



Notice is given that an ordinary meeting of the Full Council will be held on:

Date: Thursday 8 August 2013
Time: 10.15 am
Meeting Room: Tasman Council Chamber
Venue: 189 Queen Street
Richmond

Full Council

AGENDA

MEMBERSHIP

Mayor	Mayor R G Kempthorne	
Deputy Mayor	Cr T B King	
Councillors	Cr MB Bouillir	Cr J L Inglis
	Cr S G Bryant	Cr C M Maling
	Cr B F Dowler	Cr Z S Mirfin
	Cr J L Edgar	Cr T E Norriss
	Cr B W Ensor	Cr P F Sangster
	Cr G A Glover	Cr E J Wilkins

(Quorum 7 members)

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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted.

AGENDA

1 OPENING, WELCOME

2 APOLOGIES AND LEAVE OF ABSENCE

Recommendation

THAT apologies be accepted.

3 PUBLIC FORUM

4 DECLARATIONS OF INTEREST

5 LATE ITEMS

6 CONFIRMATION OF MINUTES

THAT the minutes of the Full Council meeting held on Thursday, 27 June 2013, be confirmed as a true and correct record of the meeting.

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9 CONFIDENTIAL SESSION

Consideration of Tenders - 257 Queen Street (LATE REPORT)

7 PRESENTATIONS

7.1 WATER QUALITY PRESENTATION

Information Only - No Decision Required

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Pamela White, Executive Assistant to CEO/Mayor
Report Number:	RCN13-08-01
File Reference:	

PRESENTATION

Chris Keenan from Horticulture New Zealand will make a presentation to Full Council on the work Horticulture New Zealand are doing on water quality, and the steps the horticulture industry are taking to mitigate the impacts of the horticulture industry on water quality.

Appendices

Nil

7.2 ENERGY EFFICIENCY AND CONSERVATION AUTHORITY PRESENTATION

Information Only - No Decision Required

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Pamela White, Executive Assistant to CEO/Mayor
Report Number: 13-08-02
File Reference:

PRESENTATION

Ben Dunbar-Smith and (possibly) Robert Linterman of Energy Efficiency and Conservation Authority will be attending with a presentation on “The Value of Voluntary Targeted Rates in Supporting Insulation and Clean Air”. They will be happy to answer questions.

Appendices

Nil

8 REPORTS

8.1 WARM TASMAN - REVIEW AND UPDATE

Decision Required

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Mary-Anne Baker, Policy Planner
Report Number:	RCN13-08-03
File Reference:	R114

1 Summary

- 1.1 The Council's Warm Tasman programme provides ratepayers with funding assistance through a Voluntary Targeted Rate (Voluntary Rate) for upgrading home insulation to meet improved housing standards and upgrade home heating.
- 1.2 The government subsidy programme has now been amended and Council must reconsider how it wishes to continue with the Warm Tasman programme.
- 1.3 After September, the EECA subsidy will only be available to low income households and subsidy will be 100% of the cost of insulation, provided there is local third party funding. EECA expects third party funding to come from local sources, including Councils, iwi trusts, charitable organisations etc.
- 1.4 There will no longer be any government subsidies for insulation upgrade for the general income householders and no wood burner upgrade subsidies. However, a voluntary rate programme can continue to support healthy, warm communities and promote clean air in Richmond.

This report seeks a Council decision about the continuation of the Warm Tasman programme for general income people wanting to upgrade insulation anywhere in Tasman and the upgrade of non-clean air wood burners (to cleaner heating) in the Richmond Airshed

2 Draft Resolution

That the Full Council

- 1) receives the Warm Tasman - Review and Update RCN13-08-03; and**
- 2) continues to offer the Warm Tasman Voluntary Targeted Rate Scheme that;**
 - (i) recovers the installed cost plus interest and administration costs for the installation of insulation from the ratepayer over a term of ten years; and that**
 - (ii) is available to all ratepayers not in rate arrears,**
 - (iii) is capped at \$3,500 for insulation per household,**
 - (iv) is limited to work on insulation specified and approved by EECA, and installed by Service Providers approved by Council**
 - (v) is limited to a total of 50 houses per year**
- 3) also offers the Warm Tasman Voluntary Targeted Rate Scheme to householders in the Richmond Airshed that;**
 - (i) recovers the installed cost plus interest and administration costs for the installation of clean heating in the Richmond Airshed from the ratepayer over a term of ten years and that;**
 - (ii) is available to all ratepayers in the Richmond Airshed not in rate arrears,**
 - (iii) is capped at \$4,000 for clean heating per household,**
 - (iv) is limited to work on clean heating options specified and approved by EECA or the Ministry for the Environment and installed by Service Providers approved by Council,**
 - (v) is limited to a total of 50 houses per year.**
- 4) Reviews the Warm Tasman Voluntary Targeted Rate Scheme at 1 July 2015**

3 Purpose of the Report

- 3.1 The Council's Warm Tasman Voluntary Targeted Rate programme (Voluntary Rate) has been offered to ratepayers since mid-2010. It was established with support from EECA through its Heat Smart funding programme and was aimed at assisting people to access government subsidies. It makes the balance of money required for insulation and heating upgrades more easily available to the ratepayer, with the Council recovering it through a voluntary rate on that property.
- 3.2 The EECA Heat Smart and Warm Tasman programmes were due to expire in June 2013, however savings in the original programme have meant an extension for the insulation part of the programme to the end of September. The Government has recently announced changes to the funding programme to apply after September.
- 3.3 This report provides an update on the Warm Tasman programme describes changes to the EECA subsidy programmes and recommends changes to the Warm Tasman voluntary rates programme.

4 Background and Discussion

- 4.1 Warm Tasman complemented the Government subsidy programmes aimed at improving the state of housing. Insulation upgrades can greatly improve the quality of housing by making houses warmer, drier and easier to heat, which improves people's health. In addition, improved insulation may reduce energy demands and, in Richmond, this contributes to improved air quality and meeting air quality standards.
- 4.2 The extent to which it contributes to reduced PM¹⁰ levels may not be very significant but the programme contributes to the overall air quality strategy by providing financial support for some ratepayers. The programme also demonstrates Council commitment to working with ratepayers to improve air quality.
- 4.3 The subsidies for wood burner upgrades were originally available across the district, but were subsequently limited, through Clean Air Grants, for upgrading heating only in polluted airsheds such as the Richmond Airshed.

Funding Assistance

- 4.4 Under EECA Heat Smart subsidy programme homeowners could receive subsidy for insulation and heating upgrade. Community Services Card holders were eligible for higher levels of funding. The total costs of work could be up to \$3,000 and \$4,000 respectively and many households would not have had the available capital to fund the balance.
- 4.5 The Warm Tasman programme assisted homeowners in funding the upgrade cost through a voluntary rate. This rate mechanism enables homeowners to meet the remaining capital costs still owing after the subsidy and repay the total amount through their rates. The rate included a small administration fee and interest charges. It is to be repaid over a ten year timeframe. This was intended to be a no cost programme for Council.
- 4.6 It is apparent however, that the time involved in providing the voluntary rate is slightly higher than first thought. The filing and processing as well as the yearly update all require staff time and should the scheme continue, the administration fee will be increased to a one-off amount of \$260.

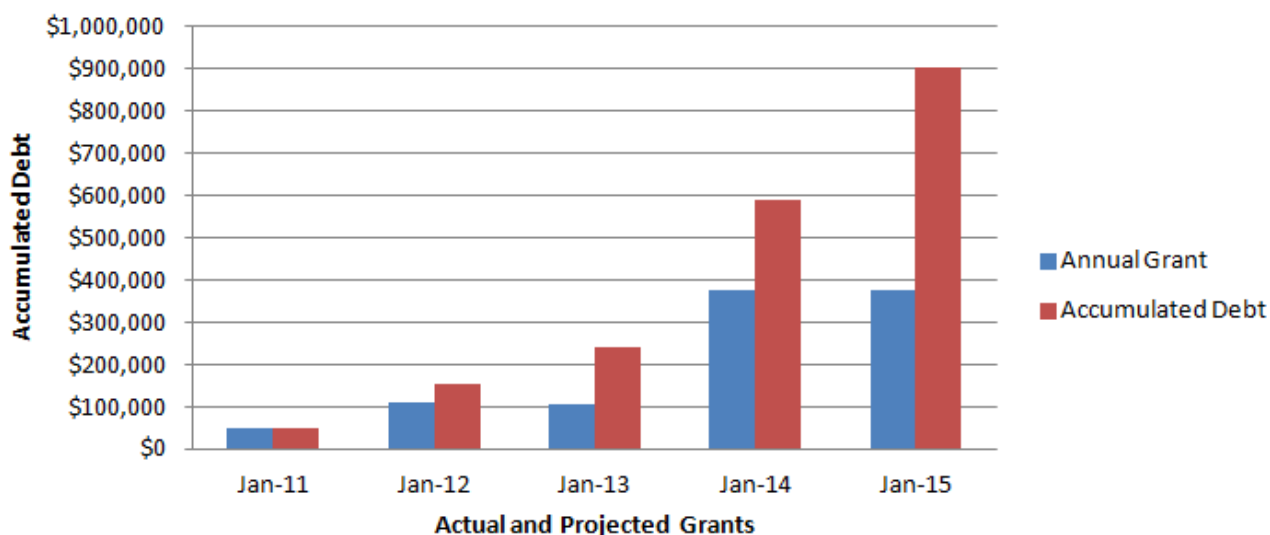
4.7 The number of applications for the voluntary rate received are summarised in Table 1.

Table 1: Number of Warm Tasman Insulation and Heating Applications in Tasman

UPGRADE OPTION	RATING YEAR			TOTAL
	2010/2011	2011/2012	2012/2013	
Insulation	34	52	52	
Insulation plus heating	11	6	13	
Heating	2	5	2	
Totals	47	63	67	177
Richmond Airshed (total upgrades)	13	28	21	

Table projecting Councils debt assuming a full take up of the allocation for both the 2013/14, and 2014/15 years, in addition to the level paid out over the past three years.

Warm Tasman Grants



New Programme

- 4.8 The Government in its 2013 Budget recently announced changes to the subsidy programmes with the introduction of the new **Warm Up New Zealand: Healthy Homes** programme for insulation only. It will now target insulation for those with low income/high health needs.
- 4.9 This low income targeted scheme is unlikely to need support from Council's Voluntary Rate, as almost all the retrofits (insulation upgrades) will be 100% fully-funded thanks to third-party funding from trusts, iwi and health sector groups etc. The only exception may be some landlords who are asked for a contribution to insulating a house where the tenant is low income/high health need – and may wish to put this top-up on the rates.

