Commercial Accommodation Monitor (CAM) will no longer be provided by StatsNZ from September 2019 (September data will be released November 2019). The industry is working with MBIE and StatsNZ to develop a replacement data set, although there is likely to be a gap of 3-6 months.



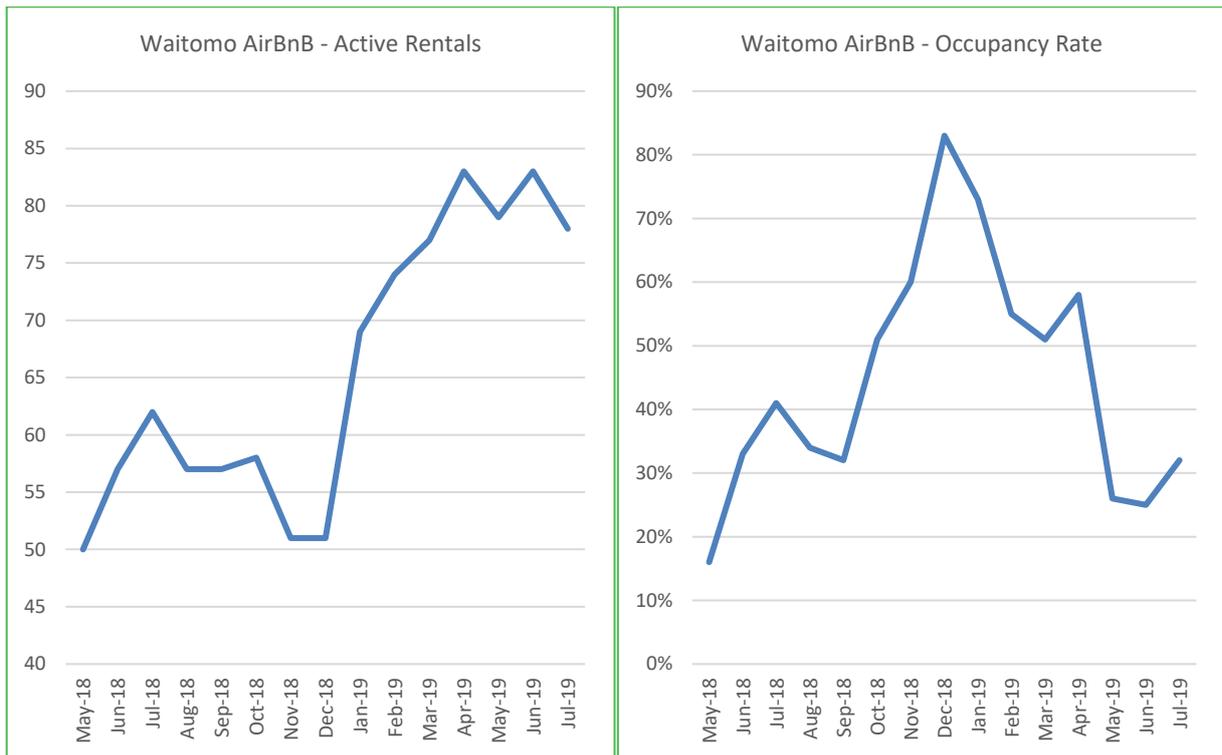
Source: Commercial Accommodation Monitor, Stats NZ (June 2019)

## Non-commercial accommodation in Waitomo

Waitomo also had 83 properties listed on AirBnB during June 2019 as alternative accommodation to the traditional commercial offerings (peer to peer).

This has grown from 57 listings in June 2018.

These properties experienced 25% occupancy during June 2019. For the 12 months July 2018 to June 2019, the average occupancy rate for AirBnB properties in Waitomo is 48%



## Trade & leisure marketing

### International marketing

Hamilton & Waikato Tourism partnered in 2018 again with Tourism New Zealand (TNZ) and our neighbouring upper and central North Island regions on a \$1.2m+ (NZD) consumer campaign targeting Australia’s eastern seaboard. Taking place in July – August 2018, the campaign focussed on touring itineraries including the Waikato-featured Thermal Explorer and Volcanic Loop, along with must-do experiences and holiday deals from Air New Zealand and Flight Centre.

We participated in a Tourism New Zealand event in Sydney which included a market update and meetings with Australian-based wholesalers and Online Travel Agents (OTAs). As part of this event, we personally trained 25 travel trade on Hamilton & Waikato products and itineraries.

HWT continues to be an active partner in the central North Island international marketing alliance with Rotorua, Taupō, Coromandel, Bay of Plenty, Ruapehu, Gisborne Tairāwhiti and Hawke's Bay regional tourism organisations. Working together under the 'Explore Central North Island' (ECNI) umbrella the collective has undertaken several activities during the 2018-2019 financial year including:

- securing an in-market representative in the UK;
- undertaking a joint-trade training mission in the USA and Canada; and
- participating in the eXplore trade show which targets Auckland-based Inbound Tourism Operators (ITOs). Over 180 travel trade 'buyers' attended and the Waikato had our largest regional stand ever with 25 operators from the Waikato exhibiting alongside HWT.

We marketed Hamilton & Waikato alongside other regional tourism organisations at the annual "RTO/ITO mega-meet" in Auckland. This involves three days of 15min appointments with NZ-based Inbound Tourism Operators (ITOs). We trained 143 Tourism New Zealand staff and NZ-based travel trade.

'The Mighty Waikato' has had gained extensive exposure in the new Tourism New Zealand global campaign which has featured a 'Good Morning World' message from our local tourism operators and people. As part of the evolution of the '100% Pure New Zealand' brand which is now celebrating its 20<sup>th</sup> year, the focus is now around our people and culture.

For 366 days, a different video message from locals around the country saying "Good Morning World" from their favourite tourism spot or experience will be released on social media channels. So far; Waitomo Adventures, Hobbiton™ Movie Set, Waitomo Glowworm Caves, Bahn Mi Caphe, Lake District Adventures, Hamilton Gardens and local photographer/influencer Meghan Maloney have appeared, with a number of other Waikato locals and locations to follow. By having the Waikato featured throughout the campaign is an effective way to showcase the region and our people on a global stage, plus help inspire more travellers to visit our part of the country.

New boutique accommodation, gourmet dining options for group travel and wildlife experiences were some of the new Waikato products showcased to the world at our country's largest tourism business-to-business trade expo - TRENZ. TRENZ attracted 386 buyers from 30 markets, which range from traditional visitor markets like Australia, the USA and China, to emerging markets such as Argentina, Brazil and Indonesia.

Collectively HWT and 10 of our operators held more than 550 15-minute meetings with buyers. Trade ready operators who attended with us included; Hobbiton™ Movie Set, Discover Waitomo, Waitomo Adventures, CaveWorld, Roselands Waitomo, Rural Tours, Hamilton Gardens, Sanctuary Mountain Maungatautari, the Red Barn and Hidden Lake Hotel & Apartments from Cambridge. We also hosted a number of pre- and post-TRENZ famils with our international travel buyers.

HWT hosted a two-day famil and strategy session in the Waikato for Tourism New Zealand's global media and PR team who were in the country for their week-long annual strategy conference in May (24pax from eight international markets). The region also received global coverage through 965 stories with an EAV of \$14,655,153 for the 18-19 year, due to the work HWT undertakes with Tourism New Zealand's media and PR team.

### **Domestic marketing**

The first Short Escapes domestic campaign of the year took place in November and focussed on Spring and pre-Christmas travel to the region. The campaign targeted our drive and fly markets of Auckland, Bay Of Plenty, Taranaki, Wellington and Christchurch and included cinema advertising in selected cimenas in each market and some lightbox advertising at Christchurch Airport to promote the new additional Christchurch to Hamilton services as a co-op initiative between HWT, Hamilton Airport and Christchurch Airport.

HWT's second Short Escapes focussed on late Summer/Autmn travel using key events such as Hamilton Gardens Arts Festival and Balloons Over Waikato as 'hooks' and introduced the new Mighty Waikato consumer brand to our external domestic audiences.

HWT ran a mini 'Christmas Gift Guide' campaign in early December to promote vouchers for tourism operator partners' experiences and upcoming events as ideal Christmas gifts to Waikato residents. This was followed in late December by a Summer Explore Your Own Backyard campaign which aimed to encourage locals to explore the Waikato over the festive holiday season.

Drawing on the Mighty Waikato tagline of 'where magic runs deep', the Winter Explore Your Own Backyard focussed on 'finding the magic'. The campaign was targeted at local residents and showcased key domestic partners as well as stunning scenery from public spaces such as the Blue Spring and Raglan harbour and upcoming school holiday messaging. Running mid-June-mid July, campaign channels included Facebook, Instagram, YouTube, OnDemand, and GDN but there was also an element of Out of Home advertising including cinema, bus backs and a billboard in Hamilton CBD.

Each year HWT also undertakes a small campaign in support of Fielddays called Fieldnights to encourage further expenditure and potential longer length of stay in the region. The campaign targets and informs those coming to and who are here for Fielddays about what else there is to see and do during the week including dining, events, entertainment and activities.

100,000 copies of the 2019 official Regional Visitor Guide were published in December 2018, featuring the new Mighty Waikato consumer branding. Distributed nationally through i-SITEs and airports, national and international trade shows and conference delegate packs, the guide is a cost-neutral project with advertising sales funding production and distribution.

HWT continues to work with council and event organisers to profile and promote major and key events across the region. Some of these events include Balloons over Waikato,

Hamilton Gardens Arts Festival, Fieldays, Sevens, All Blacks V Tonga, World Darts, Lions Rugby League, UCI Track Cycling World Cup. Marketing support from HWT includes prepping team and media welcome packs, team activity options, event landing pages on waikatonz.com, media and player promo event opportunities and support for bids.

## **Regional Visitor Brand Strategy**

The new 'Mighty Waikato' regional consumer brand was launched in December 2018. The Regional Visitor Brand Strategy project was one of five game-changers identified in the Hamilton & Waikato Tourism Opportunities Plan which was adopted in 2016.

The need for a definitive brand and story for the region was required to inform how the area is perceived in the market and with locals; provide consistent messaging and set the region apart from other destinations.

Taking the key themes from the local and domestic perception research and the Waikato Story, the co-curated Mighty Waikato visitor brand has been developed by the tourism sector, local government, iwi, business and community representatives.

Research was also undertaken in other parts of New Zealand to help address our domestic perceptions as an emerging visitor destination. The two-year project cost \$60,000 including research, stakeholder consultation and development.

Bringing together our key attributes around a sense of people and place, our brand story reflects who we are as a region and showcases the Waikato's unique visitor proposition.

All consumer facing campaigns, channels and collateral features this new brand including our website. As part of this process we have also changed our website URL to be [www.waikatonz.com](http://www.waikatonz.com) to align with The Mighty Waikato brand. It also gives us the longevity we need from a destination website address, while also aligning us with URLs for other cities and regions in the country.

Social media names and handles are also in the process of being changed over.

## **Marketing activity for Waitomo District**

A summary of specific trade and leisure marketing for Waitomo District is detailed below.

<b>Target market</b>	<b>Campaign or activity</b>	<b>Waitomo experiences profiled</b>
<b>International consumer and travel trade - Australia</b>	Jul-Aug 2018: Annual Tour the North Island Campaign (in partnership with Tourism NZ and upper and central North Island)	Waitomo Glowworm Caves, Legendary Black Water Rafting, Waitomo Adventures, Hairy Feet Waitomo, Glowing Adventures

Target market	Campaign or activity	Waitomo experiences profiled
<p><b>Media – domestic &amp; international</b></p>	<p>Media hosting, profile and famils featuring Waitomo:</p> <ul style="list-style-type: none"> <li>• Erik Conover – American Airlines</li> <li>• Mitch Brook - AWOL</li> <li>• Hijab Travelling – Indonesian Broadcast</li> <li>• German Social Influencers</li> <li>• Steve Prybilla – Freelancer</li> <li>• Fantastico – Brazil Broadcast</li> <li>• United Airlines Press Trip</li> <li>• The Style Jungle</li> <li>• Mr &amp; Mrs Romance</li> <li>• Little Red Book KOL’s</li> <li>• Tourism New Zealand’s ‘Good Morning World’ global campaign</li> </ul>	<p>Ruakuri Cave, Legendary Black Water Rafting, Waitomo Adventures, Spellbound, Waitomo Hilltop Glamping, Waitomo Glowworm Cave, Waitomo Lodge Hotel, Piopio Limestone Bluffs, Waitanguru Falls, Haggas Lookout, Omaru Falls</p>
<p><b>Travel Trade – Famils</b></p>	<p>Waitomo profiled in following trade famils:</p> <ul style="list-style-type: none"> <li>• TNZ UK Roadshow winner Sept</li> <li>• TNZ North American Premium Famil- Nov</li> <li>• Travel2 USA Group Famil March</li> <li>• Down Under Answers Famil March</li> <li>• ECNI USA Mission winner April</li> <li>• TNZ China New Market Free Airlines Famil May</li> <li>• Air NZ Famil May</li> <li>• UK buyers TRENZ Famil May</li> <li>• Get your Guide Famil May</li> <li>• Post Australia Tours TRENZ Famil May</li> <li>• TNZ North China Air China Product Managers Famil June</li> </ul>	<p>Internationally Trade-Ready Product: Discover Waitomo (Ruakuri Cave, Blackwater Rafting and lunch at Waitomo Glowworm Cave), Waitomo Homestead</p>

Target market	Campaign or activity	Waitomo experiences profiled
<b>Travel Trade – events</b>	Sales calls to ITOs and wholesalers throughout the period	Internationally Trade-Ready Product: The Timber Trail, Timber Trail Lodge, Discover Waitomo – Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave, Pa Harakeke, Waitomo Homestead, Legendary Black Water Rafting, Waitomo Adventures, Waitomo Top 10 Holiday Park, Roselands, Glowing Adventures, Caveworld, Spellbound
<b>Travel Trade – Explore Central North Island Alliance</b>	<p>HWT are part of the Central North Island RTO alliance known as ‘Explore Central North Island’ which includes the two touring routes – The Thermal Explorer Highway and the Pacific Coast Highway</p> <ul style="list-style-type: none"> <li>• ECNI North America Roadshow, Sept-Oct 18</li> <li>• ECNI UK Roadshow March 19</li> <li>• eXplore trade expo April 19</li> </ul>	Internationally Trade-Ready Product: Discover Waitomo – Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave, Waitomo Homestead, Legendary Black Water Rafting, The Timber Trail, Pa Harakeke, Timber Trail Lodge, Waitomo Adventures, Spellbound, Caveworld, Waitomo Top 10 Holiday Park, Roselands
<b>Domestic – consumer</b>	<p>Waitomo District was profiled as part of regional promotions in the following publications:</p> <ul style="list-style-type: none"> <li>• All About Waikato</li> <li>• Go Travel – Summer</li> <li>• INSPO Magazine – December and March editions</li> <li>• Waikato Times</li> <li>• Outdoor Kid</li> <li>• RV Travel</li> </ul>	Waitomo Adventures, Waitomo Glowworm Caves, Omaru Falls, Legendary Black Water Rafting, Mangapohue Natural Bridge, Timber Trail, Great NZ Muster, Te Kuiti, Piopio Limestone Bluffs, Hairy Feet Waitomo, Marokopa Falls, Waitanguru Falls
<b>Domestic consumer – Auckland, Bay of Plenty &amp; Taranaki, Wellington, Rotorua, Christchurch</b>	‘Short Escapes’ campaign – October - November 2018 February – April 2019	Discover Waitomo – Waitomo Glowworm Caves, Ruakuri Cave, Legendary Black Water Rafting, Waitomo Adventures, Mangaokewa Scenic Reserve, Marokopa Falls, Troll Cave, Waitomo Trail Run, Great New Zealand Muster

Target market	Campaign or activity	Waitomo experiences profiled
<b>Domestic consumer -Local, Hamilton &amp; Waikato</b>	'Explore Your Own Backyard' campaign – Dec 2018 - Jan 2019 June – July 2019	Timber Trail, Waitomo Glowworm Caves, Waitomo Adventures, Troll Cave, Legendary Black Water Rafting, Mangapohue Natural Bridge, Mangaokewa Scenic Reserve, Piopio limestone bluffs
<b>Domestic consumer – Chinese New Zealanders</b>	Ongoing campaign activity has continued through our Weibo social media channel, blogs, forums etc	Hairy Feet, Marokopa Falls, Omaru Falls, Piripiri Cave, Waitomo Adventures, Legendary Black Water Rafting, Waitomo Glowworm Caves, Mangapohue Natural Bridge, Glowing Adventures, Troll Cave
<b>Domestic &amp; International consumer and trade</b>	2019 Waikato Regional Visitor Guide	Waitomo District profiled in 'Regional Highlights' section and through the specific 'Waitomo & Surrounds' section through editorial and operator advertisements.
<b>Domestic &amp; international consumer, travel trade and media</b>	Quarterly e-newsletters are distributed to our consumer, trade and media databases	The Timber Trail, Waitomo Glowworm Caves, Waitomo Adventures, Troll Cave, Haggas Honking Holes, Legendary Blackwater Rafting, Waitomo Day Spa, Waitomo Adventures Café, Waitomo Trail Run, Waitanguru Falls, Timber Trail Lodge
<b>Domestic &amp; International consumer</b>	Waitomo District profiled through HWT's website and various social profiles including Facebook, Instagram, Twitter & YouTube.	Piripiri cave, Mangapohue Natural Bridge, Marokopa Falls, Waitanguru Falls, Pureora Forest Park, Timber Trail, Hairy Feet Waitomo, Waitomo Village, Pa Harakeke, Caveworld, Spellbound, Omaru Falls, Legendary Black Water Rafting, Waitomo Adventures, Te Kuiti, Waitomo Hilltop Glamping, Glowing Adventures, Waitomo Glowworm Caves, Ruakuri Bush Walk, Mangaokewa Scenic Reserve, Waitomo Caves Zipline Park, Te Kuiti Japanese Garden, Waitomo Trail Run, Fat Pigeon café, Great New Zealand Muster, Hangatiki Blues, Café at Waitomo Adventures, Troll Cave, Haggas Honking Hole, Lost World

## Conferences, incentives & business events

The Hamilton & Waikato region is now the fourth largest region behind Auckland, Wellington and Christchurch for conferences, meetings and business events for the period ending March 2019 (June figures not available at time of writing). Our region has secured 10.1% market share of total business events and 7% market share of delegate days (MBIE Business Events Activity Survey).

Every conference we can secure for Hamilton and Waikato is significant for the region, regardless of the sector or size. Conference delegates are also influenced to return for a future holiday based on their positive Waikato experiences. A delegate attending a business event is worth twice as much of a leisure traveller to the region, with an average delegate per night value of \$326 per night for international delegates and \$533 per night for domestic delegates (MBIE Business Events Delegate Survey YE Dec 2018).

Our most significant international conference hosted in 2018-2019 was the Native American & Indigenous Studies Association (NAISA) Conference at The University of Waikato and Claudelands. The conference attracted a record-breaking 1,872 delegates with the majority from countries in North America, Central & South America, Scandinavia and Asia-Pacific. Early indications suggest the event could be worth \$4 million in economic benefit to the region.

Our main marketing engagement for the year, the Business Events Waikato Showcase, was held in August 2018. This was our third Business Events Showcase which had nearly 60 venues and suppliers from throughout the Waikato region exhibiting with more than 130 conference and business event organisers through the doors.

In November 2018, HWT hosted a multiday famil for 20 national buyers around our region. This famil showcased 26 partners of the HWT Convention Bureau.

Our annual Business Events Symposium was held in June 2019. Over 50 attendees from our event venues, conference suppliers and accommodation providers received updates on our marketing plan for FY19/20, health and safety plans, sustainability initiatives and how to effectively host professional conference organisers to win business.

### Convention bureau activity for Waitomo

A summary of specific trade and conference marketing activity between 1 July to 30 June 2019 is detailed below.

Activity	Detail
Enquiries	215 total leads received and managed.
Buyers Hosted	127 buyers hosted to the region.

<p><b>Famils</b></p>	<p><b>19-22 November 2018:</b> Annual multiday mega famil, attended by 20 buyers from Wellington, Auckland and Christchurch for three nights. Attendees included conference &amp; event organisers, in-house &amp; corporate meeting planners, association conference organisers.</p> <p>26 BEW (Business Event Waikato) Partners involved</p> <p><b>3-4 May 2019:</b> Taste Waikato 24-hour famil in conjunction with Claudelands, attended by six buyers from Auckland and Wellington for one night. Attendees included conference &amp; event organisers, in-house &amp; corporate meeting planners, association conference organisers.</p>
<p><b>TNZ Famils</b></p>	<p>Eight TNZ famils were delivered, hosting 86 International business event buyers. Famils to Hobbiton, Waitomo and Zealand.</p>
<p><b>Bespoke Famils</b></p>	<p>Thirteen bespoke famils organised. Hosting 30 buyers and visiting 45 venues across Waikato.</p>
<p><b>Trade Shows</b></p>	<ul style="list-style-type: none"> <li>• July 2018: Get Global, Sydney. Attended with Claudelands.</li> <li>• August 2018: Third Hamilton &amp; Waikato Business Events Showcase – 58 exhibiting BEW Partner companies, including 23 from Hamilton. 133 buyers through the door. The Business Events Waikato Showcase is owned and organised by HWT</li> <li>• September 2018: Regional stand Australian Society of Association Executives (AuSAE) Linc Conference, Auckland</li> <li>• December 2018: Exhibited with Tourism NZ at PCO Conference in Melbourne.</li> <li>• February 2019: AIME, Melbourne. Attended with Claudelands.</li> <li>• April 2019: Convene, Auckland with five regional partners, including three from Hamilton</li> <li>• May 2019: MEETINGS 2019, Auckland with six regional partners, including Discover Waitomo.</li> </ul>
<p><b>Hosted Events</b></p>	<ul style="list-style-type: none"> <li>• October 2018: Wellington function, attended by 42 guests. Co-hosted with seven BEW Partners including three Hamilton Partners.</li> <li>• February 2019: Meet North South lunch, attended by nine guests. Hosted by BEW and Dunedin Convention Bureau Managers.</li> <li>• May 2019: Auckland dinner pre-MEETINGS trade show, attended by 15 guests. Co-hosted with five BEW Partners.</li> </ul>
<p><b>Sales Activity</b></p>	<ul style="list-style-type: none"> <li>• October: Sales blitzes with Platinum &amp; Gold BEW Partners – Wellington and Auckland</li> <li>• December: Sales blitz with Claudelands Platinum Partner - Christchurch.</li> <li>• February 2019: Sales blitz with Dunedin Convention Bureau Manager – Wellington and Auckland</li> </ul>

	<ul style="list-style-type: none"> <li>• March: Sales blitz with Platinum &amp; Gold BEW Partners – Auckland</li> <li>• June: Sales blitz with Dunedin Convention Bureau Manager – Christchurch.</li> <li>• June: Sales calls – Wellington.</li> </ul>
<b>AuSAE NZ Networking Activity</b>	<p>(AuSAE – Australian Association for Association Executives)</p> <ul style="list-style-type: none"> <li>• February: Wellington</li> <li>• May: Wellington</li> <li>• May, Auckland</li> <li>• June, co-hosted NZ Association clients to AuSAE Conference in Brisbane.</li> </ul>
<b>Tourism NZ Activity</b>	<ul style="list-style-type: none"> <li>• September 2018 - co-hosted table with Tourism NZ at The Kudos Awards to create awareness about the Conference Assistance Programme.</li> <li>• Project Waikato group meetings – business incubator group to seek opportunities for Australasian and international conferences for the Waikato region. Specific focus given to conferences that respond to the needs of the community by creating a social, environmental or cultural impact on the Waikato region.</li> </ul>
<b>Partner Communication &amp; Development</b>	<ul style="list-style-type: none"> <li>• Tuesday 2 August: Sustainability breakfast for BEW Partners</li> <li>• Tue 28 August: Incentive Workshop</li> <li>• 7 March: Business Events update breakfast for BEW Partners</li> <li>• 21 June: Business Events Waikato Symposium for BEW Partners</li> <li>• Partner EDM newsletters/updates x 4</li> <li>• Monthly lead reporting to Platinum &amp; Gold Partners</li> <li>• 75 BEW Partners.</li> <li>• 103 Face-to-face BEW Partner meetings - includes mentoring &amp; support.</li> </ul>
<b>Communications &amp; Media</b>	<ul style="list-style-type: none"> <li>• Client newsletters x 4 (database over 2,500)</li> <li>• Editorial x 24</li> <li>• Business Events Directory</li> <li>• Website <a href="http://www.meetwaikato.com">www.meetwaikato.com</a></li> </ul>

## **INTERNATIONAL CONFERENCE BIDS – in conjunction with Tourism New Zealand’s Conference Activity Programme (CAP)**

Bidding for international conferences is a key activity of the Hamilton & Waikato Convention Bureau, with the support of the Conference Assistance Programme from Tourism New Zealand.

The following international conferences have been secured or pending a decision:

Conference Name	Date	No Dels	Duration	EV	Status
Native American & Indigenous Studies Assn	Jun 2019	1,875	5 days	\$4m	Finished
World Urban Parks Asia Pacific Region	Mar 2020	400	4 days	\$795,810	Lost Lack of accommodation
Asia Pacific Tourism Assn Conference	Jul 2020	245	4 days	\$567,800	Bid in progress
Agricultural Bioscience – ABIC	Sep 2020	315	4 days	\$659,610	Bid on hold Need more funding
International Conference on AI & Law	Jun 2021	400	5 days	\$795,810	Feasibility done Looks promising
Travel & Tourism Research Assn Conf	Jun 2019	300	3 days	\$765,840	Lost / rebidding
AV / EV Conference & Exhibition	TBC	3000	3-4 days		In discussion
SESTECH Technology Conference	Oct 2020	1200	2 days	\$892,800	Bid in progress

## Destination & product development

The Tourism Opportunities Plan 2016 continues to be a key focus of the organisation to help increase the value of tourism across the region. The plan identified five game-changers to help super-charge the value of tourism for our region, including:

1. Activating the Waikato River
2. Development of a Regional Visitor Brand Strategy
3. Support for the continued development of the Hamilton City Riverfront
4. Telling the Kiingitanga Story through Maori tourism development
5. Development of a Regional Major Events Strategy

The plan also identified emerging experiences to develop, strengths of our region as a visitor destination and help address issues such as visitor dispersal throughout the region and tackling seasonal fluctuations to grow a more sustainable industry.

We have begun to three-year review of the Plan to report on progress towards achieving our development goals and targets set for the region in 2016, refresh our 2014 Visitor Strategy, and merge into a Destination Management Plan.

To find out more and download a copy of the Tourism Opportunities Plan, visit: [www.hamiltonwaikato.com/TOP](http://www.hamiltonwaikato.com/TOP)

## **Activating tourism opportunities in Waitomo**

New opportunities, product development and events supported by Hamilton & Waikato Tourism during the 2018-2019 financial year include:

- Waitomo Sky Garden
- Waitomo Caves Zipline
- Waitomo ATV Farm Tours
- Waitomo Museum of Caves
- Waitomo Adventures
- Glowing Adventure
- Timber Trail – through Waikato Regional Council Cycle Trail Network collaboration

## **Regional Major Events Strategy**

In 2018, Hamilton & Waikato Tourism developed the region's first Major Events Strategy to ensure the spotlight continues to shine and grow on our region, as we work to develop a full calendar of events, especially outside of our peak summer period.

It is important to develop an events programme that smooths seasonal fluctuations in the visitor industry, providing increased, more reliable employment and greater returns to businesses.

We are very fortunate to have our biggest international, iconic anchor event in June, our quieter winter season. The annual New Zealand National Agricultural Fieldays is an event that attracted over 130,000 visitors in 2018, generated \$492 million in sales and contributed \$221 million to New Zealand's GDP.

Events like Fieldays not only generate significant economic impact for our region – it also contributes to cultural and social outcomes for our community.

The Regional Major Events Strategy builds on our successful track record of delivering star-studded international events by identifying gaps and opportunities for the attraction of new events while supporting the long-term growth of our current events.

With the growth and attraction of major events into the region, it also grows our reputation in the domestic market as an emerging visitor destination.

As part of activating the strategy, we now provide co-ordination and support for major event bids into the Waikato region. We have supported or led the following successful event bids over the previous six months:

- New Zealand's World Series of Darts – Claudelands (23-24 August 2019)
- International rugby – All Blacks v Tonga, FMG Waikato Stadium (7 September 2019)
- International Breast Cancer Paddler Commission – Dragon Boat Regatta – Karapiro and Mystery Creek (March 2022)
- UCI Elite and U23 Road Championships – secured by RIDE Festival to host in Cambridge (2020 to 2023)

## Industry development

### **The Tiaki Promise**

Seven key New Zealand organisations joined forces to conceive and develop *Tiaki – Care for New Zealand*, an initiative that actively encourages international and domestic travellers to act as guardians of Aotearoa.

Tiaki is a powerful and diverse word in te reo Māori, meaning to care and protect, and to look after people and place.

Launched in November 2018 by Tourism Minister Hon Kelvin Davis, the seven organisations involved included Air New Zealand, the Department of Conservation, Local Government New Zealand, New Zealand Māori Tourism, Tourism Holdings Ltd, Tourism Industry Aotearoa and Tourism New Zealand.

The Tiaki Promise communicates why caring for New Zealand is important and how to care for Aotearoa while travelling around the country.

A range of Tiaki Promise materials are provided free of charge to all New Zealand tourism organisations, including a brochure and supporting video. The resources are initially available in English, Te Reo Māori, German and Chinese, with more languages to follow.

The seven stakeholder organisations will promote The Tiaki Promise to their customers, trade partners and staff, ensuring messaging is reinforced at visitor touchpoints across the country and around the world. Kiwis are able to show their support on social media using #tiakipromise.

Further future initiatives will be rolled out under the Tiaki – Care for New Zealand brand, including a responsible camping campaign planned for later this year. Find out more at [www.tiakineewzealand.co.nz](http://www.tiakineewzealand.co.nz).

### **New Zealand–China Year of Tourism**

We hosted a regional event for the New Zealand-China Year of Tourism with a China-Ready Workshop held at Zealong Tea Estate. The purpose of the workshop was to build awareness within our operators around the changing face of the China visitor, their travel preferences, payment options and digital marketing.

We will actively participate in a number of other national events until the NZ-China Year of Tourism concludes in December 2019.

### **Alibaba partnership with Christchurch Airport**

Hamilton & Waikato Tourism has joined the “South Alibaba programme” from Christchurch Airport, to help grow the success of Waikato businesses in the Chinese market.

Working with the HWT team, tourism operators and the wider business community, we will work to grow both understanding and capability of the China market. We want to attract more high value Chinese guests to the region and encourage them to do more while they are here.

The first initiative is holding a Chinese market workshop open to all businesses, followed by rolling out Alipay across Hamilton & Waikato to help local businesses attract Chinese customers, as well as provide a convenient form of payment to grow spend. We will also launch a dedicated Waikato store on Alibaba's travel platform, Fliggy (the Chinese equivalent of TripAdvisor and Expedia).

### **Google destination marketing partnership**

Hamilton & Waikato Tourism have partnered with Google and Miles Partnership to become the region's official 'Google Destination Management Organisation' as part of their new push into the travel market. We have become a 'Google verifier' for the region as part of this destination marketing programme.

We initially launched with Tourism Bay of Plenty and Destination Rotorua on rolling out 'Google My Business' workshops to improve the tourism-related content on tourism operator business listings and our regional destination search results.

As a result of the Google partnership, we are now rolling out an extensive update of Waikato-wide content and are currently working with each city and district council on co-management opportunities for public sites/spaces listings.

### **Provincial Growth Fund**

The Provincial Growth Fund (PGF) continues to target investment to lift productivity, create jobs and provide economic benefits to communities.

Working with Matamata-Piako District Council and Te Waka, we were able to secure the first successful funding application of \$900,000 to complete a feasibility study for the activation of the Te Aroha Mineral Spas and the surrounding area. This project was identified in our Tourism Opportunities Plan 2016.

We are also working collaboratively with Te Waka on a joint PGF package around cultural tourism and education opportunities connected to the Waikato River.

### **Regional partnerships**

A joint hui was held between the boards of Te Waka and HWT to discuss mutual areas of collaboration. The three key areas we will partner with Te Waka for regional benefit include investment attraction (tourism), advocacy for the region (Central Govt) and sector capability.

Alongside Creative Waikato and Te Waka, we are working towards the establishment of the Waikato Film Office, to help grow the region's profile as a key film location. We currently work with a number of national and international broadcasting networks and film companies to host productions across the Waikato region. A Film Office will ensure

we can further leverage funding and promotional activity from NZ Screen and the NZ Film Commission.

We are a foundation partner with Ahikōmako – a new Centre of Māori Innovation & Entrepreneurship at the Mangakotokutoku (Glenview) campus at Te Wānanga o Aotearoa.

This project attracted financial support from Te Puni Kōkiri and the Provincial Growth Fund and initially will attract a couple of Maori tourism start-ups and entrepreneurs. Other foundation partners include Waikato Tainui, Te Hūmeka Waikato Māori Business Network and Te Waka. It is hoped that if this pilot hub is successful, it will be rolled out nationally via Te Wānanga o Aotearoa campuses.

## **Tourism Infrastructure Fund (TIF)**

The Tourism Infrastructure Fund (TIF) will be maintained and remain separate from the PGF. During the previous three rounds, we supported the following successful Waikato councils funding applications:

### **Round 3**

- South Waikato District Council (\$157,131 for freedom camping facilities at Whakamaru)
- Waitomo District Council (\$206,000 to enlarge public toilet capacity at Mokau & \$160,500 for the installation of public toilets at Kiritehere and Waikawau)
- Maungatautari Ecological Trust (\$190,000 for upgrade of carpark and entrance to Sanctuary Mountain)

### **Round 2**

- Hamilton City Council (\$220,000 for toilet facilities at Hamilton Gardens)
- Waipā District Council (\$250,000 for toilet facilities in Pirongia)

### **Round 1**

- Matamata-Piako District Council (\$221,000 for Wairere Falls carpark)
- Waikato District Council (\$868,000 for new toilet and rubbish facilities at Raglan)

Round four of the Tourism Infrastructure Fund closed on 28 August 2019. We continue to work with our seven local councils to actively support and pursue any tourism infrastructure funding to help develop your local communities.

## **Responsible Camping Fund**

In addition, our region has received funding via the new “Responsible Camping Fund”.

For the 2018/2019 summer season:

- South Waikato District Council (\$428,000) for shower blocks, barbeques, shelters, solar lighting, rubbish bins and monitoring and enforcement.
- Waitomo District Council (\$269,000) for cooking and bathroom facilities at Te Kuiti and temporary toilet facilities at Mokau.

- Waikato District Council (\$67,000) to resolve camping issues at Te Kauwhata and Onewhero Domains.

For the 2019/2020 summer season:

- Waikato District Council (\$370,000) for monitoring and enforcement; increased septic drainage and rubbish collection; development of communications and engagement plan and an ambassador programme; and
- Waitomo District Council (\$211,400) for two responsible camping wardens and operational costs for additional servicing of toilets and rubbish facilities at 14 visitor sites across the district.

### **Regional visitor levies**

2019 is shaping up to be the year where regional visitor levies become a hot topic of discussion, and one where regional tourism agencies and Local Government New Zealand (LGNZ) will be a prominent voice in support.

All 31 regional tourism organisations, including Hamilton & Waikato Tourism, support the Productivity Commission's draft report on local government funding which recommends councils under pressure from tourism should be able to charge visitors through an accommodation levy.

Other countries around the world charge a visitor levy or bed tax which is collected by the commercial accommodation provider. Visitor levies would help support local government in terms of providing financial support for much-needed infrastructure and help plan for the future.

We are closely watching the outcome of the legal challenge against the Auckland Council's commercial bed tax and implementation of the referendum results by Queenstown-Lakes District Council which saw 81.37% of voters supporting the plan to impose a 5% bed tax on visitors.

### **International Visitor Levy**

The Ministry of Business, Innovation and Employment released details on 14 August 2019 of the International Visitor Levy's first round of funding. Funding is split between tourism and conservation initiatives.

The International Visitor Levy is not a contestable fund like the Tourism Infrastructure Fund (TIF). Project funding will awarded as part of an initial investment plan with a long-term plan in development which is expected to be released in the new year.

### **New Zealand-Aotearoa Government Tourism Strategy**

Launched in May 2019, the New Zealand-Aotearoa Government Tourism Strategy sets out a more deliberate and active role for government in tourism with the vision "to enrich New Zealand-Aotearoa through sustainable tourism growth".

The Government wants tourism growth to be productive, sustainable and inclusive with the goals:

- Tourism supports thriving and sustainable regions
- Tourism sector productivity improves
- New Zealand-Aotearoa delivers exceptional visitor experiences
- Tourism protects, restores and champions New Zealand-Aotearoa's natural environment, culture and historic heritage
- New Zealanders' lives are improved by tourism

The outcomes sit under five broad themes:

- Te Ōhanga – The Economy
- Te Taiao – The Environment
- Ngā Manuhiri O Te Ao, O Aotearoa Anō Hoki – International and domestic visitors
- Tātou o Aotearoa me ō tātou hapori – New Zealanders and our communities
- Ngā Rohe – Regions

The top priority actions for the Government's stewardship role that will deliver across multiple outcomes are:

- Coordination across the tourism system
- Long-term sustainable funding mechanisms
- Destination management and planning
- Better data and insights

You download a full copy of the strategy from the MBIE website:

[www.mbie.govt.nz/immigration-and-tourism/tourism/new-zealand-aotearoa-government-tourism-strategy/](http://www.mbie.govt.nz/immigration-and-tourism/tourism/new-zealand-aotearoa-government-tourism-strategy/)

As part of the development of our Destination Management Plan, we will reflect the aspirations and outcomes of the Government's tourism strategy, including the development of a destination management plan which could attract investment.

## Conclusion

It has been another successful year of visitor growth for Hamilton and the Waikato region. Our key focus areas for the coming year include:

- continue to grow a sustainable, year-round visitor proposition to address seasonality;
- drive regional dispersal to encourage visitation to the lesser visited areas of our region;
- support the development of large-scale commercial accommodation to increase average length of stay;
- assist new and existing visitor experiences to grow the value in market share;
- hold fourth position for market share in the business events sector;

- actively participate in national initiatives to improve the data and insights available to the regions; and
- continue to enhance the reputation of Hamilton & Waikato in the domestic visitor market.

On behalf of the board and management of Hamilton & Waikato Tourism, we would like to thank Waitomo District Council, our local government partners and the industry for their continued support. We are proud to help super-charge our regional visitor economy to deliver significant economic, social and cultural outcomes for our communities.

**Jason Dawson**

**Chief Executive**

Hamilton & Waikato Tourism

September 2019

**Document No:** A455313

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Deputation – Waitomo Caves Museum Society Incorporated – Reporting against Partnership Agreement

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to introduce Dr Bridget Mosley, Director, Waitomo Caves Museum Society Incorporated (trading as Waitomo Caves Discovery Centre) who will attend the meeting at 9.30am to present and speak to the Waitomo Caves Museum Society Report.

## Background

- 2.1 The Waitomo Caves Museum Society is a charitable society, formed and incorporated in 1973. Its primary objectives are to benefit the community by operating a museum and advancing education in the fields of caves (globally) and social, cultural and natural history (in the Waitomo Caves environs).
- 2.2 The Waitomo Caves Discovery Centre is an official i-SITE and a member of the Visitor Information Network.
- 2.3 The Waitomo Caves Discovery Centre promotes strong heritage, visitor information and public good services for the district through the Waitomo Caves Discovery Centre by:
  - Promoting the districts visitor attractions
  - Providing quality information and booking services to local, national and international visitors
  - Presenting a range of displays for public viewing that interpret the heritage of the Waitomo Caves region and archive, document and store items of heritage value
  - Providing public good services through the provision of 24 hour toilet and rubbish collection facilities
- 2.4 The relationship between Waitomo District Council and the Society extends more than 25 years with the current Provision of Service Grant Agreement covering the term of 1 July 2018 to 30 June 2021.
- 2.5 In accordance with conditions of the Grant Agreement, the Society reports to Council on a six monthly basis.

- 2.6 Attached to and forming part of this business paper is a copy of the Waitomo Caves Museum Society Report and Statement of Financial Performance for the year ended 30 June 2019.

## Suggested Resolution

The Deputation from Waitomo Caves Museum Society Incorporated – Reporting against Partnership Agreement be received.



HELEN BEEVER

**GENERAL MANAGER – COMMUNITY SERVICES**

November 2019

Attachments:   1   Waitomo Caves Museum Society Incorporated Report  
                  2   Waitomo Caves Museum Society Statement of Financial Performance

## Provision of Services Grant Agreement

### Waitomo District Council and Waitomo Caves Museum Society Incorporated

#### 2018 – 2021 grant

Annual report for September 2019

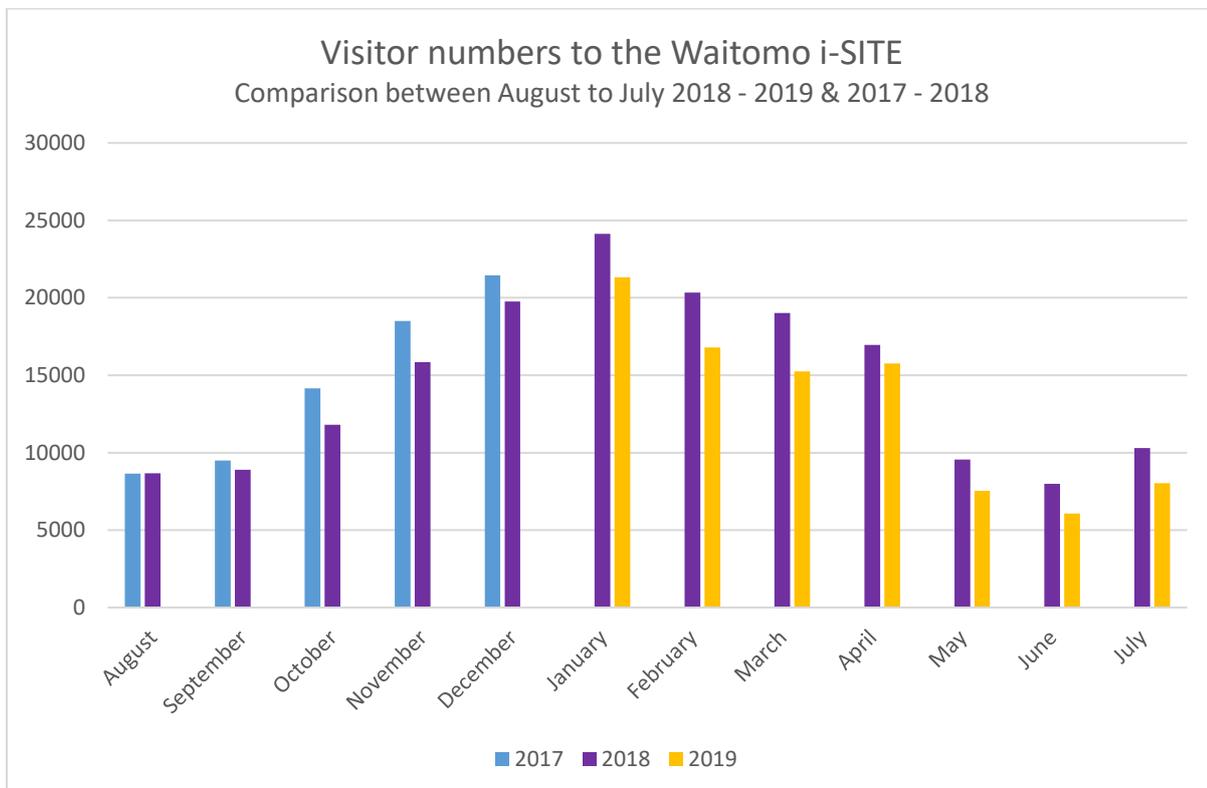
Under the terms of our Provision of Services Grant Agreement, the Waitomo Caves Museum Society Inc. is required to provide a written report twice a year to the Waitomo District Council, focusing on the key performance indicators identified in the agreement and the associated outcomes.

This report is for the period from September 2018 - August 2019 and has been submitted by Bridget Mosley, Director, Waitomo Museum of Caves / Waitomo Discovery Centre.

#### Visitor numbers for the past year

When I submitted the interim report in March 2019, Waitomo District Council representatives indicated that, in addition to reporting on the KPIs of the Provision of Services grant, they would like to see data relating to visitor numbers to the Waitomo Discovery Centre.

The graph below shows visitor numbers recorded by the Waitomo i-SITE Visitor Centre for the past year from August 2018 to July 2019, as compared to the previous year.



It shows that visitor numbers from August 2018 to July 2019 are 86% of those from August 2017 to July 2018, comprising a drop of walk-in visitors of 14% over the past year.

KPI	Activities
To provide counter/phone enquiry and booking Activities for visitors to the Waitomo Village	<ol style="list-style-type: none"> <li>1. Enquiry and booking activities will be available for a minimum 8 hours each day, 364 days of the year.</li> <li>2. Visitors will be provided accurate and objective information on Activities in a timely manner.</li> <li>3. Staff will be courteous and professional when dealing with all enquiries.</li> <li>4. Customer satisfaction ratings on Trip Advisor will reflect an average score of 4 or greater.</li> </ol>

- The Waitomo Caves i-SITE & Visitor Information Centre and the Museum of Caves have been open every day except Christmas Day for at least 8 hours from September 2018 – August 2019. Our core hours are from 8:45am to 5pm, but we extend these during the peak season.
- Our frontline staff continue to provide accurate and objective information on local activities in a courteous and professional manner, as demonstrated by reviews online – see below.
- Customer satisfaction ratings on Trip Advisor are currently at a 4.5 average, with **82%** of travellers who write a review rating us as “**Excellent**” or “**Very good**”.

### Traveller Overview



- More customers are reviewing us on Google than on Trip Advisor, where we have a 4.4 rating average. Below are some of the multiple five-star reviews received throughout the year.

## Waitomo i-SITE Visitor Information Centre

21 Waitomo Village Rd, Waitomo

 Write a review

**4.4**  177 reviews 

Sort by: Most relevant ▼



**James Skerratt**

Local Guide · 38 reviews · 15 photos

★★★★★ 14 hours ago

Very helpful and anyone planning on visiting the glow worm caves should book the packages here



**Enoch Gilbert**

Local Guide · 26 reviews · 361 photos

★★★★★ 4 months ago

Great museum and they also have public toilets to stop at before heading to marokopa



**Jiggly Puff**

Local Guide · 33 reviews · 12 photos

★★★★★ a year ago

Ran into to this place by accident.

Great and friend staff the environment was peaceful and nice. Visited the museum spent and hour in there wonderful information given.

Gift Shop was good but only purchased a token to take home.

overall AA++ If you are going to the caves its best to stop in here learn about the caves in the museum before adventuring into the caves it self.

KPI	Activities
To develop and promote the existing museum	<ol style="list-style-type: none"> <li>1. Providing and displaying significant cave related materials;</li> <li>2. Maintaining the collection of cave and local history items;</li> <li>3. Maintaining the library of cave related documents including the collection belonging to NZ Speleological Society.</li> </ol>
To archive, document and store items of heritage value	<ol style="list-style-type: none"> <li>1. Collected items and information will be appropriately acquired, curated and documented in accordance with Museums Aotearoa standards.</li> </ol>

- The museum displays include significant cave-related material and we actively maintain the collection of cave and local history-related items. We have had donations of archival material relating to the Waitomo Caves Hotel and the history of local caving in the past year and, although it has yet to be finalised, we were recently offered a partial re-construction of a moa egg.
- The library of cave-related documents, including the collection belonging to the NZ Speleological Society, remains open to members and we are currently discussing ways in which to put the holdings online to allow ease of access and encourage additional use.
- We are working with National Services Te Paerangi from Te Papa and the National Preservation Office Te Tari Tohu Taonga to provide expert advice on the upgrade of our display and archival standards to maintain best practice and Museums Aotearoa standards.

KPI	Activities
To provide the Ministry of Education Learning Experiences Outside The Classroom programme	<ol style="list-style-type: none"> <li>1. Provide education sessions and/or information, as contracted with the Ministry of Education to improve the knowledge of the area and cultural significance. The target student number is a minimum of 5,000 students per year.</li> </ol>

- The Museum of Caves reports on the Learning Experiences Outside the Classroom (LEOTC) programme on a six-monthly basis and the most recent six-monthly report from January to July 2019 was accepted by the New Zealand Council for Educational Research.
- From January to July 2019, 2357 children attended our programmes, to meet 94% of target.
- 50 full day programmes were delivered and 13 programmes longer than 1 day.

- 65% of the programmes were evaluated, with 100% of responding teachers giving a high level of satisfaction with the programme. 32% of evaluation responses identified the programme as meeting the students' learning intentions "Very well" and 68% of teachers rating this "Excellent" out of a range of five options.

KPI	Activities
To provide and maintain a website, distribute brochures and provide signage and advertising that promotes the Waitomo Caves Discovery Centre	<ol style="list-style-type: none"> <li>The website will be maintained and provide up to date information.</li> <li>Visitor Activities will be advertised when required.</li> <li>Any signage used to promote the Waitomo Caves Discovery Centre will be maintained and up to date.</li> </ol>
To provide information relating to the heritage of the Waitomo Caves region	<ol style="list-style-type: none"> <li>The displayed information relating to Waitomo heritage will be accurate, up to date and well maintained, clean and tidy at all times.</li> </ol>
To provide information promoting attractions of the Waitomo District	<ol style="list-style-type: none"> <li>The website will contain promotion and links to non-commercial attractions within the Waitomo District.</li> </ol>

- The Waitomo Caves Discovery Centre website has been operative since the commencement of the term of the agreement on 1 July 2018 and is regularly updated.
- Brochures and advertising outside and inside the building promote both the Waitomo Caves Discovery Centre and the attractions of the Waitomo District, with visitor activities advertised when appropriate and links to non-commercial attractions within the Waitomo District.
- Signage promoting the Waitomo Caves Discovery Centre is present and updated regularly.

KPI	Activities
To provide training to local guides on the Waitomo District attractions	<ol style="list-style-type: none"> <li>Provide education sessions and/or information, as required by local guides to improve the knowledge of the area and cultural significance.</li> </ol>

- The Waitomo Discovery Centre provides information and/or education sessions, as required by local guides. Most recently, new season guides from the Legendary Black Water Rafting Company visited the museum as part of their induction to improve their knowledge of the area before starting guiding.

KPI	Activities
To participate in regional and local tourism groups and advocate for Waitomo Caves and the Waitomo District	<ol style="list-style-type: none"> <li>Active participation in local and regional tourism groups such as marketing groups and Regions Tourism Organisations, in particular Hamilton &amp; Waikato Tourism.</li> <li>Advocate for integrated promotion of the key attractions of the Waitomo District.</li> </ol>

- Waitomo i-SITE successfully ran a familiarisation event for i-SITE staff around the country in August, to showcase local attractions, promote participating tourism operators and advocate for Waitomo Caves and the wider Waitomo District.
- Representatives of the Waitomo Discovery Centre actively participate in local and regional tourism groups, most recently the 'Locals Week' initiative of the Mighty Waikato (previously

Hamilton & Waikato Tourism), intended to promote the importance of our Waikato residents to the region's tourism sector.

KPI	Activities
To provide access to public facilities including four public toilets, one of which will be open 24 hours per day, and access to 3 rubbish receptacles through the grounds	<ol style="list-style-type: none"><li data-bbox="571 383 1353 465">1. Four public toilets will be available for use by the public during opening hours, with one toilet available for use 24/7.</li><li data-bbox="571 465 1353 548">2. Toilets will be cleaned a minimum of once daily, and will be supplied with toilet paper, soap and a means of drying hands.</li><li data-bbox="571 548 1353 584">3. The toilets will be kept maintained and in good repair.</li><li data-bbox="571 584 1353 642">4. Three rubbish bins will be available for use in the Waitomo Village.</li><li data-bbox="571 642 1353 698">5. Rubbish bins will be maintained at all times, and the contents emptied prior to becoming full.</li></ol>

- Four public toilets are available for use by the public during the opening hours of the Waitomo Caves i-SITE & Visitor Information Centre and the Museum of Caves.
- After hours, one toilet is open from the exterior of the building, allowing public access 24/7.
- Under a professional cleaning contract, contractors clean toilets at least once daily, keep them supplied with consumables and empty the four rubbish bins outside the building.



# Statement of Financial Performance

## Waitomo Caves Museum Society Inc For the year ended 30 June 2019

	NOTES	2019	2018
<b>Revenue</b>			
Revenue from providing goods or services	1	328,148	344,043
Interest, dividends and other investment revenue	1	8,430	11,435
Other revenue	1	401,491	384,070
<b>Total Revenue</b>		<b>738,069</b>	<b>739,548</b>
<b>Expenses</b>			
Costs related to providing goods or service	2	728,013	798,965
<b>Total Expenses</b>		<b>728,013</b>	<b>798,965</b>
<b>Surplus/(Deficit) for the Year</b>		<b>10,056</b>	<b>(59,417)</b>

This statement has been prepared without conducting an audit engagement, and should be read in conjunction with the attached Review Report.



# Notes to the Performance Report

## Waitomo Caves Museum Society Inc For the year ended 30 June 2019

	2019	2018
<b>1. Analysis of Revenue</b>		
<b>Revenue from providing goods or services</b>		
Trading Income	244,680	247,216
Admissions	21,247	32,284
Post Office	4,139	4,324
Counter Services	712	615
School Income	12,057	15,226
Education Bookings Outdoors	42,390	44,356
Education Room Hire	395	22
<b>Total Revenue from providing goods or services</b>	<b>325,621</b>	<b>344,043</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Received	8,430	11,005
Dividends Received	-	430
<b>Total Interest, dividends and other investment revenue</b>	<b>8,430</b>	<b>11,435</b>
<b>Other revenue</b>		
Brochure Displays	29,736	27,990
Commission Earned	223,645	234,541
Donations	8,544	3,526
Education Grants	82,190	73,971
Gain on Disposal of Fixed Assets	-	439
Grants Received - Specified	14,183	1,261
Collection Related Income	100	-
Miscellaneous Income	385	3,003
Museum Society Membership Subs	74	599
Newsletter Sponsorship	-	240
SLA Income	41,000	38,500
<b>Total Other revenue</b>	<b>399,857</b>	<b>384,070</b>
	<b>2019</b>	<b>2018</b>

## 2. Analysis of Expenses

<b>Costs related to providing goods or services</b>		
ACC Levies	1,584	1,281
Accounting & Audit Fees	4,000	1,890
Advertising	4,166	8,705
Archive	-	467
Bank Fees	83	-
Cash Discrepancies	263	1,184
Cleaning Consumables	5,323	4,615
Cleaning Contracts	23,162	22,046
Cost of Sales	129,381	132,517



	2019	2018
Community Welfare / Meetings	19	110
Compliance Costs	1,120	3,349
Computer Hardware & Support	981	2,698
Computer Software & Support	11,958	14,047
Conference Registrations and Expenses	2,417	1,772
Consultancy Mentor	14,575	20,623
Credit Card Charges	32,944	29,551
Depreciation	24,686	24,401
EFTPOS Terminal Charges	2,381	2,320
Electricity	8,210	9,555
General Expenses	251	811
Museum-specific expenses	442	2,386
Grounds Maintenance	900	1,000
Insurance	13,757	11,240
Lease	19,008	19,000
Legal & Other Professional Fees	1,095	2,341
Library Resources	64	64
Computer / Printer Supplies	467	-
Office Supplies	1,685	2,016
Photocopier Hire	2,874	3,135
Photocopying	905	863
Postage & Courier	88	449
Rates	4,132	5,100
Recruitment Expenses	3,385	804
Repairs and Maintenance	6,409	37,482
Staff Uniforms	193	496
Staff Wellbeing	2,289	1,992
Telephone & Internet	5,657	5,515
Memberships & Subscriptions	3,838	4,391
Training	1,845	2,173
Travel & Mileage	1,530	3,919
Wages & Salaries	307,294	378,490
Wages & Salaries WEO	66,851	21,361
WEO Contractors	7,951	5,505
WEO Expenses	3,599	7,302
<b>Total Costs related to providing goods or services</b>	<b>723,763</b>	<b>798,965</b>

Document No: A456199

**Report To: Council**



**Meeting Date:** 26 November 2019

**Subject: Declaration of Members' Conflicts of Interest**

## Purpose of Report

- 1.1 The purpose of this business paper is for elected members to –
- 1 Declare interests that may be deemed a potential conflict with their role as an elected member relating to the business papers for this meeting, and
  - 2 Declare any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 29168.

## Commentary

### 2.1 Conflicts of Interest

2.2 Every elected member has a number of professional and personal links to their community. They may own a business or be a member on a board or organisation. They may have a pecuniary (financial) interest or a non-pecuniary (non-financial) interest. These interests are a part of living in the community which they need to make decisions about in their role with Council.

2.3 Elected members are governed by the Local Authorities (Members' Interests) Act 1968 and are guided by the Auditor-General in how this Act is administered. In relation to pecuniary interests, the two underlying purposes of the Act are to:

- ensure members are not affected by personal motives when they participate in local authority matters; and
- in contracting situations, prevent members from using their position to obtain preferential treatment from the authority (the Council).

2.4 Non-pecuniary interests relate to whether an elected member could be in danger of having a real or perceived bias for an issue under consideration.

2.5 Elected members will also have interests that are considered no greater than the public at large. For example, most elected members will own a property and therefore be a ratepayer in the Waitomo District.

2.6 Conflicts of interest at times cannot be avoided, and can arise without anyone being at fault. They need not cause problems when they are promptly disclosed and well managed.

### 2.7 Declarations of Interests and Conflicts

2.8 At the beginning of each triennial council term, elected members are requested to disclose known interests on behalf of themselves (including spouses and partners). It is up to the elected member to judge whether they have any interests

to declare. Some elected members may not have any, other elected members may have many.

- 2.9 As well as this, elected members may decide that they have an interest in a particular issue or item to be discussed at a meeting. There is a standing item on every meeting agenda for elected members to declare conflicts of interest.
- 2.10 These declarations should be clear as to whether there is just an "interest" with no pecuniary benefit and no greater benefit than to any member of the public, or they may be a Council appointed representative to an organization, or whether there is a "conflict of interest" in that there could potentially be a pecuniary or other direct benefit to the elected member.
- 2.11 Members who have declared a "conflict of interest" at the commencement of a meeting should make a further declaration when that item of business is considered and leave the meeting table (or the meeting room) and not take part in any discussion, debate or voting on the matter of conflict.
- 2.12 Attached to and forming part of this business paper is information to assist elected members in determining conflicts of interest.

## Declarations

Mayor Hanna will invite elected members to give notice of any conflicts of interest relating to the business for this meeting.

In the event of a Declaration being made, the elected member must provide the following information relating to the Declaration:

<b>Name:</b>	
<b>Item of Business on the Agenda:</b>	
<b>Reason for Declaration:</b>	
<b>Is this Declaration –</b> <ul style="list-style-type: none"><li>• Interest Only</li><li>• Conflict of Interest</li></ul>	



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

## Local Authority (Members' Interests) Act 1968

- 3.1 The Local Authority (Members' Interests) Act 1968 helps to protect the integrity of local authority decision-making by ensuring that Councillors are not affected by personal motives when they participate in Council decision-making and cannot use their position to obtain preferential access to contracts. This Act deals with two forms of "interest":
1. Pecuniary
  2. Non-pecuniary
- 3.2 **Pecuniary Interest**
- 3.3 The **two** specific rules in the Act are that members cannot:
1. Enter into contracts with their local authority worth more than \$25,000 (including GST) in a financial year unless the Auditor-General approves the contracts (referred to as the contracting rule). Breach of this rule results in automatic disqualification from office; and
  2. Participate in matters before the Council in which they have a pecuniary interest, other than an interest in common with the public (referred to as the participation rule). Breach of this rule is a criminal offence and conviction results in automatic disqualification from office
- 3.4 A pecuniary interest is one that involves money. This could be direct or indirect. It is sometimes difficult to decide whether an interest in a particular matter is pecuniary or some other kind. It is always the responsibility of elected members to make this decision, to declare any interest when appropriate and to ensure that as an elected member you comply with the Act's requirements at all times. The Act generally provides that no person shall be capable of being a member of Council if that person is concerned or interested in any contracts with the Council where the total payments made by the Council in respect of such contracts exceeds \$25,000 in any one financial year.
- 3.5 The Act also provides that an "interest" exists where a member's spouse is involved and/or where a member or their spouse is a major shareholder or have control or management of a company which contracts with Council or where the company has a pecuniary interest in the decision. It may also apply where your family trust has a contract with the Council.
- 3.6 The Act does provide that on application to it the Office of the Auditor General may give specific approval to a member being concerned or interested in a particular contract, in which case the provisions of the Act will not disqualify the Councillor from remaining in office. The approval needs be gained before the contract concerned is entered into.
- 3.7 The Act also requires that a member shall not vote or take part in the discussion of any matter in which he/she has any pecuniary interest, other than an interest in common with the public. This interest is required to be declared by the member and is noted in the minutes.
- 3.8 The Office of the Auditor General is the agency, which oversees this legislation and it also has the responsibility and power to institute proceedings against any member. The Act does not define pecuniary interest, however the Office of the Auditor-General uses the following test: "Whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned."

3.9 In deciding whether you have a pecuniary interest you should consider the following factors: What is the nature of the decision being made? Do I have a financial interest in that decision – do I have a reasonable expectation of gain or loss of money as a result of making that decision? Is my financial interest one that is in common with the public? Do any of the exceptions in the Act apply to me? Could I apply to the Auditor-General for approval to participate?

3.10 Further guidance is provided in the booklet “Guidance for members of local authorities about the Local Authorities (Members’ Interests) Act 1968” which has been provided to 5 elected members. It is important that you pay particular attention to the contents of this booklet as this is one of the few areas of the Council’s business where staff do not set out to provide pro-active advice and members are personally liable for compliance with the provisions of this Act.

### **3.11 Non-Pecuniary Interest**

3.12 Non-pecuniary interest is any interest the member may have in an issue that does not involve money. A common term for this is “bias” or pre-determination. Rules about bias operate not only to ensure that there is no actual bias, but also so there is no appearance or possibility of bias. The principle is that justice should not only be done, but it should be seen to be done. Bias may be exhibited where: -

- By their statements or conduct a member may indicate that they have predetermined the matter before hearing or considering all of the relevant information on it (including the Council’s debate); or
- The member has a close relationship with an individual or organisation affected by the matter.

3.13 Non-pecuniary interest is a difficult issue as it often involves matters of perception and degree. The question you need to consider, drawn from case law, is: “Is there, to a reasonable, fair-minded and informed observer, a real indication of bias on the part of a member of the decision making body, in the sense that they might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?” If there is, the member should declare their interest and withdraw from the debate and take no further part in the discussion of this item. The law about bias does not put you at risk of personal liability. Instead, the validity of the Council’s decision could be at risk. The need for public confidence in the decision-making process is paramount and perception can be an important factor. Again the booklet provided by Office of the Auditor General provides some excellent advice and information on this issue.

