

## WAITOMO DISTRICT COUNCIL

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### MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 2 MAY 2017 AT 9.00AM

**PRESENT:** Mayor Brian Hanna, Deputy Mayor Guy Whitaker, Council Members Phil Brodie, Terry Davey, Allan Goddard, Janene New and Sue Smith

**IN ATTENDANCE:** David Beck (Waitomo News)

Jason Dawson, Chief Executive and Nicola Greenwell, Development Manager (Hamilton Waikato Tourism)

Chief Executive; Executive Assistant; Group Manager – Customer Services (for part only); Group Manager – Compliance (for part only) and Principal Planner (for part only) Group Manager – Assets (for part only); Group Manager – Corporate Services (for part only);

<b>1. Council Prayer</b>
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<b>2. Declarations of Member Conflicts of Interest</b>	...
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No Declarations

<b>3. Verbal Reports: Individual Councillor Roles and Responsibilities</b>
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Cr Brodie

- Shears Corporate Night
- Regional Transport Committee
- Local Branch of Federated Farmers AGM
- Interview with Waitomo News (David Beck) re: Piopio Transfer Station
- Farm Environment Awards Field Day, Cambridge
- ANZAC Service @ Piopio
- Resilience Workshop - Testing thesis by AgResearch that not all rural areas are in decline and becoming 'Zombie Towns'
- John Finlayson's Funeral

Cr New

- Historic Society
- Hillview
  - Want WDC to show an interest when looking at re-doing constitution
    - Combine 2 into 1 (Hillview and Friends of Hillview)

Jason Dawson, Chief Executive and Nicola Greenwell, Development Manager (Hamilton Waikato Tourism) entered the meeting at 9.10am

**4. Deputation: Hamilton & Waikato Tourism Ltd****A347523**

Council received a Deputation from Hamilton & Waikato Tourism presenting the Six Monthly Report for the period July to December 2016.

Chief Executive entered the meeting at 9.20am.

**Resolution**

The Deputation from Hamilton & Waikato Tourism Limited be received.

Whitaker/Davey Carried

Jason Dawson, Chief Executive and Nicola Greenwell, Development Manager (Hamilton Waikato Tourism) entered the meeting at 9.47am.

<b>5. Verbal Reports: Individual Councillor Roles and Responsibilities</b> (continued)
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Cr Goddard

- Destination Pureora
  - Signage for Timber Trail
  - What is Daniel doing to promote Timber Trail?
- Benneydale Hall Society
  - Still seeking feedback from meeting with Mayor
  - Hall Insurance (under Council Policy) excess is \$10,000 – needs to be adjusted – WDC staff investigating

Cr Davey

- ANZAC Service
- Waipa JMA Meeting in Hamilton
  - Kura wants to see students placed into WDC for holiday work experience
  - Restoration Strategy – erosion and sedimentation before habitat
  - MMTB update re Healthy Rivers
  - ODC re water services
- Stadium Meeting
  - Comprehensive plan for obtaining quotes
  - Significant Lotteries fund
  - Approx 40% committed now
  - Trustees (if high profile person helps with Lotteries)
  - Approve WDC re RC and planning
  - Appointment of Trustees to can get Trust up and running

Cr Smith

- Waitomo Museum
  - Interviews underway
  - Could take 2 years to complete
- West Coast Zone Catchment Committee
  - Targeted rate coming to Zone resulting in a 56% rate increase due to the West Coast Hill Country Erosion Fund
  - Presentation – increase in work in Waitomo District
    - Targeted rate increase 56%
    - Farmers receive 70% subsidy in scheme (includes Plan)

Cr Whitaker

- Brook Park
- Brook Park Working Bee
- Legendary Te Kuiti Meeting
- Chinese Delegation (Xuhui, Shanghai)
- ANZAC Services (Te Kuiti and Piopio)
- Te Kuiti Development Inc
  - Christmas Planning (Carols in the Park)
  - Christmas Parade (change to a Saturday)

Mayor Hanna

- Shearing Champs
- Governor-General visit
- Nayla Hassan
  - Key Driver = Police Recruitment
- Timber Trail Opening
- Waikato Mayoral Forum
- The Lines Company
- Shareholder Meeting
- Hillview
- Te Kuiti Community House
- KC Boxing

**Resolution**

The verbal reports be received.

Brodie/New                      Carried

The meeting adjourned for morning tea at 10.30am and reconvened at 10.40am.

**6. Confirmation of Minutes – 28 March 2017** ...

**Resolution**

The Minutes of the Waitomo District Council meeting of 28 March 2017, including the Public Excluded minutes, be confirmed as a true and correct record.

Goddard/New                      Carried

**7. Brook Park Incorporated Society: Minutes** **A344351**

Council considered a business paper providing information relating to the Brook Park Incorporated Society Meetings of 3 April 2017.

Councillor Whitaker expanded verbally on the Minutes and answered Members' questions.

**Resolution**

The business paper on Brook Park Incorporated Society: Minutes – 3 April 2017 be received.

Whitaker/New                      Carried

<b>8.</b>	<b>Local Government New Zealand – President and Vice President Nominations</b>	<b>A348030</b>
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Council considered a business paper advising of the process for the election of the LGNZ President and Vice President.

The Mayor expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on Local Government New Zealand President and Vice President Nominations be received.

Brodie/Goddard      Carried

<b>9.</b>	<b>Local Government New Zealand – 2017 Annual General Meeting Remit Process</b>	<b>A347734</b>
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Council considered a business paper advising of the process for submitting remits for consideration at the 2017 Local Government New Zealand (LGNZ) Annual General Meeting (AGM).

**Resolution**

- 1      The business paper on Local Government New Zealand – 2017 Annual General Meeting Remit Process be received.
- 2      Council continue to lobby key issues through Zone and Sector Group Meetings rather than initiate individual remits to LGNZ AGMs.

Whitaker/Smith      Carried

<b>10.</b>	<b>North King Country Indoor Sport &amp; Recreation Centre – Appointment of Trustee</b>	<b>A348015</b>
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Council considered a business paper providing a brief on:

- 1      Progress with the North King Country Indoor Sport & Recreation Centre;
- 2      Establishment of the North King Country Indoor Sport & Recreation Centre Trust; and
- 3      The need for Council to appoint an elected member as a Trustee.

Councillor New expanded verbally on the business paper and answered Members' questions.

The Group Manager – Corporate Services and Communications Officer entered the meeting at 10.54am.

**Resolution**

- 1      The business paper North King Country Indoor Sport & Recreation Centre – Appointment of Trustee be received.

- 2 Council appoint Mayor Brian Hanna as the Waitomo District Council's representative on the King Country Indoor Sport & Recreation Centre Trust.
- 3 Mayor Hanna inform the North King Country Indoor Sport & Recreation Centre Project Steering Group of Council's Trustee appointment.

Whitaker/Davey      Carried

<b>11.</b>	<b>Progress Report: Road Map Work Programme</b>	<b>A344799</b>
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Council considered a business paper presenting the monthly update on progress against the Road Map Work Programme adopted by Council on 5 April 2016.

**Resolution**

The Progress Report: Road Map Work Programme as at 2 May 2017 be received.

New/Brodie      Carried

The Corporate Planner, the Group Manager – Asset and Group Manager – Community Services entered the meeting at 10.56am.

<b>12.</b>	<b>Adoption of Exceptions Annual Plan 2017/2018</b>	<b>A347162</b>
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Council considered a business paper presenting the final 2017-18 Exceptions Annual Plan (EAP) for Council consideration and adoption as per Section 95 of the Local Government Act 2002, and requiring Council to set rates for the 2017/18 financial year pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002 (LGRA 2002).

The Group Manager – Corporate Services expanded verbally on the business paper and answered Members' questions.

**Resolution**

- 1 The business paper on Adoption of 2017-18 Exceptions Annual Plan be received.
- 2 Council adopt the 2017-18 Exceptions Annual Plan.
- 3 Pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002, Council set the rates, charges and instalment due dates for the 2017/18 financial year commencing 1 July 2017 and ending on 30 June 2018 as follows:

**1. GENERAL RATE**

A General Rate set under section 13 of the Local Government (Rating) Act 2002 (LGRA) made on every rating unit across the District, assessed as a rate per \$100 of capital value. The General Rate is not set differentially. The General Rate will contribute to the funding of:

Governance: Leadership and Investments  
Leased Reserves  
Other Land and Buildings

District Libraries  
Aquatic Centre  
Arts, Culture and Heritage

Aerodrome  
Public Amenities  
Parks & Reserves  
Elderly Persons Housing  
Community Halls  
Cemeteries  
Community Support

District Development  
Emergency Management  
Rural Fire  
Regulation  
Waste Minimisation  
Resource Management

**Requirement in 2017/18 (incl. GST)**

General Rate	Rate per \$100 capital value	Total Revenue Requirement (\$000)
All rating units in the District	0.14349	4,193

**2. UNIFORM ANNUAL GENERAL CHARGE**

A Uniform Annual General Charge (UAGC) per separately used or inhabited part of a rating unit across the District, set under Section 15(1)(b) of the LGRA. The UAGC will contribute to the funding of:

Governance: Leadership and Investments  
Parks and Reserves  
District Libraries  
Aquatic Centre  
Arts, Culture and Heritage  
Other Land and Buildings  
Public Amenities  
Leased Reserves  
Elderly Persons Housing

Community Halls  
Cemeteries  
Aerodrome  
Community Support  
Emergency Management  
Regulation  
Resource Management  
Waste Minimisation  
Subsidised Rooding

**Requirement in 2017/18 (incl. GST)**

Uniform Annual General Charge	Charge per SUIP	Total Revenue Requirement (\$000)
All rating units in the district	\$674	3,758

**Definition of SUIP**

A SUIP is defined as including any part of a rating unit used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of tenancy, lease or other agreement. At a minimum, the land or premises forming the SUIP must be capable of actual habitation, or actual separate use. For the avoidance of doubt, a rating unit that has only one use (i.e. does not have separate parts or is vacant land) is treated as being one SUIP.

**3 TARGETED RATES**

Description and Use

Targeted Rates are set on categories of land defined by some factor, such as geographic location or provision of service. The titles of 'Targeted Rate' (TR) and 'Targeted Fixed Rate' (TFR) are used by this Council. Targeted Fixed Rates are based on a uniform amount set per separately used or inhabited part of a rating unit (SUIP) or set per rating unit. Targeted Rates are assessed based on capital value or water consumption.

**Targeted Rates Differentiated on Location**

Council will use location (Schedule 2(6) LGRA) to define the land liable for the Targeted Services TFR, Piopio Sewerage TFR - Piopio Wider Benefit Rating Area, Piopio Retirement Village Contribution TFR, Rural Stormwater TFR, Te Kuiti Urban Stormwater TFR and targeted rate, and the Marokopa Community Centre TFR.

The following location definitions for the respective rating areas will apply:

Te Kuiti Urban Rating Area	<i>All rating units situated within the Te Kuiti Urban Ward as defined by the Basis of Election for the 2010 Triennial Elections. (Refer to Revenue and Financing Policy for further details)</i>
Te Kuiti Urban and Periphery Rating Area	<i>All rating units situated within a 5km radius, all around, from the Information Centre (deemed to be the centre of town), in Te Kuiti. (Refer to Revenue and Financing Policy for further details)</i>
Rural Rating Area	<i>All rating units situated within the Rural Ward as defined by the Basis of Election for the 2010 Triennial Elections. (Refer to Revenue and Financing Policy for further details)</i>
Piopio Township	<i>All rating units connected to the Piopio Sewerage System</i>

<p>Piopio Wider Benefit Rating Area</p>	<p><i>All rating units situated in the rural areas around Piopio Township (excluding Rating units/SUIP's connected to the Piopio Sewerage System) that are deemed to indirectly benefit from the Piopio Sewerage reticulation network. (Refer to Revenue and Financing Policy for further details)</i></p>
<p>Marokopa Community Centre Rating Area</p>	<p><i>Any separately used or inhabited part of a rating unit within the defined Marokopa Community Centre area (as contained in the Revenue &amp; Financing Policy)</i></p>

### 3.1 Targeted Services TFR

A Targeted Services TFR set under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the District, differentiated by rating areas, to part fund the Unsubsidised Roothing Activity and part fund the Aquatic Centre Activity. The rating areas for the purpose of assessing the Targeted Services TFR will be the Te Kuiti Urban and Periphery Rating Area and Rating Units in the District not in the Te Kuiti Urban and Periphery Rating area.

Requirement in 2017/18 (incl. GST)

Targeted Services (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
Te Kuiti Urban and Periphery Rating Area	\$208	488
Rating Units in the District not in the Te Kuiti Urban and Periphery Rating Area	\$38	124

### 3.2 Piopio Sewerage TFR - Piopio Wider Benefit Rating Area

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit situated within the Piopio Wider Benefit Rating Area to assist the funding of the sewerage reticulation networks in Piopio.

Requirement in 2017/18 (incl. GST)

Piopio Sewerage (TFR)	Charge Per Rating Unit	Total Revenue Requirement (\$000)
Piopio Wider Benefit Rating Area	\$78	44

### 3.3 Piopio Retirement Village Contribution TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit situated within the Piopio Township and the Piopio Wider Benefit Rating Area to fund the support of the continued delivery of elderly housing accommodation services provided by the Piopio Retirement Trust Inc. through the remission of service charges.

Requirement in 2017/18 (incl. GST)

Piopio Retirement Village Contribution (TFR)	Charge Per Rating Unit	Total Revenue Requirement (\$000)
Piopio Wider Benefit Rating Area and Piopio Township	\$23	17

### 3.4 Rural Stormwater TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the Rural Rating Area of the District to fund the Rural Stormwater Activity.

Requirement in 2017/18 (incl. GST)

Rural Stormwater (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
Rural Rating Area	\$14	49

### 3.5 Te Kuiti Urban Stormwater TFR and Targeted Rate.

- (i) Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the Te Kuiti Urban Rating Area to partly fund the Urban Stormwater Activity.

- (ii) Council set a Targeted Rate under section 16 of the Local Government (Rating) Act 2002 to partly fund the Urban Stormwater Activity, to be assessed as a rate per \$100 of Capital value on every rating unit in the Te Kuiti Urban Rating Area excluding those in respect of which there is a current resource consent to discharge stormwater into the Mangaokewa Stream, and so are not using any part of the urban reticulated stormwater or drainage network.

**Requirement in 2017/18 (incl. GST)**

Urban Stormwater (TFR)	Charge per rating unit	Total Revenue Requirement (\$000)
Te Kuiti Urban Rating Area	\$156	279

Urban Stormwater Targeted Rate (TR)	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
Te Kuiti Urban Rating Area (excluding rating units not using network)	0.04721	142

### 3.6 Marokopa Community Centre TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 assessed per separately used or inhabited part of a rating unit within the defined Marokopa Community Centre Rating Area.

**Requirement in 2017/18 (incl. GST)**

Marokopa Community Centre (TFR)	Charge Per SUIP	Total Revenue Requirement (\$000)
Marokopa Community Centre Rating Area	\$22	5

### 3.7 Water Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 for Water Supply differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within the relevant community, with liability calculated based on whether the SUIP is connected, or merely serviceable (Serviceable means the rating unit is within 100m of water main and practicably serviceable in the opinion of Council).

**Requirement in 2017/18 (incl. GST)**

Water Supply (TFR)	Charge		Total Revenue Requirement (\$000)
	Per connected SUIP	Per serviceable SUIP	
Te Kuiti	\$567	\$284	1,185
Piopio	\$1,414	\$707	353
Benneydale	\$1,454	\$727	172
Mokau	\$1,454	\$727	318

### 3.8 Extraordinary Water Supply Rate

Council set a TR under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed over and above an annual consumption of 292m<sup>3</sup> per SUIP, differentiated by supply area, for any rating unit situated in Te Kuiti, Piopio, Benneydale or Mokau that has been fitted with a water meter and/or is defined as having an extraordinary supply (in accordance with Council's Water Service's Bylaw). The rates are:

**Requirement in 2017/18 (incl. GST)**

Water Supply Rate (TR)	2017/18 Charge per cubic metre (including GST) above 292m <sup>3</sup>
Te Kuiti	\$2.15
Piopio	\$5.00
Benneydale	\$8.30

Water Supply Rate (TR)	2017/18 Charge per cubic metre (including GST) above 292m <sup>3</sup>
Mokau	\$11.55

### 3.9 Subsidy Rate for Benneydale Water Supply

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Benneydale Water Supply activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

Requirement in 2017/18 (incl. GST)

Subsidy for Benneydale Water Supply (TFR)	Charge per rating unit	Total Revenue Requirement (\$000)
All Rating Units in the District	\$7	34

### 3.10 Subsidy Rate for Mokau Water Supply

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Mokau Water Supply activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

Requirement in 2017/18 (incl. GST)

Subsidy for Mokau Water Supply (TFR)	Charge per rating unit	Total Revenue Requirement (\$000)
All Rating Units in the District	\$11	52

### 3.11 Sewerage Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 to provide for the collection and disposal of sewage, differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within the community, with liability calculated based on whether the SUIP is connected to the sewerage network, or merely serviceable (Serviceable means the rating unit is within 30m of sewer reticulation and practicably serviceable in the opinion of Council).

Requirement in 2017/18 (incl. GST)

Sewerage (TFR)	Charge		Total Revenue Requirement (\$000)
	Per connected SUIP	Per serviceable SUIP	
Benneydale	\$1,100	\$550	120
Te Waitere	\$1,100	\$550	18
Te Kuiti	\$1029	\$514	1,745
Piopio	\$1,100	\$550	241

### 3.12 Sewerage rates for non-residential properties in Te Kuiti

For all non-residential properties in Te Kuiti, Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per SUIP set on a differential basis based on the following Categories

- **Category 1** - All Businesses
- **Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.
- **Category 3** - Government Department use, Rest Homes and Hospitals.

All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold on the following basis:

**Base Charge:**

Requirement in 2017/18 (incl. GST)

Non- Residential Targeted Rate (TFR)	Base Charge per SUIP (up to 4 pans)	Total Revenue Requirement (\$000)
Category 1	\$514	102
Category 2	\$514	23
Category 3	\$1,029	19

**Pan Charge:**

Requirement in 2017/18 (incl. GST)

Non- Residential Targeted Rate (TFR)	Number of pans	Charge per pan (Pan Charge)	Total Revenue Requirement (\$000)
Category 1	5th pan and over	\$720	75
Category 2	5-10 Pans	\$309	3
	Over 10 Pans	\$206	25
Category 3	5th pan and over	\$720	42

**3.13 Trade Waste Contribution - TFR**

Council set a Trade Waste Contribution TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the District in recognition of the contribution made to the social and economic well-being of the District by the large industrial users of the Te Kuiti Wastewater Network.

Requirement in 2017/18 (incl. GST)

Trade Waste Contribution (TFR)	Charge Per rating unit	Total Revenue Requirement (\$000)
All Rating Units in the District	\$41	191

**3.14 Subsidy Rate for Te Waitere Sewerage**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Te Waitere Sewerage activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

Requirement in 2017/18 (incl. GST)

Subsidy for Te Waitere Sewerage (TFR)	Charge Per Rating Unit	Total Revenue Requirement (\$000)
All rating units in the District	\$9	41

**3.15 Subsidy Rate for Benneydale Sewerage**

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the Benneydale Sewerage activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

Requirement in 2017/18 (incl. GST)

Subsidy for Benneydale Sewerage (TFR)	Charge Per Rating Unit	Total Revenue Requirement (\$000)
All rating units in the District	\$19	89

**3.16 Roads and Footpaths Rate**

Council set a Roads and Footpaths targeted rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value on every rating unit across the District to part fund Subsidised Rooding (part of Roads and Footpaths Activity).

Requirement in 2017/18 (incl. GST)

District Roads and Footpaths Rate (TR)	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
All rating units in the District	0.22299	6,515

### 3.17 Solid Waste Collection Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit to which Council provides a kerbside collection and recycling service differentiated by service areas where Council operates kerbside collection and kerbside recycling services (Te Kuiti, Piopio, Mokau and (part of) Waitomo townships).

Requirement in 2017/18 (incl. GST)

Solid Waste Collection (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
Te Kuiti	\$57	114
Waitomo	\$79	44
Piopio	\$140	32
Mokau	\$163	46

### 3.18 Solid Waste Management Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit District wide to part fund the activity of Solid Waste Management.

Requirement in 2017/18 (incl. GST)

Solid Waste Management (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
All rating units in the District	\$110	611

### 3.19 District Development Rate

Council set a District Development Targeted Rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value differentiated between Commercial and Industrial Businesses, and Rural Businesses, to part fund Economic Development, Visitor Information Centre, District and Regional Promotion and Event Co-ordination activities.

Requirement in 2017/18 (incl. GST)

District Development Rate (TR)	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
Commercial and Industrial Businesses	0.05732	190
Rural Businesses	0.00972	190

## 4 RATES PAYMENTS

Rates will be payable in four equal instalments with the due dates for payments being:

1st Instalment	31 August 2017 (Thursday)
2nd Instalment	30 November 2017 (Thursday)
3rd Instalment	28 February 2018 (Wednesday)
4th instalment	31 May 2018 (Thursday)

#### Note

The due date for payment of each instalment is the last working day in each of the months specified above. Rates payments will be allocated to the oldest debt first.

## 5. RATES REMISSIONS AND POSTPONEMENTS

Council has developed a rates remissions policy as per LGA (section 102 (3)(a), 108 and 109) and LGRA (Section 85). Remissions categories include Properties Used Jointly as a Single Unit, Community Organisations, Financial Hardship, Organisations Providing Care for the Elderly, Clubs and Societies, New Subdivisions, Council Properties, Maori Freehold Land. The value of these remissions is \$290,000 for the 2017/18 year.

Under the Policy on Remission of Rates, Council will not offer any permanent postponements of rates.

Pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, Council may apply penalties as follows:

- (a) A penalty charge of 10 percent (10%) on any part of an instalment that has been assessed for the financial year commencing 1 July 2017 and which remains unpaid after 5pm on the due date for payment of that instalment, to be added on the penalty dates below:

Instalment 1	4 September 2017
Instalment 2	4 December 2017
Instalment 3	2 March 2018
Instalment 4	5 June 2018

- (b) A further penalty charge of 10 percent (10%) on any part of any rates assessed before 1 July 2017 that remains unpaid on 1 July 2017, to be added on 6 July 2017.

Davey/Whitaker Carried

<b>13. Setting 2017/18 Fees and Charges and adoption of Statement of Proposal for Consultation</b>	<b>A347210</b>
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Council considered a business paper requiring Council to resolve to set fees and charges for the 2017/18 year, and to review and adopt the Statement of Proposal for consultation containing fees and charges which require consultation before adoption.

The Group Manager – Corporate Services expanded verbally on the business paper and answered Members' questions.

#### **Resolution**

- 1 The business paper on 'Setting 2017/18 fees and charges and adoption of Statement of Proposal for consultation' be received.
- 2 Council adopt all fees and charges referred to in the Proposed 2017/18 Schedule of Fees and Charges (Document No. A347212) to become effective on 1 July 2017.
- 3 Council adopt the Statement of Proposal for Food Act and Resource Management Act Fees and Charges 2017/18 (Document No. A347473) for public consultation between 4 May 2017 and 2 June 2017.

Goddard/Brodie Carried

<b>14. Quarterly Financial and Non-Financial Report for the Period ended 31 March 2017</b>	<b>A347314</b>
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Council considered a business paper presenting the Quarterly Financial and Non-Financial results for the period ended 31 March 2017.

The Group Manager – Corporate Services expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on Financial and Non-Financial Report for the period ended 31 March 2017 be received.

Goddard/Whitaker Carried

The Communications Officer and Corporate Planner left the meeting at 11.27am.

<b>15. Civic Financial Services Statement of Intent 2017 and Annual Report 2016</b>	<b>A347454</b>
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Council considered a business paper presenting the Statement of Intent 2017 for Civic Financial Services and its Annual Report for the year ending 31 December 2016.