- 4.10 There will be service providers continuing to offer insulation upgrades to people who are not eligible for the low income subsidy. There may be continuing demand for the Voluntary Rate by these homeowners. These Service Providers will continue to be audited by EECA and are required to install EECA specified products providing protection for homeowners from poor quality imports and poor workmanship.
- 4.11 From a council perspective, the benefit of retaining the Voluntary Rate will help provide for warmer, drier homes for ratepayers and improved health for the community – at no cost to the general ratepayer. It also contributes to the success of the air quality strategy in the Richmond Airshed and enables Council to support homeowners in the airshed to make necessary improvements to insulation.

EECA Support

- 4.12 At present EECA provides two key elements which supports Council's Voluntary Rate scheme – namely auditing for quality assurance, and designation of accepted products.
- 4.13 EECA has advised that it will commit to providing auditing of insulation and a list of accepted products for those service providers who remain within the Council Voluntary Rate scheme and will include home heating products within the product specifications.
- 4.14 If Council was to offer Warm Tasman for wood burner upgrades in Richmond, it would need to set up Service Provider contracts with clean heat retailers.

5 Options

- 5.1 The Council has provided for the Warm Tasman programme in the current Annual Plan. All funding is recovered from ratepayers who have applied for a voluntary rate against their property.
- 5.2 Given the expiry of the supporting EECA programme and changes to government subsidy offers, Council now needs to decide whether or not to continue with Warm Tasman.
- Options include;**
- 5.2.1 Discontinuing with the Warm Tasman Voluntary Rate,
- 5.2.2 Continuing with Warm Tasman for insulation only.
- 5.2.3 Continuing with Warm Tasman for insulation for all the district and wood burners in the Richmond Airshed. (Warm Tasman could be available for wood burner upgrades elsewhere, but is not recommended or considered further as there is no public benefit to be gained)
- 5.3 With options 5.2.2 and 5.2.3, the Council may also consider additional financial support for homeowners. This is particularly relevant for the Richmond Airshed where poor air quality may affect the health of anyone living or working in Richmond. As part of its air quality strategy, the Council could make the Warm Tasman programme interest free for wood burners to increase the rate of wood burner upgrades.
- 5.4 If for example, 50 upgrades were made costing \$3,500 each and assuming an average interest rate of 7.5% over the ten years, it would cost Council about \$70,500 in interest if the Warm Tasman offer was interest free for Richmond Airshed residents.

- 5.5 However, the following options do not include any funding by Council (as is the current approach). The assumption is that any programme would remain cost neutral to Council. Should the Council wish to change this approach, we can provide further detail about cost.

Option 1. Discontinue Warm Tasman

- 5.6 After completion of the current programme, Council could withdraw the Warm Tasman Voluntary Rate

Costs

The Council would no longer be supporting the improvements to the quality of housing and improving the health of its ratepayers.

EECA have identified funding as a barrier to improving home insulation. Removing Warm Tasman reduces options for homeowners.

The Council's cost neutral support of the insulation industry will be removed

No opportunity for assisting residents in Richmond Airshed.

Benefits

Not having the programme frees up staff time involved in processing applications and loading up the rate payments (in aggregate about 2 FTE hour per application).

The numbers of ratepayers applying were relatively low (about 60 per year).

Option 2 Continue Warm Tasman for Insulation Only

- 5.7 This would complement EECA's efforts in improving the quality housing in Tasman. While low income people are fully funded by the EECA programme, the remaining general income households would be supported by Warm Tasman. Both programmes are supported by the EECA acceptable products controls and auditing programmes.

Service Providers continue to require approvals from EECA. The Council would continue to include only those service providers who are already approved by EECA in the Warm Tasman programme.

Costs

Administrative effort is required to process applications and maintain contracts with service providers. (Approximately 2 hours per application)

Benefits

The Council would be supporting improvements to the quality of housing and improving the health of its ratepayers

EECA have identified funding as a barrier to improving home insulation and maintaining Warm Tasman increases funding options for homeowners who are not low income.

The Council's cost neutral support of the insulation industry will be maintained.

Some opportunity for assisting residents in Richmond Airshed to improve energy use.

Option 3 Continue Warm Tasman for Insulation (option 2) plus for Wood Burner Upgrades (Richmond only)

- 5.8 Despite no EECA funding for heating, a number of Councils still chose to continue funding wood burner upgrades through a Voluntary Rate.

For Tasman, it is recommended that the Voluntary Rate only be available for wood burner upgrades in the Richmond Airshed. This is because there is an existing problem with air quality that results from domestic solid fuel burners and this Voluntary Rate is one way of supporting residents who need to make a change. The improvement to air quality in Richmond is a public good.

Note, too, the effect of Council's increased compliance effort this winter in targeting persistently smokey chimneys in Richmond, as well as taking action on non-compliant burners that are no longer authorised for use following a house sale.

Upgrades in other parts of the district are less likely to have a public benefit relating to air quality

Costs

As for 2 above and in addition, Council would need to set up service provider contracts with wood burner suppliers - which takes staff resources to set up.

Benefits

As for 2 above

Additional funding assistance for Richmond Airshed residents with non-compliant wood burners.

Provides some positive support for homeowners in resolving air quality issues.

6 Strategic Challenges / Risks

- 6.1 The Warm Tasman programme has been offered for nearly three years now. Set up was complex and took quite a bit of staff time, however, our management and internal processes have evolved considerably. The rating and customer services teams have now streamlined processes and developed good relationships with the Service Providers.
- 6.2 The programme is currently run at no overall cost to Council. The administration fee (with the recommended increase) will cover staff time and interest costs are recovered from ratepayers.
- 6.3 The previous support by EECA in terms of product specification and auditing will continue – although EECA is looking to require the industry to fund the auditing directly. EECA will include heating products in their programme support for any Voluntary Rate wood burner upgrade programmes.
- 6.4 Although Council funds the upgrade by payment of invoices to service providers, the contract agreements between EECA and providers of insulation and also between Council and service providers reduce risks to Council in the event things go wrong. There is a risk in relation to the installation and product performance, but measures adopted both by EECA and through Service Provider Contracts between suppliers and Council will reduce the risks.
- 6.5 The installation of wood burners and heat pumps are both supported by other regulatory requirements, including electrical certificates and building consents.
- 6.6 Overall, these components all mean there is relatively little risk to Council

7 Policy / Legal Requirements / Plan

- 7.1 The programme supports efficient use of resources and contributes to a healthier community. These are general outcomes consistent with both the Long Term Plan and Regional Policy Statement.
- 7.2 Warm Tasman also supports and is consistent with the Council's air quality management strategy for the Richmond Airshed as contained in the TRMP. Better insulation can result in more efficient use of energy to keep houses warm. This may result in reduced fuel use and lower particulate emissions.
- 7.3 The Warm Tasman programme is not a requirement under any policy or legal requirement but provides community support to achieve outcomes sought.
- 7.4 The Local Government Rating Act is not well structured with respect to this sort of voluntary rate, but like other Councils, we are making it work effectively. We have till now not been offering an early repayment option, but given demand for this option, the lack of specificity in the Act and other Councils approaches, we are recommending that this option be made available.
- 7.5 Further, given the resemblance of the Voluntary Rate to a loan, we are also recommending that we ensure legislative compliance and adopt best practice in relation to the requirements of the Credit Contracts and Consumer Finance Act. This will ensure ratepayers have full information about the rate, amount owing and interest repayments and that it is updated each year.

8 Consideration of Financial or Budgetary Implications

- 8.1 The Warm Tasman Voluntary Rate programme is run at no cost to Council with interest being recovered and a small administration fee charged to cover staff time.
- 8.2 The project will have a no financial impact for Council.

9 Significance

- 9.1 This matter is of low significance in terms of Council's Policy on Significance.
- 9.2 The public interest in the project is likely to be higher in the Richmond Airshed, particularly if wood burner support is included for this airshed. The support of the EECA programme for warm healthy homes reinforces this message about insulation.
- 9.3 A Voluntary Rate programme is also a clear indicator of Council support for homeowners faced wood burner upgrades.
- 9.4 The proposal does not have any level of service implications

10 Consultation

- 10.1 No additional consultation is required on this programme. It has already been included in the Annual Plan for the 2013-2014 year and the recommendations serve only to update the

programme in light of EECA changes, review the programme duration and clarify wood burner eligibility

11 Conclusion

- 11.1 The administrative and support mechanisms are already in place for the Warm Tasman programme. It plays a relatively small but possibly significant part in contributing to a healthy community and efficient use of resources. It also supports the Council's air quality strategy in Richmond.
- 11.2 Continuation of the programme, including wood burner replacement in the Richmond Airshed and insulation upgrade across the district is recommended. The Warm Tasman Programme is also recommended to include options for lump sum repayment, improvements in the annual reporting about the rate to the ratepayer and an increase in the administration fee.
- 11.3 Some additional staff time will be required for the establishment of the wood burner aspects, but costs are otherwise small.

12 Appendices

Nil

8.2 CONSOLIDATED BYLAW - CHAPTER ONE - INTRODUCTORY BYLAW 2013**Decision Required**

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Sandra Hartley, Executive Officer - Strategic Development
Report Number:	RCN13-08-04
File Reference:	B951

Item 8.2**1 Summary**

- 1.1 The Introductory Bylaw – Chapter 1 was established to provide consistency in interpretation of terms used in the Tasman District Council Bylaws, and deals with some matters which are general to all these Bylaws. These include licences, serving of notices, removal of works in breach of bylaws, compliance waivers, discretionary powers and general offences.
- 1.2 The Bylaw was first promulgated in 2006, and was required to be reviewed as per the Local Government Act 2002.
- 1.3 The draft reviewed Bylaw, Statement of Proposal and Summary of Information were subsequently reviewed and approved by Council at its meeting on 5 June 2013 for public consultation under the Special Consultative Procedure.
- 1.4 The Summary of Information was published in Newsline the Mag, and a public notice of the proposal published in the Nelson Mail, inviting public submissions.
- 1.5 Submissions closed on Monday 22 July 2013 – no submissions were received.
- 1.6 Council now needs to decide whether or not to adopt the draft Bylaw.

2 Draft Resolution**That the Full Council**

- 1) receives the Consolidated Bylaw - Chapter One - Introductory Bylaw 2013 Report; and**
- 2) adopts the Tasman District Council Consolidated Bylaw – Chapter 1 – Introductory Bylaw 2013; and**
- 3) notes that staff will advertise that the Bylaw has been adopted and the date from which it will come into effect.**

3 Purpose of the Report

- 3.1 To adopt Tasman District Council Consolidated Bylaw – Chapter 1 – Introductory Bylaw 2013.
- 3.2 To agree that the Bylaw will come into effect on 16 August 2013.
- 3.3 To note that the Bylaw will be advertised in Newsline the Mag as coming into effect on 16 August 2013 in accordance with Section 157(1) of the Local Government Act 2002.