## Waitomo District Council Procurement Policy – 23 February 2013

4.1 The following is an extract from the Procurement Policy:

### **2.1.11 Conflicts of Interest**

*WDC procurement process will be conducted with a spirit of probity demonstrating:*

- *integrity;*
- *honesty;*
- *transparency;*
- *openness;*
- *independence;*
- *good faith; and*
- *service to the public.*

*A conflict of interest occurs where:*

*A member's or official's duties or responsibilities to Council could be affected by some other interest or duty that the member or official may have.*

*The other interest or duty might exist because of:*

- *holding another public office;*
- *being an employee, advisor, director, or partner of another business or organisation;*
- *pursuing a business opportunity;*
- *being a member of a club, society, or association;*
- *having a professional or legal obligation to someone else (such as being a trustee);*
- *owning a beneficial interest in a trust;*
- *owning or occupying a piece of land;*
- *owning shares or some other investment or asset;*
- *having received a gift, hospitality, or other benefit from someone;*<sup>9</sup>
- *owing a debt to someone;*
- *holding or expressing strong political or personal views that may indicate prejudice or predetermination for or against a person or issue ; or*
- *being a relative or close friend of someone who has one of these interests, or who could otherwise be personally affected by a decision of Council*

*A relative or close friend includes:*

- *For matters covered by the Local Authorities (Members' Interests) Act 1968, the interests of a spouse, civil union partner, or de facto partner must be considered.*
- *Generally, the interests of any relative who lives with the member or official (or where one is otherwise dependent on the other) must be treated as being effectively the same as an interest of the member or official.*
- *For other relatives, it will depend on the closeness of the relationship, but it will usually be wise not to participate if relatives are seriously affected*
- *Where Council's decision or activity affects an organisation that a relative or friend works for, it is legitimate to take into account the nature of their position or whether they would be personally affected by the decision.*

*Examples of potential conflicts of interest include:*

- *conducting business on behalf of Council with a relative's company;*
- *owning shares in (or working for) particular types of organisation that have dealings with (or that are in competition with) Council;*

- *deliberating on a public consultation process where the member or official has made a personal submission (or from making submissions at all, in areas that directly relate to the entity's work);*
- *accepting gifts in connection with their official role; or*
- *influencing or participating in a decision to award grants or contracts where the member or official is connected to a person or organisation that submitted an application or tender.*

*All elected members, WDC staff or advisers involved in a procurement process are required to declare any other interests or duties that may affect, or could be perceived to affect, their impartiality. WDC will then decide the steps necessary to manage the conflict, having regard to any relevant statutory requirements. WDC will maintain a register of declarations of conflicts of interest that records any conflicts of interest and how they will be managed.*

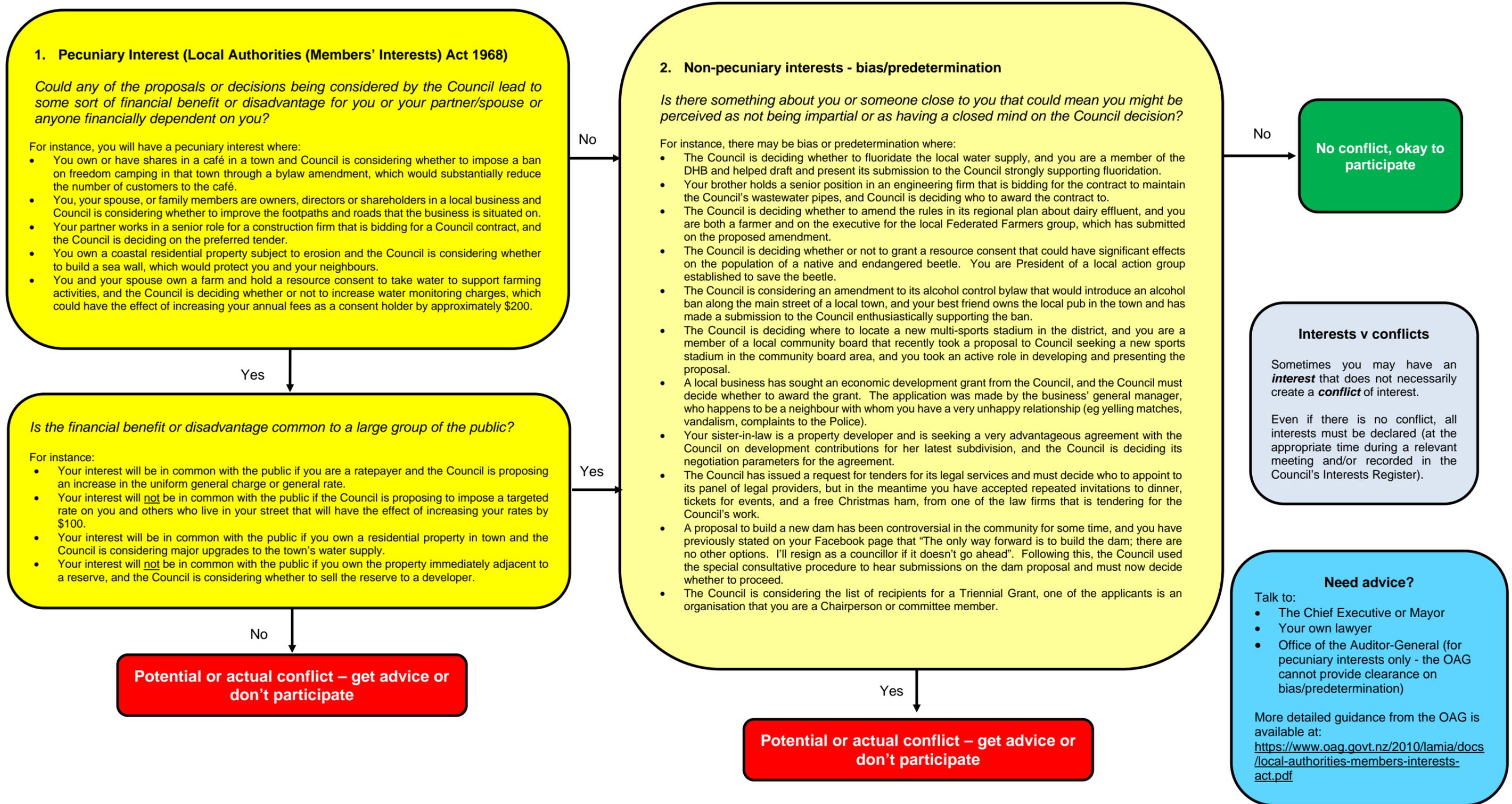
*An annual update of the register will be coordinated and maintained by the Executive Office.*

*Under no circumstances will a procurement process allow as an outcome of that process a circumstance where Council elected members, WDC staff or advisers to receive preferential treatment.*

Before you participate in any Council decision ...

CONFLICTS OF INTEREST

Check you don't have a pecuniary interest and that there is no bias or predetermination.



**Remember: If in doubt, stay out!**

## WAITOMO DISTRICT COUNCIL

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### MINUTES OF THE 11<sup>th</sup> TRIENNIUM INAUGURAL MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 31 OCTOBER 2019 AT 4.00PM

**PRESENT:** Mayor John Robertson, Council Members Phil Brodie, Allan Goddard, Lisa Marshall, Janene New, Sue Smith and Guy Whitaker

**IN ATTENDANCE:** 23 Family Members and Supporters were in attendance for the witnessing of Member Declarations.

Chris Ryan, Chief Executive; Michelle Higgie, Manager – Governance Support; Helen Beever, General Manager – Community Services; Terrena Kelly, General Manager – Strategy and Environment, Tony Hale, General Manager – Infrastructure Services

The Chief Executive called the meeting to order, welcoming all present and explained the requirement for the Chief Executive to preside over the meeting until the Mayor has made and attested a Declaration required by the Local Government Act 2002.

<b>1. Council Prayer</b>
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<b>2. Making and Attesting of Declarations</b>
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Mayor Robertson made and attested his declaration pursuant to Clause 14 of Schedule 7 of the Local Government Act 2002. Upon completion of his declaration, Mayor Robertson took the Chair.

Council Members Brodie, Goddard, Marshall, New, Smith and Whitaker made and attested their declarations pursuant to Clause 14 of Schedule 7 of the Local Government Act 2002.

<b>3. Appointment of Deputy Mayor</b>
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Council considered a business paper advising of the Local Government Act 2002 requirement to appoint a Deputy Mayor and setting out the options for making the appointment.

Mayor Robertson advised that the Council have discussed and agreed on the appointment of a Deputy Mayor and therefore he would be exercising the Mayoral power as provided in Subsection 41A(3)(a) of the Local Government Act 2002 in appointing the Deputy Mayor.

#### **Resolution**

- 1 The business paper on Appointment of Deputy Mayor be received.
- 2 Council noted the appointment of Guy Whitaker as Deputy Mayor in accordance with Section 41A(3)(a) of the Local Government Act 2002.

Moved/Seconded Robertson/Brodie Carried

## 4. General Legal Issues Facing Members of the Council

Council considered a business paper presenting a general explanation, as required under Section 21 of Schedule 7 of the Local Government Act 2002, of:

- 1 The Local Government Official Information and Meetings Act 1987; and
- 2 Other laws affecting members including:
  - the appropriate provisions of the Local Authorities (Members Interests) Act 1968
  - sections 99, 105, and 105A of the Crimes Act 1961; and
  - the Secret Commissions Act 1910; and
  - the Financial Markets Conduct Act 2013.

The Chief Executive expanded verbally on the business paper and advised that if any member finds themselves in a situation where they have concerns in respect to any of the above legislation they can approach him at any time.

### Resolution

The business paper on General Legal Issues Facing Members of the Council be received.

Moved/Seconded          Robertson/Brodie          Carried

## 5. Setting Date and Time of the first Council Business Meeting

Council considered a business paper requiring the fixing of the date and time of the first ordinary business meeting of the Council in accordance with Schedule 7, Section 21(5)(d) of the Local Government Act 2002.

Mayor Robertson advised that the Council have discussed and agreed on the date and time of the first business meeting of the Council following the 2019 Triennial Elections.

### Resolution

- 1 The business paper on Setting Date and Time of the first Council Business Meeting be received.
- 2 The first ordinary business meeting of the Council following the 2019 Triennial Elections be scheduled for Tuesday 26 November 2019 at 9.00am in the Council Chambers, Queen Street, Te Kuiti.
- 3 A Meeting Schedule for the 2020 Calendar Year be presented for consideration at that meeting.

Moved/Seconded          Robertson/Whitaker          Carried

In closing the meeting, Mayor Robertson welcomed the returning elected members to the Council table and acknowledged Cr Marshall as a first time Councillor, applauding her for standing and bringing a Maori perspective to the Council table.

Mayor Robertson acknowledged his predecessor, Brian Hanna, and the passion and commitment Brian made to the District during his three terms as Mayor.

Mayor Robertson commented on the debates undertaken during the Mayoral Campaign and advised that he is seeking the Council's support to make some changes. He acknowledged that the Council has done some very good things, but there are also some things that can be improved.

Mayor Robertson quoted from the Local Government Act 2002 a few of the legislative responsibilities required of a Council and advised that he also wants to involve Maori in Council's decision making, working alongside mana whenua to support and develop kaitiaki relationships.

Mayor Robertson stated that change can be daunting, but can also be exciting, and he wants the Council to set standards high and achieve great things for the whole of community.

There being no further business the meeting closed at 4.20pm.

Dated this      day of                      2019.

JOHN ROBERTSON  
**MAYOR**

Document No: A455999

Report To: Council



Meeting Date: 26 November 2019

Subject: Mayor's Report – 26 November 2019

### Purpose of Report

- 1.1 The purpose of this business paper is to present the Mayor's Report for the 26 November 2019 Council Meeting.
- 1.2 A copy of the Report is attached to and forms part of this business paper.

### Suggested Resolution

The Mayor's Report for the 26 November 2019 Council Meeting be noted.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

Mayor's Report to Council

26 November 2019

This is the first Council Meeting since elected members were sworn in. One of the roles of governance is to set policy direction. We have begun that process.

This includes considering whether to change Council's budget for next year through a process that councils call an "Exceptions Annual Plan". Elected members have had robust discussions over whether the rate increase planned for next year should be curtailed. My view is clear – that there should not be, and need not be any rate increase for the year beginning 1 July 2020. My supposition is that Waitomo's rates are already high and that this is causing hardship to many, notably those on fixed or low income.

Of course rates are just one cost that farmers and homeowners face. Energy charges are another, and they are also high in our district. I acknowledge that costs imposed by the Council are not the only costs that put pressure on ratepayers.

Rate levels are driven by a number of factors. This includes spending decisions. We in Waitomo are torn, as are other Councils, by the desire to satisfy the demands of the community for services and infrastructure that are more than is best called core business. Do we rate more and spend more, or do we hold rates and hold expenditure?

We are local government and so are answerable to those who wrap legislation around us. The purpose of local government is defined in law and has recently been amended to include "to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future."

This purpose is then followed by other sections in the Act that must also be taken account of.

In my view, because of our financial position, we in Waitomo do not have the benefit of being able to be "expansive" in the way that we interpret the legislation. I note the word "promote" in the legislation and interpret this in a facilitative sense, rather than necessarily in a hard investment of ratepayer dollars sense.

Parts of our community have some of the highest deprivation rates in New Zealand. I am keen to see Council play a leadership role in turning this around. There are no quick fixes – this is a journey that often involves generational change. This means working with iwi and those involved in education, in social housing, and in welfare locally and in Central Government.

Through the Mayor's office, this facilitative role is able to achieve good things. I have begun reaching out to those locally and in central government. One day, with Council's support and using Council's framework called "Vibrant Safe Waitomo", I want to explore potential partnerships that can help us address our social challenges.

**Document No:** A455864

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Adoption of Standing Orders

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to review Standing Orders for the conduct of its meetings and those of its committees.
- 1.2 It is important to note that whilst there is no statutory requirement for the Standing Orders adopted by the previous Council to be reviewed following a general election, it is deemed appropriate for the new Council to reconfirm, amend or adopt new Standing Orders at this time.

## Relevant Legislation

- 2.1 It is a legal requirement under the Local Government Act 2002 (LGA) for councils to adopt a set of Standing Orders for the conduct of its meetings and those of its committees.
- 2.2 The following relevant extracts from Schedule 7 of the LGA are attached to and form part of this business paper as reference material (Appendix 1):

Section 16	Members to abide by standing orders
Section 23	Quorum of councils and committees
Section 24	Voting
Section 25A	Attendance at meetings by audio link or audiovisual link
Section 27	Standing orders

## Background

- 3.1 The previous Council adopted New Zealand Model Standing Orders NZS 9202:2003 with the following two amendments:
  - Amendment of Clause 2.1.2 to provide (instead of 75%) that five out of seven Councillors must vote affirmation for a change in Standing Orders to be effective.
  - Amendment of Clause 3.14.2 to provide for the Mayor to have a deliberative vote and, in the case of equality of votes, a casting vote.
- 3.2 LGNZ completed a review of Model Standing Orders NZS 9202:2003 prior to the 2016 Elections, with many Councils adopting that revised version.
- 3.3 Following the 2016 General Election the Council at that time considered its Standing Orders and resolved to retain its existing version.

- 3.4 Since 2007, Council has taken a very relaxed perspective relating to Standing Orders, mainly as a result of the small size of the Council. There have only been one or two instances in that time where Standing Orders have been referred to.

## Commentary

- 4.1 A further review Standing Orders has recently been completed by Governance Managers and representatives from Local Government New Zealand. This new version not only reflects the latest legislation but has been rewritten to simplify them and make them easier to use.
- 4.2 The majority of councils are now adopting this latest LGNZ version with relevant personalization for each council.
- 4.3 It is prudent and recommended that Council consider adopting the latest version of Standing Orders, with relevant personalization, to ensure compliance with the latest relevant legislation.
- 4.4 Consideration of Matters for Personalization to Waitomo District Council**
- 4.5 There are three specific areas of the new version of Standing Orders which require Council's consideration to personalize them for WDC's purposes as follows:
- 1 Attendance by audio and audiovisual link (Clauses 13.11 - 13.16)
  - 2 Provision for Chairperson casting vote (Clauses 19.3)
  - 3 General procedures for speaking and moving motions (Clause 22)
- 4.6 Attendance by Audio and Audiovisual Link (Clauses 13.11 - 13.16)**
- 4.7 Clause 25A, Schedule 7 of the LGA allows the possibility of utilising an audio link or audiovisual link to enable members to join meetings. This legislative provision was incorporated through the 8 August 2014 amendment to the LGA.
- 4.8 A Member's attendance via audio link or audiovisual link is subject to meeting certain conditions for quality. Also, while members not present can take part in discussions and vote, they are not part of the quorum. This limits the number of members that could take up this option of attendance at any one meeting.
- 4.9 WDC has appropriate technology and equipment in its Council Chambers to enable attendance by audio/audiovisual, however the quality is not only dependent on WDC's technology and equipment, but also by the person linking in.
- 4.10 Provision for Chairperson Casting Vote (Clause 19.3)**
- 4.11 Clause 24, Schedule 7 of the LGA provides that a Chairperson may have a casting vote only if the Standing Orders expressly provide.
- 4.12 Council's current Standing Orders, and the LGNZ template Standing Orders recommended for adoption, both provide for a casting vote to be exercised at the discretion of the Chairperson.

4.13 The advantages of including a casting vote provision reduces the risk of not concluding important business which might result in a significant statutory timeframe being exceeded.

#### **4.14 General procedures for speaking and moving motions (Clause 22)**

4.15 One of the new features in the revised Standing Orders is the ability to use different rules for speaking to and moving motions so as to give greater flexibility when dealing with different situations.

4.16 The three options are provided:

**Option A** Repeats the provisions from the Model Standing Orders which limit the ability of members to move amendments if they have previously spoken.

**Option B** Provides more flexibility by allowing any member, regardless of whether they have spoken before, to move or second an amendment

**Option C** Provides for further flexibility –

- The mover and seconder of a motion can move or second an amendment
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost can move or second further amendments.
- Members can speak to any amendment.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

4.17 Due to Council being so small (in comparison with the majority of councils), during the last 12 years the Mayors have not restricted speaking rights at Council meetings unless time was limited. This position has worked very well for the Council. The need for Standing Orders to make provision for speaking restrictions is totally relevant for large councils, but not so critical for a small Council like Waitomo.

4.18 In the proposed draft Standing Orders, Option C applies unless on the recommendation of the Chairperson at the beginning of a meeting, the meeting resolves [by simple majority] to adopt either Option A or Option B for the meeting generally, or for any specified items on the agenda.

4.19 A copy of the LGNZ template Standing Orders, personalized for Waitomo District Council as a draft document is attached to and forms part of this business paper.

4.20 A copy of the LGNZ "Guide to Standing Orders" is also attached to and forms part of this business paper.

## Recommendation

- 5.1 It is recommended that Council adopt the new version of Standing Orders personalized for Waitomo District Council purposes as follows:
- a) Provision for Chairperson casting vote
  - b) Attendance by audio and audiovisual link to be available if the appropriate quality conditions can be met.
  - c) Option C be the default position general procedures for speaking and moving motions
- 5.2 As it is recommended that Council adopt the new version of Standing Orders, Council's existing Standing Orders have not been included as an attachment to this business paper, but are available for viewing on the Waitomo District Council website - <http://www.waitomo.govt.nz/publications/policy/> until such time as Council replaces them.

## Suggested Resolutions

- 1 The business paper on Adoption of Standing Orders be received.
- 2 Council adopt the Draft Standing Orders (Doc #A455862) personalized for Waitomo District Council purposes as follows:
  - 1 **Clause 19.3** - Provision is included for a Chairperson casting vote
  - 2 **Clauses 13.11 - 13.16** - Attendance by audio and audiovisual link be available if the appropriate quality conditions can be met.
  - 3 **Clause 22** - Option C be the default position for general procedures for speaking and moving motions



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**MANAGER – GOVERNANCE SUPPORT**

18 November 2019

- Attachments:
- 1 Appendix 1 – Legislation Extracts
  - 2 Draft Standing Orders for Meetings of the Waitomo District Council (Doc A455862)
  - 3 LGNZ Guide to Standing Orders (Doc A455993)

## Appendix 1

### Extracts from Schedule 7 of the Local Government Act 2002

#### **27 Standing orders**

- (1) *A local authority must adopt a set of standing orders for the conduct of its meetings and those of its committees.*
- (2) *The standing orders of a local authority must not contravene this Act, the Local Government Official Information and Meetings Act 1987, or any other Act.*
- (3) *After the adoption of the first standing orders of the local authority, an amendment of the standing orders or the adoption of a new set of standing orders requires, in every case, a vote of not less than 75% of the members present.*
- (4) *A local authority or committee may temporarily suspend standing orders during a meeting by a vote of not less than 75% of the members present and voting, and the reason for the suspension must be stated in the resolution of suspension.*
- [ (5) *Where a local authority wishes to permit the use of audio link or audiovisual link for the purposes of clause 25A(1)(a), the local authority—*
  - (a) *must first provide for this matter in its standing orders; and*
  - (b) *may include in its standing orders matters concerning the use of audio links or audiovisual links at meetings, including, without limitation,—*
    - (i) *specifying the type or types of meeting at which members may participate by way of audio link or audiovisual link; and*
    - (ii) *attendance requirements; and*
    - (iii) *prescribing any method or technology of audio links and audiovisual links; and*
    - (iv) *any other requirements that the local authority considers are appropriate to maintain public confidence in the transparency and integrity of decision-making processes and the conduct of members during these processes; and*
    - (v) *specifying that any person wishing to participate in this manner must make prior arrangement with the local authority.]*

#### **16 Members to abide by standing orders**

- (1) *A member of a local authority must abide by the standing orders adopted under clause 27.*
- (2) *A constable, or an officer or employee of a local authority, may, at the request of the chairperson, remove or exclude a member from a meeting if that member is required to leave the meeting by a ruling made under the standing orders and that member -*
  - (a) *refuses or fails to leave the meeting; or*
  - (b) *having left the meeting, attempts to re-enter the meeting without the permission of the chairperson."*

#### **23 Quorum of councils and committees**

- (1) *A meeting is duly constituted if a quorum is present, whether or not all of the members are voting or entitled to vote.*
- (2) *Business may not be transacted at any meeting unless at least a quorum of members is present during the whole of the time at which the business is transacted.*

- (3) *The quorum at a meeting of—*
- (a) *a local authority consists of—*
    - (i) *half of the members if the number of members (including vacancies) is even; or*
    - (ii) *a majority of members if the number of members (including vacancies) is odd; and*
  - (b) *a committee—*
    - (i) *is not fewer than 2 members of the committee (as determined by the local authority or committee that appoints the committee); and*
    - (ii) *in the case of a committee other than a subcommittee, must include at least 1 member of the local authority.*

**24 Voting**

- (1) *The acts of a local authority must be done, and the questions before the local authority must be decided, at a meeting by—*
- (a) *vote; and*
  - (b) *the majority of members that are present and voting.*
- (2) *For the purposes of subsection (1), the mayor or chairperson or other person presiding at the meeting—*
- (a) *has a deliberative vote; and*
  - (b) *in the case of an equality of votes, does not have a casting vote (and therefore the act or question is defeated and the status quo is preserved).*
- (3) *An act or question coming before the local authority must be done or decided by open voting.*
- (4) *Subsections (1) and (2) apply unless—*
- (a) *this Act provides otherwise; or*
  - (b) *the standing orders of the local authority expressly provide otherwise.*

**25A Attendance at meetings by audio link or audiovisual link**

- (1) *A member of a local authority, or of a committee of a local authority, has, unless lawfully excluded, the right to attend any meeting of the local authority or committee by means of audio link or audiovisual link if—*
- (a) *the standing orders of the local authority permit attendance at that meeting by means of audio link or audiovisual link; and*
  - (b) *the presiding member at that meeting is satisfied that all conditions and requirements in the standing orders in relation to attendance at that meeting by means of audio link or audiovisual link are met.*
- (2) *A person other than a member of a local authority, or committee, may participate in a meeting of the local authority or committee by means of audio link or audiovisual link if—*
- (a) *the standing orders of the local authority permit participation at that meeting by persons other than members by means of audio link or audiovisual link; and*
  - (b) *the presiding member at that meeting is satisfied that all conditions and requirements in the standing orders are met in relation to—*
    - (i) *participation at that meeting by persons other than members; and*
    - (ii) *the use of audio link or audiovisual link for that participation.*

- (3) *The person presiding must, for the purposes of subclause (1) or (2), ensure that—*
- (a) *technology for the audio link or audiovisual link is available and is of suitable quality; and*
  - (b) *the procedure for the use of that technology in all the circumstances of the particular meeting will ensure that—*
    - (i) *all those participating in the meeting can hear and be heard by each other; and*
    - (ii) *in relation to subclause (1), the attendance of a member by means of audio link or audiovisual link does not reduce the accountability or accessibility of that person in relation to the meeting; and*
    - (iii) *the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987 are met.*
- (4) *Despite subclauses (1) and (3), a member of the local authority who is not physically present at the meeting is not to be counted as present for the purposes of clause 23.*
- (5) *Nothing in this clause requires a local authority to make technology for an audio link or audiovisual link available.*
- (6) *A document may be given or shown to, or by, a person appearing at a meeting by way of audio link or audiovisual link—*
- (a) *by transmitting it electronically; or*
  - (b) *by use of audiovisual link (if the person is appearing by audiovisual link); or*
  - (c) *by any other manner that the person presiding thinks fit.*
- (7) *In this clause,—*
- audio link** *means facilities that enable audio communication between participants at a meeting when 1 or more of them is not physically present at the place of the meeting*
- audiovisual link** *means facilities that enable audio and visual communication between participants at a meeting when 1 or more of them is not physically present at the place of the meeting.*



Waitomo District Council

# **Standing Orders**

26 November 2019

## Preface

Standing orders contain rules for the conduct of the proceedings of local authorities, committees, subcommittees and subordinate decision-making bodies, and local and community boards. Their purpose is to enable local authorities to exercise their decision-making responsibilities in a transparent, inclusive and lawful manner.

In doing so the application of standing orders contributes to greater public confidence in the quality of local governance and democracy in general.

These standing orders have been designed specifically for local authorities, their committees, subcommittees and subordinate decision-making bodies, and local and community boards. They fulfil the requirements of the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 with regard to the conduct of meetings.

It is mandatory that councils adopt standing order for the conduct of their meetings and the meetings of any subordinate bodies, such as committees and subcommittees (see cl. 27 Schedule 7 of the Local Government Act 2002).

For clarity's sake whenever a question about the interpretation or application of these standing orders is raised, particularly where a matter might not be directly provided for, it is the responsibility of the Chairperson of each meeting to make a ruling.

All members of a local authority must abide by standing orders.

These Standing Orders were adopted by the

### **Waitomo District Council**

at a meeting held on

**26 November 2019**

LGNZ has made every reasonable effort to provide accurate information in this document, however it is not advice and we do not accept any responsibility for actions taken that may be based on reading it.

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Draft Only

## 1. Introduction

These standing orders have been prepared to enable the orderly conduct of local authority meetings. They incorporate the legislative provisions relating to meetings, decision making and transparency. They also include practical guidance on how meetings should operate so that statutory provisions are complied with and the spirit of the legislation fulfilled.

To assist elected members and officials the document is structured in three parts:

- Part 1 deals with general matters.
- Part 2 deals with pre-meeting procedures.
- Part 3 deals with meeting procedures.

The Appendix, which follows Part 3, provides templates and additional guidance for implementing provisions within the standing orders. Please note, the Appendix is an attachment to the standing orders and not part of the standing orders themselves, consequently amendments to the Appendix do not require the agreement of 75% of those present. In addition the 'Guide to Standing Orders' provides additional advice on the application of the standing orders and are also not part of the standing orders.

### 1.1 Principles

Standing orders are part of the framework of processes and procedures designed to ensure that our system of local democracy and in particular decision-making within local government is transparent and accountable. They are designed to give effect to the principles of good governance, which include that a local authority should:

- Conduct its business in an open, transparent and democratically accountable manner;
- Give effect to its identified priorities and desired outcomes in an efficient and effective manner;
- Make itself aware of, and have regard to, the views of all of its communities;
- Take account, when making decisions, of the diversity of the community, its interests and the interests of future communities as well;
- Ensure that any decisions made under these standing orders comply with the decision-making provisions of Part 6 of the LGA; and
- Ensure that decision-making procedures and practices meet the standards of natural justice.

These principles are reinforced by the requirement that all local authorities act so that "governance structures and processes are effective, open and transparent" (s. 39 LGA 2002).

### 1.2 Statutory references

The Standing Orders consist of statutory provisions about meetings along with guidance on how those provisions should be applied in practice. Where a statutory provision has been augmented with advice on how it might be implemented the advice (so as not to confuse it with the statutory obligation) is placed below the relevant legislative reference. In some cases the language in the statutory provision has been modernised for ease of interpretation or amended to ensure consistency with more recently enacted statutes.

It is important to note that statutory references in the standing orders apply throughout the period of a meeting, regardless of whether or not parts or all of the Standing Orders have been suspended. These provisions must also be carried through into any amendment of the standing orders that might be made. Please note, where it is employed the word 'must', unless otherwise stated, identifies a mandatory legislative requirement.

### 1.3 Acronyms

LGA 2002      Local Government Act 2002

LGOIMA	Local Government Official Information and Meetings Act 1987
LAMIA	Local Authorities (Members' Interests) Act 1968

## 1.4 Application

For the removal of any doubt these standing orders do not apply to workshops or meetings of working parties and advisory groups unless specifically included in their terms of reference.

## 2. Definitions

**Adjournment** means a break in the proceedings of a meeting. A meeting, or discussion on a particular business item, may be adjourned for a brief period, or to another date and time.

**Advisory group** means a group of people convened by a local authority for the purpose of providing advice or information that is not a committee or subcommittee. These standing orders do not apply to such groups. This definition also applies to workshops, working parties, working group, panels, forums, portfolio groups, briefings and other similar bodies.

**Agenda** means the list of items for consideration at a meeting together with reports and other attachments relating to those items in the order in which they will be considered. It is also referred to as an 'order paper'.

**Amendment** means any change of proposed change to the original or substantive motion.

**Audio link** means facilities that enable audio communication between participants at a meeting when one or more of the participants is not physically present at the place of the meeting.

**Audio visual link** means facilities that enable audiovisual communication between participants at a meeting when one or more of them is not physically present at the place of the meeting.

**Chairperson** means the person presiding at a meeting – the presiding member.

**Chief executive** means the Chief Executive of a territorial authority or regional council appointed under section 42 of the LGA 2002, and includes, for the purposes of these standing orders, any other officer authorized by the Chief Executive.

**Clear working days** means the number of working days (business hours) prescribed in these standing orders for giving notice and excludes the date of the meeting and date on which the notice is served.

**Committee** includes, in relation to a local authority:

- (a) A committee comprising all the members of that authority;
- (b) A standing committee or special committee appointed by that authority;
- (c) A joint committee appointed under clause 30A of Schedule 7 of the LGA 2002; and
- (d) Any subcommittee of a committee described in (a), (b) and (c) of this definition.

**Community board** means a community board established under s.49 of the LGA 2002.

**Contempt** means being disobedient to, or disrespectful of, the chair of a meeting, or disrespectful to any members, officers or the public.

**Council** means, in the context of these standing orders, the governing body of a local authority.

**Deputation** means a request from any person or group to make a presentation to the local authority which is approved by the Chairperson and which may be made in English, te reo Māori or New Zealand Sign Language.

**Electronic link** means both an audio and audio visual link.

**Emergency meeting** has the same meaning as defined in cl. 22A of Schedule 7 of the LGA 2002.

**Extraordinary meeting** has the same meaning as defined in cl. 22 of Schedule 7 of the LGA 2002.

**Foreshadowed motion** means a motion that a member indicates their intention to move once the debate on a current motion or amendment is concluded.

**Internet site** means, in relation to a local authority or other person or entity, an Internet site that is maintained by, or on behalf of, the local authority, person, or entity and to which the public has free access.

**Joint committee** means a committee in which the members are appointed by more than one local authority in accordance with clause 30A of Schedule 7 of the LGA 2002.

**Karakia timatanga** means an opening prayer.

**Karakia whakamutunga** means a closing prayer.

**Lawfully excluded** means a member of a local authority who has been removed from a meeting due to behaviour that a Chairperson has ruled to be contempt.

**Leave of absence** means a pre-approved absence for a specified period of time consistent with the council policy should one be in place.

**Local authority** means in the context of these standing orders a regional council or territorial authority, as defined in s. 5 of the LGA 2002, which is named in these standing orders, and any subordinate decision-making bodies established by the local authority.

**Mayor** means the Mayor of a territorial authority elected under the Local Electoral Act 2001.

**Meeting** means any first, inaugural, ordinary, or extraordinary meeting of a local authority, subordinate decision-making bodies and any community or local board of the local authority convened under the provisions of LGOIMA.

**Member** means any person elected or appointed to the local authority.

**Mihi whakatau** means a brief welcome typically delivered by one person without any further formalities.

**Minutes** means the record of the proceedings of any meeting of the local authority.

**Motion** means a formal proposal to a meeting.

**Mover** means the member who initiates a motion.

**Newspaper** means a periodical publication published (whether in New Zealand or elsewhere) at intervals not exceeding 40 days, or any copy of, or part of any copy of, any such publications; and this includes every publication that at any time accompanies and is distributed along with any newspaper.

**Notice of motion** means a motion given in writing by a member in advance of a meeting in accordance with, and as provided for, in these standing orders.

**Open voting** means voting that is conducted openly and in a transparent manner (i.e. enables an observer to identify how a member has voted on an issue) and may be conducted by electronic means. The result of the vote must be announced immediately it has concluded. Secret ballots are specifically excluded.

**Order paper** means the list of items for consideration at a meeting together with reports and other attachments relating to those items set out in the order in which they will be considered. An order paper is also referred to as an agenda.

**Ordinary meeting** means any meeting, other than the first meeting, of a local authority publicly notified in accordance with sections 46(1) and (2) of LGOIMA.

**Petition** means a request to a local authority which contains at least 20 signatures.

**Powhiri** means a formal welcome involving a Karanga from the Tangata Whenua (the home people) followed by formal speech making. A Powhiri is generally used for formal occasions of the highest significance.

**Present at the meeting to constitute quorum** means the member is to be physically present in the room.

**Presiding member** means the person chairing a meeting.

**Procedural motion** means a motion that is used to control the way in which a motion or the meeting is managed as specified in standing orders 24.1 – 24.7.

**Public excluded information** refers to information which is currently before a public excluded session, is proposed to be considered at a public excluded session, or had previously been considered at a public excluded session and not yet been released as publicly available information. It includes:

- Any minutes (or portions of minutes) of public excluded sessions which have not been subsequently released by the local authority; and
- Any other information which has not been released by the local authority as publicly available information.

**Public excluded session**, also referred to as confidential or in-committee session, refers to those meetings or parts of meetings from which the public is excluded by the local authority as provided for in LGOIMA.

**Public forum** refers to a period set aside usually at the start of a meeting for the purpose of public input.

**Public notice** in relation to a notice given by a local authority, means one that is made publicly available, until any opportunity for review or appeal in relation to the matter notified has lapsed, on the local authority's Internet site. And in addition, is published in at least one daily newspaper circulating in the region or district of the local authority, or one or more other newspapers that have a combined circulation in that region or district which is at least equivalent to that of a daily newspaper circulating in that region or district.

**Publicly notified** means notified to members of the public by a notice contained in a newspaper circulating in the district of the local authority, or where there is no such newspaper, by notice displayed in a public place. The notice may also be replicated on a council's website.

**Qualified privilege** means the privilege conferred on member by s. 52 and s. 53 of LGOIMA.

**Quasi-judicial** means a meeting involving the consideration of issues requiring the evaluation of evidence, the assessment of legal argument and/or the application of legal principles.

**Quorum** means the minimum number of members required to be present in order to constitute a valid meeting.

**Regional Council Chairperson** means the member of the governing body of a regional council elected as Chairperson of that regional council under cl.25 Schedule 7 LGA 2002.

**Resolution** means a motion that has been adopted by the meeting.

**Right of reply** means the right of the mover of a motion to reply to those who have spoken to the motion. (The right does not apply to an amendment).

**Second** means the member who seconds a motion.

**Sub judice** means under judicial consideration and therefore prohibited from public discussion elsewhere.

**Subordinate decision-making body** means committees, subcommittees, and any other bodies established by a local authority that have decision-making authority, but not local or community boards or joint committees.

**Substantive motion** means the original motion. In the case of a motion that is subject to an amendment, the substantive motion is the original motion incorporating any amendments adopted by the meeting.

**Substantive resolution** means the substantive motion that has been adopted by the meeting or a restatement of a resolution that has been voted on in parts.

**Subcommittee means** a subordinate decision-making body established by a council, or a committee of a council, local board or community board. See definition of "Committee".

**Working day** means a day of the week other than:

- (a) Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, Labour Day, the Sovereign's birthday, and Waitangi Day. If Waitangi Day or Anzac Day falls on a Saturday or a Sunday, then the following Monday;
- (b) The day observed in the appropriate area as the anniversary of the province of which the area forms a part; and
- (c) A day in the period commencing with 20 December in any year and ending with 10 January in the following year.

Should a local authority wish to meet between the 20<sup>th</sup> of December and the 10<sup>th</sup> of January of the following year any meeting must be notified as an extraordinary meeting, unless there is sufficient time to notify an ordinary meeting before the commencement of the period.

**Working party** means a group set up by a local authority to achieve a specific objective that is not a committee or subcommittee and to which these standing orders do not apply.

**Workshop**, means in the context of these standing orders, a gathering of elected members for the purpose of considering matters of importance to the local authority at which no decisions are made and to which these standing orders do not apply. Workshops may include non-elected members. See definition of "advisory group". Workshops are also described as briefings.

## General Matters

### 3. Standing orders

#### 3.1 Obligation to adopt standing orders

A council is required to operate in accordance with standing orders for the conduct of its meetings and the meetings of its committees and subcommittees. Local boards and community boards must also adopt standing orders. Standing orders must not contravene any Act.

*cl. 27(1) & (2), Schedule 7, LGA 2002.*

#### 3.2 Process for adoption and alteration of standing orders

The adoption of standing orders and any amendment to standing orders must be made by the Council and by a vote of not less than 75% of the members present. Similarly, in the case of a local and community board the adoption of standing orders and any amendments also requires a vote of not less than 75% of the members of the specific board.

*cl. 27(3) Schedule 7, LGA 2002.*

#### 3.3 Members must obey standing orders

All members of the local authority, including members of committees and subcommittees, must obey these standing orders. Local boards and community boards which have adopted these standing orders must also comply with them.

*cl. 16(1) Schedule 7, LGA 2002.*

#### 3.4 Application of standing orders

These standing orders apply to all meetings of the local authority, its committees, subcommittees and subordinate decision-making bodies. They will also apply to any local boards and community boards unless stated otherwise. This includes meetings and parts of meetings that the public are excluded from.

#### 3.5 Temporary suspension of standing orders

Any member of a council, committee, subcommittee and subordinate body, and local and community board, may move a motion to suspend specified standing orders at a meeting of which they are a member. Any such motion must also include the reason for the suspension. If seconded, the Chairperson must put the motion without debate and at least 75 per cent of the members present and voting must support the motion for it to be carried.

*cl. 27(4), Schedule 7, LGA 2002.*

A motion to suspend standing orders may also identify the specific standing orders to be suspended. In the event of suspension those standing orders prescribed in statute will continue to apply, such as the quorum requirements.

#### 3.6 Quasi-judicial proceedings

For quasi-judicial proceedings the local authority or a local or community board may amend meeting procedures. For example, committees hearing applications under the RMA 1991 have additional powers under the Commissions of Inquiry Act 1908.

#### 3.7 Physical address of members

Every member of a local authority, local board and community board must give to the Chief Executive a physical residential or business address within the district or region of the local authority and, if desired, an electronic or other address, to which notices and material relating to meetings and local authority business may be sent or delivered. Members are to provide their address within 5 working days of the publication of the declaration of the election results.

## 4. Meetings

### 4.1 Legal requirement to hold meetings

The local authority must hold meetings for the good government of its city, district or region. The same requirement applies to local boards and community boards in respect of their communities. Meetings must be called and conducted in accordance with:

- (a) Schedule 7 of the LGA 2002;
- (b) Part 7 of LGOIMA; and
- (c) These standing orders.

A meeting can be adjourned to a specified time and day if required by resolution of the meeting.

### 4.2 Meeting duration

A meeting cannot continue more than six hours from when it starts (including any adjournments) or after 10.30pm, unless the meeting resolves to continue. If there is no such resolution any business on the agenda that has not been dealt with must be adjourned, transferred to the next meeting or transferred to an extraordinary meeting.

No meeting can sit for more than two hours continuously without a break of at least ten minutes unless the meeting resolves to extend the time before a break.

### 4.3 Language

A member may address a meeting in English, te reo Māori or New Zealand Sign Language. A Chairperson may require that a speech is translated and printed in English or te reo Māori.

If a member intends to address the meeting in New Zealand Sign Language, or in te reo Māori when the normal business of the meeting is conducted in English, they must give prior notice to the Chairperson not less than 2 working days before the meeting.

Where the normal business of the meeting is conducted in te reo Māori then prior notice of the intention to address the meeting in English must also be given to the Chairperson not less than 2 working days before the meeting.

### 4.4 Webcasting meetings

Webcast meetings should be provided in accordance with the protocols contained in Appendix 5.

### 4.5 First meeting (inaugural)

The first meeting of a local authority following a local authority triennial general election must be called by the Chief Executive as soon as practicable after the results of the election are known. The chief executive must give elected members not less than 7 days' notice of the meeting. However in the event of an emergency the Chief Executive may give notice of the meeting as soon as practicable.

*cl. 21(1) - (4), Schedule 7, LGA 2002.*

### 4.6 Requirements for the first meeting

The chief executive (or, in the absence of the Chief Executive, their nominee) must chair the first meeting until the Chairperson has made an oral declaration and attested the declaration (see cl. 21(4), Schedule 7 (LGA 2002)).

The business to be conducted at the first meeting following a general election must include the following:

- (a) The making and attesting of the declarations required of the mayor (if any) and members under cl.14, Schedule7, (LGA 2002);

- (b) The election of the Chairperson (if any) and the making and attesting of the declaration required of the Chairperson under cl. 14 Schedule 7, (LGA 2002);
- (c) A general explanation, given or arranged by the Chief Executive, of:
  - i. LGOIMA; and
  - ii. Other laws affecting members, including the appropriate provisions of the Local Authorities (Members Interests) Act 1968; and sections 99, 105, and 105A of the Crimes Act 1961; and the Secret Commissions Act 1910; and the Financial Markets Conduct Act 2013.
- (d) The fixing of the date and time of the first meeting of the local authority, or the adoption of a schedule of meetings; and
- (e) The election of the deputy Mayor or deputy Chairperson in accordance with cl. 17 Schedule 7, (LGA 2002).

*cl. 21(5), Schedule 7, LGA 2002.*

It is common for councils to adopt standing orders at the first meeting; however this is not always necessary as, if not amended, standing orders will remain in force after each triennial election.

Please note that the election of a deputy mayor is not required if the Mayor has already made the appointment under s. 41A (3)(a) of the LGA 2002 prior to the meeting. Nothing limits a territorial authority from removing a deputy Mayor from office in accordance with cl. 18 of Schedule 7 LGA 2002.

## **5. Appointments and elections**

### **5.1 Mayoral appointment of deputy Mayor, committee chairs and members**

A Mayor may appoint the deputy Mayor, the Chairperson and the members of each committee of the territorial authority. The names of any appointments made by the Mayor must be tabled at the first meeting of the council after the appointments are made. The Mayor may also appoint him or herself.

*s. 41A (3) LGA 2002.*

### **5.2 Council Discharge of a Mayoral Appointment**

Nothing, however, limits or prevents a territorial authority from discharging deputy Mayor, a Chairperson or a member of a committee appointed by the Mayor. Any decision by the territorial authority to discharge a deputy Mayor shall follow the procedure in Standing Order 5.5.

If the Mayor declines to appoint a deputy Mayor or committee Chairpersons in accordance with s. 41A LGA 2002, the council (or a committee, if so directed by the council) must elect those positions in accordance with standing order 5.4.

*cl. 31, Schedule 7 LGA 2002.*

### **5.3 Establishment of committees by the Mayor**

The Mayor may establish committees of the territorial authority. Where a Mayor exercises this right a list of the committees and their terms of reference must be tabled at the next following meeting of the Council. Should the Mayor decline to establish committees under s. 41A then any decision to establish committees must follow the processes set out in these standing orders.

Nothing, however, limits or prevents a territorial authority from discharging or reconstituting, in accordance with cl. 30 of Schedule 7, LGA 2002, a committee established by the Mayor or appointing, more committees in addition to any established by the Mayor.

Please note that a Mayor is a member of every committee unless specific legislation provides otherwise, for example a committee established under s. 189 of the Sale and Supply of Alcohol Act 2012.

*s. 41A (3) and (4) LGA 2002.*

## **5.4 Elections of regional Chairpersons, deputy Mayors and deputy Chairpersons**

The council (or a committee responsible for making the appointment) must decide by resolution to use one of two voting systems (see standing order 5.6) when electing people to the following positions:

- The Chairperson and deputy Chairperson of a regional council;
- The deputy Mayor;
- The Chairperson and deputy Chairperson of a committee; and
- A representative of a local authority.

Please note, this provision does not apply in situations where a mayor has used their appointment powers under s.41A to appoint a deputy Mayor or committee chairs. See Appendix 9.

*cl. 25 Schedule 7, LGA 2002.*

## **5.5 Removal of a deputy Mayor**

A deputy Mayor, whether appointed by the Mayor under standing order 5.1 or elected by the council, can only be removed in accordance with cl. 18, Schedule 7, of the LGA 2002. See Appendix 10.

*cl. 18, Schedule 7, LGA 2002.*

## **5.6 Voting system for chairs, deputy Mayors and committee chairs**

When electing a regional council chair, a deputy Mayor or a committee chair the local authority must resolve to use one of the following two voting systems.

### **System A**

The candidate will be elected or appointed if he or she receives the votes of a majority of the members of the local authority or committee who are present and voting. This system has the following characteristics:

- (a) There is a first round of voting for all candidates;
- (b) If no candidate is successful in the first round, there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and
- (c) If no candidate is successful in the second round, there is a third round, and if necessary subsequent rounds, of voting from which, each time, the candidate with the fewest votes in the previous round is excluded.

In any round of voting, if two or more candidates tie for the lowest number of votes, the person to be excluded from the next round is resolved by lot.

## System B

The candidate will be elected or appointed if he or she receives more votes than any other candidate. This system has the following characteristics:

- (a) There is only one round of voting; and
- (b) If two or more candidates tie for the most votes, the tie is resolved by lot.

*cl. 25 Schedule 7, LGA 2002.*

## 6. Delegations

### 6.1 Limits on delegations

Unless clearly stated in the LGA or any other Act, a council may, for the purposes of efficiency and effectiveness, delegate to a committee, subcommittee, subordinate decision-making body, community board, local board, member, or officer of the local authority, any of its responsibilities, duties, or powers except:

- (a) The power to make a rate;
- (b) The power to make a bylaw;
- (c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan;
- (d) The power to adopt a long-term plan, annual plan, or annual report;
- (e) The power to appoint a chief executive;
- (f) The power to adopt policies required to be adopted and consulted on under the LGA in association with the long-term plan or developed for the purpose of the local governance statement;
- (g) *Repealed*; and
- (h) The power to adopt a remuneration and employment policy.

*cl. 32 (1) Schedule 7, LGA 2002.*

### 6.2 Committees may delegate

A committee, subcommittee, subordinate decision-making body, local board, community board, member, or officer of the local authority, may delegate any of its responsibilities, duties, or powers to a subcommittee or person, subject to any conditions, limitations, or prohibitions imposed by the body that made the original delegation.

*cl. (2) & (3), Schedule 7, LGA 2002.*

### 6.3 Use of delegated powers

The committee, subcommittee, other subordinate decision-making body, community board, or member or officer of the local authority to which or to whom any responsibilities, powers, duties are delegated may, without confirmation by the council, committee or body or person that made the delegation, exercise or perform them in the like manner and with the same effect as the local authority could itself have exercised or performed them.

*cl. 32(2) & (3)(4) Schedule 7, LGA 2002.*

### 6.4 Decisions made under delegated authority cannot be rescinded or amended

Nothing in these standing orders allows a council, committee and subcommittee to rescind or amend a lawfully made decision of a subordinate decision-making body carried out under a delegation authorising the making of that decision. The same requirement applies to a local board and community board in relation to any committees or subcommittees with delegated authority.

*cl. 30 (6), Schedule 7, LGA 2002.*

## **6.5 Committees and sub committees subject to the direction of the local authority**

A committee, subcommittee or other subordinate decision-making body is subject in all things to the control of the local authority, and must carry out all general and special directions of the local authority given to them.

*cl. 30 (3) & (4), Schedule 7, LGA 2002.*

## **6.6 Duty to consider delegations to community boards**

The council of a territorial authority must consider whether or not to delegate to a community board if the delegation will enable the community board to best achieve its role.

*cl. 32(6) Schedule 7, LGA 2002[SM1].*

**Please note:** A council is advised to delegate a range of decision-making responsibilities to its chief executive to cover the period from the day following the Electoral Office's declaration until the new council is sworn in. See the 2019 Guide to Standing Orders for further information.

## **7. Committees**

### **7.1 Appointment of committees and subcommittees**

A council may appoint the committees, subcommittees, and other subordinate decision-making bodies that it considers appropriate. A committee may appoint the subcommittees that it considers appropriate, unless it is prohibited from doing so by the council.

*cl. 30(1) & (2), Schedule 7, LGA 2002.*

### **7.2 Discharge or reconstitution of committees and subcommittees**

Unless expressly provided otherwise in legislation or regulation:

- (a) A local authority may discharge or reconstitute a committee or subcommittee, or other subordinate decision-making body; and
- (b) A committee may discharge or reconstitute a subcommittee.

A committee, subcommittee, or other subordinate decision-making body is, unless a council resolves otherwise, discharged when members elected at a subsequent triennial general election come into office.

*cl. 30 (5) & (7), Schedule 7, LGA 2002.*

**Please note:** s.12 (2) of the Civil Defence and Emergency Management Act 2002 states that a Civil Defence and Emergency Management Group is not deemed to be discharged following a triennial [election\[SM2\]](#). This also applies to District Licensing Committees.

### **7.3 Appointment or discharge of committee members and subcommittee members**

A council may appoint or discharge any member of a committee and, if established by the council, a subcommittee. A committee may appoint or discharge any member of a subcommittee appointed by the committee unless directed otherwise by the council.

*cl. 31 (1) & (2), Schedule 7, LGA 2002.*

### **7.4 Elected members on committees and subcommittees**

The members of a committee or subcommittee may be, but are not required to be, elected members of a local authority. A council or committee may appoint a person who is not a member of the local authority to a committee or subcommittee if, in the opinion of the council or

committee, the person has the skills, attributes or knowledge to assist the committee or subcommittee.

At least one member of a committee must be an elected member of the council. In the case of a committee established by a local board or community board at least one member must be a member of that board. A staff member of the local authority, in the course of their employment, can be a member of a subcommittee but not a committee.

*cl. 31(4) Schedule 7, LGA 2002.*

## **7.5 Local authority may replace members if committee not discharged**

If a local authority resolves that a committee, subcommittee or other subordinate decision-making body is not to be discharged under cl. 30 (7) Schedule 7, LGA 2002, the local authority may replace the members of that committee, subcommittee or subordinate decision-making body after the next triennial general election of members.

*cl. 31(5) Schedule 7, LGA 2002.*

## **7.6 Membership of Mayor**

The Mayor is a member of every committee of the local authority unless specific legislation provides otherwise, such as a committee established under s. 189 of the Sale and Supply of Alcohol Act 2012.

*s. 41A (5), LGA 2002.*

## **7.7 Decision not invalid despite irregularity in membership**

For the purpose of these standing orders a decision of a local authority, committee, local board and community board is not invalidated if:

1. There is a vacancy in the membership of the local authority, committee, local or community board at the time of the decision; or
2. Following the decision some defect in the election or appointment process is discovered and/or that the membership of a person on the committee at the time is found to have been ineligible.

*cl. 29, Schedule 7, LGA 2002.*

## **7.8 Appointment of joint committees**

A local authority may appoint a joint committee with another local authority or other public body if it has reached agreement with each local authority or public body. The agreement must specify:

- (a) The number of members each party may appoint;
- (b) How the Chairperson and deputy Chairperson are to be appointed;
- (c) The terms of reference of the committee;
- (d) What responsibilities, if any, are to be delegated to the committee by each party; and
- (e) How the agreement may be varied.

The agreement may also specify any other matter relating to the appointment, operation, or responsibilities of the committee agreed by the parties.

*cl. 30A (1) & (2), Schedule 7, LGA 2002.*

## **7.9 Status of joint committees**

A joint committee is deemed to be both a committee of a council and a committee of each other participating local authority or public body.

*cl. 30A (5), Schedule 7, LGA 2002.*

## **7.10 Power to appoint or discharge individual members of a joint committee**

The power to discharge any individual member of a joint committee and appoint another member in their stead must be exercised by the council or public body that made the appointment.

*cl. 30A (6)(a), Schedule 7, LGA 2002.*

## **Pre-Meeting**

### **8. Giving notice**

Please note; the processes described in this section (standing orders 8.1 – 8.13) apply as appropriate to local boards and community boards.

#### **8.1 Public notice – ordinary meetings**

All meetings scheduled for the following month must be publicly notified not more than 14 days and not less than 5 days before the end of the current month, together with the dates, the times and places on and at which those meetings are to be held. In the case of meetings held on or after the 21st day of the month public notification may be given not more than 10 nor less than 5 working days before the day on which the meeting is to be held. (See Guide to Standing Orders for more information).

*s. 46, LGOIMA.*

#### **8.2 Notice to members - ordinary meetings**

The chief executive must give notice in writing to each member of the local authority of the date, time and place of any meeting. Notice must be given at least 14 days before the meeting unless the council has adopted a schedule of meetings, in which case notice must be given at least 14 days before the first meeting on the schedule.

*cl. 19 (5), Schedule 7, LGA 2002.*

#### **8.3 Extraordinary meeting may be called**

An extraordinary council meeting may be called by:

- (a) Resolution of the council, or
- (b) A requisition in writing delivered to the Chief Executive which is signed by:
  - i. The Mayor; or
  - ii. Not less than one third of the total membership of the council (including vacancies).

*cl. 22 (1) Schedule 7, LGA 2002.*

#### **8.4 Notice to members - extraordinary meetings**

The chief executive must give notice, in writing, of the time and place of an extraordinary meeting called under standing order 8.3, as well as the general nature of business to be considered to each member of the council at least 3 working days before the day appointed for the meeting. If the meeting is called by a resolution then notice must be provided within such lesser period as is specified in the resolution, as long as it is not less than 24 hours.

*cl. 22 (3), Schedule 7, LGA 2002.*

#### **8.5 Emergency meetings may be called**

If the business a council needs to deal with requires a meeting to be held at a time earlier than is allowed by the notice requirements for holding an extraordinary meeting and it is not practicable to call the meeting by resolution, an emergency meeting may be called by:

- (a) The Mayor; or

- (b) If the Mayor is unavailable, the Chief Executive.

*cl. 22A(1), Schedule 7 LGA 2002.*

## **8.6 Process for calling an emergency meeting**

The notice of the time and place of an emergency meeting, and of the matters in respect of which the emergency meeting is being called, must be given by the person calling the meeting or by another person on that person's behalf.

The notice must be given, by whatever means is reasonable in the circumstances, to each member of the local authority, and to the Chief Executive, at least 24 hours before the time appointed for the meeting.

*cl. 22A (2), Schedule 7 LGA 2002.*

## **8.7 Public notice – emergency and extraordinary meetings**

Where an emergency or extraordinary meeting of a local authority is called but the notice of the meeting is inconsistent with these standing orders, due to the manner in which it was called, the local authority must cause that meeting and the general nature of business to be transacted at that meeting:

- (a) To be publicly notified as soon as practicable before the meeting is to be held; or
- (b) If it is not practicable to publish a notice in newspapers before the meeting, to be notified as soon as practicable on the local authority's Internet site and in any other manner that is reasonable in the circumstances.

*s. 46 (3) LGOIMA.*

## **8.8 Meetings not invalid**

The failure to notify a public meeting under these standing orders does not of itself make that meeting invalid. However, where a local authority becomes aware that a meeting has been incorrectly notified it must, as soon as practicable, give public notice stating:

- That the meeting occurred without proper notification;
- The general nature of the business transacted; and
- The reasons why the meeting was not properly notified.

*s. 46 (6), LGOIMA.*

## **8.9 Resolutions passed at an extraordinary meeting**

A local authority must, as soon as practicable, publicly notify any resolution passed at an extraordinary meeting of the local authority unless:

- (a) The resolution was passed at a meeting or part of a meeting from which the public was excluded; or
- (b) The extraordinary meeting was publicly notified at least 5 working days before the day on which the meeting was held.

*s. 51A, LGOIMA.*

## **8.10 Meeting schedules**

Where the local authority adopts a meeting schedule it may cover any period that the council considers appropriate and may be amended. Notification of the schedule, or an amendment, will constitute notification to members of every meeting on the schedule or the amendment. This does not replace the requirements under LGOIMA to also publicly notify each meeting.

*cl. 19 (6) Schedule 7, LGA 2002.*

## 8.11 Non-receipt of notice to members

A meeting of a local authority is not invalid if notice of that meeting was not received, or not received in due time, by a member of the local authority or board unless:

- (a) It is proved that the person responsible for giving notice of the meeting acted in bad faith or without reasonable care; and
- (b) The member concerned did not attend the meeting.

A member of a local authority may waive the need to be given notice of a meeting.

*cl. 20 (1) & (2) Schedule 7, LGA 2002.*

## 8.12 Meeting cancellations

The Chairperson of a scheduled meeting may cancel the meeting if, in consultation with the Chief Executive, they consider this is necessary for reasons that include lack of business, lack of quorum or clash with another event.

The chief executive must make a reasonable effort to notify members and the public as soon as practicable of the cancellation and the reasons behind it.

## 9. Meeting agenda

### 9.1 Preparation of the agenda

It is the Chief Executive's responsibility to prepare an agenda for each meeting listing and attaching information on the items of business to be brought before the meeting so far as is known, including the names of the relevant members.

When preparing business items for an agenda the Chief Executive should consult the Chairperson.

### 9.2 Process for raising matters for a decision

Requests for reports may be made by a resolution of the council, committee, subcommittee, subordinate decision-making body, local boards or community board and, in the case of all decision-making bodies other than the council, must also fall within the scope of their specific delegations. A process for requesting reports is described in Appendix 13.

### 9.3 Chief executive may delay or refuse request

The Chief Executive may delay commissioning any reports that involve significant cost or are beyond the scope of the committee that made the request. In such cases the Chief Executive will discuss options for meeting the request with the respective Chairperson and report back to a subsequent meeting with an estimate of the cost involved and seek direction on whether the report should still be prepared.

If a member makes a direct request to a Chief Executive asking that a report is prepared the Chief Executive may refuse. In such cases an explanation should be provided to the member.

### 9.4 Order of business

At the meeting the business is to be dealt with in the order in which it stands on the agenda unless the Chairperson, or the meeting, decides otherwise. An example of a default order of business is set out in Appendix 12.

The order of business for an extraordinary meeting must be limited to items that are relevant to the purpose for which the meeting has been called.

### 9.5 Chairperson's recommendation

A Chairperson, either prior to the start of the meeting and/or at the meeting itself, may include a recommendation regarding any item on the agenda brought before the meeting. Where a

Chairperson's recommendation varies significantly from an officer's recommendation the reason for the variation must be explained.

## 9.6 Chairperson's report

The Chairperson of a meeting has the right, through a report, to direct the attention of a meeting to any matter which is on the agenda or which falls within the responsibilities of that meeting, as described in its terms of reference.

## 9.7 Public availability of the agenda

All information provided to members at a local authority, or local or community board, meeting must be publicly available except where an item included in the agenda refers to a matter reasonably expected to be discussed with the public excluded.

*s. 5 & 46A, LGOIMA.*

## 9.8 Public inspection of agenda

Any member of the public may, without payment of a fee, inspect, during normal office hours and within a period of at least 2 working days before a meeting, all agendas and associated reports circulated to members of the local authority and local and community boards relating to that meeting. The agenda:

- (a) Must be available for inspection at the public offices of the local authority (including service centres), at public libraries under the authority's control and on the council's website, and:
- (b) Must be accompanied by either:
  - i. The associated reports; or
  - ii. A notice specifying the places at which the associated reports may be inspected.

*s. 46A (1), LGOIMA.*

## 9.9 Withdrawal of agenda items

If justified by circumstances an agenda item may be withdrawn by the Chief Executive. In the event of an item being withdrawn the Chief Executive should inform the Chairperson.

## 9.10 Distribution of the agenda

The chief executive must send the agenda to every member of a meeting at least two clear working days before the day of the meeting, except in the case of an extraordinary meeting or an emergency meeting (see Standing Orders 8.4 and 8.10).

The chief executive may send the agenda, and other materials relating to the meeting or other council business, to members by electronic means.

## 9.11 Status of agenda

No matter on a meeting agenda, including recommendations, may be considered final until determined by formal resolution of that meeting.

## 9.12 Items of business not on the agenda which cannot be delayed

A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with that item and the Chairperson provides the following information during the public part of the meeting:

- (a) The reason the item is not on the agenda; and
- (b) The reason why the discussion of the item cannot be delayed until a subsequent meeting.

*s. 46A (7), LGOIMA.*

Items not on the agenda may be brought before the meeting through a report from either the Chief Executive or the Chairperson.

**Please note** that nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA 2002 with regard to consultation and decision-making.

## **9.13 Discussion of minor matters not on the agenda**

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion.

*s. 46A (7A), LGOIMA.*

## **9.14 Public excluded business on the agenda**

Items that are likely to be discussed under public excluded must be indicated on each agenda and state the general subject of the item. The chief executive, however, may exclude public access to any reports, or parts of reports, which are reasonably expected to be discussed with the public excluded.

*s. 46A (9), LGOIMA.*

## **9.15 Qualified privilege relating to agenda and minutes**

Where any meeting is open to the public and a member of the public is supplied with a copy of the agenda, or the minutes of that meeting, the publication of any defamatory matter included in the agenda or in the minutes is privileged. This does not apply if the publication is proved to have been made with ill will or improper advantage has been taken of the publication.

*s. 52, LGOIMA.*

## **Meeting Procedures**

### **10. Opening and closing**

Local authorities, local boards and community boards may, at the start of a meeting, choose to recognise the civic importance of the occasion through some form of reflection. This could be an expression of community values, a reminder of the contribution of members who have gone before or a formal welcome, such as a mihi whakataua.

Options for opening a meeting could include a karakia timitanga, mihi whakataua, or powhiri as well as a karakia whakamutunga to close a meeting where appropriate.

### **11. Quorum**

#### **11.1 Council meetings**

The quorum for a meeting of the council is:

- (a) Half of the members physically present, where the number of members (including vacancies) is even; and
- (b) A majority of the members physically present, where the number of members (including vacancies) is odd.

*cl. 23 (3)(a) Schedule 7, LGA 2002.*

## 11.2 Committees and subcommittee meetings

A council sets the quorum for its committees and subcommittees, either by resolution or by stating the quorum in the terms of reference. Committees may set the quorums for their subcommittees by resolution provided that it is not less than two members. (See also 7.4).

In the case of subcommittees the quorum will be two members unless otherwise stated. In the case of committees at least one member of the quorum must be a member of the council, or if established by a local board or community board, the relevant board.

*cl. 23 (3)(b) Schedule 7, LGA 2002.*

## 11.3 Joint Committees

The quorum at a meeting of a joint committee must be consistent with Standing Order 11.1. Local authorities participating in the joint committee may decide, by agreement, whether or not the quorum includes one or more members appointed by each local authority or any party.

*cl. 30A (6)(c) Schedule 7, LGA 2002.*

## 11.4 Requirement for a quorum

A meeting is constituted where a quorum of members is present, whether or not they are all voting or entitled to vote. In order to conduct any business at a meeting, a quorum of members must be present for the whole time that the business is being considered.

*cl. 23(1) & (2) Schedule 7, LGA 2002.*

## 11.5 Meeting lapses where no quorum

A meeting must lapse, and the Chairperson vacate the chair, if a quorum is not present within 30 minutes of the advertised start of the meeting. Where members are known to be travelling to the meeting, but are delayed due to extraordinary circumstance, the Chairperson has discretion to wait for a longer period.

No business may be conducted while waiting for the quorum to be reached. Minutes will record when a meeting lapses due to a lack of a quorum, along with the names of the members who attended.

Should a quorum be lost the meeting will lapse if the quorum is not present within 15 minutes.

## 11.6 Business from lapsed meetings

Where meetings lapse the remaining business will be adjourned and be placed at the beginning of the agenda of the next ordinary meeting, unless the Chairperson sets an earlier meeting and this is notified by the Chief Executive.

## 12. Public access and recording

### 12.1 Meetings open to the public

Except as otherwise provided by Part 7 of LGOIMA, every meeting of the local authority, its committees, subcommittees, local boards and community boards, must be open to the public.

*s.47 & 49(a), LGOIMA.*

### 12.2 Grounds for removing the public

The Chairperson may require any member of the public whose conduct is disorderly, or who is creating a disturbance, to be removed from the meeting.

## 12.3 Local authority may record meetings

Meeting venues should contain clear signage indicating and informing members, officers and the public that proceedings may be recorded by the local authority and may be subject to direction by the Chairperson.

## 12.4 Public may record meetings

Members of the public may make electronic or digital recordings of meetings which are open to the public. Any recording of meetings must be notified to the Chairperson at the commencement of the meeting to ensure that the recording does not distract the meeting from fulfilling its business.

Where circumstances require the Chairperson may stop the recording for a period of time.

## 13. Attendance

### 13.1 Members right to attend meetings

A member of a local authority, or of a committee of a local authority, has, unless lawfully excluded, the right to attend any meeting of the local authority or committee.

*cl. 19(2), Schedule 7, LGA 2002.*

If the member of the local authority is not an appointed member of the meeting at which they are in attendance they may not vote on any matter at that meeting. However, they may, with the leave of the chair, take part in the meeting's discussions.

A member attending a meeting of which they are not an appointed member is not a member of the public for the purpose of s.48 LGOIMA. Consequently, if the meeting resolves to exclude the public any members of the local authority who are present may remain unless they are lawfully excluded.

Please note: this section does not confer any rights to non-elected members appointed to committees of a local authority.

### 13.2 Attendance when a committee is performing judicial or quasi-judicial functions

When a committee is performing judicial or quasi-judicial functions members of the local authority who are not members of that committee are not entitled to take part in the proceedings.

### 13.3 Leave of absence

A council may grant a member leave of absence following an application from that member. The council may delegate the power to grant a leave of absence to the Mayor in order to protect a members' privacy.

The Mayor may approve a members' application, and the Council may approve an application from the Mayor. The Mayor will advise all members of the council whenever a member has been granted leave of absence under delegated authority. Meeting minutes will record that a member has leave of absence as an apology for that meeting.