The Group Manager – Corporate Services expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on Civic Financial Services Statement of Intent 2017 and Annual Report 2016 be received.

Brodie/Davey Carried

<b>16. 2017 Great NZ Muster</b>	<b>A346956</b>
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Council considered a business paper informing of the outcomes of the 2017 Great NZ Muster.

The Group Manager – Community Services expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on the 2017 Great NZ Muster be received.

New/Brodie Carried

<b>17. Progress Report: Civil Defence Emergency Management Joint Committee Minutes</b>	<b>A347854</b>
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Council considered a business paper providing information relating to the Civil Defence Emergency Management (CDEM) Joint Committee meeting of 6 March 2017.

The Mayor expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Civil Defence Emergency Management Joint Committee Minutes be received.

Goddard/Davey Carried

<b>18.</b>	<b>Progress Report: Capital Works Projects</b>	<b>A347680</b>
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Council considered a business paper informing of progress on major new and renewal projects as identified in Council's Activity Management Plans, or which have arisen during the course of normal maintenance and operation of the Roothing infrastructure, the three Waters and some projects in the Community Services area.

The Mayor acknowledged the actions of the staff in dealing with the two recent significant weather events (Cyclone Debbie and Cyclone Cook).

The Chief Executive also noted the exceptional performance of the Te Kuiti Water Treatment Plant in continuing to provide a compliant potable water supply throughout both weather events, taking into consideration the extreme flood conditions of the raw water supply.

The Group Manager – Community Services and Group Manager – Assets expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Major Capital Works be received.

Brodie/Whitaker Carried

<b>19.</b>	<b>Progress Report: Monthly Operation and Maintenance Report for Water, Sewerage and Stormwater</b>	<b>A345265</b>
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Council considered a progress report on the three Waters activities, including contracted services.

The Group Manager – Assets expanded verbally on the business paper and answered Members' questions.

**Resolution**

The Progress Report: Monthly Report for Water, Sewerage and Stormwater be received.

Goddard/Whitaker Carried

<b>20.</b>	<b>Progress Report: WDC Resource Consent – Compliance Monitoring</b>	<b>A347932</b>
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Council considered a progress report on compliance reporting against Resource Consent conditions.

The Group Manager – Assets expanded verbally on the business paper and answered Members' questions.

### Resolution

The Progress Report: Resource Consent – Compliance Monitoring be received.

Brodie/New Carried

<b>21. Progress Report: Solid Waste Activity</b>	<b>A347681</b>
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Council considered a progress report on Solid Waste operations, maintenance and capital development activities and also on the recent procurement of Kerbside Collection, Transfer Station Refuse and Recycling Collection Services and Landfill Operations.

The Chief Executive and Group Manager – Assets expanded verbally on the business paper and answered Members' questions.

### Resolution

The Progress Report: Solid Waste Activity be received.

New/Smith Carried

The meeting adjourned for lunch at 12.15pm.

The Group Manager – Community Services and Group Manager – Corporate Services left the meeting at 12.15pm.

The meeting reconvened at 12.45pm.

<b>22. Progress Report: Monitoring Against 2015-2025 Long Term Plan – Land Transport</b>	<b>A344774</b>
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Council considered a progress report –

- To brief Council on the implementation of the Work Plan for the Land Transport activity as contained in the current year of the 2015-2025 Long Term Plan (LTP)
- To establish a framework for monitoring the on-going implementation of the 2015-25 LTP as part of the Road Map Work Programme.

The Group Manager – Assets expanded verbally on the business paper and answered Members' questions.

### Resolution

The Progress Report: Monitoring Against 2015-2025 Long Term Plan – Land Transport be received.

Whitaker/Smith Carried

<b>23.</b>	<b>WDC Parking Considerations</b>	<b>A347679</b>
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Council considered a business paper presenting for consideration a detailed assessment of both the existing arrangements for car parking capacity and associated time limits within the District carried out by Zion Consulting Engineers Ltd.

The Group Manager – Assets and Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

- 1 The business paper on WDC Parking Considerations be received.
- 2 The Zion Consulting Engineers Ltd Parking Review be received.
- 3 Council retain the status quo with regard to District wide Parking arrangements.
- 4 The safety considerations involved in the existing angle parking arrangements in Sheridan Street be reviewed and reported back to the Council.

Goddard/Davey Carried

<b>24.</b>	<b>Land Transport – Flood Damage Report – April 2017 (Interim)</b>	<b>A348072</b>
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Council considered a tabled business paper presenting an interim report on flood damage to WDC's Roding Network.

The Group Manager – Assets and Chief Executive expanded verbally on the business paper and answered Members' questions.

**Resolution**

The business paper on Land Transport – Flood Damage Report – April 2017 (Interim) be received.

Brodie/Goddard Carried

<b>25.</b>	<b>Motion to Exclude the Public for the consideration of:</b>
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Council considered a business paper pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987 giving Council the right by resolution to exclude the public from the whole or any part of a meeting on one or more of the grounds contained within that Section.

Council noted the inclusion of the tabled business paper on Contract 500/16/028 – Road Maintenance and Reseals Contract 2017-2020 Procurement

**Resolution**

- 1 The public be excluded from the following part of the proceedings of this meeting.

- 2 Council agree the following staff, having relevant knowledge, remain in attendance to assist Council with its decision making:

Chief Executive  
Executive Assistant

- 3 The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for this resolution
1. Progress Report: Health and Safety	7(2)(a) Protect the privacy of natural persons, including that of deceased natural persons;	48(1)(a)
2. TerraNature Trust – Request for Re-designation of Reserve and Proposal to Lease Land	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a)
3. Progress Report: Waitomo Waters	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a)

This resolution is made in reliance on Section 48(1)(a) 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 Section 6, Section 7 or Section 9 of the Official Information Act 1982 as the case may require are listed above.

Smith/Whitaker Carried

David Beck (Waitomo News) and the Group Manager – Assets left the meeting at 1.08pm

There being no further business the meeting closed at 1.36pm

Dated this      day of                      2017.

BRIAN HANNA  
**MAYOR**

Confidential Confidential

Confidential Confidential

Confidential

**Document No: A350800**

**Report To: Council**



**Meeting Date: 7 June 2017**

**Subject: Proposed Waitomo District Plan – Planning Process**

## **Purpose of Report**

- 1.1 The purpose of this business paper is to brief Council on the new planning processes offered by the Resource Legislation Amendments 2017, in respect of the options available for the development of the Proposed Waitomo District Plan.

## **Local Government Act S.11A Considerations**

- 2.1 There are Section 11A considerations relating to this business paper. Council must have particular regard to the contribution that its core services make to the Waitomo Community. The review of the District Plan will consider and develop a rule and policy framework that will potentially influence the long term location, development and delivery of core services to the community. These matters will be workshopped with the Council during the drafting of the District Plan provisions.

## **Risk Considerations**

- 3.1 The risks assessed in regard to this business paper are low. The paper is for information only.

## **Background**

- 4.1 Under the Resource Management Act 1991, only one option is currently available to Councils contemplating a review of their District Plan or a Council Plan Change. This process follows the procedures outlined in Schedule One of the Act (the "standard process").
- 4.2 In October this year, two more plan making options become available to Councils as a result of the Resource Legislation Amendments 2017. This paper outlines the three options which will be available to Council and recommends a process for the full review of the Waitomo District Plan.

## **Commentary**

### **5.1 The Standard Planning Process**

- 5.2 This process is outlined in Schedule One of the Act. Essentially, the schedule prescribes how plans must be prepared, how consultation occurs, the process for notification, submissions, the hearings procedure, decisions and appeals. Under this schedule, the Council is open to a full range of appeals to the Environment Court on Plan provisions. The standard process has been amended by the Resource Legislation Amendments 2017 to include Mana Whakahono a Rohe provisions (iwi participation arrangements) and additional pre-notification requirements concerning iwi authorities.

### 5.3 The Streamlined Planning Process (SPP)

- 5.4 If a Council wishes to use a streamlined planning process, it must make a request to the Minister for the Environment and meet entry criteria. The Ministry for the Environment has signaled that the SPP should be used where there is a matter of urgency, to implement national direction, or to deal with an unintended consequence of rules or policies. Once a Council applies for this process, the Minister issues a direction on how the SPP will work. The Council then undertakes the directed process, and submits the decision to the Minister for approval. There is no right of appeal – except on matters of heritage protection and for requiring authorities. Judicial review of the Minister’s decision through the High Court is possible.

### 5.5 The Collaborative Planning Process (CPP)

- 5.6 A collaborative group is appointed representing the range of interest groups associated with the topic. The group must provide a consensus report within the terms of reference prescribed to it. Without consensus, this process can fall over so there can be significant risks. The Council must then draft provisions that give effect to the consensus recommendations. An independent review panel is in charge of the hearings process. The Council can then accept or reject recommendations of the independent panel based on prescribed parameters. Scope for appeals is limited.
- 5.7 Councils must consider a range of matters in deciding whether to use a CPP. If a council decides to use a CPP, they must give public notice of that decision and from that point on, may not withdraw from the process, unless prescribed circumstances exist. There are potentially very high costs upfront. The Ministry for the Environment have signaled that this process is best used for single issues or single physical locations where there is already general agreement on matters and a clearly delineated set of interested parties.

### 5.8 Where to From Here

- 5.9 On consideration of the options, the standard planning process is recommended as the best option for a full plan review. This method offers more certainty as to costs, and is a known, transparent and participatory process. A full district plan review is unlikely to meet the criteria for a streamlined process. As such the SPP can be discounted as an option. In respect of the CPP, it is unlikely that a collaborative group could be formed that is wide enough to appropriately and fully represent the community, industry, iwi, farming, business and interest groups on all of the matters encompassed by a full district plan review.
- 5.10 It is suggested that this matter is discussed with the Maniapoto Maori Trust Board and on agreement, that the planning process is confirmed by Council resolution.

### Suggested Resolution

The business paper on Proposed Waitomo District Plan – Planning Process be received.



CATHY O'CALLAGHAN  
**PRINCIPAL PLANNER – DISTRICT PLANNING**

**Document No: A350545**

**Report To: Council**



**Meeting Date: 7 June 2017**

**Subject: Brook Park Incorporated Society:  
Minutes - 1 May 2017**

**Type: Information Only**

### **Purpose of Report**

- 1.1 The purpose of this business paper is to provide Council with information relating to the 1 May 2017 Brook Park Incorporated Society meeting.

### **Local Government Act S.11A Considerations**

- 2.1 There are no Section 11A of the Local Government Act considerations relating to this business paper.

### **Background**

- 2.1 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.
- 2.2 Development of the Brook Park Management Plan (MP) was completed following a public consultation process, including a Hearing of submissions in February 2010.
- 2.3 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, and as a primary objective, to raise funds for achieving park projects and developments.
- 2.4 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.
- 2.5 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.
- 2.6 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.
- 2.7 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*
  4. *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.*
  5. *Council will dissolve the Brook Park Advisory Committee on the successful establishment of the Friends of Brook Park.*
- 2.8 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.
- 2.9 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 the "Brook Park Incorporated Society" (BPIS) to administer the day to day operations/development of Brook Park.
- 2.10 Brook Park is operated as a farm park, with a grazing licence granted by WDC to a lessee. 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 BPIS cannot lease these grazing rights to another entity or individual.
- 2.11 With the administering body being WDC and the consequent income stream for the grazing lease being part of WDC's reserve income (between \$2000 - \$4000), there was little opportunity for the BPIS to achieve a sustainable income stream for minor works and administration. The income derived by BPIS at that time was by way of subscription donation (\$10 per member) and any successful grant applications for specific projects.
- 2.12 To improve the financial viability and robustness of the BPIS, in October 2012 a Memorandum of Understanding (MOU) between WDC and BPIS was developed and approved and Council also agreed to provide an annual grant to BPIS for the operational management of the reserve, equivalent to the annual derived lease income.

**Commentary**

- 3.1 Since early in 2014, BPIS has kept WDC informed of its progress in the day to day operations/development of Brook Park by providing copies of BPIS Minutes.
- 3.2 Attached to and forming part of this business paper are copies of the minutes from monthly April 2017 meeting.

**Suggested Resolution**

The business paper Brook Park Incorporated Society: Minutes – 1 May 2017 be received.



MICHELLE HIGGIE  
**EXECUTIVE OFFICER**

Attachments: Brook Park Incorporated Society Minutes – 1 May 2017 (zA1575)

**BROOK PARK**  
INCORPORATED SOCIETY

**BROOK PARK INCORPORATED  
SOCIETY**

**Meeting  
Minutes**

Monday 1<sup>st</sup> May 2017  
5.30pm

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 1st May  
2017 COMMENCING AT 5.30 PM

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### MINUTES

**Attendance:** Guy Whitaker, Gerald Kay, Jane Murray, Sheralee Buchanan, Helen Sinclair, Elly Kroef, Graeme Churstain, Sue Wagstaff, Robin Charteris

**Apologies** – Bruce Maunsell, Neil Brooks, Phillip Houghton, Andrea Hanna

That the apologies be accepted  
Moved/seconded Graeme/Sue

**Confirmation of Minutes – 3<sup>rd</sup> April 2017**

That minutes of previous meeting be accepted  
Moved/seconded Sheralee/Elly

**Matters Arising from Minutes**

None.

**Correspondence**

None.

**Financial Report**

Financial report tabled. Opening balance \$20,072.91  
\$3.08 received in interest.  
Closing balance \$20,075.99

**Maintenance/Fencing**

The park is now too wet to apply the fertiliser by truck, Sue to investigate if flying it on is an option. If not then double the fertilizer will be applied next summer. Sommerville perimeter fence was checked at the working bee and should now be stock proof. There are still a couple of sheep in the grove, we will work with Ed to get these out then check for stock proofing.

**Weed Control**

We had about five turn up to the working bee on the 9<sup>th</sup> April and the main target was the maples in the Sommerville Grove and the mountain bike track was sprayed also. Regional Council staff have been and done the woolly nightshade but they have missed some. Elly will let them know.  
Next working bee will be in the early spring to attack isolated areas of weeds.

**Memorial Grove**

Nothing further still waiting to hear if Council are to ratify new guidelines. The last plaque that was placed by the seat did not conform with the guidelines so we need to know if these guidelines have been adopted so in future all plaques will conform.

**MTB Track**

Dede had an organised walk around the MTB track during the school holidays. The track will not be great for riding during the winter at this stage.

## **Tree Harvesting**

At this point, it is very unlikely that the tree harvest will happen this year and will need to wait until the summer. Phillip will keep in contact with Cam.

## **General Business**

Helen manned the OP shop over the week of 24<sup>th</sup> – 28<sup>th</sup> April and after \$180 rent made a nett profit of \$900. A big thanks to Helen and Liz Kay for their work in making this a success.

Rotary are looking at taking on the project of forming an all-weather walking track from the carpark to the rotunda. They will have some representation at our next meeting to present to us what they propose.

At a Legendary Te Kuiti meeting to generate ideas for Christmas it was suggested that we could hold a "Carols in the Park" in December and possibly the 9<sup>th</sup> December. Jane to talk to Martha Ash about the possibility to include the Lyceum choir. This is to go on the next agenda to start organising.

Guy Fawkes – discussion was held on our plans for this year's event. It was decided that we would do it again and we would apply to the Lines Company for their sponsorship again. Jane/Graeme  
Sue to make application.

Due to Queens Birthday, next meeting is Monday 12<sup>th</sup> June 2017

Meeting closed 6.10pm

Guy Whitaker  
**Chairperson**

Document No: A350819

Report To: **Council**



Meeting Date: 7 June 2017

Subject: **Review of Local Government Elected Members Remuneration – Consultation**

Type: Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to present for consideration and feedback, a Consultation document on the review of Local Government Elected Members Remuneration.

## Commentary

### 2.1 **INTRODUCTION**

- 2.2 The Remuneration Authority (the Authority) is required to issue a new determination covering local government elected members remuneration and allowance which takes effect from 1st July 2017.
- 2.3 In considering its approach, the Authority has concluded that there is an opportunity for both short term improvements to the system for immediate implementation as well as some deeper changes which we propose to introduce in 2019.
- 2.4 Attached to and forming part of this business paper is a copy of the consultation document (including Appendix 1 - *Remuneration Setting Proposals for Local Authorities* as referred to on page 15, para 67) which details various proposals. The consultation document is divided into two main sections:
- **Part Two – Proposed Immediate Changes (2017 Determination):** we would appreciate receiving feedback, on this part, to [info@remauthority.govt.nz](mailto:info@remauthority.govt.nz) by 5pm **Monday 19th June 2017** or earlier if you can.
  - **Part Three – Longer Term Proposals:** we would appreciate feedback, on part three, to [info@remauthority.govt.nz](mailto:info@remauthority.govt.nz) by **Friday October 20th 2017**.
- 2.5 Only Part Two is dealt with in this business paper. Part Three will be addressed in a later business paper in order to meet the 20 October 2017 deadline.
- 2.6 Also attached for information is a copy of the Local Government Elected Members 2016/17 Certain Local Authorities Determination 2016.
- 2.7 Council should note that much of the feedback sought by the Authority is of a political nature and therefore no officer advice/recommendations have been provided.

## 2.8 RMA PLAN HEARING FEES

- 2.9 The current practice is that elected representatives who undertake resource consent hearings can receive an hourly fee. This has not applied to other hearings conducted under the Resource Management Act (RMA). Nor does it apply to hearings for a plethora of other plans or policies developed by councils under different pieces of legislation.
- 2.10 The Authority has received significant feedback on this issue already, particularly pertaining to the fact that –
- a) District Plan (DP) hearings and the fact that due to the technical and legal nature of DP hearings, they tend to take months and in some cases can span an election period; and
  - b) Councillors who sit on RMA plan hearings are required to be accredited commissioners, meaning they must have undertaken the “Making Good Decisions” course and must renew their accreditation every three years. This in itself is a cost to these individual councillors both in time and money.
- 2.11 As a result, the Authority is proposing that an hourly rate should be paid to councillors who are members of DP hearings.
- 2.12 The Authority is seeking feedback on the following questions:
- *Do you agree that elected members who are sitting on plan hearings under the RMA should be remunerated in the same way as elected members who are sitting on resource consent hearings?*
  - *Do you agree that elected members who chair such hearings should be remunerated for time spent writing up decisions?*

**Note:** Mayors are not entitled to receive RMA Plan Hearing Fees. Whilst Mayor Hanna holds current accreditation, both as a Commissioner and Chair for Hearings, and participates in any RMA Hearing convened by WDC, he can receive no Hearing related remuneration for those attendances.

## 2.13 LEAVE OF ABSENCE

- 2.14 The Authority is often questioned as to whether or not a council can grant extended leave to a councillor or Mayor and if, in the case of a Mayor, whether an additional payment can be made to the Deputy during the term of extended leave.
- 2.15 The Authority has investigated rules for governance boards in the state sector and is proposing the following:

*Councillors:*

- *Leave of absence can be granted for a period of up to six months (maximum) by formal resolution of the council.*
- *The leave must involve total absence. The councillor cannot be present for any duties either formal or informal – this includes council meetings, meetings with external parties and constituent work. Nor can the councillor speak publicly on behalf of the council or represent it on any issues.*
- *The councillor's remuneration and allowances ceases during the period for which leave of absence is granted.*

*Mayors/Chairs:*

- *Leave of absence can be granted for a period of up to six months (maximum) by formal resolution of the council.*
- *Notwithstanding the above, the period must be longer than a single cycle of council meetings, whether that be monthly or six weekly or whatever. This is because we consider that one of the key roles of a deputy mayor/chair is to cover for short absences by the mayor/chair, but that a longer absence would necessarily put an unexpected extended work burden on the deputy.*
- *The leave must involve total absence. The mayor/chair cannot be present for any duties either formal or informal – this includes council meetings, meetings with external parties and constituent work. Nor can the mayor/chair speak publicly on behalf of the council or represent it on any issues.*
- *The remuneration to mayor/chair ceases during the whole of the period for which leave of absence is granted.*
- *Allowances including a mayor/chair vehicle will also be unavailable during that period.*
- *The council may also resolve to appoint a councillor as acting mayor/chair for the whole of the period concerned, and may pay that appointee a sum up to the normal remuneration of the mayor/chair in place of the normal remuneration received by that person.*

2.16 The Authority is seeking feedback on the following questions:

- ***Do you agree that there should be provision for elected members to be granted up to six months leave of absence by councils? If not, what should be the maximum length of time?***
- ***Do you agree that additional remuneration can be made to an acting mayor or chair under the circumstances outlined?***
- ***If you disagree with any of the conditions, please state why.***
- ***Are there any other conditions that should apply?***

## **2.17 EXPENSE POLICIES**

2.18 Currently each council develops its own Expense Policy and forwards it to the Authority for approval/endorsement every three years. The Authority has noted that there is a wide variation in the quality of the policies and as a result is proposing to development a prototype policy that could be adopted by all councils.

2.19 The prototype policy metrics would be the top (maximum) of any allowed range, (this is WDC's current stance) however, would enable any council wanting to pay/reimburse less (or even nothing at all) to be free to do so.

2.20 It is also the current role of the Authority to authorise and check individual Councils' policies. However the Authority is proposing that such compliance audit should be part of the role of local government auditors who should check council expenses policies to ensure conformity to the Determination.

2.21 WDC's current Expense Policy is already based on the example policy provided by the Authority in September 2013. At that time the Authority "urged" Councils to utilise that example, however it was not mandatory.

2.22 WDC's Auditors already carry out an audit to ensure compliance in the application of WDC's Expenses Policy. However as the Policy is approved/endorsed by the

Authority (as is the Authority's current role) the Auditors do not review the Policy itself.

2.23 The Authority is seeking feedback on the following questions:

- *Do you agree that the Remuneration Authority should supply a prototype expenses policy that will cover all councils and that councils should be able to adopt any or all of it to the upper limit of the metrics within the policy?*
- *Do you agree that each council's auditor should review their policy and also the application of the policy?*

## **2.24 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

2.25 With respect to ICT, allowance is currently made for either –

- a) Provision of full ICT services by the Council; or
- b) Provision of an allowance/part allowance for ICT Services

2.26 WDC currently provides elected members with a tablet and part allowance for ICT.

2.27 Since the Authority become responsible for the setting of elected members remuneration, no WDC elected member has ever made any claim for partial reimbursement of internet or phone charges.

## **2.28 ICT HARDWARE**

2.29 The Authority is proposing that councils provide all elected members with the equipment listed below, with any exemption being limited to an "exceptional circumstance".

- *a mobile phone*
- *a tablet or laptop*
- *a monitor and keyboard if required, plus the hardware to connect the various pieces of equipment*
- *a printer*
- *a connection to the internet.*
- *Consumables such as paper and ink should also be supplied by the council as required by the elected member.*

2.30 The Authority's proposal that councils supply all ICT hardware and services would result in an increase in WDC's servicing requirements, because instead of the current scenario where the only WDC provided hardware is a tablet, there would be more devices for WDC to service for each elected member.

2.31 The proposal would also require a much more extensive set-up for each elected member (and potentially additional costs) each triennium, especially when there is a change of elected members.

2.32 However, the proposal would be manageable, especially if some smarts were implemented like 'Team viewer' on tablets to allow remote access and resolution and similar for phones. A more robust service for document delivery could also be looked into.

### 2.33 INTERNET USAGE AND PHONE PLANS

2.34 Previously the Authority has considered the extent to which the costs of data and phone use were apportioned between council and elected member. The Authority has accepted that this can be complex and differ considerably from one household to another.

### 2.35 Broadband

2.36 The Authority is now proposing for home broadband, that elected members remain responsible for their own plan, and that councils continue to reimburse up to 25% of a maximum dollar amount to each elected member to cover internet usage costs, upon production of receipts.