4 Background and Discussion

- 4.1 The Bylaw was established so as to provide consistency in interpretation of terms used in the Tasman District Council Bylaws, and deals with some matters which are general to all these Bylaws. These include licences, serving of notices, removal of works in breach of bylaws, compliance waivers, discretionary powers and general offences.
- 4.2 This Bylaw was first promulgated in 2006, and was required to be reviewed as per the Local Government Act 2002. Once reviewed the Bylaw will stay in force for another 10 years unless amended by Council prior to that date.
- 4.3 The Bylaw was reviewed as per Section 159 of the Local Government Act 2002, and took into account matters required under Section 155. These matters included:

1) *whether a bylaw is the most appropriate way to address the perceived problem*

The perceived problem is administering and enforcing of Council's Consolidated Bylaws in a consistent and common approach, with particular reference to licences, serving of notices, removal of works in breach of bylaws, compliance waivers, discretionary powers and general offences. It was felt that this proposed Bylaw was the most appropriate way to deal with these matters.

If Council considered that this proposed Bylaw was not required, then additional amendments could be required to be made to other bylaw chapters within the Consolidated Bylaw to enable them to stand alone.

2) *the specific form of bylaw required if a bylaw is found to be the most appropriate mechanism;*

A Consolidated Bylaw comprises a collection of Council bylaws in their most recently amended form, i.e. is the most current version of the bylaws. This ensures that the most up to date bylaw versions are available for viewing and enforcement.

The proposed Bylaw in its current form is appropriate, and includes one addition and one deletion.

The addition to the proposed Bylaw is the inclusion of an "Interpretation" section which includes a list of common words and their explanation from all of the Council bylaws.

The "New Technology" section has been deleted from the former bylaw, as it is no longer considered necessary.

3) *that the bylaw is consistent with the New Zealand Bill of Rights Act 1990.*

The proposed Bylaw is neither inconsistent with nor raises any implications with the New Zealand Bill of Rights Act 1990. The Bylaw does not place any limits on freedom

of movement, expression or association and does not isolate any particular social group in terms of that Act. Any offences against the bylaw require a judicial process which provides alleged offenders with opportunities for defence through Courts.

5 Options

- 5.1 Council could adopt this bylaw which would give staff greater consistency in administering the other bylaws within the Consolidated Bylaw. I recommend this option.
- 5.2 Council could decide not to adopt this bylaw, which will have the effect of it being revoked. Should the bylaw be revoked, additional amendments may be required to the other bylaw chapters which relied on the provisions of Chapter 1, to enable them to stand alone.

6 Strategic Challenges / Risks

- 6.1 The Bylaw deals with matters that are general to all Tasman District Council bylaws, including: licences, serving of notices, removal of works in breach of bylaws, compliance waivers, discretionary powers and general offences. If this bylaw is not reviewed, there could be an effect on administering and enforcing the other Chapters of Council's bylaw.

7 Policy / Legal Requirements / Plan

- 7.1 Section 159 of the Local Government Act 2002 requires any bylaw review to consider the matters required to be taken into account under Section 155 of that Act. These requirements have been met, as outlined in section 4.3 above.

8 Consideration of Financial or Budgetary Implications

- 8.1 There are no financial implications arising from this report.

9 Significance

- 9.1 The review and adoption of Tasman District Council Consolidated Bylaw – Chapter 1 – Introductory Bylaw 2013 will ensure that matters that are general to all Tasman District Council bylaws, including licences, serving of notices, powers of officers, delegation, dispensing powers, offences and penalties, can be administered and enforced if necessary. Therefore there is a moderate level of significance as these powers impact on residents and business activities. The moderate level of significance was reflected in the requirement to undertake a Special Consultative Procedure.

10 Consultation

- 10.1 Council resolved the following at a meeting on 5 June 2013 to:
 - i. Receive the Review of Chapter 1 – Introductory Bylaw (2006) Report; and

- ii. Agree that the proposed Introductory Bylaw is the most appropriate method of ensuring that all Council Bylaws are consistently administered and enforced under Section 155 of the Local Government Act 2002; and
- iii. Approve the release of the Statement of Proposal, the draft Bylaw and Summary of Information for public consultation using the Special Consultative Procedure outlined in Section 83 of the Local Government Act 2002.

10.2 The reviewed Draft Bylaw – Chapter 1 – Introductory Bylaw 2013 was subsequently released for public consultation, with a submission closing date of 22 July 2013. No submissions were received.

11 Conclusion

11.1 Staff conclude that an Introductory Bylaw is the most appropriate means to ensure consistency of a range of matters across all Council's bylaws. The Chapter has been fully reviewed, advertised and released for public consultation, with no submissions being received. Therefore staff recommend that the Bylaw, as reviewed, be adopted by Council, and subsequently be publicly notified in Newsline the Mag that the Bylaw has been adopted and the date that the bylaw comes into effect (16 August 2013).

12 Next Steps / Timeline

12.1 If Council resolves to adopt this Bylaw, it will be publicly notified in Newsline the Mag with the date of adoption and date it comes into effect, being 16 August 2013.

13 Attachments

- | | | |
|----|--|----|
| 1. | TDC Consolidated Bylaw - Chapter 1 - Introductory Bylaw 2013 | 23 |
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**Tasman District Council
Consolidated Bylaw**

Chapter 1

Introductory Bylaw 2013

Item 8.2

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Attachment 1

Tasman District Council Consolidated Bylaw

Chapter 1 - Introductory Bylaw 2013

Explanatory Note

The purpose of this Bylaw is to make provision for good governance in the administration of the Tasman District Council affairs and to present provisions that are common to all parts of the Tasman District Council Consolidated Bylaw, specifically licences, serving of notices, removal of works in breach of bylaws, compliance waivers, discretionary powers and general offences.

This part of the Consolidated Bylaw is made pursuant to Part 8 of the Local Government Act 2002.

1 Introduction

1.1 Title

The title of this Bylaw is Tasman District Council Consolidated Bylaw – Chapter 1 – Introductory Bylaw 2013.

1.2 Commencement

1.2.1 The Bylaw shall come into force throughout the district on 2013.

1.2.2 Any resolution made under the Tasman District Council Consolidated Bylaw Chapter 1 - Introductory 2006, before this Bylaw comes into force, continues in force under this Bylaw until altered or revoked by further resolution.

1.3 Bylaws Revoked

1.3.1 The Tasman District Council Consolidated Bylaw – Chapter 1 - Introductory Bylaw 2006 is revoked at the time of the Tasman District Council Consolidated Bylaw – Chapter 1 - Introductory Bylaw 2013 coming into force.

1.3.2 The revocation of existing Bylaws does not extinguish any existing cause of action.

1.3.3 All Bylaws revoked shall remain in force and effect so far as they relate to anything done or any offence committed, penalty incurred, prosecution or proceeding commenced, right or liability accrued, licence issues, notice given, or order made, under or against any of the provisions of that Bylaw before the coming into force of this Bylaw.

1.3.4 All licences issued under any revoked Bylaw shall, after the coming into force of this Bylaw, be deemed to have been issued under this Bylaw and be subject to the provisions of this Bylaw.

- 1.3.5 All Inspectors and other officers appointed by the Council under or for the purpose of any revoked Bylaw, and holding office at the time of the coming into operation of this Bylaw, shall be deemed to have been appointed under this Bylaw.
- 1.3.6 All fees and charges fixed by resolution of the Council in regard to any goods, services, inspections or licences provided for in any revoked Bylaw shall apply under the corresponding provisions of this Bylaw until altered by further resolution of Council.
- 1.4 **Documents**
- 1.4.1 The Council may prescribe the form of any application, certificate, licence, permit or other document, which is required under this Bylaw. These forms may be altered or amended at any time.
- 1.4.2 Variation from the exact form prescribed under clause 1.4.1 shall not render any application, certificate, licence, permit, or other document void. However, the Council may reject any document where it considers the non-compliance is of a major character and substantially detracts from the required spirit and effect of the document.
- 1.5 **Licences, Authority and Permission**
- 1.5.1 Where a licence, authority or written permission is required from the Council by this Bylaw, it shall be obtained from the Council before doing or omitting to do that act.
- 1.5.2 The Council may specify how an application is to be made and any applicable criteria or policy.
- 1.5.3 No application for a licence, authority or permission from the Council shall confer any right, authority or immunity to the person making the application until the licence, authority or permission is granted by the Council.
- 1.5.4 In all cases where this Bylaw provides that the Council may issue any licence, authority or written permission, it shall be deemed to be issued in compliance with this Bylaw if it is issued by any officer authorised by the Council for that purpose.
- 1.6 **Fees**
- 1.6.1 The Council may by resolution prescribe or vary, any fee in respect of any matter provided for in this Bylaw.
- 1.7 **Refunds & Waivers**
- 1.7.1 The Council may, for any reasons as it thinks fit, refund, remit or waive any fee or charge prescribed by this Bylaw.
- 1.8 **Notices**

- 1.8.1 The Council may issue a notice in writing to any person who owns, occupies or controls any land, building, work or material of any description, requiring:
- (a) compliance with this Bylaw
 - (b) anything to be done or refrained from being done that is in contravention of this Bylaw.
- 1.8.2 Every such notice shall state the date by when the action is to be performed.
- 1.8.3 Clause 1.8 shall apply to any notice issued under any revoked Bylaw.
- 1.8.4 Clause 1.8 shall not relieve any person from any offence committed before receiving the notice.
- 1.9 Service of Notices**
- 1.9.1 A notice that is required by this Bylaw to be served on any person may be sent by post, addressed to the person at the last known place of residence or business of that person. Where a notice is sent by post, it is deemed to have been received at the time at which the letter would have been delivered in the ordinary course of the post.
- 1.9.2 If any person on whom a notice is required by this Bylaw to be served is absent from New Zealand or if his or her address is unknown, the notice may be sent to his or her agent. If he or she has no known agent:
- (a) the notice shall be published in a newspaper circulating in the district; or
 - (b) where the notice relates to any land or building, the notice may be left on some conspicuous part of the land or building.
- 1.10 Removal of Works in Breach of Bylaws & Recovery of Costs**
- 1.10.1 Any person authorised by the Council may remove or alter any work or thing which is in contravention of any provision of this Bylaw.
- 1.10.2 The Council may recover from any person responsible for the work or thing in contravention of the bylaw, or permitting the continued existence of any such work or thing, all costs incurred in connection with any removal or alteration.
- 1.10.3 The exercise of clause 1.10.1 shall not relieve any person from liability for the continued existence of any such work or thing in contravention of the bylaw.
- 1.11 Compliance Waiver**
- 1.11.1 An application to the Council can be made to waive full compliance with any provision of this Bylaw on the basis that it would needlessly injure or effect any person, the operation of any business or cause loss or inconvenience to any person, without any corresponding benefits to the community.
- 1.11.2 On receipt of an application under clause 1.11.1, the Council may:

- (a) waive the strict observance or performance of any provision of this Bylaw
- (b) impose such other terms or conditions consistent with the intention and purpose of the Bylaw as the Council may think fit.
- (c) decline the application.