### 13.4 Apologies

A member who does not have leave of absence may tender an apology should they be absent from all or part of a meeting. The Mayor (or acting chair) must invite apologies at the beginning of each meeting, including apologies for lateness and early departure. The meeting may accept or decline any apologies. Members may be recorded as absent on council business where their absence is a result of a commitment made on behalf of the council.

For clarification, the acceptance of a member's apology constitutes a grant of 'leave of absence' for that meeting.

## 13.5 Recording apologies

The minutes will record any apologies tendered before or during the meeting, including whether they were accepted or declined and the time of arrival and departure of all members.

## 13.6 Absent without leave

Where a member is absent from four consecutive meetings of the council, local board or community board without leave of absence or an apology being accepted (not including extraordinary or emergency meetings) then the office held by the member will become vacant. A vacancy created in this way is treated as an extraordinary vacancy.

*cl. 5 (d) Schedule 7, LGA 2002.*

## 13.7 Right to attend by audio or audio visual link

Provided the conditions in standing orders 13.11 and 13.12 are met members of the local authority and its committees (and members of the public for the purpose of a deputation approved by the Chairperson), have the right to attend meetings by means of an electronic link, unless they have been lawfully excluded.

## 13.8 Member's status: quorum

Members who attend meetings by electronic link will not be counted as present for the purposes of a quorum.

*cl. 25A (4), Schedule 7, LGA 2002.*

## 13.9 Member's status: voting

Where a meeting has a quorum, determined by the number physically present, the members attending by electronic link can vote on any matters raised at the meeting.

## 13.10 Chairperson's duties

Where the technology is available and a member is attending a meeting by audio or audio visual link, the Chairperson must ensure that:

- (a) The technology for the link is available and of suitable quality; and
- (b) Procedures for using the technology in the meeting will ensure that:
  - i. Everyone participating in the meeting can hear each other;
  - ii. The member's attendance by audio or audio visual link does not reduce their accountability or accessibility of that person in relation to the meeting;
  - iii. The requirements of Part 7 of LGOIMA are met; and
  - iv. The requirements in these standing orders are met.

If the Chairperson is attending by audio or audio visual link then chairing duties will be undertaken by the deputy chair or a member who is physically present.

*cl. 25A (3) schedule 7, LGA 2002.*

## 13.11 Conditions for attending by audio or audio visual link

Noting standing order 13.7, the Chairperson may give approval for a member to attend meetings by electronic link, either generally or for a specific meeting. Examples of situations where approval can be given include:

- (a) Where the member is at a place that makes their physical presence at the meeting impracticable or impossible;
- (b) Where a member is unwell; and
- (c) Where a member is unable to attend due to an emergency.

## 13.12 Request to attend by audio or audio visual link

Where possible, a member will give the Chairperson and the Chief Executive at least 2 working days' notice when they want to attend a meeting by audio or audio visual link. Should, due to illness or emergency, this is not possible the member may give less notice.

Where such a request is made and the technology is available, the Chief Executive must take reasonable steps to enable the member to attend by audio or audio-visual link. However, the council has no obligation to make the technology for an audio or audio-visual link available.

If the member's request cannot be accommodated, or there is a technological issue with the link, this will not invalidate any acts or proceedings of the local authority or its committees.

## 13.13 Chairperson may terminate link

The Chairperson may direct that an electronic link should be terminated where:

- (a) Use of the link is increasing, or may unreasonably increase, the length of the meeting;
- (b) The behaviour of the members using the link warrants termination, including the style, degree and extent of interaction between members;
- (c) It is distracting to the members who are physically present at the meeting; and
- (d) The quality of the link is no longer suitable.

## 13.14 Giving or showing a document

A person attending a meeting by audio or audio visual link may give or show a document by:

- (a) Transmitting it electronically;
- (b) Using the audio visual link; or
- (c) Any other manner that the Chairperson thinks fit.

*cl. 25(A) (6) schedule 7, LGA 2002.*

## 13.15 Link failure

Where an audio or audio visual link fails, or there are other technological issues that prevent a member who is attending by link from participating in a meeting, that member must be deemed to be no longer attending the meeting.

## 13.16 Confidentiality

A member who is attending a meeting by audio or audio visual link must ensure that the meeting's proceedings remain confidential during any times that the public are excluded. At such times, the Chairperson may require the member to confirm that no unauthorised people are able to view or hear the proceedings.

## 14. Chairperson's role in meetings

### 14.1 Council meetings

The Mayor must preside at meetings of the council unless they vacate the chair for a part or all of a meeting. If the Mayor is absent from a meeting or vacates the chair, the deputy Mayor must act as chairperson. If the deputy Mayor is also absent the local authority members who are present must elect a member to be the Chairperson at that meeting. This person may exercise the meeting responsibilities, duties and powers of the Mayor for that meeting.

*cl. 26(1), (5) & (6) Schedule 7, LGA 2002.*

### 14.2 Other meetings

In the case of committees, subcommittees and subordinate decision-making bodies, the appointed Chairperson must preside at each meeting unless they vacate the chair for all or part of a meeting. If the Chairperson is absent from a meeting or vacates the chair, the deputy Chairperson (if any)

will act as Chairperson. If the deputy Chairperson is also absent, or has not been appointed, the committee members who are present must elect a member to act as Chairperson. This person may exercise the meeting responsibilities, duties and powers of the Chairperson.

*cl. 26(2), (5) & (6), schedule 7 LGA 2002.*

### **14.3 Addressing the Chairperson**

Members will address the Chairperson in a manner that the Chairperson has determined.

### **14.4 Chairperson's rulings**

The Chairperson will decide all procedural questions where insufficient provision is made by these standing orders and with regard to all points of order. Any refusal to obey a Chairperson's ruling or direction constitutes contempt.

### **14.5 Chairperson standing**

Whenever the Chairperson stands during a debate members are required to sit down (if required to stand to address the meeting) and be silent so that they can hear the Chairperson without interruption.

### **14.6 Member's right to speak**

Members are entitled to speak in accordance with these standing orders. Members should address the Chairperson when speaking. They may not leave their place while speaking, unless they have the leave of the Chairperson.

### **14.7 Chairperson may prioritise speakers**

When two or more members want to speak the Chairperson will name the member who may speak first. Other members who wish to speak have precedence where they intend to:

- (a) Raise a point of order, including a request to obtain a time extension for the previous speaker; and/or
- (b) Move a motion to terminate or adjourn the debate; and/or
- (c) Make a point of explanation; and/or
- (d) Request the chair to permit the member a special request.

## **15. Public Forums**

Public forums are a defined period of time, usually at the start of an ordinary meeting, which, at the discretion of a meeting, is put aside for the purpose of public input. Public forums are designed to enable members of the public to bring matters, not necessarily on the meeting's agenda, to the attention of the local authority.

In the case of a committee, subcommittee, local or community board, any issue, idea or matter raised in a public forum must fall within the terms of reference of that body.

### **15.1 Time limits**

A period of up to 30 minutes, or such longer time as the meeting may determine, will be available for the public forum at each scheduled local authority meeting. Requests must be made to the Chief Executive (or their delegate) at least one clear day before the meeting; however this requirement may be waived by the Chairperson. Requests should also outline the matters that will be addressed by the speaker(s).

Speakers can speak for up to 5 minutes. No more than two speakers can speak on behalf of an organisation during a public forum. Where the number of speakers presenting in the public forum exceeds 6 in total, the Chairperson has discretion to restrict the speaking time permitted for all presenters.

## 15.2 Restrictions

The Chairperson has the discretion to decline to hear a speaker or to terminate a presentation at any time where:

- A speaker is repeating views presented by an earlier speaker at the same public forum;
- The speaker is criticising elected members and/or staff;
- The speaker is being repetitious, disrespectful or offensive;
- The speaker has previously spoken on the same issue;
- The matter is subject to legal proceedings; and
- The matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.

## 15.3 Questions at public forums

At the conclusion of the presentation, with the permission of the Chairperson, elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by a speaker.

## 15.4 No resolutions

Following the public forum no debate or decisions will be made at the meeting on issues raised during the forum unless related to items already on the agenda. (See the 2019 Guide to Standing Orders for suggestions of good practice in dealing with issues raised during a forum).

## 16. Deputations

The purpose of a deputation is to enable a person, group or organisation to make a presentation to a meeting on a matter or matters covered by that meeting's terms of reference. Deputations should be approved by the Chairperson, or an official with delegated authority, five working days before the meeting. Deputations may be heard at the commencement of the meeting or at the time that the relevant agenda item is being considered.

### 16.1 Time limits

Speakers can speak for up to 5 minutes, or longer at the discretion of the Chairperson. No more than two speakers can speak on behalf of an organisation's deputation.

### 16.2 Restrictions

The Chairperson has the discretion to decline to hear or terminate a deputation at any time where:

- A speaker is repeating views presented by an earlier speaker at the meeting;
- The speaker is criticising elected members and/or staff;
- The speaker is being repetitious, disrespectful or offensive;
- The speaker has previously spoken on the same issue;
- The matter is subject to legal proceedings; and
- The matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.

### 16.3 Questions of a deputation

At the conclusion of the deputation members may, with the permission of the Chairperson, ask questions of any speakers. Questions are to be confined to obtaining information or clarification on matters raised by the deputation.

### 16.4 Resolutions

Any debate on a matter raised in a deputation must occur at the time at which the matter is scheduled to be discussed on the meeting agenda and once a motion has been moved and seconded.

## 17. Petitions

### 17.1 Form of petitions

Petitions may be presented to the local authority or any of its committees, local boards or community boards, as long as the subject matter falls within the terms of reference of the intended meeting.

Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories). They must be received by the Chief Executive at least 5 working days before the date of the meeting at which they will be presented.

Petitions must not be disrespectful, use offensive language or include malicious statements (see standing order 19.9 on qualified privilege). They may be written in English or te reo Māori. Petitioners planning to present their petition in te reo or sign language should advise the Chief Executive in time to allow translation services to be arranged.

### 17.2 Petition presented by petitioner

A petitioner who presents a petition to the local authority or any of its committees and subcommittees, local boards or community boards, may speak for 5 minutes (excluding questions) about the petition, unless the meeting resolves otherwise. The Chairperson must terminate the presentation of the petition if he or she believes the petitioner is being disrespectful, offensive or making malicious statements.

Where a petition is presented as part of a deputation or public forum the speaking time limits relating to deputations or public forums shall apply. The petition must be received by the Chief Executive at least 5 working days before the date of the meeting concerned.

### 17.3 Petition presented by member

Members may present petitions on behalf of petitioners. In doing so, members must confine themselves to presenting:

- (a) The petition;
- (b) The petitioners' statement; and
- (c) The number of signatures.

## 18. Exclusion of public

### 18.1 Motions and resolutions to exclude the public

Members of a meeting may resolve to exclude the public from a meeting. The grounds for exclusion are those specified in section 48 of LGOIMA (see Appendix 1).

Every motion to exclude the public must be put while the meeting is open to the public, and copies of the motion must be available to any member of the public who is present. If the motion is passed the resolution to exclude the public must be in the form set out in schedule 2A of LGOIMA (see Appendix 2). The resolution must state:

- (a) The general subject of each matter to be excluded;
- (b) The reason for passing the resolution in relation to that matter; and
- (c) The grounds on which the resolution is based.

The resolution will form part of the meeting's minutes.

s. 48 LGOIMA.

## 18.2 Specified people may remain

Where a meeting resolves to exclude the public, the resolution may provide for specified persons to remain if, in the opinion of the meeting, they will assist the meeting to achieve its purpose. Any such resolution must state, in relation to the matter to be discussed, how the knowledge held by the specified people is relevant and be of assistance.

No such resolution is needed for people who are entitled to be at the meeting, such as relevant staff and officials contracted to the council for advice on the matter under consideration.

*s.48 (6) LGOIMA.*

## 18.3 Public excluded items

The chief executive must place in the public-excluded section of the agenda any items that he or she reasonably expects the meeting to consider with the public excluded. The public excluded section of the agenda must indicate the subject matter of the item and the reason the public are excluded.

*s.46A (8) LGOIMA.*

## 18.4 Non-disclosure of information

No member or officer may disclose to any person, other than another member, officer or person authorised by the Chief Executive, any information that has been, or will be, presented to any meeting from which the public is excluded, or proposed to be excluded.

This restriction does not apply where a meeting has resolved to make the information publicly available or where the Chief Executive has advised, in writing, that one or both of the following apply:

- (a) There are no grounds under LGOIMA for withholding the information; and
- (b) The information is no longer confidential.

## 18.5 Release of information from public excluded session

A local authority may provide for the release to the public of information which has been considered during the public excluded part of a meeting.

Each public excluded meeting must consider and agree by resolution, what, if any, information will be released to the public. In addition the Chief Executive may release information which has been considered at a meeting from which the public has been excluded where it is determined the grounds to withhold the information no longer exist. The chief executive will inform the subsequent meeting of the nature of the information released.

## 19. Voting

### 19.1 Decisions by majority vote

Unless otherwise provided for in the LGA 2002, other legislation or standing orders, the acts of and questions before a local authority (or local and community boards) must be decided at a meeting through a vote exercised by the majority of the members of that meeting voting.

*cl. 24 (1), Schedule 7, LGA 2002.*

### 19.2 Open voting

An act or question coming before the local authority must be done or decided by open voting.

*cl. 24 (3) Schedule 7, LGA 2002.*

## 19.3 Chairperson has a casting vote

The Mayor, Chairperson or any other person presiding at a meeting has a deliberative vote and, in the case of an equality of votes, has a casting vote.

[SM3]cl. 24 (2) Schedule 7, LGA 2002.

## 19.4 Method of voting

The method of voting must be as follows:

- (a) The Chairperson in putting the motion must call for an expression of opinion on the voices or take a show of hands, the result of either of which, as announced by the Chairperson, must be conclusive unless such announcement is questioned immediately by any member, in which event the Chairperson will call a division;
- (b) The Chairperson or any member may call for a division instead of or after voting on the voices and/or taking a show of hands; and
- (c) Where a suitable electronic voting system is available that system may be used instead of a show of hands, vote by voices, or division, and the result publicly displayed and notified to the Chairperson who must declare the result.

## 19.5 Calling for a division

When a division is called, the Chief Executive must record the names of the members voting for and against the motion and abstentions and provide the names to the Chairperson to declare the result. The result of the division must be entered into the minutes and include members' names and the way in which they voted.

The Chairperson may call a second division where there is confusion or error in the original division.

## 19.6 Request to have votes recorded

If requested by a member immediately after a vote the minutes must record the member's vote or abstention. Recording any other matters e.g. reason for the vote or abstention is not permitted.

## 19.7 Members may abstain

Any member may abstain from voting.

## 20. Conduct

### 20.1 Calling to order

When the Chairperson calls members to order they must be seated and stop speaking. If the members fail to do so, the Chairperson may direct that they should leave the meeting immediately for a specified time.

### 20.2 Behaviour consistent with Code of Conduct

No member, at any meeting, may act inconsistently with their Code of Conduct or speak or act in a manner which is disrespectful of other members, staff or the public.

### 20.3 Retractions and apologies

In the event of a member or speaker who has been disrespectful of another member or contravened the council's Code of Conduct, the Chairperson may call upon that member or speaker to withdraw the offending comments, and may require them to apologise. If the member refuses to do so the Chairperson may direct that they should leave the meeting immediately for a specified time and/or make a complaint under the Code of Conduct.

## 20.4 Disorderly conduct

Where the conduct of a member is disorderly or is creating a disturbance the Chairperson may require that member to leave the meeting immediately for a specified time.

If the disorder continues the Chairperson may adjourn the meeting for a specified time. At the end of this time the meeting must resume and decide, without debate, whether the meeting should proceed or be adjourned.

The Chairperson may also adjourn the meeting if other people cause disorder or in the event of an emergency.

## 20.5 Contempt

Where a member is subject to repeated cautions by the Chairperson for disorderly conduct the meeting may, should it so decide, resolve that the member is in contempt. Any such resolution must be recorded in the meeting's minutes.

## 20.6 Removal from meeting

A member of the police or authorised security personnel may, at the Chairperson's request, remove or exclude a member from a meeting.

This standing order will apply where the Chairperson has ruled that the member should leave the meeting and the member has refused or failed to do so; or has left the meeting and attempted to re-enter it without the Chairperson's permission.

## 20.7 Financial conflicts of interests

Every member present at a meeting must declare any direct or indirect financial interest that they hold in any matter being discussed at the meeting, other than an interest that they hold in common with the public.

No member may vote on, or take part in, a discussion about any matter in which they have a direct or indirect financial interest unless an exception set out in s.6 LAMIA applies to them, or the Auditor-General has granted them an exemption or declaration under s.6.

Members with a financial interest should physically withdraw themselves from the table unless the meeting is in public excluded in which case they should leave the room.

Neither the Chairperson nor the meeting may rule on whether a member has a financial interest in the matter being discussed. The minutes must record any declarations of financial interests and the member's abstention from any discussion and voting on the matter.

*s. 6 & 7 LAMIA.*

## 20.8 Non-financial conflicts of interests

Non-financial interests always involve questions of judgement and degree about whether the responsibility of a member of a local authority (or local or community board) could be affected by some other separate interest or duty of that member in relation to a particular matter. If a member considers that they have a non-financial conflict of interest in a matter they must not take part in the discussions about that matter or any subsequent vote.

The member must leave the table when the matter is considered, but does not need to leave the room. The minutes must record the declaration and member's subsequent abstention from discussion and voting.

Neither the Chairperson nor the meeting may rule on whether a member has a non-financial interest in the matter being discussed.

## **20.9 Qualified privilege for meeting proceedings**

Any oral statement made at any meeting of the local authority in accordance with the rules adopted by the local authority for guiding its proceedings is privileged, unless the statement is proved to have been made with ill will or took improper advantage of the occasion of publication.

*s. 53, LGOIMA.*

## **20.10 Qualified privilege additional to any other provisions**

The privilege referred to above is in addition to any other privilege, whether absolute or qualified, that applies as a result of any other enactment or rule of law applying to any meeting of the local authority.

*s. 53, LGOIMA.*

## **20.11 Electronic devices at meetings**

Electronic devices and phones can only be used to advance the business of a meeting.

Personal use may only occur at the discretion of the chair. A Chairperson may require that an electronic device is switched off if its use is likely to distract a meeting from achieving its business or a member is found to be receiving information or advice from sources not present at the meeting which may affect the integrity of the proceedings.

## **21. General rules of debate**

### **21.1 Chairperson may exercise discretion**

The application of any procedural matters in this section of the standing orders, such as the number of times a member may speak or when a chair can accept a procedural motion to close or adjourn a debate, is subject to the discretion of the Chairperson.

### **21.2 Time limits on speakers**

The following time limits apply to members speaking at meetings:

- (a) Movers of motions when speaking to the motion – not more than 5 minutes;
- (b) Movers of motions when exercising their right of reply – not more than 5 minutes; and
- (c) Other members – not more than 5 minutes.

Time limits can be extended if a motion to that effect is moved, seconded and supported by a majority of members present.

### **21.3 Questions to staff**

During a debate members can ask staff questions about the matters being discussed. Questions must be asked through the Chairperson and how the question should be dealt with is at the Chairperson's discretion.

### **21.4 Questions of clarification**

At any point of a debate a member may ask the Chairperson for clarification about the nature and content of the motion which is the subject of the debate and the particular stage the debate has reached.

### **21.5 Members may speak only once**

A member may not speak more than once to a motion at a meeting of the council, except with permission of the Chairperson. Members can speak more than once to a motion at a committee or subcommittee meeting with the chairperson's permission.

## **21.6 Limits on number of speakers**

If three speakers have spoken consecutively in support of, or in opposition to, a motion, the Chairperson may call for a speaker to the contrary. If there is no speaker to the contrary, the Chairperson must put the motion after the mover's right of reply.

Members speaking must, if requested by the Chairperson, announce whether they are speaking in support of, or opposition to, a motion.

## **21.7 Seconder may reserve speech**

A member may second a motion or amendment without speaking to it, reserving the right to speak later in the debate.

## **21.8 Speaking only to relevant matters**

Members may speak to any matter before the meeting; a motion or amendment which they propose; and to raise a point of order arising out of debate, but not otherwise. Members must confine their remarks strictly to the motion or amendment they are speaking to.

The Chairperson's rulings on any matters arising under this standing order are final and not open to challenge.

## **21.9 Restating motions**

At any time during a debate a member may ask, for their information, that the Chairperson restate a motion and any amendments; but not in a manner that interrupts a speaker.

## **21.10 Criticism of resolutions**

A member speaking in a debate may not unduly criticise the validity of any resolution except by a notice of motion to amend or revoke the resolution.

## **21.11 Objecting to words**

When a member objects to any words used by another member in a speech and wants the minutes to record their objection, they must object at the time when the words are used and before any other member has spoken. The Chairperson must order the minutes to record the objection.

## **21.12 Right of reply**

The mover of an original motion has a right of reply. A mover of an amendment to the original motion does not. In their reply, the mover must confine themselves to answering previous speakers and not introduce any new matters.

A mover's right of reply can only be used once. It can be exercised either at the end of the debate on the original, substantive or substituted motion or at the end of the debate on a proposed amendment.

However, the original mover may reserve their right of reply and speak once to the principal motion and once to each amendment without losing that right of reply. If a closure motion is carried the mover of the motion has the right of reply before the motion or amendment is put to the vote.

## **21.13 No other member may speak**

In exercising a right of reply, no other member may speak:

- (a) After the mover has started their reply;
- (b) After the mover has indicated that they want to forego this right; and
- (c) Where the mover has spoken to an amendment to the original motion and the Chairperson has indicated that he or she intends to put the motion.

## 21.14 Adjournment motions

The carrying of any motion to adjourn a meeting must supersede other business still remaining to be disposed of. Any such business must be considered at the next meeting. Business referred to, or referred back to, a specified committee or local or community board, is to be considered at the next ordinary meeting of that committee or board, unless otherwise specified.

## 21.15 Chairperson's acceptance of closure motions

The Chairperson may only accept a closure motion where there have been at least two speakers for and two speakers against the motion that is proposed to be closed, or the Chairperson considers it reasonable to do so.

However, the Chairperson must put a closure motion if there are no further speakers in the debate. When the meeting is debating an amendment, the closure motion relates to the amendment. If a closure motion is carried, the mover of the motion under debate has the right of reply after which the Chairperson puts the motion or amendment to the vote.

## 22. General procedures for speaking and moving motions

### 22.1 Options for speaking and moving

This subsection provides three options for speaking and moving motions and amendments at a meeting of a local authority, its committees and subcommittees, and any local or community boards.

Option C applies unless, on the recommendation of the chairperson at the beginning of a meeting, the meeting resolves [by simple majority] to adopt either Option A or Option B for the meeting generally, or for any specified items on the agenda.

### 22.2 Option A

- The mover and seconder of a motion cannot move or second an amendment. (This does not apply when the mover or seconder of a motion to adopt a report of a committee wants to amend an item in the report. In this case the original mover or seconder may also propose or second the suggested amendment).
- Only members who have not spoken to the original or substituted motion may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost cannot move or second a subsequent amendment.
- Members can speak to any amendment and, provided they have not spoken to the motion or moved or seconded an amendment, they can move or second further amendments.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

### 22.3 Option B

- The mover and seconder of a motion cannot move or second an amendment. (This does not apply when the mover or seconder of a motion to adopt a report of a committee wants to amend an item in the report. In this case the original mover or seconder may also propose or second the suggested amendment).
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment that is carried can move or second a subsequent amendment. A mover or seconder of an amendment which is lost cannot move or second a subsequent amendment.
- Members can speak to any amendment.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

## 22.4 Option C

- The mover and seconder of a motion can move or second an amendment.
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost can move or second further amendments.
- Members can speak to any amendment.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

## 22.5 Procedure if no resolution reached

If no resolution is reached the Chairperson may accept a new motion to progress the matter under discussion.

## 23. Motions and amendments

### 23.1 Proposing and seconding motions

All motions and amendments moved during a debate must be seconded (including notices of motion). The Chairperson may then state the motion and propose it for discussion.

Amendments and motions that are not seconded are not valid and are not entered in the minutes.

### 23.2 Motions in writing

The Chairperson may require movers of motions and amendments to provide them in writing, signed by the mover.

### 23.3 Motions expressed in parts

The Chairperson, or any member, can require a motion that has been expressed in parts to be decided part by part.

### 23.4 Substituted motion

Where a motion is subject to an amendment the meeting may substitute the motion with the amendment, provided the mover and seconder of the original motion agree to its withdrawal. All members may speak to the substituted motion.

### 23.5 Amendments to be relevant and not direct negatives

Every proposed amendment must be relevant to the motion under discussion. Proposed amendments cannot be similar to an amendment that has already been lost. An amendment cannot be a direct negative to the motion or the amended motion.

Please note that amendments that are significantly different must comply with the decision-making provisions of the Part 6, LGA 2002.

### 23.6 Chairperson may recommend amendment

A Chairperson, when moving the adoption of a recommendation from a committee or sub-committee to the council can include in the motion an amendment to the committee or sub-committee's recommendation.

### 23.7 Foreshadowed amendments

The meeting must dispose of an existing amendment before a new amendment can be foreshadowed. However, members may notify the Chairperson that they intend to move further amendments as well as the nature of the content of those amendments.

## 23.8 Lost amendments

Where an amendment is lost, the meeting will resume the debate on the original or substituted motion. Any member who has not spoken to that motion may speak to it, and may move or second a further amendment.

## 23.9 Carried amendments

Where an amendment is carried the meeting will resume the debate on the original motion as amended. This will now be referred to as the substantive motion. Members who have not spoken to the original motion may speak to the substantive motion, and may move or second a further amendment to it.

## 23.10 Where a motion is lost

In a situation where a motion that recommends a course of action is lost a new motion, with the consent of the Chairperson, may be proposed to provide direction.

## 23.11 Withdrawal of motions and amendments

Once a motion or amendment which has been seconded has been put to the meeting by the Chairperson the mover cannot withdraw it without the consent of the majority of the members who are present and voting.

The mover of an original motion, which has been subject to an amendment that has been moved and seconded, cannot withdraw the original motion until the amendment has either been lost or withdrawn by agreement, as above.

## 23.12 No speakers after reply or motion has been put

A member may not speak to any motion once:

- (a) The mover has started their right of reply in relation to the motion; and
- (b) The Chairperson has started putting the motion.

## 24. Revocation or alteration of resolutions

### 24.1 Member may move revocation of a decision

A member may give the Chief Executive a notice of motion for the revocation or alteration of all or part of a previous resolution of the council, subordinate body, local or community board. The notice must set out:

- (a) The resolution or part of the resolution which the member proposes to revoke or alter;
- (b) The meeting date when the resolution was passed;
- (c) The motion, if any, which the member proposes to replace it with; and
- (d) Sufficient information to satisfy the decision-making provisions of sections 77-82 of the LGA 2002.

If the mover of the notice of motion is unable to provide this information, or the decision is likely to be deemed a significant decision, the notice of motion should provide that the proposal is referred to the Chief Executive for consideration and report.

### 24.2 Revocation must be made by the body responsible for the decision

If a resolution is made under delegated authority by a committee, subcommittee or subordinate decision-making body, or a local or community board, only that body may revoke or amend the resolution, assuming the resolution is legally made.

This provision does not prevent the body that made the delegation from removing or amending a delegation given to a subordinate body or local board or community board.

*cl. 30 (6) Schedule 7, LGA 2002.*

## 24.3 Requirement to give notice

A member must give notice to the Chief Executive at least 5 working days before the meeting at which it is proposed to consider the motion. The notice is to be signed by not less than one third of the members of the local authority, including vacancies. Notice can be sent via email and include the scanned electronic signatures of members. If the notice of motion is lost, no similar notice of motion which is substantially the same in purpose and effect may be accepted within the next twelve months.

## 24.4 Restrictions on actions under the affected resolution

Once a notice of motion to revoke or alter a previous resolution has been received no irreversible action may be taken under the resolution in question until the proposed notice of motion has been dealt with.

Exceptions apply where, in the opinion of the Chairperson:

- (a) The practical effect of delaying actions under the resolution would be the same as if the resolution had been revoked;
- (b) By reason of repetitive notices, the effect of the notice is an attempt by a minority to frustrate the will of the local authority or the committee that made the previous resolution.

In either of these situations, action may be taken under the resolution as though no notice of motion had been given to the Chief Executive.

## 24.5 Revocation or alteration by resolution at same meeting

A meeting may revoke or alter a previous resolution made at the same meeting where, during the course of the meeting, it receives fresh facts or information concerning the resolution. In this situation 75 per cent of the members present and voting must agree to the revocation or alteration.

## 24.6 Revocation or alteration by recommendation in report

The local authority, on a recommendation in a report by the Chairperson, chief executive, or any committee or subcommittee, local or community board, may revoke or alter all or part of a resolution passed by a previous meeting. The chief executive must give at least two clear working days' notice of any meeting that will consider a revocation or alteration recommendation.

*cl. 30 (6) Schedule 7, LGA 2002.*

## 25. Procedural motions

### 25.1 Procedural motions must be taken immediately

A procedural motion to close or adjourn a debate will take precedence over other business, except points of order and rights of reply. If the procedural motion is seconded the Chairperson must put it to the vote immediately, without discussion or debate. A procedural motion to close or adjourn debate can be taken after two speakers have spoken for the motion and two against or, in the chairperson's opinion, it is reasonable to accept the closure motion.

### 25.2 Procedural motions to close or adjourn a debate

Any member who has not spoken on the matter under debate may move any one of the following procedural motions to close or adjourn a debate:

- (a) That the meeting be adjourned to the next ordinary meeting (unless the member states an alternative time and place);
- (b) that the motion under debate should now be put (a closure motion);
- (c) That the item being discussed should be adjourned to a specified time and place and not be further discussed at the meeting;

- (d) That the item of business being discussed should lie on the table and not be further discussed at this meeting; (items lying on the table at the end of the triennium will be deemed to have expired); and
- (e) That the item being discussed should be referred (or referred back) to the relevant committee or local or community board.

A member seeking to move a procedural motion must not interrupt another member who is already speaking.

### **25.3 Voting on procedural motions**

Procedural motions to close or adjourn a debate must be decided by a majority of all members who are present and voting. If the motion is lost no member may move a further procedural motion to close or adjourn the debate within the next 15 minutes.

### **25.4 Debate on adjourned items**

When debate resumes on items of business that have been previously adjourned all members are entitled to speak on the items.

### **25.5 Remaining business at adjourned meetings**

Where a resolution is made to adjourn a meeting, the remaining business will be considered at the next meeting.

### **25.6 Business referred to the council, committee or local or community board**

Where an item of business is referred (or referred back) to a committee or a local or community board, the committee or board will consider the item at its next meeting unless the meeting resolves otherwise.

### **25.7 Other types of procedural motions**

The Chairperson has discretion about whether to allow any other procedural motion that is not contained in these standing orders.

## **26. Points of order**

### **26.1 Members may raise points of order**

Any member may raise a point of order when they believe these standing orders have been breached. When a point of order is raised, the member who was previously speaking must stop speaking and sit down (if standing).

### **26.2 Subjects for points of order**

A member who is raising a point of order must state precisely what its subject is. Points of order may be raised for the following subjects:

- (a) Disorder – to bring disorder to the attention of the Chairperson;
- (b) Language – to highlight use of disrespectful, offensive or malicious language;
- (c) Irrelevance – to inform the chair that the topic being discussed is not the matter currently before the meeting;
- (d) Misrepresentation – to alert the chair of a misrepresentation in a statement made by a member, an officer or a council employee;
- (e) Breach of standing order – to highlight a possible breach of a standing order while also specifying which standing order is subject to the breach; and
- (f) Recording of words – to request that the minutes record any words that have been the subject of an objection.

## 26.3 Contradictions

Expressing a difference of opinion or contradicting a statement by a previous speaker does not constitute a point of order.

## 26.4 Point of order during division

A member may not raise a point of order during a division, except with the permission of the Chairperson.

## 26.5 Chairperson's decision on points of order

The Chairperson may decide a point of order immediately after it has been raised, or may choose to hear further argument about the point before deciding. The Chairperson's ruling on any point of order, and any explanation of that ruling, is not open to any discussion and is final.

## 27. Notices of motion

### 27.1 Notice of intended motion to be in writing

Notice of intended motions must be in writing signed by the mover, stating the meeting at which it is proposed that the intended motion be considered, and must be delivered to the Chief Executive at least 5 clear working days before such meeting. [Notice of an intended motion can be sent via email and include the scanned electronic signature of the mover].

Once the motion is received the Chief Executive must give members notice in writing of the intended motion at least 2 clear working days' notice of the date of the meeting at which it will be considered.

### 27.2 Refusal of notice of motion

The Chairperson may direct the Chief Executive to refuse to accept any notice of motion which:

- (a) Is disrespectful or which contains offensive language or statements made with malice; or
- (b) Is not related to the role or functions of the local authority or meeting concerned; or
- (c) Contains an ambiguity or a statement of fact or opinion which cannot properly form part of an effective resolution, and where the mover has declined to comply with such requirements as the Chief Executive officer may make; or
- (d) Is concerned with matters which are already the subject of reports or recommendations from a committee to the meeting concerned; or
- (e) Fails to include sufficient information as to satisfy the decision-making provisions of s.77-82 LGA 2002; or
- (f) Concerns a matter where decision-making authority has been delegated to a subordinate body or a local or community board.

Reasons for refusing a notice of motion should be provided to the mover. Where the refusal is due to (f) the notice of motion may be referred to the appropriate committee or board.

### 27.3 Mover of notice of motion

Notices of motion may not proceed in the absence of the mover unless moved by another member authorised to do so, in writing, by the mover.

### 27.4 Alteration of notice of motion

Only the mover, at the time the notice of motion is moved and with the agreement of a majority of those present at the meeting, may alter a proposed notice of motion. Once moved and seconded no amendments may be made to a notice of motion.

### 27.5 When notices of motion lapse

Notices of motion that are not moved when called for by the Chairperson must lapse.

## 27.6 Referral of notices of motion

Any notice of motion received that refers to a matter ordinarily dealt with by a committee of the local authority or a local or community board must be referred to that committee or board by the Chief Executive.

Where notices are referred the proposer of the intended motion, if not a member of that committee, must have the right to move that motion and have the right of reply, as if a committee member.

## 27.7 Repeat notices of motion

When a motion has been considered and rejected by the local authority or a committee, no similar notice of motion which, in the opinion of the Chairperson, may be accepted within the next 12 months, unless signed by not less than one third of all members, including vacancies.

Where a notice of motion has been adopted by the local authority no other notice of motion which, in the opinion of the Chairperson has the same effect, may be put while the original motion stands.

## 28. Minutes

### 28.1 Minutes to be evidence of proceedings

The local authority, its committees, subcommittees and any local and community boards must keep minutes of their proceedings. These minutes must be kept in hard or electronic copy, authorised by a Chairperson's manual or electronic signature once confirmed by resolution at a subsequent meeting. Once authorised the minutes are the *prima facie* evidence of the proceedings they relate to.

*cl. 28 Schedule 7, LGA 2002.*

### 28.2 Matters recorded in minutes

The chief executive must keep the minutes of meetings. The minutes must record:

- (a) The date, time and venue of the meeting;
- (b) The names of the members present;
- (c) The Chairperson;
- (d) Any apologies or leaves of absences;
- (e) The arrival and departure times of members;
- (f) Any failure of a quorum;
- (g) A list of any external speakers and the topics they addressed;
- (h) A list of the items considered;
- (i) The resolutions and amendments related to those items including those that were lost, provided they had been moved and seconded in accordance with these standing orders;
- (j) The names of all movers, and seconders;
- (k) Any objections made to words used;
- (l) All divisions taken and, if taken, a record of each members' vote;
- (m) the names of any members requesting that their vote or abstention be recorded;
- (n) Any declarations of financial or non-financial conflicts of interest;
- (o) The contempt, censure and removal of any members;
- (p) Any resolutions to exclude members of the public;
- (q) The time at which the meeting concludes or adjourns; and
- (r) The names of people permitted to stay in public excluded.

**Please Note:** hearings under the RMA, Dog Control Act 1996 and Sale and Supply of Alcohol Act 2012 may have special requirements for minute taking.

## **28.3 No discussion on minutes**

The only topic that may be discussed at a subsequent meeting, with respect to the minutes, is their correctness.

## **28.4 Minutes of last meeting before election**

The chief executive and the relevant Chairpersons must sign, or agree to have their digital signature inserted, the minutes of the last meeting of the local authority and any local and community boards before the next election of members.

## **29. Keeping a record**

### **29.1 Maintaining accurate records**

A local authority must create and maintain full and accurate records of its affairs, in accordance with normal, prudent business practice, including the records of any matter that is contracted out to an independent contractor.

All public records that are in its control must be maintained in an accessible form, so as to be able to be used for subsequent reference.

*s. 17 Public Records Act 2005.*

### **29.2 Method for maintaining records**

Records of minutes may be kept in hard copy (Minute Books) and/or in electronic form. If minutes are stored electronically the repository in which they are kept must meet the following requirements:

- (a) The provision of a reliable means of assuring the integrity of the information is maintained; and
- (b) The information is readily accessible so as to be usable for subsequent reference.

*s. 229(1) of the Contract and Commercial Law Act 2017.*

### **29.3 Inspection**

Whether held in hard copy or in electronic form minutes must be available for inspection by the public.

*s. 51 LGOIMA.*

### **29.4 Inspection of public excluded matters**

The chief executive must consider any request for the minutes of a meeting, or part of a meeting, from which the public was excluded as if it is a request for official information in terms of the Local Government Official Information and Meetings Act 1987.

## Referenced Documents

- Commissions of Inquiry Act 1908
- Crimes Act 1961
- Contract and Law Act 2017
- Financial Markets Conduct Act 2013
- Local Authorities (Members' Interests) Act 1968 (LAMIA)
- Local Electoral Act 2001 (LEA)
- Local Government Act 1974 and 2002 (LGA)
- Local Government Official Information and Meetings Act 1987 (LGOIMA)
- Marine Farming Act 1971
- Public Records Act 2005
- Resource Management Act 1991 (RMA)
- Sale and Supply of Alcohol Act 2012
- Secret Commissions Act 1910
- Securities Act 1978

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## Appendix 1: Grounds to exclude the public

A local authority may, by resolution, exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the following grounds:

- A1** That good reason exists for excluding the public from the whole or any part of the proceedings of any meeting as the public disclosure of information would be likely:
- (a) To prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial; or
  - (b) To endanger the safety of any person.
- A2** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:
- (a) Protect the privacy of natural persons, including that of deceased natural persons; or
  - (b) Protect information where the making available of the information would:
    - i. Disclose a trade secret; or
    - ii. Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
  - (ba) In the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to tikanga Māori, or to avoid the disclosure of the location of waahi tapu; or
  - (c) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would:
    - i. Be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or
    - ii. Be likely otherwise to damage the public interest.
  - (d) Avoid prejudice to measures protecting the health or safety of members of the public; or
  - (e) Avoid prejudice to measures that prevent or mitigate material loss to members of the public; or
  - (f) Maintain the effective conduct of public affairs through –the protection of such members, officers, employees, and persons from improper pressure or harassment; or
  - (g) Maintain legal professional privilege; or
  - (h) Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities; or
  - (i) Enable any Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
  - (j) Prevent the disclosure or use of official information for improper gain or improper advantage.

See s.7 LGOIMA 1987.

*Where A2 of this Appendix applies the public may be excluded unless, in the circumstances of a particular case, the exclusion of the public is outweighed by other considerations which render it desirable and in the public interest, that the public not be excluded.*

- A3** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information, the public disclosure of which would:

- (a) Be contrary to the provisions of a specified enactment; or
- (b) Constitute contempt of Court or of the House of Representatives.

**A4** That the purpose of the whole or the relevant part of the proceedings of the meeting is to consider a recommendation made to that Council by an Ombudsman under section 30(1) or section 38(3) of this Act (in the case of a Council named or specified in Schedule 1 to this Act).

**A5** That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Council to deliberate in private on its decision or recommendation in:

- (a) Any proceedings before a Council where:
  - i. A right of appeal lies to any Court or tribunal against the final decision of the Council in those proceedings;
  - ii. The Council is required, by any enactment, to make a recommendation in respect of the matter that is the subject of those proceedings; and
  - iii. Proceedings of a local authority exist in relation to any application or objection under the Marine Farming Act 1971.

See s. 48 LGOIMA.

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## Appendix 2: Sample resolution to exclude the public

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), it is **moved**:

**1** that the public is excluded from:

- The whole of the proceedings of this meeting; *(deleted if not applicable)*
- The following parts of the proceedings of this meeting, namely; *(delete if not applicable)*

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds for excluding the public, as specified by s 48(1) of the Local Government Official Information and Meetings Act 1987, are set out below:

Meeting Item No. and subject	Reason for excluding the public	Grounds for excluding the public
		To prevent the disclosure of information which would— <ul style="list-style-type: none"> <li>i. be contrary to the provisions of a specified enactment; or</li> <li>ii. constitute contempt of court or of the House of Representatives (s.48(1)(b)).</li> </ul>
		To consider a recommendation made by an Ombudsman (s. 48(1)(c)).
		To deliberate on matters relating to proceedings where: <ul style="list-style-type: none"> <li>i. a right of appeal lies to a court or tribunal against the final decision of the councils in those proceedings; or</li> <li>ii. the council is required, by an enactment, to make a recommendation in respect of the matter that is the subject of those proceedings (s.48(1)(d)).</li> </ul>
		To deliberate on proceedings in relation to an application or objection under the Marine Farming Act 1971 (s.48(1)(d)).
		To carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (s 7(2)(i)).
		To protect the privacy of natural persons, including that of deceased natural persons (s 7(2)(a)).
		To maintain legal professional privilege (s 7(2)(g)).

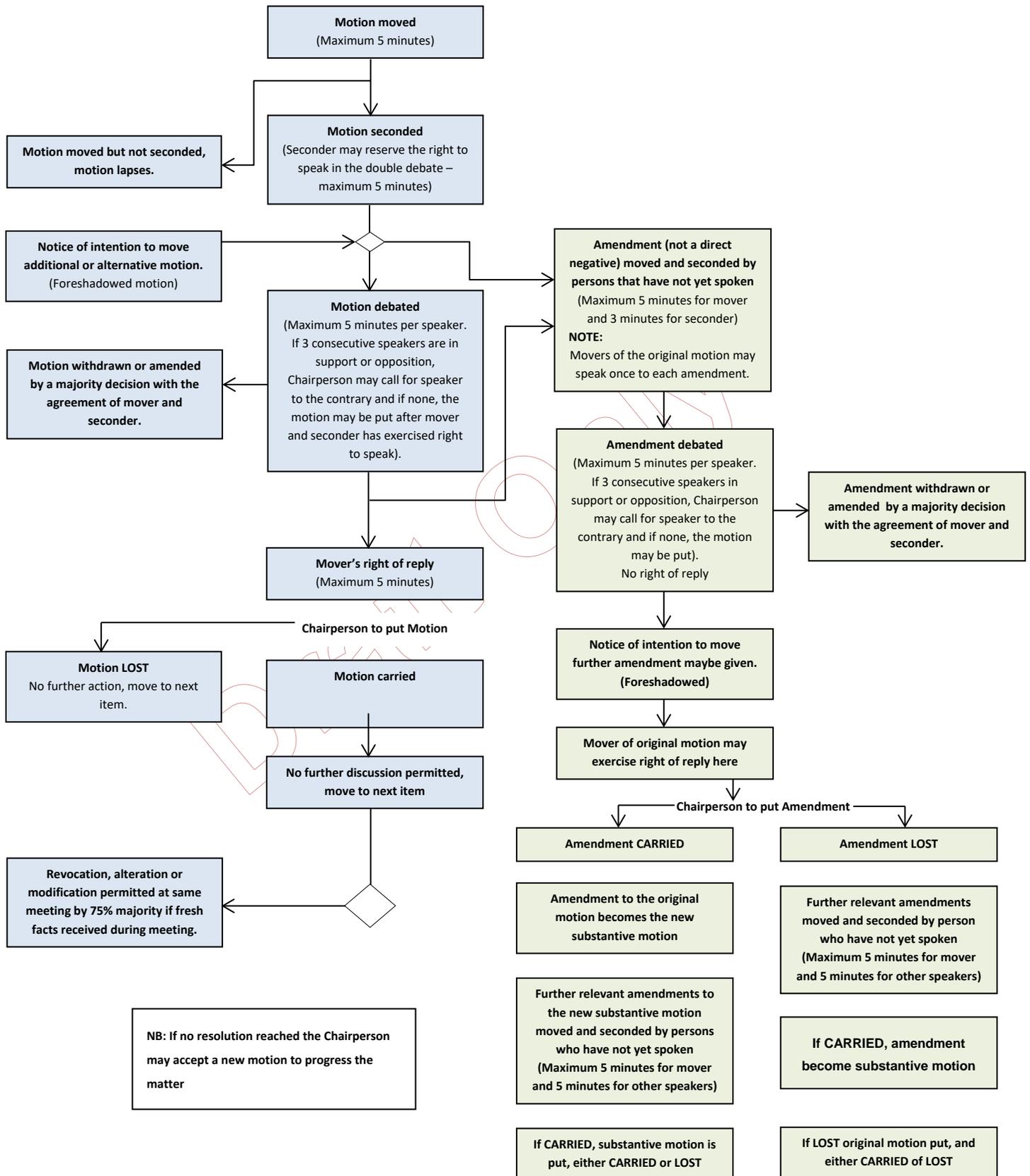
Meeting Item No. and subject	Reason for excluding the public	Grounds for excluding the public
		To prevent the disclosure or use of official information for improper gain or advantage (s. 7(2)(j)).
		To protect information which if public would; <ol style="list-style-type: none"> <li>i. disclose a trade secret; or</li> <li>ii. unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information (s 7(2)(b)).</li> </ol>
		To avoid serious offence to Tikanga Māori, or the disclosure of the location of waahi tapu in relation to an application under the RMA 1991 for; <ul style="list-style-type: none"> <li>• a resource consent, or</li> <li>• a water conservation order, or</li> <li>• a requirement for a designation or</li> <li>• an heritage order,</li> </ul> (s 7(2)(ba)).
		To protect information which is subject to an obligation of confidence where the making available of the information would be likely to: <ol style="list-style-type: none"> <li>i. prejudice the supply of similar information, or information from the same source, where it is in the public interest that such information should continue to be supplied; or</li> <li>ii. would be likely otherwise to damage the public interest (s 7(2)(c)).</li> </ol>
		To avoid prejudice to measures protecting the health or safety of members of the public (s 7(2)(d)).
		To avoid prejudice to measures that prevent or mitigate material loss to members of the public (s 7(2)(e)).
		To maintain the effective conduct of public affairs by protecting members or employees of the Council in the course of their duty, from improper pressure or harassment (s 7(2)(f)(ii)).
		To enable the council to carry out, without prejudice or disadvantage, commercial activities (s 7(2)(h)).

2. That *(name of person(s))* is permitted to remain at this meeting after the public has been excluded because of their knowledge of *(specify topic under discussion)*. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because *(specify)*. *(Delete if inapplicable.)*

### Appendix 3: Motions and amendments (Option A)

#### Motions without amendments

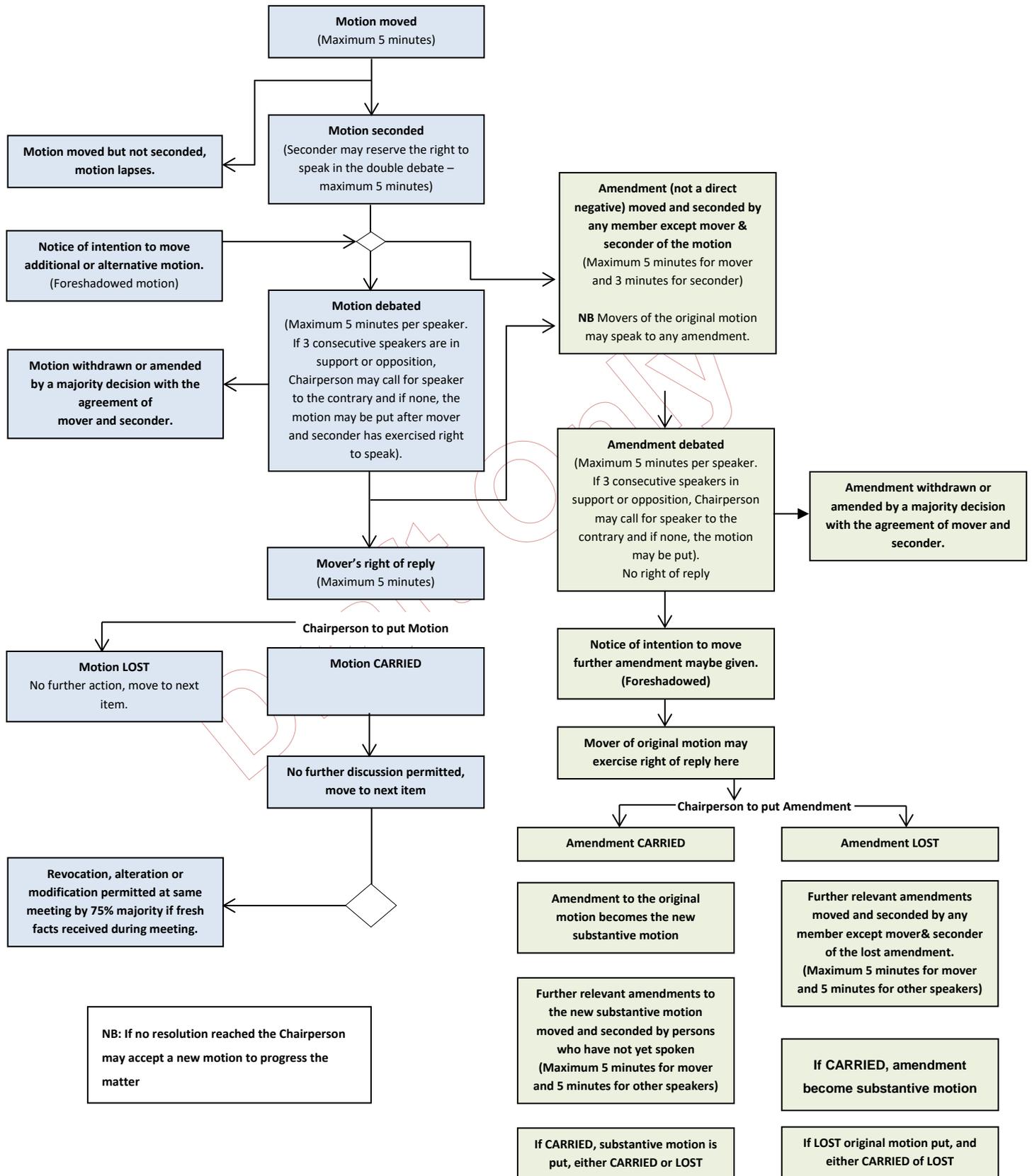
#### Motions with amendments



Appendix 4: Motions and amendments (Option B)

Motions without amendments

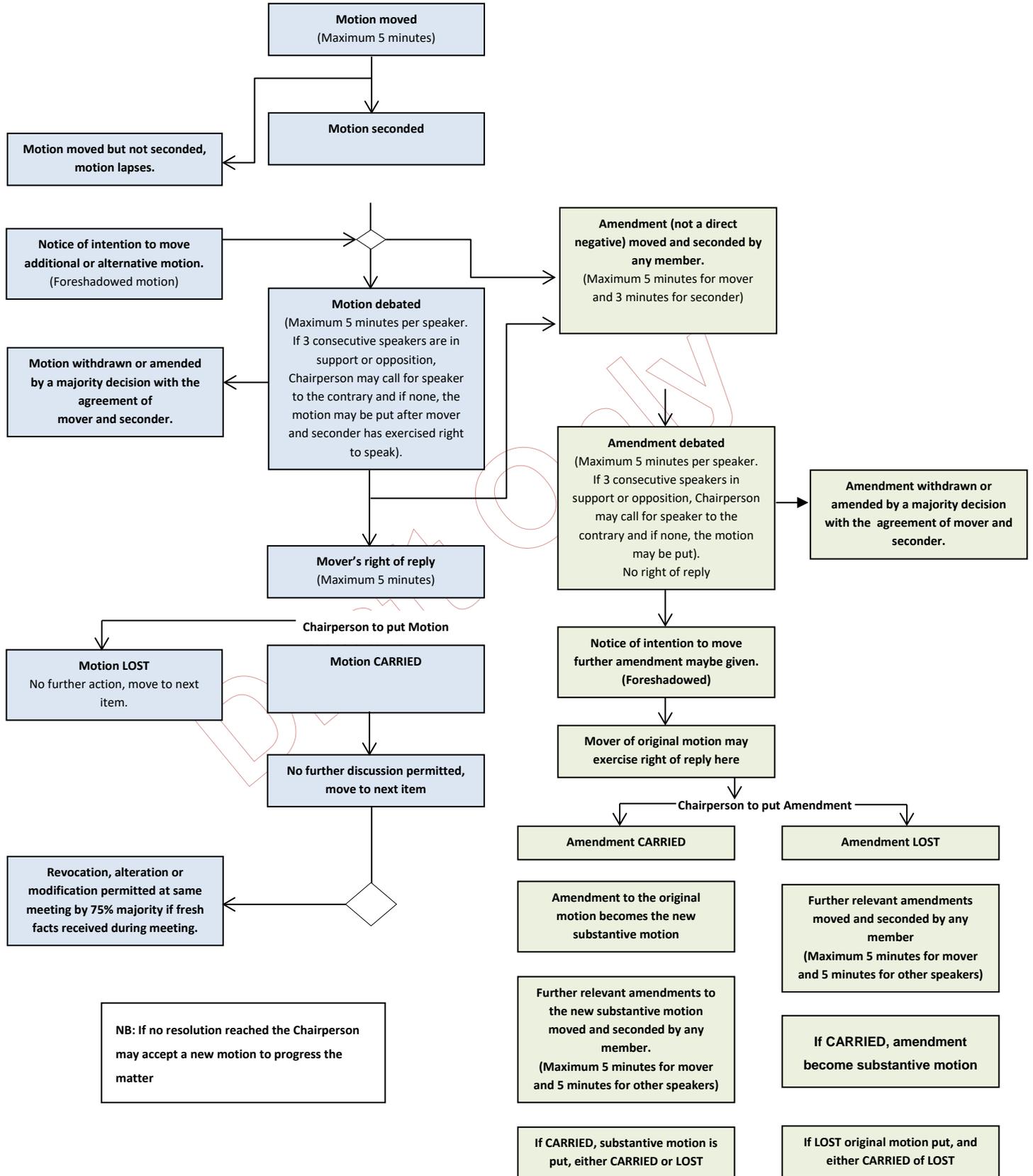
Motions with amendments



Appendix 5: Motions and amendments (Option C)

Motions without amendments

Motions with amendments



Appendix 6: Table of procedural motions

Motion	Has the Chair discretion to refuse this Motion?	Is a seconder required?	Is discussion in order?	Are amendments in order?	Is mover of procedural motion entitled	Are previous participants in debate entitled to move this motion?	Can a speaker be interrupted by the mover of this motion?	If lost, can motion be moved after an interval?	Position if an amendment is already before the Chair	Position if a procedural motion is already before the Chair	Remarks
(a) "That the meeting be adjourned to the next ordinary meeting, or to a stated time and place"	No	Yes	No	As to time and date only	No	No	No	Yes – 15 minutes	If carried, debate on the original motion and amendment are adjourned	If carried, debate on the original motion and procedural motion are adjourned	On resumption of debate, the mover of the adjournment speaks first. Members who have spoken in the debate may not speak again
(b) "That the motion under debate be now put (closure motion)"	No	Yes	No	No	No	No	No	Yes – 15 Minutes	If carried, only the amendment is put	If carried, only the procedural motion is put	The mover of the motion under debate is entitled to exercise a right of reply before the motion or amendment under debate is put
(c) "That the item of business being discussed be adjourned to a stated time and place"	No	Yes	No	As to time and date only	No	No	NO	Yes – 15 minutes	If carried, debate on the original motion and amendment are adjourned	If carried, debate on the original motion and procedural motion are adjourned	

Motion	Has the Chair discretion to refuse this Motion?	Is a second required?	Is discussion in order?	Are amendments in order?	Is mover of procedural motion entitled	Are previous participants in debate entitled to move this	Can a speaker be interrupted by the mover	If lost, can motion be moved after an interval?	Position if an amendment is already before the Chair	Position if a procedural motion is already before the Chair	Remarks
(d) "That the item of business being discussed does lie on the table and not be discussed at this meeting"	No	Yes	No	No	No	No	No	Yes – 15 minutes	If carried, the original motion and amendment are both laid on the table	Motion not in order	
(e) "That the item of business being discussed be referred (or referred back) to the local authority or to the relevant committee "	No	Yes	No	As to committee, time for reporting back etc only	No	No	No	Yes – 15 minutes	If carried, the original motion and all amendments are referred to the committee	If carried, the procedural motion is deemed disposed of	
(f) "Points of order"	No – but may rule against	No	Yes – at discretion of Chairperson	No	No	Yes	Yes	No	Point of order takes precedence	Point of order takes precedence	See standing order 3.14

## Appendix 7: Webcasting protocols

The provisions are intended as a good practice guide to local authorities that are webcasting meetings or planning to do so.

1. The default shot will be on the Chairperson or a wide-angle shot of the meeting room.
2. Cameras will cover a member who is addressing the meeting. Cameras will also cover other key participants in a meeting, including staff when giving advice and members of the public when addressing the meeting during the public input time.
3. Generally interjections from other members or the public are not covered. However if the Chairperson engages with the interjector, the interjector's reaction can be filmed.
4. PowerPoint presentations, recording of votes by division and other matters displayed by overhead projector may be shown.
5. Shots unrelated to the proceedings, or not in the public interest, are not permitted.
6. If there is general disorder or a disturbance from the public gallery, coverage will revert to the Chairperson.
7. Appropriate signage will be displayed both in and outside the meeting room alerting people that the proceedings are being web cast.

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## Appendix 8: Powers of a Chairperson

This Appendix sets out the specific powers given to the Chairperson contained in various parts of these Standing Orders.

### Chairperson to decide all questions

The Chairperson is to decide all questions where these standing orders make no provision or insufficient provision. The Chairperson's ruling is final and not open to debate.

### Chairperson to decide points of order

The Chairperson is to decide any point of order and may do so immediately after it has been raised or may first hear further argument before deciding. The ruling of the Chairperson upon any point of order is not open to any discussion and is final. No point of order may be raised during a division except by permission of the Chairperson.

### Items not on the agenda

Major items not on the agenda may be dealt with at that meeting if so resolved by the local authority and the Chairperson explains at the meeting at a time when it is open to the public the reason why the item was not listed on the agenda and the reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor matters not on the agenda relating to the general business of the local authority may be discussed if the Chairperson explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at that meeting, but no resolution, decision or recommendation may be made in respect of that item except to refer it to a subsequent meeting.

### Chairperson's report

The Chairperson, by report, has the right to direct the attention of the local authority to any matter or subject within the role or function of the local authority.

### Chairperson's recommendation

The Chairperson of any meeting may include on the agenda for that meeting a Chairperson's recommendation regarding any item brought before the meeting. The purpose of such a recommendation is to focus debate on a suggested motion.

### Chairperson's voting

The Chairperson at any meeting has a deliberative vote and, in the case of equality of votes, has a casting vote where standing orders make such provision.

### Motion in writing

The Chairperson may require the mover of any motion or amendment to submit it in writing signed by the mover.

### Motion in parts

The Chairperson may require any motion expressed in parts to be decided part by part.

### Notice of motion

The Chairperson may direct the Chief Executive to refuse to accept any notice of motion which:

- (a) Is disrespectful or which contains offensive language or statements made with malice; or
- (b) Is not within the scope of the role or functions of the local authority; or
- (c) Contains an ambiguity or statement of fact or opinion which cannot properly form part of an effective resolution, and the mover has declined to comply with such requirements as the Chief Executive may have made; or
- (d) Is concerned with matters which are already the subject of reports or recommendations from a committee to the meeting concerned.

Reasons for refusing a notice of motion should be provided to the proposer.

Where a notice of motion has been considered and agreed by the local authority, no notice of any other motion which is, in the opinion of the Chairperson, to the same effect may be put again whilst such original motion stands.

### **Action on previous resolutions**

If, in the opinion of the Chairperson the practical effect of a delay in taking action on a resolution which is subject to a notice of motion, would be equivalent to revocation of the resolution; or if repetitive notices of motion are considered by the Chairperson to be an attempt by a minority to frustrate the will of the meeting, action may be taken as though no such notice of motion had been given.

### **Repeat notice of motion**

If in the opinion of the Chairperson, a notice of motion is substantially the same in purport and effect to any previous notice of motion which has been considered and rejected by the local authority, no such notice of motion may be accepted within six months of consideration of the first notice of motion unless signed by not less than one third of the members of the local authority, including vacancies.

### **Revocation or alteration of previous resolution**

A Chairperson may recommend in a report to the local authority the revocation or alteration of all or part of any resolution previously passed, and the local authority meeting may act on such a recommendation in accordance with the provisions in these standing orders.

### **Chairperson may call a meeting**

The Chairperson:

- (a) May call a meeting to dispose of the business to be transacted following the lapsing of a meeting due to failure of a quorum, if such business cannot be delayed until the next meeting; and
- (b) May requisition an extra meeting to be held at a specified time and place, in order to conduct specified business.

### **Irrelevant matter and needless repetition**

The Chairperson's ruling preventing members when speaking to any motion or amendment from introducing irrelevant matters or indulging in needless repetition is final and not open to challenge.

### **Taking down words**

The Chairperson may order words used and objected to by any member, to be recorded in the minutes, provided such objection is made at the time the words are used and not after any other members have spoken.

### **Explanations**

The Chairperson may permit members to make a personal explanation in addition to speaking to a motion, and members who have already spoken, to explain some material part of a previous speech in the same debate.

### **Chairperson rising**

Whenever the Chairperson rises during a debate any member then speaking or offering to speak is to be seated and members are to be silent so that the Chairperson may be heard without interruption.

### **Members may leave places**

The Chairperson may permit members to leave their place while speaking.

## Priority of speakers

The Chairperson must determine the order in which members may speak when two or more members indicate their wish to speak.

## Minutes

The Chairperson is to sign the minutes and proceedings of every meeting once confirmed. The Chairperson and chief executive are responsible for confirming the correctness of the minutes of the last meeting of a local authority prior to the next election of members.

## Questions of speakers

The Chairperson may permit members to ask questions of speakers under public forum or deputations/presentations by appointment, for the purpose of obtaining information or clarification on matters raised by the speaker.

## Withdrawal of offensive or malicious expressions

The Chairperson may call upon any member to withdraw any offensive or malicious expression and may require the member to apologise for the expression.

Any member who refuses to withdraw the expression or apologise, if required by the Chairperson, can be directed to withdraw from the meeting for a time specified by the Chairperson.

## Chairperson's rulings

Any member who refuses to accept a ruling of the Chairperson, may be required by the Chairperson to withdraw from the meeting for a specified time.

## Disorderly behaviour

The Chairperson may:

- (a) Require any member or member of the public whose conduct is disorderly or who is creating a disturbance, to withdraw immediately from the meeting for a time specified by the Chairperson.
- (b) Ask the meeting to hold in contempt, any member whose conduct is grossly disorderly and where the meeting resolves to find the member in contempt, that resolution must be recorded in the minutes.

## Failure to leave meeting

If a member or member of the public who is required, in accordance with a Chairperson's ruling, to leave the meeting, refuses or fails to do so, or having left the meeting, attempts to re-enter without the permission of the Chairperson, any member of the police or officer or employee of the local authority may, at the Chairperson's request, remove or exclude that person from the meeting.

## Audio or audio visual attendance

Where the technology is available and a member is attending a meeting by audio or audio-visual link, the Chairperson must ensure that:

- (a) The technology for the link is available and of suitable quality; and
- (b) Procedures for using the technology in the meeting will ensure that:
  - i. Everyone participating in the meeting can hear each other;
  - ii. The member's attendance by audio or audio-visual link does not reduce their accountability or accessibility in relation to the meeting;
  - iii. The requirements of Part 7 of LGOIMA are met; and
  - iv. The requirements in these standing orders are met.

If the Chairperson is attending by audio or audio visual link then chairing duties will undertaken by the deputy chair or a member who is physically present.

## Appendix 9: Mayors' powers to appoint under s.41A

The role of a Mayor is:

- (a) To provide leadership to councillors and the people of the city or district.
- (b) To lead development of the council's plans (including the long-term and annual plans), policies and budgets for consideration by councillors.

The Mayor has authority to:

- (a) Appoint the deputy Mayor.
- (b) Establish Council committees, their terms of reference, appoint the Chairperson of each of those committees and the members.
- (c) Appoint themselves as the Chairperson of a committee.
- (d) Decline to exercise the powers under clause a) and b) above but may not delegate those powers to another person.

The Council retains the ability to:

- (a) Remove a deputy Mayor appointed by the Mayor.
- (b) Discharge or reconstitute a committee established by the Mayor.
- (c) Discharge a committee Chairperson who has been appointed by the Mayor.

The Mayor is a member of each committee of the Council.