### 2.37 Mobile Phone

2.38 The use of mobile phones as a primary form of communication is increasing rapidly with the type of mobile phone plans increasing in parallel. The Authority points out that the difference between home internet use and phone use is that for the home broadband, anyone else in the household can access the connection, whilst a phone is a personal device.

2.39 The Authority is proposing that, with the exception of mayors or chairs, that elected members should receive reimbursement up to half the cost of their personal mobile phone usage up to a maximum dollar amount, upon production of receipts, with mayors and chairs having the total cost of the plan covered (except for private international calls).

### 2.40 UNUSUAL CIRCUMSTANCES

2.41 Over the years the Authority has occasionally been approached to cover the one-off costs of providing connection access or non-standard equipment where regular landline or mobile coverage is not available.

2.42 The Authority is proposing to continue the current policy, which is that where such circumstances exist, the council may put a costed recommendation to the Authority for approval to make a one-off payment for installation and either a reimbursement or allowance for on-going maintenance and support reflecting the costs involved. The Authority anticipates this allowance will normally reflect no more than 75% of the costs involved.

2.43 The Authority is seeking feedback on the following questions:

- *Do you agree that it should be common policy for councils to provide the ICT hardware proposed above for all elected members?*
- *Do you agree that exemptions to this policy would be limited to exceptional circumstances?*
- *Do you agree that a proportion of the ongoing cost of the use of home internet and personal mobile phones should be reimbursed as outlined above?*
- *If you disagree with either of these proposals, please give reasons and outline your alternatives.*
- *Do you agree with the "unusual circumstance" provision in para 49 above?*

**2.44 TRAVEL TIME ALLOWANCE**

2.45 The Authority is not proposing to make any change to the approach to travel time allowances.

2.46 The Authority is seeking feedback on the following questions:

- *Do you agree that the current policy on travel time allowance should be continued?*
- *If not, please state reasons for change.*

**2.47 MILEAGE CLAIMS**

2.48 Since the Authority become responsible for the setting of elected members remuneration, no WDC elected member has ever claimed over 5,000km in any one year. The closest to this threshold was Mayor Hanna in 2010/2011 at 4,856km. The Mayor now has a dedicated vehicle provided by the council so mileage claims are no longer relevant to the Mayoral position.

2.49 The Authority currently uses the NZAA metrics regarding the cost of running a vehicle, and the IRD formula for mileage rate reimbursement.

2.50 Currently mileage reimbursement is made on the basis of 74 cents per km for the first 5,000km travelled and any remaining distance travelled at 37 cents per km.

2.51 The Authority proposes to continue using these benchmarks with one exception.

2.52 The exception being that in recognition of the fact that mayors/chairs using a private vehicle are likely to be in the medium/high group of users of their own cars for work purposes, the Authority proposes to alter the formula around the application of the higher and lower IRD rates. The Authority also acknowledges that there could be instances where councillors could also be grouped into the medium/high group of users.

2.53 Therefore the Authority is proposing that the first 5,000km (paid at 74 cents per km) would act as a "base", and that reimbursement for the first 25% of the all travel over 5,000km should also be reimbursed at the higher rate.

2.54 The Authority is seeking feedback on the following questions:

- *Do you agree with the proposed change to the current 5,000km rule?*
- *If not, what should it be and why?*

**2.55 30km Rule**

2.56 The Authority is not proposing any change to the 30km rule.

**2.57 MAYOR CAR VALUATIONS**

2.58 The Authority is not proposing to may any changes to the valuation of the mayor/chair motor vehicle at this time.

## 2.59 ANNUAL CHANGES IN REMUNERATION

- 2.60 The Authority proposes that the main local government determination will be applied in election year, then the intervening two years propose to only change remuneration to reflect changes in the Labour Market Statistics.

## 2.61 CHANGES FOLLOWING AN ELECTION

- 2.62 The Authority is aware of some confusion historically regarding the exact days on which payment ceases for outgoing elected members and commences for newly elected members. As a result the Authority has outlined the legal situation in the consultation document i.e.

- *All newly elected and re-elected local government members come into office the day after the results are publicly notified under S.86 of the Local Electoral Act 2001.*
- *All sitting members vacate office on the same day.*
- *In the case of an uncontested election the declaration must be made as soon as possible after the day the nominations close.*

<b>Suggested Resolutions</b>
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- 1 The business paper on Review of Local Government Elected Members Remuneration - Consultation be received.
- 2 The following feedback be provided to the Remuneration Authority relating to Part Two of the Remuneration Review Consultation Document:

### **RMA Plan Hearing Fees**

Question: Do you agree that elected members who are sitting on plan hearings under the RMA should be remunerated in the same way as elected members who are sitting on resource consent hearings?

Feedback: ...

Question: Do you agree that elected members who chair such hearings should be remunerated for time spent writing up decisions?

### **Leave of Absence**

Question: Do you agree that there should be provision for elected members to be granted up to six months leave of absence by councils? If not, what should be the maximum length of time?

Feedback: ...

Question: Do you agree that additional remuneration can be made to an acting mayor or chair under the circumstances outlined?

Feedback: ...

Question: If you disagree with any of the conditions, please state why.

Feedback: ...

Question: Are there any other conditions that should apply?

Feedback: ...

## **Expense Policies**

Question: Do you agree that the Remuneration Authority should supply a prototype expenses policy that will cover all councils and that councils should be able to adopt any or all of it to the upper limit of the metrics within the policy?

Feedback: ...

Question: Do you agree that each council's auditor should review their policy and also the application of the policy?

Feedback: ...

## **Information and Communication Technology (ICT) Services**

Question: Do you agree that it should be common policy for councils to provide the ICT hardware proposed above for all elected members?

Feedback: ...

Question: Do you agree that exemptions to this policy would be limited to exceptional circumstances?

Feedback: ...

Question: Do you agree that a proportion of the ongoing cost of the use of home internet and personal mobile phones should be reimbursed as outlined above?

Feedback: ...

Question: If you disagree with either of these proposals, please give reasons and outline your alternatives.

Feedback: ...

Question: Do you agree with the "unusual circumstance" provision in para 49 above?

Feedback: ...

## **Travel Time Allowance**

Question: Do you agree that the current policy on travel time allowance should be continued?

Feedback: ...

Question: If not, please state reasons for change.

Feedback: ...

## **Mileage Claims**

Question: Do you agree with the proposed change to the current 5000km rule?

Feedback: ...

Question: If not, what should it be and why?

Feedback: ...



MICHELLE HIGGIE  
**EXECUTIVE OFFICER**

Attachments:

- 1 Consultation Document (including Appendix 1)
- 3 Local Government Elected Members 2016/17 Certain Local Authorities Determination 2016

# CONSULTATION DOCUMENT

## LOCAL GOVERNMENT REVIEW

### Part One - General Introduction

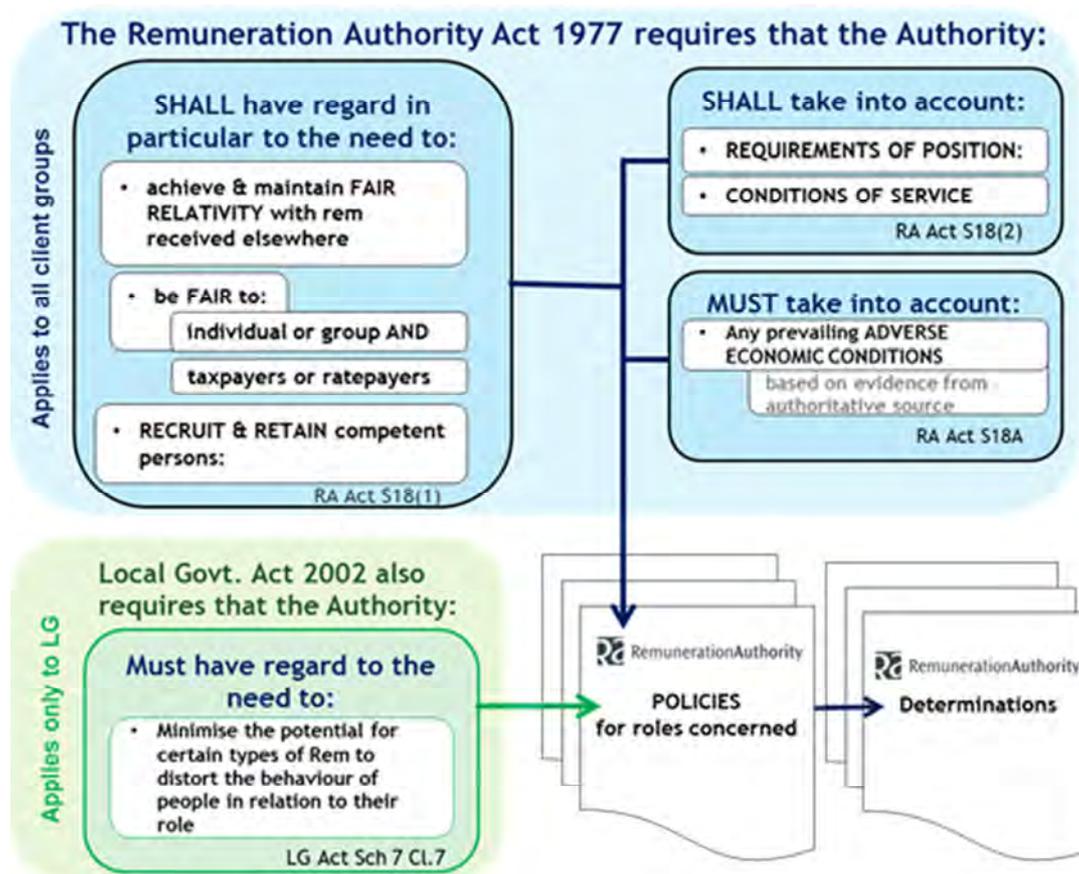
#### Introduction

1. The Remuneration Authority (the Authority) is required to issue a new determination, taking effect from 1<sup>st</sup> July 2017, covering local government elected members. In considering how we should approach this in future, we have concluded that there is an opportunity for both short term improvements to the system, including some clarification of current policies, as well as some deeper changes which we propose introducing in 2019.
2. Hence this paper has two substantive sections – Part Two covering proposals for this year and Part Three covering the longer term. We are seeking views of councils on both. The timetable for responses on the shorter-term proposals is unfortunately short. This is because as we got deeper into our review we saw the need for more fundamental change which, had we waited till we had all detail finalised, would have delayed our release of this paper. However, we feel that the issues in Part Two are sufficiently familiar for councils that they will be able to provide reasonably rapid responses. In contrast, Part Three contains more fundamental change proposals and we believe that the local government sector needs time to contemplate these. We have provided a window of several months and during that time we would anticipate attending either zone or sector meetings to discuss the proposals with you.
3. Recently the issue of the potential provision of child care subsidies or services has been raised. We have not addressed it in this paper but will be consulting the sector shortly about this issue.
4. The Authority would like to thank a number of people who have assisted us with the review so far. We commissioned ErnstYoung to provide facilitation, research and analysis. The following people also provided assistance and we very much appreciated their insights and information:
  - Local Government Leadership Group:
    - David Ayers, Mayor, Waimakariri District
    - Jan Barnes, Mayor, Matamata-Piako District
    - Brendan Duffy, Independent Consultant and former Vice-President LGNZ
    - Justin Lester, Mayor, Wellington City
    - Jane Nees, Deputy Chair, Bay of Plenty Regional Council
    - Rachel Reese, Mayor, Nelson City
  - Local Government New Zealand:

- Lawrence Yule, President
- Mike Reid, Principal Policy Advisor
- Local Government Commission:
  - Suzanne Doig, Chief Executive Officer
  - Donald Riezebos, Principal Advisor
- Local Government Officials:
  - Dennis Bush-King, Tasman District Council
  - Miranda Cross, Greater Wellington Regional Council
  - John O’Shaughnessy, Hastings District Council
- Central Government Officials
  - Deborah Brunning, Statistics New Zealand
  - Sarah Lineham, Office of the Auditor-General
  - James Stratford, Department of Internal Affairs
- Alistair Gray, Statistics Research Associates Limited

### Legal requirements for the Authority when setting remuneration

5. The work of the Authority is governed by the Remuneration Authority Act 1977, which has had several amendments since it was first enacted. This act and the Local Government Act 2002 contain the statutory requirements which the Authority must follow when making determinations for local government elected members. They are summarised below:



## Role of local government

6. In undertaking this review the Authority has looked at past thinking on local government remuneration. One particular document<sup>1</sup>, issued by Local Government NZ in 1997, contained a thoughtful summary of the role of local government.

7. The document said:

*“The strength of representative democracy ultimately depends on two factors. One is the level of citizen participation and trust in democratic institutions. The other is the ability and commitment of elected representatives and their role in encouraging participation and promoting levels of trust.*

*Local government constitutes one of the underpinning structures of democratic society, providing ‘voice and choice’ to citizens and communities, and the mechanism for making decisions about local needs and preferences. It also provides a forum to debate issues of mutual interest and concern.*

*Good local government depends upon the goodwill and understanding of its citizens, and the quality of its staff. Most of all, however, it depends on the ability of those elected to govern. Attracting people with the capacity to lead and govern at local level involves a number of factors. These include:*

- *The opportunity to contribute effectively, be professionally valued and receive a sense of satisfaction at achieving a job well done*
- *The existence of structures and processes to support and professionally advise elected members and enable them to contribute constructively on matters of community importance*
- *The presence of consultative and participative arrangements that strengthen relationships between and with their communities*
- *The existence of a remuneration system that enables people from all sectors of the community to commit time and effort necessary to fulfil their responsibilities as elected members without being unduly disadvantaged.”*

8. In our view, this characterisation of local government has not changed since it was written twenty years ago.

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<sup>1</sup> Options for Setting Elected Members’ Remuneration – A Discussion Document for Local Government and Stakeholders, prepared by the Local Government New Zealand Elected Members’ Remuneration Working Party (1997)

## Part Two – Proposed Immediate Changes (2017 Determination)

### Introduction

9. The Authority is seeking the views of local government (i.e. territorial authorities, unitary councils and regional councils) on the proposals set out below in this section of the paper. These changes will affect elected mayors, chairs and councillors from each council including Auckland. Part of it will also affect community board members.
10. Please note that we are seeking the views of councils, not of individual elected members or staff.
11. We would appreciate any feedback that councils wish to give to be emailed to us by **5pm Monday 19<sup>th</sup> June 2017** or earlier if you can. Please email to [info@remauthority.govt.nz](mailto:info@remauthority.govt.nz)

### RMA Plan hearing fees

12. Current practice is that those elected representatives who are undertaking resource consent hearings can receive an hourly fee which is determined three-yearly by the Authority and which is not included in the council's pool of money to cover payment for additional positions of responsibility. This has not applied to other hearings conducted under the Resource Management Act (RMA). Nor does it apply to hearings for a plethora of other plans or policies developed by councils under different pieces of legislation.
13. The Authority has received many enquiries and suggestions from councils on this issue. In particular, there is growing concern about the treatment of often-protracted hearings of District Plans, Regional Policy Statements and other land, air, coastal and water plans under the RMA.
14. We have looked at the range of council plans that involve hearings and believe that many of them could be considered part of "business as usual" for councillors.
15. However, of particular concern is that councillors who sit on RMA plan hearings are required to be accredited commissioners. This means that they must have undertaken *the Making Good Decisions* course and they must renew their credentials every three years. The requirements for councillors are in this respect the same as for non-councillor commissioners and there is a cost in both time and money to gain and maintain the accreditation.
16. Because of the technical and legal nature of plan hearings, they tend to take months and, in some cases, can span an election period. This is especially the case if the hearing covers a review of the whole plan.

17. The Authority is aware of the increasing trend for councils to engage external commissioners as members of the panel for these plan hearings. This use of external contractors is being driven by several considerations, including time requirements, unavailability of sufficient numbers of councillors who are qualified commissioners, or a view that because councillors have developed the plans as part of their core business, the hearings should be conducted by a different set of independent commissioners. External commissioners are paid an hourly rate for the work. In some cases, a council will use a mixed panel of external commissioners and councillors, which clearly creates a disparity between panel members.
18. Because of these factors, we agree that any such hearings should be treated in the same way as resource consent hearings under the RMA insofar as councillor remuneration is concerned.
19. The Authority is proposing that an hourly rate should be paid to councillors who are members of such hearing panels.
20. The rate would be set every three years by the Authority, as with payments for consent hearings. It will apply to site visits, reading (not to exceed the hearing time) and, in the case of an elected person chairing such a committee, the hourly rate would also cover the time spent in writing the decisions. For clarity, we also propose that this last provision be included for elected members who are chairing resource consent hearings.

- **Do you agree that elected members who are sitting on plan hearings under the RMA should be remunerated in the same way as elected members who are sitting on resource consent hearings?**
- **Do you agree that elected members who chair such hearings should be remunerated for time spent writing up decisions?**

#### **Leave of absence for elected members and acting mayor/chair payments**

21. From time to time a councillor or mayor/chair needs extended leave of absence from council work. This could be for personal reasons such as family/ parental leave, extended holiday, illness or, in some cases, when standing for another public office. On these occasions the Authority is asked whether or not a council can grant such leave and, if it involves a mayor or chair, whether an additional payment can be made to the person (generally the deputy) who is acting in place of the mayor/chair.

22. We have looked at the rules for governance boards in the state sector and adapted those rules for local government elected members. Rather than an ad hoc approach, we propose the following:

Councillors:

- Leave of absence can be granted for a period of up to six months (maximum) by formal resolution of the council.
- The leave must involve total absence. The councillor cannot be present for any duties either formal or informal – this includes council meetings, meetings with external parties and constituent work. Nor can the councillor speak publicly on behalf of the council or represent it on any issues.
- The councillor’s remuneration and allowances ceases during the period for which leave of absence is granted.

Mayors/Chairs:

- Leave of absence can be granted for a period of up to six months (maximum) by formal resolution of the council.
- Notwithstanding the above, the period must be longer than a single cycle of council meetings, whether that be monthly or six weekly or whatever. This is because we consider that one of the key roles of a deputy mayor/chair is to cover for short absences by the mayor/chair, but that a longer absence would necessarily put an unexpected extended work burden on the deputy.
- The leave must involve total absence. The mayor/chair cannot be present for any duties either formal or informal – this includes council meetings, meetings with external parties and constituent work. Nor can the mayor/chair speak publicly on behalf of the council or represent it on any issues.
- The remuneration to mayor/chair ceases during the whole of the period for which leave of absence is granted.
- Allowances including a mayor/chair vehicle will also be unavailable during that period.
- The council may also resolve to appoint a councillor as acting mayor/chair for the whole of the period concerned, and may pay that appointee a sum up to the normal remuneration of the mayor/chair in place of the normal remuneration received by that person.

23. Councils may make decisions within these rules but must inform the Authority as soon as possible.

24. We have reflected on the proposed six-month period and consider that it would require exceptional circumstances for an absence of that period to be granted, especially to someone in a leadership position on a council. It would mean that the constituents who elected that person would be unrepresented or, under a multiple-member ward, less

represented, than would normally be the case. This would be an electoral risk that the person concerned would need to consider carefully.

25. A further issue is the extension of an acting role beyond the anticipated length of time – for example, if the incumbent were elected to another role and there needed to be a by-election. Under those circumstances, the acting role may need to be extended for a further period, perhaps up to three months. In that case, we advise that councils make a new, separate decision.

- **Do you agree that there should be provision for elected members to be granted up to six months leave of absence by councils? If not, what should be the maximum length of time?**
- **Do you agree that additional remuneration can be made to an acting mayor or chair under the circumstances outlined?**
- **If you disagree with any of the conditions, please state why.**
- **Are there any other conditions that should apply?**

#### **Approach to expense policies**

26. The current approach is for each council to send in their policy to the Authority every three years for approval. In between we often receive requests for assistance in interpreting the provisions in the determination. We are aware of the need for policies to be more transparent and for greater clarity in the explanatory notes, both in determination and on our website.
27. We have looked at many council expense policies and it is clear that some are struggling to develop them, possibly because small staff size does not provide any depth of expertise in this area. On the other hand, some policies are highly developed and contain clear guidance as to what is permitted and under what circumstances.
28. We are thus proposing that instead of each council needing to develop a policy from scratch and then gain approval from us, we work with local government to develop a prototype policy that could be adopted by all councils.
29. The metrics in such a prototype would obviously be the top (maximum) of the allowed range, so any council wanting to pay/reimburse less (or even nothing at all) would be free to do so.

30. With respect to the current role of the Authority in authorising or checking such policies, this is enabled by the legislation and has been required in our previous determinations. However, the Authority proposes that such compliance audits should be part of the role of local government auditors who should check council expenses policies to ensure conformity to the Determination. Auditors should also be assessing whether councils are actually following their own agreed policies in this area.

- **Do you agree that the Remuneration Authority should supply a prototype expenses policy that will cover all councils and that councils should be able to adopt any or all of it to the upper limit of the metrics within the policy?**
- **Do you agree that each council's auditor should review their policy and also the application of the policy?**

#### **Provision of and allowances for information and communication technology and services**

31. A communications allowance has been included in the determination since 2008, and was introduced to bring some equity across the country in the reimbursement of costs and the provision of such support to elected members.
32. The continuing development of information and communication technology (ICT) has led the Authority to reconsider the allowance. Our view is that elected members should not carry the costs of communicating with councils or with residents.
33. Mobile technology is now ubiquitous and so much business is now conducted digitally that mobile phones and tablets are considered tools of trade in many businesses, in both the private and public sectors. It is no longer considered to be a personal benefit for a person to have her/his basic technology integrated with that of the business.
34. The Authority's preferred approach in the past was that councils provided the necessary equipment, consumables and servicing, as well as reimbursement (on proof of expenditure) of other costs that might occur. However, there was also provision for hardware costs incurred by elected members to be partly reimbursed.
35. Given recent changes in both the business environment and in technology, we are now of the view that all councils should provide an appropriate council-owned technology suite for their elected members. The two exceptions to this are payment for the use of broadband, which can vary greatly depending on the nature of the household of the elected member, and payment for phone usage.

36. The complexities of ensuring that security is kept up to date mean that elected members are likely to find it increasingly difficult to manage the technical demands of being part of a larger organisation, which may have more stringent standards than they would have for their own personal technology. For the councils, there should be a major benefit in having all elected members using identical technology and systems, managed efficiently and effectively by the council's ICT officials. Councils often have complex software driving different parts of their systems (e.g. water plants) and possess large databases of residents and ratepayers. Managing these systems in a robust way and decreasing the possibility of cyber-attack is a challenge and will be assisted if there are fewer different entry points into the main system. This is also a protection for both the council and for residents/ratepayers who may have privacy concerns.

### ICT hardware

37. It is the responsibility of each council to decide the communications equipment needed to carry out its business effectively and efficiently. Decisions about equipment for individual councillors should flow from that. We note that councils should be able to get good purchasing leverage on equipment and on usage plans to keep costs down.

38. We propose that councils provide all elected members with the following equipment:

- a mobile phone
- a tablet or laptop
- a monitor and keyboard if required, plus the hardware to connect the various pieces of equipment
- a printer
- a connection to the internet.

39. Consumables such as paper and ink should also be supplied by the council as required by the elected member.

40. In the past, there has been a desire by some elected members to utilise their own communication equipment to undertake council business, possibly because of unwillingness to segregate personal and council usage on the same device. Now it is commonplace for people to have more than one account on one computer, so the issue of carrying round an additional tablet should no longer apply.

41. Equipment would remain the property of the council and be replaced or updated as part of the council's asset renewal programme – presumably triennially. This would allow councils to obtain the advantages of bulk purchase and ensure maximum efficiency by providing equipment that is consistent across the organisation, fit for purpose and adequately protected to provide security and privacy for ratepayers, elected members and staff.