1.12 Discretionary Powers

- 1.12.1 Where, under this Bylaw, the Council confers on any person a discretionary power, the Council may exercise that power itself.
- 1.12.2 Where, under this Bylaw, the Council reserves to itself a discretionary power, it may delegate the exercise of that power to any person.
- 1.12.3 Where any person exercises a discretionary power under this Bylaw, any person directly affected by the exercise of that power may apply to the Council for a review of the decision and the Council may review it accordingly.

2 Interpretation

- 2.1 In this Bylaw, any reference to a specified Act or Regulation shall be deemed to incorporate any amendments to that Act or Regulation. If the Act or Regulation is repealed, any reference to it includes the Act or Regulation that replaces, or corresponds to the Act or Regulation repealed.
- 2.2 The headings in this Bylaw shall not affect the construction of the Bylaw.
- 2.3 In this Bylaw, unless the context otherwise requires:
 - Council** means the Tasman District Council.
 - District** means the district of Tasman District Council.
 - Owner** of any real property includes a registered proprietor, a trustee, and any person for the time being entitled to receive the rent of the property, land, building, or premises or who would be entitled to receive the rent if the property were let to a tenant. Where any such person is absent from New Zealand, 'owner' includes his or her attorney or agent.
 - Owner** of any personal property includes the person having charge or the management of the property.
 - Person** or any other words applying to any person or individual, shall include a firm and also a corporation.
 - Rates Records** mean the rates records of the Council kept pursuant to the Local Government (Rating) Act 2002.
 - Road** shall have the same meaning as in section 315 of the Local Government Act 1974 and shall where the context requires include a street (excluding State Highways) and any place the public has access to, whether as of right or not.

3 Offences

3.1 General offences

- Every person commits an offence against this Bylaw who:
- (a) does or permits anything contrary to this Bylaw
 - (b) omits or neglects to do anything which ought to be done at the time and in the manner provided in this Bylaw
 - (c) does not refrain from doing anything which under this Bylaw he or she is required to refrain from doing
 - (d) refuses or neglects to comply with any notice given under this Bylaw
 - (e) obstructs or hinders any authorised officer in the performance of any duty or power conferred by this Bylaw

- (f) damages, destroys or defaces (or has in his or her possession without authority from the Council) any property, article or thing belonging to the Council or under its control.

3.2 Continuing offences

- 3.2.1 The continued existence of any work, building, land, premises or thing in such a state or form as to be in contravention of any provision of this Bylaw shall be deemed to be a continuing offence under this Bylaw.
- 3.2.2 Where any person is required by a notice under clause 1.8 to do anything, or refrain from doing anything, then they shall commit a separate or continuing offence on each day that person fails to comply with the notice.

8.3 CONSIDERATION OF SUBMISSION FOR RATES POSTPONEMENT POLICY**Decision Required**

Report To: Full Council

Meeting Date: 8 August 2013

Report Author: Lindsay McKenzie, Chief Executive

Report Number: 13-08-05

File Reference:

Item 8.3**1 Summary**

- 1.1 A ratepayer from Awaroa, Mr Ivan (Barry) McNeil, submitted on the Annual Plan 2013/2014. He asked that Council consider a rates postponement policy for people with high value properties but on low incomes. It appears that his submission was not explicitly dealt with. The reply he got was focused more on the decisions that the Council took on the proposed rates postponement and remissions policies for council initiated rezoned land than on the specific issue he raised.
- 1.2 He has responded to the advice about Council's decision on his submission by setting out his situation and saying that he was disappointed with the outcome. In the circumstances I offered to put his submission back before Council. He asked that be done.
- 1.3 Mr McNeil submitted that the Council should have a rates postponement scheme whereby the rates payable on a property are postponed, accrued as a charge against the property and recovered when the property is sold or from the ratepayer's estate. He has been advised about the Government's rates rebate scheme (which I gather he does access); about our willingness to discuss manageable payment terms and also about the option of releasing capital from his property.
- 1.4 Council is asked to consider the submission and decide whether or not to request staff to prepare a proposal for a policy of this kind.

2 Draft Resolution**That the Full Council**

- 1) receives the Consideration of Submission for Rates Postponement Policy 13-08-05; and**
- 2) thanks Mr McNeil for his submission and advises him of the outcome of its consideration; and**
- 3) requests/does not request {delete one} the Chief Executive to prepare a proposal for a rates postponement policy for financial hardship.**

Item 8.3

3 Purpose of the Report

- 3.1 The purpose of this report is to properly consider and respond to a submission on the Annual Plan 2013/2014 that was not fully considered at the time, and to decide whether or not a proposed rates postponement policy for financial hardship should be developed.
- 3.2 It is beyond the scope of this report to consider the case for and against having such a policy. Those matters would be considered in any subsequent report that the Council may request.

4 Background and Discussion

- 4.1 Mr McNeil was a submitter to the Annual Plan 2013/14 on the rates remission and postponement policy proposals. His submission was not expressly considered and the response that he received related to the proposal for either a rates postponement or a rates remissions policy for council initiated rezoning of land. While Council did not respond to that submission explicitly I do recall from my involvement with the policy proposals that led to the rates remission policies on council initiated zone changes that the Council did consider and not progress a general postponement policy covering people in Mr McNeil's situation.
- 4.2 Without going into too much detail Mr McNeil is a pensioner paying over \$5689 annually in rates after the rebate. It is a valuable property obviously and Mr McNeil is affected because rates are a form of tax on the value of land and its improvements; not on income. Many people acknowledge that this may be unfair but it is the system we have to work with.
- 4.3 I understand that around 14 councils have adopted a rates postponement policy for financial hardship, elderly or income poor ratepayers.

Nelson City and Marlborough District councils have rates postponements policies which are for residential ratepayers aged 65 and over.

Marlborough District Council have advised that they are part of a rates postponement consortium (of various Councils) managed by RP Scheme Managers. They have two current postponements, the amount postponed is \$22,249.77 to 30 June 2013 and another two postponements commenced 1 July 2013. An earlier property with postponed rates was sold during the last financial year and the rates repaid in full on settlement. Marlborough District Council does not actively advertise postponements but details are included in the rates remission and postponement policies sent out with the rate assessment each year.

Nelson City Council have six recipients and the level of debt is \$46,395. Their scheme commenced 2007.

5 Options

- 5.1 Effectively this report is putting a submission back before Council. Ordinarily when a submission is considered on a proposal like this, Council would decide whether to agree to the requested action and ask for a report back on the matter before resources are committed to the substantive issue. The options at this stage are to call for a report on a proposal or not.

6 Strategic Challenges / Risks

- 6.1 These matters, as they relate to any policy proposal, would be covered in any follow up report. There is a risk if the Council does not properly consider Mr McNeil's submission which this report mitigates.

7 Policy / Legal Requirements / Plan

- 7.1 A policy of this kind has to be made following the use of the special consultative procedure in the Local Government Act. Here is an extract from Nelson City's website to give you an example of the approach that could be adopted.

Rates postponement scheme

Are you a senior citizen and having difficulty paying your rates? Would postponing your rates assist you in staying in your home? Council is offering a new Rates Postponement Scheme for older homeowners that lets you defer paying rates – for the rest of your life or until you sell your home.

Do you qualify

You or your partner must be at least 65 years old (or at least 60 if you are on a benefit) when you apply, and the property must be your usual place of residence.

How much it costs

The cost of the scheme is paid entirely by those whose rates are postponed – it is not subsidised by other ratepayers or funding. In addition to the annual rates, you will also pay:

- *Annual interest at our marginal rate (presently @ 5.75%)*
- *Annual levy of 1.25% on balance to pay for scheme management and reserve fund*
- *\$100 application fee*
- *\$300 fee for a mandatory session with an independent financial planning adviser*

You need pay nothing up front – you pay these costs only when the rates are finally paid. Also worth noting, you can choose to pay your postponed rates at any time you like, without penalty.

8 Consideration of Financial or Budgetary Implications

- 8.1 These matters would be covered in any follow up report.

9 Significance

- 9.1 A decision to make a rates postponement policy is a significant decision requiring the use of the special consultative procedure in the Local Government Act.

10 Consultation

- 10.1 This report asks Council to make a decision on a submission, albeit belatedly. That submission was the result of a statutory consultation process and it follows that it is open to the Council to take a decision on it based on their own knowledge of the views and preferences of the community.

11 Conclusion

- 11.1 Council needs to address an oversight when submissions on the Annual Plan 2013/14 and the concurrent rates postponement and remission policy proposals were considered. If the Council accepts the submission and wants to consider a rates postponement policy for financial hardship then further work and a further report will be needed.

12 Attachments

1. Ivan (Barry) McNeil - Submission to Draft Annual Plan 2013/2014

37

2822

Valerie Gribble

From: website@tasman.govt.nz
Sent: Saturday, 20 April 2013 5:22 p.m.
To: LongtermPlan
Subject: Website Submission - Draft Annual Plan 2013-2014

Website Submission - Draft Annual Plan 2013-2014

Title *

Mr

First Name

Ivan

Last Name *

McNeil

Address *

3 Awaroa Bay (lot 1 DP 6169 BLK V11 Totaranui SD)

Suburb

Abel Tasman National Park

Town *

NA

Postcode *

NA

Daytime Phone Number

0219 22779

Mobile Phone Number

0219 22779

Email Address *

mcbazzy@yahoo.com

EditableLiteralField320

Organisation

Position

Would you like to present your submission in person at a hearing?

No

EditableLiteralField1667

If yes, what is your preferred hearing date and time?

Please choose

Would you like to receive a copy of the Approved Annual Plan on CD?