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## Appendix 10: Process for removing a Chairperson or deputy Mayor from office

1. At a meeting that is in accordance with this clause, a territorial authority or regional council may remove its Chairperson, deputy Chairperson, or deputy Mayor from office.
2. If a Chairperson, deputy Chairperson, or deputy mayor is removed from office at that meeting, the territorial authority or regional council may elect a new Chairperson, deputy Chairperson, or deputy mayor at that meeting.
3. A meeting to remove a Chairperson, deputy Chairperson, or deputy Mayor may be called by:
  - (a) A resolution of the territorial authority or regional council; or
  - (b) A requisition in writing signed by the majority of the total membership of the territorial authority or regional council (excluding vacancies).
4. A resolution or requisition must:
  - (a) Specify the day, time, and place at which the meeting is to be held and the business to be considered at the meeting; and
  - (b) Indicate whether or not, if the Chairperson, deputy Chairperson, or deputy Mayor is removed from office, a new Chairperson, deputy Chairperson, or deputy Mayor is to be elected at the meeting if a majority of the total membership of the territorial authority or regional council (excluding vacancies) so resolves.
5. A resolution may not be made and a requisition may not be delivered less than 21 days before the day specified in the resolution or requisition for the meeting.
6. The chief executive must give each member notice in writing of the day, time, place, and business of any meeting called under this clause not less than 14 days before the day specified in the resolution or requisition for the meeting.
7. A resolution removing a Chairperson, deputy Chairperson, or deputy Mayor carries if a majority of the total membership of the territorial authority or regional council (excluding vacancies) votes in favour of the resolution.

*cl. 18 Schedule 7, LGA 2002.*

## Appendix 11: Workshops

### Definition of workshop

Workshops, however described, provide opportunities for members to discuss particular matters, receive briefings and provide guidance for officials. Workshops are not meetings and cannot be used to either make decisions or come to agreements that are then confirmed without the opportunity for meaningful debate at a formal meeting.

### Application of standing orders to workshops

Standing orders do not apply to workshops and briefings. The Chairperson or workshop organisers will decide how the workshop, briefing or working party should be conducted.

### Calling a workshop

Workshops, briefings and working parties may be called by:

- (a) A resolution of the local authority or its committees
- (b) The Mayor,
- (c) A committee Chairperson or
- (d) The chief executive.

### Process for calling workshops

The chief executive will give at least 24 hours' notice of the time and place of the workshop and the matters to be discussed at it. Notice may be given by whatever means are reasonable in the circumstances. Any notice given must expressly:

- (a) State that the meeting is a workshop;
- (b) Advise the date, time and place; and
- (c) Confirm that the meeting is primarily for the provision of information and discussion, and will not make any decisions or pass any resolutions.

Public notice of a workshop is not required and workshops can be either open to the public or public excluded.

### Record of workshop

A written record of the workshop should be kept and include:

- Time, date, location and duration of workshop;
- Person present; and
- General subject matter covered.

## Appendix 12: Sample order of business

### Open section

- (a) Apologies
- (b) Declarations of interest
- (c) Confirmation of minutes
- (d) Leave of absence
- (e) Acknowledgements and tributes
- (f) Petitions
- (g) Public input
- (h) Local and/or community board input
- (i) Extraordinary business
- (j) Notices of motion
- (k) Reports of committees
- (l) Reports of local and/or community boards
- (m) Reports of the Chief Executive and staff
- (n) Mayor, deputy Mayor and elected members' reports (information)

### Public excluded section

- (o) Reports of committees
- (p) Reports of the Chief Executive and staff
- (q) Mayor, deputy Mayor and elected members' reports (information)

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## Appendix 13: Process for raising matters for a decision

Matters requiring a decision may be placed on an agenda of a meeting by a:

- Report of chief executive;
- Report of a Chairperson;
- Report of a committee;
- Report of a community and/or local board; or
- Notice of motion from a member.

Where a matter is urgent and has not been placed on an agenda, it may be brought before a meeting as extraordinary business by a:

- Report of chief executive; or
- Report of Chairperson.

Although out of time for a notice of motion, a member may bring an urgent matter to the attention of the meeting through the meeting chair.

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# The 2019 Guide to Standing Orders



< Good local governance requires us to ensure that the way in which we undertake public decision-making is open, transparent and fair. >



## Preface

### Dave Cull, President, LGNZ

Democracy only really works if people trust it. And trust requires that our public decision-making processes are open, transparent and fair. In other words, citizens must be able to assure themselves that governments, at whatever level, work for the public interest. This is one of the reasons why standing orders are important. They provide a framework of rules for making decisions that gives effect to these principles; principles which are fundamental to a well-functioning democracy.

Whether councils apply their standing orders every time they meet, or refer to them only when faced with a complex or controversial issue, the fact that we have agreed and visible processes for making decisions is essential for public confidence in our decision-making. It is, therefore, important that our standing orders are not only fully compliant with legislation and best practice in the conduct of meetings, but that they are also easy to use.

The purpose of this Guide to Standing Orders is to assist those who are chairing meetings and the officials who advise them to ensure standing orders work well for the circumstances of each community. The Guide is designed to help interpret provisions which may be ambiguous in certain situations, and to address those matters that cannot be covered directly in the standing orders, because they are specific to an area.

This, the second edition of the Guide, has been expanded to include matters identified by practitioners over the last three years. I am sure you will find it helpful.

Dave Cull  
President  
LGNZ

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## Recommended process for adopting standing orders

Local authorities, local boards and community boards must adopt standing orders for the orderly conduct of their meetings. The approval of at least 75 per cent of members present at a meeting is required to adopt (and amend) standing orders.

The 2019 edition of the LGNZ standing orders contains a number of optional provisions and, as part of the adoption process, members need to be given the choice of which options to include prior to being asked to adopt the full set of standing orders. We recommend a process like the following:

### Officer's report to an ordinary meeting of the council

To adopt these standing orders, a report should be prepared for consideration at the first ordinary meeting of the governing body of the local authority (the council meeting).

The report should list the optional clauses in the standing orders template and briefly discuss the advantages and disadvantages of each. The optional clauses are:

- Members' right to attend by audio or audio visual link (clauses 13.11 – 13.16);
- A casting vote for the Chairperson (clauses 19.3); and
- The choice of a default option for speaking and moving motions:
  - A - formal, (cl. 22.2); or
  - B,- medium, (cl. 22.3); or
  - C - informal, (cl. 22.4).

### Factors to consider

#### Audio visual link

The LGA 2002 allows members of a local authority to participate in meetings if they are not physically present by audio or audio visual means. This provision was made in response to requests from councils that represent large geographic areas in which it is often difficult for some members to attend meetings at short notice. Its use, however, is not limited by statute and councils can develop policies should they wish to constrain the use of the technology to certain types of meetings or not.

To make use of this option the relevant rules must be incorporated within a council's standing orders. Please note that members attending by audio or audio visual means are not counted as part of a meeting's quorum.

#### Casting vote

The LGA 2002 allows chairpersons to use a casting vote if provision for such a vote is made in a council's standing orders. The vote can be used when there is an equality of votes and, despite some views to the contrary, a casting vote is not limited to supporting the status quo.

The LGNZ standing order template includes the casting vote option which will need to be removed should councils prefer that their chairpersons are unable to exercise such a vote.

A third option, in which a casting vote can only be used for prescribed types of decisions, is available. This option could specify, for example, that a casting vote can only be used for the adoption of statutory plans, such as the annual and long term plan (see p. 12 of this Guide).

## Speaking and moving options

The LGNZ standing orders template offers councils a choice of three frameworks, Options A, B or C, for speaking to and moving motions and amendments.

- Option A is the most formal of the three and limits the number of times members can speak and move amendments, for example, members who have moved and seconded a motion cannot then move and second an amendment to the same motion and only members who have not spoken to a motion or substituted motion may move or second an amendment to it. (This is the framework used in the Standards New Zealand Model Standing Orders.)
- Option B is less formal than Option A. While limiting the ability of movers and seconders of motions to move amendments it allows any other members, regardless of whether they have spoken to the motion or substituted motion, to move or second an amendment.
- Option C provides substantial flexibility by removing the limitations placed on movers and seconders by the other two options.

The council is asked to agree on a default option which will apply to all meetings unless a chairperson, or meeting, agree to apply one of the other two options at specific meeting. It is recommended that the default option be marked as Default in the adopted standing orders.

## **Draft resolution**

Once decisions have been made on whether or not to incorporate the discretionary clauses, then a resolution to adopt the original or amended standing orders can be established. A resolution could take the following shape:

That the council adopt the standing orders as tabled with the following amendments:

- i. Provisions for meetings by audio visual link - yes/no.
- ii. A casting vote for chairpersons – yes/no.
- iii. Option A (formal), B (medium), or C (informal) as the default for speaking and moving motions.

The same process is recommended for local and community boards, and joint committees.

## Part 1: General matters

### Mayoral appointments under s.41A Local Government Act 2002

Included in the standing orders are provisions dealing with the ability of mayors to establish committees, appoint deputy mayors, committee chairs and members of committees (see standing orders 5.1 – 5.5).

Where a mayor chooses to use these powers, a council must make provision for ensuring the results of the Mayor's decisions are communicated as soon as practicable to members of the governing body. We recommend that either the Mayor or chief executive provide the information at the first meeting of the governing body that follows the Mayor's appointments.

It is critical that the chief executive of a territorial authority advises their mayor about s. 41A LGA as soon as possible after election results have been confirmed, so as to ascertain whether or not they wish to make use of those powers. Appendix 3 sets out a possible process for this.

#### The Mayor's leadership role

Under s.41A LGA mayors are responsible for the leadership of the "other members of the territorial authority" and the "people in the district of the territorial authority". They are also responsible for leading the development of the territorial authority's plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority.

Section 41A can have implications for the way these standing orders work, depending on how a mayor wishes to approach their leadership role, particularly in regard to plans, policies and budgets. Some mayors have chosen to put all plans, policies and budgets under their own names so as to give effect to their leadership responsibilities. The standing orders provide for a chairperson to stand down from the chair but still contribute to a debate, should they feel strongly about an issue, in order to ensure the objectivity of the chair.

#### Ensuring decisions meet requirements of Part 6 LGA 2002

The standing orders highlight the importance of recommendations, whether made in a chairperson's report or a Notice of Motion, complying with the decision-making requirements of Part 6 LGA.

Section 76 LGA specifies that every decision made by a local authority must be made in accordance with such provision of sections 77, 78, 80, 81 and 82 (LGA) as are applicable. This requirement applies to all decisions to the degree appropriate.

In some cases the impact of these provisions will require that a decision can only be made after consideration of options and related matters has taken place while in other cases, especially if the decision is a minor decision, no further analysis is required.

What is required is some evidence that consideration has been given to the degree to which a decision is or should be, subject to the matters specified in the relevant sections of Part 6.

These standing orders make provision within SO 26.2 for a chairperson to refuse to accept a Notice of Motion that fails to include sufficient information to satisfy the requirements of sections 77 – 82 of the LGA.

## Appointment of staff to sub-committees

While non-elected members may be appointed to committees and sub-committees, council staff, in the “course of his or her employment” can only be appointed to a sub-committee. When determining to appoint a sub-committee, a council or committee should, through the terms of reference, be clear about the nature of the skills and competencies required. This may involve:

- Requesting that the Chief Executive, or their nominee, determine which member of staff is appropriate to be a member of the sub-committee; or
- Identifying a specific position, such as the chief executive, city planner or economist, to be a member of the sub-committee.

## Policies for leave of absence by members of the governing body

The standing orders provide for a council to delegate the authority to grant leave of absence to a mayor or regional council chair. When deciding whether or not to give a member a leave of absence, a council or their delegate, may wish to consider. The impact of the leave of absence on the capacity of the council to conduct its business with regard to quorum, the number of members available to fulfil the councils’ responsibilities and other requests for leave of absences:

- A request for leave of absence should be made in advance of a meeting and would generally apply to a number of meetings that the member knows that he/she will be unable to attend; and
- Apologies are usually given when a member cannot attend a forthcoming meeting or inadvertently missed a meeting, in which cases the apologies are made retrospectively.

If a member is absent from four consecutive meetings without their leave, or apologies approved, an extraordinary vacancy is created. This occurs at the end of a meeting at which a fourth apology has been declined, or a member had failed to appear without leave of absence.

Councils will need to establish their own policy as to whether or not a person who has a leave of absence for a length of time will continue to receive remuneration as an elected member, for example, a policy may provide for remuneration to continue to be paid for the first three months of a leave of absence.

## Extraordinary and emergency meetings – business

A question that is commonly asked about extraordinary meetings is whether or not business, other than the business for which the extraordinary meeting was called, should also be included on the agenda, or discussed at the meeting. The Standing Orders recommends that extraordinary meetings should only deal with the business for which they are called and should not be concerned with matters that could be considered at an ordinary meeting or have not been included in the grounds for which an extraordinary meeting has been called. Public forums should not be held prior to an extraordinary meeting.

Enacted in 2019, the Local Government Regulatory Matters Act has provided for a new type of meeting referred to as Emergency Meetings. The difference between extraordinary and emergency meetings is the time-frame involved and the process for calling them, see below.

**Table 1 Extraordinary and emergency meetings compared**

	<b>Extraordinary meetings</b>	<b>Emergency meetings</b>
<b>Called by:</b>	A resolution of the local authority or requisition in writing delivered to the CE and signed by: <ul style="list-style-type: none"> <li>• The mayor or chairperson; or</li> <li>• Not less than one-third of the total membership of the local authority (including vacancies).</li> </ul>	The mayor or chairperson; or if the mayor and chairperson are unavailable, the chief executive
<b>Process</b>	Notice in writing of the time and place and general business given by the CE.	By whatever means is reasonable by the person calling the meeting or someone on their behalf.
<b>Time frame:</b>	At least three days before the meeting unless by resolution and not less than 24 hours before the meeting.	Not less than 24 hours before the meeting.
<b>Notification of resolutions</b>	With two exceptions a local authority must, as soon as practicable, publicly notify any resolution passed at an extraordinary meeting.	No similar provision exists for emergency meetings however good practice would suggest adoption of the same process applies to extraordinary meetings.

### Use of extraordinary meetings

Extraordinary meetings are designed to consider specific matters which cannot, due to urgency, be considered at an ordinary meeting. It is for this reason that extraordinary meetings can be held with less public notification than ordinary meetings.

If councils need to hold meetings that are additional to those specified in their meeting schedule, then the appropriate response is to amend their meeting schedule to include additional ordinary meetings, rather than call extraordinary meetings to address what might be the general business of the council. Extraordinary meetings, as the name implies, are for business that cannot wait for an ordinary meeting and where grounds exist for shortening public notice.

## Part 2: Pre-Meeting

### Meeting times

Consideration should be given to choosing a meeting time that is convenient for members and facilitates the participation of the public. One approach would be to use the council induction workshop to seek agreement from members as to the times that will best suit them, their council and their community.

### Giving notice

The Standing Orders have now been updated to include the new definitions of what constitutes a public notice and how working days are defined. The new provisions are set out in the Local Government Regulatory Matters Act 2019. The full provisions are:

**Internet site**, in relation to a local authority, other person or entity, means an internet site that is maintained by, or on behalf of, the local authority, person, or entity and to which the public has free access.

**Public notice**, in relation to a notice given by a local authority, means that:

- (a) It is made publicly available, until any opportunity for review or appeal in relation to the matter notified has lapsed, on the local authority's Internet site; and
- (b) It is published in at least:
  - (i) One daily newspaper circulating in the region or district of the local authority; or
  - (ii) One or more other newspapers that have a combined circulation in that region or district at least equivalent to that of a daily newspaper circulating in that region or district.

**Working day** means a day of the week other than:

- (a) Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, Labour Day, the Sovereign's birthday, and Waitangi Day;
- (b) If Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday;
- (c) The day observed in the appropriate area as the anniversary of the province of which the area forms a part; and
- (d) A day in the period commencing with 20 December in any year and ending with 10 January in the following year.

### Advertising meetings to be held on or after the 21st of the month

Section 46(1) and (2) provide timeframes for the public advertising of meetings. The purpose of these subsections is to ensure sufficient notification to the public regarding when meetings will take place. However, the wording of these subsections can cause some confusion.

- Section 46(1) envisages that an efficient way of advertising meetings is to provide a monthly schedule, published 5-14 days before the end of the month.
- Section 46(2) envisages that meetings in the latter half of the month may not be confirmed sufficiently in advance to form part of a monthly meeting schedule published before the start of the month.

Therefore, Section 46(2) provides a separate mechanism for advertising meetings held after the 21st of the month, which councils can choose to follow. If councils wish to do so, meetings after the 21st of the month can be advertised 5-10 working days prior to the meeting taking place (that being 1-2 standard calendar weeks, unless public holidays fall during that time).

Basically, Councils must utilise the monthly schedule in Section 46(1) for meetings held between the 1st and 21st of the month, however, either method for advertising meetings can be used for meetings held after the 21st

## Re-locating meetings at the last minute

Local authorities must hold meetings at the times and places that it appoints, so if an appointed meeting room becomes unavailable at the last minute (i.e. after the agenda has been published), and an alternative room in the same venue or complex cannot be used, the meeting can be re-located but will become extraordinary and the requirements set out in Standing Orders 8.5 and 8.10 will need to be met.

If a meeting is re-located, we recommend informing the public of the change in as many different ways as possible, for example:

- Customer Services made aware;
- Meeting invitations to elected members changed;
- Relevant notices visible outside both old and new venues;
- A sign on the original meeting room door, and/or; and
- Updates on the Council's website and social media pages.

## Process for putting matters on the agenda

An issue for many elected members, particularly those newly elected, is how to get matters on to the agenda of a meeting in order to achieve a decision. This issue is addressed in Standing Order 9.1 and Appendix 13. The provision applies to councils, subordinate decision-making bodies (these include committees and subcommittees), local and community boards. In short, a matter may be placed on the agenda as a result of any of the following:

- Through a direct request to the chief executive or an officer with the relevant delegated responsibility;
- From the Chairperson through their chairperson's report, although depending on the nature of the item and decision suggested, a staff report may be required;
- Through the report of a committee. Committee meetings are generally less formal than a meeting of the governing body and a committee can make recommendations to the governing body. Please note that any request should fall within the committee's terms of reference;
- Through a report of a local or community board. A councillor could, for example, ask a local or community board to support a matter and even recommend a course of action to the governing body; and
- Members may apply to place an item on the agenda through a notice of motion (see SO 27.1), however, a notice of motion must comply with the decision-making provisions of Part 6 LGA 2002 before it can be considered. If the mover of the notice of motion is unable to provide this information or the decision is likely to be deemed a significant decision, the notice of motion should provide that the proposal be referred to the chief executive for consideration and report.

Though any and all of these may be used it is important to remember that until presented to members (i.e. published), an agenda is ultimately the responsibility of the Chief Executive and the collation of the agenda and its contents must remain under the Chief Executive's control.

Where a matter is urgent and has not been placed on an agenda it may be brought before a meeting as "extraordinary business" as a result of a report by the Chief Executive or a report by the Chairperson. This process gives effect to Section 46A (7) and (7A) of LGOIMA.

Please note: the content or topic of any request must fall within the terms of reference of the specific body or meeting, for example, a request made to a community board should be for an item that falls within the decision-making authority of the board.

## Agendas – good practice

Underpinning open and transparent government is the opportunity for members of the public to know in advance what matters their local governments will be debating and making decisions about ahead of time. Consequently making copies of council and committee agendas available for members of the public is critical. Officials need to be aware of their communities' preferences for accessing information when deciding how access to draft agendas will be facilitated.

## Information tabled at meetings

Any extra information tabled after the reports and agendas have been distributed should be specified and noted in the minutes, with copies made available in all places that the original material was distributed to. A copy must also be filed with the agenda papers for archival purposes (and future research if necessary).

## Part 3 Meeting procedures

### Starting your meeting

Questions are sometimes asked whether or not council meetings should begin with some form of reflection to acknowledge the importance of our democratic processes.

There is no obligation on a local authority to start its meetings with a reflection or ceremony, however if a council wishes to begin its meetings with a formal procedure to recognise the civic importance of council meetings, we have made a few suggestions in this section. Which allow for tangata whenua processes which should alleviate any awkwardness around introducing such processes.

An example of a reflection used at the start of a meeting is the following karakia used by Hutt City Council.

Opening formalities - karakia timatanga	
Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki te tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
E hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air.
He tio, he huka, he hau hū	A touch of frost, a promise of a glorious day.
Tīhei mauri ora.	

### Voting systems

One of the issues that arose during preparation of the new Standing Orders concerned the performance of some of the electronic voting systems that are in use and whether or not the way in which they operate is consistent with what we understand as 'open voting'.

We have taken the view that open voting means that members should be able to see how each other votes 'as they vote' (i.e. simultaneously) as opposed to a system which votes are tallied (in a manner that does not show how individuals voted) and then a result is released.

It is also important to note that under these Standing Orders electronic systems should allow a member to abstain from voting, see Standing Order 19.7.

### The Chairperson's casting vote

Standing Order 19.3 allows the Chairperson to exercise a casting vote where there is an equality of votes. Incorporating a casting vote in a council's Standing Orders is optional under cl. 24 (2) Schedule 7, LGA 2002. The casting vote option has been included in the template to enable a meeting to conduct and conclude important business without the risk that a vote might be tied and as a result a significant statutory timeframe might be exceeded.

There are three options:

1. The casting vote provisions are left as they are in the default standing orders.
2. The casting vote provision, Standing Order 18.3, is removed from the draft standing orders before the standing orders are adopted.
3. The standing orders are amended to provide for a “limited casting vote” that would be limited to a prescribed set of decisions only such as statutory decisions, for example: *where the meeting is required to make a statutory decision e.g. adopt a Long Term Plan, the chair has a casting vote where there is an equality of votes.*

**Chairperson does not have a casting vote except in the case of statutory decisions**

The Mayor, Chairperson or any other person presiding at a meeting has a deliberative vote and, in the case of an equality of votes, does not have a casting vote (and therefore the act or question is defeated and the status quo is preserved) with the exception of statutory decisions such as (but not limited to) the adoption of Annual Plans, Annual Reports and Long Term Plans where a casting vote may be exercised (Western Bay of Plenty District Council Standing Orders 2016).

## Joining meetings by audio and audio visual means

The Local Government Act 2002 Amendment Act 2014 gave local authorities the option to include in their standing orders a provision to enable members to join meetings by audio or audio visual means.

These standing orders include this provision and if a council wishes not to make that option available to its members the specific standing orders should be removed before the standing orders are adopted. The relevant standing orders are 13.7 – 13.16.

A number of members have found the audio and audio visual provisions prescribing quorums and voting confusing. We have worked on the Standing Order to make it as clear as possible that while a member can take part in discussions and vote while joining a meeting electronically, they are not part of the quorum.

## Conduct

Section 20 of the Standing Orders deals with the lected member conduct at meetings. One feature of the LGNZ Standing Orders is the cross reference to each council’s Code of Conduct. The Code of Conduct sets standards by which members agree to abide in relations to each other. Clause 5.1 of the LGNZ Code of Conduct template sets out the following standards with regard to relations between members:

Given the importance of relationships to the effective performance of the council, members will conduct their dealings with each other in a manner that:

- Maintains public confidence;
- Is open and honest;
- Is courteous;
- Is focused on issues rather than personalities;
- Avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- Avoids aggressive, offensive or abusive conduct, including the use of disrespectful or malicious language.

At the start of a triennium, councils as well as committees and local and community boards should agree on protocols for how meetings will work, including whether or not members are expected to stand when speaking and any specific dress requirements.

## Public forums: good practice

These standing orders state that a period of up to 30 minutes is set aside for a public forum. Members of the public may attend to address the meeting for up to five minutes on items that fall within the delegations of the meeting, provided the matters are not subject to legal proceedings, or to a process providing for the hearing of submissions. Speakers may be questioned through the Chairperson by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker. The Chairperson has discretion in regard to time extensions.

Such presentations do not form part of the formal business of the meeting i.e. consideration of business items listed on the agenda. We recommend that a brief record be kept of matters raised during any public forum section of the meeting with matters for action to be referred to the Chief Executive or other person as requested by the meeting.

## Revoking a decision made under delegated authority

A council cannot directly revoke a decision made and implemented by a subordinate decision-making body which has the delegation to make the decision, assuming that the subordinate decision-making body, or local or community board, has exercised its decision-making powers in a lawful manner.

Where a decision of a subordinate body or a local or community board has been made under delegated authority but has not been implemented, a council can remove the specific delegation from that body and resolve to implement an alternative course of action.

## Process for release of public excluded information

Councils have different processes for releasing the reports, minutes and decisions from public excluded meetings (material considered confidential under Section 6 or Section 7 of LGOIMA). It is important to be aware that reasons for withholding information from the public does not necessarily endure, for example, information that was confidential due to negotiations may not need to remain confidential when negotiations have concluded. Equally, documents may be released in part, with only parts withheld.

Generally information may only be publicly released by a decision of the meeting, or a decision of the Chief Executive. Each council will have systems and policy for controlling the release of information.

When a report is deemed to be 'In confidence' information can be provided on whether or not it will be publicly released and when. With regard to items under negotiation, such as contracts, land purchase or disposal, resource consents and district plan matters, there is often an end point when confidentiality is no longer necessary. If no release clause is provided a further report may be needed to release the information creating double handling and report writing.

The following clause can be included in report templates to address this issue:

*(If in confidence)* That the report/recommendation be transferred into the open section of the meeting on {state when the report and/or recommendation can be released as an item of open business and include this clause in the recommendation}.

## Returning from public excluded to open session

Councils take different approaches to the way in which a meeting moves from public excluded to open status. There are basically two approaches:

1. Meeting resolution - whereby the chair, or a member, moves that since the grounds for going into public excluded no longer exist the public excluded status is hereby lifted.
2. End of the public excluded item – whereby public excluded status is “tagged” to only those items that meet the criteria in the sample resolution set out in Appendix Two of the Standing Orders and is automatically lifted once discussion on that item is concluded.

Generally, moving out of public excluded sessions should follow the approach set out in option two. However, option one might apply where, during a substantive item, it is necessary to go into public excluded for a section of that item. In this case the Chair, or a member, should signal, through a point of order that the grounds for excluding the public no longer apply. Whether a motion to return to open meeting is required or not is a question of style.

## Conflicts of interest

Questions from elected members about when a conflict of interest may exist and how it should be managed are amongst the most common faced by governance staff. The rules are clear that a member of a local authority may not participate in discussion or voting on any matter before an authority in which they have with a financial or non-financial conflict of interest. However, determining whether a conflict exists or not is not always so clear.

### Financial conflicts of interest:

It is an offence under the Local Authorities Members' Interests Act 1968 to participate in any matter in which a member has a financial interest. These are defined by the Auditor General as:

*whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member involved (p. 25 Conflicts of Interest OAG 2004).*

The Auditor General can, in certain situations, grant exemptions from the rule which makes it an offence for an elected member with a financial conflict of interest discussing and voting on a matter, for example, where an interest is in common with the public.

In such cases the Auditor General can grant an exemption or a declaration to allow a member to participate. Members should be referred to the Auditor General if there is a possibility that their case would qualify for an exemption or declaration (see OAG's guide on Conflicts of Interest published in 2004).

### Non-financial conflicts of interest:

The Auditor General defines a non-financial conflict of interest or 'bias' as:

*Is there, to a reasonable, fair minded and informed observer, a real danger of bias on the part of a member of the decision-making body, in the sense that he or she might unfairly regard (with favour or disfavour) the case of a party to the issue under consideration.*

Bias involves not just actual bias but also the perception of bias. A claim of bias can be made on the basis of predetermination. A member who believes they may have a non-financial conflict of interest should:

- Declare they have a conflict of interest when the matter comes up at a meeting;
- Ensure that their declaration is recorded in the minutes; and
- Refrain from discussing or voting on the matter.

In such cases the member should leave the table and not take part in any discussion or voting on the matter. In determining the level of conflict, members should discuss the matter with the meeting chairperson and/or chief executive or their nominee, however, the decision whether to participate or not must be made by the members themselves.

The Auditor General cannot provide an exemption or declaration with regard to non-financial conflicts of interest.

## How should confidential information in an agenda be managed?

Occasionally councils have to address the issue of how confidential agenda items should be handled where there is a possibility, should it become public, that the information in the agenda could benefit a member or individuals. Some councils address this risk by tabling confidential papers at the meeting on the day and ensuring those papers are returned before members leave.

## What happens to a quorum when a member is 'not at the table'?

Whether or not members must be 'at the table' to constitute a quorum is a frequently asked question, usually in response to a member standing aside from the table due to a perceived or actual conflict of interest.

Standing Order 10.4 covers this situation when it states "a meeting is constituted where a quorum of members is present, whether or not they are all voting or entitled to vote". "Present" in the context of these standing orders is to be in the room, not necessarily around the table. Please note that if a member is excluded from the meeting room due to a financial conflict of interest they are no longer considered "present" for the purposes of the quorum.

## Members attending meetings of which they are not members

A common question involves the role of elected members who attend meetings of which they are not members and what their status at these meetings should be. The legislation and these standing orders are clear (cl. 19(2) Schedule 7, LGA 2002) that members can attend any meetings unless they are "lawfully excluded" (see definition of lawfully excluded in the Standing Orders).

An elected member who attends the meeting of a committee of which they are not a member may not necessarily be able to claim allowances, such as mileage, for attending that meeting. This question should be addressed in a council's allowances and expenses policy.

Elected members attending a meeting of which they are not a member have the same rights as the public. They may be granted additional speaking rights if permitted by the Chairperson. To remove the possibility of confusion about membership and speaking rights for both the public and the members concerned many councils require non-members to sit away from the meeting table i.e. in the public gallery.

## Attendance at hearings

There is often confusion as to whether or not elected members must be present throughout a hearing or submission process in order to be able to vote on the outcomes of the hearing. This is a case where the rules vary according to the legislation under which the hearing or submission process is occurring.

Hearings under the LGA 2002, such as Annual Plan or Long Term Plan hearings, do not require all elected members to have participated in the submission process in order to take part and vote on the outcomes of that process. Elected members who cannot participate at all or who miss part of a hearing should review all submissions and the analysis provided by officials of the written and oral submissions before taking part in any debate and vote on the plan or policy under consideration.

It is good practice to remove doubt on this matter that there be a record in the minutes stating that the members who have been absent have been provided with, prior to deliberations, all records of submissions made both orally and in written form.

Please note that the Auditor General recommends that members should be present for the whole of a hearing “to show a willingness to consider all points of view” (Conflicts of Interest August 2004 p. 43). The guidance suggests that lengthy periods of nonattendance at a hearing could suggest an element of pre-determination.

## Divisions

Under Standing Order 19.5 a member can call for a ‘division’ for any reason. If a division is called the standing orders require the Chief Executive to record the names of the members voting for and against the motion, as well as abstentions, and provide the names to the Chairperson to declare the result. It is important to remember to record the names of members in the minutes and the way in which they voted.

There are different approaches taken to ascertaining how people voted. For example:

- When asking each individual member how they voted vary the order in which elected members are asked e.g. alternate between clockwise and anti-clockwise.
- To get a clear picture ask members who voted for or against a motion or amendment to stand to reflect how they voted i.e. “all those in favour please stand” and the committee secretary will record those votes and names, followed by “all those against please stand” again with names recorded, followed (where abstention is provided for) with “all those abstaining, please stand” and again record those names.

## Where a motion is lost

A new provision has been added to make it clear that when a motion is lost it is possible to move an additional motion if it is necessary to provide guidance or direction. For example, if a motion “that the council’s social housing stock be sold” was defeated, the organisation might be left without direction with regard to the question of how the stock should be managed in the future.

Standing Order 23.10 enables a meeting to submit a new motion if required to provide direction to management where this might be required following the defeat of a motion.

## What happens to items left on the table

Standing Order 25.2 *Procedural motions to close or adjourn a debate* provides five procedural motions to close or adjourn a debate. In relation to the procedural motion whereby the item of business is left to “lie on the table” we recommend that any such matters should cease to lie on the table and are withdrawn at the end of the triennium.

It is however good practice wherever possible to state (when an item is left to lie on the table) what action is required to finalise it and when it will be reconsidered. For example, “that the report on the sale of the land lie on the table until further information on land values is received and that on receipt of such information the item be reported to the next scheduled meeting of the Property Committee”.

## Options for speaking and moving motions

One of the new features in these standing orders is the ability to use different rules for speaking to and moving motions so as to give greater flexibility when dealing with different situations.

Standing Orders (22.1 – 22.5) provide for three options. Option A repeats the provisions in the Standards New Zealand Model Standing Orders which limit the ability of members to move amendments if they have previously spoken. Option B provides more flexibility by allowing any member, regardless of whether they have spoken before, to move or second an amendment, while Option C allows further flexibility.

When a council, committee or community board adopts their standing orders at the start of the triennium it should decide which of the three options will be the default option. We recommend that the default be the approach which will be used most frequently.

Reasons why a committee may consider using options B or C could be to enable more discussion on items and/or to avoid a meeting choosing to suspend standing orders altogether.

For joint committees the decision could be simplified by agreeing to adopt the settings used by whichever member council is providing the administrative services.

## Keeping minutes - additional guidance

Since the release of the 2016 standing orders a number of requests for further guidance have been raised.

### **Hard copy or digital**

A common question since the release of the LGNZ standing orders has been to do with whether or not minutes should only be kept in hard copy. Since the 2016 edition Archives New Zealand has released guidance on the storage of records by digital means. In short general approval has been given to public offices to retain electronic records in digital form, except in a few specified cases. The advice is set out below.

### **Mandate**

This Authority to retain public records in electronic form only (the Authority) is issued by the Chief Archivist under Section 229(2) of the Contract and Commercial Law Act 2017 (CCLA).

### **Purpose**

The purpose of the Authority is to grant general approval from the Chief Archivist to public offices to retain public records in electronic (digital) form only, subject to the exclusions listed in “4 Exclusions to this Authority” below. This means that the source public records do not need to be retained after digitisation and can be destroyed without further authorisation.

### Approval to retain in electronic form

The Chief Archivist approves public records not excluded under 4 *Exclusions to this Authority* below for retention in electronic form only, after these have been digitised.

#### Exclusions to this Authority

The following categories of public records are excluded from the general approval given in “*Approval to retain in electronic form*” above:

- Unique or rare information, information of importance to national or cultural identity or information of historical significance;
- Unique or rare information of cultural value to Māori (land and people) and their identity; and
- All information created prior to 1946.

For more detail on each of these categories, refer to the guide *Destruction of source information after digitisation 17/G13*. Archives New Zealand will consider applications to retain public records from these categories in electronic form only on a case-by-case basis.

#### Compliance with Section 229(1) of the CCLA

A public office can retain public records in electronic form only, and destroy the source information, only if the public record is covered by the approval given in this Authority (or specific authorisation has otherwise been given by the Chief Archivist); and the conditions of Section 229(1) of the CCLA are met. The two conditions of s\Section 229(1) are:

- (a) *The electronic form provides a reliable means of assuring that the integrity of the information is maintained*

In accordance with Section 221 of the CCLA, “the integrity of information is maintained only if the information has remained complete and unaltered, except for the addition of any endorsement, or immaterial change that arises in the normal course of communication, storage, or display.”

The Chief Archivist considers that if any unique characteristics of the source information, which contribute to the value of that information, would be lost during digital conversion then the integrity of the information would not be maintained. The source information must then be retained.

- (b) *The information is readily accessible so as to be usable for subsequent reference*

Usable information is information that can be located, retrieved, presented and interpreted within a reasonable time period. A usable record should be connected to the business process or transaction that produced it. Linkages between records that document related business transactions should be maintained (sourced from ISO 15489-1:2016 *Information and documentation – Records management – Concepts and principles*).

Note: Public offices should be aware that Section 229 of the CCLA does not apply to those enactments and provisions of enactments listed in Schedule 5 to the CCLA (Enactments and provisions excluded from subpart 3 of Part 4).

For further detail, the Authority should be read in conjunction with the guide *Destruction of source information after digitisation 17/G131*.

## Chairperson's signature

Where councils capture and store minutes digitally the traditional practice for authorizing minutes of the Chair's signature is not at all practical. For the digital environment one approach would be to include, with the motion to adopt the minutes, a sub-motion to the effect that the Chair's electronic signature be attached/inserted.

## What to record?

The purpose of taking minutes is to meet legal requirements set out in LGOIMA 1987, "create an audit trail of public decision-making and to provide an impartial record of what has been agreed". But most of all having a clear and precise record of the decisions that our public agencies make strengthens accountability and helps build confidence in our local democracy.

The level of proceedings recorded will vary according to the preferences of different councils and their administrations. What is important is to ensure that the bodies on behalf of which minutes are being taken are fully aware of, and have agreed in advance, to the style of those minutes. One way of doing this is to include, as part of the resolution adopting the minutes, either a stand-alone motion stating the level of detail that will be recorded, or including this within the Standing Orders themselves.

In addition to the items set out in SO 27.2, a further reason why more detailed records might be taken is to record the reasons given for a meeting not accepting an officer's recommendations on a report - this might be important for future audit purposes.

## Taking minutes for hearings held under 'other' statutes

The LGNZ Standing Orders are designed to comply with the LGA 2002 and LGOIMA 1987. Other statutes under which councils may have meetings and hearings can have specific requirements that are different to the general requirements of the LGA 2002. For example:

Minutes of hearings under the RMA, Dog Control Act 1996 and Sale and Supply of Alcohol Act 2012 include additional items, namely:

- Record of oral evidence;
- Questions put by panel members and the speaker's response;
- Reference to tabled written evidence; and
- Right of reply.

### Good practice

- Minutes should be a clear audit trail of decision-making.
- Less is best.
- Someone not in attendance will be able to understand what was decided
- Anyone reading the minutes in 20 years' time will understand them (Fleur Sweeney).

<sup>1</sup> See <https://records.archives.govt.nz/assets/Guidance-new-standard/17-Sp7-Authority-to-retain-public-records-in-electronic-form-only.pdf>

Information required in minutes of hearings of submissions under a special consultative procedure, such as Long Term Plan hearings, include:

- Records of oral submission;
- Questions put by elected members and the speaker's response to them; and
- Reference to tabled written submission.

In cases where a council resolves a course of action in response to submissions which is contrary to advice provided by officials, the reasons why the Council chose not to follow official advice should be recorded. In summary:

- For procedural matters a pre-formatted list of statements can be useful for slotting in the minutes as you go.
- Avoid attributing statements to specific politicians as it creates opportunity for debate during the confirmation of minutes.
- Do attribute statements when given as expert advice.
- Be flexible. Minutes are live recordings of real events – the rules won't always help you.

## Preparing for the next triennial election

There is often uncertainty about what, if anything, should be done to prepare for the triennial elections and the interregnum period during which elected members are unable to act.

### Governance hand-overs

To assist new councils get up to speed, councils, i.e. the governing bodies, may like to “prepare a letter to themselves”, i.e. for their successors (noting that this may largely be the incumbents).

The purpose of such a letter or report is to provide the new members of the councils with an insight into what the outgoing councils saw as the major challenges and what they learned during their term in office that they might have done differently. In other words, a chance to help the new council avoid the mistakes they may have made.

Whether or not to prepare advice for an incoming council and if so, what advice, is ideally a discussion that a mayor/regional council chair should have with their respective governing body before the last scheduled council meeting. It may be an ideal topic for a facilitated workshop.

### Reviewing decision-making structures

One of the first matters that new councils must address is to adopt a decision-making structure and in the vast majority of cases end up adopting the decision-making body of their predecessors.

We spend too little time looking at whether or not our councils have the right decision-making structure, as there is a very wide menu of options, from governing bodies that choose to make all decisions, to committees which are “committees of the whole” and committees with external appointments. We need to work with our governing bodies to help them identify the right approach for their communities.

One way of doing this is to survey your elected members towards the end of the triennium to identify what worked well about their decision-making structure and what could be improved.

Based on surveys and interviews the incoming councils should be presented with a menu of decision-making options with the strengths and weaknesses of each set out clearly.

## Committees that are not-discharged

Depending on the nature of their responsibilities a council, or a group of councils in the case of a joint committee, can resolve that a committee continues beyond a triennial election. Typically such a committee would be responsible for providing oversight of some form of project that has a long term focus and may also contain appointed members.

Whether or not the committee is to be discharged at an election should be set out in its original terms of reference, adopted by resolution. Following an election the council, or councils by agreement in the event of a joint committee, can discharge and appoint new members to that committee.

There is some ambiguity as to whether District Licensing Committees automatically continue past the triennium or a resolution not discharging them is required. While the legislation is not specific the fact that DLCs are required by statute and that members can be appointed for terms longer than three years strongly suggests that the automatic discharge provision probably does not apply. However councils have the choice of resolving not to discharge should they choose.

## When to schedule the last ordinary meeting

When putting together the schedule of meetings for the last year of a triennium how close to polling day should the last meeting of the governing body be scheduled? Councils do take different approaches, and practice may be affected by the nature of business that a council is facing prior to the coming elections.

Given that the election campaign properly starts four weeks before polling day, common practice would be to schedule the last ordinary council meeting in the week before the campaign period begins.

This allows retiring members to make valedictory speeches away from the political atmosphere of the election and those members seeking re-election may not be fully occupied with their campaigns.

Council business still continues in the four weeks before polling day so expect some council committees/sub-committees to still be meeting to deal with ongoing work, whether it is preparation of a submission or oversight of a local project. Urgent matters can still be addressed through an extraordinary or emergent meeting.

## What about issues emerging in the interregnum?

Between polling day and the first meeting of the new council, at which members are sworn in, issues can arise that require an urgent council decision, who should make any such decisions?

This is a question that is asked frequently and there is only one practical answer, and that is your council's chief executive. Before the elections (and preferably at the first or second council meeting where delegations are agreed) a time-limited delegation should be adopted giving the chief executive broad discretion to act on behalf of the local authority. For example:

*That from the day following the Electoral Officer's declaration, until the new Council is sworn in, the Chief Executive is authorised to make decisions in respect of urgent matters, in consultation with the Mayor elect. All decisions made under this delegation will be reported to the first ordinary meeting of the new Council.*

## Feedback:

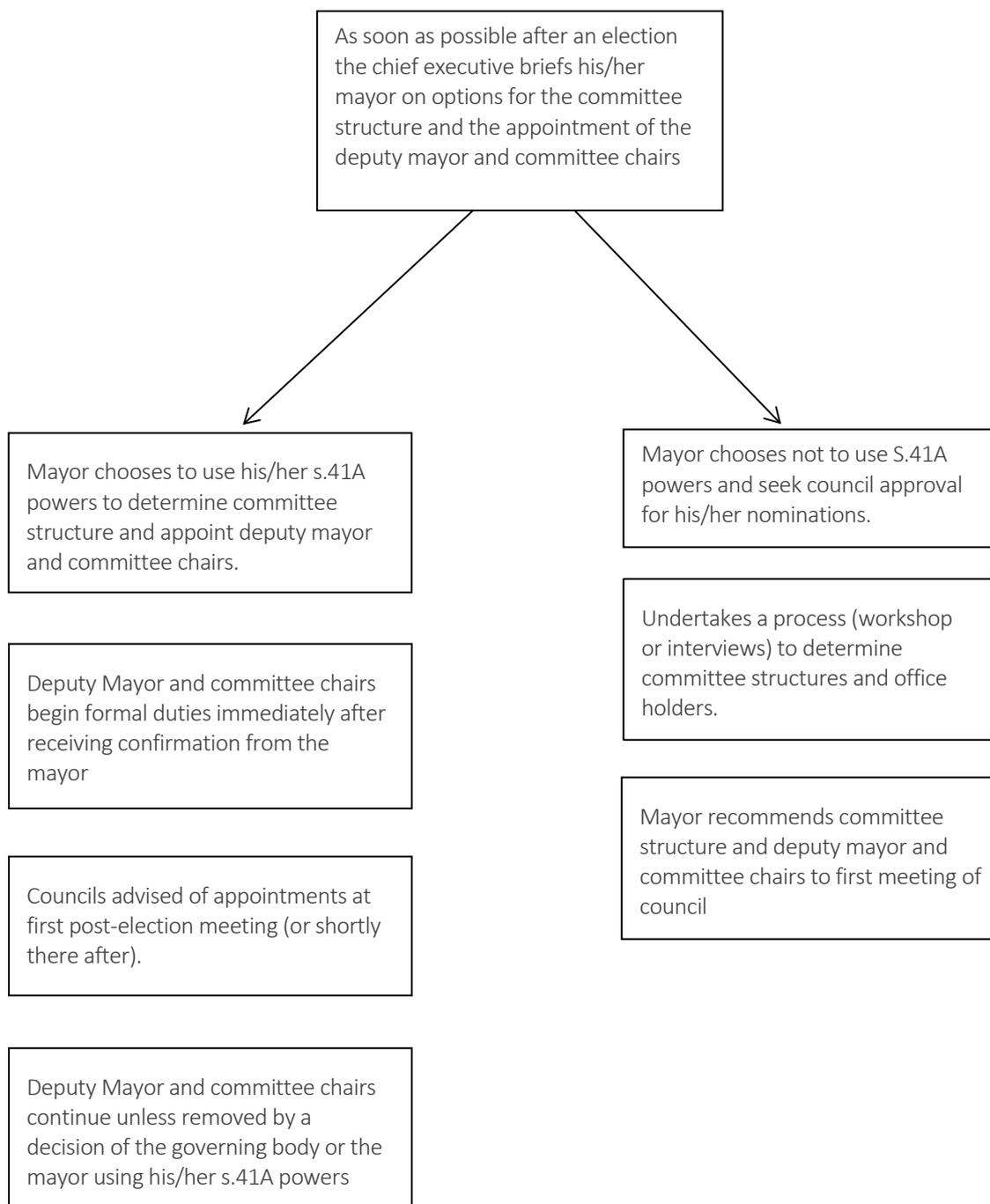
The 2019 edition of the Standing orders incorporates all relevant legislative changes made by Parliament since 2016 that we are aware of. If any changes have escaped our attention please let us know.

We are also keen to ensure that the Standing Orders continue to help councils run effective meetings so we appreciate any feedback users might like to make. For example, comments on the following would be appreciated:

- The layout and structure of the Standing Orders;
- Standing orders that are ambiguous or simply unclear;
- Jargon that could be replaced;
- Information that is missing; and
- Good practice ideas.

Please forward any comments or suggestions to [admin@lgnz.co.nz](mailto:admin@lgnz.co.nz).

## Appendix: Process for implementing s. 41A



Document No: A455975

Report To: Council



Meeting Date: 26 November 2019

Subject: Review of Code of Conduct

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to review its Code of Conduct following the 2019 Triennial Election.

## Background

- 2.1 A code of conduct is a statutory requirement under the Local Government Act 2002 (LGA), introduced to provide a mechanism for setting standards of behaviour amongst members of the governing body.
- 2.2 The Code of Conduct sets out the expectations adopted by members themselves about how they will act (as members) towards one another and the public as well as including a range of provisions concerning disclosure of information and obligations under statutes, such as the Local Government Official Information Act 1987.
- 2.3 Legislative Requirement**
- 2.4 Clause 15 of Schedule 7 of the Local Government Act 2002 created the legal requirement for each local authority to adopt a code of conduct for its elected members.
- 2.5 Clause 15 of Schedule 7 of the Local Government Act 2002 reads as follows:

### **15 Code of conduct**

- (1) *A local authority must adopt a code of conduct for members of the local authority as soon as practicable after the commencement of this Act.*
- (2) *The code of conduct must set out—*
- (a) *understandings and expectations adopted by the local authority about the manner in which members may conduct themselves while acting in their capacity as members, including—*
- (i) *behaviour toward one another, staff, and the public; and*
- (ii) *disclosure of information, including (but not limited to) the provision of any document, to elected members that—*
- (A) *is received by, or is in the possession of, an elected member in his or her capacity as an elected member; and*
- (B) *relates to the ability of the local authority to give effect to any provision of this Act; and*

- (b) *a general explanation of—*
  - (i) *the Local Government Official Information and Meetings Act 1987; and*
  - (ii) *any other enactment or rule of law applicable to members.*
- (3) *A local authority may amend or replace its code of conduct, but may not revoke it without replacement.*
- (4) *A member of a local authority must comply with the code of conduct of that local authority.*
- (5) *A local authority must, when adopting a code of conduct, consider whether it must require a member or newly elected member to declare whether or not the member or newly elected member is an undischarged bankrupt.*
- (6) *After the adoption of the first code of conduct, an amendment of the code of conduct or the adoption of a new code of conduct requires, in every case, a vote in support of the amendment of not less than 75% of the members present.*
- (7) *To avoid doubt, a breach of the code of conduct does not constitute an offence under this Act.*

2.6 Council's current Code of Conduct was originally developed and adopted by the Council of the day, on 18 December 2007 (for the 2007-2010 triennium) following a comprehensive review which was completed in order to replace the Code of Conduct in place prior to that time.

2.7 The 2007 review included a Council Workshop where Council considered the "Good Practice Guide for Local Authority Codes of Conduct" prepared by the Office of the Controller and Auditor-General and copies of various other local authority Codes of Conduct.

2.8 The Councils of the three trienniums since that time (2010-2013, 2013-2016 and 2016-2019) all adopted that same Code without change, other than in 2013 to reflect the Local Government Act 2002 Amendments in Paragraphs 3.2 and 3.3 relating to Mayoral Powers, and correction of LGA extracts in Appendix A.

## Commentary

3.1 Pursuant to Clause 15 of Schedule 7 of the Local Government Act 2002, once a Code of Conduct is adopted there is no set timeframe for any review, however it is deemed prudent following a general election to provide the new Council with the opportunity to review and take ownership of the Code of Conduct.

3.2 The Code of Conduct is also scheduled in Council's adopted Road Map Work Programme for review in November 2019.

3.3 Council has not been required to refer to its current Code of Conduct in over 10 years, and as a result, reviewing of the Code other than to comply with legislative changes has never been a priority for the Council.

## 3.4 **LGNZ Guidelines and Template**

- 3.5 In October 2016, following submissions from councils, LGNZ published a Code of Conduct template for the consideration of councils at the start of the 2016-2019 triennium. That template -
- Offered more clarity on what constitutes a breach of the Code;
  - Separated the processes for investigating breaches from the process for determining penalties and responses;
  - Included more emphasis on building supportive and inclusive cultures to reduce the risk of breaches;
  - Clarified who can and cannot make a complaint;
  - Contained a process for distinguishing between non-material and material breaches; and
  - Included a number of additional sanctions and penalties.
- 3.6 Based on the experience of councils applying that Code of Conduct over the 2016-2019 triennium, LGNZ has made further improvements to the template. This latest LGNZ template has been simplified, is easy to read and aligns more closely to WDC's existing Code of Conduct than the previous LGNZ template.
- 3.7 The template also makes reference to LGNZ's "Code of Conduct Guidelines" which is attached to and forms part of this business paper for information purposes.
- 3.8 The majority of Councils are now adopting LGNZ's template. A benefit to adopting this template is that when matters of conduct arise, experience and advice can be shared between councils when they are all working from the same Code.

## **Recommendation**

- 4.1 It is recommended that Council adopt the LGNZ Code of Conduct template, personalized for Waitomo District Council.
- 4.2 A copy of the proposed Code of Conduct, personalized for Waitomo District Council as a draft document is attached to and forms part of this business paper.
- 4.3 As it is recommended that Council adopt the LGNZ Code of Conduct template, Council's existing Code of Conduct has not been included as an attachment to this business paper, but is available for viewing on the Waitomo District Council website - <http://www.waitomo.govt.nz/publications/policy/> until such time as Council replaces it.

## **Suggested Resolutions**

- 1 The business paper on Review of Code of Conduct be received.
- 2 Council adopt the Draft Code of Conduct (Doc #A455976) as personalized for Waitomo District Council purposes.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

18 November 2019

Attachments: (1) Draft WDC Code of Conduct (Doc A455976)  
(2) LGNZ's "Code of Conduct Guidelines" (Doc A455980)



Waitomo District Council

# Code of Conduct

26 November 2019

Draft Only

This Code of Conduction was adopted by the

**Waitomo District Council**

at a meeting held on

**26 November 2019**

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## 1. Introduction

The Code of Conduct (the Code) sets out the standards of behavior expected from elected members in the exercise of their duties. Its purpose is to:

- Enhance the effectiveness of the local authority and the provision of good local government of the community, city, district or region;
- Promote effective decision-making and community engagement;
- Enhance the credibility and accountability of the local authority to its communities; and
- Develop a culture of mutual trust, respect and tolerance between the members of the local authority and between the members and management.

This purpose is given effect through the values, roles, responsibilities and specific behaviors agreed in the code.

## 2. Scope

The Code has been adopted in accordance with clause 15(1) of Schedule 7 of the Local Government Act 2002 (LGA 2002) and applies to all members, including the members of any local boards as well as the members of any community boards that have agreed to adopt it. The Code is designed to deal with the behaviour of members towards:

- Each other;
- The Chief Executive and staff;
- The media; and
- The general public.

It is also concerned with the disclosure of information that members receive in their capacity as elected members and information which impacts on the ability of the local authority to give effect to its statutory responsibilities.

The Code can only be amended (or substituted by a replacement Code) by a vote of at least 75 per cent of members present at a meeting when amendment to the Code is being considered. The Code should be read in conjunction with the Council's Standing Orders.

## 3. Values

The Code is designed to give effect to the following values:

1. **Public interest:** members will serve the best interests of the people within their community, district or region and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively in an accountable and transparent manner;
3. **Ethical behaviour:** members will act with honesty and integrity at all times and respect the impartiality and integrity of officials;
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by the Code of Conduct and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.

8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which the Council operates, including a regular review and assessment of the Council's collective performance.<sup>1</sup>

These values complement, and work in conjunction with, the principles of s14 of the LGA 2002 and the governance principles of s39 of the LGA 2002.

## 4. Role and Responsibilities

The Code of Conduct is designed to strengthen the good governance of your city, district or region. Good governance requires that the complementary roles of the governing body and the administration are understood and respected. These roles involve:

### 4.1 Members

The role of the governing body includes:

- Representing the interests of the people of the city, district or region;
- Developing and adopting plans, policies and budgets;
- Monitoring the performance of the Council against stated goals and objectives set out in its long term plan;
- Providing prudent stewardship of the Council's resources;
- Employing and monitoring the performance of the Chief Executive; and
- Ensuring the Council fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.

### 4.2 Chief Executive

The role of the Chief Executive includes:

- Implementing the decisions of the Council;
- Ensuring that all responsibilities delegated to the Chief Executive are properly performed or exercised;
- Ensuring the effective and efficient management of the activities of the local authority;
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority;
- Providing leadership for the staff of the Council; and
- Employing, on behalf of the Council, the staff of the local authority, (including negotiation of the terms of employment for those staff).

The Chief Executive is the only person directly employed by the Council itself (s.42 LGA 2002). All concerns about the performance of an individual member of staff must, in the first instance, be referred to the Chief Executive.

## 5. Relationships

This section of the Code sets out agreed standards of behaviour between members; members and staff; and members and the public. Any failure by a member to comply with the provisions of this section can represent a breach of the Code.

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<sup>1</sup> See Code of Conduct Guide for examples.

## 5.1 Relationships between Members

Given the importance of relationships to the effective performance of the Council, members will conduct their dealings with each other in a manner that:

- Maintains public confidence;
- Is open, honest and courteous;
- Is focused on issues rather than personalities;
- Avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- Avoids aggressive, bullying or offensive conduct, including the use of disrespectful or malicious language.

Please note, nothing in this section of the Code is intended to limit robust debate.

## 5.2 Relationships with Staff

An important element of good governance involves the relationship between a Council, its chief executive and its staff. Members will respect arrangements put in place to facilitate this relationship, and:

- Raise any concerns about employees, officers or contracted officials with the Chief Executive;
- Raise any concerns about the performance or behaviour of the Chief Executive with the Mayor/Chair or the chairperson of the Chief Executive Performance Review Committee (however described);
- Make themselves aware of the obligations that the Council and the Chief Executive have as employers and observe these requirements at all times, such as the duty to be a good employer;
- Treat all employees with courtesy and respect and not publicly criticise any employee; and
- Observe any protocols put in place by the Chief Executive concerning contact between members and employees.

Please note, elected members should be aware that failure to observe this portion of the Code may compromise the Council's obligations to be a good employer and consequently expose the Council to civil litigation or affect the risk assessment of Council's management and governance control processes undertaken as part of the Council's annual audit.

## 5.3 Relationship with the Public

Given the vital role that democratic local government plays in our communities it is important that Councils have the respect and trust of their citizens. To facilitate trust and respect in their Council members will:

- Ensure their interactions with citizens are fair, honest and respectful;
- Be available to listen and respond openly and honestly to citizens' concerns;
- Represent the views of citizens and organisations accurately, regardless of the member's own opinions of the matters raised; and
- Ensure their interactions with citizens and communities uphold the reputation of the local authority.

## 6. Media and Social Media

The media play an important role in the operation and efficacy of our local democracy. In order to fulfil this role the media needs access to accurate and timely information about the affairs of Council. Any failure by member to comply with the provisions of this section can represent a breach of the Code.

1. In dealing with the media elected members must clarify whether they are communicating a view endorsed by their Council, committee or community board, or are expressing a personal view.
2. Members are free to express a personal view to the media or social media at any time, provided the following rules are observed:
  - o Comments shall be consistent with the Code;
  - o Comments must not purposefully misrepresent the views of the Council or the views of other members;
  - o Social media pages controlled by members and used for making observations relevant to their role as an elected members should be open and transparent, except where abusive or inflammatory content is being posted; and
  - o Social media posts about other members, council staff or the public must be consistent with section five of this Code. (See **Appendix A** for guidelines on the personal use of social media).

## 7. Information

Access to information is critical to the trust in which a local authority is held and its overall performance. A failure to comply with the provisions below can represent a breach of the Code.

### 7.1 Confidential Information

In the course of their duties members will receive information, whether in reports or through debate, that is confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation. Accordingly, members agree not to use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the member.

### 7.2 Information Received in Capacity as an Elected Member

Occasionally members will receive information from external parties which is pertinent to the ability of their Council to properly perform its statutory duties. Where this occurs, and the information does not contravene the privacy of natural persons, the member will disclose such information to other members and/or the chief executive as soon as practicable.

## 8. Conflicts of Interest

Elected members will maintain a clear separation between their personal interests and their duties as elected members in order to ensure that they are free from bias (whether real or perceived). Members therefore must familiarise themselves with the provisions of the Local Authorities (Members' Interests) Act 1968 (LAMIA).

Members will not participate in any Council discussion or vote on any matter in which they have a pecuniary interest, other than an interest in common with the general public. This rule also applies where the member's spouse/partner has a pecuniary interest, such as through a contract with the Council. Members shall make a declaration of interest as soon as practicable after becoming aware of any such interests.

If a member is in any doubt as to whether or not a particular course of action (including a decision to take no action) raises a conflict of interest, then the member should seek guidance from the Chief Executive immediately. Members may also contact the Office of the Auditor-General for guidance as to whether they have a pecuniary interest, and if so, may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote.

**Please note:** Failure to observe the requirements of LAMIA could potentially invalidate a decision made, or the action taken, by the Council. Failure to observe these requirements could also leave the elected member open to prosecution (see **Appendix B**). In the event of a conviction elected members can be ousted from office.

## 9. Register of Interests

Members shall, at least annually, make a declaration of interest. These declarations are recorded in a public Register of Interests maintained by the Council. The declaration must include information on the nature and extent of any interest, including:

- a) Any employment, trade or profession carried on by the member or the members' spouse/partner for profit or gain;
- b) Any company, trust, partnership etc for which the member or their spouse/partner is a director, business partner or trustee;
- c) A description of any land in which the member has a beneficial interest within the jurisdiction of the local authority; and
- d) A description of any land owned by the local authority in which the member or their spouse/partner is:
  - A tenant; or
  - The land is tenanted by a firm in which the member or spouse/partner is a business partner; a company of which the member or spouse/partner is a director; or a trust of which the member or spouse/partner is a trustee.
- e) Any other matters which the public might reasonably regard as likely to influence the member's actions during the course of their duties as a member (if the member is in any doubt on this, the member should seek guidance from the Chief Executive).

Please note, where a member's circumstances change they must ensure that the Register of Interests is updated as soon as practicable.

## 10. Ethical Behaviour

Members will seek to promote the highest standards of ethical conduct. Accordingly members will:

- Claim only for legitimate expenses as determined by the Remuneration Authority and any lawful policy of the Council developed in accordance with that determination;
- Not influence, or attempt to influence, any Council employee, officer or member in order to benefit their own, or families, personal or business interests;
- Only use the Council's resources (such as facilities, staff, equipment and supplies) in the course of their duties and not in connection with any election campaign or personal interests; and
- Not solicit, demand, or request any gift, reward or benefit by virtue of their position and notify the Chief Executive if any such gifts are accepted. Where a gift to the value of \$50 or more is accepted by a member, that member must immediately disclose this to the Chief Executive for inclusion in the publicly available register of interests.

Any failure by members to comply with the provisions set out in this section represents a breach of the code.

## 11. Creating a Supportive and Inclusive Environment

In accordance with the purpose of the Code, members agree to take all reasonable steps in order to participate in activities scheduled to promote a culture of mutual trust, respect and tolerance. These include:

- Attending post-election induction programmes organised by the Council for the purpose of facilitating agreement on the Council's vision, goals and objectives and the manner and operating style by which members will work.
- Taking part in any assessment or evaluation of the Council's performance and operating style during the triennium.<sup>2</sup>
- Taking all reasonable steps to acquire the required skills and knowledge to effectively fulfill their Declaration of Office (the Oath) and contribute to the good governance of the city, district or region.

## 12. Breaches of the Code

Members must comply with the provisions of the code (LGA 2002, schedule 7, cl. 15(4)). Any member, or the Chief Executive, who believes that the Code has been breached by the behaviour of a member may make a complaint to that effect. All complaints will be considered in a manner that is consistent with the following principles.

### 12.1 Principles

The following principles will guide any processes for investigating and determining whether or not a breach under the code has occurred:

- That the approach for investigating and assessing a complaint will be proportionate to the apparent seriousness of the alleged breach;
- That the processes of complaint, investigation, advice and decision-making will be kept separate as appropriate to the nature and complexity of the alleged breach; and
- That the concepts of natural justice and fairness will apply in the determination of any complaints made under the Code. This includes, conditional on the nature of an alleged breach, directly affected parties:
  - Have a right to know that an investigation process is underway;
  - Are given due notice and are provided with an opportunity to be heard;
  - Have confidence that any hearing will be impartial;
  - Have a right to seek appropriate advice and be represented; and
  - Have their privacy respected.

### 12.2 Complaints

All complaints made under the code must be made in writing and forwarded to the Chief Executive. On receipt of a complaint the Chief Executive must forward the complaint to the Mayor/Chair or, where the Mayor/Chair is a party to the complaint, an independent investigator, drawn from a pool of names or agency agreed in advance.

Please note, only members and the Chief Executive may make a complaint under the code.

#### Complaint referred to Mayor/Chair

On receipt of a complaint made under the provisions of the Council's Code of Conduct the Mayor/Chair will, as the situation allows:

- Interview the complainant to assess the full extent of the complaint.
- Interview the member(s) subject to the complaint.
- Assess the complaint to determine materiality.

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<sup>2</sup> A self-assessment template is provided in the Guidance to the code.

- Where a complaint is assessed by the Mayor/Chair to be trivial, frivolous or minor, either dismiss the complaint, require an apology or other course of action, or assist the relevant parties to find a mutually agreeable solution.
- Where a complaint is found to be material, or no mutually agreed solution can be reached, the Mayor/Chair will refer the complaint back to the Chief Executive who will forward it, along with any recommendations made by the Mayor/Chair, to the Council or an adjudicative body established by the Council to assess and rule on complaints made under the Code.<sup>3</sup>

If the Mayor/Chair chooses they may, instead of undertaking an initial assessment, immediately refer the complaint to the independent investigator, via the Chief Executive.

## Complaint referred to Independent Investigator

On receipt of a complaint from a member which concerns the Mayor/Chair, or from the Mayor/Chair after initial consideration, the Chief Executive will forward that complaint to an independent investigator for a preliminary assessment to determine whether the issue is sufficiently serious to be referred, with recommendations if necessary, to the Council or an adjudicative body for assessing and ruling on complaints.<sup>4</sup> The process, following receipt of a complaint, will follow the steps outlined in **Appendix C**.

### 12.3 Materiality

An alleged breach under the Code is material if, in the opinion of the Mayor/Chair or independent investigator, it would bring the Council into disrepute or, if not addressed, adversely affect the reputation of a member.

An alleged breach under this Code is non-material if, in the opinion of the Mayor/Chair or independent investigator, any adverse effects are minor and no investigation or referral is warranted.

## 13. Penalties and Actions

Where a complaint is determined to be material and referred to the Council or an adjudicative body established to consider complaints, the nature of any penalty or action will depend on the seriousness of the breach.