42. Where there is a strong reason for the council not to supply the technology, the Authority would need to make a decision allowing that council to put in place a reimbursement

system. We note that there is a cost in time and money to all parties in managing such a system and it would have the inherent technology security weaknesses described above. In such cases, exceptional circumstances would need to exist before the Authority was prepared to move to a reimbursement system. In addition, in the interests of efficiency, the reimbursement system would need to apply to the whole council, not just to a few councillors.

43. Where council decided to provide an allowance for the use of personal ICT hardware, it should cover all ICT equipment used by members and the Authority would prescribe an upper limit for expenditure. This would represent three years' depreciation on the hardware (mobile phone, tablet/laptop, printer, monitor, keyboard, installation of an internet connection) plus an assumption that half the usage would be on council business. The allowance can be paid monthly or at the beginning of a triennium.

### **Internet usage and phone plans**

44. Previously the Authority considered the extent to which the costs of data and phone use were apportioned between council and elected member. This can be complex and will reflect differing household usage as well as council usage. For example, in a household which already has personal usage close to their broadband cap, the increased traffic required to move to electronic board papers may require an increase in monthly band usage, even though the data transmitted is modest compared to other internet and electronic traffic.
45. With regard to home broadband, we propose that elected members should be responsible for their own plan. The Authority previously determined that no more than 25% of the usage charges could be regarded as bona fide additional costs incurred by an elected member in carrying out council business. We accept that this is still the case but note that there is now a huge variety and combination of plans available for home broadband, so arriving at an "average" is simply not possible. We therefore propose that councils continue to reimburse up to 25% of a maximum dollar amount to each elected member to cover internet usage costs, on production of receipts. The Authority would review the percentage and the maximum amount every three years.
46. The use of mobile phones as a primary form of communication is increasing exponentially. Alongside this is a proliferation of different types of plans for mobile phones, paralleling what is happening in home broadband connections. The difference between home internet use and phone use is that for the home broadband, anyone else in the household can access the internet connection, whereas a phone is a personal device. We therefore consider that, except for mayors and chairs, elected members should receive reimbursement of up to half the cost of their personal mobile phone usage up to a maximum dollar amount, on production of receipts. If the council owns the plan, the same rule would apply as for home broadband use - the council would pay for half the annual usage cost with a capped dollar amount and the elected member would need to reimburse

the council for the rest. Elected members would be charged for all private international calls.

47. For mayors and chairs the council should cover the total cost of the plan, except that the user will be charged for private international calls.

#### **Unusual circumstances**

48. Over the years the Authority has occasionally been approached to cover the one-off costs of providing connection access or non-standard equipment where regular landline or mobile coverage is not available. We propose to continue the current policy, which is that where such circumstances exist, the council may put a costed recommendation to the Authority for approval to make a one-off payment for installation 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.

- **Do you agree that it should be common policy for councils to provide the ICT hardware proposed above for all elected members?**
- **Do you agree that exemptions to this policy would be limited to exceptional circumstances?**
- **Do you agree that a proportion of the ongoing cost of the use of home internet and personal mobile phones should be reimbursed as outlined above?**
- **If you disagree with either of these proposals, please give reasons and outline your alternatives.**
- **Do you agree with the “unusual circumstance” provision in para 49 above?**

#### **Travel time allowance**

49. We do not propose to make any changes to the approach on travel time allowances. This provides for all elected members who are not full time to be eligible for an hourly allowance when travelling on business for the council or community board in respect of any travel exceeding an hour and assuming the fastest form of transport. The rate is set by the Authority and is reviewed each three years.

- **Do you agree that the current policy on travel time allowance should be continued?**
- **If not, please state reasons for change.**

### Mileage claims

50. About two thirds of all mayors/chairs take up their entitlement to have a dedicated vehicle provided for them by the council. Others choose to use their own vehicle for a variety of reasons but often, we understand, because of a belief that their constituents will not approve of them having the “perk” of a council vehicle. Our view is that for mayors/chairs, who normally travel great distances each year, the car is a “tool of trade” and an entitlement rather than a “perk”. In any other occupation, people who travelled the distances clocked up by most mayors/chairs would be provided with a company car rather than having to use their own.
51. We have checked the distances travelled annually by mayors/chairs. The average and the median are both around 22,000 to 23,000km a year. Unsurprisingly the distances vary greatly – from 35,000km down to a few thousand – though we wonder if the lower level reflects the fact that some who use their own vehicles claim very little. In fact at least three make no claims whatsoever.
52. Currently we utilise NZ Automobile Association metrics regarding the cost of running a vehicle and we use IRD formula for mileage rate reimbursement. We propose to continue to use these benchmarks, which will be updated as appropriate. The one exception is that in recognition of the fact that mayors/chairs using their private vehicles are likely to be in the medium/high group of users of their own cars for work purposes, we propose to alter the formula around the application of the higher and lower IRD rates.
53. At present the higher rate (currently 74 cents per km) applies to the first 5000km travelled on council business and the remaining distance on council business is reimbursed at a rate of 37 cents per km. We propose that above that first 5000km, which would act as a base, mayors/chairs using their own vehicles should be reimbursed at the higher rate for the first 25% of the remaining distance they travel on council business.
54. We have no data about councillor use of personal vehicles on council business and we assume that distances travelled would normally be less than that of a mayor - but not always, especially in the case of a “distant” ward. Regardless, we propose that the formula outlined above also applies to councillor travel reimbursement.

- **Do you agree with the proposed change to the current 5000km rule?**
- **If not, what should it be and why?**

55. The other issue which we are frequently asked to clarify is the “30km rule”. We propose to keep this approach. Basically it recognises that virtually all New Zealanders have to pay the cost of their own transport to and from their work place. However, elected members also have other work in other places. The 30 km rule is based on an assessment that most people would live within 15 km of their work place. That means that a “round trip” to and from the “work place” – i.e. the normal council meeting place – can be claimed only if it is above 30km. If the trip to and from the council’s normal meeting place is above 30km, the first 30km are always deducted. This means that if an elected member lives closer than 15km, then no claim can be made for attending a meeting at the council office. If a member must come to the office twice in one day, if she/he is not simply taking the opportunity to go home for lunch, then the whole of the distance for the second trip may be claimed. This assumes that most workers travel to and from work only once per day, but recognises that elected members may have a formal meeting, say in the morning, then another meeting much later in the afternoon. We expect common sense to prevail in councils when authorising such claims.

56. With regard to work of elected members outside of the normal council meeting place, the full mileage can be claimed. That means that the elected member may claim from her or his home to the address of the meeting or event and back again by the shortest route.

57. If an elected member has an additional place of residence (e.g. a holiday home) the primary place of residence, normally identified by being her/his address on the electoral role, will be considered the official residence.

58. If a council is holding one of its normal meetings in a different venue - for example in an outlying town - then the full mileage can be claimed. However, we expect common sense to prevail. If the exceptional meeting place is just down the road from the normal venue then the 30km rule would apply.

- **Do you agree with the proposal to retain the 30km rule in its current form?**
- **If not, what should this rule be?**

#### **Mayor/chair car valuations**

59. We do not propose to make any changes to the valuation of the mayor/chair motor vehicle at this stage. The formula is consistent with the methodologies applied to valuing motor vehicles for full private use in public sector roles. The Authority's formula goes one step further in that it recognises that a greater proportion of vehicle usage by a mayor/chair is spent on council business rather than on personal use.
60. The formula and associated variables used to value mayor/chair motor vehicles will be reviewed with the main determination triennially. Any changes will be applied in election year.

### **Annual changes in remuneration**

61. The main local government determination will usually be applied in election year, then in the intervening two years we propose to change remuneration to reflect changes in the Labour Market Statistics (LMS) – (see Part Three for more details on the timetable).

### **Changes following an election**

62. The Authority is aware that there has been some confusion in the past regarding the exact days on which payment ceases for outgoing elected representatives and commences for those who are newly elected, and around remuneration continuing for those who are re-elected.
63. The following outlines the legal situation:
- All newly elected and re-elected local government members come into office the day after the results are publicly notified under S.86 of the Local Electoral Act 2001.
  - All sitting members vacate office on the same day.
  - In the case of an uncontested election the declaration must be made as soon as possible after the day the nominations close.

## Part Three – Longer Term Proposals

### Introduction

64. The Authority is seeking the views of local government (i.e. territorial authorities, unitary councils and regional councils) on the proposals set out below in this section of the paper. These changes will affect elected mayors, chairs and councillors, as well as community board members, from every council except Auckland. Later this year we will be issuing an additional consultation paper on the Auckland Council, following the completion of its governance review. However, we are proposing that the general principles outlined in this paper around council sizing should apply to Auckland.
65. Please note that we are seeking the views of councils, not of individual elected members or staff.
66. We would appreciate feedback to [info@remauthority.govt.nz](mailto:info@remauthority.govt.nz) by Friday October 20<sup>th</sup> 2017. Please email to [info@remauthority.govt.nz](mailto:info@remauthority.govt.nz)

### Recent history of local government remuneration setting by the Authority

67. In late 2011 the Authority issued a discussion document - *Review of Local Authority Remuneration Setting*. This was followed in November 2012 by a further document - *Remuneration Setting Proposals for Local Authorities* - which outlined the system that the Authority was proposing to institute from the 2013 election. A copy of that document is attached as *Appendix 1*. It transpired that for a variety of reasons in the years 2014 to 2016 the Authority did not completely implement the proposed process. However, significant elements are in place. Importantly, the work which the Authority commissioned from the Hay Group in 2015 remains current in our view and has provided useful data to assist with our current considerations.
68. To assist with context, the main elements of the 2013 proposal are summarised below. They were:
- a) Moving away from the traditional salary/meeting fee mix for local government remuneration.
  - b) Creating a size index for councils derived from population and council expenditure.
  - c) Basing the remuneration for councillors/mayors/chairs on:
    - the relative place of the council in the size index;
    - the job size of the positions as assessed for sample councils;
    - the proportion of full time work as demonstrated by survey results;
    - the Authority's pay scale.
  - d) Providing a pool for each council equivalent to one councillor's remuneration to be allocated for additional positions of responsibility.

- e) Reviewing local government remuneration approximately two years after each election and setting the base remuneration for councillor and mayor/chair roles at the beginning of each election year, together with provision for changes in positions of responsibility within each council.
- f) Recalculating annually each council's place on the size index and, in the following July determination, automatically applying any increase warranted, with the proviso that any reductions in the base remuneration would not be implemented during the term of that council.
- g) Providing a loading of 12.5% for unitary council remuneration to recognise their additional regional responsibilities.
- h) Retaining arrangements for resource consent hearings whereby elected members can be paid an hourly fee in addition to their base remuneration.
- i) Requiring councils to confirm their expenses policies only in election year rather than annually.
- j) Retaining valuation methodology for mayor/chair vehicles with adjustments made each year on July 1 to coincide with the determination.
- k) Various changes to community board remuneration setting.

69. The new system was in place for the 2013 Determination in which the Authority made the following comment: *"Aware of its responsibility of fairness to both elected members and ratepayers, the Authority moderated both increases and decreases to smooth the transition to the new system"*.

70. In the 2014 Determination, the same comment was made with the additional comment that *"this approach was continued, with moderation to reflect wage growth, this year"*.

71. In 2015 the same comment was again made. However, in issuing that Determination the Authority said the following: *"The relationships between council size and remuneration, as well as any necessity for moderation of large increases or decreases, will be reassessed during the 2015/16 year ready for implementation at the time of the 2016 local body elections"*.

72. During 2015 the Authority reviewed the framework again, including job-sizing the positions of a representative group of councils and assessing workloads. In issuing its 2016 Determination the Authority made the following comment: *"The Authority found clear evidence regarding the size of positions but has less confidence in the evidence relating to workload. Given that uncertainty, the Authority has not proceeded to fully or partially implement increases that would in many cases have been well in excess of 10%. It has instead applied increases to the base remuneration payable to councillors ranging from 1.5% to 3% depending on the size of the council. This reflects at the higher level the movements in the public sector remuneration more generally."* The following comment was also made: *"The Authority is also concerned that the expectations placed on local representatives continue to increase and remuneration does not in all circumstances reflect the skill and effort required from members. It will therefore begin further work this year to*

*establish an ongoing basis for remuneration that treats both the ratepayer and the elected member fairly”.*

### **Rationale behind current proposal**

73. While the legal requirements are set out above in paragraph 2 of Part One (above), the Authority members have also decided that these legal requirements (including attraction and retention of competent people) should be aimed at attracting a wide variety of competent people and balanced by the need to have a local government remuneration system that is accepted in the wider community. To enable this, we require a robust process that is as transparent as possible, intuitively plausible and sustainable for the foreseeable future.
74. We recognise that whether or not the level of financial reward matches the personal contribution of any elected member is not necessarily a significant determinant of the willingness of many people to stand for election. However, remuneration may be an issue for some, depending on personal circumstances, and it may also become an issue for an incumbent deciding whether or not to continue.
75. In considering this proposal, the Authority has decided to maintain a number of existing approaches. The principal ones are:
- a) Maintaining a “total remuneration” approach rather than meeting fees.
  - b) Using a size index to determine relativity between various councils.
  - c) Adopting a “pay scale” for local government that is fair and seen to be fair.
  - d) Reviewing the components of the council size index every three years and applying appropriate factors to territorial authorities and regional authorities.
  - e) Recognising that unitary councils have dual responsibilities and sizing them accordingly.

### **Council Sizing**

#### **76. Overview**

We define council size as the accumulated demands on any council resulting from its accountability for its unique mix of functions, obligations, assets and citizenry. The size of councils varies considerably. The most obvious difference is in the size of population with the biggest council (Auckland) having 1,614,300 citizens and the smallest (the Chatham Islands) just 610 at the last census. Even outside of these two, there still a wide population range from Christchurch (375,000) to Kaikoura (3,740).

77. However, despite their differences, there are also many similarities between different councils and the roles of elected representatives.
78. All local government representatives have a basic workload that includes decision-making around local plans, policies and regulations; civic representation; assisting constituents; and

working with other organisations (public and private sector). Importantly, councils are also tasked with employing a chief executive and monitoring performance and delivery.

79. With regard to differences, as noted above, the starkest is in population, but even then there is not an exact connection between population and work load. We have taken account of several characteristics in addition to population to compare the size of each council. We are limited by the ready availability of information. However, with the information that is available, we have been able to use statistical methods to identify several factors that are significant influences on the workload of Councils.
80. We can identify councils that are most likely to be comparable in size, despite differences in what brings this about. Such comparisons can never be exact, because amongst all the councils there are influences on their size that are either unique or unable to be quantified using existing evidence. The analytical approach taken this year by the Authority will be further developed whenever the information base is able to reflect such situations.
81. We considered a variety of factors that could be used for sizing councils and, after consultation and further analysis, we are proposing several factors, with some differences between territorial authorities and regional/unitary councils. The indicators for each factor came from official statistics and departmental reports, and they were analysed by standard statistical methods which enabled the variety of demands on councils from different sources to be compared and accumulated. The initial list of factors and the modelling was identified with a representative group of elected local authority leaders, and then developed further by the Authority.
82. The strong direct effects on size from population, assets and operational expenditure were modified by differences in guest night stays, social deprivation levels and physical size.

### Factors proposed to be used in sizing

83. Territorial authorities:

- a) **Population.** This factor not only determines the scale of services that a council will provide, but also the rating base by which activities are funded. Population is most likely to be the indicator that most New Zealanders would use when asked to distinguish between various councils. The statistics we are using are the most recent population estimates by Statistics New Zealand.
- b) **Operational expenditure.** In many cases, operational expenditure correlates with population, but there are also some differences - in particular when a council may be in the midst of a specific expansion programme in a particular area of activity. Our data is taken from the annual accounts of councils.
- c) **Asset size.** This represents the capital base of the council that the council is required to manage, providing essential service such as water, wastewater, roads and flood protection, and also social infrastructure. One of the challenges in asset management is to ensure that assets do not lose value. In recent years there has been greater focus on asset management in the sector, requiring (if it is undertaken rigorously) a higher degree

of attention to detail on the part of elected members, not just the asset managers in the organisation. The data on asset size is also extracted from the consolidated annual accounts of councils and includes the value of their council controlled organisations (CCOs).

We acknowledge that there are different degrees of assets held by local government. Some have highly commercial assets with commercial boards comprising directors selected for their relevant competencies and business experience. Others have land holdings that are long-term and more “passive” investments. Others again are assets such as ports which although highly commercial and competitive are often also strategic assets for their local government owners.

There are also different degrees of oversight. Some councils are extremely “hands on” with their assets and others are more arms-length in their relationships, particularly with CCOs. We recognise that whatever measure of asset size is used, its relevance will differ somewhat among councils to a greater extent than is likely with other factors.

- d) **Social deprivation.** This measures the differences between councils in their need to take account of economic disadvantage among citizens. We recognise that in many council districts the high level of social deprivation in some areas is counterbalanced by a higher economic status in others. However, we believe there are some councils that do not have this balance and that, given the reliance of many councils on rates income, for those councils a high level of social deprivation will have a significant impact. Data is drawn from the third quartile of the NZDEP index prepared from the last population census.
- e) **Number of guest nights.** This represents the demands on councils (e.g. infrastructure development and service provision) resulting from visitors. We recognise that this is a current issue which may in future years be resolved and that it is but one sector in New Zealand’s economy which is of concern to local government. However, it has been raised with us on many occasions and we believe it is relevant to allow for such demands being faced by council at present. It may be that it is replaced by another factor in future years. For this factor we use the Monthly Accommodation Survey of Statistics New Zealand. We were unable to find any data on visitors who may pass through a district and use facilities but not stay overnight, or on the current vexed issue of freedom campers.

#### 84. Regional councils:

Although all councils (territorial, regional and unitary) have a power of general competence, the legal responsibilities of regional councils and unitary councils differ from those of territorial authorities. The breadth of their mandate in national legal instruments (such as the Resource Management Act) requires regional and unitary councils to operate at a different scale from that of territorial authorities, especially in their focus on regulating and managing land and water. For example, regional and unitary councils must develop and administer Regional Plans and Unitary Plans, and territorial authorities must give effect to these plans, which drives behaviour around issues such as water quality (i.e. storm water

and waste water). In contrast, regional councils do not have the significant focus on social issues that is required from either unitary or territorial councils. Hence **land size** is inherently important to the work of a regional or unitary council. In measuring size, we are proposing to eliminate the deprivation index factor for regional councils and add a land area factor.

85. Unitary councils:

For some years, the Authority has added a loading of 12.5% to account for the additional regional council responsibilities of the four smaller unitary councils – Gisborne, Marlborough, Nelson and Tasman. This did not include Auckland, even though it is also a unitary council, because the remuneration for Auckland was considered separately when it was set up.

We are uncertain as to the basis for the 12.5%, and are thus proposing that this loading now be removed and that instead the size of these four unitary councils be measured by both the regional and the territorial authority factors. Thus the factors by which we measure the size of unitary councils would include both land area and social deprivation.

The Authority believes that with the additional regional council factor of land area included, this is a fairer way of sizing unitary councils.

**With regard to the proposed factors to be used for sizing councils**

- **Are there significant influences on council size that are not recognised by the factors identified?**
- **Are there any factors that we have identified that you believe should not be used and why?**
- **When measuring council assets, do you support the inclusion of all council assets, including those commercial companies that are operated by boards?**
- **If not, how should the Authority distinguish between different classes of assets?**

**Weighting**

86. The weight given to each factor was assessed intuitively by the Local Government Advisory Group, drawing on their knowledge and experience. These weights were then further refined by formal statistical analysis. The Authority has not yet completed this part of the exercise and, before we do, we would like to hear views on the proposed factors. Nevertheless, in our work to date, the following “order of magnitude” listing indicates what

we consider to be the relative importance of the various factors in determining size. They are listed here in terms of our current view of the highest to lowest influence on size.

87. Territorial authorities:

- Population; operational expenditure
- Assets
- Deprivation index; visitor nights

88. Regional councils:

- Operational expenditure; geographic size
- Assets; population
- Visitor nights

89. Unitary authorities:

- Population; operational expenditure; geographic size
- Assets
- Deprivation index; visitor nights

90. When the weighting exercise is completed, the size of each council estimated in this way will become the size index.

- **Are you aware of evidence that would support or challenge the relativity of the factors for each type of council?**
- **If you believe other factors should be taken into account, where would they sit relative to others?**

### **Mayor/chair remuneration**

91. The work that the Authority commissioned from the HayGroup in 2015 included a review and evaluation of the roles of mayor, regional council chair, committee chair and councillor across 20 councils.

92. The evidence reported by Hay was that mayor and regional council chair roles generally require a full-time commitment, though this is not true in absolutely all cases. Even in smaller authorities where the mayor's role may not be full time, the nature of the job means that it is usually difficult to get another job to supplement what might not be a fulltime income. From the knowledge of members of the Authority and advice from a range of participants in local government, including the Advisory Panel, the Authority accepts that mayors/chairs are full time and we propose that mayor/chair remuneration be determined on this basis.

93. We are also proposing that there should be a “base pay” for all mayors/chairs. Additional remuneration would then be on top of this, depending on the size of the council.

- **Should mayor/chair roles should be treated as full time?**
- **If not, how should they be treated?**
- **Should there be a “base” remuneration level for all mayors/chairs, with additional remuneration added according to the size of the council?**
- **If so, what should determine this “base remuneration”?**

#### **Councillor remuneration**

94. The relativity between mayor/chair and councillors is somewhat more difficult to determine and we note that in 2015 the Authority suggested that although there was evidence about the size of positions, there was less evidence about workload.

95. We are aware that there are clear differences in both the job size and the workload of councillors on different councils for a several reasons. There can also be significant differences in workloads of councillors within a single council. The influences on a councillor workload obviously include measurable factors such as population and the other indicators we have outlined above in paragraph 5, as well as the number of councillors, which varies from council to council.

96. However, other influences include current issues within a council area and individual councillor interest in or affiliation to different interest groups. The latter also applies to workload differences amongst councillors on a single council, as does the appetite for work amongst different councillors. The Authority is not able to take account of such differences in our determinations. Nor are we able to provide for “performance pay”. This means that on any single council the remuneration of the hardest working councillor will be the same as that of the lowest contributor.

97. Having looked carefully at the sizing factors, and discussed mayor/chair and councillor relativity with a variety of people, we have formed a view that we are unable to accommodate the differences between councillors on different councils with sufficient granularity to have a single national approach. The large metropolitan councils, for example, seem to have a higher councillor workload than of smaller rural and provincial councils, though this is not a universal rule. Additionally, there are differences between

similar sized councils which are addressed at council level by the allocation of committee and portfolio responsibilities.

98. We are also conscious of the discrepancies amongst councils in the current relationships between councillor remuneration and that of the mayor/chair. The range is from 54% down to 21%, and in some cases the proportion appears to be arbitrary. Discrepancies are also evident where councils of similar size (population) show variances of up to 10% in the ratio between councillors and mayors/chairs remuneration. Some of this may be historical - the legacy of previous approaches - or the result of councils having decreased or increased the number of councillors over time.
99. The Authority is looking at a new approach that, while providing a fiscal framework, would put the decisions round the details of councillor remuneration into the hands of the local council, which we believe is better able to understand and reflect community needs than we are on a national basis.
100. We are looking at setting a total "governance/representation pool" that each council would distribute. The pool would be linked to the size of the council and thus be irrespective of the number of elected members. Because we are now proposing formally that all mayor/chair roles be considered full time, the Authority would be in a position to set the salary for that position. Thus the mayor/chair remuneration would be separately allocated by the Authority, but included in the governance/representation pool allocated to each council. However, all other positions – councillors, deputy mayor/chair, chairs of committees, portfolio holders etc and community board members – would be allocated from its own pool by each council.
101. The pool proposal was included as one alternative in the 1997 LGNZ consultation paper, albeit the remuneration framework then was very different from how it has evolved today.
102. The advantages of this approach are that it focusses on the total governance and representation cost for each council (minus the mayor/chair) and that it allows each council to decide its own councillor and community board remuneration levels, including for positions of responsibility, reflecting its priorities for the current triennium. The total pool would be relative to the size of the council rather than to the number of elected members. Consequentially, if a council wished to increase its numbers via a representation review, and thus spread the workload, the allocated pool would need to be spread amongst more people. The reverse would also apply. It should be noted that if the workload for the whole council increased because of a change in the metrics of any factor(s) by which the council is sized, then the council would move to a higher ranking on the scale which would provide overall higher total remuneration pool.
103. The disadvantage is that no council is necessarily the master of its own destiny in terms of numbers of councillors. It must convince the Local Government Commission of the need to increase or decrease numbers. However, we do note that where representation changes reflect changes in what we call the "size" of the council (as described above in para 77-91),

any changes should also be reflected in the remuneration pool available to the council so there would then be a direct connection.