Yes

2822

EditableLiteralField338
Your comments *

RATES POSTPONEMENT SUBMISSION FOR ELDERLY RATEPAYERS

To The Mayor and Councillors of the Tasman District Council

With the greatest respect I request the Council to follow the lead of the Nelson City Council and Marlborough District Council (and 12 others) and introduce a rates postponement policy for elderly ratepayers on low incomes under the Rates Postponement Scheme (Scheme) established pursuant to The Local Government (Rating) Act 2002 and the Local Government Act 2002.

The Scheme is predominantly aimed at ratepayers 65 years and older, as this group is generally recognized as having a high level of equity in their homes, but are often on limited incomes. It permits such older ratepayers to postpone their rates indefinitely if they should choose. The accrued rates and charges are then paid back from the person's estate when they die.

The Scheme requires that the full cost of postponement must be met by the ratepayer (ie interest charges and administrative costs). This means that the Scheme is not subsidized by other ratepayers. But any charges incurred are not payable until the postponed rates are recovered.

For myself I have had a beneficial interest in my property at 3 Awaroa Bay in the Abel Tasman National Park for over 40 years and for the past 10 years it has been my permanent home. I am 71 years old and have been retired for 6 years and my major source of income is from government superannuation (the old age pension). I therefore struggle each year to meet the annual rates levied on my property. Last year my total rates bill amounted to \$5,689.70 (after the discount) despite living in a remote location without services, and I qualified for a rates rebate. Since my retirement I have been largely paying my rates from savings but unfortunately that source is now almost exhausted. As a result I have been reluctantly forced to place my home on the market for sale because, in the absence of a windfall I will not have sufficient funds to meet future rates charges. The legal description of my property is Lot 1 DP 6169 BLK VII Totaranui SD NL11C/703 comprising 4.1278 hectares

There must be other ratepayers in a similar position to me who silently accept their fate and I hope that like other neighboring councils you will agree to introduce a rates postponement policy under the Scheme, which, at no cost risk or loss to you may save elderly residents like me having to sell their homes. Furthermore it would also demonstrate your statutory responsibility to promote the well being of financially disadvantaged elderly ratepayers.

Because there is no downside for your council by introducing a rates postponement policy in accordance with the Scheme, I hope you will provide me and other elderly low income ratepayers with the option to defer the payment of rates so as to avoid the unfortunate choice of scrimping on meager day to day expenditure or the need to trade down to a less expensive property and leaving behind established networks, memories, and the convenience of a known neighborhood.

I would be very grateful if you will consider introducing a Rates Postponement policy in accordance with the Rates Postponement Scheme and I look forward to hearing from you accordingly.

Ivan McNeil
 Ratepayer

Attach a file to your submission

8.4 DUTIES AND RESPONSIBILITIES OF THE DEPUTY MAYOR AND MEETING CHAIRPERSONS

Decision Required

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Mike Drummond, Corporate Services Manager
Report Number:	RCN13-08-06
File Reference:	C780

1 Summary

- 1.1 Following on from the changes to the setting of Councillor remuneration, it has become necessary to formalise the additional duties of the Deputy Mayor and Committee/Board Chairpersons.
- 1.2 As the role of the chair is substantially the same for any meeting, not just a Standing Committee meeting, the duties have been written so they apply to any person chairing a Council-related meeting.
- 1.3 The conduct of a meeting is covered by standing orders, the Local Government Official Information and Meetings Act 1987 (LGOIMA), and Councillor/member behaviour through the Code of Conduct.
- 1.4 The formalisation of the additional duties and responsibilities will be incorporated into Council documents, including the Delegations Register in due course.

2 Draft Resolution

That the Full Council:

- 1) receives the Duties and Responsibilities of the Deputy Mayor and meeting Chairpersons report; and
- 2) approves the additional duties and responsibilities (subject to any amendments) for Chairpersons and the Deputy Mayor as set out in section 4 of this report.

3 Purpose of the Report

- 3.1 This report is to formalise the duties and responsibilities of Committee Chairpersons and the Deputy Mayor.

4 Background and Discussion

- 4.1 As part of the changes in the way councillor remuneration is set by the Remuneration Authority, Council needs to formalise the additional responsibilities over and above the basic Councillor role covering duties, delegations, deputising and reporting obligations etc for standing committee chairs and other positions which are paid an amount over and above the basic Councillor remuneration.
- 4.2 A summary of the additional duties was included in the proposal for additional remuneration sent to the Remuneration Authority.
- 4.3 In the past these duties have been a matter of custom and practice. There are also some delegations from specific policies eg the Communications Policy.

Meeting Chairperson

Responsibilities in addition to those of member:

- Chairing meetings of the committees/subcommittees/forums in the areas of Council activity and business within their area of responsibility;
- Representing the Council/Community Board to a high standard in the areas of Council activity and business within their area of responsibility, recognising that conduct in the role of chair reflects on Council or Board as a whole;
- Promoting and supporting good governance by the Council/Community Board;
- Developing a clear understanding of the terms of reference of their committees/Boards, 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 Chair;
- Ensuring sufficient familiarity with Standing Orders and meeting procedures to be able to chair meetings and any other sessions for which they have responsibility;
- Undertaking sufficient preparation before meetings they are chairing to effectively carry out their role as Chair;
- Ensuring any meetings they chair act within the powers delegated by the Council as set out in the Council Delegation Register, or resolved by Council;
- Managing the progress of business during meetings, including ensuring adherence to the 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 the meetings they chair;
- Commenting to the media (or other agencies) as the Council/Community Board spokesperson on issues arising that pertain to their committee/Board 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 or Board;

- Liaising with appropriate Council staff in respect of the areas of Council/Board activity and business within the Chair's area of responsibility;
- Providing political leadership in building a political consensus around Council/Board 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 Chair's area of responsibility;
- Working closely with other elected members of Council and Community Boards to ensure smooth decision-making;
- Keeping abreast of all issues concerning Council activity and business within their area of responsibility.
- Standing Committee Chairs are expected to support the Mayor and also provide collegial support to each other

Deputy Mayor

Responsibilities in addition to those of a Councillor and Chairperson:

- Supporting the Mayor in his/her role and deputising for him/her in his/her absence;
- Keeping abreast of all issues facing Council, to allow for relative ease when deputising for the Mayor, should that need arise;
- Representing the Council to a high standard, recognising that conduct in the role of Deputy Mayor reflects on Council as a whole;
- Representing the Council in a strong, competent and articulate manner in the Council area and to any external agencies 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.

5 Options

5.1 There are two options

5.2 **Option 1** – Not to formalise the additional responsibilities of the Deputy Mayor and the Chairs. This will result in the Remuneration Authority rejecting any additional remuneration for these additional duties in the future.

5.3 **Option 2 (preferred)** – To formalise the additional responsibilities of the Deputy Mayor and the Chairs. These additional responsibilities would be incorporated into the Delegations

Register at the next update. Having formalised the additional duties and responsibilities these will support any additional payments requested through the Remuneration Authority. It would also make clear the expectations of members carrying out the Chairperson or Deputy Mayor roles.

6 Policy / Legal Requirements / Plan

- 6.1 The chairperson's powers are set out in Council's Standing Orders which control the conduct of meetings. The behaviour of elected officials at meetings is also covered by Council's Code of Conduct. The chair has other delegated authorities under Council's Communications Policy.
- 6.2 Other considerations and requirements for meetings are set out in the Local Government Official Information and Meetings Act.

7 Consideration of Financial or Budgetary Implications

- 7.1 There are no financial or budgetary implications arising from this decision.

8 Significance

- 8.1 This decision is considered to be of low significance. There is likely to be limited, if any, interest from the public as the decision is administrative and formalises existing custom and practice.

9 Consultation

- 9.1 Due to the low significance and limited, if any, impact on the community it is not considered that any formal consultation is required.

10 Conclusion

- 10.1 Council should formalise the role and additional duties of the Deputy Mayor and Chairpersons by approving the recommendations (subject to any amendments) proposed in this report.

11 Next Steps / Timeline

- 11.1 On approval the duties and responsibilities will be incorporated into the Delegations Register and communicated to Chairpersons not attending the Council meeting.

12 Attachments

Nil

8.5 2013 ADDITIONAL REMUNERATION FOR POSITIONS OF RESPONSIBILITY

Decision Required

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Mike Drummond, Corporate Services Manager
Report Number:	RCN13-08-07
File Reference:	C780

Item 8.5

1 Summary

- 1.1 The manner in which elected members' remuneration is determined by the Remuneration Authority has changed following an extensive review. The Authority now determines remuneration prior to the triennial local body elections.
- 1.2 Council was required to lodge proposals by 19 July 2013 for addition remuneration for Standing Committee Chairs (4), the Deputy Mayor and the Chair of the Tasman Regional Transport Committee (where that Chair does not already Chair a standing committee). Due to the timing of Council meetings staff developed a proposal in collaboration with the Mayor. That proposal was circulated to you for comment prior to submission.
- 1.3 The Remuneration Authority requires that the submitted proposal be supported by position descriptions, details of the Council minutes and formal resolutions that set additional responsibilities and related information. A separate report to Council contains full details of the proposed duties and responsibilities of the Deputy Mayor and chairpersons.
- 1.4 There is general support for payment for additional responsibilities over and above those covered in the base Councillor salary.
- 1.5 It is not considered that the Tasman District Community Boards have demonstrable additional responsibilities over and above those set out in the Local Government Act. For this reason no additional remuneration was requested for these boards.
- 1.6 It is necessary for Council to formalise its support for the proposal lodged, including the confirmation of the position descriptions and additional time estimates included in the proposal (attachment 3).

2 Draft Resolution**That the Full Council:**

- 1) receives the 2013 Additional Remuneration for Positions of Responsibility Report; and**
- 2) confirms the proposal for additional pay for the additional responsibilities of the four Standing Committee Chairs, Deputy Mayor and the Chair of the Tasman Regional Transport Committee as set out in the proposal lodged with the Remuneration Authority (attachment 3)**

Item 8.5

3 Purpose of the Report

- 3.1 To confirm the representations to the Remuneration Authority on additional payments for elected members in positions of responsibility, and to formally set those additional responsibilities.