### 13.1 Material Breaches

In the case of material breaches of the Code, the Council, or the adjudicative body with delegated authority, may require one of the following:

1. A letter of censure to the member;
2. A request (made either privately or publicly) for an apology;
3. Removal of certain Council-funded privileges (such as attendance at conferences);
4. Removal of responsibilities, such as committee chair, deputy committee chair or portfolio holder;
5. Restricted entry to Council offices, such as no access to staff areas (where restrictions may not previously have existed);
6. Limitation on any dealings with Council staff other than the Chief Executive or identified senior manager;
7. A vote of no confidence in the member;

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<sup>3</sup> Advice on establishing adjudication bodies can be found in the Guide to the Code of Conduct.

<sup>4</sup> On behalf of the Council the Chief Executive will, shortly after the start of a triennium, prepare, in consultation with the Mayor or Chairperson, a list of investigators for this purpose of undertaking a preliminary assessment. The Chief Executive may prepare a list specifically for his or her council, prepare a list jointly with neighbouring councils or contract with an agency capable of providing appropriate investigators, such as Equip.

8. Suspension from committees or other bodies to which the member has been appointed; or
9. Invitation to the member to consider resigning from the Council.

A Council or adjudicative body with delegated authority may decide that instead of a penalty, one or more of the following may be required:

- Attend a relevant training course; and/or
- Work with a mentor for a period of time; and/or
- Participate in voluntary mediation (if the complaint involves a conflict between two members); and/or
- Tender an apology.

The process is based on the presumption that the outcome of a complaints process will be made public unless there are grounds, such as those set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA), for not doing so.

## 13.2 Statutory Breaches

In cases where a breach of the Code is found to involve regulatory or legislative requirements, the complaint will be referred to the relevant agency. For example:

- Breaches relating to members' interests (where members may be liable for prosecution by the Auditor-General under LAMIA);
- Breaches which result in the Council suffering financial loss or damage (where the Auditor-General may make a report on the loss or damage under s.44 LGA 2002 which may result in the member having to make good the loss or damage); or
- Breaches relating to the commission of a criminal offence which will be referred to the Police (which may leave the elected member liable for criminal prosecution).

## 14. Review

Once adopted, the Code continues in force until amended by the Council. The Code can be amended at any time but cannot be revoked unless the Council replaces it with another Code. Amendments to the Code require a resolution supported by 75 per cent of the members of the Council present at the Council meeting at which the amendment is considered.

Councils are encouraged to formally review their existing Code and either amend or re-adopt it as soon as practicable after the beginning of each triennium in order to ensure that all members have the opportunity to provide their views on the Code's provisions.

## Appendix A: Guidelines on the personal use of social media<sup>5</sup>

There's a big difference in speaking "on behalf of Council" and speaking "about" the Council. While your rights to free speech are respected, please remember that citizens and colleagues have access to what you post. The following principles are designed to help you when engaging in **personal or unofficial online** communications that may also refer to your Council.

1. **Adhere to the Code of Conduct and other applicable policies.** Council policies and legislation, such as LGOIMA and the Privacy Act 1993, apply in any public setting where you may be making reference to the Council or its activities, including the disclosure of any information online.
2. **You are responsible for your actions.** Anything you post that can potentially damage the Council's image will ultimately be your responsibility. You are encouraged to participate in the social media but in so doing you must exercise sound judgment and common sense.
3. **Be an "advocate" for compliments and criticism.** Even if you are not an official online spokesperson for the Council, you are one of its most important advocates for monitoring the social media landscape. If you come across positive or negative remarks about the Council or its activities online that you believe are important you are encouraged to share them with the governing body.
4. **Let the subject matter experts respond to negative posts.** Should you come across negative or critical posts about the Council or its activities you should consider referring the posts to the Council's authorised spokesperson, unless that is a role you hold, in which case consider liaising with your communications staff before responding.
5. **Take care mixing your political (Council) and personal lives.** Elected members need to take extra care when participating in social media. The public may find it difficult to separate personal and Council personas. Commenting online in any forum, particularly if your opinion is at odds with what Council is doing, can bring you into conflict with the Code should it not be clear that they are your personal views.
6. **Never post sensitive and confidential information** provided by the Council, such as confidential items, public excluded reports and/or commercially sensitive information. Such disclosure will contravene the requirements of the Code.
7. **Elected Members' social media pages should be open and transparent.** When commenting on matters related to the local authority no members should represent themselves falsely via aliases or differing account names or block. Neither should they block any post on any form of social media that they have control over unless there is clear evidence that the posts are actively abusive. Blocking constructive debate or feedback can be seen as bringing the whole Council into disrepute.

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<sup>5</sup> Based on the Ruapehu District Council Code of Conduct.

## Appendix B: Legislation bearing on the role and conduct of elected members

This is a summary of the legislative requirements that have some bearing on the duties and conduct of elected members. The full statutes can be found at [www.legislation.govt.nz](http://www.legislation.govt.nz).

### The Local Authorities (Members' Interests) Act 1968

The Local Authorities (Members' Interests) Act 1968 (LAMIA) provides rules about members discussing and voting on matters in which they have a pecuniary interest and about contracts between members and the Council.

A pecuniary interest is likely to exist if a matter under consideration could reasonably give rise to an expectation of a gain or loss of money for a member personally (or for their spouse/partner or a company in which they have an interest). In relation to pecuniary interests the LAMIA applies to both contracting and participating in decision-making processes.

With regard to pecuniary or financial interests, a person is deemed to be "concerned or interested" in a contract or interested "directly or indirectly" in a decision when:

- A person, or spouse/partner, is "concerned or interested" in the contract or where they have a pecuniary interest in the decision; or
- A person, or their spouse/partner, is involved in a company that is "concerned or interested" in the contract or where the company has a pecuniary interest in the decision.

There can also be additional situations where a person is potentially "concerned or interested" in a contract or have a pecuniary interest in a decision, such as where a contract is between an elected members' family trust and the Council.

### Determining whether a pecuniary interest exists

Elected members are often faced with the question of whether or not they have a pecuniary interest in a decision and if so whether they should participate in discussion on that decision and vote. When determining if this is the case or not the following test is applied:

*"...whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned." (OAG, 2001)*

In deciding whether you have a pecuniary interest, members should consider the following factors:

- What is the nature of the decision being made?
- Do I have a financial interest in that decision - do I have a reasonable expectation of gain or loss of money by making that decision?
- Is my financial interest one that is in common with the public?
- Do any of the exceptions in the LAMIA apply to me?
- Could I apply to the Auditor-General for approval to participate?

Members may seek assistance from the Mayor/Chair or other person, to determine if they should discuss or vote on an issue, but ultimately it is their own judgment as to whether or not they have pecuniary interest in the decision. Any member who is uncertain as to whether they have a pecuniary interest is advised to seek legal advice. Where uncertainty exists members may adopt a least-risk approach which is to not participate in discussions or vote on any decisions.

Members who do have a pecuniary interest will declare the pecuniary interest to the meeting and not participate in the discussion or voting. The declaration and abstention needs to be recorded in the meeting minutes. (Further requirements are set out in the Council's Standing Orders.)

## The contracting rule

A member is disqualified from office if he or she is “concerned or interested” in contracts with their Council if the total payments made, or to be made, by or on behalf of the Council exceed \$25,000 in any financial year. The \$25,000 limit includes GST. The limit relates to the value of all payments made for all contracts in which you are interested during the financial year. It does not apply separately to each contract, nor is it just the amount of the profit the contractor expects to make or the portion of the payments to be personally received by you.

The Auditor-General can give prior approval, and in limited cases, retrospective approval for contracts that would otherwise disqualify you under the Act. It is an offence under the Act for a person to act as a member of the Council (or committee of the Council) while disqualified.

## Non-pecuniary conflicts of interest

In addition to the issue of pecuniary interests, rules and common law govern conflicts of interest more generally. These rules apply to non-pecuniary conflicts of interest, including common law rules about bias. In order to determine if bias exists or not members need to ask:

*“Is there a real danger of bias on the part of the member of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?”*

The question is not limited to actual bias, but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done, but should be seen to be done. Whether or not members believe they are not biased is irrelevant.

Members focus should be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- Members’ statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a “closed mind”); and
- Members have a close relationship or involvement with an individual or organisation affected by the decision.

In determining whether or not they might be perceived as biased, members must also take into account the context and circumstance of the issue or question under consideration. For example, if a member has stood on a platform and been voted into office on the promise of implementing that platform, then voters would have every expectation that the member would give effect to that promise, however he/she must still be seen to be open to considering new information (this may not apply to decisions made in quasi-judicial settings, such as an RMA hearing).

## Local Government Official Information and Meetings Act 1987

The Local Government Official Information and Meetings Act 1987 sets out a list of meetings procedures and requirements that apply to local authorities and local/community boards. Of particular importance for the roles and conduct of elected members is the fact that the chairperson has the responsibility to maintain order at meetings, but all elected members should accept a personal responsibility to maintain acceptable standards of address and debate. No elected member should:

- Create a disturbance or a distraction while another Councillor is speaking;
- Be disrespectful when they refer to each other or other people; or
- Use offensive language about the Council, other members, any employee of the Council or any member of the public.

See Standing Orders for more detail.

## Secret Commissions Act 1910

Under this Act it is unlawful for an elected member (or officer) to advise anyone to enter into a contract with a third person and receive a gift or reward from that third person as a result, or to present false receipts to Council.

If convicted of any offence under this Act a person can be imprisoned for up to two years, and/or fines up to \$1000. A conviction would therefore trigger the ouster provisions of the LGA 2002 and result in the removal of the member from office.

## Crimes Act 1961

Under this Act it is unlawful for an elected member (or officer) to:

- Accept or solicit for themselves (or anyone else) any gift or reward for acting or not acting in relation to the business of Council; and
- Use information gained in the course of their duties for their, or another person's, monetary gain or advantage.

Elected members convicted of these offences will automatically cease to be members.

## Financial Markets Conduct Act 2013

Financial Markets Conduct Act 2013 (previously the Securities Act 1978) essentially places elected members in the same position as company directors whenever Council offers stock to the public. Elected members may be personally liable if investment documents such as a prospectus contain untrue statements and may be liable for criminal prosecution if the requirements of the Act are not met.

## The Local Government Act 2002

The Local Government Act 2002 (LGA 2002) sets out the general powers of local government, its purpose and operating principles, and details the personal liability of members.

Although having qualified privilege, elected members can be held personally accountable for losses incurred by a local authority where, following a report from the Auditor General under s44 LGA 2002, it is found that one of the following applies:

- a) Money belonging to, or administered by, a local authority has been unlawfully expended; or
- b) An asset has been unlawfully sold or otherwise disposed of by the local authority; or
- c) A liability has been unlawfully incurred by the local authority; or
- d) A local authority has intentionally or negligently failed to enforce the collection of money it is lawfully entitled to receive.<sup>890</sup>

Members will not be personally liable where they can prove that the act or failure to act resulting in the loss occurred as a result of one of the following:

- a) Without the member's knowledge;
- b) With the member's knowledge but against the member's protest made at or before the time when the loss occurred;
- c) Contrary to the manner in which the member voted on the issue; and
- d) In circumstances where, although being a party to the act or failure to act, the member acted in good faith and relied on reports, statements, financial data, or other information from professional or expert advisers, namely staff or external experts on the matters.

In certain situation members will also be responsible for paying the costs of proceedings (s47 LGA 2002).

## Appendix C: Process where a complaint is referred to an independent investigator

*The following process is a guide only and Councils are encouraged to adapt this to their own specific circumstances.*

### Step 1: Chief Executive receives complaint

On receipt of a complaint under the Code, whether from a member (because the complaint involves the Mayor/Chair) or from the Mayor/Chair after an initial assessment, the Chief Executive will refer the complaint to an investigator selected from a list agreed at the start of the triennium. The Chief Executive will also:

- Inform the complainant that the complaint has been referred to the independent investigator and the name of the investigator, and refer them to the process for dealing with complaints as set out in the Code; and
- Inform the respondent that a complaint has been made against them, the name of the investigator and remind them of the process for dealing with complaints as set out in the Code.

### Step 2: Investigator makes preliminary assessment

On receipt of a complaint the investigator will assess whether:

1. The complaint is trivial or frivolous and should be dismissed;
2. The complaint is outside the scope of the Code and should be re-directed to another agency or institutional process;
3. The complaint is minor or non-material; or
4. The complaint is material and a full assessment is required.

In making the assessment the investigator may make whatever initial inquiry is necessary to determine their recommendations, including interviewing relevant parties, which are then forwarded to the Council's Chief Executive. On receiving the investigator's preliminary assessment the Chief Executive will:

1. Where an investigator determines that a complaint is trivial or frivolous, inform the complainant, respondent and other members (if there are no grounds for confidentiality) of the investigator's decision.
2. In cases where the investigator finds that the complaint involves a potential legislative breach and outside the scope of the Code, forward the complaint to the relevant agency and inform the Chief Executive who will then inform the complainant, the respondent and members.

### Step 3: Actions where a breach is found to be non-material

If the subject of a complaint is found to be non-material, but more than trivial or frivolous, the investigator will inform the chief executive and, if they choose, recommend a course of action appropriate to the breach, such as:

- That the respondent is referred to the Mayor/Chair for guidance; and/or
- That the respondent attend appropriate courses or programmes to increase their knowledge and understanding of the matters resulting in the complaint.

The Chief Executive will advise both the complainant and the respondent of the investigator's decision and any recommendations, neither of which are open to challenge. Any recommendations made in response to a non-material breach are non-binding on the respondent and the Council.

## **Step 4: Actions where a breach is found to be material**

If the subject of a complaint is found to be material, the investigator will inform the Chief Executive, who will inform the complainant and respondent. The investigator will then prepare a report for the Council on the seriousness of the breach. In preparing that report, the investigator may:

- Consult with the complainant, respondent and any directly affected parties; and/or
- Undertake a hearing with relevant parties; and/or
- Refer to any relevant documents or information.

On receipt of the investigator's report, the Chief Executive will prepare a report for the relevant Council body charged with assessing and ruling on material complaints, which will meet to consider the findings and determine whether or not a penalty, or some other form of action, will be imposed. The Chief Executive's report will include the investigator's full report.

## **Step 5: Process for considering the investigator's report**

The investigator's report will be considered by the Council or adjudicative body established for considering reports on Code of Conduct complaints, or any other body that the Council may resolve, noting that the process will meet the principles set out in section 12.1 of the Code.

The Council, or adjudicative body, will consider the Chief Executive's report in open meeting, except where the alleged breach concerns matters that justify, in accordance with LGOIMA, the exclusion of the public. Before making any decision on a specific complaint, the relevant body will give the respondent an opportunity to appear and speak in their own defense. Members with an interest in the proceedings, including the complainant and the respondent, should not take part in these proceedings in a decision-making capacity.

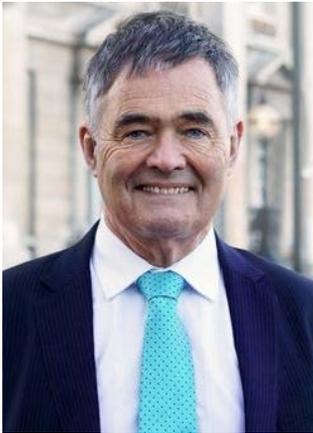
The form of penalty that might be applied will depend on the nature of the breach and may include actions set out in clause 13.1 of the Code.

The report, including recommendations from the adjudicative body, should that body have no formal delegations, will be heard and accepted by the Council in open session, unless grounds for excluding the public exist, without debate.

# LGNZ Code of Conduct Guidelines



< Good local governance requires us to ensure that the way in which we undertake public decision-making is open, transparent and fair. >



## Preface

### Dave Cull, President, LGNZ

Like many public bodies around the world, councils in New Zealand are required to adopt a Code of Conduct. Codes of Conduct are designed to enhance trust in our public institutions by building the respect of citizens. There is nothing like conflict at the governance level to turn people off, feed negative journalism and undermine the morale and the good will of staff.

In 2016, LGNZ updated the Code of Conduct template that was unchanged since 2002 to incorporate recent legislative change, and new approaches to good governance, and to provide better advice for councils having to deal with alleged breaches. In addition, the changes were designed to shift the focus from just controlling poor behaviour to promoting an inclusive and positive governance culture, thereby removing some of the factors that can result in behavioural issues.

Based on the experience of councils applying the Code over the last three years, we have made further changes to the template. One of those changes is intended to more easily address minor and frivolous complaints by allowing Mayors and Chairs to make an initial assessment of complaints that they are not involved in. The second change concerns the addition of a section on social media.

Getting our governance cultures right is important and makes good economic sense. Councils that are trusted and respected are more likely to be able to enlist the support of their communities and other agencies in the goal of improving outcomes and meeting their strategic goals.

I hope you will find the Code helpful in strengthening your governance culture, building the mandate of your local authority and developing a great team.

Dave Cull  
President  
LGNZ

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## Introduction

The LGNZ Code of Conduct template 2019 updates the 2016 template which was published as part of the suite of KnowHow products following the passage of the LGA 2002. The LGA 2002 made the adoption of a Code of Conduct (the Code) mandatory. The 2016 template included a range of new features and draws on good practice introduced by councils over the past decade, particularly Gore District Council and Northland Regional Council. New features are:

- Refinement of the principles including a new principle that highlights the importance of elected members “pulling their weight”;
- Simplification of the roles and responsibilities section;
- Encouragement for members to participate in activities to build and maintain collaborative and cooperative cultures within the council;
- A new process for investigating and assessing complaints, including a ‘materiality’ test;
- Additional guidance on penalties or sanctions;
- Clarification that complaints can only be made by members and chief executives; and
- A more empowering and less prescriptive approach.

The 2019 template includes a section on social media and has a new process for dealing with trivial, minor and frivolous complaints.

## Why a Code of Conduct?

Codes of conduct are common features in local government systems in many parts of the world. In New Zealand the Code complements specific statutes, such as the Local Government and Meetings Act 1987, which are designed to ensure openness and transparency. Codes are an important part of the framework for building citizen confidence in our governmental processes. The template has four objectives:

- To enhance the effectiveness of the local authority and the provision of good local government of the community, city, district or region;
- To promote effective decision-making and community engagement;
- To enhance the credibility and accountability of the local authority to its communities; and
- To develop a culture of mutual trust, respect and tolerance between the members of the local authority and between the members and management.

The four objectives highlight the importance of achieving ‘good local government’, effective and inclusive decision-making, strengthened community credibility, and a culture of trust and mutual respect within the local authority.

They also contribute to making councils a more rewarding and satisfying place for elected members.

## Content

Codes of Conduct vary from place to place, and especially between jurisdictions, but there are certain critical elements a good Code should contain. In addition to the minimum requirements set out in the LGA 2002 (see cl.15 Schedule 7, LGA 2002), an effective Code of Conduct should include:

- Guidance for managing relationships and ensuring constructive behaviour, including processes for ensuring these are adhered to. This will ideally cover relationships with other members, staff, the media and (relationships with) the public;
- A statement of the different roles and responsibilities of governance and management. The Code should complement and reinforce the rules and statutory provisions set out in a council's standing orders;
- Provisions dealing with confidentiality of information received during the course of a members' duties, as well as situations when members are required to disclose information to the local authority and each other;
- Provisions dealing with conflicts of interest;
- Provisions dealing with ethical conduct, such as the way in which expenses may be claimed and soliciting or accepting gifts, rewards, or benefits;
- An explanation of the importance of adhering to the Code of Conduct and details of the procedures for investigating and resolving alleged breaches;
- Provisions designed to encourage courteous and constructive behaviours and so reduce the risk of poor behaviour and alleged breaches;
- Details of penalties or sanctions, such as what they are, when they might be applied, and the processes for their application (where these processes are within the control of council); and
- Provisions for the review of a Code of Conduct (both in terms of the statutory requirements and any processes the local authority has put in place).

All efforts have been made to ensure that these matters have been incorporated in the LGNZ Code of Conduct template.

## Considerations when designing a Code

Codes of Conduct are part of the “house rules” that govern relationships and behaviour and complement other corporate documents, such as Standing Orders and the Council’s Governance Statement. While some high level principles may be desirable in order to “set the scene”, a document that talks in vague generalities will be difficult both to adhere to, and to enforce.

- Codes of Conduct are not a means of preventing elected members from expressing their views.
- Codes of Conduct should promote effective working relationships within a local authority and between the local authority and its community. Among other things, a Code should promote free and frank debate which should in turn result in good decision making. Codes of Conduct should not be used in such a way as to stifle robust debate.
- Provided that an elected member does not attempt to present a personal view as anything other than their own view (and does not contravene other parts of the Code) they should be able to do so. Codes of Conduct are ideally designed to provide rules of conduct that promote debate and make it clear that personal views, and the rights of *all* members to express personal views, are to be respected.
- What a Code of Conduct does is set boundaries on standards of behaviour in expressing and promoting those views, and means of resolving situations when elected members breach those standards.
- Elected members should “own” the Code.
- Nothing is more likely to promote non-compliance with a Code than elected members being invited to “rubber stamp” a Code that others have prepared.
- It may be useful for elected members to “workshop” the Code template as soon as practicable after each triennial election; for example, at the Council’s induction workshop. Given that the Code deals with the relationship between elected members, the Chief Executive and staff, it may be desirable to have the workshop facilitated by an independent person.<sup>1</sup>
- Processes need to be put in place for investigating and resolving breaches of the Code.
- Applying a penalty or sanction under the Code should ideally be the last, rather than the first response. Most situations can be resolved without the need for sanctions. Often something as simple as an apology will resolve the issue. The original Code of Conduct template created difficulties for some councils as it provided little guidance on how to distinguish between minor and material breaches. This template has been specifically designed to enable non-material breaches to be dealt with outside the formal process of a full investigation by the Council or Committee.
- Most of all, the principles of natural justice must apply to the investigation, assessment and resolution of complaints made under the Code.
- Codes of Conduct cannot stand alone.
- Codes of Conduct work best when they are supported by other mechanisms.

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<sup>1</sup> Equip, LGNZ’s business arm, may be able to help with such sessions or advise on suitable facilitators.

The most obvious supporting mechanism is training. A good Code will remind members of their obligations under the LGA 2002, the Members' Interests Act and the Local Government Official Information and Meetings Act 1987. However, a Code that replicated all of the relevant provisions would probably be of a size where no one person (either member or staff) could remember it all. All elected members should receive training in their obligations under these Acts at the beginning of each triennium. Other provisions of the Code should be covered during such training.

Codes of Conduct should also be linked to other procedural documents adopted by councils, such as Standing Orders. Standing Orders provide rules that set out processes and standards of conduct for meetings while the Code governs day-to-day and less formal relationships.

## The media

When designing the Code it is important to recognise the legitimacy of political debate and open discussion and ensure that provisions do not become an instrument to diminish this. It is important to note that the Declaration of Office, sworn by members, states:

“I will faithfully and impartially, and according to the best of my skill and judgment, execute and perform, in the **best interests** of [name of region, district, locality, community]”

Under the declaration, members must act in what they believe is the best interests of the community, district or region. It is up to individual members, in consultation with residents and on the basis of advice and research, to determine what 'best interests' for their regions or district means.

The Code must respect the spirit and intent of the New Zealand Bill of Rights Act and ability of members to express dissent. However, in doing so, members must act in accordance with the standards set out in the Code. Consequently the new template has not made any substantive changes to the 'dealing with the media' provisions from those set out in the original template.

## Information received in capacity as an elected member

Section 7.2 of the Code has been amended from the original version to place an obligation on members to disclose information received in their capacity as elected members which is relevant to the ability of a local authority to give effect to its responsibilities. The Code states that disclosure should be to “other members and, where appropriate the Chief Executive”.

When applying this requirement, it is important that the process for disclosing information is appropriate in the circumstances of each council. The purpose of the disclosure is to add to the stock of information held by a council in order to strengthen the ability of members to make informed decisions, and diminish risks that might arise if the information on which a decision has been made is incomplete.

Appropriate disclosure in particular circumstances may be to the Mayor, to the Chief Executive or in the course of a meeting, depending on the public nature of the information. In some cases a council may have a specific officer, such as a council ombudsman, charged with that responsibility.

## Register of Interests

The Code requires that members maintain a register of interests. A template register is set out in **Appendix A** of this guide. The register is limited to disclosures affecting members and their spouses or partners. It is important that members update their details when circumstances change. We recommend that staff regularly remind members to check that the register is up to date and relevant.

## Promoting a supportive governance culture

One important difference between the new and old templates is the addition of commitments designed to promote a supportive and inclusive governing environment and strengthen relationships at the governance level.

These provisions are intended to diminish the risk of conflict between members and between members and the public, and thereby avoid the likelihood of breaches. The new Code encourages members to review their collective performance and governance style in order to assess the degree to which their culture is both inclusive and supportive.

The reference to “equitable contribution” in the Values section has been added to encourage members to take all reasonable steps to fulfill the duties and responsibilities of office, such as attending meetings and workshops, undertaking relevant reading, preparing for meetings and taking part in relevant training workshops or seminars.

The intention is to provide councils with leverage to encourage members to do ‘their fair share’ of the tasks necessary to provide effective governance and representation and take part in exercises designed to improve relationships and teamwork.

### Creating an inclusive council

A proactive focus on building a positive culture is the subject of section 11, “Creating a supportive and inclusive environment”. The key parts of this section are designed to encourage members to:

- Take part in council induction workshops;
- Contribute to activities designed to seek agreement on vision, goals, objectives and operating values;
- Participate in processes for assessing the governing body’s performance (see **Appendix B** for a self-assessment form for consideration); and
- Undertake, where necessary, training to improve their knowledge of how the council works and being an effective elected member.

The provisions require that members should take “all reasonable steps” to fulfill their responsibilities as elected members. As a result of these commitments the possibility exists that a complaint could be laid against a member for having consistently refused to participate in council organised activities designed to build a better culture.

## Breaches of the Code

One of the ongoing problems with many of the Codes in use is the way they deal with the process of making, investigating and ruling on complaints. In its report on Codes of Conduct (OAG 2006) the Office of the Auditor General noted that many councils lacked a process for distinguishing between trivial and serious breaches of the Code and consequently spent considerable energy and resources hearing complaints on what are in effect matters of no concern. Many other issues have also arisen, such as:

- Failure to adequately guard against the risk of members with an interest in a complaint taking part in the decision on whether or not to uphold a complaint;
- Examples of members of the public making complaints about the behaviour of individual members for reasons that appear to be more concerned with settling 'political' differences; and
- Lack of preparedness. Many councils discover, when faced with a Code of Conduct complaint, that they have failed to establish in advance the processes for handling the complaint, thus exacerbating the original issue.

This section of the guide discusses the process set out in the new template for investigating, assessing and making decisions about complaints.

### Who can make a complaint?

The Code is designed to be a self-regulatory instrument and as a result complaints can only be made by members themselves and the Chief Executive. All complaints must be made in writing to the Chief Executive who is obliged to forward them to the Mayor/Chair or an independent investigator for a preliminary assessment.

### Decision-making options

Where a complaint is found to be material, the investigator will provide a report to the Council setting out the reasons why the allegation has been upheld and is material. The Council needs to have a process in place for discussing and making a decision on the investigator's recommendations. In some cases the governing body, or some of its members, may be interested parties in the complaint and should therefore not take part in discussions on the matter nor determine penalties.

To avoid such situations, the Council might consider establishing a Code of Conduct Committee (see **Appendix C** for Code of Conduct Committee terms of reference). The purpose of the Committee would be to consider any reports from an independent investigator and determine appropriate responses. An appropriate Code of Conduct Committee might consist of three members (a member of the governing body and two community representatives) chosen for their knowledge and experience, either by invitation or as a result of a call for expressions of interest.

The Council will need to decide whether the Code of Conduct Committee should have delegated decision making or recommendatory powers.

### Investigating complaints

One of the issues with the original template was the lack of detail about the process for investigating complaints and determining their materiality. Another issue involved the need to ensure processes are free of bias, especially when all councillors might be seen to be interested parties.

In order to address these concerns, the Code provides two pathways for dealing with complaints. On receiving a complaint the Chief Executive will forward it to the Mayor/Chair for an initial assessment or, if the complaint involves the Mayor/Chair, forward it to the independent investigator.

### 1. Forward the complaint to the Mayor/Chair for an initial assessment

On receipt of a complaint made under the provisions of the Council's Code of Conduct, the Mayor/Chair will assess whether it is material or not. As the situation allows:

- Interview the complainant to assess the full extent of the complaint.
- Interview the member(s) subject to the complaint.
- Where a complaint is assessed by the Mayor/Chair to be trivial, frivolous or minor, either dismiss the complaint, require an apology or other course of action, or assist the relevant parties to find a mutually agreeable solution.
- Where a complaint is found to be material, or no mutually agreed solution can be reached, the Mayor/Chair will refer the complaint back to the Chief Executive who will forward it, along with any recommendations made by the Mayor/Chair, to the adjudication body established by the Council to assess and rule on complaints made under the Code.
- If the Mayor/Chair chooses, they may instead refer the complaint to the independent investigator, via the Chief Executive

### 2. Forward the complaint referred to Independent Investigator

On receipt of a complaint that involves a Mayor/Chair, the Chief Executive will forward that complaint to an independent investigator for a preliminary assessment to determine whether the issue is sufficiently serious to be referred, with recommendations if necessary, to the Council's adjudication body for assessing and ruling on complaints.

In some cases, an investigator may choose to make non-binding recommendations, for example, where a pattern of non-material complaints has emerged that highlight a need for changes in council processes or an investment in capacity building.

## Creating a panel of investigators

At the beginning of each triennium, the Chief Executive will prepare a panel of investigators in consultation with the Mayor, Chairperson or Council. Investigators may be drawn from inside or outside the district or region. In putting together the list, the Chief Executive may call for nominations, invite members of the public with appropriate skills (for example retired judges who may live within the district) to be investigators, or contract with an external, such as EquiP, to provide the service.

Councils may wish to develop a joint list of investigators.

## The role of investigators

The process set out in the Code gives an investigator responsibility to determine, without challenge, whether a complaint is material or not. The rationale for giving the investigator this degree of authority is to ensure the process is free of any suggestion of bias. It is also intended to reduce the cost of the complaints process, by reducing the time spent by members and officials. It also ensures that the Code process itself is less likely to be brought into disrepute.

In adopting the Code, members of the governing body agree to abide by an investigator's preliminary assessment. Under the process set out in the Code, members are informed of the result of a preliminary assessment and only if the finding is material will members have any involvement (and then only if there is no conflict of interest).

## Determining materiality

The complaints procedure is underpinned by the principle that councils (or committees) should only be involved in ruling on possible breaches of the Code when they are material (see **Appendix D** for flow chart). Consequently a level of clarity is required about how materiality should be determined. In the case of non-statutory breaches, the Code states that a breach is material if:

“...it would, if proven, bring the council into disrepute or reflect adversely on the local authority if not addressed.”

The notion of disrepute involves the local authority's reputation and the risk that specific behaviours will, in the mind of the public, undermine that reputation. Only if there is a real risk that reputation will be undermined should a breach be determined as material (see **Appendix E** for examples).

Other factors that might be considered when determining the level of materiality include whether complaints are intended to:

1. Intimidate or harass another member or employee;
2. Damage another member's reputation;
3. Obtain a political advantage;
4. Influence the Council in the exercise of its functions or prevent or disrupt the exercise of those functions;
5. Avoid disciplinary action under this Code; or
6. Prevent or disrupt the effective administration of this code.

Other factors include whether complaints are vexatious and have not been made in good faith. The investigator may take whatever actions they need in order to determine the materiality of a complaint, although investigations will need to be within whatever budgetary constraints have been set in their contract for service or approved by the Chief Executive.

## Process upon receiving a complaint

Having received a complaint in writing, the Chief Executive will:

- Notify the complainant and the respondent(s) that the complaint has been received and the name of the selected investigator (including information on the process that will be followed); and
- Provide ongoing updates to members on progress with the resolution of complaints received. This could be through a chairperson or Chief Executive's report.

## Process for non-material breaches

In the case of complaints that are non-material, an investigator can, if required, discuss the matter with the complainant and the respondent and may:

- Dismiss the complaint with no further action taken;
- Uphold the complaint but rule that, as it is minor and non-material, no action is required; or
- Uphold the complaint, noting its minor and non-material nature, and make a non-binding recommendation to the council, such as, that the respondent consider attending a relevant course or that a policy or practice is reviewed.

The investigator will present their findings to the Chief Executive, who will inform the complainant and the respondent at the earliest opportunity.

## Process for managing material breaches

Where an investigator finds that a breach is material, the following steps will apply:

- The investigator will inform the Chief Executive, who will in turn inform both the complainant and the respondent that the breach has been determined as material and outline the process to be followed.
- The investigator will undertake an investigation appropriate to the scale of the breach, which may include interviews with other affected parties, and prepare a report for the Chief Executive which will set out the rationale for their findings and may include recommendations for resolving the breach and/or appropriate penalties.
- On receipt of a report, the Chief Executive will send a copy of the investigator's findings to the complainant and the respondent(s) inviting them to reply in writing as to whether or not they agree to the findings and whether they wish to make a written submission for consideration by the Council or Committee.
- The Chief Executive will then prepare a paper, including the investigator's report and any submissions from affected parties, for a forthcoming meeting of the Council, or Committee with delegated responsibility, to consider complaints and determine penalties.

## Hearing by council or committee

On receipt of the Chief Executive's report, the Council or Committee will:

- If necessary, ask the investigator to provide a briefing on his or her findings and invite the complainant and/or respondent to speak to any submissions that might have been made.
- Decide whether a material breach of the Code has occurred and what, if any, penalty or action should occur in response to the breach.
- Inform the respondent and complainant of its decision in writing.

No member of the Council with an interest in the complaint may take part in the hearing or decision-making process, unless invited by the Council or Committee to speak to their submission.

**Note:** No appeal right is included in the Code as all members are able to make use of the processes set out in Standing Orders for revoking council decisions. In addition, a council decision can be subject to a judicial review and a committee decision can be subject to an Ombudsman’s review.

## Possible penalties and actions in response to a material breach

The Code reflects an agreement between elected members about the behaviours they expect from each other and themselves. It is therefore heavily reliant on individual good will and the ability of the Council, as a collective body, to exert moral suasion to either prevent breaches of the Code or promote a positive and constructive culture. However, where a material breach of the Code has been confirmed, a local authority might consider the following penalties and actions:

1. A letter of censure to the member;
2. A request (made either privately or publicly) for an apology;
3. A vote of no confidence in the member;
4. Removal of certain council-funded privileges (such as attendance at conferences);
5. Removal of responsibilities, such as Committee Chair, Deputy Committee Chair or portfolio holder;
6. Restricted entry to council offices, such as no access to staff areas (where restrictions may not previously have existed);
7. Limitation on any dealings with council staff other than the Chief Executive or identified senior manager;
8. Suspension from committees or other bodies to which the member has been appointed; or
9. Invitation to the member to consider resigning from the council.

A council or committee may decide that a penalty will not be imposed where a respondent agrees to one or more of the following:

- Attend a relevant training course; and/or
- Work with a mentor for a period of time; and/or
- Participate in voluntary mediation (if the complaint involves a conflict between two members); and/or
- Tender an apology.

Decisions to apply a non-statutory penalty for material breaches should be made in meetings, open to the public unless some aspect of the matter necessitates treating the matter “in committee”.

## Process to be followed in the case of statutory breaches

Where an investigator finds, in response to a complaint, that a member has breached provisions set in statute, such as a breach of the Members’ Interests Act 1968, the Local Government Official Information and Meetings Act 1987 or the LGA 2002, they will immediately provide their findings to the Chief Executive who will inform the relevant agency, as well as the complainant and the respondent.

## Possible penalties for statutory breaches

Although the local authority and its community will play a role in monitoring compliance with these provisions, outside agencies also have a role in monitoring compliance and more particularly in dealing with breaches of law. Penalties that may apply, depending on the type of breach, are:

- Criminal prosecution, conviction, and the resulting consequences (for breaches of the Crimes Act, the Secret Commissions Act or the Securities Act); or
- Prosecution by the Audit Office<sup>2</sup> under the Member's Interests Act which on conviction leads to the member's ouster from office (where a member votes or discusses a matter in which they are deemed to have an interest); or
- Inviting the Auditor-General to prepare a report on any financial loss or damage suffered by a local authority as the result of a breach (which could potentially lead to the member having to personally make good the loss or damage); or
- Sanctions made under the Privacy Act.

## References

OAG (2006) Local Authority Codes of Conduct available from:

<http://www.oag.govt.nz/2006/conduct/docs/conduct.pdf>

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<sup>2</sup> The Audit Office is an avenue for making complaints about breaches of the Members' Interests Act, but also functions as an advisor where there is doubt as to whether a particular course of action constitutes a breach, and can in certain circumstances give approval for members who might have an interest to participate in discussions and/or vote on a particular matter.

## Appendix A: Register of interests template

Member name:		
Spouse/partner name:		
Declared employment or business interest	Spouse/partner declared employment or business interest	Council appointment
Address of any land in which a beneficial interest is held within the Council boundaries (member and her/his partner)		
Address of any land owned by the Council rented to the member or spouse, or to a firm or organisation in which the member or spouse is a director or trustee		

## Appendix B: Self-Assessment Template

Please rate how you view the performance of the governing body in the following areas:

A rating of 1 indicates an excellent level of performance, through to a rating of 4 indicating that the collective performance of elected members could improve significantly.

1. We act together as a team to deliver value to the people of our district/region.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
2. We are effective in being part of a coordinated approach to promote the district/region.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
3. We have effective working relationships with key stakeholder groups.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
4. We have an effective working relationship with Council staff through members' interactions with the Chief Executive.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
5. We engage effectively with the community on issues of importance to them.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
6. We are well prepared and well equipped to make informed decisions in our capacity as elected representatives.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
7. We participate appropriately in debates and act collectively in the best interests of the district/region.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
8. Council decisions are made in an open and transparent fashion.  

1	2	3	4	(please circle)
---	---	---	---	-----------------
  
9. We treat each other with mutual respect and demonstrate tolerance to different points of view in order to arrive at the best decisions for the district/region as a whole.  

1	2	3	4	(please circle)
---	---	---	---	-----------------

10. We have a clear sense of direction and understanding

1

2

3

4

(please circle)

The objective of this assessment is not necessarily that all members should agree. It is to provide an indication of areas where we are doing well and areas where we can make improvements. The analysis of results will provide a useful starting point for discussions on the overall performance of the governance functions of the council and provide some insight into areas where action can be taken to raise performance.

## Appendix C: Code of Conduct Committee terms of reference

The Code of Conduct template offers two options through which a council may choose to consider a report from an investigator, namely consideration by the full council or consideration by a Code of Conduct Committee established specifically for that purpose. Reasons a council may choose to refer decision-making to a committee include:

- To ensure that members ruling on the complaint have no interest in the nature of the complaint and that the council's process is seen to be free of any suggestion of bias;
- To provide access to additional expertise through the ability to appoint members to the Committee who have experience and knowledge in making judgements on matters involving ethical behaviour;
- To reduce the risk of tension and conflict from a Code of Conduct process that may distract the governing body from its ongoing business.

### The powers of a Code of Conduct Committee

There are two ways of giving effect to the findings of a Code of Conduct Committee: binding recommendations or delegations.

- **Binding recommendation approach:** The Code of Conduct Committee described in this Appendix uses the binding recommendation approach whereby the Committee is responsible for providing the council's governing body with a recommendation in response to the findings of an investigator; recommendations that the governing body will adopt without discussion, other than questions of clarification. Appendix B of the LGNZ Code of Conduct states that "in accordance with the code, councils will agree to implement the recommendations of a Code of Conduct Committee without debate".
- **Delegation approach:** As an alternative, a council may prefer to provide a Code of Conduct Committee with specific delegations so that its decisions are final and can be referred to the Chief Executive or appropriate officer for implementation. Depending upon the style in which a council frames its delegations a simple delegation could be to consider the findings of a Code of Conduct investigator and determine the appropriate course of action.

The following draft terms of reference take the binding recommendation approach.

### Draft terms of reference

The purpose of the Code of Conduct Committee is to:

- Consider, in relation to a Code of Conduct complaint referred to the Committee, the findings of an investigator and make recommendations to the governing body of the council as to whether or not a penalty or action should be imposed and if so the nature of that penalty or action; and
- Consider any matters relating to the Code of Conduct and/or the behaviour of elected members referred to it by the governing body for advice.

In fulfilling its purpose, the Committee will:

- In considering a report from the Chief Executive, ask, if necessary, the investigator to provide a briefing on their findings and invite the complainant and/or respondent to speak to any submissions that might have been made;
- Conduct its business in open meeting, except where the alleged breach concerns matters that justify the exclusion of the public, in which case it will be a closed meeting;
- On consideration of the evidence, decide whether a material breach of the Code has occurred and what, if any, penalty or action should occur in response to the breach;
- Ensure that penalties or actions recommended in response to a serious breach of the Code are proportionate to the breach and consistent with the actions set out in clause 13.1 of the Code.

## Membership

The Committee will consist of three members:

- The Mayor or Regional Council Chair who will also be the chair of the Committee (except where there is a potential conflict of interest where the Mayor/Chair will stand aside and the committee will be chaired by another member of the governing body).
- Two non-elected members appointed by the council on the basis of relevant experience, knowledge and/or qualifications.

## Appendix D: Examples

### Example One

Cr Smith was elected on a platform of stopping the sale of council housing. The council has made a decision to sell the council housing. Cr Smith makes media comments against the decision after it is made. Those same statements suggested that council staff advising on the sale “must have owned shares” in the company that proposed to buy the houses.

Cr Smith’s actions in releasing a media statement criticizing a decision after it has been made would probably not in and of themselves constitute a breach of a reasonable code of conduct. Cr Smith has a right to express a viewpoint and, provided that he makes it clear he is expressing a personal view, issuing a critical press statement is an action he is entitled to take. If his statements failed to make it clear that he was expressing a personal or minority view then it may be a non-material breach of the Code, probably one where censure would be the appropriate response.

However, this media statement has made an allegation that staff advice was based on improper motives and/or corruption. This is a breach of most codes of conduct. It is most likely to be a material breach given the potential impact on the Council’s reputation and the reputation of staff.

Also, there is no qualified privilege attaching to public statements about employees which are false and damaging. In other words, elected members may be sued for defamatory statements made about employees.

### Example Two

Cr Jones is on the Council’s Works and Services Committee. The Committee is currently considering tenders for the construction of a new wastewater treatment plant and has received four tenders in commercial confidence. The Committee has recommended to Council that they award the contract to the lowest tenderer. Cr Jones is concerned the lowest tender proposes to treat sewage to a lesser standard than others. She leaks all four tenders to the local media. A subsequent investigation by the Council conclusively traces the leak back to her.

In leaking the tender information to the media, Cr Jones will have breached most codes of conduct. This breach has potentially serious consequences for the Council as a whole. It not only undermines elected members trust of each other, it also undermines the confidence of suppliers in the Council, which may lead to them not dealing with council in future, or even complaints under the Privacy Act.

In circumstances such as these, where an elected member fails to respect a commercial confidence, censure and removal from the Committee is an obvious first step. The Council may be liable for prosecution under the Privacy Act and even to civil litigation.

In the event that the council suffers financial loss, the Council may elect to ask the Auditor-General to prepare a report on the loss (or the Audit Office may do so on their own initiative), which may result in Cr Jones having to make good the loss from her own pocket.

### Example Three

Eastland Regional Council is conducting a performance review of the Chief Executive. It has established a CEO Performance Management Committee to conduct the review. In the course of that review the Committee meets informally with the Chief Executive to review which performance targets were met and which were not. The meeting notes that the CEO has been unable to meet two of his twenty performance targets that were set and resolves to

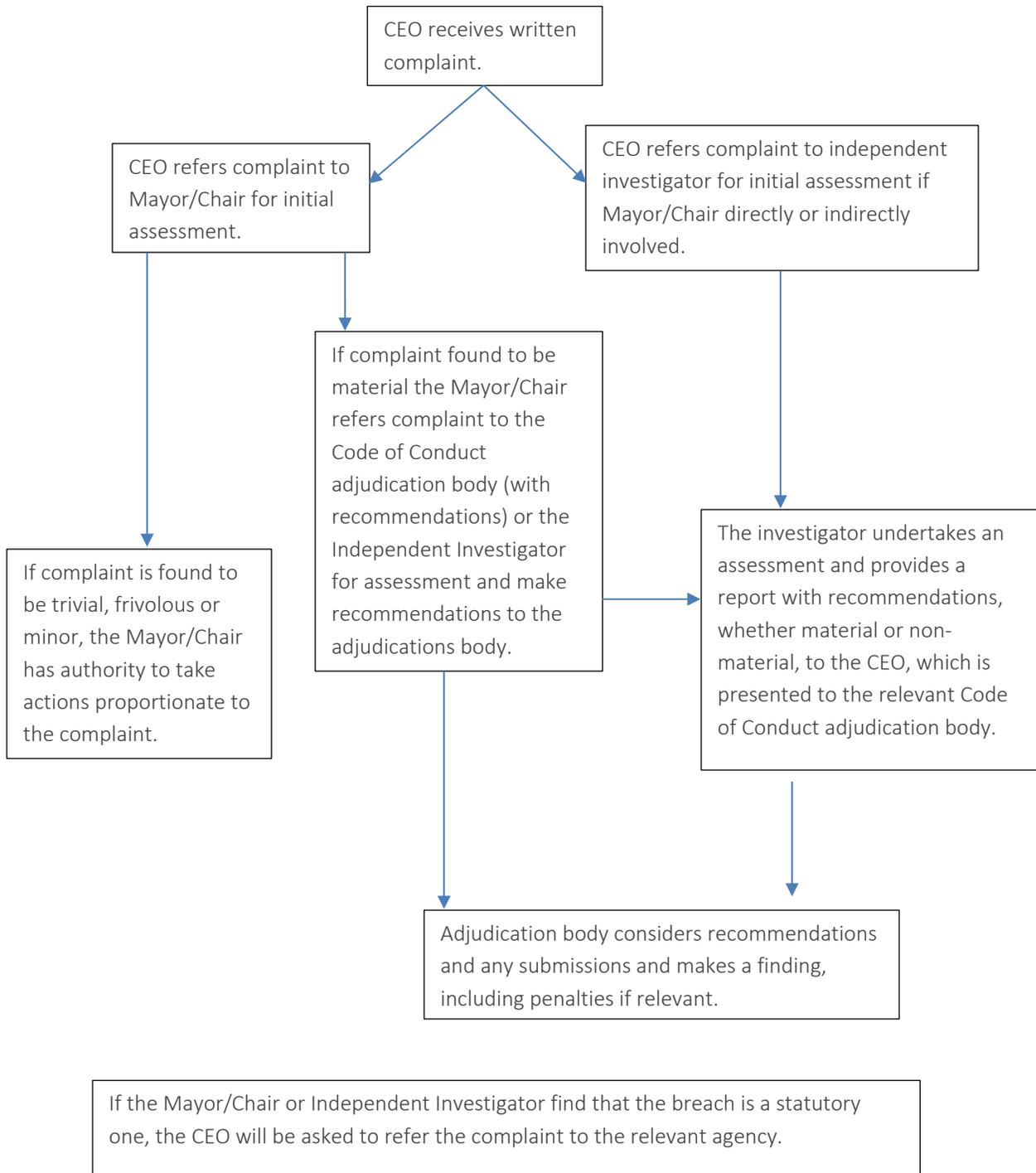
formally report this to the full Council for its consideration. At the conclusion of that meeting Cr Black leaves to find a local reporter waiting outside and makes the comment that “Jack White won’t be getting a pay increase this year because he didn’t meet all his targets”.

This action will probably constitute a breach of most codes of conduct in that it:

- Breached a confidence;
- Presumed to speak on behalf of council;
- Purported to commit council to a course of action before the council made a decision (or even met to consider the matter); and
- Failed to treat a staff member with respect and/or courtesy.

In addition to the provisions of the Code, Cr Black’s actions will severely undermine the relationship between the Chief Executive and the Council, which may well constitute grounds for litigation against the Council both in terms of employment and privacy law.

## Appendix E: Complaints Procedure – Flow Diagram



**Document No:** A454898

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Adoption of 2020 Meeting Schedule

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to formally adopt a Meeting Schedule for the 2020 calendar year.

## Commentary

- 2.1 Council generally considers and adopts a Meeting Schedule at the end of each calendar year for the following year.
- 2.2 This Meeting Schedule includes all planned meetings required to complete Council's work programme as contained in Council's adopted Road Map Work Programme.
- 2.3 Council's Road Map Work Programme includes timelines prepared on the basis of ordinary monthly Council meetings taking place on the last Tuesday of each month.
- 2.4 Audit and Risk Committee meetings are scheduled quarterly, with the exception of the last meeting of the year which is brought forward a month to October. This enables the Committee to consider and make recommendations to Council on the Annual Report prior to adoption before the end of October in pursuance with the Local Government Act 2002.

Note: The Local Government Act 2002, Part 6, Section 98(3) states:

(3) *Each annual report must be completed and adopted, by resolution, within 4 months after the end of the financial year to which it relates.*

- 2.5 It should be noted however, that because of the "living" nature of Council's Road Map Work Programme, scheduled meeting dates over and above the normal monthly meetings often alter as time passes and therefore only the known dates are included for adoption in the Meeting Schedule. Any additional meetings will be scheduled if and when required.
- 2.6 No Council or Committee Meetings are scheduled for January or December.
- 2.7 It should be noted that the adopted Meeting Schedule includes only official meetings which must be publicly notified. Informal workshops do not form part of the official Meeting Schedule.

## Recommendation

- 3.1 It is recommended that Council adopt a Meeting Schedule for the 2020 calendar year based on the requirements of Council's Road Map Work Programme.

## Suggested Resolutions

- 1 The business paper on Adoption of 2020 Meeting Schedule be received.
- 2 Council adopt the following Meeting Schedule for the 2020 calendar year:

Tuesday	11 February 2020	Audit and Risk Committee Meeting
Tuesday	25 February 2020	Council Monthly Meeting
Tuesday	31 March 2020	Council Monthly Meeting
Tuesday	28 April 2020	Council Monthly Meeting
Tuesday	5 May 2020	Audit and Risk Committee Meeting
Tuesday	12 May 2020	Hearing: Submissions to Exceptions Annual Plan <i>(subject to requirement)</i>
Tuesday	26 May 2020	Council Monthly Meeting
Tuesday	30 June 2020	Council Monthly Meeting
Tuesday	21 July 2020	Hearing: Gambling Venues <i>(subject to requirement)</i>
Tuesday	28 July 2020	Council Monthly Meeting
Tuesday	11 August 2020	Audit and Risk Committee Meeting
Tuesday	25 August 2020	Council Monthly Meeting
Tuesday	29 September 2020	Council Monthly Meeting
Tuesday	13 October 2020	Audit and Risk Committee Meeting <i>(consideration of Annual Report)</i>
Tuesday	27 October 2020	Council Monthly Meeting
Tuesday	24 November 2020	Council Monthly Meeting
- 3 Meetings are to be convened in the Council Chambers, Queen Street, Te Kuiti commencing at 9.00am, unless publicly notified otherwise.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

**Document No:** A454912

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Council Roles and Responsibilities

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to consider elected member roles and responsibilities including the appointment to Committees (including Joint Committees) and Working Parties and liaison roles within various community groups.

## Commentary

- 2.1 A Schedule of Council Roles and Responsibilities, which includes appointed committees, groups and Elected Member appointments and portfolios is attached to and forms part of this Business Paper. This Schedule includes the in the "Membership" column appointments made by the previous Council for the 2016-2019 Triennium.
- 2.2 Pursuant to Clause 30(7) of the Local Government Act (LGA), committees, subcommittees and other subordinate decision-making bodies are discharged on the coming into office of the members of the local authority elected or appointed at, or following the triennial general election, unless the local authority has previously resolved otherwise.
- 2.3 Membership of joint committees should also be reviewed following a general election.
- 2.4 Except where there is a previous resolution to the contrary, new committees (and committee chairpersons) will need to be appointed following the election. The previous Council did not pass any resolution to retain any committees.
- 2.5 Pursuant to Clause 41(A)(3) of the LGA, the Mayor has the following powers:
  - to establish committees of the territorial authority;
  - appoint the chairperson of each committee and
  - make the appointment of the chairperson before the other members of the committee are determined and may appoint himself or herself
- 2.6 Clause 41(A)(4)(b)-(d) states that nothing limits or prevents a territorial authority from discharging or reconstituting a committee established by the Mayor or appointing 1 or more committees in addition to any established by the Mayor or discharging a chairperson appointed by the Mayor. However this has to be done in accordance with Clauses 30 and 31 of Schedule 7.
- 2.7 Clauses 25 (Voting systems for certain appointments) and 26(3) (local authority appointing the chairperson of committee) of Schedule 7 of LGA do not apply to the appointment of a chairperson of a committee of a territorial authority established

by the Mayor. Clause 25 does apply to the election or appointment of a chairperson or deputy chairperson where that appointment is made by Council and also applies to any election or appointment of a representative of a local authority.

2.8 The amendment inserting Clause 41A came into force on 12 October 2013 and was derived from the Government's programme "Better Local Government".

2.9 At the time this Clause came into effect, Brookers provided a commentary which stated as follows:

*"The intent is to provide greater executive powers to the mayor of a local authority, of a similar nature to those established for the Mayor of Auckland under s 9 of the Local Government (Auckland Council) Act 2009. The traditional role of the mayor to provide leadership to other elected members of the territorial or unitary authority and the people of the district is codified. Further it is the role of the mayor to lead the development of the long-term plan, the annual plan, policies and budgets for consideration by members. In addition, the mayor has the new powers to appoint the deputy mayor, establish committees for a territorial authority, and appoint the chairperson of each committee, and the mayor may appoint himself or herself to one of those positions as chair. As a backstop against a failure of the mayor to make the appropriate appointments, or to consider removal of a deputy mayor, discharge of a committee or replacement of a chairperson, a territorial authority retains the existing powers in Schedule 7 to make those changes in the appropriate manner. This alternate power would enable the members of the local authority, where majority support of actions by the mayor is not forthcoming, to take remedial action to improve the governance situation. Where remedial action does not provide a positive outcome, the expanded powers of the Minister under Part 10 of the Act may become applicable."*

## **2.10 Trusts Providing for Council Appointments**

2.11 Historically, there has been an approach taken by Trusts and Societies to include in their Trust Deed or Rules for membership to include either an elected member or a representative appointed by the Council.

2.12 Council should consider this approach carefully when making appointments as it is not always reasonable for a Trust/Society to enforce the legal responsibilities of being a Trustee onto an elected member.

2.13 There are of course exceptions. For example the North King Country Development Trust to which both Waitomo and Otorohanga District Councils are Settlers and also Appointees for the Trust.

2.14 In most circumstances however, the preferred approach for Trusts/Societies providing for Council appointments would be that the Trust/Society appoint a Management Committee for the purpose of the day to day administration of the Trust. They could then request Council representation on that Committee without the elected member (or the Council's appointee if not an elected member) needing to become an actual Trustee.

2.15 The current Trusts providing for Council to make appointments are:

- North King Country Development Trust
- Game On Charitable Trust
- Te Kuiti Community House Trust

## 2.16 North King Country Development Trust

2.17 The North King Country Development Trust (NKCDT) was established in 1993 as part of reforms to the electricity industry to administer a Trust Fund (resultant of the electricity reforms) for the benefit of residents living within the area over which the former Waitomo Electric Power Board was authorised to supply electricity.

2.18 The Settlers of the Trust were the Waitomo and Otorohanga District Councils.

2.19 The Trust Deed (Part 2, Clause 1(a)) provides that Waitomo, Otorohanga and Taupo District Councils (the Councils) jointly, are an Appointor for the Trust and are to appoint two Trustees.

2.20 The two current Trustees appointed by the respective Councils are Brian Hanna and Max Baxter.

Note: Historically the Councils' appointees have been either Mayors or Chief Executives, but there is nothing within the Trust Deed requiring an appointee to be either an employee or elected member of the Councils.

2.21 The Term of Office is four years from the date of appointment and Trustees shall be eligible for reappointment.

2.22 Part 1, Clause 3.2(d) of the Trust Deed provides that a Trustee shall cease office if the Appointor which appointed that Trustee gives a notice under Rule 3.5 removing that Trustee from his office as Trustee.

2.23 Rule 3.5 of the Trust Deed states:

*“From the date of this Deed the Appointors referred to in Part 2 of this Schedule shall each be entitled, by notice to the Secretary or Chairperson, to appoint the number of Trustees referred to in Part 2 and to remove that Trustee or Trustees and appoint another in his or her or their place or fill any vacancy should the Trustee or Trustees appointed by them cease for any reason to hold office as Trustee.”*

2.24 Feedback is sought from the Council as follows:

1. Does the Council wish to replace Brian Hanna as the appointee to the NKCDT as one of the Councils (Waitomo, Otorohanga and Taupo) two Appointees?
2. If No, then Brian Hanna would need to be approached to ascertain his willingness to remain on the Trust as one of the Councils appointees.
3. If Yes, does the Council have a preferred replacement Appointee for recommendation to the Otorohanga and Taupo District Councils to replace Brian Hanna?

## 2.25 Game On Charitable Trust

2.26 The Te Kuiti High School (TKHS) Board of Trustees and other members of the community identified an opportunity to develop a recreational facility for the North King Country, to be used by the wider community, rather than just a school gymnasium.

2.27 Initially, a Project Steering Group was established to oversee the project. That Steering Group comprised representatives of TKHS, the community, Sport Waikato, Waitomo and Otorohanga District Councils. The Steering Group progressed the project until such time as the development of a Charitable Trust was deemed appropriate.

2.28 The purpose of the Trust includes, but is not limited to:

- Raise and provide funds for the development, establishment, operation and maintenance of land, buildings and equipment for a facility for recreational, sporting and education needs.
- To develop, operate, maintain and manage the land, buildings and equipment of the facility.
- To promote, coordinate and provide recreational and educational programmes and activities.

2.29 With the agreement of the Mayor at that time (to be appointed a Trustee), on 17 May 2017 Council resolved to appoint Mayor Brian Hanna as Council's representative on the Trust. The Trust was then registered as a charity on the NZ Charities Register on 22 November 2017 with Brian Hanna as one of the Trustees representing the Council.

2.30 The Term of Office is for three years with each Trustee being eligible for re-appointment, by the relevant Appointing Body. Clause 5.5 of the Trustee Deed states:

**5.5 *Term of Trustees:*** *Unless otherwise specified in this Deed each Trustee will hold office for a term of three years, unless that Trustee prior to the expiry of their term:*

- (a) *provides notice in writing to the Secretary or Trustees that he or she wishes to resign as a Trustee; or*
- (j) *being a Representative Trustee is removed pursuant to clause 5.12 of this Deed.*

2.31 Clause 5.9.2 relating to the appointment of Representative Trustees states:

**5.9.2 *One Representative Trustee appointed by the Waitomo District Council***

2.32 There is nothing within the Trust Deed requiring the Representative Trustee appointed by Council to be either an employee or elected member of the Council.

2.33 Clauses 5.12 and 5.13 of the Trust Deed state:

**5.12 *Termination of Representative trusteeship by Appointing Body:*** *The relevant Appointing Body may terminate the appointment of its Representative Trustee, with or without cause and any time. The relevant Appointing Body must appoint a replacement Representative Trustee immediately.*

**5.13 *Appointment of replacement Trustee:*** *Where the term of a Representative Trustee ceases prior to the expiry of their three year term, the replacement trustee shall be appointed to hold office for the remainder of the three year term of the Trustee whom they have replaced.*

2.34 Again, feedback from Council is sought as to its preference for the Representative Trusteeship arrangement to the Game On Charitable Trust.

## **2.35 Te Kuiti Community House Trust**

2.36 Te Kuiti Community House Trust (TKCHT) is a registered NZ Charitable Trust.

2.37 The purpose of the TKCHT is to support the Te Kuiti community to develop and grow by facilitating appropriate services in the promotion of the well-being of the people living and working in the community including:

1. Reduce social isolation v
2. Reduce Family violence
3. Strengthening our Community
4. Support for youth and Rangatahi
5. Support for families and whanau
6. Community interaction and cooperation to create a vibrant caring

2.38 Whilst the TKCHT's Deed provides for a Committee to administer and manage the Trust on behalf of the Trustees, it also states under Section 6 –

*At all times at least one trustee shall be the nominee of the Waitomo District Council*

2.39 Terry Davey was Council's appointee in the 2016-2019 triennium, with Brian Hanna taking over that role following Terry's resignation in May 2019.

2.40 Once again, there is nothing within the Trust Deed requiring the Council nominated Trustee to be either an employee or elected member of the Council.

2.41 Council's feedback is sought as to its preference for the Council nominee on Te Kuiti Community House Trust.

## **2.42 D C Tynan Trust**

2.43 The DC Tynan Trust is an outlier in respect to Trusts. Firstly, it is not a registered Trust. Secondly, the Trust falls into the category of an External Funding Partner administered by Council and thirdly, it is also classified as a Council Controlled Organisation (CCO) under the Local Government Act 2002, section 7(3) because the power to appoint and remove trustees is vested with the Council.

2.44 This Trust was established in 1982 for the purpose of making disbursements from a very generous bequest made to the former Borough of Te Kuiti by the late Daniel Tynan. In terms of his will, it was Mr Tynan's wish that his bequest be utilised for such social, cultural, educational or recreational purposes within the former Borough of Te Kuiti as the trustees think fit.

2.45 Delivery of the Trust Deed rests with four Trustees, three of which are the Waitomo District Council urban Councillors (as the purpose of the Trust is limited to the Urban ward). The funds of the Trust are held in a Trust Account with Forgeson Law and Diane Forgeson is the fourth Trustee.

## Recommendations

3.1 Council provide feedback relating to Trust appointments as follows:

### North King Country Development Trust

- (a) Council recommend to Otorohanga and Taupo District Councils that Brian Hanna be replaced/not be replaced as one of the Councils' appointees to the North King Country Development Trust.
- (b) If (a) above is in the positive (i.e. be replaced) - Council identify its preferred replacement Appointee for recommendation to the Otorohanga and Taupo District Councils to replace Brian Hanna.
- (c) If (a) above is in the negative (not be replaced) - Brian Hanna be approached to ascertain his willingness to remain on the Trust for the balance of the current four year term as one of the Councils appointees. If Brian Hanna is willing remain for the current term, an approach be made to Otorohanga and Taupo District Councils to support the appointment.

### Game On Charitable Trust

Council identify its Appointee to act as Representative Trusteeship to the Game On Charitable Trust.

### Te Kuiti Community House Trust

Council identify its Appointee to act as nominee on Te Kuiti Community House Trust.

3.2 Council make appointments as set out in the Schedule of Council Roles and Responsibilities (Doc No. A454899).

## Suggested Resolutions

1 The business paper on Council Roles and Responsibilities be received.

### 2 North King Country Development Trust

- (a) Council recommend to Otorohanga and Taupo District Councils that Brian Hanna be replaced/not be replaced as one of the Councils' appointees to the North King Country Development Trust.
- (b) If 2(a) above is in the positive (i.e. be replaced) – Council's preferred replacement Appointee for recommendation to the Otorohanga and Taupo District Councils to replace Brian Hanna is \_\_\_\_\_

### OR

If 2(a) above is in the negative (not be replaced) - Brian Hanna be approached to ascertain his willingness to remain on the Trust for the balance of the current four year term as one of the Councils appointees. If Brian Hanna is willing remain for the current term, an approach be made to Otorohanga and Taupo District Councils to support the appointment.

3 **Game On Charitable Trust**

Council's Appointee to act as Representative Trusteeship to the Game On Charitable Trust is

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4 **Te Kuiti Community House Trust**

Council's Appointee to act as nominee on Te Kuiti Community House Trust is

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5 Council make appointments as set out in the Schedule of Council Roles and Responsibilities (Doc No. A454899).



MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**

Attachment: Schedule of Council appointed Committees, Groups and Elected Member appointments (Doc No. A454899)

Council Roles and Responsibilities

**Note:** The Appointments noted in this Schedule are those made for the 2016-2019 Triennium

Details	Appointment
<b>Waitomo District Council Committees</b>	
<p><b>Audit, Risk and Finance Committee</b></p> <p>The purpose of the Audit, Risk and Finance Committee is to provide guidance, assurance and assistance to Waitomo District Council on matters specific to risk, compliance, controls and external accountabilities (both financial and non-financial).</p>	<p>All Elected Members Independent Member Bruce Robertson</p>
<p><b>District Licensing Committee</b></p> <p>Under Section 186 of the Sale and Supply of Alcohol Act 2012 (the Act), Council is required to appoint a District Licensing Committee (DLC) (with a quorum of three members, one of whom must be the Chairperson).</p> <p>The DLC is responsible for considering applications made under the Act.</p>	<p>Sarah Brown (Commissioner/ Chair) Cr Guy Whitaker (Deputy Chair) Mr Ross Murphy Ms Patsi Davies Dr Michael Cameron Mr Roy Johnstone Mr John Gower Ms Tegan McIntyre Mrs Jennie McFarlane</p>

Details	Appointment
<b>Waitomo District Council Hearings Panels</b>	
<p><b>District Plan Hearings Panel</b></p> <p>The role of the Hearings Panel is to consider all submissions received, hear the evidence of Submitters. Council has appointed an Independent Commissioner Chair to hear the District Plan. The Independent Commissioner Chair in combination with Councillors and Iwi, will form hearings panels to hear submissions on different topics. The final composition of the topics (and therefore the hearings) will not be known until submissions have been received.</p> <p>Council has delegated to the Hearings Panel all powers, duties and functions under the Resource Management Act 1991 (clauses 8AA to, and including, 10 of the First Schedule of the RMA) to case manage, consider, hear, deliberate and decide on all submissions and further submissions received on, and provisions of, the Proposed Waitomo District Plan; and to the Hearings Panel Chairperson the powers to determine the composition of the Hearings Panel for specific topics and/or individual hearings of submissions and further submissions on the Proposed Waitomo District Plan, to the Independent Commissioner Chair</p>	<p>Greg Hill (Independent Commissioner and Chair) Councillor Brodie RMA Accredited Councillor Goddard RMA Accredited 1 x Independent Commissioner with an understanding of Tikanga Maori and of the perspectives of mana whenua (yet to be appointed)</p>
<p><b>Hearings Panel (Other than for District Plan)</b></p> <p>Each Hearings Panel will consist of three Members. The Mayor will convene a Hearings Panel for each separate Hearing. Hearings Panel members should be RMA Accredited unless in exceptional circumstances as provided by Section 39B of the RMA.</p>	<p>Mayor Hanna RMA Chair Accredited Councillor Brodie RMA Accredited Councillor Goddard RMA Accredited Councillor Smith Accreditation Lapsed</p>

Details	Appointment
<b>Waitomo District Council Working Parties</b>	
<p><b>Citizen Awards Working Party</b></p> <p>Council recognises the contribution both individuals and community organisations make in achieving improved community well-being and positive community outcomes. Council's Citizen's Awards Policy identifies two award types; Lifetime Achievement and Citizen Award.</p> <p>Awards take place on a biennial basis with Waitomo residents making nominations via a formal nomination process.</p> <p>Council's Policy provides for a Citizens Award Working Party to be appointed consisting of community members who have a strong knowledge of the District community. The CAwp can have up to four community members plus one Council representative and serves a term of four years.</p> <p>Appointment of the CAwp is made by the full Council.</p> <p>The next review of the CAwp is scheduled for February 2020.</p>	<p>Mayor Max Lamb Mac Waretini Leo Dempsey</p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Taranaki Regional Council – State Highway 3 Working Party</b></p> <p>The SH3 Working Party was formed by the Taranaki Regional Council in 2002. The purpose of the Working Party is to liaise, monitor, co-ordinate, advocate and collate information on the section of State Highway 3 between Piopio and the SH3/3A junction north of New Plymouth, with a view to formulating recommendations to promote the integrity and security of this section of the state highway network in recognition of its strategic importance.</p> <p>WDC is represented on the Working Party by both an elected representative and a staff member.</p>	<p>Councillor Brodie</p>
<p><b>Waikato Civil Defence Emergency Management Joint Committee</b></p> <p>Pursuant to the Civil Defence Act, Civil Defence throughout the Waikato Region is overseen at a political level by a Joint Committee known as the Civil Defence Emergency Management Group (CDEMG).</p> <p>Civil Defence Emergency Management Groups (CDEM Groups) are responsible for the implementation of local CDEM in an efficient and effective manner.</p> <p>CDEM Groups are formed from local authorities that work together and with other organisations to provide co-ordinated CDEM planning for reduction, readiness, response, and recovery.</p> <p>The Joint Committee is a local government committee with one elected representative from each council. The role of the joint committee is to provide political oversight and governance to ensure that the functions and obligations of the Waikato Civil Defence Emergency Management Group are fulfilled.</p> <p>The members of the Waikato CDEM Joint Committee are:</p> <ul style="list-style-type: none"> <li>• Waikato Regional Council</li> <li>• Hamilton City Council</li> <li>• Hauraki District Council</li> <li>• Matamata-Piako District Council</li> <li>• Otorohanga District Council</li> <li>• South Waikato District Council</li> <li>• Taupo District Council</li> <li>• Thames-Coromandel District Council</li> <li>• Waikato District Council</li> <li>• Waipa District Council</li> <li>• Waitomo District Council</li> </ul>	<p>Councillor Goddard Alternate – Mayor</p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Waikato Mayoral Forum</b></p> <p>Pursuant to Section 15 of the Local Government Act 2002, not later than 1 March after each triennial general election of members, all local authorities within each Region must enter into an agreement (Waikato Triennial Agreement) containing protocols for communication and co-ordination among them during the period until the next triennial general election of members.</p> <p>In March 2012, the Regional Triennial Forum governing body (which undertook reviews of the Regional Triennial Agreement at that time) recommended the formation of a Regional Governance body with appropriate delegated authority to provide Regional leadership and representation on matters of strategic importance for the Waikato in accordance with the Triennial Agreement, including completing future reviews of the Triennial Agreement in accordance with the LGA 2002.</p> <p>As a result, in 2012 the Waikato Mayoral Forum (WMF) was established. Since its formation, the Waikato Mayoral Forum has been collaboratively and successfully pursuing its goal of collaborating and working together to develop tangible benefits for the Region through greater local government co-operation.</p> <p>The Forum – made up of Mayors and the Regional Council Chair – has initiated a series of workstreams aimed at improving joint planning, economic development and local government efficiency generally. Two of these workstreams have now become standalone, independent processes:</p> <ul style="list-style-type: none"> <li>• A joint committee of council representatives is overseeing the creation of a common Waikato Plan to guide the region’s future</li> <li>• A business-led governance body is implementing the Waikato Means Business economic development strategy.</li> </ul> <p>Other workstreams covering the key areas of policy and bylaws, water services and roading have also been delivering tangible results in the areas of cutting red tape, positioning councils for major water savings and significant efficiencies on roading services.</p> <p>All this work dovetails with related efforts by councils through the jointly owned Waikato Local Authority Shared Services company to drive savings and other efficiencies.</p>	<p>Mayor Alternate = Deputy Mayor</p>
<p><b>Waikato Plan Joint Committee</b></p> <p>The Waikato Plan aims to be the collective voice for the Waikato Region on high priority issues, challenges and opportunities that affect the regional community. The Plan will:</p> <ul style="list-style-type: none"> <li>• Set a strategic direction for the Waikato and its communities.</li> <li>• Outline a high level development strategy that identifies settlement, infrastructure and service needs.</li> <li>• Provide an evidential basis to support policy and investment decision making within the Waikato.</li> <li>• Enable coherent and co-ordinated decision making by the local authorities, Central Government and other parties to determine the future location and timing of critical infrastructure, services, and investment within the Waikato.</li> <li>• Provide a basis for aligning the implementation plans, regulatory plans and funding programmes of local government and strategic partner agencies.</li> </ul> <p>The Waikato Plan Joint Committee was established to facilitate and encourage the implementation of the Waikato Plan and undertake any reviews or updates to the Plan. The Committee functions as a facilitator and influencer, encouraging the allocation of resources to achieve agreed regional priorities. It also acts as the facilitator of the Waikato message, building the authority and influence the Waikato has by encouraging the</p>	<p>Brian Hanna</p> <p><i>(Jointly appointed by Otorohanga District Council, South Waikato District Council, Taupo District Council, and Waitomo District Council)</i></p>

Details	Appointment
<p><b>Regional and Sub-Regional Appointments</b></p>	
<p>many legitimate voices in the Region to say the same thing and advocate for the same outcomes for the region.</p> <p>As a Committee of Waikato Regional Council, the Committee is not able to make decisions on behalf of other local authorities.</p> <p>The Committee currently operates under an Agreement developed pursuant to Clause 30A, Schedule 7 of the Local Government Act 2002. The Agreement provides that the Committee is not discharged at the next election, however the current membership of the Committee expired on the date of the triennial Local Government election.</p> <p>Membership of the Committee is comprised:</p> <ul style="list-style-type: none"> <li>• One voting member appointed by the Waikato Regional Council</li> <li>• One voting member appointed by the Future Proof Group (Hamilton City Council, Waipa District Council, Waikato District Council)</li> <li>• One voting member jointly appointed by Hauraki District Council, Matamata-Piako District Council and Thames Coromandel District Council.</li> <li>• One voting member jointly appointed by Otorohanga District Council, South Waikato District Council, Taupo District Council, and Waitomo District Council</li> <li>• One voting member appointed by Hamilton City Council</li> <li>• Up to six voting members appointed by Tāngata whenua and confirmed as members by the Waikato Regional Council</li> <li>• Up to four voting members being business and/or community representatives confirmed as members by the Waikato Regional Council</li> <li>• One non-voting member being a representative of the Waikato District Health Board</li> <li>• One non-voting member being a representative of the New Zealand Transport Agency</li> <li>• Ministry of Social Development</li> <li>• Ministry of Education Non-voting members being representatives of relevant Government Agencies as required.</li> </ul>	
<p><b>Waikato Regional Council – Regional Transport Committee</b></p> <p>The RTC is a WRC Committee and its purpose is to plan and coordinate land transport and road safety and to recommend WRC's policy on land transport.</p> <p>The RTC also prepares the Regional Land Transport Strategy and Regional Land Transport Programme.</p>	<p>Mayor Alternate = Councillor Brodie</p>
<p><b>Waikato River Authority</b></p> <p>The Waikato River Authority is an independent statutory body under the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.</p> <p>The arrangement covers a catchment of 11,000 km<sup>2</sup> comprising the Waikato River from Huka Falls to Te Pūaha o Waikato, the Waipa River from its source to its connection with the Waikato River, and their catchments.</p> <p>The Authority has 10 board members – five appointed from each river iwi (Tainui, Te Arawa, Tuwharetoa, Raukawa, and Maniapoto) and five Crown-appointed members. The Regional Council nominates one Crown member and <b>one is nominated by the territorial authorities</b>. The Minister for the Environment appoints one of two co-chairpersons; iwi choose the other.</p>	<p>Brian Hanna</p> <p style="text-align: center;"><i>(Nominated by the Waikato territorial authorities)</i></p>

Details	Appointment
<b>Regional and Sub-Regional Appointments</b>	
<p><b>Waipa Joint Management Agreement (Nga Wai O Waipa Co-Governance Forum (Waikato District/Waipua District/Waitomo District/Otorohanga))</b></p> <p>In June 2012, Council resolved to enter a new era of co-management for the Waipa River between Council and the Maniapoto Maori Trust Board through the Nga Wai o Maniapoto (Waipa River Act) 2012.</p> <p>The Act provides that a Joint Management Agreement (JMA) be developed between Council and the Maniapoto Maori Trust Board as part of the co-management arrangements.</p> <p>To assist the JMA process the Nga Wai o Waipa Joint Committee was established involving all local authorities (whose boundaries fall within the legislated boundaries provided for in the Act) as a collective and the Maniapoto Maori Trust Board. This collective approach also satisfies Council's legislative obligation to form a joint committee and also provides for a holistic and collaborative co-governance model for the JMA.</p>	<p>Mayor Alternate = Deputy Mayor</p>

Details	Appointment
<b>Trusts Providing for Council Appointment</b>	
<p><b>Game On Charitable Trust</b></p> <p>The Te Kuiti High School (TKHS) Board of Trustees and other members of the community identified an opportunity to develop a facility for the North King Country, to be used by the wider community, rather than just a school gymnasium. Initially, a Project Steering Group was established to oversee the project representing TKHS, the community, Sport Waikato, Waitomo and Otorohanga District Councils. That Steering Group progressed the project until such time as the development of a Charitable Trust was required.</p> <p>On 17 May 2017 Council resolved to appoint the Mayor as Council's representative on the Trust. The purpose of the Trust includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Raise and provide funds for the development, establishment, operation and maintenance of land, buildings and equipment for a facility for recreational, sporting and education needs.</li> <li>• To develop, operate, maintain and manage the land, buildings and equipment of the facility.</li> <li>• To promote, coordinate and provide recreational and educational programmes and activities.</li> </ul>	<p>Brian Hanna</p>
<p><b>Te Kuiti Community House</b></p> <p>Te Kuiti Community House Trust is a registered NZ Charitable Trust.</p> <p>The purpose of the Trust is to support the Te Kuiti community to develop and grow by facilitating appropriate services in the promotion of the well-being of the people living and working in the community including:</p> <ol style="list-style-type: none"> <li>1. Reduce social isolation</li> <li>2. Reduce Family violence</li> <li>3. Strengthening our Community</li> <li>4. Support for youth and Rangatahi</li> <li>5. Support for families and whanau</li> <li>6. Community interaction and cooperation to create a vibrant caring society.</li> </ol>	<p>Councillor Davey</p>

Details	Appointment
<b>Trusts Providing for Council Appointment</b>	
<p><b>North King Country Development Trust</b></p> <p>The NKCDT is registered as a Charitable Trust for the purpose of applying the Trust Fund for or toward charitable purposes and in particular Industrial development charitable purposes. Appointment of Trustees is as per the registered Deed of Trust.</p> <p>WDC in conjunction with Otorohanga and Taupo District Council's may appoint two Trustees. Trustees are appointed for a term of four years but are re-eligible for reappointment upon expiry of their term.</p>	<p>Brian Hanna</p>

Details	Appointment
<b>External Funding Partners – Administered by Council</b>	
<p><b>Creative Communities</b></p> <p>WDC administers a local Creative Communities Assessment Committee consisting of two Councillors and community representatives having knowledge of the arts in the Waitomo District, to join the Creative Communities Assessment Committee. The Committee meets twice yearly, in June and November, to distribute funds made available by Creative New Zealand to support community based arts activities in the Waitomo District.</p>	<p>Councillor Davey Councillor New</p>
<p><b>DC Tynan Trust</b></p> <p>The DC Tynan Trust is a Council Controlled Organisation and was established for the purpose of making disbursements from a very generous bequest made to the Borough of Te Kuiti by the late Daniel Tynan. In terms of his will, it was Mr Tynan's wish that his bequest be utilised for such social, cultural, educational or recreational purposes within the Borough of Te Kuiti as the trustees think fit. The Trust is administered by four Trustees, three of which are the urban Councillors.</p>	<p>(3 Urban Ward Councillors) Deputy Mayor Councillor Davey Councillor New</p>
<p><b>Sport New Zealand</b></p> <p>The Sport New Zealand (SNZ) (formerly SPARC) Rural Travel Fund's objective is to help subsidise travel for junior teams participating in local sport competition. The allocation of the fund's based on a population density formula for territorial authorities that have fewer than 10 people per square kilometre. Council administers one SNZ Rural Travel funding round per year, usually in October. The SNZ Rural Travel Assessment Committee consists of two Council staff, two Councillors, one NZ Police representative and a Sport Waikato representative.</p>	<p>Councillor Davey Councillor New</p>

Details	Appointment
<b>Other Representation Appointments</b>	
<b>Community Youth Connections</b> <ul style="list-style-type: none"> <li>• Youth Council</li> <li>• Social Sector Trials</li> <li>• Tuia Programme</li> <li>• Mayor's Taskforce for Jobs</li> <li>• Employment Partnerships</li> </ul>	Mayor Councillor New Councillor Brodie
<b>Piopio Wastewater Community Liaison Group</b> Pursuant to Clause 34 of the Environment Court "Order of Court", Council as the Consent Holder shall establish and service a Community Liaison Group to be known as the Piopio Wastewater Community Liaison Group.	Mayor Councillor Brodie
<b>Te Kuiti and District Historical Society</b> In July 2011, the Historical Society wrote to Council advising they had a vacancy on their Committee and sought appointment of a WDC Representative. The general objects of the Society are to preserve, by photographic means, historical information including landmarks and buildings, to record historical research and to stimulate and guide public interest in matters of historical importance to the District.	Councillor New
<b>Waitomo/Tatsuno Sister City Committee</b> Councils sister city relationship with Tatsuno in Japan was entered into in May 1995 with Council at that time believing that such a relationship had the potential to provide an enriched cultural experience for the residents of the Waitomo District. Signed agreements between Tatsuno and Waitomo are displayed in the Council chambers and confirm the purpose of the relationship is: "To encourage understanding and awareness of our separate cultures and to encourage the exchange of ideas and people."	Deputy Mayor Councillor New  <p style="text-align: center;"><i>Note: Service Delivery of this activity is currently under review.</i></p>

Details	Appointment
<b>Portfolio Responsibilities</b>	
<b>Aerodrome</b>	Deputy Mayor Councillor Goddard
<b>Environment and Regulatory - Policy and Development</b>	Mayor Deputy Mayor

<p><b>Rural Ward</b></p> <p>The representation of these areas will include Councillor representation for liaison purposes at all committee activities, attending all community events in these areas, and being the point of contact for these "Wards". Representation will include, but not be limited to the organisations listed beneath the relevant area.</p>	
<p><b>Rural North West</b> (incorporating old Waitomo/Te Anga Rural Wards)</p>	
<p><b>Marokopa Recreation Ground Committee</b>  <b>Rural Halls - Waitomo / Te Anga</b>  <b>Tere Waitomo Community Trust</b>  <b>Maraes</b></p>	<p>Councillor Smith</p>
<p><b>Rural South East</b> (incorporating old Aria/Mangaokewa Wards)</p>	
<p><b>Benneydale Residents and Ratepayers Association</b>  <b>Benneydale Hall</b>  <b>Mokauiti Hall</b>  <b>Rangitoto Hall</b>  <b>Maraes</b></p>	<p>Councillor Goddard</p>
<p><b>Rural South West</b> (incorporating old Paemako/Tainui Wards)</p>	
<p><b>Piopio Retirement Board</b>  <b>Piopio Sports Club</b>  <b>Mokau Residents and Ratepayers Association</b>  <b>Tainui Waitere Domain Board</b>  <b>Tainui Ratepayers</b>  <b>Maraes</b></p>	<p>Councillor Brodie</p>

<p><b>Urban Ward</b></p> <p>The representation of these areas will include Councillor representation for liaison purposes at all committee activities, attending all community events in these areas, and being the point of contact for these "Wards". Representation will include, but not be limited to the organisations listed beneath the relevant area.</p>	
<p><b>Elderly Housing Liaison (Hillview/Redwood Flats/St Andrews Court)</b></p> <p>To build relationships with Elderly Housing providers and residents and to act as a Point of Contact in respect to Council related matters pertaining to Elderly Housing.</p>	<p>Councillor New</p>
<p><b>Te Kuiti Development Incorporated</b></p> <p>TKDI is an Incorporated Society registered in April 2011 and was formed for the purpose of promoting the welfare of the business community of Te Kuiti and in particular to provide a forum for networking and collaboration of members.</p>	<p>Deputy Mayor  Councillor Davey  Councillor New</p>

**Document No:** A454979

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Establishment of Audit, Risk and Finance Committee

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to inform the establishment of an Audit, Risk and Finance Committee in line with recommended best practice.

## Background

- 2.1 In October 2017, Council established an Audit and Risk Committee (ARC) and adopted a Terms of Reference (ToR) following strong advocacy from the Office of the Auditor-General and Local Government New Zealand.
- 2.2 Council at its 31 March 2018 meeting, following a recommendation from the ARC resolved to amend the ARC ToR to include provision for Council to appoint independent members(s) to the ARC with voting rights and to appoint Mr Bruce Robertson to the ARC as an independent member.
- 2.3 **Requirement for the Establishment of an Audit, Risk and Finance Committee**
- 2.4 Pursuant to Clauses 30, Schedule 7 of the Local Government Act 2002 (LGA), committees, subcommittees and other subordinate decision-making bodies are discharged on the coming into office of the members of the local authority elected or appointed at, or following the triennial general election, unless the local authority has previously resolved otherwise.
- 2.5 Except where there is a previous resolution to the contrary, new committees (and committee chairpersons) will need to be appointed following the election. The previous Council did not pass any resolution to retain any committees therefore the ARC was discharged following the Triennial General Election.
- 2.6 **Process for Establishment of a Committee**
- 2.7 Clause 30 of Schedule 7 of the LGA provides for Council to appoint committees it sees appropriate.
- 2.8 Clause 41(A) of the LGA gives certain powers to the Mayor (section 3) relating to the establishment of committees and appointment of chairpersons. However in the same clause (section 4) there is provision for Council to undo Mayoral appointments.

2.9 Section 41A of the LGA reads as follows:

**41A Role and powers of mayors**

- (1) *The role of a mayor is to provide leadership to—*
  - (a) *the other members of the territorial authority; and*
  - (b) *the people in the district of the territorial authority.*
- (2) *Without limiting subsection (1), it is the role of a mayor to lead the Development of the territorial authority's plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority.*
- (3) *For the purposes of subsections (1) and (2), a mayor has the following powers:*
  - (a) *to appoint the deputy mayor:*
  - (b) *to establish committees of the territorial authority:*
  - (c) *to appoint the chairperson of each committee established under paragraph (b), and, for that purpose, a mayor—*
    - (i) *may make the appointment before the other members of the committee are determined; and*
    - (ii) *may appoint himself or herself.*
- (4) *However, nothing in subsection (3) limits or prevents a territorial authority from—*
  - (a) *removing, in accordance with clause 18 of Schedule 7, a deputy mayor appointed by the mayor under subsection (3)(a); or*
  - (b) *discharging or reconstituting, in accordance with clause 30 of Schedule 7, a committee established by the mayor under subsection (3)(b); or*
  - (c) *appointing, in accordance with clause 30 of Schedule 7, 1 or more committees in addition to any established by the mayor under subsection (3)(b); or*
  - (d) *discharging, in accordance with clause 31 of Schedule 7, a chairperson appointed by the mayor under subsection (3)(c).*
- (5) *A mayor is a member of each committee of a territorial authority.*
- (6) *To avoid doubt, a mayor must not delegate any of his or her powers under subsection (3).*
- (7) *To avoid doubt,—*
  - (a) *clause 17(1) of Schedule 7 does not apply to the election of a deputy mayor of a territorial authority unless the mayor of the territorial authority declines to exercise the power in subsection (3)(a);*
  - (b) *clauses 25 and 26(3) of Schedule 7 do not apply to the appointment of the chairperson of a committee of a territorial authority established under subsection (3)(b) unless the mayor of the territorial authority declines to exercise the power in subsection (3)(c) in respect of that committee.*

2.10 Clause 41A came into force on 12 October 2013 and was derived from the Government's programme "Better Local Government".

- 2.11 At the time this Clause came into effect, Brookers provided a commentary which stated as follows:

*“The intent is to provide greater executive powers to the mayor of a local authority, of a similar nature to those established for the Mayor of Auckland under s 9 of the Local Government (Auckland Council) Act 2009. The traditional role of the mayor to provide leadership to other elected members of the territorial or unitary authority and the people of the district is codified. Further it is the role of the mayor to lead the development of the long-term plan, the annual plan, policies and budgets for consideration by members. In addition, the mayor has the new powers to appoint the deputy mayor, establish committees for a territorial authority, and appoint the chairperson of each committee, and the mayor may appoint himself or herself to one of those positions as chair. As a backstop against a failure of the mayor to make the appropriate appointments, or to consider removal of a deputy mayor, discharge of a committee or replacement of a chairperson, a territorial authority retains the existing powers in Schedule 7 to make those changes in the appropriate manner. This alternate power would enable the members of the local authority, where majority support of actions by the mayor is not forthcoming, to take remedial action to improve the governance situation. Where remedial action does not provide a positive outcome, the expanded powers of the Minister under Part 10 of the Act may become applicable.”*

## Commentary

### 3.1 Composition of Audit, Risk and Finance Committee

- 3.2 Council at its Workshop on Tuesday 12 November 2019 discussed the establishment of an Audit, Risk and Finance Committee for the current triennium. A summary of the feedback provided to staff following that discussion is as follows:

- The Committee is to be a committee of the whole Council with one additional Independent Member.
- The Independent Member is to be the Committee Chairperson.
- The Committee’s Terms of Reference are to reflect a Committee of the whole Council and that the Independent Member is to be the Committee Chairperson. “Membership” considerations are to be removed from the Terms of Reference as membership is set by the Council in establishing the Committee.

Note: The Terms of Reference are dealt with in a separate business paper elsewhere in this Agenda

- Bruce Robertson (subject to availability and an acceptable negotiated payment rate) is to be appointed as the Independent Member for the 2019-2022 Triennium based on both his experience and the fact that he is already familiar with Waitomo District Council from his previous appointment on the ARC.

### **3.3 LGNZ “Designing decision-making structures: A guide for Councils”**

3.4 LGNZ has recently released a draft “Designing decision-making structures: A guide for Councils” noting that while this document is very much a “draft” still in development, the content will be of benefit to councils setting up governance structures post the Triennial General Election. A copy of that draft guide can be viewed online at <https://www.lgnz.co.nz/our-work/our-policy-priorities/governance/>

3.5 The Guide provides a number of generic models, in two categories - those with delegations and those without delegations. All of the models have advantages and challenges and the key message is that any governance system must be able to manage the complex and diverse responsibilities of individual councils in an efficient and effective manner while also accounting for the future needs of communities.

3.6 The model Council is proposing is Model 4 in the Guide – Governance body with committees of the whole (with delegations).

3.7 Council's Delegations Register provides delegated authority to the ARC as follows:

*Delegated the authority to:*

1. *Receive and consider external and internal audit reports.*
2. *Receive and consider staff reports on audit, internal control and risk management related matters.*
3. *Make recommendations to the Council on financial, internal control and risk management policy and procedure matters as appropriate.*
4. *To recommend approval of the Auditors engagement and arrangements letters.*

3.8 The Council in discussing the membership of a proposed Audit, Risk and Finance Committee at its workshop on 12 November 2019, addressed the challenges listed in the Guide and were in agreement that due to the very small size of the Waitomo District Council (the whole Council is smaller than the majority of other Councils' committees), it is appropriate that the Audit, Risk and Finance Committee be a committee of the whole with the ability to appoint external members as necessary.

### **3.9 Independent Member Appointment**

3.10 Bruce Robertson has been approached by the Chief Executive and has confirmed his availability to act as the Independent Member and Committee Chairperson.

3.11 The additional cost to WDC of appointing the Independent Member to be the Committee Chairperson \$2,000 per annum.

## **Analysis of Options**

3.1 There are two options available to Council to establish AR&F Committee. These are:

## 3.2 Option One

3.3 The Mayor exercise his powers in accordance with Section 41A and establish the Committees and appoint Chairpersons.

## 3.4 Option Two

3.5 In accordance with Clauses 30 and 31 of Schedule 7 of the LGA, Council establish the Committee and appoint the Chairperson.

### **Suggested Resolutions**

- 1 The business paper on Establishment of Audit, Risk and Finance Committee be received.
- 2 Select either (a) or (b):
  - (a) The Mayor exercises his powers in accordance with Section 41A and establishes an Audit, Risk and Finance Committee as follows:

**or**
  - (b) In accordance with Clauses 30 and 31 of Schedule 7 of the LGA, Council establishes an Audit, Risk and Finance Committee as follows:
    - 1 The Audit, Risk and Finance Committee is to be a committee of the whole Council with one additional Independent Member.
    - 2 The Independent Member is to be the Committee Chairperson.
    - 3 Mr Bruce Robertson be appointed as the Independent Member for the 2019-2022 Triennium based on both his national experience and the fact that he is already familiar with Waitomo District Council.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

**Document No:** A453291

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Terms of Reference – Audit, Risk and Finance Committee

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to present considerations to Council for changes to the Terms of Reference for the Financial, Audit and Risk Committee.

## Background

- 2.1 The Local Government Act 2002 (LGA) requires a local authority to meet the current and future needs of communities in an effective, efficient and appropriate manner. The core tenets of the governance, planning and reporting requirements from Councils embedded within the LGA are transparency and accountability to the communities.
- 2.2 Over the last few years there has been an external push on local authorities to enhance the risk management and audit aspects. This is despite a significant accountability regime being in place for local authorities.
- 2.3 There has been strong advocacy from the Office of the Auditor-General (OAG) and Local Government New Zealand (LGNZ) to establish Audit and Risk Committees (ARC) within the LG sector to meet risk management needs.
- 2.4 The ARC was established by resolution of Council on 31 October 2017 including the adoption of a Terms of Reference (ToR).
- 2.5 In February 2018, the ARC reviewed its ToR and recommended amendments to the Council so as to include provision for the Council to appoint independent member(s) with voting rights to the ARC.
- 2.6 Council considered the ARC recommendations at its meeting on 27 March 2018 and adopted the amendments to the ToR as recommended by the ARC.
- 2.7 The adopted ToR also includes provision that a review be carried out in November following every triennial election.

## Commentary

- 3.1 The OAG identifies the core responsibilities of an ARC to encompass overseeing the effectiveness of the:
- Risk Management Framework
  - Internal Control Environment

- Standards, Regulatory and Legislative Compliance
  - Internal Audit and Assurance
  - External Audit, and
  - Financial Reporting
- 3.2 A change of name of the committee to the Audit, Risk and Finance Committee (ARFC) is recommended. This is to better reflect the scope of coverage that the ARC has performed over the last two years since its establishment.
- 3.3 A desktop review of the ToR has been completed. Changes to incorporate a name change, define the responsibility of Financial Oversight and deletion of the membership clause are recommended.
- 3.4 The membership of the ARFC will be the subject of a further report to Council.
- 3.5 A copy of the draft ARFC ToR highlighting the recommended changes is attached to and forms part of this business paper for Council's consideration and discussion.

## Considerations

### 5.1 Risk

- 5.2 There is no potential risk that can be determined.
- 5.3 There is consistency with Existing Plans and Policies.

### 5.4 Significance and Community Views

- 5.5 The degree of significance of this proposal is considered to be low in respect of Council's Significance and Engagement Policy.

## Recommendation

- 6.1 It is recommended that Council adopt the draft ToR as presented.

## Suggested Resolutions

- 1 The business paper on Terms of Reference – Audit, Risk and Finance Committee be received.
- 2 The Terms of Reference of the Audit, Risk and Finance Committee be adopted.
- 3 The Delegations Register be updated to reflect the delegations as documented in the Terms of Reference.



ALISTER DUNCAN  
**GENERAL MANAGER – BUSINESS SUPPORT**

14 November 2019

Attachment: Terms of Reference of the Audit, Risk and Finance Committee (A454892)

## Waitomo District Council Audit, ~~and~~ Risk and Finance Committee

### Terms of Reference

#### 1. PURPOSE AND SCOPE

- 1.1 The purpose of the Audit, ~~and~~ Risk and Finance Committee is to provide guidance, assurance and assistance to Waitomo District Council on matters specific to risk, compliance, controls and external accountabilities by:
- 1 Overseeing that control mechanisms are in place that ensure compliance with standards, regulatory and legislative requirements
  - 2 Ensuring appropriate management and monitoring processes in place to manage significant risks
  - 3 Monitoring internal and external audits and the resolution of issues raised.
  - 4 Provide clear line of communication between Council, Management and External and Internal Auditors; and
  - 5 Seeking reasonable assurance regarding the integrity of Councils financial and non-financial planning and reporting

#### 2. RESPONSIBILITIES

##### 2.1 Financial Oversight

- 2.2 To review Council's Long Term and Annual Plans in depth and provide advice and recommendation to Council with respect to the integrity and appropriateness of the documents and disclosures.
- 2.3 To maintain an overview of all matters relating to the development and review of financial policies and recommend any changes to Council.
- 2.4 To maintain an overview of all matters relating to the periodic financial reporting (including non-financial performance measures) so as to provide assurance that delivery is consistent with the forecasts set out in the Annual or Long Term Plans.

##### 2.5 External Audit

- 2.6 To engage with Council's external auditors regarding the audit programme and agree the terms and arrangements for the external audit programme.
- 2.7 To review Council's Annual Report in depth and provide advice and recommendation to Council with respect to the integrity and appropriateness of the documents and disclosures and also recommend adoption.
- 2.8 To review matters raised in the audit reports and recommend organisational response priorities based on significance and risk.
- 2.9 To monitor the extent to which recommendations made in the audit report are implemented.

## 2.10 Risk Management

- 2.11 To monitor Council's treasury management practices in order to provide assurance that policy limits are being adhered to. Recommendations should be made to Council when there are good reasons to exceed policy.
- 2.12 To review Council's insurance covers and limits on an annual basis for appropriateness.
- 2.13 To work in conjunction with the Chief Executive and Group Manager Corporate Services in order to be satisfied with the existence and quality of appropriate cost effective financial risk management systems and processes and the proper application of these.
- 2.14 To recommend to Council any internal audit work or additional work streams required to strengthen Council's risk management framework.
- 2.15 To maintain an overview of the ~~annual capital expenditure programme and the~~ non-financial performance with a view to providing assurance that these are within parameters established in the Annual or Long Term Plans.
- 2.16 To consider all matters referred to the Committee by the Council.

## 3. DELEGATIONS

- 3.1 The Council delegates to the Audit, ~~and~~ Risk ~~and Finance~~ Committee the following powers and duties:
  - 1 Recommend changes to its Terms of Reference to the Council for adoption
  - 2 Receive and consider staff reports on audit, internal controls, financial and risk management related matters
  - 3 Recommend new accounting and reporting requirements or changes to accounting policies
  - 4 Approve the engagement and arrangement letters of Auditors
  - 5 Make recommendations to Council on financial, internal control and risk management and financial policy and procedure matters as appropriate
  - 6 Recommend the adoption or non-adoption of the Annual Report
  - 7 The Audit and Risk Committee may not delegate any of its responsibilities, duties or powers.

## ~~4. Membership~~

~~4.1 The Audit and Risk Committee shall be appointed by resolution of Council.~~

~~4.2 The Audit and Risk Committee shall comprise all of the elected members of Council and such independent member(s) as the Council may resolve from time to time.~~

~~4.3 An independent member will Chair the Committee.~~

~~4.4 All members of the Committee, including independent members, will have voting rights.~~

~~4.5 Apart from the appointment of the first members of this Committee, which appointment is part way through a triennium, members will be appointed at the commencement of each triennium term of Council.~~

~~4.6 The Chief Executive and General Manager Business Support shall attend all meetings in an advisory capacity but are not members and have no voting rights. Other staff as may be required will attend the meetings.~~

## 5. MEETINGS

5.1 Meetings of the Committee shall be conducted in accordance with Model Standing Orders for Meetings of the Waitomo District Council. (Doc Number A162992)

5.2 The Committee will meet once every three months and at least four times in each financial year.

5.3 All minutes and recommendations of the Committee will be presented to the Council.

## 6. REVIEW OF TERMS OF REFERENCE

~~6.1 The first review of these Terms of Reference will be carried out after a period of six months, in February 2018, by the Audit and Risk Committee and recommendations made to Council.~~

6.2 ~~Thereafter,~~ These Terms of Reference will be reviewed by the Council no later than the November following every triennial election.

**Document No:** A454979

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** District Licencing Committee -  
Appointment of Deputy Chairperson

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to for Council to appoint a Deputy Chairperson to the District Licencing Committee.

## Background

- 2.1 Under Section 186 of the Sale and Supply of Alcohol Act 2012 (the Act), Council is required to appoint a District Licensing Committee (DLC) (with a quorum of at least three members, one of whom must be the Chairperson). The DLC is responsible for considering applications made under the Act.
- 2.2 DLC's hear and determine all applications (including those with opposition), with only enforcement applications (applications by Police and Inspectors to suspend or cancel licenses) and appeals of DLC decisions going to the Alcohol Regulatory and Licensing Authority.
- 2.3 DLC's have the powers of Commissions of Enquiry, and function in a similar way to a Court in that they are able to require attendance and examination of witnesses and the presentation of evidence as required; and hear all applications and reports from reporting agencies.
- 2.4 The Act is clear that members of the DLC must have experience in matters related to alcohol licensing and that Chairpersons or Commissioners must have good standing in the community and sufficient skills, knowledge and experience to manage hearings.
- 2.5 Waitomo District Council has been sharing resources for its District Licensing Committee with Waipa District Council and Otorohanga District Council since 2013. However, it must be noted that while Council shares the Chair and members (excluding Councillors) with Otorohanga District Council and Waipa District Council, each Council has its own separate DLC.
- 2.6 In November 2016, following the 2016 Triennial General Election, Council resolved to establish its District Licensing Committee as follows:
  - *One District Licensing Committee be retained for Waitomo District;*
  - *Pursuant to section 193 of the Sale and Supply of Alcohol Act 2012, Council recommend to the Chief Executive that Sarah Brown be appointed Commissioner (Chairperson) to the District Licensing Committee;*

- *Council appoint:*
  - (i) *Councillor Guy Whitaker as Deputy Chairperson and member;*
  - (ii) *The following persons as members of the District Licencing Committee:*
    - *Mr Ross Murphy*
    - *Ms Patsi Davies*
    - *Dr Michael Cameron*
    - *Mr Roy Johnstone*
  - (iii) *All appointments be for a period of five years.*

2.7 The same members were adopted by Otorohanga and Waipa Districts (excluding the Councils' respective Councillor).

2.8 In August 2017, the three Councils (Waitomo, Otorohanga and Waipa) in acknowledging that the workload for the members of the three DLCs had been steadily increasing since its appointment and additionally there had been a growing need to convene hearings at relatively short notice causing difficulties in obtaining a quorum of three members; agreed to add an additional three members to add flexibility to the current arrangement.

2.9 It was noted that three additional members to the DLC would not add any process costs as they would sit on hearings where another member would have been required to sit in any case.

2.10 On 1 August 2017, Council resolved as follows:

2 *Council appoint the following persons as additional members of the Waitomo District Licensing Committee:*

- a) *Mr John Gower*
- b) *Ms Tegan McIntyre*
- c) *Mrs Jennie McFarlane*

3 *These appointments be for the period until 29 November 2021 so as to align with the term of existing Waitomo District Licensing Committee members.*

2.11 On 31 July 2018, Council (and Waipa and Otorohanga Councils) resolved to appoint Tegan McIntyre (an existing member) as an Alternate Commissioner for the period to 29 November 2021.

2.12 This appointment was made to ensure appropriate contingency is in place should the Commissioner be unavailable, and there is a matter where the Deputy cannot act (such as an actual or perceived conflict of interest). This was necessary as the Act does not allow committee members to deal with applications on their own and offers no remedy until the Chair or Deputy is able to act.

## Commentary

3.1 Section 189 of the Act details the require composition of a DLC as follows:

### **189 Composition of licensing committees**

(1) *Each licensing committee consists of 3 members appointed by the territorial authority for that territorial authority's district.*

- (2) *A territorial authority must appoint 1 member as the chairperson and that person must be a member of that territorial authority or a commissioner appointed to the licensing committee.*
- (3) *A territorial authority may appoint a member of that territorial authority to be deputy chairperson, and act in place of the chairperson if the chairperson is unable to act because of illness or absence from New Zealand, or for other sufficient reason.*
- (4) *While acting in place of the chairperson, the deputy chairperson is a member of the committee and has all the powers and duties of the chairperson.*
- (5) *No act done by the deputy chairperson serving as acting chairperson in the chairperson's absence, and no acts done by the committee while the deputy chairperson is so serving, can in any proceedings be questioned on the ground that the occasion for his or her so serving had not arisen or had ceased.*
- (6) *The other 2 members of each licensing committee must be appointed from the territorial authority's list maintained under section 192.*
- (7) *For the purposes of subsection (2), a member of a territorial authority means an elected member of a territorial authority and, in relation to the Auckland Council, includes a member of the governing body (as defined in section 4 of the Reprinted as at 4 November 2019 Sale and Supply of Alcohol Act 2012 Part 2 s 189 101 Local Government (Auckland Council) Act 2009) or a member of a local board established under section 10 of that Act.*

3.2 Cr Whitaker has been WDC's elected representative on the DLC since 2013 and has considerable experience. It is recommended that Cr Whitaker be reappointed as the Deputy Chairperson and member for the triennium.

3.3 It is noted that the Chairperson and all the other existing DLC members are already appointed pursuant to section 193 and 192 of the Act for a period of 5 years to 29 November 2021.

## Suggested Resolutions

- 1 The business paper on District Licencing Committee - Appointment of Deputy Chairperson be received.
- 2 Council appoint Deputy Mayor Guy Whitaker as Deputy Chairperson and member of the District Licencing Committee.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

**Document No:** A455750

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Elected Members Remuneration 2019/20

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to consider and make recommendations to the Remuneration Authority on how the Remuneration Pool for 2019/2020 should be distributed.

## Background

### **2.1 The Remuneration Authority**

- 2.2 Since the end of 2001, the setting of elected members' remuneration has been the responsibility of the Remuneration Authority ('the Authority'), including the setting of rules for reimbursement of costs incurred by elected members in carrying out their roles.
- 2.3 In 2018, the Authority completed a review of its approach to determining the remuneration and allowances for local government elected members.
- 2.4 Attached to and forming part of this business paper as background information is the Authority's paper on "Remuneration Setting for Local Authorities".
- 2.5 The introduction of a Remuneration Pool (the Pool) is the major change of the 2018 review. The Pool is for Councillor remuneration only. It does not include the Mayor's remuneration or allowances.

### **2.6 Council's Policy on Elected Members' Remuneration**

- 2.7 Council's Policy on Elected Members Remuneration ('the Policy') will also require review to include the new provision for a "Childcare Allowance". The review of the Policy is dealt with in a separate business paper elsewhere in this Agenda.

## Commentary

### **3.1 Allocation of Pool**

- 3.2 The Local Government Members (2019/20) Determination 2019 (the Determination) sets out the Remuneration Pool levels for the period from the day after the day the official General Election results were declared until 30 June 2020.

3.3 A copy of the full 2019/20 Determination has been circulated to elected members previously and is available online as follows:

<http://www.legislation.govt.nz/regulation/public/2019/0135/latest/LMS211368.html>

3.4 To summarise, the Pool set by the Authority for Waitomo District Council is \$211,968 to be divided amongst the six Councillors (which includes the Deputy Mayor position). The Mayor's remuneration is \$97,500. There is one additional allowance – being a Childcare allowance.

3.5 It is important to note that Council must allocate the entire Pool.

3.6 The Authority is now seeking recommendations for the distribution of the Pool.

3.7 The Authority has provided two worksheets which have been pre-populated with Council's name, remuneration pool and the minimum remuneration rate for a Councillor. One worksheet is based on a "Dollar" calculation and the second is on a "Ratio" calculation.

3.8 Feedback from the Council was that modelling for division of the Pool using the "Dollar" calculation be completed on the basis of the Deputy Mayor receiving remuneration equivalent to 50% of the Mayor's remuneration (i.e. 50% of \$97,500 = \$48,750), with the remainder of the Pool being divided equally between the other five Councillors.

3.9 The resulting remuneration based on this feedback is set out below utilising the Authority's "Dollar" calculation worksheet. Note: The Deputy Mayor's remuneration has been rounded down by \$2.00 to make a clean division of the Pool:

Deputy Mayor	1 x \$48,748	\$48,748
Councillor	5 x \$32,644	<u>\$163,220</u>
<b>Total Pool</b>		<b>\$211,968</b>

3.10 For comparison purposes, both of the Authority's worksheets were completed. The result for the "Ratio" calculation based on the Deputy Mayor role being 1.5 of a Councillor role is as follows:

**Ratio Calculation**

Deputy Mayor	1 x Base remuneration: \$32,610 x 1.5	\$48,916
Councillor	5 x Base remuneration: \$32,610 x 1	<u>\$163,052</u>
<b>Total Pool</b>		<b>\$211,968</b>

3.11 Copies of both Authority Worksheets are attached to and form part of this business paper. Both results are very similar which support's Council's stance for recommending division of the Pool to the Authority.

**3.12 Authority Timeline**

3.13 The Authority's timeline is as follows:

Action	By Whom	Date
Familiarisation by elected members and staff with the new regime and process	Councils	Up till remuneration proposals submitted

Action	By Whom	Date
<b>Incoming councils formally decide remuneration attached to different roles within allocated pool and forward proposals to Remuneration Authority (round 1)</b>	<b>Councils</b>	<b>Proposals submitted by <u>Wednesday 20 November 2019</u> to meet deadline for the first amending determination</b>
Remuneration Authority consider councils' proposals	Remuneration Authority	From 13 October to 22 November 2019
Drafting of first amending determination	Parliamentary Counsel Office	From 24 November to 11 December 2019
First amending determination is gazetted	Remuneration Authority	Thursday 19 December 2019
<b>Incoming councils formally decide remuneration attached to different roles within allocated pool and forward proposals to Remuneration Authority (round 2)</b>	<b>Councils</b>	<b>Proposals submitted by <u>Friday 24 January 2020</u> to meet deadline for second amending determination</b>
Remuneration Authority consider councils' proposals	Remuneration Authority	From 13 January to 29 January 2020
Drafting of second amending determination	Parliamentary Counsel Office	From 3 February to 21 February 2020
Second amending determination is gazetted	Remuneration Authority	Late February/early March 2020

- 3.14 Council has missed the deadline for the first amending determination of 20 November 2019, so will be included in the second amending determination which is scheduled for gazetting in late February/early March 2020.
- 3.15 The new remuneration rates cannot be paid before the amended Determination is gazetted. In the interim, Councillors (including the Deputy Mayor) will continue to receive the minimum remuneration rate of \$23,731 as per the current Determination.
- 3.16 Once the amended Determination is gazetted, Councillors will be back paid to the day after the day on which the official result was declared (23 October 2019). The Deputy Mayor will receive the new Councillor rate for the period 23 October to 31 October (the date of the Inaugural Council meeting when appointed Deputy Mayor) and then the new Deputy Mayor rate from 1 November 2019.
- 3.17 The Authority also requires the Council to pass a resolution for any roles which attract additional remuneration above the base rate (i.e. Deputy Mayor) including the title and a short description of the role. A short description of the Deputy Mayor role is as follows:
- a) *Performs all the responsibilities and duties, and exercises all the powers of the Mayor:*
    - i) *with the consent of the Mayor at any time during his temporary absence,*
    - ii) *without the Mayor's consent, at any time while the Mayor is prevented by illness or otherwise from performing his duties,*

- iii) *while there is a vacancy in the office of mayor*
- b) *Deputises for the Mayor when the latter has competing commitments including chairing meetings of the Council, addressing the media on Council issues, representing the Mayor at civic events and chairing informal meetings of councillors.*
- c) *Community leadership through holding meetings with various community groups on topical issues, as requested by the Mayor, and working with those groups and council staff to resolve issues.*

## Suggested Resolutions

- 1 The business paper on Elected Members Remuneration 2019/20 be received.
- 2 Council recommend to the Remuneration Authority division of the Remuneration Pool for 2019/20 as follows:
  - a) Councillor remuneration be set at \$32,644 per annum.
  - b) The Deputy Mayor's remuneration be set at \$48,748 per annum based on approximately 50% of the Mayor's remuneration. A brief description of the Deputy Mayor's role is as follows:
    - a) Performs all the responsibilities and duties, and exercises all the powers of the Mayor:
      - i) with the consent of the Mayor at any time during his temporary absence,
      - ii) without the Mayor's consent, at any time while the Mayor is prevented by illness or otherwise from performing his duties,
      - iii) while there is a vacancy in the office of mayor
    - b) Deputises for the Mayor when the latter has competing commitments including chairing meetings of the Council, addressing the media on Council issues, representing the Mayor at civic events and chairing informal meetings of councillors.
    - c) Community leadership through holding meetings with various community groups on topical issues, as requested by the Mayor, and working with those groups and council staff to resolve issues.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

18 November 2019

- Attachments: 1 Remuneration Authority "Remuneration Setting for Local Authorities"  
2 Remuneration Authority "Remuneration Worksheets"

# Proposed Remuneration for Councillors



Use this worksheet to calculate the proposed remuneration for the positions with additional responsibilities using dollar amounts.

Local authority: **Waitomo District Council**

Number of elected members (excluding the mayor or regional chair): **6**

Councillor remuneration pool (\$): **211,968**

Councillor minimum remuneration (\$): **23,731**

1) Enter proposed base remuneration for a councillor (\$): **32,644**

2) Enter name/title of proposed position with additional responsibilities	3) Enter number of members per position	Proposed councillor base remuneration (\$)	4) Enter proposed additional remuneration (\$)	Proposed annual total remuneration per member (\$)	Total (\$)
Deputy Mayor	1	32,644	16,104	48,748	48,748
Councillor (with no additional responsibilities)	5	32,644		32,644	163,220
Councillor (with no additional responsibilities)	0	32,644	n/a	32,644	0

Grand total (\$): **211,968**

Balance of pool (\$): **0**





RemunerationAuthority

# Remuneration Setting for Local Authorities

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Published October 2019

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## 1. Local Government Elected Members

The Authority sets remuneration for elected positions in individual local authorities. It also sets the rules for reimbursement of costs met by members in undertaking their duties.

The Authority does not set remuneration for chief executives of local or regional councils. That is the responsibility of the local/regional authorities.

### **Current remuneration for local authority elected members**

Information on current remuneration and allowances for local authority elected members is in:

[Local Government Members \(2019/20\) Determination 2019](#)

## 2. The legal framework for setting local authority elected members remuneration

The main acts relating to remuneration and allowances for elected local authority members are the Local Government Act and the Remuneration Authority Act.

- The [Local Government Act 2002](#) (clause 6 of Schedule 7), provides for the Remuneration Authority to:
  - set the remuneration, allowances and expenses of mayors, regional chairs and other elected members on local authorities including local and community boards;
  - set scales of salaries, allowances, ranges of remuneration, different forms of remuneration; prescribe rules for the application of those scales, ranges or different forms of remuneration; differentiate between individuals occupying equivalent positions in different, or in the same, local authorities or community boards; set pay arrangements that apply to individuals or groups occupying equivalent positions;
  - make determinations that apply to individuals, or groups, occupying equivalent positions;
  - approve rules proposed by a local authority for reimbursing expenses incurred by members, subject to any conditions that the Authority thinks fit.

Under clause 7 of Schedule 7 of the [Local Government Act 2002](#) when determining elected members' remuneration the Authority must have regard to the need to:

- minimise the potential for certain types of remuneration to distort the behaviour of elected members;
- achieve and maintain fair relativity with the levels of remuneration received elsewhere;
- be fair both to the persons whose remuneration is being determined and to ratepayers;

- attract and retain competent persons.
- The [Remuneration Authority Act 1977](#) (sections 18 & 18A) sets out additional criteria to which the Authority must have regard in determining the pay for local authority elected members and the other groups and individuals for which it sets pay. These are:
  - the requirements of the job;
  - the conditions of service enjoyed by the persons whose remuneration is being determined and those enjoyed by the persons or members of the group of persons whose remuneration and conditions of employment are, in the opinion of the Authority, comparable with those of the persons or members of the group of persons whose remuneration is being determined;
  - any prevailing adverse economic conditions (which may lead the Authority to set remuneration at a rate lower than might otherwise have been the case).

### **3. Establishing Remuneration for Local Government Elected Members**

This section relates to remuneration of elected councillors, mayors and regional council chairs. It does not relate to community board members or members of Auckland local boards.

In 2018 the Authority completed a comprehensive review of its approach to determining the remuneration and allowances for local government elected members. The substance of these changes is outlined below and in other attached links. However, for a deeper understanding of the issues that drove the changes, here is the link to an information paper issued by the Authority in June 2018 describing in detail the proposals and the rationale for them: [Determining the Remuneration of Local Government Elected Members – Information Paper \(PDF, 1MB\)](#)

It should be noted that, in addition to the set remuneration, there is also provision for elected members to be paid for their involvement in hearings and related meetings for resource consents and district/regional plans under the Resource Management Act. Here is the link to the section outlining these payments: [Plan, RMA and HASHA hearings](#)

Elected members are also entitled to a range of allowances that reimburse them for expenditure required in undertaking their duties. All allowances are paid at the discretion of the council. Here is the link to the section describing the allowances: [Elected Members Allowances](#)

The 2018 review resulted in the creation of three new size indices – one each for territorial authorities, regional authorities and unitary authorities – and the consequent construction of a new local government pay scale.

## **Sizing Local Authorities**

For the Remuneration Authority, the term “size index” means the assessed size of the total governance accountabilities of any council – it has no relationship to the number of councillors on that council.

The previous size index (a single index) that was used to size all types of council was based on the population served by each council and the expenditure of each council. Three new size indices have been implemented as a result of the review and they use the following factors:

### **Territorial Authorities**

- Population (source: Stats NZ estimated resident population)
- Total operating expenditure (source: Stats NZ local authority financial statistics)
- Total assets (source: Stats NZ local authority financial statistics)
- Socioeconomic deprivation index (source: University of Otago Socioeconomic Deprivation Indices.)

### **Regional Authorities**

- Population
- Total operating expenditure
- Total assets
- Geographic size (source: Stats NZ geographic Areas)
- Public passenger transport boardings (source: Ministry of Transport’s public transport passenger boardings).

### **Unitary Authorities**

- Population
- Total operating expenditure
- Total assets
- Socioeconomic deprivation index
- Geographic size
- Public transport boardings.

All factors used are retrospective but measured at “a point in time” as near as possible to the time of our decision. That means that, except for the deprivation index, no data sets should be more than three years old.

With the exception of the Auckland Council and the Chatham Islands Council (which because of their respective sizes are considered as outliers), all councils were placed on the new size index at 30 June 2018.

It should be noted that the new size indices were developed specifically for use by the Authority in assessing remuneration and are not intended to meet the needs of any other users.

## **Local Government Pay Scale**

After constructing new size indices, the Authority then also considered a local government pay scale that (as required by our legislation) would have regard in particular to the need to achieve and maintain fair relativity with remuneration received elsewhere. After exploring various occupational groups that might have some relativity with local government elected members, we concluded that the only similar occupation was that of a member of Parliament. We will therefore in future be using the parliamentary salary scale as a comparator, but based on the position of each council on the size index and the pro rata time required for an average local government member to undertake the role on a council of any particular size. No local government elected member, regardless of the size of their role, will be able to be paid more than a Cabinet Minister.

As part of its recent research into the roles of councillors, it became evident that in the large “metro” councils (Christchurch, Wellington, Hamilton, Tauranga and Dunedin) a councillor is likely to work up to full time – i.e. one full time equivalent (FTE). There is a second group of councils where councillor workloads sit between full time and half time, with the workload of members of the remainder of councils generally varying around or below 50% of an FTE. It must be stressed, however, that data collected showed that both between and within councils the average work time differs, even allowing for different roles such as deputy mayor or committee chair. However, the overall pattern was sufficient for the Authority to use it as a basis for decisions.

The pay scale therefore takes into account three factors - the size of the governance role of each council, the average time required by a councillor on a council of a particular size and a general comparison with parliamentary salaries. Local government elected members’ remuneration will in future reflect this pay scale. As a consequence of this changed approach, relativities between councils have been changed, resulting in differential increases in remuneration which began in the 2018/19 Determination and will continue through till 2010/21 at least.

Christchurch (the largest council excluding Auckland) is used to anchor the top of the pay scale. The bottom of the councillor pay scale is anchored by a proportion of the annual average wage. However, we have concluded that there is a “basic job” for any councillor, no matter how small the council size. Except for the Chatham Islands, the lowest councillor remuneration is currently now pegged to a half time equivalent of about two thirds of the average wage. In the case of the smallest councils this breaches our “governance remuneration pool” approach (see below) and means that the resultant governance pool needs to reflect the current number of councillors, rather than the ranking of the council on the size index. Of the 13 councils that are currently impacted, one has 14 councillors, but the average number of members of the remaining 12 councils is between eight and nine.

## **Introduction of a pool approach**

As a further reinforcement of the importance of the size of the total governance accountabilities of the whole council, the Authority looked at the issue of the different

numbers of elected members on different councils. Excluding Auckland and the Chatham Islands the population per councillor ranges from approximately 23,800 to 530 individuals. The idiosyncratic differences we see now are a legacy of historical circumstance such as amalgamations and boundary changes, population sparsity or density - and even the presence or absence of activist community groups at particular times.

The more councillors, the higher the governance cost to ratepayers. Councils with larger ratepayer bases can more easily absorb higher governance costs than can smaller ones. In the 21<sup>st</sup> century, ubiquitous mobile technology, better transport linkages and the mass media have had a homogenising effect. On the other hand, even in cities, local populations pride themselves on the difference between their area and often quite close neighbouring suburbs. Frequently this is accompanied by expectations of having “their” councillor represent them. This diversity enriches our culture and social fabric. However, if the collective governance role for any council is to be reflected in remuneration and if it is to be fair to ratepayers (as is legally required of the Authority), then such widely varying numbers of councillors beg the question of whether any group of New Zealanders living in a particular area should pay a significantly higher governance cost per head than those living elsewhere.

To resolve this issue the Authority has decided to create a “pool” for each council as a collective, reflecting the size of the actual total governance roles of councils rather than the number of councillors. This “pool” approach is being implemented following the 2019 Local Government election.

Further, the Authority has decided that the councils themselves should each make recommendations on the allocation of their own pool amongst the various positions that councillors undertake on their council. During our review it became clear that regardless of identical legal responsibilities, local circumstances of councils were all very different and that the ability of the Authority to make numerous decisions reflecting these circumstances was limited. Thus the Authority has decided that, beginning from the 2019 election, each council will make recommendations about the allocation of its pool, with the only restriction being that the Authority has decided the minimum base salary for a councillor in each case. Once the council has made its decisions it will forward these recommendations to the Authority for a decision on inclusion in the amending determination.

For details of the process of allocating the pool, here is a link to the section that describes the process: [Implementing the Governance Pool](#) and to the section that outlines the timetable for decisions: [Timetable for Local Government Remuneration Setting](#). Over the three-year cycle the Remuneration Authority will send detailed instructions to mayors, regional chairs and CEOs to keep them informed at all stages of the process. This will include worksheets to facilitate the council in its decision making as well as the relevant forms to fill in.

The impact of differing numbers of councillors on relative total governance pools will remain an issue for active consideration by the Authority in future years when setting local government remuneration.

## Auckland and Chatham Islands Councillors

Because of their respective sizes, neither Auckland Council nor the Chatham Islands Council fit within our size index, so each year the Authority will make an informed judgement on the size of the pools for these two councils.

## 4. Implementing the Governance Remuneration Pool

### Approach

Following the 2019 local elections, councils will be implementing their new “governance remuneration pools” allocated to them by the Remuneration Authority.

Each council's governance pool is aligned with their ranking of the council on the relevant size index and within the framework of the new local government pay scale. The governance pool will provide the total amount that can be paid in remuneration to councillors in each individual council (aside from the mayor or regional council chair). The governance pool will not have any relationship to the number of councillors. Thus, if a council wishes to change the number of councillors and the Local Government Commission agrees, the size of the governance pool will not change, it will just have to be shared amongst more or fewer people.

Each council will need to decide how it wants to allocate its pool according to its own priorities and circumstances. Roles to which additional differential remuneration can be attached may include not just “internal” council roles such as deputy mayor, committee chair or portfolio holder, but also other jobs representing the council on outside groups.

There will be four requirements for each council:

- **The whole pool must be used.** We understand that in any community there will be pressure to “keep rates down” by paying councillors less and we feel it is important that councils are protected from such pressure.
- **The council will need to decide a “base remuneration” for councillors who have no additional responsibilities.** This could be higher than the minimum allowable remuneration set by the Authority.
- **For any roles which attract additional remuneration above the base rate, the council will be required to have a formal vote** which must include the following: a title and short description of each role (i.e. what are the requirements for the councillor who undertakes it), the proposed annual dollar value of remuneration attached to the role and, course, the name of the councillor elected to fill that role.
- Following its formal decision-making, the council will need to **forward their proposal for additional remuneration to the Authority** for consideration and inclusion in the determination. Prior to the election the Authority will send to all CEOs an electronic worksheet, forms and instructions to facilitate this process.

### RMA, HASHA and District/Regional Plan Hearings

Councillors undertaking RMA resource consent hearings and district and regional plan hearings (including Regional Policy Statement) are entitled to additional fees for that work.

Those fees are not drawn from the council's governance remuneration pool (see Plan, RMA and HASHA Hearings (see [Plan, RMA and HASHA hearings](#))).

The governance remuneration pool does not apply to the annual remuneration of mayors, regional council chairpersons, Auckland local board members, or community board members. Their remuneration will continue to be set separately by the Authority.

The allowances that cover all elected members are not part of the council's governance remuneration pool. The recompensing of allowances and hearing fees to elected members comes out of the fund set aside by the council for such payments. Here is the link to the elected members allowances: [Elected Members Allowances](#)

## **Proposals for Changes During a Council Term**

Although most councils are unlikely to change their positions of responsibility during a triennium, the Remuneration Authority will consider proposals made to it by councils requesting new arrangements and will either issue an amending determination or consult further with these councils. All proposals must be submitted to the Authority regardless of the additional level of remuneration proposed. The Authority expects councils to consider their full work programme for the triennium when making proposals.

A council cannot exceed its allocated governance remuneration pool and the pool is required to be fully distributed. The pool covers a base councillors' remuneration, positions of additional responsibility and additional remuneration paid to community board members who have been delegated significant levels of responsibility (see section on [Remuneration for Community Board Members](#)).

## **Establishing a New Position of Responsibility**

If a council proposes to establish a new position, it will need to review its allocation of its governance remuneration pool. Because the pool will already be fully allocated, the new position, if it is not replacing an existing position, will require a reallocation of the remuneration paid to other positions that were previously approved by the Authority.

## **Disestablishing a Position of Responsibility**

If a council proposes to disestablish a position of responsibility, the council will need to review its allocation of its governance remuneration pool. As the pool is required to be fully allocated, the released amount available from the disestablished position will need to be reallocated amongst the other existing positions covered by the pool.

## **Seeking Remuneration Authority Approval**

In both cases (establishing and disestablishing a position) the councils will need to seek the Authority's approval to make the changes. Councils' proposals must include the following information:

- Name of council
- Number of elected members
- Governance remuneration pool

- Councillor minimum remuneration
- (Proposed) base councillor remuneration
- Name/title of each (proposed) position of responsibility including:
  - Brief description of additional responsibilities above those of a base councillor
  - Number of members per position
  - (Proposed) annual remuneration for the position
  - Confirmation that the pool is fully allocated
  - Date positions and remuneration were confirmed by council

## **Criteria**

The Authority has traditionally accepted proposals in respect of additional remuneration that are unanimously supported by council.

Where it receives split recommendations, strong supporting documentation concerning the reasoning behind any change in the recognition of positions should be provided.

The Authority will consider proposals for changes as they are received. The process of developing and producing a determination generally takes about three months to complete. In all cases where there is a change, councils need to wait till an amended determination is gazetted by the Authority before they can make the changes to their elected members remuneration. However, all payments are effective on and from the day after the date on which the Council confirmed the position, so will be backdated in the determination.

A council cannot generally make a request for an increase in the size of its governance remuneration pool if it appears that it is not sufficient to meet their needs. Under extraordinary circumstances (for example following a major natural disaster) the Authority might agree to an increase.

## **Representation Reviews**

Changes in councillor numbers following a representation review will not affect the council's governance remuneration pool. However, it will have an impact on councillors' minimum allowable remuneration and consequently it will impact the remuneration rate set for a base councillor and for positions of responsibility.

The reduction in councillor numbers will see an increase in the funds available from within the governance pool to allocate to the base councillor position and positions of responsibility. Conversely more councillors would mean that the available governance pool would need to be spread among more people.

## **5. Remuneration for Mayors and Regional Council Chairs**

The Authority considers that, with the exception of the Mayor of the Chatham Islands, all mayors and regional council chair positions should be remunerated as full time.

Remuneration for mayors and regional chairs is not included in the council governance remuneration pool, but it is set directly by the Authority. Remuneration for a mayor or

regional chair will be based on the placement of their council on one of the three size indices, plus the relationship that the Authority has established between local government and parliamentary remuneration. Here is a link to the paper outlining the approach to sizing local authorities and to the local government pay scale: [Information Paper](#)

Mayors/chairs (with the exception of the Mayor of the Chatham Islands) are not able to claim travel time allowance and no additional remuneration can be provided to them, with the exception of fees for resource consent hearings in exceptional circumstances. Here is the link with information on these payments: [Plan, RMA and HASHA hearings](#)

The Authority takes a “total remuneration” approach to mayor and regional chair remuneration. This means that mayors/chairs who choose to have a council-provided car will have their remuneration adjusted by their council, using the formula provided by the Authority. The formula will be included in each annual determination. A limit has been set on the value of council-supplied vehicles, again with the maximum purchase price provided in each determination. The purchase price of current vehicles that were bought before 1 July 2018, will be “grand-parented” until they are disposed of by the Council or no longer used by the mayor/chair.

The Authority expects that if a mayor or regional council chair is provided with a motor vehicle, the local authority will publish in its annual financial statements the vehicle details, including its annual value as a component of the mayor’s or regional chairperson’s total remuneration.

## 6. Remuneration for Community Board Members

### **Basis of Community Board Member Remuneration**

A council’s rank on the size index, used for the remuneration of mayors/regional chairs and councillors, is not used to size community board remuneration, which is related solely to population size.

The Authority conducted a review of community boards early in 2019. Here is the link to the results of the review: [Community Board Paper](#). The review showed that community boards have a massive span in terms of their resident per capita representation - from 72 residents to 13,000 residents per board member. This range in representation represents the biggest difference amongst all boards. However there is also a myriad of differences in what the boards actually do, with many of them administering, for example, modest grant funds or being responsible for a budget for town centre amenity improvements. Despite these variations, the Authority concluded that the primary function of the overwhelming majority of community boards is representation and advocacy.

This being so, we have taken the view that having community board remuneration linked to population is fairer to board members. It is reasonable to expect that the time, effort and expertise required to represent a large number of people would be greater than that for a board representing a smaller number of people.