104. The pool approach provides councils with the flexibility to provide differences in positions of responsibility in a nuanced way. Because each council varies in terms of its committee/portfolio structure, this is an area where councils need discretion to decide. Current practice is for the Authority to set the councillor remuneration for each council, then to provide each council a “pool” equivalent to twice the base remuneration of one of its councillors to allocate to those undertaking specific positions of responsibility. These may include deputy mayor, committee chair, portfolio holder or other specifically designated roles. We have had no significant advice that the size of this extra pool is inadequate. However, we are aware that the provisions are applied in slightly different ways by different councils and that there are some councils that find the current provisions restrictive.
105. For example, there has been some confusion in the past as to whether every single councillor on a council can receive part of this additional pool by being allocated a position of responsibility. Generally, the Authority has not agreed to this when the council has proposed sharing the additional pool equally because this has simply amounted to a pay-rise for all councillors to move them above the level applied in the Determination. However, we have had enquiries about this and also observed current practice.
106. We propose that under the new regime (i.e. a total governance/representation pool for each council) the following rules should apply:
- a) All roles and remuneration levels will need to be agreed by formal resolution of the council, with a 75% majority.
  - b) A remuneration rate must be set for the base councillor role
  - c) The council needs to have a formal written role description for each additional position of responsibility above that of the base councillor role.
  - d) The Authority will expect that any such roles within a council will have different levels of additional remuneration, depending on the nature and workload involved. In particular this needs to apply where every single councillor is allocated an additional position (as distinct from a more usual practice of having a deputy mayor/chair and a handful of committee chairs).

- **Should councillor remuneration be decided by each council within the parameters of a governance/representation pool allocated to each council by the Remuneration Authority?**
- **If so, should each additional position of responsibility, above a base councillor role, require a formal role description?**

- **Should each council be required to gain a 75% majority vote to determine the allocation of remuneration across all its positions?**

107. We also note that elected members are increasingly being appointed to represent their council on various outside committees and bodies. We propose that if any council wishes to do so, such appointments can also be captured under the process outlined above.

- **Should external representation roles be able to be remunerated in a similar way to council positions of responsibility?**

108. The issue of director's fees for elected members who are appointed to CCOs is a difficult one. On the one hand it could be said that a councillor sitting on a CCO is doing work that is similar to that of another councillor who may have a specified position of responsibility – or even less if the second councillor is, for example, a committee chair. However, the legal liabilities of CCO directors have become more onerous in recent years and may be more than those of elected members.

109. Those appointed as directors of CCOs need to be aware of the specific legislative duties and regulatory obligations that are imposed on them, in their capacity as directors, by the various acts, including the Local Government Act 2002, the Companies Act 1993, the Health and Safety at Work Act 2015, the Charities Act 2005 and the Public Audit Act 2001.

110. It is not for the Authority to determine whether or not elected members should be directors of a CCO, but we do recognise the additional responsibility that is taken on in those cases and that it may require developing capabilities to meet obligations that are different from those required of other elected members. We also observe the increasing trend towards the appointment of external professional directors to such roles.

- **Do the additional demands placed on CCO board members make it fair for elected members appointed to such boards to receive the same director fees as are paid to other CCO board members?**

### Community Board remuneration

111. We note that 40 councils (more than half the territorial authorities) have community boards. We also note that there is a huge variety in the nature of the work undertaken by community boards and in the powers delegated to them. Some undertake substantial and substantive governance work on behalf of the council, whereas others are more in the nature of community representatives and advocates.
112. We are also aware that in some places community board members are doing work that elsewhere might be undertaken by council officers. However, assuming that community boards are part of the governance/representation structure of a council, then this means that, all else being equal, the current cost of governance and representation for these councils could be relatively higher than that of councils which do not have them. Some councils fund the boards out of a targeted rate applied to the area that the board represents, whereas others use a general rate – i.e. the same as for funding the remuneration of councillors.
113. We suggest that if a council wishes to not cover remuneration for its community board members from the proposed governance/representation pool, then a targeted rate should apply to the area represented by the particular community board. However, councillors appointed to represent the council on the community board would be paid from the governance/representation pool.
114. We also consider that it is important that the functions undertaken by any community board are clearly and transparently defined by the council concerned and consider that all community board delegations should be by way of a formal council resolution.

- **Should community board remuneration always come out of the council governance/representation pool?**
- **If not, should it be funded by way of targeted rate on the community concerned?**
- **If not, what other transparent and fair mechanisms are there for funding the remuneration of community board members?**

### A local government pay scale

115. Local government has no exact equivalent. The nearest that we have in New Zealand is central government, yet even that is not an exact match.

116. Section 2 of this paper sets out the legal requirements that the Authority is required to consider in making determinations. The first of those requires that the Authority “shall have regard in particular to the need to achieve and maintain fair relativity with remuneration received elsewhere”. This is particularly difficult in determining the remuneration for local government elected members because there is no obviously relevant comparator group. The Authority considered and rejected as inappropriate the following:

a) Local government senior managers’ salaries.

Information on local government management remuneration is readily available in market salary surveys and through councils’ annual reports. However employees of councils are selected for the knowledge, skills and experience they hold relative to the needs of the employment role. Elected members do not fit that profile at all. They are democratically chosen by the electors to represent the interests of the people of a particular area and provide governance over the council’s operations. There is no logical alignment that would connect the remuneration of the two groups.

b) Central government sector senior managers’ remuneration.

Information on public sector management remuneration is readily available in market salary surveys and the State Services Commission’s annual reports but this option suffers from exactly the same difficulties as option (a) above.

c) Remuneration of directors on boards, including public sector boards, commercial boards and large not-for-profit boards.

A significant part of the work of elected members consists of representational activities of one sort or another. Most boards of directors do not have this role. Those that do are often in the not-for-profit or NGO sector and, even there, the nature and time requirements of the representational work, including managing constituency issues, is different. Further, most boards are governing an enterprise that is essentially focused on a single group of goods or services within one industry, whereas councils have a significant array of services that are not necessarily similar in any manner – for example, providing building consents compared to social services.

117. Other aspects of local government elected roles which differ from the above are:

- The sheer “visibility” of the people involved, resulting in a lack of privacy. In some cases where the elected person is very high profile or important in a community, or when the community is very small, this is extreme and often their close family members are also impacted by this.
- This visibility is associated with the need for publicly elected representatives to “front” on difficult issues. This is less common amongst other boards members and

managers. When something goes wrong on a council the councillors and mayor/chair are held to account by the public, whereas on a board it would normally (though we recognise not always) be the CEO.

- The meeting requirements on local government are more onerous than they are in other sectors. The Local Government Official Information and Meetings Act 1987 and public expectation is that meetings will be held in public and that information behind decisions and actions will be readily available.
- Finally, and perhaps related to all the above, local government entities hold far more frequent meetings/workshops than do other governance boards and the distinction between governance and management is less clear than it is in most other models.

118. In the light of this, the Authority looked at a possible alignment with parliamentary remuneration for comparative purposes. Even though (as we note above) local government is not an exact match to central government, parliamentarians are also democratically elected to represent sections of the populace, and those who are members of the Government of the day also exercise governance over the public service. Within the parliamentary group there are different levels of remuneration between backbenchers, ministers and some other identifiable roles.

119. Given the obvious difference between central and local government elected members, any remuneration alignment could not be a direct one-on-one relationship. However, the nature of the roles is such that there are also similarities and this is the closest the Authority can find to “fair relativity with remuneration received elsewhere”. As in other areas of our work, this decision involved a degree of judgement – there is no exact science here and we would observe that the utility and value of any elected person is in the eye of the beholder.

120. We therefore propose that mayor/chair remuneration be related to that of MPs, but capped so that the highest remuneration for any individual mayor or chair cannot be more than that of a cabinet minister. All other mayor/chair roles would be provided with a relative alignment below that upper limit.

- **Is it appropriate for local government remuneration to be related to parliamentary remuneration, but taking account of differences in job sizes?**
- **If so, should that the relativity be capped so the incumbent in the biggest role in local government cannot receive more than a cabinet minister?**
- **If not, how should a local government pay scale be determined?**

## Timetable

121. The current practice of the Authority – major three-yearly reviews with annual updating in non-review years – has been a sensible approach. We propose to continue it in the interests of efficiency and also to reflect the fact that the data we are using for sizing is not necessarily available annually.
122. In the intervening years, we propose that any change in local government remuneration reflect the change in the salary and wage rates for the public sector as shown in Statistics NZ's Labour Market Statistics (LMS) which are produced quarterly. In 2014 the LMS replaced the Quarterly Employment Survey (QES), which was the mechanism chosen as the reference index when Parliament passed the Remuneration Authority (Members of Parliament Remuneration) Amendment Act 2015. Therefore, changes in MP remuneration are also tied to the change in salary and wage rates as published in the LMS. In addition to salary and wage rates, the LMS contain information on New Zealand's official employment and unemployment statistics, number of filled jobs by industry group, total hours worked, levels of income, total gross earnings and paid hours, and average hourly rates by sector.
123. The cycle adopted by the Authority for setting local government remuneration will be as follows:
- The first year of the cycle will be the local government election year. In that year the Authority will undertake a full review of council sizes, utilising the indicators described above. Prior to applying the result of the review, the Authority will apply the LMS changes to all local government remuneration, and the council sizing results will then be applied.
  - This determination will be issued on or about July 1 for implementation from the date the council formally takes office following the local government election later that year. At that time the Mayor/chair remuneration will be applied but the remuneration for all other positions to be decided out of the "governance/representation pool" will be applied on the day following the day on which the council formally resolves its remuneration policy for that triennium. Until then, from the day of assuming office, all councillors will be paid the base councillor remuneration that applied in the preceding triennium. The new determination will apply till the council ceases to formally hold office at the next local government election.
  - Meeting fees for RMA plan or consent hearings, as well as the parameters for expense reimbursement, will also be assessed at that time and any changes will apply to all councils at the same time as the remuneration changes.
  - In the subsequent two years, the determination will again be issued on or about July 1 but on these occasions for immediate implementation. For all councils, it will contain adjustments reflecting the change in the LMS. There will be no changes in plan or consent hearing fees or expenses policies at this time.

**This consultation process from now on**

124. This proposal is being circulated to all councils to obtain feedback on the approach. The Authority would need to receive any written feedback that councils wish to make by **30 October 2017**. We look forward to hearing from you.
125. For this year (2017) the Authority proposes to change remuneration according to the LMS change and we also propose to introduce the new provisions outlined in Section Two of this paper. All other changes would be introduced for the year 2019. This timetable allows time for councils to fully discuss the proposals and give us their responses. It allows us to then refine and test our final model for the “governance/representation pool” prior to implementation.
126. **We are conscious that 2019 is three years after the local government sector would have been expecting changes. However, with our proposal to change the model for sizing councils and to radically change the way councillor remuneration is decided, we believe that such a time period is justified.**



# Remuneration Setting Proposals for Local Authorities

**2013 and Beyond**



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## Introduction

In September 2011, a discussion document was released by the Remuneration Authority to help review how the Remuneration Authority goes about setting remuneration for elected members of local authorities. The aim was to ensure that the process and outcomes met the requirements of the Local Government Act and the Remuneration Authority Act.

The discussion document showed the existing pool system was starting to give results that were counterintuitive, and there were indications that the results were not being as fair to councillors and ratepayers as was desirable.

The Remuneration Authority consulted with a group of representatives of local government, and Local Government New Zealand, to add their input and insights to the review, and would like to thank these people who contributed:

**Dave Cull** – Mayor Dunedin City  
**Adrienne Staples** – Mayor South Wairarapa District  
**Brendan Duffy** – Mayor Horowhenua District  
**Richard Kempthorne** – Mayor Tasman District  
**Kevin Lamb** – Administration Manager Waimakariri District Council  
**Brian Lester** – CEO Ashburton District  
**Mick Lester** – Chair, Community Board Executive Committee, Councillor Hastings District.  
**Michael Reid** – Principal Adviser LGNZ

The Remuneration Authority received many responses to the consultation document and has determined a revised regime. It is now setting out the key features of the new system to allow input from the sector and to help the smooth implementation of the revised regime.

In the consultation document, the Remuneration Authority focused on two options for remuneration setting: a continuation of the current indicative pool model, and a specified-salary model. The proposal that the Remuneration Authority intends to implement draws, it hopes, on the best of both models. The proposal also focuses on bringing about a substantial reduction in bureaucratic and compliance requirements of the current system whilst maintaining transparency and ensuring local accountability to the Remuneration Authority for the final recommendations.

The Remuneration Authority initially hoped to implement the new regime for the 2012 financial year. It has decided, however, that to ensure a smooth transition for the sector the implementation will take place from the 2013 elections, with each local authority being provided with full details of their new remuneration framework early in 2013. This timing will give local authorities opportunity to recommend the structure and level of remuneration to the Remuneration Authority in time for a new determination to come into force after the 2013 elections.

The Remuneration Authority believes this will substantially reduce uncertainty about incomes for those standing for election in October 2013, with changes occurring only when the position of an elected representative includes additional responsibilities, or when an incoming council reviews and changes the structure for such positions.

Some aspects of the new system may require ‘fine tuning’. The Remuneration Authority is committed to working with local authorities during implementation. Details may require further attention, but the Remuneration Authority is keen that these matters are not seen as impediments.

This document:

1. Identifies the key components of the proposed remuneration-setting model in an executive summary
2. Discusses each component and outlines the reason for change
3. Explains the size index applied to each authority
4. Outlines the expected implementation process, ongoing triennial reviews and annual adjustments.

The obligations of the Remuneration Authority for the setting of salaries and allowances for elected members of local authorities, as set out in the Remuneration Authority Act and the Local Government Act, are summarised in Appendix A.

**The setting of remuneration for Auckland Council elected members follows a similar approach to that in this discussion document, but this discussion document is not meant to cover the remuneration setting for those members.**

Remuneration Authority  
 November 2012

## 1. Executive Summary

- In the year preceding the local government elections, the Remuneration Authority will conduct a full review of remuneration in each local authority. The first such review will take place in the 2012/13 financial year for implementation from the 2013 elections.
- The Remuneration Authority will use a council 'size index' based on each council's population and expenditure, and anticipated hours of governance and representation, to develop:
  1. A remuneration level for mayors and regional council chairs, based on their council size index
  2. Base remuneration for community board chairs and community board members, based on the population served by the community board and levels of responsibilities
  3. An additional pool of funding from which each local authority can recommend to the Remuneration Authority additional payment for councillors or community board chairs and members who undertake extra responsibilities.
- Base remuneration for community board chairs and community board members will be based on the population served by the community board and levels of responsibilities.
- Each council will be given the opportunity to recommend the allocation of all or part of the additional pool (see 3 above).
- To assist local authorities in making recommendations, the Remuneration Authority will indicate the nature of the 'additional duties' that may be recognised for deputy mayors, committee chairs, portfolio leaders, and members of specialist panels and working parties.
- The Remuneration Authority will no longer approve pools of funding for general meetings, attendance at which is to be expected of council members.
- Incoming elected members (including those re-elected) will be remunerated at the base remuneration rate from the date election results are formally announced. Members elected unopposed will receive the base remuneration rate from election day. Councillors or community board members receiving additional remuneration to reflect extra duties will be remunerated at the base councillor rate until appointed to the positions that include those or other additional duties.
- The automatic review of the relationship between council size index and mayoral, regional council chair, and councillor remuneration will not begin until the year preceding the next local authority elections (initially 2015). However, where councils reallocate duties among members, they may apply to the Remuneration Authority to vary the way the additional pool is allocated. In the two mid-term years, the Remuneration Authority will review amounts of remuneration, taking into consideration any changes in council size indices and any general remuneration increase. It will apply any changes automatically to the remuneration levels set in the determination. Councils will be advised of any new rates to be applied no later than May in each of the mid-term years.

- The Remuneration Authority will continue to apply a loading of 12.5% to unitary authorities.
- Provisions will continue for councillors, local board members and community board members undertaking resource consent hearings, with similar provisions applying. The Remuneration Authority is considering whether some recognition can be given to the extra time that some councillors spend on some hearings for District Plan changes.
- The review and approval of allowances and expenses for elected members will also take place only every three years unless specific circumstances lead a council to request an interim review.
- The adjustment to mayoral salaries to reflect the provision of motor vehicles will be trialled to take place annually as at 1 July, but the Remuneration Authority reserves the right to change this if it feels that it might result in unfairness to ratepayers.

These changes update the current pool system of setting remuneration for local authority elected members, which was established in 2002, after consultation with local authority representatives.

Under the current system, a pool is established each year for each local authority. The allocation of the pool to each elected-member position is determined by the Remuneration Authority after considering representations from each authority.

Recent analysis shows a variety of salaries for different councillors and community board members, in which it is difficult to see fair remuneration for work done. This is illustrated by information drawn from the 2010/11 Determinations and included in the consultative document issued by the Remuneration Authority in 2011.

The current system establishes a 'governance pool' for each authority without regard to the size of the elected governance and representative structure, creating differences in remuneration driven by the size of those structures rather than the requirements of the position. The model the Remuneration Authority is now adopting relies on traditional ideas of job sizing to drive remuneration, and additionally reflects the hours spent by councillors and others on their tasks. A brief description of the matters taken into consideration in determining job size is included as Appendix 2.

The outcome will not be perfect, because how much work elected officials do is not standardised and is largely self-driven. However, the Remuneration Authority is confident that the new regime will see a more equitable distribution of income for elected officials.

Finally, it is important to recognise that the remuneration for local government positions, as for many public sector positions, is not set at a market rate. We acknowledge that those putting themselves forward for such positions are principally driven by a commitment to their local community, and therefore remuneration will continue to be set at modest levels.

## 2.1 The components of the remuneration of each council

### ■ Current practice

Two figures are provided to councils each year – a mayoral/regional chair entitlement and a pool showing the funds that are available for each council to apply to remuneration of elected officials.

These figures are drawn from a relationship that takes into consideration population, expenditure, net assets and the rate of change in these figures.

The pools are set without reference to the number of elected councillors, or the presence or otherwise of community boards.

This approach has seen individuals performing essentially the same job in similar-sized local authorities being remunerated differently.

The approach has also been seen as a deterrent to the existence of community boards, creating differences between councillors and community board members.

The strength, and possibly weakness, of the indicative system is that distribution of the pool requires an annual local debate.

There is also the opportunity for local structures of council governance to be established, and remuneration to be set according to local desires.

However, most councils apply the annual percentage increase in the pool across all positions, and most council structures are constant over time.

### ■ The future approach

At the beginning of each election year, the Remuneration Authority will set the base councillor salary and the mayoral/chair remuneration (excluding reduction for the provision of a car) for each council.

The base councillor salary and the mayoral/chair remuneration will be based on the council's size index, which will be derived from population size and council expenditure (see section 3 for more detail).

The relationship between councils' size indices and base councillor salaries, along with mayoral/chair remuneration, will be determined every three years, having regard to the job size of the positions of councillor, mayor, and chair (as assessed for sample councils by HayGroup). Regard will also be given to the proportion of full-time work applicable to the council (as determined by survey results); and Remuneration Authority pay scales.

The basic remuneration for each elected community board chair and for board members will also be set according to the size of the population served by the community board.

Councils will be invited to make representation to the Remuneration Authority for additional remuneration for

- community boards that have additional levels of responsibility
- councillor positions of responsibility (including Deputy Mayor).

The Remuneration Authority will set guidelines for these submissions (see sections 2.11 and 2.12).

### ■ Features of the new approach

The change sees a move away from using statistical data only to measure the 'governance' element of each council's work, to determining the size of the responsibilities arising from council positions, taking into account population and expenditure and the time needed to carry out duties.

This will overcome the distorting effect on remuneration of the size of the elected structure. Currently there are from six to fifteen elected officials in each local authority across the country. The difference in number comes from historical arrangements, the work of the Local Government Commission, and local advocacy. Whilst some of the difference in number reflects the complexity of the tasks that are undertaken, the Remuneration Authority considers that the size of the governance structure is currently over-emphasised with regard to remuneration.

Remuneration levels will still reflect the size of the local authority and its ratepayer base, but will now regularly investigate the size of the job to be done.

The long-standing tension created by councils' needing to set community boards' remuneration at the expense of their own remuneration is removed, and it is hoped this will have a positive effect on local democracy.

The change will have different effects on each council. To avoid significant changes to remuneration (both up and down) for existing councillors, the transition to the new approach will take place immediately after the 2013 elections. Councils will be advised well before the election of the remuneration levels to apply after the election, so candidates will know what their remuneration will be if elected.

## 2.2 The Remuneration Authority's process for regular review

### ■ Historically

The Remuneration Authority first established the remuneration arrangements for elected officials after a substantive review and consultation process in 2002. This involved establishing the size of elected positions, assessing appropriate remuneration and developing an indicative pool for each council that provided a sufficient amount to pay elected members appropriately at that time.

After consideration, a process was designed that enabled the Remuneration Authority to increase the indicative pool each year. The increase reflected income changes in the broader economy, population numbers, expenditure and net assets, and any unusual growth changes.

Within the indicative pool, a specific amount was allocated for mayoral and regional chair remuneration.

This model was used annually until 2010, when a separate evaluation of the size of mayoral and regional chair positions was undertaken. Following that review, mayoral and regional chair salaries were set independently of the pool, reflecting the increased work required of those positions, whilst the pool approach was continued for the other elected officials.

Over the period, the role of local government continued to change, and with it the size of elected positions. There was no formal mechanism in the system to trigger a review or assess the accuracy of the result.

### ■ The future approach

Local government is changing rapidly, and the expectations and accountabilities of elected officials are changing at the same speed.

The Remuneration Authority believes regular full reviews of amounts of work in the sector are needed.

The Remuneration Authority therefore intends to undertake a job-sizing exercise with a cross section of councils every three years. The exercise will include a survey, and assess the hours required for governance and representative activity.

Results from the survey and job sizing will then be used in a review of base remuneration, with a new council size index for each council. This will provide the foundation for basic remuneration for councillors and give indicative amounts available for positions with additional responsibilities.

The Remuneration Authority intends to undertake such a review approximately two years after each election, with the results available to local government at the start of each election year.

At that time, each council will be asked to make recommendations concerning extra remuneration for positions of additional responsibility. Such recommendations, if accepted by the Remuneration Authority, will form the basis of the determination for the period starting from the declaration of election results.

In the following two years, the Remuneration Authority will annually recalculate the size index for each council, and automatically apply any increase that is warranted in a 1 July determination. When any mid-term changes might lead to a reduction in base remuneration for councillors, the changes will not take place during the term of council, but will be part of the next pre-election review.

### ■ Features of the new approach

The Remuneration Authority believes this approach ensures that:

- the work of local government will be reviewed regularly
- undertaking the review in the final year of the electoral cycle will make certain elected members fully understand the nature of their positions at the time of the review
- reducing the number of remuneration recommendations and discussions from four times in the electoral cycle to one will allow more operational time for staff and elected officials
- Candidates standing for election will have greater certainty about the remuneration attached to the position
- There will no longer be any need to have temporary reductions in councillor remuneration following each election.