4 Background and Discussion

- 4.1 The Remuneration Authority completed a review of remuneration for elected members in May 2013. The “Local Authority Elected Member Remuneration Setting 2013” document is the final report of the review. In it, the Authority:
- explains the new remuneration setting system;
 - recommends ongoing engagement with elected members via Local Government New Zealand;
 - recommends a rigorous three-yearly review of the nature of the position and time commitment for elected members and;
 - includes details of base salaries.
- 4.2 These recommendations and base salaries will apply immediately following the Local Body Elections in October 2013.
- 4.3 The “Local Authority Elected Member Remuneration Setting 2013” report (attachment 1) includes a summary of the submissions and guidance on where the Authority is heading on issues like mileage, meeting fees, resource consent meetings and community boards.
- 4.4 The Authority has issued guidance on additional remuneration. This is included as attachment 2.
- 4.5 A capped pool (1.5 times the base Councillor’s salary or \$47,550) is available to provide for additional pay for elected members who take on additional responsibilities (includes District Plan reviews and hearings).
- 4.6 Under the new arrangement for setting elected member remuneration we were required to provide the Remuneration Authority with our proposals for additional pay for Chairs and the like by Friday 19 July 2013. The additional remuneration needed to be supported by details of the additional work these positions do, job descriptions and estimated additional hours of work. As the timing of Council meetings prevented the preparation of a report and consideration by Councillors, officers, in conjunction with the Mayor, prepared a remuneration proposal that was circulated to Councillors for feedback. That proposal formed the basis of the Council’s response sent to the Authority. The Remuneration Authority is now assessing that application and will issue a determination in due course.
- 4.7 The basis of our application needed to be the current committee structures. Should these be changed post the election then a new application would be made to the Authority at that time. The Authority has indicated that a response to such an application will not be received by Council before February 2014.
- 4.8 The Remuneration Authority has indicated payment levels for Community Board members and chairs. It is not considered that the Tasman District Community Boards have

demonstrable additional responsibilities over and above those set out in the Local Government Act. For this reason no additional remuneration was requested for these boards.

- 4.9 The Remuneration Authority also commented on adequate rates between \$80-\$100/hour for resource consent hearings. There will be provision in the determination following the October 2013 elections for preparation time to be reimbursed however this should not exceed the time of the actual hearing. These costs are met by the applicants.
- 4.10 Under the Remuneration Authority determination the base salary of a Councillor will move from the current \$27,772 to \$31,700 pa, a 14% increase. Based on the proposal below the standing committee chairs' salaries will increase 3.6% to \$38,040 pa and the Deputy Mayor 11.3% to \$41,210 pa.

Positions of additional responsibility

- 4.11 In addition to their base councillor duties, councillors participate in the governance of a wide number of organisations. They also may chair tier 3 subcommittees of Council eg the Communications Subcommittee. It is considered that these additional duties are reasonably widely spread across councillors. It is therefore considered that compensation for this work is included in the base Councillor salary and no additional loading is necessary.
- 4.12 In the past, standing committee chairs have had a 33% salary loading on the base councillor salary. The Remuneration Authority has indicated an acceptable range for a loading for a chair is between 5% and 25%. At the top of the range a very strong case would need to be made to justify a 25% loading. Given that councillor base salaries have increased by 14% it is proposed that a 20% loading is requested for the standing committee chairs. This loading would increase the standing committee chairs salaries to \$38,040pa, an increase of 3.6% on the current remuneration. These salaries are set for the three years of the term.
- 4.13 In the past there has been no loading to recognise the additional work involved in being a Deputy Mayor. In Tasman it is usual for the Deputy Mayor to also be a standing committee chair. Therefore it is proposed that an additional 10% loading is made for this role above that of a standing committee chair. The effect would be to pay the Deputy Mayor \$41,210 pa. This represents an increase of 11.3% over the current remuneration.
- 4.14 The Tasman Regional Transport Committee Chair is not currently paid an additional amount to recognise this role. This role is usually taken up by the chair of the Engineering Services Committee. It is proposed that a small loading of 5% (\$1,585 pa) is included for this position, to be paid when the position is not held by the Engineering Services Chairperson.
- 4.15 The Authority also commented on adequate rates, between \$80 - \$100/hour for resource consents. There will be provision in the determination following the October 2013 elections for preparation time to be reimbursed however this should not exceed the time of the actual hearing.
- 4.16 The Remuneration Authority required that the submitted proposal be supported by:
- 4.16.1 Position Descriptions;
 - 4.16.2 Details of the Council minutes and formal resolutions that set additional responsibilities;
 - 4.16.3 The extent that the duties can vary;
 - 4.16.4 The benefits to ratepayers;

- 4.16.5 An estimation of the additional time involved.
- 4.17 These are set out in attachment 3 for review and confirmation. A separate report to Council contains full details of the proposed duties and responsibilities of the Deputy Mayor and chairpersons.

5 Options

- 5.1 Council has two options.
- 5.1.1 Option 1 - Not to request the Remuneration Authority consider payments for positions of additional responsibility and accept just the base councillor, community board member and Mayoral salaries.
- 5.1.2 Option 2 - To prepare the necessary documentation including considering what payments within the Authority guidelines are appropriate for roles with additional responsibility. This is the approach that has already commenced. Should Council not wish to proceed with this option, Council can withdraw or amend the submitted proposal.

6 Policy / Legal Requirements / Plan

- 6.1 This is a legislatively-driven process and decision. The final determination for the remuneration of elected officials rests with the Remuneration Authority. That decision will come into effect immediately following the 2013 local body elections.

7 Consideration of Financial or Budgetary Implications

- 7.1 In the Annual Plan 2013/2014, Council approved additional funding of \$40,000 to reflect movements in remuneration for Councillors. This additional funding was to cover the eight months until the end of the 2013/14 financial year. This funding increase provides for less than the maximum payment permitted by the Authority. It would be financially prudent to ensure that the extra remuneration is kept within the approved 2013/14 budget.
- 7.2 The proposal above which was circulated to Councillors will leave approximately \$4,000 available from the Annual Plan budget increase.
- 7.3 A further increase in the budget for elected member remuneration will need to be incorporated into the 2014/15 Annual Plan to cover a full 12 months and any post-election changes.

8 Significance

- 8.1 This decision is considered to be of low significance. While there will be a level of public interest across the district, the remuneration of elected officials is controlled through the Remuneration Authority.

9 Consultation

9.1 Given the nature of the decision, public consultation is not required. Informal consultation has occurred through Councillors and community board members.

10 Conclusion

10.1 There is wide support for additional payment for additional responsibilities that some roles have. In order to support these payments Council will need to formalise the positions and responsibilities that merit additional remuneration.

11 Next Steps / Timeline

11.1 Following approval/amendment of the proposal lodged, the Remuneration Authority will be advised.

11.2 On receipt of the determination elected officials will be advised.

12 Attachments

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Appendix 1

Local Authority Elected Member Remuneration Setting 2013 (excluding Auckland Council)

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- A. Mayors/chairpersons, councillors, community board base salaries from 2013 elections
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1. Introduction

The Authority has completed its review of the remuneration setting for local government elected members.

This final report:

- explains the new remuneration setting system, based on job evaluation and the hours involved in undertaking governance and representation functions
- recommends ongoing engagement with elected members, via Local Government New Zealand (LGNZ), to ensure both the Authority and LGNZ share information on the work issues confronting local government
- recommends a rigorous three-yearly review of the nature of the position and of the time commitment for elected members of local authorities.

This report is not a formal remuneration determination. A formal determination will be made once remuneration for all councils' positions of additional responsibility has been agreed upon.

2. The story of the review

The Remuneration Authority first established local government elected official remuneration in 2003, following a development process during 2002. This sat alongside the major changes to the role and responsibilities of local government, which were enshrined in the Local Government Act 2002 and continue to this day.

The structural components of the system introduced for 2003 have remained substantially unchanged since that time, although responsibilities and work practices changed, and public expectations concerning the availability and responsiveness of all public officials increased. However, in 2010 a separate remuneration arrangement was established for the new Auckland City.

By 2010 the Authority had concerns that the remuneration of regional chairpersons and mayors did not reflect the responsibilities of the position, and after an interview and job evaluation programme in 2010 the Authority adjusted the remuneration calculation for those positions, at that time recognising that in larger centres this was close to a full-time position.

Meanwhile the system of providing a pool of funds for each council, which did not have any correlation with the numbers of elected members, was leading to enough disparity among similarly sized districts to cause the Authority to undertake a 'root and branch' review.

Our review, which has spanned almost two years, has involved the publication of two discussion documents¹, engagement with local government elected officials, chief executives and LGNZ, presentations made to meetings in most zones, and written feedback on the proposals put forward. The Authority would like to thank all those who contributed their views to the process.

This final report includes recommendations that will be implemented from immediately after the 2013 local government elections and includes details of the base rates the Authority will be implementing in each district.

The Authority's approach to setting remuneration

The Authority sets remuneration for a range of positions in full-time statutory roles and committee and board roles. To achieve a degree of equity among these positions the Authority uses the Hay Group system of job evaluation to size positions. The Authority then establishes an internal payline, drawing on publicly available data, information provided by the State Services Commission and survey data from other sources. Given the nature of the positions involved, the Authority draws primarily on the public sector, and also applies a 'public good' reduction to the remuneration established, to reflect the principle of public service involved in most of the positions for which it sets remuneration.

¹ *Review of Local Authority Remuneration Setting* (September 2011) and *Remuneration Setting Proposals for Local Authorities 2013 and Beyond* (November 2012). Both are available on the Authority's web site: www.remauthority.govt.nz

The Authority has now decided to apply this methodology to local government positions, although as this report outlines, some local flexibility will be retained to reflect differing work practices and pressures.

During 2012 job sizes were considered, a size index for districts and regions was developed and work was undertaken to review hours of work for elected officials.

The Authority has confidence in the results obtained in the first two of these areas, but a lack of consistency in the reporting of hours worked has resulted in the Authority being required to apply more discretion in that area than it would, ideally, have liked. It is the Authority's intention to place increased focus on this area of work in future reviews to ensure that both increases and decreases in the time commitment required are reflected in remuneration.

The process described above has allowed the Authority to determine a 'rate for the job' approach to positions to which both a 'public good' reduction and a recognition of the part-time nature of the role can be applied.

This change of approach has revealed that significant changes in remuneration, both up and down, should be provided for many basic councillor positions. The changes range from – \$17,500 to +\$16,200. Although these amounts are, on the surface, significant, for some the real increase will be much less, as meeting fees and special rates are subsumed into the base rate.

We are also required to look closely at other elements of the Authority's legal mandate and discretions to determine the extent to which it is appropriate to determine such changes. The Remuneration Authority Act specifically requires us to take into account any prevailing adverse economic conditions and allows us to set pay at a lower rate than might otherwise have been the case.

New Zealand, like the rest of the world, is going through a period of restricted growth and restricted income movements as economies adjust to the global financial crisis. Households across the country are experiencing little or no increase in income, and balancing the books has come sharply into focus.

Elected members' remuneration represents only a fragment of the average rate bill (typically about 0.9%). Yet to individual ratepayers already beset by other costs, any large increases may seem unfair and arbitrary.