This does not mean that community board remuneration is an exact fixed multiple of its population; rather it means that there is relativity between a community board's population and the remuneration of its elected members.

## **Additional Delegations to Community Boards**

A small number of community boards have reasonably substantial delegations from their councils. The Authority is currently considering these boards' functions and work load in relation to their councils and will be in a position to make an amending determination early in the calendar year 2020. That decision will apply to all the community board functions that were formally delegated prior to the October 2019 election.

If any council wants to delegate further functions from the time it takes office following the October election and want the community board remuneration to increase accordingly, the value of that increase will need to come out of the council governance remuneration pool, recognising that additional work by community board members relieves councillors of this work.

Additional levels of responsibility can be recognised only for the board as a whole, and not for individual members. Each proposal will be considered on a case by case basis. Evidence will be required to show how any community board is operating significantly above and beyond the role of community boards as outlined in section 52 of the Local Government Act 2002. The maximum amount that can be added to the community board member remuneration is 30%.

## **Councillor Members of Community Boards**

Where a councillor is formally appointed as a member or chair of a community board, she or he is not automatically entitled to remuneration as a councillor as well as remuneration as a community board member. Following the 2019 election, any such additional remuneration will come from the council's governance pool.

## **Chairs and Deputy Chairs of Community Boards**

The remuneration of an elected chair of a community board will be twice the remuneration of a community board member, including additional remuneration for that board's members, if any (see below).

The deputy chair of a community board is remunerated as a board member, reflecting the Authority's view that the role of deputy chair is not sufficiently different from that of a board member to warrant additional remuneration.

# **7. Remuneration for Auckland Local Board Members**

## **Approach**

During the first quarter of 2019 the Remuneration Authority completed a review of its approach to setting the remuneration of Auckland local boards elected members.

As part of the review of Auckland local boards they were "re-sized" according to similar criteria that were used for territorial authorities (TAs) but with different weightings and

sources. The Authority was not able to use an identical size scale to that of TAs because they have different responsibilities from those of Auckland local boards which all have unique characteristics. However, there are also some in common. We understand that some of the factors we use are also used by Auckland Council in allocating operational budget to their local boards. Please note that size relates to the role and responsibilities of the entire board, not to the number of elected members or to the population size the board serves, although population is one of the important factors we considered as follows

- Population (source: Stats NZ estimated resident population)
- Gross operating expenditure (source: Auckland Council assets attributed to local boards)
- Total assets (source: Auckland Council annual plan local board agreements)
- Socioeconomic deprivation index (source: University of Otago Socioeconomic Deprivation Indices)

All factors used are retrospective but measured at “a point in time” as near as possible to the time of our determination. That means that, except for the deprivation index, no data sets should be more than three years old.

After constructing the new size index, the Authority then considered an appropriate pay scale, covering the local boards, that (as required by our legislation) would have regard in particular to the need to achieve and maintain fair relativity with remuneration received elsewhere particularly between the members of Auckland Council's Governing Body and the local boards, and between the individual local boards.

Having re-sized, we also had to make a decision as to whether or not we would allocate a pool for each board to make proposals to the Authority to distribute or whether we would continue to solely decide remuneration. We have opted to continue the latter approach for the time being as Auckland local boards have no formal positions of responsibility aside from their chairs and deputy chairs. For that reason, the Authority will continue to set remuneration for Auckland local board chairs, deputy chairs, and members.

### **Auckland Local Board Chairs and Deputy Chair**

The annual remuneration rate of an elected chair of an Auckland local board is set at twice the remuneration of an elected member on the same board.

A deputy chair of an Auckland local community board's remuneration is set at 60% of the rate set for their respective chair.

The Authority believes that those rates are a fair recognition of the extra workload attached to the chair and deputy chair's positions.

## 8. Local Government Elected Members Allowances

Elected members of a local authority may be entitled to receive the following allowances, but it should be noted that all allowances are entirely at the discretion of their individual council within the limits set by the Remuneration Authority.

- [Vehicle Mileage Allowance](#) – to reimburse costs incurred on eligible travel associated with local authority business.
- [Travel Time Allowance](#) – to reimburse costs incurred for eligible time spent travelling within New Zealand associated on local authority business.
- [Communications Allowance](#) – to reimburse costs incurred for the provision of information and communications technology required by the elected member to perform their local authority functions.
- [Childcare Allowance](#) – to contribute towards the expenses incurred by an eligible member for the provision of childcare while the member is engaged on local authority business.

These allowances are reviewed annually by the Remuneration Authority.

If a council approves an allowance for their elected members it must be included in the council's elected members expenses and reimbursement policy, which the council publishes on its website.

Note: councils are no longer required to obtain the Authority's agreement to changes to their elected members' expenses and reimbursement policy or to their mayors/regional chairs' motor vehicle entitlements so long as the policy remains within the limits of the current remuneration and allowances determination.

## 9. Vehicle Mileage Allowance

A local authority may pay to an elected member a vehicle mileage (kilometre) allowance to reimburse that member for costs incurred in respect of eligible travel by private motor vehicle.

A member's travel is eligible for the allowance if it occurs on a day when the member is not provided with a motor vehicle by the local authority and the member is travelling in a private vehicle on local authority business by the most direct route that is reasonable in the circumstances.

The allowance payable to a member for eligible travel is:

- (a) for a petrol or diesel vehicle,—
  - (i) **79** cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and

- (ii) **30** cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term:
- (b) for a petrol hybrid vehicle,—
  - (i) **79** cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
  - (ii) **19** cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term:
- (c) for an electric vehicle,—
  - (i) **79** cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
  - (ii) **9** cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term.

The vehicle mileage allowance reflects the kilometre rates, for self-employed people and employees, published by the Inland Revenue Department on its website as at 7 June 2019.

## 10. Travel Time Allowance

### Criteria

All elected members except mayors and regional council chairs (excluding the Mayor of the Chatham Islands) are entitled to claim an allowance for time travelled within New Zealand on local authority business, provided:

- the council agrees to adopt a travel time allowance policy;
- the journey is by the quickest form of transport reasonable in the circumstances;
- the travel time exceeds one hour;
- the travel time does not exceed nine hours (including the first hour which is not covered) within a 24 hour period.

The allowance is available each day for any business on behalf of the council or board or between the member's residence and an office of the council or board. It is not available for overseas travel.

An elected member of a local authority who resides outside the local authority boundary and travels to the local authority area on local authority business is eligible for a travel time allowance in respect of eligible travel time only after the member crosses the boundary of the local authority area after the first hour of eligible travel within the local authority area.

Mayors and regional council chairs, with the exception of the Mayor of the Chatham Islands, are not entitled to claim a travel time allowance because their roles are deemed to be full time and they are remunerated accordingly. In future the Authority may reconsider this entitlement for councillors whose roles are assessed to be full time.

## **Rate**

The current rate is \$37.50 per hour in respect of any qualifying travel that conforms to the criteria above.

## **11. Communications Allowances**

### **Approach**

It is the Remuneration Authority's view that elected members should not carry the costs of communicating with councils or with ratepayers. It is the responsibility of each council to decide the communications equipment needed to carry out its business effectively and efficiently and decisions about equipment for members should flow from that.

### **Council owned equipment**

The Authority believes it is efficient if a council provides each elected official with a phone (mobile or landline), a PC and/or a tablet or a laptop, and a compatible scanner & printer. The council should also cover the costs of any consumables required.

Equipment should remain the property of the council and shall be replaced or updated at least triennially.

Whilst the Authority has a strong preference for direct provision of equipment, the decision on whether elected members can use personal devices and the nature of the technology required will be a local decision. In approving allowances in expenses documents, the Authority will seek confirmation of a formal decision by the council around the use of technology.

### **Member owned equipment**

Where councils decide to provide an annual allowance to those using their own devices and/or connections, the following annual allowance will apply:

- for the use of a personal computer, tablet or a laptop, including any related docking station, \$200;
- for the use of a multi-functional or other printer, \$40;
- for the use of a mobile telephone, \$150;
- for the use of a home internet/broadband connection, \$400;
- for the use of a personal telephone plan, \$400 or actual cost upon production of receipts.

The total annual cost of allowances to a member for the use of her or his own equipment and services must not exceed \$1190.

Where the council provides a mobile phone plan, the portion of the cost to be paid by the member to cover personal use will be agreed with the council. The Authority recommends that councils look at current practice in central government for models and we can supply examples if requested.

The Authority has assumed that councils will not be providing plans for home internet/broadband services because household use is growing significantly and it is unlikely that official use required by the elected member will be a high proportion of the cost. However, in cases where this is not so and the council wishes to supply the whole plan, the council should contact the Authority.

## **Unusual circumstances**

In some areas of the country a regular landline or mobile coverage is not available. Where such circumstances exist the council may put a costed recommendation to the Authority for approval to make a one-off payment for installation of appropriate technology and either a reimbursement or allowance for on-going maintenance and support reflecting the costs involved. It is anticipated this allowance will normally reflect no more than 75% of the costs involved.

## **12. Childcare Allowance**

### **Approach**

On 1 July 2019, the Remuneration Authority introduced a childcare allowance for local authority elected members who have responsibility for caring for children under the age of 14 years. The allowance is a contribution towards expenses incurred by the elected member for the provision of childcare while the member is engaged on local authority business.

The introduction of the allowance is in response to widespread concern from the local government sector that a lack of financial support for childcare created a barrier for people, in particular women, to enter into elected positions. Research shows that a number of councils in similar jurisdictions (Australia and the United Kingdom) provide their elected members with allowances to cover costs associated with child and dependent care whilst the elected member is on local authority business.

### **Eligibility**

An elected member is eligible to be paid a childcare allowance if:

- they are the parent or guardian of the child, or is a person who usually has responsibility for the day-to-day care of the child (other than on a temporary basis);
- the child is aged under 14 years of age; and
- the childcare is provided by a person who
  - is not a family member of the member;
  - does not ordinarily reside with the member; and
- they provide evidence satisfactory to the council of the amount paid for childcare.

### **Allowance**

Councils can reimburse eligible elected members for childcare while engaged on council business up to a sum of \$6,000 per annum for each child under 14 year of age.

## 13. Plan, RMA and HASHA Hearings

### Hearings Fees

Elected members are entitled to receive additional payments for the following work:

- Resource consent hearings under the [Resource Management Act 1991](#) (RMA) or the [Housing Accords and Special Housing Areas Act 2013](#) (HASHA)
- District Plan hearings
- Regional Plan or Regional Policy Statement hearings.

These fees are not part of the governance remuneration pool covering councillors' remuneration and positions of additional responsibility.

There is no annual cap on the payment of fees for these hearings.

The hourly rate paid is to be decided by the council up to the following amounts:

- \$80 an hour for a hearing member; and
- \$100 an hour for a hearing chair.

Councils must include their hearings fees in their individual expense and reimbursement policy.

The Authority does not have any jurisdiction over fees related to alcohol licensing hearings.

### Preparation Time

Councillors undertaking these hearings are also paid for preparation time. Preparation time to be reimbursed should not exceed the time of the actual hearing. For example, if a hearing lasts for three hours then no more than three hours of preparation time may be paid. Preparation time may include time for reading, attending onsite meetings, or attending pre-hearing briefings/meetings.

Reimbursement will be at the same rates as those for actual hearings time. The chair of a hearing may also be paid for time spent writing up the decision or communicating for the purposes of the written decision.

### Committee Chair Chairing a Hearing

If the chair of a council's Hearings Committee undertakes resource consent hearings and is paid additional fees for that, those fees are in addition to what that person can be paid for the additional responsibility as chair of the Hearings Committee.

### Mayors/Regional Chairs

Generally, mayors and regional chairs are not able to receive fees for participating in resource consent hearings. Fees might be considered in exceptional circumstances if there is a shortage of experienced hearing commissioners on the council and there is a significant hearing of a lengthy duration, which would create undue time pressure on the mayor or

chair. In such circumstances, no fees should be paid without seeking prior approval from the Remuneration Authority.

## **14. Private Use of a Vehicle Provided to a Mayor or Regional Council Chair**

A council may decide whether or not to provide their mayor or regional council chair with a motor vehicle and on what basis. The determinant is what is most cost effective for the council and ratepayers.

If a motor vehicle is provided to a mayor or regional chair for their private use the council is responsible for valuing the cost of private use and for making the appropriate deduction from the mayor or regional chair's annual remuneration as shown in the local government members' determination.

### **Maximum Purchase Prices**

The Remuneration Authority has set a limit on the actual purchase price that may be paid for a motor vehicle bought by a council for their mayor or regional council chair's use. The maximum purchase prices will be set each year in the determination. The maximum purchase prices applying for motor vehicles purchased from the year beginning 1 July 2018 are for:

- a petrol or diesel vehicle – \$55,000 (including on road costs, dealer charges and GST paid)
- an electric or hybrid vehicle – \$65,000 (including on road costs, dealer charges and GST paid).

Note the above limits do not apply to existing motor vehicles purchased before 1 July 2018. In these cases the actual purchase prices are "grand-parented" until the existing vehicles are either replaced or relinquished.

### **Valuing the Private Use of a Vehicle**

#### **Usage criteria**

One of following criteria must be applied by the council (for all vehicles purchased either before or from 1 July 2018):

#### **Full private use – the vehicle:**

- is usually driven home and securely parked by the mayor or regional chair;
- is available for the mayor or regional chair's unrestricted personal use;
- is used by the mayor or regional chair for a mix of council business; private use; and
- may also be used by other local authority members or staff on council business, with the permission of the mayor or regional chair.

## **Partial Private Use** – the vehicle:

- is usually driven home and securely parked by the mayor or regional chair;
- is used by the mayor or regional chair for a mix of Council business and private purposes;
- may also be used by other local authority members or staff on Council business, with the permission of the mayor or regional chair;
- is used of the vehicle for private purposes accounts for no more than 10% of the vehicle's annual mileage; and
- all travel in the vehicle is recorded in a logbook.

## **Restricted Private Use** – the vehicle:

- is usually driven home and securely parked by the mayor or regional chair;
- is otherwise generally available for use by other local authority members or staff on Council business;
- is used solely for Council business; and
- all travel in the vehicle is recorded in a logbook.

## **Calculate Deductions**

If the mayor or regional chair is provided with a vehicle, the Council must deduct from the annual remuneration of the mayor or regional chair the appropriate amount calculated in accordance with one of the following formula:

### **Full private use:**

- $V \times 41\% \times 20\%$

eg:  $\$42,800 \times 41\% \times 20\% = \$3,510$ .

### **Partial private use:**

- $V \times 41\% \times 10\%$

eg:  $\$42,800 \times 41\% \times 10\% = \$1,755$ .

Note an amount less than 10% for partial private use is no longer applicable.

### **Restricted private use:**

No deduction from annual remuneration.

Where:

- **V** = actual purchase price, on-road costs, dealer charges and GST paid
- **41%** = assessed annual value of motor vehicle
- **20%** = assessed as full private use
- **10%** = assessed as a lesser amount of private use which must be supported by a log-book

For example	Full private use	Partial private use	Restricted private use
Annual remuneration as shown in either schedule 1 or schedule 2	\$85,220	\$85,220	\$85,220
Motor vehicle deduction	\$3,510	\$1,755	\$0
Salary paid	\$81,710	\$83,465	\$85,220

**Publication of Motor Vehicle and Remuneration Details**

The Authority expects that if a mayor or regional chair is provided with a motor vehicle, the council will publish in its annual financial statements the vehicle details including its annual value as a component of the mayor or regional chair’s total remuneration.

**Publication of Policy**

If a council approves the provision of a motor vehicle for their mayor or regionals chairs private use the policy must be included in the council’s elected members expenses and reimbursement policy which is published on their website.

**15. Timetable for Local Government Remuneration Setting**

The Remuneration Authority will review the local government size indices and the councils’ rankings on the indices once every three years. This work will commence during the year immediately before a local government election year.

**Local Government Election Year**

At the beginning of each election year, the Authority will issue a list showing the councils’ rankings, their planned individual governance remuneration pools (NB: this is not a national pool) and minimum allowable councillor remuneration that will apply from 1 July. This timing will allow existing councils to assess any changes and propose recommendations for remuneration based on the size of the pool available. Well before the election at which they will be required to implement the pool. People considering running for office will have this information prior to the election, for example: they will have an indication of the remuneration they could expect if elected as a councillor without any additional responsibilities.

Each council is expected to submit a proposal to the Authority in the first part of the calendar year in which the election is scheduled. We will issue a determination in the middle of that year which will have two parts:

Part One - for the period from July 1 till the day on which the new council assumes office, and

Part Two - for implementation when the new council takes office following the election.

When the new council takes office, all councillors (except the mayor) will receive the base councillor remuneration set out in Part One of that year's determination. For positions of responsibility (including the subsequently elected chair of a regional council), the remuneration will apply from the date the new council makes its formal decision on roles. If newly elected councils wish to change the proposal they will have a window of three months following the election to do so and submit the proposed changes to us for incorporation into a determination that will be backdated to the date the new council made its formal decision on roles and appointments.

## **Non-election Years**

In the years between the assessments of the "governance pool", all local government elected member remuneration will be changed on an annual basis using the same public sector equivalent formula that the Authority utilises for parliamentary remuneration.

## **16. Other Information**

- [Local authorities size indices rankings – June 2018](#)
- [Information paper: determining the remuneration of local government elected members – June 2018](#)
- [Review of community boards remuneration – April 2019](#)
- [Auckland local boards size ranking – February 2019](#)

**Document No:** A455788

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Review of Policy on Elected Members Allowances and Recovery of Expenses

## Purpose of Report

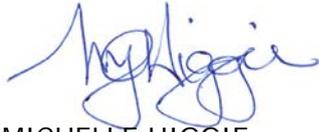
- 1.1 The purpose of this business paper is for Council to review its Policy on Elected Members Allowances and Recovery of Expenses.

## Commentary

- 3.1 On Thursday 20 June 2019 the Local Government Members (2019/20) Determination 2019 (the Determination) was notified in the New Zealand Gazette with effect from 1 July 2019.
- 3.2 The Determination sets out entitlements to remuneration, allowances and hearing fees. It should be noted that payment of allowances as provided for in the Determination is at the discretion of Council.
- 3.3 Council is also required to adopt an Elected Members Allowances and Recovery of Expenses Policy (the Policy). Historically, there was a requirement that this Policy be approved by the Remuneration Authority (RA), however the RA have now confirmed that there is no need for councils to get the RA's approval so long as the Policy adheres to the parameters of the current Determination.
- 3.4 The 2019/20 Determination has changes to allowances (amendments, additions and deletions) compared with previous Determinations. These changes are summarised as follows:
- Addition of a Childcare Allowance (applicable to any members who have responsibility for caring for children under the age of 14 years)
  - Deletion of the Vehicle Mileage Allowance (30km) Threshold distance
  - The Vehicle Mileage Allowance has increased to reflect the latest kilometre rates now available on the Inland Revenue Department website
- 3.5 It is now appropriate that the Policy be revised in line with the 2019/20 Determination.
- 3.6 A copy of the current Policy, with marked up changes (~~blue strikethrough~~ for deletions and pink font for additions) is attached to and forms part of this business paper for Council's consideration.

**Suggested Resolutions**

- 1 The business paper on Review of Policy on Elected Members Allowances and Recovery of Expenses be received.
- 2 Council's Policy on Elected Members Allowances and Recovery of Expenses (Doc A307812) be adopted as amended.



MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**

18 November 2019

Attachments: 1 Policy on Elected Members Allowances and Recovery of Expenses (Doc A307812v10)



**POLICY**

**ON**

**ELECTED MEMBERS'  
ALLOWANCES AND  
RECOVERY OF EXPENSES**

~~31 May 2016~~  
26 November 2019



**POLICY ON ELECTED MEMBERS’  
ALLOWANCES AND RECOVERY OF EXPENSES**

**INTRODUCTION** ..... 1

**POLICY STATEMENTS**..... 1

**REMUNERATION** ..... 1

**AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES** ..... 1

**DEFINITIONS** ..... 1

**ALLOWANCES AND EXPENSES BY GROUP OF MEMBERS** ..... 2

**ALL ELECTED MEMBERS** ..... 2

**(MAYOR AND COUNCILLORS)** ..... 2

        Taxis.....2

        Rental Cars.....2

        Travel and attendance at Conferences/ Seminars / Training Programmes.....2

        Domestic Air Travel.....2

        International Air Travel ..... 3

        Air Points.....3

        Accommodation.....3

        Exceptional Circumstances for Council related meetings .....3

        Private Accommodation provided by friends and/or relatives.....3

        Car Parking .....3

        Communications Allowance .....3

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**MAYOR**..... 4

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## INTRODUCTION

This policy sets out rules on the claiming of expenses by elected members and the resources that will be available to them during their term of office.

Contact person for queries: Michelle Higgin (Executive Assistant Manager – Governance Support)  
Email: michelleh@waitomo.govt.nz  
Phone: 07 878 0800

## POLICY STATEMENTS

This policy covers the Mayor and Elected Members of the Council and for the purpose of reimbursement of expenses and mileage, any Council appointed representative acting on behalf of the Council.

Expenses relating to electioneering purposes will **not** be reimbursed.

## REMUNERATION

The Mayor and Elected Members shall receive remuneration as determined by the Remuneration Authority.

## AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

From time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of Council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- Any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- Expense claims for Councillors are approved by the Mayor and Executive Assistant Manager – Governance Support, and full original receipts are required
- Expense claims for the Mayor are approved by the Chief Executive and Executive Assistant Manager – Governance Support, and full original receipts are required
- Cost reimbursements will be made via the Council payroll system.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time, and communications and childcare, all limits set in this document shall not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

No allowances are paid without deduction of withholding tax.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

## DEFINITIONS

"**Actual**" means as evidenced by the original receipt attached to the claim form.

"**Council**" shall mean the seven elected members that form the governing body (Council) of the Waitomo District Council.

**“Council business”** includes: formal council and community board meetings, committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public. It does not include events where the primary focus is on social activity.

**“Expenses”** means actual and reasonable expenses including but not limited to; accommodation, rental car, air travel, taxis, meals and refreshments, entertainment (hospitality), parking, sundry vehicle costs, alternative travel options and other such costs directly related to the business of WDC.

**“Reasonable”** means that it is within the amount specified by this policy or as deemed reasonable by the Mayor/Regional Chairperson and/or Chief Executive.

**“Remuneration Authority”** is an independent body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.

**“Waitomo District Council” (WDC)** shall mean the organisation established to administer Council affairs, conduct operations and bring effect to Council policy and strategies.

<b>ALLOWANCES AND EXPENSES BY GROUP OF MEMBERS</b>
--

Position	Expense/Allowance	Description
<b>All Elected Members</b>  (Mayor and Councillors)	Taxis	Taxis may be used for council business in circumstances where an individual is away from the Waitomo District and where it is deemed to be the most appropriate form of transport. i.e. transport to and from an airport, transport between venues at out of District appointments.  Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost effective option.  Taxi costs paid for directly by the individual for travel within New Zealand or internationally will be reimbursed upon presentation of a signed Claim Form and actual receipts.
	Rental Cars	Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.  Rental car costs paid for directly by the individual for travel within New Zealand or internationally will be reimbursed upon presentation of a signed Claim Form and actual receipts.
	Travel and attendance at Conferences/ Seminars / Training Programmes	All elected members are entitled to payment of actual and reasonable registration, travel, accommodation, meal and related incidental expenses (including travel insurance) incurred in attendance at these events, held both within New Zealand and overseas, subject to: <ul style="list-style-type: none"> <li>a) related expenditure being accommodated within existing budgets, and</li> <li>b) the appropriate approvals as outlined in this policy</li> </ul> and excluding reimbursement for purchases from hotel mini-bars and charges for in-room video or cable movies.
	Domestic Air Travel	All elected members are entitled to utilise domestic air travel for council related travel, generally where travel by air is the most cost effective travel option.

Position	Expense/Allowance	Description
<b>All Elected Members</b>  (Mayor and Councillors)	International Air Travel	As a general policy all elected member international air travel is by way of economy class, where all or part of the costs of the fares are to be met by the Council.  The approval of the Council is required for exceptions, e.g. where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.
	Air Points	No Air Points accumulated while on Council business can be utilised for personal use.
	Accommodation	All travel and accommodation arrangements for Elected Members are to be made by WDC staff, at the most economic cost available (when possible) at the time of booking, unless all travel costs are being met privately or by an outside party.
	Exceptional Circumstances for Council related meetings	Staff may arrange overnight accommodation for Elected Members when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.
	Private Accommodation provided by friends and/or relatives	Payment of \$50 per night shall be claimable when staying in private accommodation to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.
	Car Parking	Reimbursement of car parking costs incurred whilst on council business will be made upon presentation of a signed Claim Form and actual receipts.
	Communications Allowance	The Mayor and Councillors will be provided with a tablet for the purpose of receiving electronic information from WDC, including Council Agendas.  Elected members will be paid an annual Communications Allowance at the maximum amount allowable in the current Remuneration Authority Determination. (paid monthly via the Payroll System)  This Allowance includes provision for use of personal computer, printer, mobile phone, council-related toll and mobile phone charges and internet connectivity/use.  This Allowance <u>does not</u> provide for the use of a tablet where WDC has provided such.
	Stationery and Consumables	The Mayor and Councillors will be supplied with reasonable amounts of paper and printer consumables for council business.
	Mileage Allowance	<del><u>Threshold Distance</u></del> <del>Vehicle mileage will be paid for all travel on Council business that exceeds, in any one day, the threshold distance as provided in the current Remuneration Authority Determination. The threshold distance will be personal to each elected member.</del>  <u>Mileage Rate</u>  Mileage will be paid up to the maximum rate per kilometre as provided in the current Remuneration Authority Determination and will be payable upon presentation of a signed Claim Form.

Position	Expense/Allowance	Description
	Travel Time Allowance	A travel time allowance will be paid to eligible elected members at the maximum amount as provided in the current Remuneration Authority Determination upon presentation of a signed Claim Form.
	Childcare Allowance	A Childcare allowance will be paid to eligible elected members in accordance with the current Remuneration Authority Determination upon presentation of a signed Claim Form and actual receipts.

Position	Expense/Allowance	Description
<b>Mayor</b>	Car	In the event the Mayor is provided with a WDC vehicle, that vehicle will also be available for his/her full private use. A deduction will be made from his/her salary as determined by the Remuneration Authority. The Mayor will not be able to claim for vehicle mileage.
	Travel and Conferences, Courses and Seminars	<p>The prior approval of the Chief Executive is required for travel within New Zealand for: council business; attendance at conferences/courses/training events/seminars; other purposes associated with the position of Mayor.</p> <p>The prior approval of the Council is required for all international travel, where costs or partial costs are paid for by Council funds.</p> <p>Where the Mayor or the Mayor's authorised representative is accompanied by his/her partner on international travel, the Council will meet the cost of their travel, accommodation and incidental costs.</p> <p>The Council will only authorise such expenditure where the partner's involvement directly contributes to a clear business purpose.</p>
	Airline Club	Given frequent travel requirements for the role, payment of an Air New Zealand Koru Club subscription.
	Entertainment and Hospitality	<p>The Mayor holds a WDC Credit Card to pay directly for any entertainment or hospitality expenses incurred while carrying out Council business.</p> <p>All expenditure made on this Credit Card must conform with WDC's Credit Card Policy which includes the requirement to provide full receipts and details of the names of parties entertained and reasons for the entertainment.</p>

Position	Expense/Allowance	Description
<b>Councillors</b>	Conferences, Courses, Seminars and Training	<p>Conference, course, seminar or training events must contribute to the Councillor's ability to carry out Council business.</p> <p>Attendance at these events when held in New Zealand must be approved by both the Mayor (or Deputy Mayor) and the Chief Executive.</p> <p>Attendance at these events when held overseas must be approved by the full Council.</p>
	Entertainment and Hospitality	<p>Reimbursement of costs incurred while hosting official visitors to the Council, or while travelling on Council business. These costs can cover a range of items including, but not limited to, tea/coffee and catering including alcohol with meals.</p> <p>Such costs will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>
	General Community Related Expenses	<p>From time to time councillors may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event.</p> <p>Reimbursement of such expenditure should be previously approved by the Mayor (or Deputy Mayor).</p> <p>The items should be appropriate to the occasion and expenditure should be moderate and conservative.</p> <p>Such costs will be reimbursed upon presentation of a signed Claim Form and actual receipts.</p>

Document No: A456198

Report To: Council



Meeting Date: 26 November 2019

Subject: LGNZ Zone Two Election for an LGNZ National Council Representative

### Purpose of Report

- 1.1 The purpose of this business paper is to inform Council of the need for a Zone Two Election to appoint a representative to the LGNZ National Council.

### Commentary

- 2.1 LGNZ has notified all Councils within Zone Two of the need for an Election to appoint a Zone Two representative to the LGNZ National Council. A copy of LGNZ's Memorandum is attached to and forms part of this business paper.
- 2.2 The Election will take place by Secret Ballot at the Zone Two meeting to be convened in Hamilton on Friday 29 November 2019.
- 2.3 The two nominees are:  
Stuart Crosby, Councillor, Bay of Plenty Regional Council  
Paula Southgate, Mayor, Hamilton City Council
- 2.4 Waitomo District Council is entitled to three votes and, if necessary, may vote by Proxy. The deadline for submitting Proxy Forms to LGNZ is 8.30am on Wednesday 27 November 2019.
- 2.5 Council must resolve which nominee is to be voted for so that the WDC attendees at the Zone Two meeting can vote accordingly, or else Proxy Forms be submitted within the required timeframe.
- 2.6 LGNZ has also advised that nominations will be called from the floor at the Zone Two meeting for the appointment of a Chair.

### Suggested Resolution

- 1 The business paper on LGNZ Zone Two Election for an LGNZ National Council Representative be received.
- 2 Council vote for \_\_\_\_\_ as the Zone Two Representative to the LGNZ National Council.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE

**MANAGER – GOVERNANCE SUPPORT**

Date: 18 November 2019  
 To: All Member Authorities in Zone Two  
 From: Malcolm Alexander, Chief Executive, LGNZ  
 Subject: LGNZ National Council elections – Zone Two

Nominations for the 2019 National Council elections for Zone Two closed at 5.00pm Friday 15 November 2019.

### National Council Representative

At the closing date for nominations we received two nominations for the position National Council Representative Zone Two, therefore an election is required.

The election will be conducted by a secret ballot by Zone Two members at the first Zone Two meeting on Friday 29 November in Hamilton.

Voting papers will be distributed then.

Each member authority has the votes allocated to it as determined under rule H1.

There are two nominees for the election. They are (alphabetically by surname):

- Stuart Crosby, Councillor, Bay of Plenty Regional Council
- Paula Southgate, Mayor, Hamilton City Council

Votes are allocated as follows:

Zone Two	Vote
Bay of Plenty Regional Council	5
Gisborne District Council	5
Hamilton City Council	6
Hauraki District Council	3
Kawerau District Council	2
Matamata-Piako District Council	3
Ōpōtiki District Council	2
Ōtorohanga District Council	3

Rotorua Lakes District Council	5
Taupō District Council	5
Tauranga City Council	5
Thames-Coromandel District Council	5
Waikato District Council	3
Waikato Regional Council	5
Waipa District Council	3
Waitomo District Council	3
Western Bay of Plenty District Council	5
Whakatāne District Council	3

### **Appointment of Zone Two Chair**

At the closing date for nominations there were no nominations received for Zone Two Chair. At the meeting, we will call for nominations after the National Council representative has been appointed.

### **Proxy forms**

A proxy form is attached. If you are unable to attend the Zone Two meeting on 29 November 2019 and still wish to vote, a proxy form must be received no later than **8.30am, Wednesday 27 November 2019**.

Please contact me if you have any queries.



Malcolm Alexander  
Chief Executive  
Local Government New Zealand

**Proxy Form  
Local Government New Zealand Elections**

To: Leanne Brockelbank  
Local Government New Zealand  
PO Box 1214  
Wellington

to be received by LGNZ no later than **8.30am, Wednesday 27 November 2019.**

.....  
(Council Name)

a member authority of Local Government New Zealand, appoints

.....  
(Name)

Of

.....  
(Council Name)

as its proxy to vote on its behalf for the Zone Two National Council Representative and Zone Two Chair at the meeting held on 29 November 2019.

**Signed** this                      day of                      2019

**The Common Seal** of

Was affixed in the presence of:

**Document No:** A453130

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Receipt of Brook Park Incorporated:  
Minutes – 14 October 2019

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to provide Council with information relating to the latest Brook Park Incorporated meeting.

## Background

- 3.1 In November 2007, Council established a Work Group for the purpose of working with a Consultant and members of the community to develop a proposal and policy document for Brook Park.
- 3.2 Development of the Brook Park Management Plan (MP) was completed following a public consultation process, including a Hearing of submissions in February 2010.
- 3.3 An objective contained in the MP was to establish a Friends of Brook Park (FBP) organisation to enable the community to participate in the future of Brook Park, and, as a primary objective, to raise funds for achieving park projects and developments.
- 3.4 The FBP was to replace the Brook Park Advisory Committee which was in place at that time, but which did not have any mandate to represent the community's interest in the Park, nor to raise funds for park projects.
- 3.5 It was envisaged that the FBP would enable the community to become more involved in their Park, through dissemination of information; being able to assist in fundraising and other activities that promote and enhance Brook Park; and by having a "voice" to assist Council with management of Brook Park.
- 3.6 As a charitable body, and an incorporated society, a FBP organisation would be able to successfully apply for third party funding to assist Council with implementing the community's vision for Brook Park.
- 3.7 The Policy implemented by Council through the Brook Park MP is as follows:
1. *Council will support and encourage the formation of a Friends of Brook Park, as a charitable incorporated society.*
  2. *The aims of the Friends of Brook Park shall be:*
    - i) *To foster interest in Brook Park;*
    - ii) *To promote the development of Brook Park;*
    - iii) *To raise funds for approved projects*
    - iv) *To preserve the integrity of Brook Park*

3. *The Constitution of the Friends of Brook Park shall provide for Council representation on the Society's Committee, and to enable the representative to veto any decision that is not in the best interests of the park or the community.*
  4. *Council will dissolve the Brook Park Advisory Committee on the successful establishment of the Friends of Brook Park.*
- 3.8 During 2011 WDC advertised several times seeking interested persons to join the Committee with limited success. Council considered that a Leadership Work Group consisting of three Council members would be beneficial to provide political leadership and assist in getting the FBP established and in December 2011 Council established the Brook Park Leadership Work Group.
- 3.9 The FBP Group was finally established early in 2012 with numbers fluctuating as more members of the public become interested in the future of the park. By mid-2012 the group was incorporated as "Brook Park Incorporated Society" (BPI) to administer the day to day operations/development of Brook Park.
- 3.10 Brook Park is operated as a farm park, with any grazing licence to be granted by WDC. The Reserves Act 1977 states that any lease or agreement on reserve land has to be granted by the administering body, which in this case is the Waitomo District Council. Therefore BPI cannot let the grazing rights to another entity or individual.
- 3.11 With the administering body being WDC and any consequent income stream for grazing being part of WDC's reserve income, there is little opportunity for BPI to achieve a sustainable income stream for minor works and administration. The income derived by BPI at that time was by way of subscription donation (\$10 per member) and any successful grant applications for specific projects.
- 3.12 To improve the financial viability and robustness of the BPI, in October 2012 a Memorandum of Understanding (MOU) between WDC and BPI was developed and approved. Council also agreed to provide an annual grant to BPI for operational management of the reserve, equivalent to the annual derived grazing income.

## Commentary

- 4.1 Since early in 2014, BPI has kept WDC informed of progress in the day to day operations/development of Brook Park by providing copies of its monthly meeting Minutes.
- 4.2 Attached to and forming part of this business paper is a copy of the BPI unconfirmed Minutes of 14 October 2019.

## Suggested Resolution

The business paper Brook Park Incorporated: Minutes of 14 October 2019 be received.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**



# BROOK PARK INCORPORATED SOCIETY

## **Meeting Minutes**

Monday 14 October 2019

5.30 pm

Council Chambers

Queen Street

**TE KUITI**

## BROOK PARK INCORPORATED SOCIETY

### THE MINUTES OF THE MEETING OF THE BROOK PARK INCORPORATED SOCIETY HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON MONDAY 14 October 2019 COMMENCING AT 5.30 PM

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#### MINUTES

**Attendance:** Guy Whitaker, Neil Brooks, Graeme Churston, , Glynn Meads, Helen Sinclair, Phillip Houghton, Sheralee Buchanan, Rob Buckley

**Apologies** –Elly Kroef, Andrea Hanna, Jane Murray.

**Apologies accepted**-M/S Neil/ Glynn

#### **Confirmation of Minutes of 2 September**

Accepted as a true and accurate record. M/S Helen/ Graeme

#### **Financial Report**

Current account Westpac -Opening \$ 6186.56

Closing \$5848.79

Westpac Term deposits @ 1.10 \$20504.39

Deposits: \$500 ex Dobson's Transport.

Accounts to pay: M.H Wagstaff-\$ 69.30 ( Memorial Grove standards.)

: Guy Whittaker \$ 21.95 ( Grass seed)

Report accepted . M/S- Phillip/ Graeme.

Annual accounts to come.

#### **Correspondence**

Inward- - Quin @ WDC- Last week we had a large area of gorse sprayed. Todd is working on a number of internal fences.

Todd has sprayed a number of areas for weeds in an effort to tidy things up for the disc golf.

-Lines Company-to Guy re Guy Fawkes plans.

Outward-E-Guy's reply to Lines Co as above .

E-Simon re drinks/ fruit for Disc Golf being supplied by New World, and fence reels and standards being supplied by Brian/ Andrea.

Inwards received and Outwards approved. M/S Rob/ Phillip.

#### **Maintenance/Fencing**

- Tim and Mike from WDC to be commended for their work on the track.
- Road bridge needs a handrail.

- Gum tree to be cleared away.
- Todd Percival has a temporary lease, and the BPIS are impressed with his management of stock and pastures.
- A constructive Working day was held Sunday 22.9, some weeds sprayed .

**Weed Control**-See Work Day note above.

## **Disc Golf**

- Simon's here Thursday 17.10. Guy to update us via email after his meeting with Simon .
- Tee signs are up, with 1 post and sign to come.
- Score cards ready this week
- Publicity re the event planned.
- Styles to be completed.
- 1 crossing to be completed by Graeme.
- Parking issue to be sorted.

## **Guy Fawkes**

- Sponsorship letters have been sent out and \$ 6050 received in sponsorship so far.
- Fireworks to cost \$ 7850.
- Gold coin donations to be added donations on the night.
- Maori wardens are booked.
- Day is Saturday 16 November, with p/ponement day Sunday 17 November, 5.30-6 pm start.
- Parking at old New World site to be confirmed with Mc Indoos.
- Access for pallets to be decided.
- Sponsorship invoices to be sent out by Guy.
- Food trucks confirmed; Lion's Club to confirm.
- Youth Council not involved.
- Tape / standards to come.
- Martin Van Thiel-pyrotechnologist.
- Portaloos via Oto Hire.
- Letters to neighbours- Guy to print; Neil to distribute.
- ' Signs Alone' to be contacted re signs.

## **General Business**

- Carols in the Park**-Elly / Jane to discuss plans and get back to us via group email bt Monday 11 November, ie next meeting.
- Concrete slabs**- available, Possible use ?
- Brook Park sign change?**-Consultation would've been appreciated.

Meeting closed: 6.35 pm

**Next meeting:** AGM Monday 11 November @ 5.30 pm, followed by usual monthly meeting.

Neil to arrange adverts in Waitomo News Tues 22.10 and Tuesday 5.11.

Agenda for both meetings sent out Friday 8 November to current members and others on the database.

Neil Brooks  
Secretary

Document No: A455029

**Report To: Council**



**Meeting Date:** 26 November 2019

**Subject:** **Development of Exceptions Annual Plan 2020/21**

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to confirm the process for the development of the Draft Exceptions Annual Plan (DEAP) 2020/21.

## Background

- 2.1 At its Workshop on 12 November 2019, Council discussed strategic considerations which could influence the development of the DEAP.
- 2.2 An Executive Summary of the Workshop Reader follows:
- 2.3 **Internal Review**
- 2.4 An internal review of considerations that may impact on preparation of the DEAP was undertaken.
- 2.5 That review process looked back at the actual audited outcome across the three financial years (FY) for 2016/17, 2017/18 and 2018/19, in order to assess whether or not the strategic and policy settings adopted by Council over that period were effective, and how any learnings from results achieved, might be applied in the context of the DEAP 2020/21.
- 2.6 The review identified that the audited outcomes (FY 2016/17, 2017/18 and 2018/19) confirmed that Council's strategy for completing the implementation of a Recovery focused Strategy over the period 2009 to 2019 was effective and has in turn created potential future opportunities to consider a different mix of financial strategy and policy settings going forward.
- 2.7 **Local Government Act 2002 (LGA 2002) Responsibilities**
- 2.8 The purpose and responsibilities of local government in performing its role are as defined under sections 10 and 14 of the Local Government Act 2002 (LGA).
- 2.9 Section 10 of the LGA sets out the purpose of local government, and section 14, the principles related to local authorities when performing its role.
- 2.10 In particular, it was noted that a recent amendment to the LGA 2002 (May 2019) reintroduced the requirement for Council to play a broad role in promoting community wellbeing – social, economic, environmental and cultural ("the four well-beings"). At the same time, the previous requirement "... to meet the current and future needs of communities for good-quality local infrastructure, local

*public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses”* was removed from the LGA.

- 2.11 Section 101 of the LGA sets out the requirements for council in respect of financial management. It requires, for each activity to be funded, the consideration of:
- Community outcomes (in order to promote the four well-beings in the present and for the future)
  - Distribution of benefits (the levying of rates and other charges for activities in rough proportion to the benefit that a property owner receives from the services that the council provides)
  - The period over which those benefits are expected to occur (inter-generational equity)
  - Exacerbator pays (assess the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity)
  - Costs and benefits (including consequences for transparency and accountability, of funding the activity distinctly from other activities)
  - The overall impact of any allocation of liability for revenue needs on the current and future social economic, environmental, and cultural wellbeing of the community
- 2.12 Council’s obligation to have regard to its purpose and responsibilities, including consideration of the four well-beings is inherent throughout the LGA.
- 2.13 **Legal Mandate**
- 2.14 Council’s current 2018-2028 Long Term Plan (LTP) has legal mandate through a formal, special consultative procedure with the District communities.
- 2.15 The guiding principle of the LTP is to deliver on the agreed focus, vision and activities in a financially prudent, affordable and sustainable manner. All LTP proposals were assessed against this fundamental principle during the LTP process.
- 2.16 This approach was independently tested and endorsed by audit prior to adoption.
- 2.17 An Annual Plan (AP) reflects an annual instalment of the LTP. The AP is exceptions focussed and allows, in a transparent way, for any variations between an LTP and DEAP to be understood.
- 2.18 Consultation on any DEAP is only required when a proposed variation is significant in nature, or material in effect, when matched against the corresponding year of the LTP.
- 2.19 However, where a DEAP contains a proposal to alter significantly any agreed or established Levels of Service (LoS) for a significant activity, or to commence or cease an activity, then the LGA (section 97) requires an amendment to the LTP.
- 2.20 In respect of the Annual Plan, this means that if Council chooses to make any material or significant changes or introduce any new (significant) aspects in terms of its strategic direction, plans or financials (as adopted in the LTP); then Council will be legally required to undertake a full LTP amendment process concurrently with the Annual Plan process.

- 2.21 Should a full LTP amendment be required, Council must consult with the community on any proposed changes using the formal Special Consultative Procedure (SCP) as set out in the LGA; this includes the development and publication of a consultation document (CD) and supporting information, submissions period, and formal hearings.
- 2.22 The CD and supporting information must be independently audited and must include an Audit Report. The Audit report examines the quality of the information and assumptions underlying the information provided in the CD, and assesses whether the CD gives effect to the purpose set out in section 93B of the LGA.
- 2.23 In addition, it is noted that Councils must undertake a section 17A review in conjunction with the consideration of any significant change to levels of service.
- 2.24 This means that any change to levels of service through an LTP amendment is likely to also require council to undertake a full section 17A review.
- 2.25 **Debt**
- 2.26 The prudent use of Public Debt has been the key strategy focus for Council since 2007.
- 2.27 The reduction in public debt has been set as the principle outcome sought through the Financial Strategy, particularly as a response to ratepayer concerns regarding a potential future cost of debt risk.
- 2.28 Consequently, Council borrowings have reduced from \$47M 2012 to \$43M in 2017, with the forecast debt reducing to \$24M by the end of 2028 (a 49% reduction).
- 2.29 **Revenue**
- 2.30 The delivery of agreed LoS is only partly funded from property rates. In the 2018-2028 LTP, 59% of total revenue is sourced from rates while 41% is from other sources (e.g. NZTA subsidy).
- 2.31 A variety of rate types are applied to different ratepayer groups as a proxy for best assigning the cost burden of Council provided services to those using or having access to those services. A number of those rate types link to core services, e.g. the rates component of water and waste water services is funded using targeted rates. It follows that urban ratepayers receiving those services pay a much higher proportion of this type of rate than in the rural areas. The existing funding tools offer only limited rates affordability while maintaining LoS.
- 2.32 Some of the considerations identified by the strategic considerations review have financial impacts over the DEAP period. Some of those considerations are of a regulatory nature, or relate to improving the resilience of Council's core infrastructure, in keeping with its vision and strategic approach towards achieving community outcomes.
- 2.33 **Rates Affordability and Distribution of Benefits**
- 2.34 The affordability of the required rates funding burden is a key consideration.
- 2.35 Savings of cost across all operating budgets of Significant Activities is an obvious consideration when addressing potential affordability solutions. However, in doing so, other funding needs and considerations immediately come into conflict, including core infrastructure provision. For example, Local Roads Maintenance (which attracts a subsidy of 73 cents in the dollar), waters and other



Expenses									
Employee Benefit Expenses	4,889	4,612	277	5,211	5,128	83	5,499	5,663	(164)
Depreciation expense	5,780	5,839	(59)	6,005	5,813	192	5,905	5,930	(25)
Finance Costs	2,695	1,982	713	2,690	1,762	928	2,597	1,707	890
Other Expenses	14,228	12,956	1,272	15,474	14,759	715	15,919	15,267	652
<b>Total Expenditure</b>	<b>27,592</b>	<b>25,389</b>	<b>2,203</b>	<b>29,380</b>	<b>27,462</b>	<b>1,918</b>	<b>29,920</b>	<b>28,567</b>	<b>1,353</b>
<b>Surplus / (Deficit)</b>	<b>2,915</b>	<b>4,388</b>	<b>1,473</b>	<b>1,418</b>	<b>4,214</b>	<b>2,796</b>	<b>3,240</b>	<b>4,924</b>	<b>1,684</b>

- 3.4 Financial performance has been better than forecast (most importantly as measured by the AP for each year) with overall surpluses significantly more than the target set. The contributory factors being higher levels of revenue and reduced expenditure over the forecast budget.
- 3.5 The actual operating revenue received (rates, metered water charges, subsidies and grants, and fees and charges) was more than forecast for the previous two FY years; whereas the actual level of Operating Expenditure (staff costs, depreciation, finance costs and other operating expenditure) was less than forecast.
- 3.6 Finance costs were less than forecast, reflecting an actual lower Debt position than forecast.
- 3.7 The fixed assumptions for interest rates were set at an early date prior to the commencement of the Plan period, and reflected advice provided from Council's external Treasury Advisors.
- 3.8 The three year period under review has seen an unprecedented period of low and stable interest rates which has resulted in lower actual interest rates than budget.
- 3.9 The budgeted interest rates assumption and the actual average costs of funds at 30 June of each year is shown in the following table:

**Table: Budgeted Interest Rates Assumption and Actual Average Cost of Funds**

	2016/17	2017/18	2018/19
Budgeted Interest Rate Assumption	6.25%	5.50%	5.50%
Actual weighted Average Interest Rate - 30 June	4.03%	4.01%	4.03%

### **3.10 Reserves**

- 3.11 The net operational surplus or deficit from each of the component parts of Significant Activities are transferred to the Reserve for that activity at balance date.
- 3.12 Further consideration is funding for depreciation reserves (rate-funded depreciation). This reserve can be utilised to fund asset renewals or repayment of debt.
- 3.13 Other reserves are also maintained for special purposes such as changes in value of Council's investment in Inframax Construction Ltd (ICL), hedging reserves and waste minimisation levies.
- 3.14 The Operational Reserves balance was \$6.2M at 30 June 2019. The increase in reserves is the result of the transfer of the net surplus/deficit from each activity.

- 3.15 Whilst the Operational Reserve balance has increased over the three year period, there are some parts of Significant Activities that are in deficit such as Water Supply, Subsidised Roads, Compliance, Benneydale Sewerage, Te Kuiti Stormwater, Library and Aquatic Centre.
- 3.16 An appropriate level of Operational Reserves is prudent and even essential if the District communities are to be buffered against unforeseen natural events. Failure to do so can result in an undue burden transferred to the Ratepayer.
- 3.17 An Operational Reserve is a tool available to be applied in a strategic way to balance the many conflicting factors that when taken together influence rates affordability. One of those considerations is the cash that underlies the reserve is currently used to offset the need for new external debt. Simply put, it can only be applied once. Any drawdown against an Operational Reserve (in funds) could result in an **increase** in reliance on external borrowing.

### **3.18 Use of Debt**

- 3.19 WDC operates a Treasury Management activity for all external debt raising. Individual Significant Activities “borrow” internally from the Treasury Management function. All of this is described in Council’s Treasury Policy.
- 3.20 A reduction in public debt has been set as the principle outcome sought through the Financial Strategy, particularly as a response to ratepayer concerns regarding a potential future cost of debt risk.
- 3.21 The budgeted and actual debt position is shown in the following table:

**Table: Budgeted and Actual Debt Position**

Debt \$000's	2016/17		2017/18		2018/19	
	Budget	Actual	Budget	Actual	Budget	Actual
External Debt - 30 June	51,971	43,419	51,136	41,737	47,565	40,261

- 3.22 Wherever possible steps have been taken to apply revenue to offset any requirement for new debt. This, together with programmed sequencing, has contributed to the reduced external debt position over forecasts for 2016/17 to 2018/19.
- 3.23 In addition, Council committed to two new debt reduction Strategies in the 2018-2028 LTP as follows:
- 1 Application of all ICL dividend revenue to debt repayment; and
  - 2 Application of the local share component (freed up by the increased NZTA FAR subsidy) to debt repayment.
- 3.24 Over the term of the LTP, Council has forecast dividend income from its shareholding investment at \$4.95M starting from 2019/20. This will be used to repay debt.
- 3.25 Internal debt is also projected to reduce by \$14.1M, over the same period of time council's external debt is projected to reduce by \$22.8M. To balance the cashflow, reserves balances need to increase by \$8.7M.

## Commentary

### **4.1 Strategic considerations for development of the Annual Plan**

- 4.2 An important part in the process of developing an EAP is to identify and address new issues and considerations that could potentially have a material impact on the DEAP development, work prioritisation and/or financial forecasting for the FY in prospect (2020/21).
- 4.3 These strategic considerations are identified through an environmental scan of economic, political, social or operational factors that could have a potential impact. Strategic considerations are not a detailed assessment of budgets and financials, but rather to inform a Governance view of the key matters that must be considered in planning and budgeting for the following year.
- 4.4 The strategic considerations workshopped by Council on 12 November 2019 comprised two parts:
- (1) Strategic Considerations with Financial Impact
  - (2) Financial Strategy – Policy Settings and Priorities

### **4.5 Strategic considerations with Financial Impact**

- 4.6 The following issues were outlined for Council's consideration for the DEAP:
- (1) Implementation of Risk Management Framework
  - (2) North King Country Sports and Recreation Centre
  - (3) Drinking Water Supply Compliance Upgrades
  - (4) Te Kuiti – Security of Supply (Alternative Source)
  - (5) Mokau Water Supply
  - (6) Waitomo District Landfill Development
  - (7) Draft National Policy Statement for Freshwater Management
  - (8) National Environmental Standard for Sources of Human Drinking Water
  - (9) Marokopa River Erosion Protection
  - (10) Climate Change Response (Zero Carbon) Amendment Bill

### **4.7 Financial Strategy – Policy Settings and Priorities**

#### **4.8 Introduction**

- 4.9 As discussed above, over the last three years the Council has significantly improved its financial position. Outcomes achieved have exceeded forecast targets. Unbudgeted revenue has been generated and unspent rates funding (which underlies the reserve balances) has been applied wherever possible to offset the need to borrow externally.

- 4.10 This has created an opportunity for Council to consider further refinement of financial strategy and policy settings going forward, some of which could potentially be applied to the EAP 2020/21.
- 4.11 Considering emerging trends or opportunities flowing from the application of existing Strategies and Plans is good practice, including the consideration of rates affordability trends and impacts.
- 4.12 Rates affordability trends and impacts is one of the key principles that underpins the current Strategy and Plan.
- 4.13 The consideration of all these aspects is a process Council routinely applies in the development of all DEAPs.
- 4.14 However, due to the EAP 2020/21 being for the period of year three of the LTP 2018-2028, it is particularly important that any proposed amendments to the financial strategy and policy settings for this DEAP are cognisant of the fact that the same time period encompasses the development of a DRAFT 2021-2031 LTP proposal.
- 4.15 These timing and process considerations are important factors that must be considered for efficiency and effectiveness reasons.
- 4.16 The three principle financial levers
- 4.17 There are three principle financial levers that generally influence financial strategy and policy settings.
- 4.18 The application of the financial levers must be both prudent and appropriate so as to achieve balance between affordable rates, reducing Council borrowing, and optimised investment in capital renewal
- 4.19 These are shown in the diagram below:



- 4.20 The size of the triangle represents the LoS. A bigger triangle means an increased LoS (or new services). The triangle is affected by the three levers:
- 1 Rates
  - 2 Capital Investment
  - 3 Debt
- 4.21 Changing only one lever might not impact LoS if the other components are adjusted. Changing more than one component means the third lever also has to change, or potentially impact LoS.
- 4.22 It is worth noting that the triangle model does not incorporate operating expenditure. Clearly a significant increase in operating expenditure would require a significant rates increase to fund it, which in turn would affect the other two

levers. Conversely, a significant decrease in operating expenditure would require the other levers to be set differently to maintain LoS.

- 4.23 However, reducing operating expenditure is challenging, due to a significant portion (60%) of Council's operating expenditure being required to maintain core infrastructure provision (local roads maintenance, waters and other infrastructural activities), and another 7% being necessary to meet Council's statutory duties for regulation and compliance activities.
- 4.24 Finance Strategy Settings – non-rates revenue
- 4.25 Non-rates revenue is a lever that may also be considered.
- 4.26 The non-rates revenue that Council can draw upon comprises mainly fees and charges and grants and subsidies. Fees and charges are the largest item of non-rates revenue and include building and resource consent fees, community housing rental income, library, landfill, and swimming pool charges. In recent years, Council has made a conscious decision to increase fees and charges in recognition of the principle of exacerbator pays, and to reduce rate burden.
- 4.27 Council could choose to significantly increase fees and charges in the 2020/21 FY, however, would need to be mindful of how this would impact users of the services.
- 4.28 Fees and charges are considered annually by Council as part of the EAP process and are set in accordance with the distribution of benefits principles of the RFP. The fees and charges must comply with the RFP, and the RFP cannot be amended independently of an amendment to the LTP.
- 4.29 Finance Strategy Settings – Capital (Renewal and Investment)
- 4.30 Council has invested prudently in core infrastructure. Most of the above ground assets are now in good condition. However, the piped networks are characterised by aging reticulation infrastructure, resulting in significant water leakage and high infiltration and inflow within the wastewater network.
- 4.31 These considerations are known and addressed in the Council's Long Term Asset Renewal Strategies.
- 4.32 The projected total capital expenditure in the 2020/21 FY is \$11.2M, and the total capital expenditure over the 2018-28 LTP is \$108.8M.
- 4.33 A significant reduction in capital expenditure would result in a change to LoS over time and would therefore require an amendment to the LTP.
- 4.34 A low capital investment option would result in lower rates increases in future years through reduced debt servicing costs flowing from the lower capital programme. However, the trade-off is that much of the Council's infrastructure will deteriorate over the period, and this will at some point significantly increase operational expenditure due to the unreliability of infrastructure networks leading to a decline in levels of service, and reputational risk. In addition, deferring infrastructure renewals will result in a bow wave of expenditure in later years.
- 4.35 Finance Strategy Settings – Finance Costs
- 4.36 Over the last three years, Council has achieved reduced actual interest costs by the careful administration of the Treasury Management function. In part this reflects lower external debt held.
- 4.37 The cost of funds percentage rate assumed for Plan purposes was set based on the assumption that there would be some price volatility. This volatility has not eventuated. The best forecast now, is that stability will persist in the near future.

Therefore, an opportunity has potentially been created to reset the budgeted interest rate fixed for Plan purposes should Council consider this prudent.

#### 4.38 Finance Strategy Settings – Operational Reserves

4.39 The use of Operational Reserves ensures that the Distribution of Benefits policy or settings are preserved for all major activities. Operational surpluses or deficits are transferred to the Reserve at Balance date each year. The RFP provides settings for the deployment of operational reserves in a Strategy context.

*“Council may choose to not fully fund operating expenditure in any particular year, if the deficit can be funded from operational surpluses in the immediately preceding year or subsequent years”*

4.40 Determining what would be a prudent setting for Operational Reserves would depend on the activity. The aspects of an activity that need to be considered are the assets deployed by the activity, the risks associated with the operation and renewal of those assets, the inherent risk of the activity etc.

#### 4.41 Finance Strategy Settings – Other Considerations

4.42 Once Council has provided its direction on the DEAP process, further work will be undertaken to forecast and model the rates revenue for the EAP 2020/21. As is usual accepted best practice, the results of the modelling/forecasting will be workshopped with Council in February 2020.

4.43 The modelling will take into account the estimated operational budget funding requirements for FY 2020/21.

4.44 There will be a range of options available for consideration by Council, including the potential finance strategy levers discussed briefly above.

4.45 It is noted that some of the potential levers would not be able to be invoked at this stage, unless Council wishes to pursue an associated LTP amendment. This includes any change that will significantly depart from Council’s adopted Revenue and Financing Policy (RFP).

4.46 It is also noted that the RFP sets a balance between the distribution of General Rates and the Uniform Annual General Charge (UAGC). Any change in UAGC proportionality up to \$247,000 would first be offset against the General Rate; and would have a very marginal impact on the Te Kuiti Residential rating calculation.

## **Analysis of Options**

5.1 In order to meet the statutory timeframes associated with the DEAP development, direction is required from Council to confirm the DEAP process to be followed.

5.2 There are two options available to Council:

Option 1: Continue with a standard DEAP process (no LTP amendment)

Option 2: Undertake a EAP and LTP amendment concurrently.

5.3 Option 1 will result in Council undertaking a standard DEAP process, with all the usual considerations in terms of affordability and rating requirements within the constraints of materiality to ensure that an LTP amendment requirement is not statutorily triggered.

- 5.4 Pursuing option 1 means that Council will not consider any material or significant changes to the RFP or other financial strategy considerations that would legally require an LTP amendment.
- 5.5 Option 1 acknowledges that these considerations would be undertaken as part of the normal LTP process commencing in 2020 for the 2021-2031 LTP.
- 5.6 Option 2 would result in Council undertaking a EAP process and an LTP amendment due to the application of financial strategies (levers) that result in material / significant changes to the LTP, therefore invoking the statutory requirements.
- 5.7 Option 2 will require all the usual LTP process requirements, i.e.:
- Amendments to the Asset Management Plans – significant updates and planning and reprioritisation of work programme; and
  - Amendments to the Activity Management Plans – significant updates and planning and reprioritisation of work programme; and
  - Infrastructure and Financial Strategies – review and update; and
  - The development of an amended LTP for years 7 through to year 10; and
  - An independent audit of the amended LTP; and
  - The development of an LTP Consultation Document; and
  - An independent audit of the Consultation Document; and
  - LTP consultation, hearings and deliberations; and
  - Adoption of the amended LTP before 30 June 2020 (concurrent with the EAP deadline).
- 5.8 To implement option 2, the forecast of potential costs (excluding staff time required across the organisation, and the cost of reprioritising the planned work) is \$340,000.

## Considerations

### 6.1 **RISK**

- 6.2 There is no additional risk (over and above standard DEAP development process risks) should Council determine it is appropriate to continue with a standard DEAP process (option 1).
- 6.3 The risks associated with option 2 (EAP and LTP amendment) are:
- The high risk that WDC would not be able to engage external capacity capable of completing the required work within the timeframes available and to an acceptable standard, particularly to a standard acceptable to Council's independent Auditors. Experienced support capacity would be required due to the very short timeframes required (having regard to planned resourcing commitments already entered into);
  - Process risks – significantly reduced timeframes could compromise the quality of the LTP amendment process. This may result in Council failing to appropriately consider and address wider community issues, strategic issues and other legally mandated considerations appropriately. For the same

reasons, there are also reputational risks to Council and the elected members;

- Compliance risks – as the LTP process is subject to strict statutory requirements, there are compliance risks associated with compressed timeframes to undertake the required processes to a legally robust standard;
- Audit capacity – there is a risk that Council's independent auditors do not have the capacity to undertake the required audit work associated with an LTP amendment in the timeframe that would be required.

## **6.4 CONSISTENCY WITH EXISTING PLANS AND POLICIES**

6.5 Proceeding with option 1 will be consistent with Council's existing adopted plans and policies, including the LTP.

6.6 Proceeding with option 2 will be inconsistent with Council's existing adopted LTP, and potentially the RFP, and will therefore require an LTP amendment.

## **6.7 SIGNIFICANCE AND COMMUNITY VIEWS**

6.8 Section 78 of the LGA requires Council to, in the course of its decision making, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter.

6.9 The views of the community on Council's overall direction, work plans and projects have been well canvassed through the 2018-28 LTP process.

6.10 The LGA sets out the statutory processes to be followed for the DEAP and LTP amendments.

6.11 Should Council wish to pursue option 2, this would be a significant decision requiring full consultation with the community in accordance with the statutorily required Special Consultative Process.

## **Recommendation**

7.1 Council undertook a robust process in developing the 2018-28 LTP. Following a standard DEAP process will ensure that the EAP is aligned with the 2018-28 LTP.

7.2 Due to the significant costs and risks associated with undertaking an EAP and LTP amendment concurrently, it is recommended that Council direct staff to undertake a standard DEAP process.

## **Suggested Resolutions**

1 The business paper on Development of Exceptions Annual Plan 2020/21 be received, and

2 Council undertake a standard Exceptions Annual Plan development process, which includes all the usual considerations in respect of rates affordability and financial prudence within the statutory constraints of the Local Government Act 2002 Exceptions Annual Plan process; and

3 Council not make any amendments to the Exceptions Annual Plan that would statutorily require a concurrent amendment to Council's 2018-28 Long Term Plan as mandated by the Local Government Act 2002; and

- 4 Council acknowledges that considerations of rates affordability, the distribution of benefits, and all considerations pursuant to section 101 of the Local Government Act 2002 are important issues which will be appropriately considered in a financially prudent manner as part of the development of the Long Term Plan 2021-2031 commencing early 2020.



TERRENA KELLY

**GENERAL MANAGER STRATEGY AND ENVIRONMENT**

19 November 2019

Document No: A450449

**Report To: Council**



**Meeting Date:** 26 November 2019

**Subject:** **Progress Report: Delivery against Communications Strategy**

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this Business Paper is to brief Council on progress made with regard to the Communications Strategy.

## Background

- 2.1 The Communications Strategy 2018 was adopted by Council in October 2018.
- 2.2 The focus of the strategy is to guide Council's day-to-day communications activities, set Council's expectations for media and allow better and more genuine engagement between Council and the community.
- 2.3 The Communications Strategy is attached as Appendix 1.

## Commentary

### 3.1 **Communication Campaigns**

- 3.2 The following provides an overview of the significant communications campaigns that have been recently completed.

### 3.3 **Exceptions Annual Plan 2019/20**

- 3.4 As there were no major changes to the programme and levels of service set out in the Long-Term Plan 2018-2028 (LTP), Council determined public consultation was not required for the 2019/20 Exceptions Annual Plan. However, a communications and engagement plan was implemented to inform the community about Council's key initiatives planned for the coming year, as follows:

- Media releases were published in print and digital publications during May and June 2019;
- A new page was created on Council's website which provided an overview of the Annual Plan process and a link to the rating information tool;
- A 'Frequently Asked Questions' (FAQs) document was developed to support Customer Service queries.

- 3.5 In addition, notification of the adoption of the Annual Plan (and rates resolution), and adoption of the Fees and Charges 2019/20 was published in the Waitomo News and online.

## 3.6 **Roading Network updates**

3.7 Communications plans have been prepared and implemented for a number of roading related projects; for example information was published on WDC's website and facebook page in relation to:

- The SH30 Kopaki Bridge detour route (in liaison with NZ Transport Agency);
- Slips, surface flooding, debris and fallen trees notifications; and
- The Footpath Improvements and Renewals programme.

## 3.8 **Summary of Corporate Communications**

3.9 WDC uses a range of communications channels to inform and engage with residents and ratepayers, including the Waitomo Way newsletter, WDC website, social media, radio, print media, forms and guides, and community newsletters.