## 2.3 Allocation for positions of additional responsibility

### ■ The current approach

Under current arrangements, the Remuneration Authority allocates a total amount to pay elected officials. Typically, 50% of the remuneration of community board members is also met from this pool.

Councils are required to recommend the allocation of all such funds, after approval from council and (where established) each community board.

When the process proceeds smoothly, the Remuneration Authority has usually accepted council recommendations. When councils have been unable to reach agreement, the Remuneration Authority has determined an appropriate outcome.

The Remuneration Authority appreciates that councils do not all want a 'one-size-fits-all' approach, and therefore provides for local needs with a pool to recognise additional responsibilities accepted by individual elected positions. Currently some councils operate with a 'flat' structure, recognising only a deputy mayor as undertaking additional duties; other councils give various committees stated roles and responsibilities. Councillors on those committees have additional responsibilities and time commitments.

Over time, new roles have emerged, such as 'portfolio leaders'. Some councils have many remuneration rates, albeit with modest differences overall. It is impossible to verify, from the information provided to the Remuneration Authority, how such variations were established.

### ■ The future approach

Having set the base remuneration of each elected official, the Remuneration Authority has identified commonly required additional roles. It will provide guidelines for the allocation of additional sums of money for those performing additional duties. See section 2.12 for further discussion and Appendix B for draft guidelines.

The Remuneration Authority will also indicate the expected maximum from the total of the additional amounts.

Where councils believe they have distributed duties to all councillors and thereby increased the base responsibility of all councillors, they will need to justify their submissions before the Remuneration Authority will increase the base remuneration for their councillors.

A similar approach will be taken for community boards, recognising that varying amounts of responsibility are given to different community boards. See section 2.12 and Appendix B.

### ■ Features of the new approach

The additional pool will allow local flexibility around how duties are undertaken and accountabilities recognised, yet ensure the expectations of identified roles are clearly understood.

The new approach places the responsibility for setting higher rates firmly on councils. If a council chooses to operate with a structure in which the council as a whole determines matters of governance, the council can reject the idea of additional responsibilities and remuneration.

The change also lets the Remuneration Authority have fewer reviews of councillor remuneration, and ends the practice of reducing councillor remuneration immediately after the election.

## 2.4 Removal of salary/ meeting fee mix

### ■ Historical context

At one stage, the normal practice in local government was for councillors to receive most of their remuneration for attending meetings.

The pool system enabled this practice to continue, but limited the total funds available for meeting fees by requiring an amount to be set aside out of the indicative pool.

Currently, approximately 10% of councils use a meeting-fee approach. Each year, a number of these councils under-spend their pool and carry funds forward. Occasionally, the pool is exhausted before the end of the financial year.

The council collectively has a range of accountabilities. It is unclear why attendance at meetings should largely determine salary, or whether such an approach encourages behaviours that lead to good governance.

### ■ The future

In moving to a base remuneration rate, the Remuneration Authority considered whether a feature of the system should be the possibility of reducing the base rate to create a pool for meeting fees.

It decided, however, that such an approach was inconsistent with the 'rate for the job size' approach of the new system.

The Remuneration Authority considers that a councillor's role is more than attending meetings, and believes that idea should be reinforced, not undermined, by the remuneration regime.

It also believes that having meeting fees puts another barrier in the way of ratepayers being able to assess the real remuneration councillors receive.

From 2013, the Remuneration Authority will not approve meeting fees for core council business.

## 2.5 Council remuneration in election year

### ■ Historical approach

Since 2004, the Remuneration Authority has set a notional remuneration rate to be applied immediately after the local government election.

This rate is set at approximately 80% of the previous salary of councillors and does not include meeting fees or recognition of additional responsibilities.

After the election, councils are required to review their structure and remuneration. They then forward to the Remuneration Authority proposals approved by the council and, where established, by community boards.

The Remuneration Authority considers the proposals and decides to accept the proposals or refer them back to the local authority for further work.

A determination is then issued setting new (increased) rates of remuneration backdated to the election.

Because of the time taken preparing and considering recommendations, councillors have often had to wait for up to six months before receiving back pay.

### ■ The future approach

The Remuneration Authority intends to leave existing rates in place until the 2013 election, without the regular review for implementation that would otherwise have taken place in July 2013.

Consultation with councils will take place between January and April 2013, and a determination will be issued for the period from election day until 30 June 2014.

When they make the decision to stand, elected members will therefore know exactly what the basic remuneration will be after the election.

Councillors elected unopposed will experience no break in remuneration, but will revert from any higher salary to the basic rate from election day.

Remuneration of members standing for election will end on the day before the election. If they are re-elected, their basic remuneration will re-start on the day after election results are officially confirmed.

For those members who are subsequently appointed to positions with additional remuneration, that remuneration will apply from the date of their appointment.

Reconfirmation of remuneration after the election will not be required. No further determination will be issued until 1 July the following year unless the local authority seeks to amend the extra amounts available for additional duties.

### ■ Features of the new arrangement

This arrangement provides continuity of income to councillors, and certainty for those seeking election.

It reduces the number of determinations issued in the twelve-month period from three to one, whilst retaining the possibility of councils that genuinely choose to review the structure and process of their work.

The Remuneration Authority believes these changes will increase efficiency and transparency in the remuneration of councils immediately after the election, and release councillor and staff time for other activities.

## 2.6 The process in non-election years

### ■ Current practice

Each year the Remuneration Authority determines the pool of funding available for remuneration and the council is required to discuss and recommend the allocation of the funds.

Most councils apply the percentage movement that is granted, equally across positions. However, discussion and approval are required from council (and community boards, where they exist).

The process takes considerable councillor and staff time with, in many cases, little advantage to council or ratepayers.

### ■ The future approach

In non-election years, the Remuneration Authority will:

- re-assess each council's size index based on latest data
- determine an increase reflecting any changes in CPI or general wage growth and apply the increase to each council's base remuneration for councillors, and mayor or chair remuneration, calculated using the revised size index
- hold remuneration at the existing amounts until the next year, or next election, if the reassessment results in a decrease in remuneration
- adjust remuneration pro rata for positions with additional responsibilities to the change in base remuneration for councillors, for that council
- issue a determination including the updated rates.

It is possible that the Remuneration Authority could determine a general increase to adjust for changes in CPI or general wage growth for mayors and chairs that is different from the increase for councillors.

Councils will be able to review their structure, as in the past, but there will be no requirement to do so.

Where a review is undertaken and change is recommended, the Remuneration Authority will consider the new arrangements and issue an amending determination or consult further with the council.

### ■ Features of the new arrangement

Flexibility for a council-initiated change of structure is retained, but current bureaucracy around modest sums of money is reduced.

Processes will be required within the Remuneration Authority and in councils to ensure increases in remuneration and amounts of remuneration are made clear to ratepayers. Councils could choose to disclose councillor remuneration on their web sites.

## 2.7 Loading for unitary councils

### ■ Current practice

Pools from which unitary councils fund councillors' and community board members' remuneration are calculated in the same way as those for territorial authorities. Then a 12.5% loading is applied, to recognise the wider responsibilities of unitary councils.

### ■ The future

The same loading will be applied for the three-year period from 2013.

The Remuneration Authority will review the loading in the year preceding the 2016 council elections.

## 2.8 Resource consent changes to District Plans hearings

The Remuneration Authority has decided to retain the current arrangements for resource consent hearings. It will continue reviewing the hourly rate each year.

The Remuneration Authority is considering whether some recognition can be given to the extra time that some councillors spend on some hearings for District Plan changes.

## 2.9 Approval of elected officials' expense and reimbursement policies

The Local Government Act requires the Remuneration Authority to determine expenses and allowances payable to elected members.

Currently, the Remuneration Authority asks each council to confirm or amend its expenses and reimbursement policies each year.

In future, the Remuneration Authority will request such a review at the same time as it is undertaking its pre-election review of basic remuneration and the pool for additional responsibilities.

This will reduce bureaucracy. However, as is currently the case, councils will be able to seek approval to change the policies at any time when new issues arise.

The Remuneration Authority will continue to require that details of policies are available for inspection by ratepayers. Since all local authorities have web sites, the Remuneration Authority considers that details of expense policies should be published online.

## 2.10 Valuation of mayoral vehicle

The Remuneration Authority does not, at this time, intend to change the way in which the value of private use of mayoral vehicles is calculated.

However, to reduce compliance costs for issuing amending determinations, the adjustment made when the value of a vehicle changes will now apply from 1 July each year, rather than at the time of the change.

The Remuneration Authority will remind councils annually of this requirement as it prepares for the annual determination.

The Remuneration Authority reserves the right to change its policy on adjustments to remuneration caused by changes in vehicles if it feels the policy is grossly unfair to ratepayers.

## 2.11 Community boards

### ■ Current practice

The levels of remuneration for community board members, chairs, and (where appropriate) deputy chairs are recommended by each local authority. The Remuneration Authority makes its determination after considering those recommendations. For most councils, 50% of the remuneration for community board members comes out of the pool.

### ■ Future approach

Consistent with the future approach for elected councillors, the Remuneration Authority will set a base community board salary for each community board. The salary will be based on the population the community board serves and will assume that each community board member has similar basic responsibilities.

Appendix D gives an outline of the roles of community boards and community board chairs.

There is little delegated responsibility from council to community board in the base role, and this will be reflected in the base salary.

Depending on additional levels of responsibility, community board salaries may be approved up to a set maximum percentage over the base. The maximum additional percentage is likely to be about 30%.

The base salary for a community board chair will be twice the salary of a community board member (after the addition of any extra for additional responsibilities), provided the chair is carrying out the additional roles of the chair as set out in Appendix D.

If a deputy chair is appointed, then, depending on the role of the deputy, the salary for the deputy chair will be up to 1.5 times that of a community board member.

Where a councillor is also appointed as a member or chair of a community board, the maximum additional remuneration, if any, will be 50% of the community board role the councillor takes up. The Remuneration Authority is aware that many councils do not pay extra to councillors who are appointed to sit on community boards and will need to be convinced that any extra remuneration for such appointments does not raise anomalous situations for other councillors who may, for example, attend residents association meetings without additional remuneration.

The Remuneration Authority will determine any additional remuneration for additional responsibilities, or councillors appointed to community boards. Councils will need to make recommendations and include details of positions and additional responsibilities to the Remuneration Authority.

## 2.12 Positions of additional responsibility for councillors

### ■ Current approach

Councils make recommendations to the Remuneration Authority, giving position titles and recommended salaries. After considering the recommendations (and any further information the Remuneration Authority may call for) the Remuneration Authority sets the salaries for all positions of additional responsibility. The total of all salaries (including any provision for meeting fees) must be equal to the pool.

### ■ Future approach

The base salary for a councillor is meant to cover the basic role of a councillor, as set out in Appendix E.

Possible descriptions of positions of additional responsibility (including Deputy Mayor) are set out in Appendix F.

Following each election, each council will be invited to provide to the Remuneration Authority its recommendations for positions of responsibility (including Deputy Mayor) setting out, for each position:

1. the position title
2. a brief description of the main functions of the position
3. a note of any delegated authorities (including delegated authorities to speak on behalf of the council)
4. a recommended percentage addition to the base salary for a councillor, to apply to the position
5. any other information that might help the Remuneration Authority's decision-making.

Positions of responsibility can include appointments to community boards.

As a guide, the Remuneration Authority would expect the recommended percentage addition to the base salary for a councillor to be in the range of 5% to 15%, depending on the functions of the position and the delegated authorities. It would expect the recommended percentage addition for a Deputy Mayor to be in the range of 15% to 40%.

The Remuneration Authority would expect that total additional salaries for positions of additional responsibility would not be greater than the base salary for a councillor, for that council.

For each non-election year determination, the Remuneration Authority will, unless otherwise advised by a council, assume that positions of responsibility are unchanged. It will apply the same percentage additions to salary for the positions, based on the base salary for a councillor that is determined that year.

## 2.13 Matters outside this review

In the course of undertaking this review, a number of issues have arisen that fall outside the Remuneration Authority's ambit or require legislative amendment.

The Remuneration Authority believes two in particular have value.

The first is that the amount of allowances and reimbursements made to council members be made available publicly in a form that allows review and perusal.

The second is that the income members receive from being appointed to council-controlled organisations and trusts be offset against their remuneration.

Whilst the Remuneration Authority supports a closer review of these proposals, they fall outside the Remuneration Authority's powers and have not been included in this work.

### 3. The size index

#### ■ Current practice

For the purpose of determining the size of pools for the remuneration of elected officials and for determining mayoral and chair salaries, a number of 'points' have been allocated to each council.

The number of points is based on the population served by the council, and the council's expenses and net assets.

For regional councils, an additional statistic, capital value, is used.

The weights used for each statistic have remained unchanged since the system was introduced in 2002.

Total points for all councils changed each year as the total population changed, and an individual council's share of the total points could also change.

A relationship between a council's points and the size of the pool (and mayoral and chair remuneration) was established in 2002. The same relationship was used each year, with some adjustment for general wage movements. The resulting pools or salaries were adjusted to reflect any abnormal changes that had occurred in numbers of the population served by the council over the previous five years, compared with the change in total New Zealand population over the same period.

Thus the size of the pool and of mayoral and chair salaries could change each year from a combination of growth in the New Zealand population, change in the council's share of the total points, any adjustment for abnormal change in population, and any overall adjustment for general wage growth.

#### ■ The future

Each year, a 'size index' will be determined for each council.

The size index will be based on the population served by the council and council expenses.

There is a strong correlation between councils' populations and expenses, and between population and net assets. It could be argued that only the 'population' statistic could be used to determine the size index. However, it has been decided to also use the 'expense' statistic, to give extra weight to councils serving large transient populations. The need for additional services for such populations is reflected in higher council expenses.

The adjustment for 'abnormal population growth' has been discontinued, because it is felt that such growth will be reflected in a council's expenses.

The size index for each council is determined by taking into account the council's population and its published expenses. The size index is a relative measure between councils. Each year, as a council's population size and expenses vary, its size index may change (up or down) as its relativity with other councils changes.

Every three years (the years prior to an election year) the job sizes of councillors, mayors and chairs in sample councils will be assessed. Time spent carrying out mayoral, chair and councillor duties will also be assessed. From these data and the Remuneration Authority's standard pay scales, a fair remuneration will be determined for each of the sample councils.

A relationship will then be developed between the size index, mayoral and chair remuneration, and base remuneration for councillors, based on the sample councils.

Those relationships will then be applied to all councils.

The Remuneration Authority developed processes and methodologies for:

- deciding which statistics (eg population and expenses) to use in the determination of size indices, and
- deciding on the weights to apply to those statistics in the calculations, and
- the way of determining size indices, and
- determining the relationships between size indices and mayoral/chair remuneration for sample councils, and
- using those relationships for all councils.

The processes and methodologies have been peer reviewed by a senior lecturer in financial mathematics at Victoria University of Wellington and found to be sound.

## 4.1 Implementation – Transition to new system

A preliminary assessment of possible base salaries for councillors from each council has been made. It shows that that, in some councils, there could be significant changes (both up and down) in the remuneration payable to councillors who have no additional responsibilities. This was not unexpected, since in the past each council had made its own recommendations regarding remuneration without any firm guidelines from the Remuneration Authority.

Implementation of the new system has therefore been deferred until 2013, an election year.

Subject to confirmation that it is within the legislative powers of the Remuneration Authority, the 2012/13 determination will run to the 2013 election date. A new determination will take effect from the date of the elections and will:

- set councillors' base salaries, based on the new system, to apply from the election until 30 June 2014
- set mayoral and chair salaries, based on the new system, to apply from the election until 30 June 2014
- set remuneration for positions of additional responsibility, based on the new system, to apply from the election until 30 June 2014.

Whilst the rates for these positions will be established in the determination, the rate will apply to those individuals elected to the positions only from the date of their appointment.

Early in 2013, the Remuneration Authority will decide on mayoral and chair remunerations and the base salary for councillors for each council, to apply from the date of the elections. Councils will be advised of the amounts well before the elections so candidates seeking election will know their remuneration if elected.

Reasons for this approach are:

- remuneration until the elections will be based on the existing pool system and councillors' reasonable expectations regarding remuneration can be met, and
- potential candidates can be fully informed about remuneration before deciding to stand for election.

## 4.2 Implementation – Triennial reviews and annual adjustments

At each triennial review (which will take place in the year before local body elections and take effect from 1 July preceding the election date) the Remuneration Authority will carry out the following review tasks:

1. select sample councils and, if necessary job-size mayoral, chair and councillor positions
2. sample all councils concerning what proportion of a full-time position is needed to carry out mayor, chair and councillor duties
3. receive up-to-date population and expenses statistics for each council and thereby determine target remuneration levels for mayors, chairs and councillors for the sample councils
4. review population numbers and expense proportions used in the calculation of size indices to ensure they give a valid representation of relative council size for the purposes of determining remunerations
5. calculate size indices and develop a relationship between size indices and mayoral/chair and base councillor remuneration for the sample councils
6. apply those relationships to determine the mayoral/ chair and base councillor remuneration for all councils
7. set guidelines that each council may apply to increase remuneration for councillors with additional responsibilities
8. advise each council of the mayoral/chair and base councillor remuneration and invite recommendations for the allocation of the additional amounts for additional responsibilities (within guidelines)
9. advise each council of the base community board salary and invite recommendations for possible community board salaries in excess of the base salary based on additional responsibilities (within guidelines)
10. issue the determination for the period from the election date until the following 30 June.

In each of the two intervening years, the Remuneration Authority will:

1. receive up-to-date population and expenses statistics for each council
2. calculate the size index for each council using the population and expense proportions determined at the triennial review
3. determine revised mayoral/chair and base councillor remuneration based on the updated size indices, the relationships developed at the triennial review, and an allowance for general wage growth
4. make any adjustments to mayoral/chair salaries due to changes in cars or car use since the last determination
5. apply, for each council, the proportional increase in base councillor remuneration to all positions of additional responsibility (unless a council has advised a change in its structure)

## 5. Timetable and Consultation

### ■ Planned timetable

Activity	Timing
Finalise consultation document and distribute	Mid November 2012
Regional meetings	Complete by mid December 2012
Survey of councillor time	November/December 2012
Final documentation of new approach	January/February 2013
Promulgation of mayor/chair salaries, base councillor salaries, base CB salaries	March 2013
Recommendations from councils for extra duties	April 2013
Finalise all salaries	May 2013
Gazette determination to apply from elections	June 2013

### ■ Consultation

As part of the consultation process the Remuneration Authority has already consulted with representatives of local authorities and LGNZ

The Remuneration Authority now intends to:

- talk to zone conferences before the end of 2012, and
- talk to the rural sector group, the metros group, and the community board executive board, and
- seek written feedback from councils (not individuals), and
- consider all feedback and include it as appropriate in the final documentation, and
- where appropriate, advise how it feedback was taken into account.

## Appendix A:

### Remuneration Authority's obligations

The Local Government Act, Schedule 7 section 6, provides that:

1. The Remuneration Authority must determine the remuneration, allowances, and expenses payable to elected members
2. The Remuneration Authority may do one or more of the following things:
  - a. Fix –
    - i. Scales of salaries
    - ii. Scales of allowances
    - iii. Ranges of remuneration
    - iv. Different forms of remuneration
  - b. Prescribe –
    - i. Rules for the application of those scales, ranges, or different forms of remuneration
    - ii. Rules for reimbursing expenses incurred by elected members
  - c. Differentiate –
    - i. Between persons occupying different positions in different local authorities or community boards
    - ii. Between persons occupying equivalent positions in the same local authorities or community boards
  - d. Make determinations that apply to individuals, or groups occupying equivalent positions
3. Section 19 of the Remuneration Authority Act applies.
4. In determining remuneration under clause 6, the Remuneration Authority must have regard to the need to—
  - a) minimise the potential for certain types of remuneration to distort the behaviour of elected members; and
  - b) achieve and maintain fair relativity with the levels of remuneration received elsewhere; and
  - c) be fair both—
    - (i) to the persons whose remuneration is being determined; and
    - (ii) to ratepayers; and
  - d) attract and retain competent persons.

The Remuneration Authority Act has the following provisions which apply to determinations made under the local Government Act:

Sections 18 and 18 A require the Remuneration Authority when making determinations to have regard to, or to take into account:

- a. The need to achieve fair relativity with levels of remuneration achieved elsewhere
- b. The need to be fair to both –
  - a. the people whose remuneration is being determined, and
  - b. taxpayers or ratepayers
- c. The need to recruit and retain competent people
- d. The requirements of the position concerned
- e. The conditions of service for those whose remuneration is being determined and conditions of employment for comparable positions
- f. Any prevailing adverse economic conditions.

Section 19 covers the frequency of determinations and adjustments to determinations.

## Appendix B: Draft guidelines for additional responsibilities

- Councillor positions of responsibility to attract between 5% and 15% addition to base councillor salary
- Deputy mayors may be paid up to an additional 40% of base councillor salary, depending on levels of delegation – this maximum to apply regardless of any other position of additional responsibility that may be held by the deputy mayor
- The maximum total of additional salaries for additional responsibilities (including those of Deputy Mayor) will be 100% of base councillor salary
- Depending on additional levels of responsibility, community board salaries may be approved up to 30% over the base
- The base salary for a community board chair will be twice the salary of a community board member (after the addition of any extra for additional responsibilities) provided the chair is carrying out the additional roles of the chair as set out in Appendix D.
- If a community board deputy chair is appointed then, depending on the role of the deputy, the salary will be up to 1.5 times that of a community board member.

## Appendix C: Job evaluation and the Remuneration Authority

The most common reason for 'sizing' a job is to help the organisation benchmark how much it pays for a particular role in order to be sufficiently competitive. There are several approaches.

Job-title match surveys assume, for example, that all "Marketing Managers" do the same things and that there is a single market for such a role.

Job matching examines the job title together with representative activities. Organisations "match" their roles to the job that best represents their position, and look at size of organisation to get a reasonable comparison.

'Matching' approaches rely on jobs being the same or a close match, and on other organisations (or job holders, in surveys such as IPENZ and ICANZ) correctly matching jobs.

The Remuneration Authority uses a factor-based system, the Hay system, which looks at the specific content of a job and assesses each aspect against a set of standard scales and descriptions to find the most accurate requirements of the role, when performed to a fully competent standard. The resulting 'job size' is matched with other jobs of the same size (within or across functional or industry boundaries) and can be slotted into the appropriate band or grade within the pay framework.

Job evaluations are carried out independently by the Hay Group.

The Hay system makes judgements in three major areas:

- (1) **KNOW-HOW** – The combination of knowledge, skills and experience required for fully acceptable job performance. Know-how is considered in three dimensions:
  - a. practical/technical know-how
  - b. planning, organising and integrating (managerial) knowledge
  - c. communicating and influencing skills
- (2) **PROBLEM SOLVING** – The span, complexity and level of analytical, evaluative and innovative thought required in the job, expressed in the way know-how is used. Problem solving is considered in two dimensions:
  - a. thinking environment
  - b. thinking challenge

- (3) **ACCOUNTABILITY** – The scope given to the job holder to direct resources of all kinds and to influence or determine the course of events; and the job-holder's answerability for the consequences of their decisions and actions for the organisation. Accountability is also considered in three dimensions:
  - a. freedom to act
  - b. magnitude – area of impact
  - c. job impact

## Appendix D: Community board members – Base role description

### ■ Representation and advocacy

- Representing and acting as an advocate for the interests of their community
- Considering and reporting on all matters referred to them by the council, or any matters of interest or concern to the community board
- Communicating with community organisations and special-interest groups in the community
- Bringing the views of their community to the attention of council
- Listening to the concerns of their community on issues pertaining to the community board
- Maintaining an overview of services provided by the council in the community, and commenting on any services delivered by the parent council
- Maintaining contact with various community representatives and other local stakeholders
- Championing causes which best relate to the interests of their community and campaigning for the improvement of the quality of life in their community.