In most countries, decision making about remuneration is separate from the development of remuneration proposals. The developing authority has the luxury of generosity and the deciding authority the luxury of public support for frugality. In New Zealand, the Authority serves both roles and must therefore balance recognition of the adverse economic environment against fairness to elected members and fairness to ratepayers.

We have sought to achieve such a balance in the new remuneration setting explained in this report.

We have done this in the awareness that a lack of reasonable remuneration might be an impediment to some standing for election, which clearly undermines local democracy. Alternatively, the view that elected members have received significant rises at the expense of services and rate increases also undermines that democracy.

We believe the increases in this document balance these two important criteria.

We also believe that such compromises should be transparent and that as the economic environment changes and efficiencies occur within local government there should be a forum where views can be exchanged. Both legislative and structural change in this sector has been ongoing for the last decade and the reviews currently under way appear to continue this change. Therefore we have developed as a component of our recommendations an annual engagement with local government representatives.

Finally, the Authority believes that only robust review can provide confidence in this area and we will in future look in the year prior to local government elections at all the key components of remuneration. This should pick up the incremental changes in role that occur in all areas, and over time should build a broader consensus on the nature and amount of members' remuneration.

The new levels of remuneration recommended in this document amount to an overall increase in remuneration costs of \$3.1m (or 8.9%) across 77 regional and district authorities, or \$1.17 per citizen, and are in our view justifiable in terms of equity and fairness. We believe that the new system will be much simpler to manage, and, whilst cost savings are not quantifiable, the time savings for staff and councils will result in increased efficiency and saving.

3. Review of submissions

The Authority received around fifty submissions on its document *Remuneration Setting Proposals for Local Authorities 2013 and Beyond*, and would like to thank councils for giving this matter such useful attention, especially in the run up to the holiday season.

The submissions overwhelmingly supported the approach being taken, and the administrative simplicity of the new arrangements. Submitters also urged that detail applying to each council be provided well before nominations for this year's election to enable councils to prepare and budget.

Strong supporting or opposing comments were received in a number of areas and have been read and considered by the Authority, and Appendix C outlines both the main thrusts of comment and the Authority's thoughts on them.

4. Broad outline of the new approach

The new approach to setting remuneration for local authority elected members, to take effect immediately after the elections in 2013, has the following features.

- a) The pool approach will be replaced by a system in which the Authority sets base salaries for elected members of regional and territorial authorities and for community boards.
- b) A pool will be available to each council to provide additional pay for members who take on additional responsibilities, such as chairing a committee. This fund will be capped at the equivalent of 1.5 times the base councillor salary.
- c) A measure of the relative size and complexity of each council's business activities, called the 'size index' is developed.

- d) Salaries of mayors and chairpersons of regional councils are based on the size index for the council.
- e) A base councillor salary is set for each council, based on the size index for the council.
- f) Salaries for councillors with additional responsibilities are set based on representations from councils, with a cap on total additional salary cost per council expressed as a multiple of the council's base councillor salary.
- g) Community board elected members' salaries are based on the population base for the community.
- h) Every three years the Authority will review the process for setting size indices, and the relationships between size indices and remuneration. Resulting changes will take effect immediately after council elections.
- i) Every year the Authority will recalculate size indices, will determine any appropriate general increase in salaries as a result of CPI changes, and determine remuneration based on the relationships developed at the previous triennial review. No base councillor remuneration will decrease as a result of this recalculation. Meeting fees will no longer be available.
- j) Levels of remuneration could be reviewed if significant change to legislation affecting the role and responsibilities of local government elected representatives occurred.

5. Triennial reviews

Every three years, before the council elections, the Remuneration Authority will:

- a) Reassess the statistics (such as population) to be used to determine size indices, and the weights to be used for each statistic, taking into account the availability/reliability of the statistics and their perceived influence on the size and complexity of a council's business.
- b) Independently job size sample representative councillors', mayors', and regional chairpersons' jobs, based on the requirements and scope of the jobs at the time.
- c) Form a view on the relationship between a council's size index and proportions full time for mayors and regional chairpersons.
- d) Survey councils to form a view on the relationship between a council's size index and the proportion full time for base councillor work.
- e) Set a pay line relating job size and full-time remuneration.
- f) Using the above information, establish relationships between size index and mayors' salaries, regional chairpersons' salaries, and councillors' base salaries (the 'index/salary relationships').
- g) Set mayors', regional chairpersons' and base councillor salaries, taking into account any need to limit the size of increases or decreases because of the factors the Authority is required to consider when setting remuneration.
- h) Set a base salary multiple cap for positions of additional responsibility.
- i) Invite representations from councils concerning additional payment for additional responsibilities and set salaries for positions of additional responsibility.
- j) Assess the requirements and scope of community board members' jobs.
- k) Reassess the methodology for setting community board members' salaries, if it is felt that the current method of basing them on population is no longer appropriate or can be improved.
- l) Establish a relationship between population and community board member salaries (if population is still to be used as the basis for setting remuneration).
- m) Set community board members' salaries and community board elected chairpersons' salaries, taking into account any need to limit the size of increases or decreases because of the factors the Authority is required to consider when setting remuneration.

- n) Reassess rates, thresholds, caps, and conditions for travel-time allowances, mileage allowances, communication allowances, and resource consent hearings.

The salaries will take effect immediately following the council elections and will continue until the following 30 June.

6. Yearly reviews

In the intervening years the Remuneration Authority will:

- a) Recalculate size indices using the latest available statistics.
- b) Determine any appropriate general increase in salaries caused by increases in CPI or general wage levels, and prevailing economic conditions.
- c) Calculate revised mayors' and regional chairpersons' salaries and councillors' base salaries using the index/salary relationships developed at the preceding triennial review and the appropriate general salary increase rate.
- d) Set mayors' and regional chairpersons' salaries and councillors' base salaries provided that no individual salary will be reduced.
- e) Calculate revised community board members' salaries using the methodology developed at the preceding triennial review and the appropriate general salary increase rate.
- f) Set community board members' salaries, provided that no individual salary will be reduced.
- g) Reassess rates, thresholds, caps, and conditions for travel-time allowances, mileage allowances, communication allowances, and resource consent hearings.

The determinations will run from 1 July to 30 June. In election years the determinations will be allowed to run unchanged until the time of the elections.

7. Pool for positions of additional responsibility

Councils will be invited to make representations to the Authority for additional remuneration for:

- community boards that have additional levels of responsibility, and
- councillor positions of additional responsibility (including deputy mayors), and
- recognition of intermittent duties during the District Plan process.

Community boards

The basic role description that was used to set community board salaries is shown in Appendix B.

Representation concerning additional levels of responsibility will need to address:

- what the levels of additional responsibility are
- documentation (council minutes) of the ceding of those levels of responsibility from council
- the extent to which the levels can be varied
- the benefit to ratepayers
- estimation of extra time involved in carrying out the extra responsibilities
- the sharing of the responsibilities amongst the community board members
- recommended additional remuneration.

Note that the additional responsibilities must be to the board as a whole and not to individual members. It is not expected that any core council responsibilities will be delegated from the council to the board as that would be seen as reducing the role of the council.

The maximum percentage addition to the base community board member salary will be 30%.

No additional remuneration will attach to the position of deputy chairperson of a community board (if such a position is contemplated).

The remuneration of an elected chairperson will be twice the salary of a community board member (including additional remuneration, if any). Confirmation that the chairperson is carrying out the additional roles as set out in Appendix B will be required.

Councillors

The basic role description that was used to set councillor salaries is shown in Appendix B.

Representation concerning additional levels of responsibility will need to address:

- the role title
- the role description, specifying additional responsibilities over and above the basic councillor role covering duties, delegations, deputising, and reporting obligations
- documentation (council minutes and formal resolutions) of the setting of those responsibilities
- the extent to which the duties can be varied
- the benefit to ratepayers
- estimation of extra time involved in carrying out the duties
- recommended additional remuneration.

Possible descriptions of additional levels of responsibility are shown in Appendix D. It is expected that additional remuneration for committee chairpersons or leaders will be between 5% and 25% of the base councillor salary.

It is expected that deputy mayors' additional remuneration will not exceed 40% of the base councillor salary.

The maximum total additional amount that may be used to augment salaries for positions of additional responsibility is 1.5 times the base councillor salary.

District and Regional Plan reviews

With the Authority's prior approval, councils may elect to carry forward part of the 1.5 times base councillor salary for use in augmenting councillors' remuneration in years when District or Regional Plans are being developed. The council will need to keep the Authority informed of the amounts carried forward and their application when used. It is expected that the amount carried forward in each year will be booked as an expense in the year it is carried forward.

8. Resource consent hearings

As noted earlier, hearing fees for non-council initiated resource consent hearings will continue to form part of the Authority's determination.

The hourly rate will be reviewed each year. The hourly rate to apply from immediately after the 2013 elections will be:

Chairpersons:	\$100 per hour of hearing time
Others:	\$80 per hour of hearing time

Preparation time of up to the time of the duration of the hearing may be remunerated at the same rates.

9. Travel-time and mileage allowances

The maximum hourly rate for travel time will be increased to \$35 after the 2013 elections. All other conditions for the travel-time allowance will be unchanged. The \$35 an hour rate, based on the hourly rate equivalent of the average annual salary for an elected representative, will replace the current rate of \$15.

The maximum mileage allowance for the first 5,000 kilometres will be increased to 77 cents per kilometre and the maximum for distances greater than 5,000 kilometres will be increased to 37 cents after the 2013 elections. This broadly follows the IRD mileage rate. All other conditions for the mileage allowance will be unchanged.

10. Mayoral cars

The Authority will continue to require to be informed whenever a mayor's car or private usage changes, with details of the new car's cost and details of any changed private usage.

We will not, however, adjust the mayor's salary unless, in our opinion, the change in car or private use is significant enough to warrant a change. Changing a car for a later similar model and make would not normally trigger a salary change.

11. Communication allowances

A paper to be released shortly.

12. Expense approvals

Approval for expenses will be required every three years, in election year, rather than every year. Where new issues arise a council may seek an amendment during the three-year period. To avoid unnecessary regular amendments councils might wish to consider wording the mileage, travel and communication allowances in such a way that any change to the maximum amount payable in the determination is automatically adjusted in the policy. The intention with this change, as with others, is to free up administration and councillor time without reducing the opportunity to raise matters with the Authority.

13. Base remuneration 2013

The triennial review approach described above has been developed and used for the 2013 salaries to take effect immediately after the 2013 elections.

For councillors and community board members the new system, in which the Authority sets base salaries, is a significant change from the old system, where the Authority set a pool but individual councils had a significant input into how the pool was distributed amongst councillors.