3.10 The following is a summary of some of the communications tasks recently completed in support of achieving the seven key objectives of the Strategy.

### 3.11 Objective: Promote the value of Council's role in the community

3.12 The following mechanisms promote the value of Council's role in the community.

#### (a) Waitomo District Library:

- The library provides range of services including reading programmes, electronic resources, recommended books etc.
- Frequent updates are made to the Library webpage and social media. This includes the promotion of events (i.e. holiday reading programmes, wriggle & rhyme and toddler time)

#### (b) Civil Defence Emergency preparedness:

- The promotion of civil defence emergency management is undertaken in conjunction with the Waikato Region Civil Defence Emergency Management (CDEM) Group.
- Publication of "Never happens, happens" campaign messages and sharing of social media posts.

#### (c) Community Services activities and projects:

- The availability of Cemetery records online.
- Maintenance of public amenities and property maintenance work including the painting of the Library building exterior, improvements to Mokau public toilets, and creation of a half-basketball court in Eketone Street.
- Publication of information about improvements to Tui Park campground in the Piopio Birdtalk.

#### (d) Solid Waste Management and Minimisation:

- Promotion of recycling collection service and information about the type of materials that can be recycled.
- Promotion of 'Plastic Free July'.
- Promotion of Love Food Hate Waste Campaign and publication of result of the Waste Audit in relation to food waste in rubbish bags.

- Ensuring the website and guides are kept up to date with changes to opening hours for transfer stations, and that public notification is published in print media.
- Publication of transfer station opening hours and fees and charges in Community Newsletters.

(e) Animal Control Service:

- Responsible dog ownership, dog registration and Bylaw information.
- Publication of impounded dogs.
- Publication of Dog Control Fees for 2019/20.

3.13 Objective: Encourage involvement in local decision-making

3.14 Communications campaigns were implemented for the following work programmes to ensure that the community were informed and engaged in the process, and of the outcomes.

- Fees and Charges 2019/20.
- Resident Survey 2019.
- Annual Report 2018/19.

3.15 Objective: Ensure communities are well informed on Council's activities/operations

3.16 Temporary roads closures, bridge repairs, footpath renewals and issues with the roading network as a result of weather events are communicated across various methods. Updates are also published on our website [www.waitomo.govt.nz/Roads-Water-Waste/Network\\_status](http://www.waitomo.govt.nz/Roads-Water-Waste/Network_status)

3.17 The community has been kept informed about major infrastructure works underway, such as the Taupiri Street Sewer main upgrade, and footpath renewals programme.

3.18 Urgent issues like blocked roads and weather warnings are communicated in a timely manner to the community.

3.19 The community are advised of new projects such as the new footbridge in Te Kuiti and funding support from NZTA.

3.20 Objective: Support Council's reputation in the District

3.21 This objective has been achieved by a number of mechanisms, as follows:

- Ensuring Council's website is updated with public information, publications, news etc as required;
- Distribution of service request queries received via social media to appropriate WDC departments to be addressed;
- Coordination of media requests and responses is facilitated in a professional and efficient manner;
- Development and publication of media releases on the website and shared on social media;
- Sharing positive stories, photos, local wins etc. on social media to support a positive reputation in the District.

3.22 Objective: Support Council's reputation within the Local Government (LG) sector

3.23 The following initiatives have been undertaken in relation to this objective:

- Continued promotion of the services provided by WDC in relation to its role as a Local Government, and reference to Legislation;
- Publication of Local Government New Zealand media releases;
- NZTA priority traffic updates relevant to our area of the network;
- Participation in the LGNZ Vote 2019 campaign.

3.24 Objective: Attract people to live or work in and visit the Waitomo District

3.25 The following initiatives have been undertaken in relation to this objective:

- Sharing of social media posts from Hamilton and Waikato Tourism;
- Sharing of posts about local business development news, and tourism opportunities;
- Ongoing development and utilisation of WDC's Instagram page: waitomo\_nz 312 followers (up from 264). Our Twitter page currently has 45 followers (up from 36); and
- Distribution of 'New Resident Welcome Packs' in liaison with Customer Services.

3.26 Objective: Promote a sense of community and pride of place

3.27 The following initiatives have been undertaken in relation to this objective:

- Implementation of a significant communications plan for the Great NZ Muster 2019 incorporating regional and local media;
- Publication and promotion of 'Vibrant and thriving Waitomo' video which featured footage from the Muster and popular tourist destination Waitomo Caves.;
- Promotion of the Youth Council for 2019;
- Sharing of community photos, visitor sights and activities, and operational updates to keep the community informed;
- Promoting the importance of recycling and reducing food waste;
- Co-hosting of events on our Facebook page and the sharing of event flyers for organisations such as Sport Waikato, Te Waka, Te Waitere Classic and Coastcare, to increase their reach to a wider audience and to ensure people are informed about opportunities to participate in events of local interest, which are not necessary Council-specific;
- Informing the community about the effects of vandalism and our plans to address this (CCTV, lighting, removal of graffiti); and
- Promotion of local services like the Library, Aquatic Centre, Visitor Information Centre, Landfill, Animal Control.

3.28 **Key Statistics**

3.29 **Social Media**

3.30 WDC Facebook page:

- Page **likes** have increased to 2,711 (increase from 2,671).
- Our posts reach an average of 4,443 people.
- On average 29 videos are viewed each week.
- People who like the page are predominantly in the age group 18-34 years. 34% are male and 66% are female.

## 3.31 Animal Control Facebook page:

- Page **likes** have increased to 1,180 (increase from 1,172).
- People who like the page are predominantly in the age group 25-34 years. 20% are male and 79% are female.

## 3.32 Te Kuiti Visitor Information Centre page

- Page **likes** have increased to 980 (increase from 963).
- People who like the page are predominantly in the age group 25-34 years. 36% are male and 63% are female.

## 3.33 **Waitomo Way**

3.34 There are 288 people subscribed to the digital newsletter.

3.35 The digital magazine layout used for 'Waitomo Way' presents Council information professionally and makes the newsletter easier to navigate, share and subscribe to.

3.36 In February 2019, Waitomo Way moved from a bi-monthly schedule to a fortnightly publication schedule. The fortnightly publication schedule provides better opportunities to incorporate 'current' news and supports the communication needs of the organisation.

3.37 The print version of the newsletter in the Waitomo News supports our target of providing effective and useful communications.

## 3.38 **Website**

3.39 For the period July 2019 to October 2019 the website had:

- A total of 6,806 visitors to website.
- 2,989 accessed the site from a mobile or tablet device.
- Visitors viewed on average two pages per visit.
- Visitors spend on average 11 minutes on our website per visit.
- Social media traffic comes from Facebook.

3.40 The top viewed pages were:

- District Plan review
- Rating and property information
- Online services.

## **Suggested Resolution**

The Progress Report: Delivery against Communications Strategy be received.



TERRENA KELLY

**GENERAL MANAGER-STRATEGY AND ENVIRONMENT**

7 November 2019

Attachment: 1 Communications Strategy – 2018 (A412599)



Communications Strategy

2018

## Table of Contents

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## Introduction

Communication is an essential part of good management and the effective delivery of Council services. We communicate to:

- Build support and advocacy,
- Engage the community and target audiences,
- Harness resources to create change, and
- Be authentic in demonstrating our core values.

Generally speaking, the “why” can be defined by five broad desired responses:

1. To raise awareness,
2. To build understanding,
3. To create a belief,
4. To create behaviour change, and
5. To generate advocacy.

**Table 1: Why are we engaging with the community?**

Awareness	Understanding	Belief	Behaviour Change	Advocacy
“Never heard of it/ them.”	“I get it – I can see this as important/ relevant to me.”	“I can relate to this – I want to get involved.”	“I will do something about this – and I know what to do.”	“Everyone needs to understand this and get involved.”
Build knowledge and consciousness	Education, engagement/ involvement	What’s the proposition for me? How is this relevant to me?	What’s the call to action? What do you want me to do about it?	Support and systems to facilitate systemic change

*(Davies, 2011)*

One flows from the other. You can’t drive behaviour change until you have awareness, understanding or belief.

Deliberate, planned and sustained communication effort from Council is critical to establish and maintain mutual understanding between Council and its community as well as its other stakeholders. It is also a key aspect of Council meeting its legislative requirements. The Local Government Act 2002 requires local authorities to assist and promote opportunities for public participation in local decision making. A Communications Strategy and an appropriately resourced function is an essential tool for meeting Council’s strategic objectives and statutory responsibilities.

This Communications Strategy aims to be a “broad statement of strategic direction” for Waitomo District Council’s approach to communications in both levels of service and function.

This strategy:

- Provides a guide to Council’s day-to-day communications activities;
- Sets Council’s expectations for media; and

- Allows Council to better engage with its community in a genuine way.

The Strategy has three key areas

1. Objectives
2. Principles
3. Processes

This strategy describes what Council wants to achieve, who it will engage with, through what channel and how we plan to evaluate the usefulness and effectiveness of Council communications.

## Communications Objectives

Objectives are the specific results that we aim to achieve through communication. They are the backbone of the strategy and influence all aspects, including outcomes and actions. The Communication Objectives have been established taking into account Council's overall Vision for the District and strategic direction. They also take into account the broader local government environment.

Council's Vision is ***"Creating a better future with vibrant communities and thriving business."*** One of the focus areas in Council's 2015-25 LTP is placing a greater emphasis on community and economic development. The objectives align to this.

In May 2015, Local Government New Zealand research (Local Government New Zealand, 2015) found that general public understanding of what Councils do is extremely low and, while seen as important to society, Councils generally had a poor reputation.

While it can be debated that a majority of those negative perceptions are in fact due to the quality of or issues with service delivery itself, some of the solution lies in effectively promoting what Councils are doing well and communicating in a transparent and up-front manner when things go wrong.

With this in mind, Waitomo District Council is focused on developing those relationships and creating an environment where its stakeholders want to communicate with Council.

Council communication policies must also take account of statutory obligations to consult with the community. *"The prime purpose of consultation is to enable the effective participation of individuals and communities in the decision-making of Councils. This will enable elected representatives to make better-informed decisions on behalf of those they represent."* (Department of Internal Affairs)

In accordance with the Local Government Act 2002 the following six principles apply when a Council undertakes consultation:

- Councils must provide anyone who will or may be affected by the decision, or anyone who has an interest in the decision, with reasonable access to relevant information;
- These people should also be encouraged to express their views to Council;
- People who are invited to present their views to Council should be given clear information about the purpose of the consultation and the scope of the decisions being made;
- People who wish to present their views must be given reasonable opportunity to present them;
- Councils should receive these views with an open mind and give them due consideration when making a decision; and

- Council should provide people presenting their views with information relevant to decisions and the reasons for them.

Based on the needs and requirements above Council has set out the following Objectives:

1. Promote the value of Council's role in the community,
2. Encourage involvement in local decision-making,
3. Ensure communities are well informed on Council's activities/ operations,
4. Support Council's reputation in the District,
5. Support Council's reputation within the Local Government (LG) sector,
6. Attract people to live or work in and visit the Waitomo District, and
7. Promote a sense of community and pride of place.

Although all of the above objectives are important, in line with its vision, Council has determined that Objective 6, to attract people to live or work in and visit the Waitomo District, is the most important communication objective. Objective 5 - Support Council's reputation with the LG sector was also identified as a key objective.

Prioritising objectives assists with resource allocation during implementation of the strategy.

## Communication Principles

The communication principles have been established to guide the form and content of messaging. The principles have been set out to move Council's target audiences from their current thinking or understanding to the preferred position.

These are:

- **Proactive communications** on projects, milestones, activities to pre-empt issues;
- Drive **consistent and repeated messaging** through an integrated communications approach to build credibility and legitimacy;
- **Link messaging to WDC's strategic direction** - social, economic and cultural interests of people and communities. Maintain and enhance quality of the environment, and reasonably foresee needs for future generations.
- **Messaging language** to be such that it comes across as accessible, hands-on, specialists in our field and as having a firm grasp of the issues and avoid the risk of being perceived as a nameless, faceless, authoritarian organisation.
- Establish **strong brand recognition** of Council by ensuring all Council communications bear Council's clear and consistent brand - both in terms of messaging style, logo and collateral. This will promote the breadth of our work;
- Seek to **understand our community** and its target audiences by proactively establishing relationships with key stakeholders to enable two-way communication. This is **particularly important with Māori**, both in respect to obligations under the Local Government Act and the Resource Management Act and as critical participants in our economy and communities;
- **Tailor messaging** to key audiences to ensure that our messaging resonates and also that we are using our limited resources efficiently;

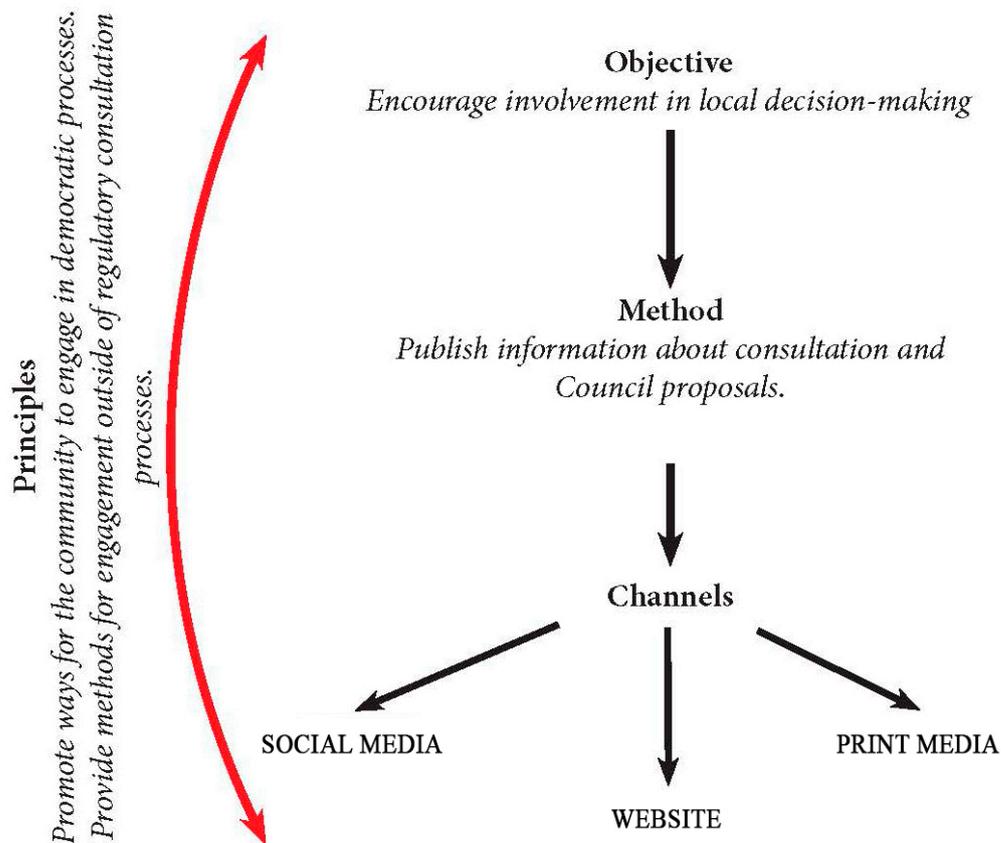
- Ensure internal stakeholders **understand our communications objectives** so we have a consistent message;
- Ensure our communications **clearly reflect Council’s collective position** and is 100% reliable to build trust and confidence;
- Ensure all communications are in **plain English, concise and balanced**;
- Ensure any **misinformation, biased or unfair information is addressed as soon as possible**;
- **Promote ways for the community to engage** in democratic processes. Provide methods for engagement outside of regulatory consultation processes.

## Communication Methods

Methods are where the “rubber hits the road” for Council’s communications function. These are tasks, channels or campaigns that will bring into effect the objectives outlined previously. The principles will guide the messaging.

There may be a number of methods to achieve each objective. Subsequently, each method may be fed through a number of channels at Council’s disposal, both internal and external.

An example of how this may flow from objectives to principles, through to method is set out below.



## Key Audiences

In order to maximise the penetration of communication resources, key audiences need to be identified.

Identifying leaders within those groups is essential to mobilising or soliciting feedback for various Council processes or projects. Likewise, understanding the motivations of those groups, the demographic of people that make up those groups and how they prefer to engage will inform tailored communications for each group.

The key audiences Council will engage are:

- District community in general,
- Businesses and business associations,
- Community Groups such as Ratepayers Group, Youth Council, Grey Power, Schools,
- Māori organisations,
- Media - local and regional,
- Central government and agencies, and
- Other Councils in the Waikato Region or Councils WDC shares a boundary with.

Council's stakeholder database aims to identify stakeholders and maximise the effectiveness of this resource.

The different channels that are used to communicate with the community are:

- Website
- Print media
- Social Media
- Radio
- Council publications; Rates newsletter, flyers, brochures/guides and posters.

Communicating online is a key element of communication in today's world. An effective website has become an essential means of communication for all organisations.

WDC's Customer Service Strategy includes a key action focused on providing technology solutions: *'Ongoing review of WDC website to provide online communications and transaction processing – i.e. 24/7 customer access'*.

WDC's website is an integral part of the way we deliver services to the community offering access to Council information 24 hours a day, seven days a week. It will be promoted as a key means of communicating and doing business with Council.

## Processes

Processes outline a series of actions or steps taken in order to achieve the objectives. To ensure Council's messages are consistent, authentic, and accurate and in line with Council's collective position, it is important that there are robust processes for who can say what, when and to whom.

Forms and processes ensure that the objective of 'ensuring communities are well informed on Council activities/operations' is achieved.

The communications team lead the development of communications processes to ensure key messages are outlined early in the communication planning process, that spokespeople and project ambassadors are identified and contingencies for risks and challenges identified prior to the commencement of a project.

It is critical that all Council officers recognise, value, practice and take accountability for quality communication in their daily activities. In particular, when a new project or area of focus arises, staff will liaise with the communications team to prepare a plan for communication of the project.

Communications will be deployed prior to and following completion of public consultation.

Typically, Councils rationalise decisions on who will publically represent an issue in the media. WDC's Media Policy outlines who may speak to the media.

Communication involves not only keeping people informed about what Council is doing, but also providing people with the opportunity to provide feedback on Council's planning and decision making and how it is performing in its' service delivery.

Council will continue to actively seek feedback from the community with the support of the Communications team.

To assess performance, Council currently carries out annual Resident Satisfaction Surveys (RSS) as a means of gauging the satisfaction of residents with the activities it carries out and the services delivered. The RSS is a good means of gauging the satisfaction of residents.

The Customer Service Strategy provides for a range of targeted customer satisfaction surveys. These are implemented upon completion of the delivery of a specific Council service, such as building consents and provision of Elderly Persons Housing.

Council also communicates with it's communities on planning and decision making on matters such as:

- Long Term Plan and Annual Plans,
- Annual Report,
- Policies and Bylaws,
- Some Strategies and Plans,
- District Plan, and
- Certain Resource Management decisions.

Communications in the form of educational information is required from time to time, to support an improved level of community awareness.

Examples of the activities in which Council communications serve an education purpose are:

- Waste Minimisation,

- Responsible Dog Ownership, and
- Water Conservation.

## Implementation of the Communications Strategy

Examples of how Council will implement its communication objectives are set out in the following table.

Objective	Example
Promote the value of Council's role in the community	<p>Regular sharing of service and project information via website, social media and print media.</p> <p>Ensure that the WDC logo and sponsorship is highlighted in communications.</p> <p>Publication of funding and grants information on the website.</p>
Encourage involvement in local decision-making	<p>Extensive promotion of opportunities to engage i.e. using various methods – website, social media, radio and print media.</p> <p>Provide advice on how to make a submission to Council.</p> <p>Communicate any opportunities to engage with Elected Members.</p> <p>Increase use of Mayor's Facebook page in consultation communications campaigns.</p> <p>Share snippets of consultation material on social media and radio in a way that is easy to understand and consider.</p>
Ensure communities are well informed on Council's activities/operations	<p>Proactively communicate significant operational activities and projects in a timely manner.</p> <p>Council operations/work that has the potential to significantly impact on the day-to-day service delivery will be publicly notified.</p>
Support Council's reputation in the District	<p>Promptly respond to Council issues with planned media release.</p> <p>Publish and share information about Council's performance and achievements.</p>
Support Council's reputation within the LG sector	Contribute and showcase a particular success to 'Local Wins' under the LGNZ

	<p>website.</p> <p>Share LGNZ news on Social media.</p>
Attract people to live or work in and visit the Waitomo District	Promote District on social media.
Promote a sense of community and pride of place.	<p>Encourage and promote compliance with Council's regulations, bylaws, policies and vision in Council communications.</p> <p>Communicate negative effects of vandalism/graffiti on community environment and image.</p> <p>Communicate successful collaboration and partnerships that result in positive outcomes for community groups and organisations.</p> <p>Promote Council services that support positive outcomes for community using various communication methods.</p>

## Evaluation

Evaluation of the effectiveness of Council communications is increasingly important.

It is important that resources are used efficiently and demonstrating what works and what doesn't will help refine future communications strategies.

A six-monthly progress report to Council will provide an update on the actions and campaigns undertaken to meet the objectives set out in this strategy.

**Document No:** A410627

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Progress Report: Regulation and Resource Management

## Purpose of Report

- 1.1 The purpose of this progress report is to brief Council on the monitoring and enforcement functions undertaken by the Compliance Group during the 2018/19 financial year.
- 1.2 The report includes the activities planning, building, environmental health, licensed premises, animal control and monitoring and enforcement.

## Summary

- 2.1 Landuse Consents (and other consent types pursuant to the Resource Management Act 1991) have trended upwards marginally over the last financial year, while Land Information Memorandums (LIMs) volumes have trended downwards marginally. Building consents continued to increase in the 2018/19 financial year compared to previous years.
- 2.2 For the 2018/19 financial year, 182 building consents were processed, with a total value of \$13,827,660, including 15 new dwellings.
- 2.3 Service requests for complaints for breaches of the Resource Management Act 1991 (excluding noise), resource consent conditions, District Plan rules, bylaws and general enforcement increased marginally in 2018/19 to 17, compared to 23 in 2017/18. Noise complaints have decreased from 112 in 2017/18 to 83 in 2018/19.
- 2.4 Animal Control related service requests trended downwards in 2018/19 compared to 2017/18. In 2017/18, 426 dog control related complaints were received (277 wandering dogs), compared with 349 (194 wandering dogs) for 2017/18. This is likely due to the strong focus applied to compliance and owner education.

## Planning

- 3.1 During the 2018/19 financial year, Waitomo District Council (WDC) processed 49 applications pursuant to the Resource Management Act 1991 (RMA), and 1 application pursuant to the Local Government Act 1974. 139 LIMs were issued.

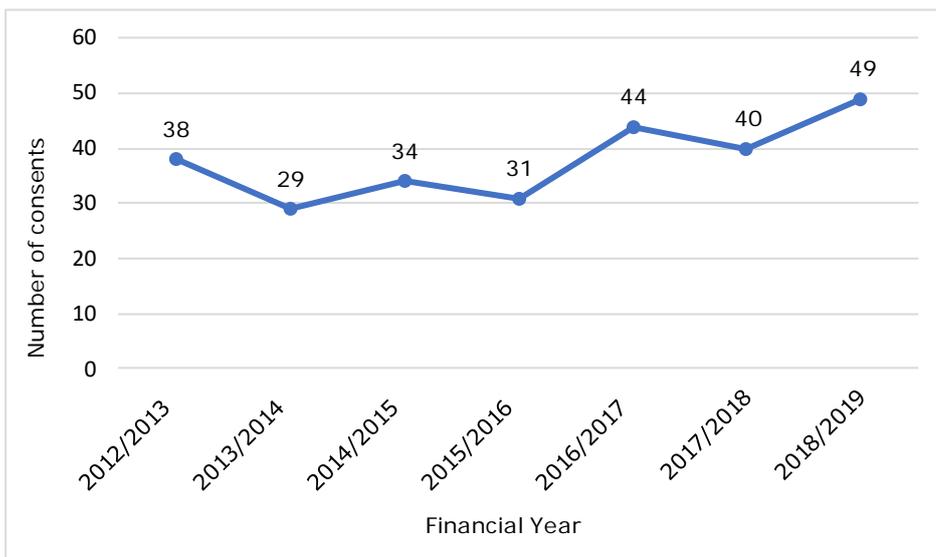
### Planning Consents

- 3.2 The 49 applications processed for the 2018/19 financial year are comprised of:

Application type	Number
Landuse Consents	16
Subdivision Consents	10
Certificates of Compliance	1
Outline Plan Waivers – section 176A of the Resource Management Act 1991	13
Outline Plan Section 176A	1
Section 127 applications (change or cancellation of consent condition)	0
Section 348 of the Local Government Act 1974 (Right of Way)	1
Deemed Permitted Boundary Activities	7
Marginal or temporary non-compliance	0

3.3 The following graph shows the trend for the number of consents processed during the previous 7 financial years.

**Graph 1: Number of resource consents processed**

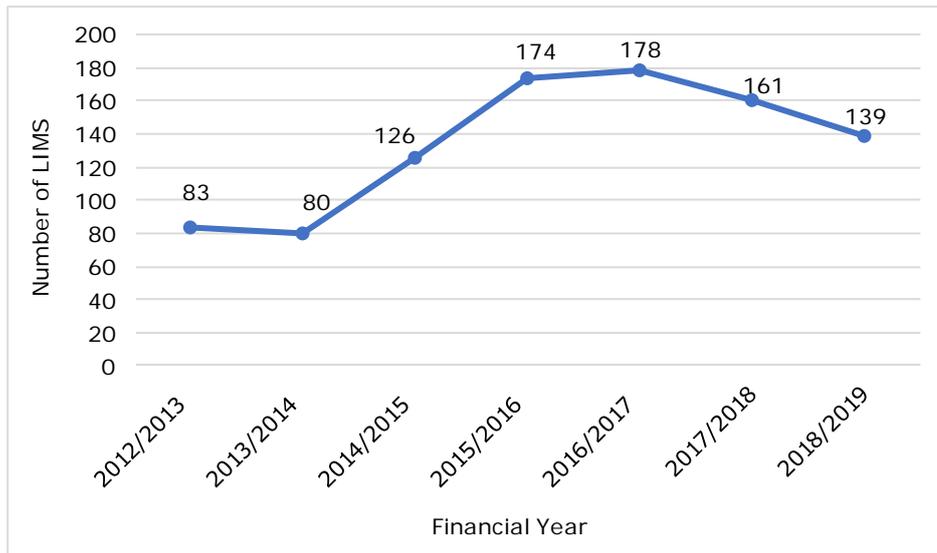


**LIMs**

3.4 During the 2018/19 financial year, WDC processed and issued 139 Land Information Memorandums (LIMs), slightly down from the previous two financial years.

3.5 The following graph shows the trend for the number of LIMs processed during the previous 7 financial years.

Graph 2: Number of LIMs processed



**Building**

- 4.1 During the 2018/19 financial year, 182 Building Consents (including amendments) were processed with a total value of \$13,827,660, including 15 new dwellings, 7 relocated dwellings and 25 commercial buildings.
- 4.2 The following graph shows the trend for the total number of building consents (all types) processed during the previous 7 financial years.

Graph 3: Number of building consents processed



- 4.3 It is noted that building consents for new dwellings continue to trend upwards compared to the 2016/17 financial year (where only 7 building consents for new dwellings were received).

<b>Monitoring and enforcement</b>
-----------------------------------

**Complaints**

5.1 The total number of complaints received for breaches of the Resource Management Act 1991 (excluding noise), resource consent conditions, District Plan rules, bylaws and general enforcement was 8 for the 2018/19 financial year.

5.2 A breakdown of the complaints received is as follows:

Type	Number 2017/18	Number 2018/19
Resource Consent Conditions	7	0
District Plan	4	3
Bylaws	11	5

**Abatement Notices**

5.3 One Abatement Notice was issued during the 2016/17 financial year for a person failing to comply with Section 16 of the Resource Management Act 1991 (RMA) – ‘duty to avoid unreasonable noise’. The Abatement Notice continues to have on-going legal effect.

5.4 No noise abatement notices were issued during the 2018/19 financial year.

**District Plan**

5.5 Three complaints were received for 2018/19 compared with four for 2017/18.

**Resource consent monitoring**

5.6 Resource consents are monitored as required.

5.7 The number of monitoring inspections undertaken are dependent on the number of consents requiring monitoring. For example, subdivisions don’t require monitoring, consent holders have up to five years to give effect to a resource consent, and the timing for compliance with individual consent conditions on each consent can vary significantly.

5.8 Twelve monitoring inspections were conducted for the 2018/19 financial year.

**Bylaw enforcement**

5.9 The Bylaw complaints received during the 2018/19 year related to abandoned vehicles, street stalls, roosters in residential areas, freedom camping, and horses/vehicles on Centennial Park.

**Noise control**

5.10 Council staff and contractors responded to 83 noise complaints during the 2018/19 financial year, compared to 112 in 2017/18.

5.11 The complaints resulted in 3 written directions to reduce noise. The remainder of noise complaints were either addressed by verbal directions, or no noise was observed on attendance.

5.12 No seizure of noise equipment was warranted in 2018/19.

## Nuisance

- 5.13 Staff continue to receive a small number of nuisance complaints for rubbish, vermin, and odour. These are investigated, and action undertaken as required.

## **Alcohol Licencing**

- 6.1 Staff undertook 18 visits of licensed premises, in conjunction with licence renewal applications in the 2018/19 financial year.
- 6.2 22 on licence, off licence and club licence applications, 57 managers' certificates (new and renewal), 36 special licences, and 8 temporary authorities were received during the 2018/19 financial year.
- 6.3 Seven District Licensing Committee (DLC) hearings were held in 2018/19. The requirement for DLC hearings has increased from previous years, but could reduce going forward as licencees, particularly clubs, become familiar with the legislative requirements they must adhere to.
- 6.4 The increase in required DLC hearings is mainly because licencees (particularly clubs), continue to either not address, or not sufficiently address the requirements under the Act. Licencees are generally issued directions by the DLC to address the information deficiencies prior to a hearing. However, despite these clear directions, often the required information is not provided in advance by the licencee; meaning the DLC has no option other than to schedule a hearing.
- 6.5 In addition the DLC has found that licencees often attend the hearings unprepared, and in some cases, without the information requested. This means the matter cannot be considered, and this forces the DLC to adjourn the hearing and reschedule it.
- 6.6 The Sale and Supply of Alcohol Act has been in force since 2012, however many licencees, particularly volunteer run sports clubs have not always sufficiently responded to the requirements of the Act, especially for staff training. WDC, along with the DHB, the NZ Police and other partners, continue to support the Club Champs scheme, which is a proactive approach aimed at reducing alcohol related harm within the Northern King Country sports clubs.
- 6.7 The last Club Champs workshop in the Waitomo District was held in February 2019. There is also a range of free information to support clubs on the Health Promotion Agency's website ([alcohol.org.nz](http://alcohol.org.nz)).
- 6.8 The Northern King Country and Waipa Interagency Group, made up of licensing inspectors from WDC, Otorohanga District Council, Waipa District Council and representatives from the agencies (police and medical officer of health) involved in alcohol licensing, meet quarterly to discuss issues arising from licensed premises, applications, enforcement strategies and to exchange information.

## **Registered Food Premises**

- 7.1 There were 3 complaints received about food premises in the 2018/19 financial year (compared to 15 in 2017/18).
- 7.2 Food complaints received were primarily from customers complaining of illness because of consuming food or concerns of how food was stored.

7.3 In respect of complaints about illness, these are generally referred to the Waikato District Health Board's Health Protection Officers for further investigation. In addition, WDC's Environmental Health Officer inspects the food premises to ensure it complies with the Food Act 2014.

## Animal Control

8.1 There were 3401 active dogs in the District as at 30 June 2018, down from 3468 as at 30 June 2017, a decrease of 67 dogs. Of the total dogs registered, 28 are classified as menacing.

8.2 During the 2018/19 financial year, 349 dog control and 98 'other animal' (i.e. stock) complaints and requests for service from the public were received. 194 complaints related to wandering dogs, with 59 related to barking dogs.

8.3 The significant dog related complaint areas are summarized below:

Type of complaint	Number 2017/18	Number 2018/19
▪ Aggressive	8	21
▪ Bins/Signs	-	-
▪ Bite/attack	37	39
▪ Barking	40	59
▪ Breach of Council Bylaw or permits	3	2
▪ Lost Dog/other	26	18
▪ Rushing in public place	14	2
▪ Unregistered	4	5
▪ Wandering	277	194
▪ Worrying animals	1	1
▪ No water, shelter, food or exercise	16	8

8.4 During the 2018/19 financial year:

- 153 dogs were impounded, of which 59 were claimed, 35 were euthanized and 57 were re-homed, two dogs remain impounded;
- 48 infringement notices were issued (compared to 51 in 2017/18);
- 39 dog attack incidents were reported.

8.5 For more detailed information on this activity, refer to the Council Business Paper - Annual Report on Animal Control functions for 2018/19 (A439694).

## Suggested Resolution

The Progress Report: Regulation and Resource Management be received.



TERRENA KELLY  
**GENERAL MANAGER STRATEGY AND ENVIRONMENT**

26 November 2019

**Document No:** A454847

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** 2019 Community Partnership Fund –  
Consideration of Funding Applications

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is for Council to consider the 2019 Community Partnership Fund Applications and to allocate funding.

## Background

- 2.1 The Community Partnership Fund (CPF) forms part of Waitomo District Council's broader Community Development Fund (CDF).
- 2.2 The CPF fund aims to "help our community help itself" through making positive contributions to the community they live in. To enable this, WDC offers access to seed funding and in kind support to groups and organisations in developing new community initiatives.
- 2.3 Of particular interest for Council is those projects and initiatives that have strong links to the Safe Communities framework (Vibrant Safe Waitomo) which could include, but are not limited, to:
- Violence Prevention
  - Education and Employment
  - Home and Safety
  - Crime Prevention
  - Drug and Alcohol Harm Reduction
- 2.4 WDC supports resource sharing by community groups and organisations and encourages, where possible, a collaborative approach to achieving positive community outcomes.

## Commentary

- 3.1 The assessment and allocation of the CPF is at the discretion of the elected members.
- 3.2 The amount available for allocation is \$51,000.00.
- 3.3 Eleven applications were received, as follows:
- 1 Te Kuiti Police
  - 2 The Hillview Trust Incorporated
  - 3 Piopio Community Gym and Recreation Centre
  - 4 Rangitoto Community Incorporated
  - 5 Te Kuiti Development Incorporated

- 6 Maniapoto Netball Association Incorporated
- 7 St Joseph's Catholic Parent Support Group
- 8 Piopio College Trust Incorporated
- 9 Piopio Bowling Club
- 10 Maniapoto Maori Trust Board
- 11 Tainui Wetere Domain Incorporated Society

3.4 To maintain the integrity of the assessment process elected members independently completed an Application Assessment for each of the applications received. The assessments were undertaken in accordance with the CDF Policy.

3.5 Attached to and forming part of this business paper is a copy of the Community Development Fund Policy.

3.6 At a Workshop held on 12 November 2019, Council reviewed and discussed the applications and independent assessments undertaken. Average scores and recommended grant values independently assigned by elected members were reviewed to reach agreed funding allocations.

### **3.7 Exceptions**

3.8 Of note, two applications to the CPF were considered ineligible for funding due to the projects not being new initiatives.

3.9 The two applicants were Te Kuiti Police and Te Kuiti Development Incorporated.

3.10 Clause 5.5 of the CDF Policy allows for Council, at its discretion, to consider funding applications who do not meet eligibility criteria.

3.11 Clause 5.5 states:

*Council at its discretion, in exceptional circumstances, and on a case by case basis, may consider funding applications out of round or from organisations who do not meet the eligibility criteria if:*

- *There is evidence of significant volunteer labour and fundraising*
- *The project is of significant District wide benefit*
- *The project or activity supports WDC's Safe Communities framework*

3.12 Council considered the applications from Te Kuiti Police and Te Kuiti Development Incorporated at the Workshop held on 12 November 2019. Due to the volunteer labour associated with both initiatives and the linkage to Vibrant Safe Waitomo, Council exercised its discretion to consider the applications for funding.

### **3.13 Unallocated Funds**

3.14 Following discussion and agreement on funding allocations it was noted the total allocation of \$51,000.00 had not been met. Council considered the options of a further funding round to be held in February/March 2020 or the carry-over of funds to the new financial year.

3.15 Due to the value of unexpended funds (\$3,757.00), Council considered it more appropriate to repurpose the unexpended funds to the 2019/2020 Discretionary Grant Fund.

<b>Considerations</b>
-----------------------

**4.1 Risk**

4.2 If Council does not consider the applications to the Community Partnership Fund, it will not be meeting its obligation under the Community Development Fund Policy.

**4.3 Consistency with Existing Plans and Policies**

4.4 The consideration of funding applications has been undertaken consistently in accordance with the Community Development Fund Policy.

**4.5 Significance and Community Views**

4.6 This decision is not a significant decision in terms of Council's Significance and Engagement Policy.

<b>Suggested Resolutions</b>
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1. The business paper on 2019 Community Partnership Fund – Consideration of Funding Applications be received.

2. Council approve/not approve the allocation of Community Partnership Fund Grants and associated conditions, where applicable, as follows:

Name of Applicant	Allocation
<p><b>1. Te Kuiti Police</b></p> <p><i>The Applicant be informed that Council's Community Partnership Fund aims to provide funding for new community initiatives. Council has used its discretion to approve a one-off grant in this instance.</i></p>	\$400.00
<p><b>2. The Hillview Trust Incorporated</b></p>	\$13,000.00
<p><b>3. Piopio Community Gym and Recreation Centre</b></p> <p><i>Condition: The Applicant be informed that funding is conditional on sufficient funds being obtained from other benefactors to cover all project costs.</i></p>	\$15,000.00
<p><b>4. Rangitoto Community Incorporated</b></p>	\$0.00
<p><b>5. Te Kuiti Development Incorporated</b></p> <p><i>The Applicant be informed that Council's Community Partnership Fund aims to provide funding for new community initiatives. Council has used its discretion to approve a one-off grant in this instance.</i></p>	\$843.00

Name of Applicant	Allocation
<p><b>6. Maniapoto Netball Association</b></p> <p><i>The Applicant be advised to apply to the Discretionary Grant Fund for this project.</i></p>	\$0.00
<p><b>7. St Joseph’s Catholic Parent Support Group</b></p>	\$5,000.00
<p><b>8. Piopio College Trust Incorporated</b></p>	\$0.00
<p><b>9. Piopio Bowling Club</b></p>	\$2,000.00
<p><b>10. Maniapoto Maori Trust Board</b></p>	\$2,000.00
<p><b>11. Tainui Wetere Domain Incorporated Society</b></p> <p><i>Condition: The Applicant be informed that funding is conditional on sufficient funds being obtained from other benefactors to cover all project costs.</i></p>	\$9,000.00

3. Council approve/not approve repurposing the unexpended Community Partnership Fund allocation of \$3,757.00 to the 2019/2020 Discretionary Grant Fund.



HELEN BEEVER  
**GENERAL MANAGER – COMMUNITY SERVICES**

November 2019

Attachment 1. Community Partnership Fund Policy



# **Community Development Fund Policy**

<b>Created</b>	August 2009
<b>Reviewed Policy Adopted</b>	29 May 2018
<b>Next Review Date</b>	August 2021
<b>Policy Effective</b>	1 July 2018

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## 1.0 Introduction

- 1.1 Community Development is about building a strong and vibrant community. Waitomo District Council does this by supporting community groups, activities and events.
- 1.2 Waitomo District Council (WDC) also seeks to facilitate and support strong and sustainable partnerships and to seek co-funding arrangements to support improved social outcomes of our community. This in turn supports WDC's Safe Communities framework.
- 1.3 Community Development grows and maintains community support services to enhance social and cultural well-being. Community activities, events and services adds to the strength and resilience of local communities. This supports Councils vision statement - 'Creating a better future with vibrant communities and thriving business'.
- 1.4 The focus of the policy is the provision of community assistance for the 'not for profit' sector in order to create a strong social base and to meet local needs.
- 1.5 This Policy will align with WDC's Long Term Plan 2018-2028.

## 2.0 Policy Objective

- 2.1 The purpose of this policy is to establish funding policies and principles, which form the basis for the provision of funding grants to assist organisations and funding partners who provide projects, activities, services and facilities that benefit communities within the Waitomo District.
- 2.2 The policy provides a guide as to how funding can be obtained from WDC and assists Elected Members and WDC staff with guidance when making decisions and recommendations about funding applications.
- 2.3 The policy ensures the distribution of funding:
  - occurs in a consistent, efficient, effective manner; and
  - is transparent, fair and accountable.

## 3.0 Community Outcomes

- 3.1 A safe community is one in which all sectors of the community work together to increase safety measures. This includes forming partnerships, managing risks, educating, promotions and information sharing.
- 3.2 The Community Development Fund (CDF) aims to ensure that projects undertaken make a positive contribution to achieving WDC's strategic community outcomes.
- 3.3 The following community outcomes contribute to the Community Development Activity:

<b><i>Vibrant Communities</i></b>	
1.	A place where the multicultural values of all its people and, in particular, Māori heritage and culture is recognised and valued.
2.	A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District.
3.	A place where young people have access to education, training and work opportunities.
4.	A place where young people feel valued and have opportunities for input into the decisions for the District.

<b><i>Thriving Business</i></b>	
6.	A place that attracts more people who want to live, work and play, and raise a family.
7.	A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged.
<b><i>Effective Leadership</i></b>	
8.	A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.

## 4.0 Grants

4.1 The following grants collectively make up the CDF:

- Discretionary Grant
- Triennial Grant
- Provision of Services Grant
- Community Partnership Fund
- Community Halls Grant

4.2 Additional funding pools administered by WDC are:

- Creative NZ – Creative Communities Scheme
- Sport NZ – Rural Travel Fund
- DC Tynan Grant

## 5.0 Eligibility for Community Development Funding

5.1 The CDF does not support funding applications submitted by individuals.

5.2 Organisations, groups and community partners eligible for grants from the CDF must demonstrate within their application how their organisation or initiative makes significant contribution to the wellbeing of the Waitomo District community as outlined in WDC's Community Outcomes. They must be able to present annually reviewed or audited financial statements and reports and be:

- A Registered Charitable Trust
- Controlled or Co-ordinated by an arm of Central or Local Government
- Controlled by an association of persons under an adopted constitution rules
- A Company registered with the New Zealand Companies Office, fully owned by one of the above and operating for charitable purposes

5.3 The following organisations and groups are subject to additional conditions:

- **Education Based Groups**

The DGF will not fund education based activities which should, in the view of a reasonable person, be the responsibility of their primary funder e.g. Ministry of Education. The fund only supports projects sponsored by education providers where there is a clear general community benefit that will be derived from such a project.

- **For-Profit Groups**

The CDF does not fund For-Profit Groups.

## 5.4 Exceptions

5.5 Council at its discretion, in exceptional circumstances, and on a case by case basis, may consider funding applications out of round or from organisations who do not meet the eligibility criteria if:

- There is evidence of significant volunteer labour and fundraising
- The project is of significant District wide benefit
- The project or activity supports WDC's Safe Communities framework

Discretionary grants may be considered on a case by case basis by the CEO and Mayor of WDC, in exceptional circumstances from organisations who do not meet the eligibility, if they meet the criteria above.

## 5.6 Level of Financial Reserves

5.7 WDC acknowledges that it is prudent for organisations to carry financial reserves for their operations. However, if an organisation is carrying reserves greater than a year of operating costs with funding not tagged for special projects, WDC may not approve a grant to the organisation or group.

## 6.0 Applications to the Community Development Fund

6.1 Groups or organisations must apply for funds for a specified purpose. The level of funding approved is, in all cases, relative to the size of the project.

6.2 Applications are checked for completeness and that all required supporting documentation is provided. Supporting documentation is required to adequately assess and evaluate the merits of the organisation or group and the proposed project or initiative.

6.3 Incomplete applications will not be considered for funding.

6.4 Late applications received after the closing date will not be considered for funding.

6.5 Out of funding round applications, those received outside of the specified timetable, will not be considered for funding unless exceptional circumstances apply (refer clause 5.3).

## 7.0 Applicant Categorisation

### 7.1 Organisational Categories

7.2 Organisations and groups applying for funding via the CDF are required to provide details about the area their organisation supports. This assists WDC in understanding the impact of its grant making and to track trends in priorities and allocations over time.

7.3 The following categories are linked to the Safe Communities framework:

- Culture, Sport and Recreation
- Education and Employment
- Home and Safety
- Public Health
- Drug and Alcohol Harm Reduction
- Transport and Roads
- Urban Safety
- Workplace Safety
- Positive Early Intervention
- Crime Prevention
- Violence Prevention
- Fire and Civil Defence
- Environment (Built and Natural)
- Not elsewhere classified

## 7.4 Community Categories

7.5 Organisations and groups applying for funding via the CDF are required to identify the area of the Waitomo District community that they feel will benefit from their project. This assists WDC in understanding the impact of its grant making and to track trends in priorities and allocations over time.

7.6 Organisations are to select from the following list of community types:

- Urban
- Rural
- All of District

## 8.0 Grant Misuse

8.1 Failure to account for the use of a past grant will be sufficient cause for any subsequent application to be declined.

8.2 Using a past grant for any purpose other than that approved by WDC will mean that any future applications could be declined.

8.3 WDC reserves the right to request the repayment of any funds allocated to a group or organisation where grant misuse is identified.

## 9.0 Conflicts of Interest

9.1 Elected members of the WDC are required to declare any direct or indirect conflict of interest in relation to any application being considered for the Triennial Grant, Provision of Services Grant or Community Partnership Grant. For example:

- A direct conflict exists when an elected member is a member of an applicant organisation.
- An indirect conflict exists when a member of an elected member's immediate family is a member of an applicant organisation.

## 10.0 Discretionary Grant

### 10.1 Scope

The focus of the Discretionary Grant Fund (DGF) is providing community assistance for the 'not for profit' sector in order to create a strong social base and meet local needs. The dollar value of each grant will be determined on a case by case basis during each funding round.

The Chief Executive Officer (CEO) of the Waitomo District Council, in consultation with the Mayor, will consider applications to the DGF. These applications must contribute to the community outcomes detailed in section 3 of the policy and meet the DGF's funding criteria.

The DGF offers grants on a "one-off" basis and their receipt does not form an ongoing relationship with WDC.

Council, as part of the Long Term Plan Process determines the total value of the DGF fund.

### 10.2 Timetable for the Annual Funding Round

The DGF is advertised and administered via four rounds per annum. The DGF is advertised in the Waitomo News, Social Media and the WDC website. Information about the fund and application process is available on WDC's website or by contacting WDC's Customer Services Team.

The general timetable for the Discretionary Grant Fund is as follows:

Advertising	Applications Open	Applications Close	Announcements and Funding Allocation
August	1 August	1 September	September/October
November	1 November	1 December	December/January
February	1 February	1 March	March/April
May	1 May	1 June	June

### 10.3 Supported Projects

Projects Supported may include:

- Administration and operational costs
- Training costs for personnel
- Initial project costs
- Public education events
- Non capital items
- Hall/facility hire
- Equipment hire

### 10.4 Ineligible Projects

The DGF will not allocate funding to:

- Items of a capital nature e.g. buildings, furniture
- Individuals
- Travel
- Completed projects
- Loan / debt repayment
- Wages or subscriptions
- Food and refreshments
- Groups and organisations are eligible to submit one funding application each year. No additional applications will be considered
- Where the applicant has received funding within the financial year via the Provision of Service Grant, Triennial Grant or Community Partnership Fund

## 10.5 Conditions of Funding

WDC expects grants to be spent in accordance with the purpose for which they are allocated, and that the intended community benefits will result.

An accountability report is required 2 months after the completion of the initiative. Organisations and groups are required to report on:

- Expenditure of the grant
- The projects impact on community well-being

## 11.0 Triennial Grant

### 11.1 Scope

The Triennial Grant Fund (TGF), previously named the Annual Grant Fund makes funding available to community groups and organisations to assist with operational costs for a period of three years with funding allocated annually.

Council, as part of the Long Term Plan Process determines the total value of the TGF fund.

To be eligible for funding via the TGF community groups must have a proven record of accomplishment in their area of service provision, have a well-established and positive relationship with Council and be able to identify how the work that they undertake assists in the achievement of WDC's community outcomes.

The dollar value of each grant will be determined on a case by case basis and will not exceed \$10,000 per annum.

### 11.2 Timetable for the Triennial Grant Funding Round

Triennial Grants (TGF) are allocated to align with WDC's Long Term Plan calendar. TGF Grant recipients are allocated funding for three years. Funding is distributed to recipients once per annum as per terms and conditions agreed by both parties. The TGF is advertised in the Waitomo News, Social Media and WDC's website.

The general timetable for the Triennial Grant Funding Round is as follows:

Advertising	Applications Open	Applications Close	Applications considered	Announcements and Funding Allocation
June	1 June	1 July	July	August

### 11.3 Conditions of Funding

WDC expects grants to be spent in accordance with the purpose for which they are allocated, and that the intended community benefits will result.

An Accountability Report is required to be submitted by TG recipients annually in July/August each year. Allocation of grant funding (years 2 and 3) will be paid following receipt of the Accountability Report. Organisations and groups are required to report on:

- Expenditure of the grant
- The projects impact on community well-being
- Submit a financial report as per their constitution. This could be audited annual accounts or copies of their cashbook for the relevant financial period, or any other method of sound financial reporting.

Additional accountability conditions may be imposed on grants, at the discretion of the Council.

## 12.0 Provision of Services Grant

### 12.1 Scope

Provision of Services (POS) grants are in place to provide funding to not for profit organisations who undertake to provide services or facilities that complement WDC's Long Term Plan objectives.

These organisations offer services or facilities that make a significant contribution to the achievement of WDC's community outcomes and improve well-being within the District.

Council, as part of the Long Term Plan process determines the total value of the POS Grant fund.

The individual value of each of these grants will be determined by Council on a case by case basis and developed with the recipient as a "Contract for Delivery of Services / Service Level Agreement".

The POS grants are generally allocated for a period of 3 years.

### 12.2 Timetable for Provision of Services Funding Round

Key identified groups will be invited to make application for grant funding in July following adoption of the Long Term Plan. Applications will be considered on a case-by-case basis by elected members at a designated Council meeting.

Funding is distributed to recipients once per annum as per terms and conditions agreed between the parties.

A general timetable for the Provision of Services Grants is as follows:

Call for Applications	Applications Close	Applications considered	Announcements and Funding Allocation
1 July	1 August	August	September

### 12.3 Assessment Criteria

The level of funding allocated is at the discretion of Council and decisions will be based on the criteria below. Applications for funding must demonstrate the following:

#### Compliance

- Organisation/Group must be a legal entity
- Comply with legislative requirements

#### Capacity

- Be able to identify how the work they undertake assists in the achievement of Waitomo District Council's community outcomes
- A well established and positive relationship with Council
- Have a proven record of accomplishment in their area of service provision
- Previous history of service delivery
- Whether there are key relationships with other organisation to improve service delivery
- Whether the organisation is effectively established

#### Viability

- The organisation has a solid foundation, any forward planning

## Impact

- The application has a demonstrable benefit to the community. There must be an evidential link between the proposed activity and Council's Community Outcomes.

## Sustainability of Funding

- Evidence of financial status
- Financial planning beyond Council funding

### 12.4 Conditions of Funding

WDC expects grants to be spent in accordance with the purpose for which they are allocated, and that the intended community benefits will result.

To ensure that funds are used appropriately successful applicants will:

- Submit an annual financial report. This could be audited annual accounts or copies of their cashbook for the relevant financial period, or any other method of sound financial reporting.
- Where grant funding exceeds \$25,000 per annum, submit six monthly progress reports to Council identifying the deliverables agreed to at the start of each year.
- Where grant funding is less than \$25,000 per annum one annual report will be provided to Council identifying the deliverables agreed to at the start of each year.
- Have recognised procedures in place to distribute any assets should the organisation have to be "wound up" for any reason.

Additional accountability conditions may be imposed on grants at the discretion of the Council.

## 13.0 Community Partnership Fund

### 13.1 Scope

WDC seeks to facilitate and support strong and sustainable partnerships and to seek co-funding arrangements to support improved social outcomes of our community. This in turn supports WDC's Safe Communities framework.

The Community Partnership Fund (CPF) fund aims to "help our community help itself" by offering access to seed funding and in kind support to groups and organisations in developing new community initiatives.

Grant applications should be made for:

- Group's applying for financial assistance for projects that align with or support Waitomo District Council's Community Outcomes.
- Group's applying for financial assistance for projects or initiatives that align with or support the Waitomo District Council Safe Communities framework.
- Evidence is provided detailing how their project can make a positive impact on community well-being.
- Organisations and groups, who invest time in helping address social issues within the Waitomo District.
- Groups who have a proven track record in their area of operation and can show community support for their project.

Of particular interest for Council is those projects and initiatives that have strong links to the Safe Communities framework which could include but are not limited to:

- Violence Prevention
- Education and Employment
- Home and Safety
- Crime Prevention
- Drug and Alcohol Harm Reduction

WDC supports resource sharing by community groups and organisations and encourages, where possible, a collaborative approach to achieving positive community outcomes.

Council, as part of the Long Term Plan process determines the total value of the Community Partnership Grant fund.

If Council does not consider applications received, within any annual funding round to be suitable, any part of the fund may be withheld at its discretion. The remaining budget may, at Council's discretion, be carried over to the next financial year.

All applications to the CPF are assessed by the elected members of the WDC.

### 13.2 Timetable for the Annual Funding Round

The CPF is distributed once per annum (with an option of a second round). The funding round timetable is advertised in the Waitomo News, Social Media and the WDC Website. Information about the fund and application process is available on WDC's website or by contacting WDC's Customer Services Team.

The general timetable for Community Partnership Annual Funding Round is as follows:

	Advertising	Applications close and are considered	Announcements and Funding Allocation
Round 1	September	October	November
Round 2	February	March	April

Groups and organisations are eligible to submit one funding application each year. If a group or organisation submits more than one application they must consolidate their applications. If this is not possible, neither application will be considered.

## 13.3 Ineligible Projects

The CPF will not allocate funding to:

- Ongoing projects – i.e. yearly maintenance or operational costs
- Any project already receiving a Provision of Services (POS) Grant from Waitomo District Council
- Individuals
- Travel or conference attendance
- Completed projects
- Uniforms
- Loan / Debt repayment

## 13.4 Assessment Criteria

The level of funding allocated is at the discretion of Council. Each allocation will take a range of factors into consideration. Council's main considerations include:

- The project being undertaken and its deliverable level of community benefit
- Alignment to the Waitomo District Council Safe Communities framework
- The group/ organisations proven history of accomplishment in projects and/or a sound evidence based project plan

## 13.5 Organisational Costs

The CPF aims to support organisations and groups that can sustain their operation independently of any contribution received from the fund. This means that funding should not be allocated for an organisation routine operating costs.

## 13.6 Capital Projects

The CPF can provide up to 50% of the capital costs of the project. This level of contribution means that there is still a significant requirement for a group or organisation to raise funding from other sources.

When a capital project is funded, the grant may be held back until it is clear to Council that it will proceed as outlined in the original application, and/ or until any other conditions set by Council have been met.

## 13.7 Conditions of Funding

WDC expects grants to be spent in accordance with the purpose for which they are allocated, and that the intended community benefits will result.

An Accountability Report is required 12 months after receiving the grant. Organisations and groups are required to report on:

- Expenditure of the grant
- The projects impact on community well-being

Additional accountability conditions may be imposed on grants, at the discretion of the Council.

## 13.8 Exceptions

Council at their discretion, in exceptional circumstances, and on a case by case basis, may consider funding a higher percentage of the total cost if:

- There is evidence of significant volunteer labour and fundraising
- The project is of significant District wide benefit

## 14.0 Community Halls Grant

### 14.1 Scope

WDC currently supports 13 community halls within the Waitomo District by way of an annual grant, with each hall receiving \$1,000.00.

Hall grants will be paid in August of each year.

Community Halls that receive funding are:

- Aria
- Awakino
- Benneydale
- Kinohaku
- Mahoenui
- Mairoa
- Marokopa
- Mokau
- Mokauiti
- Mapiu
- Te Anga
- Waitanguru
- Rangitoto

### 14.2 Conditions of Funding

An Accountability Report is required to be submitted annually by May of the following year. Hall Committees/Trusts are required to report on expenditure of the grant.

## 15.0 Special Grants

### 15.1 Creative Communities New Zealand

Creative Communities NZ provides a grant to Council to encourage promotion of the arts within the district. Organisations may apply to Council's Creative Communities Assessment committee for funds based on the criteria supplied by Creative Communities NZ. The funds objective is to support arts and cultural activities that encourage participation in a wide range of arts activities.

WDC administers two Creative Community funding rounds per year. They fall in May and November of each year. The Creative Communities Assessment Committee consists of two Councillors, one Iwi representative and three community representatives.

### 15.2 Sport NZ – Rural Travel Fund

Sport NZ Rural Travel Fund provides a grant to Council.

The funds objective is to assist youth of the district living in a rural area, with the cost of travel to local sports competitions.

The allocation of the fund is based on a population density formula for territorial authorities that have fewer than 10 people per square kilometre.

WDC administers one Sport NZ Rural Travel Fund per year. This falls in October each year. The Sport NZ Rural Travel Fund Assessment Committee consists of two Council staff, two Councillors, one Police representative and a Sports Waikato representative. Every funding round has approximately \$9,500 available for allocation.

### 15.3 DC Tynan Grant

The late Daniel Circuit Tynan left a bequest to the Borough of Te Kuiti for the purpose of supporting organisations within the Te Kuiti Urban Ward that are involved with social, cultural, educational or recreational activities. The priority of this funding is given to projects of a capital nature.

The funds of the Trust are held and administered by Forgeson Law and WDC provides the complete administrative support associated with the funding application process.

The income from the Trusts capital investment is available for distribution. Distribution occurs in July/August each financial year.

**Document No:** A453002

**Report To:** Council



**Meeting Date:** 26 November 2019

**Subject:** Progress Report – Community Development

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to brief Council on current work streams within the Community Development portfolio.

## Background

- 2.1 The Community Development portfolio provides a dedicated resource for collaborating with the community across elements of well-being. It facilitates access to many opportunities and resources available within and beyond the District in support of community outcomes – Vibrant Communities, Thriving Business and Effective Leadership.
- 2.2 Waitomo District Council is committed to the provision of the Community Development portfolio to support and encourage Council and community involvement in initiatives that improve social, cultural, economic and environmental aspects of everyday life.

## Commentary

### 3.1 Vibrant Safe Waitomo (VSW)

- 3.2 On 14 August 2019 the VSW Regional Coalition was assessed and accredited by the Safe Community Foundation New Zealand. The accreditation application displayed a commitment to community safety that enhances social, cultural, environmental and personal wellbeing.
- 3.3 Accreditation was granted and an agreement signed by members of the VSW Regional Coalition which in-turn signaled membership to the international Pan Pacific Safe Communities Network.
- 3.4 On 26 September 2019 the Coalition engaged in a Workshop to progress the priorities of VSW into a Strategic Plan which would then guide the development of an Action Plan. It was agreed by the VSW Coalition that every effort would be made to have the Action Plan agreed for the first 6 months of the 2020 year.
- 3.5 On 6 November 2019 VSW presented at the National Safe Communities Foundation New Zealand Conference. There was particular positive interest in the development of the VSW Course of Life Safety Matrix and engagement within Maori Communities. The presentation received positive reviews and enquiry.
- 3.6 Current work plans cover the development of the draft Strategic Plan and Action Plan. There is considerable effort placed on engaging with community service providers for input. The draft Plans will be presented to the Regional Coalition at a meeting to be held on 6 December 2019.

## **3.7 Youth Liaison/Waitomo District Youth Council**

- 3.8 The Waitomo District Youth Council (WDYC) hosted a Leaders event on Friday 23 August 2019 at the Les Munro Centre. The event saw invitations extended to youth that displayed leadership amongst their peers. The students were identified by the Senior Management Team from each of the secondary schools. To inspire and have young people aspire was the call of the event.
- 3.9 Forming part of the event proceedings, WDYC members interviewed invited guests. The guests spoke about being able to excel in their chosen career paths, some of the resiliency measures they had to implement over the years and why being from the Waitomo District was so important in their journey. There were three categories for the interviewees; entrepreneurship, academia and community connection. The take home message was "to let your dreams be limitless, tempered only by the need for hard work."
- 3.10 The first of a series of Triangular meetings took place in Te Aroha on Thursday 29 August 2019 with the Matamata Piako Volunteer Youth Ambassadors hosting both WDYC and the Tauranga Youth Advisory Group.
- 3.11 The WDYC presented on activities they have provided in the community and listened to ideas the other Youth Councils shared. The focus of the Triangular meetings is for the groups to better understand how young people are working within Local Government in a meaningful way and to showcase their own Districts. The WDYC was supported by the Community Development Coordinator and Councillor New.
- 3.12 Feedback from both Tauranga and Matamata Piako Council Coordinators was that the Waitomo District Youth Council presented a polished presentation. These views were shared by the two Matamata Piako elected members in attendance.
- 3.13 A second meeting will be held in Te Kuiti in 2020.

## **3.14 Novice Driving Training Programme**

- 3.15 In mid-2013 the New Zealand Transport Agency (NZTA) commenced development of a proposal to provide pilot Learner Driver programmes including one for Te Kuiti and the surrounding district.
- 3.16 A pilot programme was developed with the purpose of reducing the number of young drivers involved in road crashes, improving their safety as a priority in accordance with the Government's Safe Journeys Road Safety Strategy, and to develop a best practice model for novice driver training in rural New Zealand communities.
- 3.17 The Pilot was implemented, run by the Te Kuiti Community House Trust and Number Twelve Youth Hub, to:
- a) Address issues of disadvantage for learner drivers in the 16-24 age group seeking to get their restricted licences, including access to suitable vehicles, mentors and supervised practice; and
  - b) Improve levels of safe driving for the learner drivers.
- 3.18 Also, at the time, a number of government actions were introduced nationally to improve young driver safety, including:
- a) Raising the standard of competency required to gain a restricted licence with a harder test;
  - b) Increasing the minimum driving age to 16;
  - c) Cutting the youth alcohol limit for teen drivers to zero; and
  - d) Limiting the locations at which the practical driver tests could be completed.

- 3.19 The Pilot ran from 2013 to 2016, and as a result of its success led to the implementation of the locally delivered Novice Driver Training Programme.
- 3.20 NZTA confirmed its support of a locally led and locally delivered Programme and further confirmed agreement for both Councils to allocate their annual subsidised road safety budget to support delivery of the Programme.
- 3.21 An Agreement was entered into in July 2016 between Waitomo District Council, Otorohanga District Council and Te Kuiti Community House Trust for the provision of the services relating to the Novice Driver Training Programme. The current Agreement expires 30 June 2020.

### **3.22 Programme Delivery 1 July – 30 September 2019**

3.23 The Te Kuiti Community House, Otorohanga District Council and Waitomo District Council have met to discuss the deliverables, key performance indicators and reporting as indicated within the terms of the Agreement.

3.24 Key objectives for the 2019/2020 financial year included:

- Achieving the following pass rates with students aged 16-24 years of age with a target pass rate of 90% achieved

<b>Licence Type</b>	<b>Number of Students</b>
Learners	30 per annum
Restricted	50 per annum
Full	30 per annum

3.25 11 students have successfully obtained their Learner Licence in the period 1 July 2019 to 31 September 2019.

3.26 In the Restricted Programme, 21 students obtained their Restricted Drivers Licence.

3.27 The target pass rate for the Full Licence Programme is 30 per annum. For the period 1 July 2019 to 31 September 2019, seven students have successfully obtained their Full Driver Licence.

### **3.28 Community Development Fund**

3.29 The Community Development Coordinator continues to provide advice to potential grant applicants on the Community Development Fund grant criteria and the application process.

3.30 Round one of the Discretionary Grant Fund attracted 4 applications with round two currently being advertised and closing on the 2 December 2019.

3.31 The DC Tynan Trust Committee met on the 15 August 2019 to consider two applications with full funding allocated.

3.32 The Sport New Zealand Rural Travel Fund was advertised and closed in October 2019 drawing 6 applications from both schools and sporting groups. These applications will be considered over the coming weeks.

3.33 The Creative Communities funding round closed in November 2019 with 3 applications received. Applications will be considered over the coming weeks.

## 3.34 Community and Civic Events

- 3.35 The date for the annual Waitomo District Christmas Parade has been set for 13 December 2019. Promotion and event planning is underway.
- 3.36 The Industry Training Organisation (ITO) Graduation acknowledges those who have completed a course of study with our national Industry Training Organisations and WINTEC. The 2019 Graduation Ceremony was hosted by Otorohanga District Council on 24 October 2019 at the Homestead in Hangatiki. Waitomo District Council will host the ceremony in 2020.
- 3.37 The Great NZ Muster will be held on 4 April 2020 to collaborate with the New Zealand Shearing Championships which will run from the 2 to 4 April 2020. Event planning is underway.

## Suggested Resolution

The Progress Report: Community Development be received.



HELEN BEEVER  
**GENERAL MANAGER – COMMUNITY SERVICES**

November 2019