### ■ Governance

- Participating constructively and effectively in the good governance of the community board as a whole
- Understanding and ensuring that basic principles of good governance are a part of the approach of the community board
- Understanding and respecting the differing roles of community board Chair and community board members; the roles of the parent council's Mayor, Deputy Mayor, committee chairs / portfolio holders and councillors; and the very different roles of the managers and staff of the parent council with whom the community board might work

- Recognising that the governance role does not extend to operational matters or to the management of any implementation
- Having a good understanding of the community board processes set out in the Standing Orders that determine how community board meetings are run and how decisions are made
- Developing and maintaining a working knowledge of council services, management processes, powers, duties and constraints
- Ensuring familiarity with agendas and other community board reports before meetings of the community board
- Being familiar with and complying with the statutory requirements of a community board member
- Identifying, being aware of and declaring any potential personal conflicts of interest, whether these are pecuniary or non-pecuniary.

Possible additional responsibilities of community board members:

- Undertaking any other responsibilities that are delegated to them by the council or are prescribed by Order in Council
- Preparing an annual submission to the council for expenditure within the community
- Participating in any relevant consultative processes with the local community and/or other organisations
- Representing the views and position of the community board to external parties, where delegated to do so, and with a clear understanding that only formal community board decisions can commit the community board to any particular course of action (and then only in matters where the community board is delegated to act)
- Participating, as needed, in the setting and monitoring of council policies, budgets, strategies and service delivery through annual and long-term planning processes.

### ■ Additional responsibilities of Chairs

- Chairing meetings of the community board
- Representing the community board to a high standard in the areas of activity and business delegated
- Promoting and supporting good governance by the community board
- Developing a clear understanding of the terms of reference of their community board, and of the scope and range of delegations in order to carry out the role of community board Chair
- Ensuring sufficient familiarity with parent council's Standing Orders and procedures that they can chair community board meetings and any other sessions for which they have responsibility
- Undertaking sufficient preparation before the meetings they are chairing to allow them to effectively carry out the role of Chair.
- Ensuring meetings they chair operate within the powers delegated by the parent council as set out in the parent council's Delegation Manual
- Managing the progress of business during meetings, including ensuring adherence to the parent council's Standing Orders and to other statutory obligations and requirements
- Ensuring that all participants in meetings have an opportunity to make an appropriate contribution within the bounds of Standing Orders and due process
- Maintaining and ensuring due order and decorum throughout meetings they chair
- Commenting to the media (or other agencies) as the community board spokesperson, where delegated/ authorised to do so, on issues that pertain to the community board
- Liaising with appropriate council staff in respect of the areas of delegated council business for which the community board has responsibility
- Providing leadership to the community board in helping form a consensus that is representative of the community
- Working closely with other members of the community board to ensure smooth community board decision-making
- Keeping abreast of all issues facing the community board.

## Appendix E: Councillor – Base role description

### ■ Collective duties of the council

- Representing the interests of the council
- Formulating the council's strategic direction and relative priorities through the Long Term Council Community Plan (LTCCP), which determines the services and activities to be undertaken by council over a ten-year period
- Determining the expenditure and funding requirements of council activities through the LTCCP and annual planning processes
- Overseeing, developing and/or approving all council policies, administrative, legal, financial and strategic, including formal regional, city and/or district planning matters within the council's geographical area of responsibility
- Monitoring the ongoing performance of council against its stated objectives and policies (including formal sign-off of the Annual Report)
- Ensuring prudent use of council resources
- Law-making (bylaws)
- Overseeing council compliance with any relevant Acts of Parliament
- Employing, setting performance requirements for, and monitoring the ongoing performance of the council's Chief Executive. (Under the Local Government Act 2002, the local authority employs the Chief Executive who, in turn, employs all other staff on its behalf – elected members of council have no responsibilities for, and cannot direct, any staff employed by the council other than the Chief Executive.)

### ■ Representation and advocacy

- Bringing the views of the community into council decision-making processes
- Being an advocate for community groups and individuals at council meetings

- Balancing the need to advocate for specific interests against the needs of the wider community
- Listening to the concerns of local residents and ratepayers on issues pertaining to the council
- Maintaining contact with community representatives and other local stakeholders
- Participating in any relevant consultative processes with the local community and/or other organisations.

### ■ Governance

- Participating constructively and effectively in the good governance of the council as a whole
- Understanding and ensuring that basic principles of good governance are a part of the decision-making approach of the council
- Understanding and respecting the differing roles of Mayor (or Chair for a regional council), Deputy Mayor, committee chairs/portfolio holders and councillors
- Recognising that the governance role does not extend to operational matters or to the management of any implementation
- Having a good understanding of the council processes set out in the Standing Orders that determine how council meetings are run
- Developing and maintaining a working knowledge of council services, management processes, powers, duties and constraints
- Participating in the setting and monitoring of council policies, budgets, strategies and service delivery through annual and long-term planning processes
- Ensuring familiarity with agendas and other council reports before council meetings
- Being familiar with and complying with the statutory requirements of an elected councillor
- Complying with the Code of Conduct adopted by the council
- Identifying, being aware of and declaring any potential personal conflicts of interest, whether of a pecuniary or non-pecuniary nature.

## Appendix F: Additional responsibility – Role description

### ■ Committee Chair/Portfolio holder

Responsibilities in addition to those of a councillor:

- Chairing meetings of the committees in the areas of council activity and business within their area of responsibility
- Representing the council to a high standard in the areas of council activity and business within their area of responsibility, recognising that conduct in the role of CC/PH reflects on council as a whole
- Promoting and supporting good governance by the council
- Developing a clear understanding of the terms of reference of their committees, and of the scope and range of the specific areas of council activities and business within their area of responsibility to allow them to carry out their role as CC/PH
- Ensuring sufficient familiarity with council Standing Orders and procedures to be able to chair council committee meetings and any other sessions of council for which they have responsibility
- Undertaking sufficient preparation before meetings they are chairing to effectively carry out their role as CC/PH
- Ensuring any meetings they chair act within the powers delegated by the council as set out in the council Delegation Manual
- Managing the progress of business during meetings, including ensuring adherence to the council Code of Conduct, Standing Orders and any other statutory obligations and requirements
- Ensuring that all meeting participants have an opportunity to make an appropriate contribution within the bounds of Standing Orders and due process
- Maintaining and ensuring due order and decorum throughout meetings they chair
- Commenting to the media (or other agencies) as the council spokesperson on issues arising that pertain to their committee or that are on the agenda in the areas of council activity and business within their area of responsibility, but only if delegated to do so by council
- Liaising with appropriate council staff in respect of the areas of council activity and business within the CC/PH area of responsibility
- Providing political leadership in building a political consensus around council issues in the areas of council activity and business that are within their area of responsibility
- Recognising and contributing to issues that cut across specific areas of council activity and business within the CC/PH area of responsibility 2s or groups
- Ensuring sufficient familiarity with council Standing Orders and procedures to be able to deputise competently for the Mayor in chairing council meetings and other sessions of council
- Representing the council in various local, regional and/or national settings, both formal and informal, as appropriate
- Working closely with other elected members of council to ensure smooth council decision-making
- Ensuring sufficient familiarity with the processes and procedures of various civic functions to be able to correctly follow the obligations of such civic functions in the event of deputising for the Mayor, should that need arise.







## **Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016**

Pursuant to clause 6 of Schedule 7 of the Local Government Act 2002, and to the Remuneration Authority Act 1977, the Remuneration Authority, after having regard to the matters specified in clause 7 of that schedule, makes the following determination (to which is appended an explanatory memorandum).

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**Schedule 1** 11

**Remuneration of members of regional councils**

**Schedule 2** 15

**Remuneration of members of territorial authorities and their  
community boards**

**Determination**

**1 Title**

This determination is the Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016.

**2 Commencement**

This determination comes into force on 1 July 2016.

**3 Application to Kaipara District Council**

This determination applies to Kaipara District Council only on and from the day after the date on which the official result of the 2016 triennial general election of members of Kaipara District Council is declared.

**4 Expiry**

This determination expires on the close of 30 June 2017.

*Interpretation*

**5 Interpretation**

In this determination, unless the context otherwise requires,—

**ATA panel** means a panel appointed by an accord territorial authority under section 89 of HASHA

**ATA panel hearing time** has the meaning given by clause 7

**ATA resource consent hearing** has the meaning given by clause 6

**ATA resource consent hearing fee** means a fee payable in accordance with clause 15 for attending an ATA resource consent hearing

**community board** means a community board of a territorial authority

**HASHA** means the Housing Accords and Special Housing Areas Act 2013

**local authority** means a regional council or a territorial authority

**member,—**

- (a) in relation to a regional council, means—
  - (i) a person who has been declared to be elected under the Local Electoral Act 2001 as a member of the regional council; and
  - (ii) a person who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the regional council (for example, as chairperson of the council or chairperson of a committee of the council):
- (b) in relation to a territorial authority, means—
  - (i) a person who has been declared to be elected under the Local Electoral Act 2001 as the mayor or any other member of the territorial authority; and
  - (ii) a person who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the territorial authority (for example, as chairperson of a committee of the territorial authority):
- (c) in relation to a community board, means—
  - (i) a person who has been declared to be elected under the Local Electoral Act 2001 as a member of the community board; and
  - (ii) a person who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the community board (for example, as chairperson of the community board)

**regional council** means each regional council named in Part 1 of Schedule 2 of the Local Government Act 2002, except Canterbury Regional Council

**RMA** means the Resource Management Act 1991

**RMA hearing time** has the meaning given by clause 9

**RMA resource consent hearing** has the meaning given by clause 8

**RMA resource consent hearing fee** means a fee payable in accordance with clause 16 for attending an RMA resource consent hearing

**territorial authority** means each territorial authority named in Part 2 of Schedule 2 of the Local Government Act 2002, except Auckland Council.

## **6 Meaning of ATA resource consent hearing**

- (1) In this determination, **ATA resource consent hearing** means a hearing that—
  - (a) is held by an ATA panel; and
  - (b) arises from—

- (i) an application for a resource consent under subpart 2 of Part 2 of HASHA;
  - (ii) a request for a plan change or for a variation to a proposed plan under subpart 3 of Part 2 of HASHA.
- (2) To avoid doubt, in this determination, **ATA resource consent hearing** does not include—
- (a) a hearing of submissions as part of the process of the preparation of a district or regional plan; or
  - (b) a hearing relating to a change or variation in a district or regional plan requested by a council or a local board; or
  - (c) any other hearing not specified in subclause (1).

#### **7 Meaning of ATA panel hearing time**

- (1) In this determination, **ATA panel hearing time**—
- (a) means the time spent by a member hearing a matter referred to in clause 6(1); and
  - (b) includes the time spent by a member—
    - (i) at any formal ATA panel deliberations in relation to an ATA resource consent hearing; and
    - (ii) at a formal site inspection as part of a group inspection; and
    - (iii) in determining a notified ATA resource consent application where a formal hearing does not take place.
- (2) In this determination, **ATA panel hearing time**—
- (a) also includes the time spent by a member—
    - (i) preparing for an ATA resource consent hearing; or
    - (ii) inspecting a site, not being a formal site inspection under subclause (1)(b)(ii); but
  - (b) does not include the time referred to in paragraph (a) to the extent that it exceeds the aggregate of the time spent by the member—
    - (i) hearing a matter referred to in clause 6(1); and
    - (ii) on the formal deliberations referred to in subclause (1)(b)(i).

#### **8 Meaning of RMA resource consent hearing**

- (1) In this determination, **RMA resource consent hearing** means—
- (a) a hearing arising from a resource consent application made under section 88 of the RMA; or
  - (b) a hearing arising from a notice of requirement given under section 168 of the RMA; or

- (c) a pre-hearing meeting held under section 99 of the RMA in relation to a hearing referred to in paragraph (a) or (b); or
  - (d) a hearing relating to a request for a change to a district or regional plan or policy statement under clause 21 of Schedule 1 of the RMA; or
  - (e) a mediation hearing in the Environment Court as part of an appeal from a decision of a local authority; or
  - (f) a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA.
- (2) To avoid doubt, in this determination, **RMA resource consent hearing** does not include—
- (a) a hearing of submissions as part of the process of preparation of a district or regional plan or policy statement; or
  - (b) a hearing relating to a change or variation to a district or regional plan or policy statement requested by the local authority; or
  - (c) a hearing relating to a notice of requirement initiated by the local authority; or
  - (d) any other hearing not specified in subclause (1).

## 9 Meaning of RMA hearing time

- (1) In this determination, **RMA hearing time**—
- (a) means the time spent by a member hearing a matter referred to in clause 8(1); and
  - (b) includes the time spent by a member—
    - (i) at any formal committee deliberations in relation to a resource consent hearing; and
    - (ii) at a formal site inspection as part of a group inspection or as part of a pre-hearing meeting described in clause 8(1)(c); and
    - (iii) in determining a notified resource consent application where a formal hearing does not take place.
- (2) In this determination, **RMA hearing time**—
- (a) also includes the time spent by a member—
    - (i) preparing for an RMA resource consent hearing; or
    - (ii) inspecting a site, not being a formal site inspection under subclause (1)(b)(ii); but
  - (b) does not include the time referred to in paragraph (a) to the extent that it exceeds the aggregate of the time spent by the member—
    - (i) hearing a matter referred to in clause 8(1); and
    - (ii) on the formal deliberations referred to in subclause (1)(b)(i).

*Regional councils*

**10 Remuneration and allowances payable to members of regional councils**

- (1) The remuneration and allowances payable to the members of a regional council are—
  - (a) the remuneration set out in Schedule 1; and
  - (b) the allowances payable in accordance with clauses 12 to 14; and
  - (c) the ATA resource consent hearing fees payable in accordance with clause 15; and
  - (d) the RMA resource consent hearing fees payable in accordance with clause 16.
- (2) Meeting fees payable as remuneration to members of a regional council in accordance with Schedule 1 are payable subject to any conditions set out in that schedule.
- (3) Despite subclause (2), meeting fees are not payable to the chairperson of a regional council.

*Territorial authorities and community boards*

**11 Remuneration and allowances payable to members of territorial authorities and community boards**

- (1) The remuneration and allowances payable to the members of a territorial authority and its community boards are—
  - (a) the remuneration set out in Schedule 2; and
  - (b) the allowances payable in accordance with clauses 12 to 14; and
  - (c) the ATA resource consent hearing fees payable in accordance with clause 15; and
  - (d) the RMA resource consent hearing fees payable in accordance with clause 16.
- (2) Meeting fees payable as remuneration to members of a territorial authority and its community boards in accordance with Schedule 2 are payable subject to any conditions set out in that schedule.
- (3) Despite subclause (1), a member of a territorial authority who is appointed to a community board is not entitled to be remunerated for both positions. Instead, the remuneration for the designated council position includes the salary and meeting fees payable to the member for holding both offices.
- (4) To avoid doubt, a member may be remunerated for only 1 designated position.
- (5) Despite subclause (2), meeting fees are not payable to the mayor of a territorial authority.

*Allowances***12 Vehicle mileage allowance**

- (1) A local authority may pay a member or a member of a community board a vehicle mileage allowance for travel by the member on the local authority's business.
- (2) An allowance may be paid to a member under subclause (1) for each day within the period of this determination that—
  - (a) the member is not provided with a vehicle by the local authority; and
  - (b) the member is travelling—
    - (i) in a private vehicle; and
    - (ii) on the local authority's business; and
    - (iii) by the most direct route that is reasonable in the circumstances.
- (3) The allowance is payable, in relation to each day for which the member qualifies under subclause (2),—
  - (a) in accordance with subclause (4); but
  - (b) if the travel is between the member's residence and the nearest office of the local authority or community board, the allowance is payable only for the distance travelled on that day that exceeds the threshold distance.
- (4) The allowance payable to a member is—
  - (a) \$0.74 per kilometre for the first 5 000 kilometres travelled within the period of this determination for which the allowance is payable;
  - (b) \$0.37 per kilometre for any distance over 5 000 kilometres travelled within the period of this determination for which the allowance is payable.
- (5) If a member is not a member for the whole of the period of this determination, subclause (4) applies as if each reference to 5 000 kilometres were replaced by a reference to the number of kilometres calculated in accordance with the following formula:

$$(a \div b) \times 5\,000$$

where—

- a is the number of days during the period of this determination that the member held office
  - b is the number of days in the period of this determination.
- (6) In this clause,—
- on the local authority's business** includes—
- (a) on the business of any community board of the local authority; and

- (b) travel between a member's residence and an office of the local authority or a community board

**threshold distance** means the shorter of the following distances:

- (a) the distance equivalent to a round trip between the member's residence and the nearest office of the local authority by the most direct route that is reasonable in the circumstances; or
- (b) 30 kilometres, if the distance equivalent to a round trip between the member's residence and the nearest office of the local authority is greater than 30 kilometres by the most direct route that is reasonable in the circumstances.

### 13 Travel time allowance

- (1) A local authority may pay a member or a member of a community board a travel time allowance if the office of the member cannot be properly regarded as a full-time position.
- (2) An allowance may be paid to a member under subclause (1) for each day within the period of this determination that—
  - (a) the member is travelling—
    - (i) on the local authority's business; and
    - (ii) by the quickest form of transport that is reasonable in the circumstances; and
  - (b) the travel time of the member exceeds 1 hour.
- (3) The allowance is payable, in relation to each day for which the member qualifies under subclause (2),—
  - (a) at \$37.50 per hour; but
  - (b) only in respect of the travel time for that day that exceeds 1 hour.
- (4) In this clause, **on the local authority's business** includes—
  - (a) on the business of any community board of the local authority; and
  - (b) travel between a member's residence and an office of the local authority or a community board.

### 14 Communications allowance

- (1) If a local authority determines that particular communications equipment and services are required by members to perform their functions, and members choose or are required to use their own equipment and communication services, the local authority may pay an allowance for the period of this determination in accordance with this clause.
- (2) The amounts and matters in respect of which the allowance is payable are as follows:
  - (a) for the use of a personal computer, \$150:

- (b) for the use of an electronic tablet, \$150:
  - (c) for the use of a printer (with or without a scanner), \$40:
  - (d) for the use of a mobile phone, \$60:
  - (e) for an Internet connection (with or without a telephone connection), \$250:
  - (f) for council-related toll and mobile phone charges, \$400.
- (3) The total amount payable to a member under subclause (2) must not exceed \$1,050.
- (4) If the member is not a member for the whole of the period of this determination, subclauses (2) and (3) apply as if each reference to an amount were replaced by a reference to an amount calculated in accordance with the following formula:

$$(a \div b) \times c$$

where—

- a is the number of days during the period of this determination that the member held office
  - b is the number of days in the period of this determination
  - c is the relevant amount specified in subclause (2) or (3).
- (5) The Remuneration Authority may approve rules proposed by a local authority to meet the costs of installing and running special equipment or connections where, because of distance or restricted access, normal communications connections are not available.

### *Resource consent hearing fees*

#### **15 Fees for attending ATA resource consent hearing**

- (1) A member of a local authority or one of its community boards who acts as the chairperson of an ATA resource consent hearing is entitled to be paid a fee of \$100 per hour of ATA panel hearing time.
- (2) A member of a territorial authority or community board who is not the chairperson of an ATA resource consent hearing is entitled to be paid a fee of \$80 per hour of ATA panel hearing time.
- (3) For any period of ATA panel hearing time that is less than 1 hour, the fee must be apportioned accordingly.
- (4) Despite subclauses (1) and (2), ATA resource consent hearing fees are not payable to—
  - (a) mayors; or
  - (b) chairpersons of regional councils; or

- (c) a member of a local authority or one of its community boards who, in that capacity, undertakes full-time duties.

**16 Fees for attending RMA resource consent hearing**

- (1) A member of a local authority or of one of its community boards who acts as the chairperson of an RMA resource consent hearing is entitled to be paid a fee of \$100 per hour of RMA hearing time.
- (2) A member of a local authority or of one of its community boards who is not the chairperson of an RMA resource consent hearing is entitled to be paid a fee of \$80 per hour of RMA hearing time.
- (3) For any period of RMA hearing time that is less than 1 hour, the fee must be apportioned accordingly.
- (4) Despite subclauses (1) and (2), an RMA resource consent hearing fee for a pre-hearing meeting held under section 99 of the RMA is payable to only 1 member.
- (5) Despite subclauses (1) and (2), RMA resource consent hearing fees are not payable to—
- (a) mayors; or
- (b) chairpersons of regional councils; or
- (c) members of territorial authorities and their community boards who, in that capacity, are undertaking full-time duties.

*Miscellaneous matters*

**17 Application of certain allowances if determination continues after expiry**

- (1) This clause applies if this determination continues in force after its expiry under clause 7A(4) of Schedule 7 of the Local Government Act 2002.
- (2) Clauses 12(4) and (5) and 14(1) to (4) apply as if this determination—
- (a) had come into force on the day after its expiry; and
- (b) were to expire on 30 June 2018.

**18 Revocation**

The Local Government Elected Members (2015/16) (Certain Local Authorities) Determination 2015 (LI 2105/174) is revoked.

## Schedule 1 Remuneration of members of regional councils

cl 10

### Bay of Plenty Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	136,275
Deputy Chairperson/Regional Transport Committee Chairperson	80,896
Regional Direction and Delivery Committee Chairperson	80,896
Audit and Risk Committee Chairperson	65,896
Public Transport Subcommittee Chairperson	65,896
Māori Committee Chairperson	65,896
Rotorua Lakes Incentives Board member	65,436
Councillor	55,896

#### **Regional Plan meetings**

\$200 per day

\$100 up to 4 hours per day

#### **Conditions (Regional Plan meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$22,000.

#### **Chairperson car**

Full private use

### Hawke's Bay Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	113,094
Deputy Chairperson	61,838
Committee Chairperson (5)	61,838
Councillor	49,470

#### **Chairperson car**

Full private use

### Manawatu–Wanganui Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	123,651
Catchment Operations Committee Chairperson	66,111
Deputy Chairperson	59,272
Environment Committee Chairperson	59,272
Audit, Risk and Investment Committee Chairperson	54,713
Passenger Transport Committee Chairperson	54,713
Regional Transport Committee Chairperson	54,713
Catchment Operations Committee Deputy Chairperson	47,874

Schedule 1	<b>Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016</b>	2016/158
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<b>Office</b>	<b>Annual salary (\$)</b>
Environment Committee Deputy Chairperson	47,874
Manawatu River Users' Advisory Group Chairperson	45,594
Councillor	45,594
<b>Chairperson car</b>	
Full private use	

### Northland Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	111,761
Deputy Chairperson	75,684
Committee Chairperson/Portfolio Leader (7)	66,416
Councillor	54,060
<b>Chairperson car</b>	
Full private use	

### Otago Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	119,509
Deputy Chairperson	66,544
Committee and Regional Transport Committee Chairperson	58,227
Committee Chairperson (3)	54,662
Councillor	47,532

#### **Regional Plan Review meetings**

\$150 for Panel Chairperson for meetings up to 4 hours

\$100 for Panel Member for meetings up to 4 hours

\$200 for Panel Chairperson for meetings over 4 hours

\$150 for Panel Member for meetings over 4 hours

#### **Conditions (Regional Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$43,967.

#### **Chairperson car**

Full private use

### Southland Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	96,050
Deputy Chairperson	48,847
Committee Chairperson (3)	43,420
Councillor	36,183
<b>Chairperson car</b>	
Full private use	

**Regional Plan Review meetings**

\$150 for meetings up to 4 hours

\$200 for meetings over 4 hours

**Conditions (Regional Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$37,990.

**Taranaki Regional Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	96,420
Deputy Chairperson/Executive Committee Chairperson	57,350
Chairperson Policy and Planning Committee and Taranaki Solid Waste Management Committee	53,526
Chairperson Consents and Regulatory Committee	49,703
Committee Chairperson (Land Transport or Civil Defence Emergency Management Committee or Yarrow Stadium Joint Committee) (3)	45,880
Councillor and appointee to Taranaki Biodiversity Trust	43,968
Councillor	38,233
<b>Chairperson car</b>	
Full private use	

**Waikato Regional Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	151,340
Deputy Chairperson	78,234
Committee Chairperson (7)	69,207
Schedule One Hearing Committee member (3)	66,198
Councillor	60,180
<b>Chairperson car</b>	
Full private use	

**Wellington Regional Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	159,393
Deputy Chairperson/Committee Chairperson	87,676
Committee Chairperson (2)	78,282
Portfolio Leader (2)	78,282
Chairperson, Hutt Valley Flood Management Subcommittee	68,010
Councillor	62,626
<b>Chairperson car</b>	
Full private use	

Schedule 1	<b>Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016</b>	2016/158
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### West Coast Regional Council

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	76,426
Deputy Chairperson and Chairperson of Resource Management Committee	40,474
Councillor	34,917
<b>Chairperson car</b>	
N/A	

**Schedule 2**  
**Remuneration of members of territorial authorities and their  
community boards**

cl 11

**Ashburton District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	102,705
Deputy Mayor	31,518
Committee Chairperson (3)	31,518
Councillor	25,215
<b>Mayoral car</b>	
N/A	

*Methven Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	5,125
Member	2,563

**Buller District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	76,323
Deputy Mayor	31,903
Committee Chairperson (5)	22,788
Councillor	18,231
<b>Mayoral car</b>	
N/A	

*Inangahua Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,798
Member	3,399

**Carterton District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	65,611
Deputy Mayor	22,495
Ruamāhanga Whaitua Representative (1)	19,804
Councillor	17,304
<b>Mayoral car</b>	
Mayoral use only	

### Central Hawke's Bay District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	82,761
Deputy Mayor	35,000
Councillor	23,278
<b>Mayoral car</b>	
N/A	

### Central Otago District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	88,089
Deputy Mayor	21,992
Committee Chairperson (4)	21,448
Councillor	20,295

#### **District Plan Review meetings**

\$85 per hour for Panel Chairperson

\$65 per hour for Panel Members

#### **Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$100,251.

#### **Mayoral car**

Full private use

### *Cromwell Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	13,530
Member	6,765

### *Maniototo Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,560
Member	3,280

### *Teviot Valley Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,560
Member	3,280

### *Vincent Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,556
Member	7,278

### Chatham Islands Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	50,934
Deputy Mayor	20,954
Councillor and Member of Civil Defence Emergency Management Group (7)	15,684
Councillor	13,184
<b>Mayoral car</b>	
N/A	

### Christchurch City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	187,065
Deputy Mayor	116,244
Councillor	100,688
<b>Mayoral car</b>	
N/A	

#### *Akaroa–Wairewa Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	26,200
Member	17,500

#### *Burwood–Pegasus Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

#### *Fendalton–Waimairi Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

#### *Hagley–Ferrymead Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

#### *Lyttelton–Mt Herbert Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	26,200
Member	17,500

Schedule 2	<b>Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016</b>	2016/158
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*Riccarton–Wigram Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

*Shirley–Papanui Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

*Spreydon–Heathcote Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	38,500
Member	25,700

**Clutha District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	90,764
Deputy Mayor	26,691
Committee Chairperson (3)	25,420
Portfolio Leader A (2)	21,607
Portfolio Leader B (5)	20,336
Councillor	19,065
<b>Mayoral car</b>	
N/A	

*Lawrence–Tuapeka Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	5,536
Member	2,768

*West Otago Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,560
Member	3,280

### Dunedin City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	146,767
Deputy Mayor	71,913
Committee Chairperson (5)	66,381
Councillor	55,318
<b>Mayoral car</b>	
Full private use	

### *Chalmers Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,631
Member	7,816

### *Mosgiel–Taieri Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	18,270
Member	9,135

### *Otago Peninsula Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,428
Member	7,714

### *Saddle Hill Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,631
Member	7,816

### *Strath Taieri Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,210
Member	7,105

### *Waikouaiti Coast Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,225
Member	7,613

### Far North District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	128,571
Deputy Mayor	59,160
Committee Chairperson (4)	52,938
Councillor	42,738
<b>Mayoral car</b>	
N/A	

### *Bay of Islands–Whangaroa Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	29,702
Member	11,424

### *Kaikohe–Hokianga Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	25,459
Member	9,792

### *Te Hiku Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	25,990
Member	9,996

### Gisborne District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	130,098
Deputy Mayor	47,205
Standing Committee Chairperson (5)	43,574
Special Committee Chairperson (2)	39,943
Rural Councillor (4)	37,136
Councillor	36,312

#### **District Plan Review meetings**

\$100 per day for Chairperson

\$80 per day for Member

#### **Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$7,500.

#### **Mayoral car**

Full private use

### Gore District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	71,905
Deputy Mayor	23,005
Portfolio Leader (3)	20,437
Councillor	16,583
<b>Mayoral car</b>	
Full private use	

### *Mataura Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	3,914
Member	1,957

### Grey District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	81,113
Deputy Mayor	30,138
Councillor	21,527
<b>Mayoral car</b>	
N/A	

### Hamilton City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	153,483
Deputy Mayor	91,573
Committee Chairperson (2)	84,529
Deputy Committee Chairperson (2)	77,485
Subcommittee Chairperson (3)	77,485
Councillor	70,441
<b>Mayoral car</b>	
Private use	

### Hastings District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	127,684
Deputy Mayor	61,659
Standing Committee Chairperson (4)	53,436
Portfolio Leader (2)	47,271
Councillor	41,106
<b>Mayoral car</b>	
Full private use	

*Hastings District Rural Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,280
Member	7,140

**Hauraki District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	85,666
Deputy Mayor	30,176
Ward Committee Chairperson (3)	24,928
Deputy Ward Committee Chairperson (3)	22,304
Operations Committee Chairperson	24,928
Councillor	19,680
<b>Mayoral car</b>	
Full private use	

**Horowhenua District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	101,270
Deputy Mayor	35,906
Chairperson, Projects Committee	31,140
Chairperson, Finance, Audit and Risk Committee	31,140
Chairperson, Hearings Committee	31,140
Chairperson, Community Wellbeing Executive	28,331
Councillor	25,523

**Planning meetings**

\$150 per day

**Conditions (Planning meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$18,675.

**Mayoral car**

N/A

*Foxton Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,890
Member	5,945

### Hurunui District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	78,869
Deputy Mayor	34,158
Finance, Audit and Risk Committee Chairperson (1)	31,658
Zone Committee Representative	23,158
Councillor appointed to Hanmer Springs Thermal Pools and Spa Management Committee (3)	21,158
Road Safety Committee Chairperson	19,958
Councillor	19,158
<b>Mayoral car</b>	
Full private use	

### *Hanmer Springs Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,622
Member	3,811

### Hutt City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	139,238
Deputy Mayor	72,542
Committee Chairperson (2)	59,588
Hutt Valley Services Committee Chairperson	55,702
Councillor	51,816

#### **District Plan Review meetings**

\$100 per hour for Chairperson

\$80 per hour for Member

#### **Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$20,000.

#### **Mayoral car**

Full private use

### *Eastbourne Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	12,852
Member	6,426

### *Petone Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,300
Member	7,650

*Wainuiomata Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	16,116
Member	8,058

**Invercargill City Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	113,336
Deputy Mayor	53,300
Committee Chairperson (3)	46,300
Chairperson, Audit Committee	40,400
Venture Southland representative	40,400
Councillor	34,578

**District Plan Review meetings**

\$100 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$3,624.

**Mayoral car**

Full private use

*Bluff Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,160
Member	4,080

**Kaikoura District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	56,032
Councillor	17,716

**Mayoral car**

N/A

**Kaipara District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	93,224
Deputy Mayor	53,710
Audit and Risk Committee Chairperson	32,226
Taharoa Domain Governance Committee Chairperson	32,226
Mangawhai Community Park Governance Committee Chairperson	32,226
Regional Land Transport Portfolio Holder	32,226
Councillor	26,855

**Mayoral car**  
N/A

### **Kapiti Coast District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	111,448
Deputy Mayor	42,565
Committee Chairperson (3)	39,290
Appeals Committee Chairperson	36,016
Chairperson, Grants Allocation Committee	36,016
Councillor	32,742

**District Plan Review meetings**  
\$150 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$15,000.

**Mayoral car**  
Full private use

### *Ōtaki Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,484
Member	7,242

### *Paekākāriki Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,548
Member	3,774

### *Paraparaumu–Raumati Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	18,972
Member	9,486

### *Waikanae Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,504
Member	7,752

### **Kawerau District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	59,270
Deputy Mayor	20,910
Regulatory and Services Committee Chairperson	18,670
Councillor	14,935
<b>Mayoral car</b>	
Full private use	

### **Mackenzie District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	58,401
Councillor with additional responsibilities (3)	21,244
Councillor	16,995
<b>Mayoral car</b>	
N/A	

### *Fairlie Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	3,708
Member	1,854

### *Tekapo Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	3,708
Member	1,854

### *Twizel Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	4,738
Member	2,369

### **Manawatu District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	100,194
Deputy Mayor	38,745
Committee Chairperson (3)	34,594
Councillor	27,675
<b>Mayoral car</b>	
Mayoral use only	

### Marlborough District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	130,947
Deputy Mayor	46,410
Committee Chairperson (4)	46,410
Councillor	37,128

#### **Plan Review meetings**

\$65 per hour

#### **Conditions (Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$9,035.

#### **Mayoral car**

Full private use

### Masterton District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	94,710
Deputy Mayor/Committee Chairperson	32,200
Task Group Chairperson and Wellington Regional Council Waitua Committee Representative	30,554
Committee and Task Group Chairperson	30,494
Task Group Chairperson (4)	28,054
Councillor	24,395

#### **Mayoral car**

Mayoral use only

### Matamata–Piako District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	101,733
Deputy Mayor	30,766
Chairperson, Corporate and Operations Committee	30,766
Councillor	26,753

#### **Mayoral car**

Private use

### Napier City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	123,872
Deputy Mayor	47,300
Committee Chairperson (4)	45,101
Deputy Committee Chairperson (4)	42,000
Councillor	39,270

**Mayoral car**

Private use

**Nelson City Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	128,875
Deputy Mayor	59,670
Committee Chairperson (4)	48,134
Deputy Committee Chairperson (4)	41,769
Councillor	39,780

**District Plan Review meetings**

\$100 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$18,298.

**Mayoral car**

Full private use

**New Plymouth District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	136,884
Deputy Mayor	58,976
Committee Chairperson (3)	52,657
Councillor	42,126

**Mayoral car**

N/A

*Clifton Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,832
Member	5,916

*Inglewood Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,076
Member	7,038

*Kaitake Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	12,648
Member	6,324

*Waitara Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,076
Member	7,038

**Opotiki District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	63,016
Deputy Mayor	36,462
Chairperson Finance and Risk Committee	36,462
Councillor	18,231
<b>Mayoral car</b>	
Full private use	

*Coast Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	9,476
Member	4,738

**Otorohanga District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	66,586
Deputy Mayor	27,871
Councillor	16,892
<b>Mayoral car</b>	
Full private use	

*Kawhia Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	3,708
Member	1,854

*Otorohanga Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	13,596
Member	6,798

### Palmerston North City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	132,027
Deputy Mayor	56,620
Committee Chairperson (3)	50,087
Chairperson, Audit and Risk Committee	46,821
Chairperson of Hearings Committee	46,821
Chairperson, Sport and Recreation Committee	46,821
Councillor	43,554

#### **District Plan Review meetings**

\$64 per hour

#### **Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$44,642.

#### **Mayoral car**

Full private use

### Porirua City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	116,544
Deputy Mayor	46,012
Standing Committee Chairperson (2)	46,012
Councillor	35,394

#### **Mayoral car**

Full private use

### Queenstown–Lakes District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	112,853
Deputy Mayor/Portfolio Leader	45,346
Portfolio Leader (2)	40,488
Councillor	32,390

#### **District Plan Review meetings**

\$380 per day

#### **Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning on 1 July 2016 and ending on 30 June 2017 must not exceed \$35,628.

#### **Mayoral car**

N/A

*Wanaka Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	22,755
Member	11,378

**Rangitikei District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	84,821
Deputy Mayor/Assets and Infrastructure Committee Chairperson	36,118
Committee Chairperson (2)	28,407
Deputy Committee Chairperson/Chairperson Chief Executive Review Committee	23,943
Deputy Committee Chairperson (2)	22,726
Councillor	20,291
<b>Mayoral car</b>	
N/A	

*Ratana Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	4,120
Member	2,060

*Taihape Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,240
Member	4,120

**Rotorua District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	127,569
Deputy Mayor	52,020
Committee Chairperson (2)	49,852
Deputy Committee Chairperson (2)	45,517
Cultural Ambassador	45,517
Councillor	43,350

**District Plan Review meetings**

\$10,572 per annum maximum per councillor

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$31,715.

**Mayoral car**

Full private use

*Rotorua Lakes Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,220
Member	5,610

**Ruapehu District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	82,400
Deputy Mayor	27,501
Committee Chairperson (1)	22,000
Councillor	18,344
<b>Mayoral car</b>	
Mayoral use only	

*National Park Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	5,562
Member	2,781

*Waimarino–Waiouru Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,240
Member	4,120

**Selwyn District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	116,331
Deputy Mayor	40,115
Councillor	34,986

**District Plan Review meetings**

\$100 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$46,015.

**Mayoral car**

N/A

*Malvern Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	16,830
Member	8,415

*Selwyn Central Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	20,196
Member	10,098

**South Taranaki District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	99,380
Deputy Mayor	32,060
Chairperson, Environment and Hearings Committee	29,341
Member Environment and Hearings Committee (4)	26,795
Member Audit and Risk Committee (1)	25,820
Community Board Councillor (1)	24,073
Councillor	23,473
<b>Mayoral car</b>	
Full private use	

*Egmont Plains Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,685
Member	5,842

*Eltham Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,275
Member	5,638

*Hawera–Tangahoe Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	13,325
Member	6,663

*Patea Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,455
Member	5,228

**South Waikato District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	88,731
Deputy Mayor	33,110
Committee Chairperson A (1)	29,562
Committee Chairperson B (2)	28,417

Schedule 2 **Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016** 2016/158

<b>Office</b>	<b>Annual salary (\$)</b>
Councillor with additional duties (6)	24,809
Councillor	22,755

**Mayoral car**  
Full private use

*Tirau Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,355
Member	3,178

**South Wairarapa District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	71,070
Deputy Mayor	28,428
Councillor/Committee member (1)	19,789
Councillor	16,789

**Mayoral car**  
Mayoral use only

*Featherston Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,180
Member	3,090

*Greytown Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,180
Member	3,090

*Martinborough Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,180
Member	3,090

**Southland District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	104,301
Deputy Mayor	36,019
Chairperson, Policy Review Committee	30,874
Chairperson, Activities Performance Audit Committee	32,160
Director, Venture Southland	29,587
Councillor	25,728

**District Plan Review meetings**

\$100 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$12,864.

**Mayoral car**

Full private use

*Edendale–Wyndham Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	4,510
Member	2,255

*Otautau Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,175
Member	3,588

*Riverton/Aparima Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	6,355
Member	3,178

*Stewart Island/Rakiura Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	2,665
Member	1,333

*Te Anau Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,250
Member	5,125

*Tuatapere Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	4,305
Member	2,153

*Wallacetown Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	2,665
Member	1,333

*Winton Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,815
Member	4,408

**Stratford District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	69,319
Deputy Mayor	23,648
Chairperson Major Committee (2)	19,392
Representative on External Committee (2)	19,392
Chairperson Minor Committee (1)	17,642
Councillor	16,892
<b>Mayoral car</b>	
N/A	

**Tararua District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	86,876
Deputy Mayor	34,297
Member Forestry Committee (2)	26,998
Member Audit and Risk Committee (2)	26,998
Councillor	24,498

**District Plan Review meetings**

\$200 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$29,196.

**Mayoral car**

Full private use

*Dannevirke Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,070
Member	5,535

*Eketahuna Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,175
Member	3,588

### **Tasman District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	132,378
Deputy Mayor	47,470
Standing Committee Chairperson (3)	43,819
Councillor	36,516
<b>Mayoral car</b>	
Full private use	

### *Golden Bay Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	12,444
Member	6,222

### *Motueka Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	13,872
Member	6,936

### **Taupo District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	108,272
Deputy Mayor	40,098
Councillor	33,415
<b>Mayoral car</b>	
Full private use	

### *Turangi–Tongariro Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,990
Member	7,995

### **Tauranga City Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	149,814
Deputy Mayor	85,138
Committee Chairperson (4)	72,368
Deputy Committee Chairperson (4)	71,659
Councillor	70,949
<b>Mayoral car</b>	
N/A	

### Thames–Coromandel District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	104,255
Deputy Mayor	49,468
Committee Chairperson (4)	40,908
Councillor	30,443
<b>Mayoral car</b>	
Full private use	

### *Coromandel–Colville Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,924
Member	7,462

### *Mercury Bay Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	17,856
Member	8,928

### *Tairua–Pauanui Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,924
Member	7,462

### *Thames Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	18,922
Member	9,461

### *Whangamata Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	16,257
Member	8,128

### Timaru District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	110,080
Deputy Mayor	46,494
Committee Chairperson (4)	41,513
Deputy Committee Chairperson (4)	34,871
Councillor	33,210
<b>Mayoral car</b>	
Full private use	

*Geraldine Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,455
Member	5,228

*Pleasant Point Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,200
Member	4,100

*Temuka Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,660
Member	5,330

**Upper Hutt City Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	109,316
Deputy Mayor	43,768
Chairperson, Policy Committee	39,079
Chairperson, City Services Committee	37,516
Chairperson, Audit and Finance Committee	37,516
Chairperson, Hutt Valley Services Committee	34,389
Councillor	31,263
<b>Mayoral car</b>	
Mayoral use only	

**Waikato District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	126,735
Deputy Mayor	54,121
Committee Chairperson (2)	48,323
Discretionary and Funding Committee Chairperson	46,390
Councillor	38,658
<b>Mayoral car</b>	
Mayoral use only	

*Huntly Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	9,996
Member	4,998

Schedule 2	<b>Local Government Elected Members (2016/17) (Certain Local Authorities) Determination 2016</b>	2016/158
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*Ngaruawahia Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	9,996
Member	4,998

*Onewhero–Tuakau Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,404
Member	5,202

*Raglan Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,364
Member	4,182

*Taupiri Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	2,652
Member	1,326

**Waimakariri District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	116,280
Deputy Mayor	45,114
Portfolio Holder (9)	40,400
Councillor	36,720
<b>Mayoral car</b>	
N/A	

*Kaiapoi Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,688
Member	7,344

*Rangiora Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	15,912
Member	7,956

*Woodend–Ashley Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	14,484
Member	7,242

### Waimate District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	65,302
Deputy Mayor	24,802
Representatives to Zone Water Management Committees (2)	19,877
Councillor	17,716
<b>Mayoral car</b>	
Mayoral use only	

### Waipa District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	112,406
Deputy Mayor	52,599
Committee Chairperson (4)	39,848
Councillor	31,878
<b>Mayoral car</b>	
Full private use	

### *Cambridge Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	17,835
Member	8,918

### *Te Awamutu Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	17,220
Member	8,610

### Wairoa District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	71,946
Deputy Mayor	30,282
Committee Chairperson (3)	23,690
Councillor	21,630
<b>Mayoral car</b>	
N/A	

### Waitaki District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	92,752
Deputy Mayor/Community Service Core Committee Chairperson	32,085
Assets Core Committee Chairperson	29,126
Customer Services Core Committee Chairperson	29,126
Finance, Audit and Risk Core Committee Chairperson	29,126
Other Committee Chairperson (2)	26,623
Community Board Councillor and Other Significant Responsibility Councillors (3)	25,485
Councillor with IT Responsibilities	23,665
Councillor	22,755
<b>Mayoral car</b>	
Full private use	

### *Ahuriri Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,275
Member	5,638

### *Waihemo Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	11,480
Member	5,740

### Waitomo District Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	71,121
Deputy Mayor	31,147
Councillor	23,072
<b>Mayoral car</b>	
Full private use	

### Wellington City Council

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	170,317
Deputy Mayor	107,143
Chairperson, Subject Based Committee (4)	95,869
Deputy Chairperson, Economic Growth and Arts Committee	90,322
Chairperson, Regulatory Processes Committee	90,322
Chairperson, Audit and Risk Subcommittee	86,605
Portfolio Leader (6)	86,605
Councillor	82,418

**Mayoral car**  
N/A

*Makara–Ohariu Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	9,135
Member	4,568

*Tawa Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	17,864
Member	8,932

**Western Bay of Plenty District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	112,796
Deputy Mayor	44,990
Committee Chairperson (3)	40,170
Councillor	31,980

**Mayoral car**  
Full private use

*Katikati Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,455
Member	5,228

*Maketu Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	5,535
Member	2,768

*Omokoroa Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,585
Member	3,793

*Te Puke Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,455
Member	5,228

*Waihi Beach Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	8,610
Member	4,305

**Westland District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	72,100
Deputy Mayor	22,655
Executive Committee Chairperson	22,655
Councillor	17,098
<b>Mayoral car</b>	
N/A	

**Whakatāne District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	103,983
Deputy Mayor	52,029
Committee Chairperson (2)	43,358
Councillor	28,905

**District Plan Review meetings**

\$100 per day for Chairperson

\$80 per day for Member

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$5,780.

**Mayoral car**

Full private use

*Murupara Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,585
Member	3,793

*Ōhope Beach Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,380
Member	3,690

*Rangitāiki Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	9,840
Member	4,920

*Tāneatua Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	7,585
Member	3,793

*Whakatāne Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,865
Member	5,433

**Whanganui District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	110,142
Deputy Mayor	39,848
Portfolio Holders (8)	36,260
Councillor	31,878

**District Plan Review meetings**

\$100 per day

**Conditions (District Plan Review meeting fees)**

Total maximum amount payable for all councillors for period beginning 1 July 2016 and ending 30 June 2017 must not exceed \$4,792.

**Mayoral car**

Full private use

*Whanganui Rural Community Board*

<b>Office</b>	<b>Annual salary (\$)</b>
Chairperson	10,660
Member	5,330

**Whangarei District Council**

<b>Office</b>	<b>Annual salary (\$)</b>
Mayor	137,543
Deputy Mayor	59,670
Committee Chairperson (3)	59,670
Councillor	47,736

**Mayoral car**

Private use

Dated at Wellington this 29th day of June 2016.

Fran Wilde,  
Chairperson.

Angela Foulkes,  
Member.

Geoff Summers,  
Member.

### **Explanatory memorandum**

*This memorandum is not part of the determination, but is intended to indicate its general effect.*

This determination comes into force on 1 July 2016 and expires on the close of 30 June 2017.

Under the system used by the Authority for local government elected members, the Authority sets a base councillor rate for each council and councils can make submissions on the additional remuneration for those councillors undertaking additional duties. Under the system, a relationship between the size of a council (measured using a size index) and mayor, chairperson, and base councillor salaries is determined every 3 years in election year. A similar approach is used to set the remuneration of community board members, where the remuneration of each community board is related to its population.

The Authority undertook a review of the remuneration framework for local government during 2015, including job sizing the positions of a representative group of councils and assessing workloads. The Authority found clear evidence regarding the size of positions but has less confidence in the evidence relating to workload.

Given that uncertainty, the Authority has not proceeded to fully or partially implement increases that would in many cases have been well in excess of 10%. It has instead applied increases to the base remuneration payable to councillors ranging from 1.5% to 3% depending on the size of the council. These reflect at the higher level the movements in public sector remuneration more generally.

The Authority also adjusted upwards the amount of money available for councils to spend to recognise members undertaking additional duties. These modest increases reflect the Authority's concern that the local government sector continues to be under considerable pressure to restrain expenditure and rate movements.

However, the Authority is also concerned that the expectations placed on local representatives continue to increase and remuneration does not in all circumstances reflect the skill and effort required from members. It will therefore begin further work this year to establish an ongoing basis for remuneration that treats both the ratepayer and the elected member fairly.

Minor amendments are also made to some allowances to reflect submissions made to the Authority.

Issued under the authority of the Legislation Act 2012.  
Date of notification in *Gazette*: 30 June 2016.