Some councils have a relatively low 2012 base councillor salary² with a greater differential between salaries for positions of additional responsibility and the base councillor salary, whilst other councils have a much flatter salary structure. Therefore, in many cases the 2013 base councillor salary would have been higher or lower than the 2012 base councillor salary under the pool arrangement.

Where the change in base councillor salary was significantly large (either positive or negative) the Authority considered it best to limit the increase (or decrease) to what it considered acceptable amounts. This is because the Authority is required to be fair to both job holders and ratepayers, as well as to take into account adverse economic conditions. Large increases could be regarded as having an adverse impact on ratepayers' costs and could be regarded as denigrating the position for retiring councillors. Large decreases could have an adverse impact on councillors standing for re-election and could be regarded as denigrating the position for new councillors.

A similar approach was taken with respect to community board members' salaries.

Individual letters to the mayors and chairpersons of each council are being prepared giving more details of the extent to which increases or decreases for their council have been limited, as well as indicating reasons for the new base salaries being different from 2012 base councillor salaries or 2012 community board salaries.

The main factors that can have an impact on the change in base councillor salaries include:

- whether or not all or part of community board salaries had been met from the pool, and
- whether a council had meeting fees, and the extent to which they were evenly spread amongst all councillors, and
- whether a council had a different number of councillors from similar-sized councils, and
- whether a council had a greater or lesser differential between salaries for positions of responsibility and base councillor salaries, and
- whether the council's pool had been augmented by the application of the 'population change' factor.

The main factors that can have had an impact on the change in community board salaries include:

- whether a council had taken into account relative population size when setting community board salaries, and

² 2012 councillor base salary is, for any council, the lowest rate of councillor salary, with meeting fees (if any) spread evenly amongst all councillors

- the relativities between councils, of community board salaries for similar-sized populations.

Where there has been some limitation of base salary decreases, it is likely that there will be no salary increases for those positions in the yearly reviews that will be carried out in 2014 and 2015.

It is not possible to say whether this approach of dampening down large increases or decreases will be necessary in 2016.

14. Ongoing engagement with the sector

The Remuneration Authority intends establishing an ongoing dialogue with representatives of local government as a forum to:

- obtain feedback on how the new system is operating
- identify improvements that can be made to the system at yearly and triennial reviews
- identify any difficulties that councils have in meeting the requirements of the new system
- keep abreast of any changes in local government responsibilities and how those changes might be affecting councillors' roles or ways of doing their jobs.

Appendix A: Salaries from immediately after 2013 elections

Territorial and Unitary Councils

Council	2013 Mayor salary	2013 base councillor salary
Ashburton District	92,450	21,800
Buller District	69,150	16,300
Carterton District	59,750	15,700
Central Hawkes Bay	75,950	22,600
Central Otago District	83,400	17,600
Chatham Islands Council	46,400	8,800
Clutha District	83,550	16,500
Dunedin City	142,000	49,100
Far North District	118,700	40,400
Gisborne District	123,300	30,900
Gore District	69,300	14,200
Grey District	73,200	20,100
Hamilton City	145,800	69,000
Hastings District	121,950	36,400
Hauraki District	81,600	16,800
Horowhenua District	91,050	22,400
Hurunui District	73,400	16,900
Hutt City	132,450	46,900
Invercargill City	109,550	30,500
Kaikoura District Council	51,050	16,800
Kaipara District	84,700	26,200
Kapiti Coast District	105,050	29,000
Kawerau District	58,550	13,100
Mackenzie District	53,700	16,500
Manawatu District	90,500	25,400
Marlborough District	123,550	33,000
Masterton District	85,400	22,100
Matamata - Piako District	93,100	23,400
Napier City	114,350	35,700
Nelson City	121,500	35,700
New Plymouth District	126,400	37,000
Opotiki District	60,850	17,300
Otorohanga District	63,450	15,000
Palmerston North City	124,550	38,400
Porirua City	109,900	31,800
Queenstown-Lakes District	102,850	29,300
Rangitikei District	77,550	18,300
Rotorua District	120,350	39,400
Ruapehu District	75,100	16,100
Selwyn District	105,350	31,600
South Taranaki District	93,550	20,200
South Waikato District	82,650	20,400
South Wairarapa District	64,200	14,800
Southland District	99,300	22,300
Stratford District	63,850	15,200
Tararua District	81,600	23,800

Council	2013 Mayor salary	2013 base councillor salary
Tasman District	123,850	31,700
Taupo District	102,700	31,700
Tauranga City	138,600	69,500
Thames-Coromandel District	99,250	28,500
Timaru District	104,150	29,800
Upper Hutt City	98,550	28,200
Waikato District	115,750	34,300
Waimakariri District	104,850	33,500
Waimate District	59,750	16,400
Waipa District	105,100	27,900
Wairoa District	66,600	21,000
Waitaki District	87,350	20,200
Waitomo District	67,550	22,300
Wanganui District	104,400	28,400
Wellington City	158,300	76,600
Western Bay of Plenty	105,750	28,000
Westland District	66,100	15,300
Whakatane District	98,150	26,000
Whangarei District	127,600	43,600

Community Boards

Council	Community	2013 Member Salary
Ashburton District	Methven Community	2,000
Buller District	Inangahua Community	3,000
Central Otago District	Cromwell Community	6,500
Central Otago District	Maniototo Community	3,000
Central Otago District	Roxburgh Community	3,000
Central Otago District	Vincent Community	7,000
Clutha District	Lawrence-Tuapeka Community	2,500
Clutha District	West Otago Community	2,500
Dunedin City	Chalmers Community	7,500
Dunedin City	Mosgiel-Taieri Community	8,500
Dunedin City	Otago Peninsula Community	7,500
Dunedin City	Saddle Hill Community	7,500
Dunedin City	Strath Taieri Community	7,000
Dunedin City	Waikouaiti Coast Community	7,500
Far North District	Bay of Islands-Whangaroa Community	10,500
Far North District	Kaikohe-Hokianga Community	9,500
Far North District	Te Hiku Community	9,500
Gore District	Mataura Community	1,500
Hastings District	Hastings District Rural Community	6,500
Horowhenua District	Foxton Community	5,500
Hurunui District	Hanmer Springs Community	3,500
Hutt City	Eastbourne Community	6,000
Hutt City	Petone Community	7,000
Hutt City	Wainuiomata Community	7,000
Invercargill City	Bluff Community	4,000
Kapiti Coast District	Otaki Community	7,000

Council	Community	2013 Member Salary
Kapiti Coast District	Paekakariki Community	3,500
Kapiti Coast District	Paraparaumu-Raumati Community	8,000
Kapiti Coast District	Waikanae Community	7,000
Mackenzie District	Fairlie Community	1,500
Mackenzie District	Tekapo Community	1,500
Mackenzie District	Twizel Community	2,000
Matamata - Piako District	Matamata Community	5,500
Matamata - Piako District	Morrinsville Community	5,000
Matamata - Piako District	Te Aroha Community	5,000
New Plymouth District	Clifton Community	5,500
New Plymouth District	Inglewood Community	6,500
New Plymouth District	Kaitake Community	6,000
New Plymouth District	Waitara Community	6,500
Opotiki District	Coast Community	4,500
Otorohanga District	Kawhia Community	1,500
Otorohanga District	Otorohanga Community	6,500
Queenstown-Lakes District	Wanaka Community	11,000
Rangitikei District	Ratana Community	2,000
Rangitikei District	Taihape Community	3,500
Rotorua District	Rotorua Lakes Community	5,500
Ruapehu District	National Park Community	2,500
Ruapehu District	Waimarino-Waiouru Community	3,000
Selwyn District	Malvern Area Community	7,500
Selwyn District	Selwyn Central Community	8,500
South Taranaki District	Egmont Plains Community	5,000
South Taranaki District	Eltham Community	5,000
South Taranaki District	Hawera-Tangahoe Community	5,500
South Taranaki District	Patea Community	5,000
South Waikato District	Tirau Community	2,500
South Wairarapa District	Featherston Community	2,000
South Wairarapa District	Greytown Community	2,000
South Wairarapa District	Martinborough Community	2,000
Southland District	Balfour Community	500
Southland District	Edendale Community	1,000
Southland District	Lumsden Community	500
Southland District	Riversdale Community	500
Southland District	Riverton/Aparima Community	3,000
Southland District	Stewart Island Community	1,000
Southland District	Te Anau Community	4,500
Southland District	Tuatapere Community	1,500
Southland District	Wallace Community	3,500
Southland District	Wallacetown Community	1,000
Southland District	Winton Community	4,000
Southland District	Wyndham Community	500
Tararua District	Dannevirke Community	4,500
Tararua District	Eketahuna Community	3,500
Tasman District	Golden Bay Community	5,500
Tasman District	Motueka Community	6,000
Taupo District	Turangi-Tongariro Community	7,500

Council	Community	2013 Member Salary
Thames-Coromandel District	Coromandel-Colville Community	5,500
Thames-Coromandel District	Mercury Bay Community	6,500
Thames-Coromandel District	Tairua-Pauanui Community	5,500
Thames-Coromandel District	Thames Community	6,500
Thames-Coromandel District	Whangamata Community	6,000
Timaru District	Geraldine Community	4,500
Timaru District	Pleasant Point Community	4,000
Timaru District	Temuka Community	4,500
Waikato District	Huntly Community	4,000
Waikato District	Ngaruawahia Community	4,000
Waikato District	Onewhero-Tuakau Community	4,000
Waikato District	Raglan Community	3,500
Waikato District	Taupiri Community	1,000
Waimakariri District	Kaiapoi Community	6,500
Waimakariri District	Rangiora Community	7,000
Waimakariri District	Woodend-Ashley Community	6,500
Waipa District	Cambridge Community	7,500
Waipa District	Te Awamutu Community	7,500
Waitaki District	Ahuriri Community	5,500
Waitaki District	Waihemo Community	5,500
Wanganui District	Wanganui Rural Community	4,500
Wellington City	Makara-Ohariu Community	4,500
Wellington City	Tawa Community	8,500
Western Bay of Plenty	Katikati Community	4,000
Western Bay of Plenty	Maketu Community	2,500
Western Bay of Plenty	Omokoroa Community	3,500
Western Bay of Plenty	Te Puke Community	4,000
Western Bay of Plenty	Waihi Beach Community	3,500
Whakatane District	Murupara Community	3,000
Whakatane District	Ohope Beach Community	3,000
Whakatane District	Rangitaiki Community	3,500
Whakatane District	Taneatua Community	3,000
Whakatane District	Whakatane Community	4,000

Regional Councils

Council	2013 Chair salary	2013 base councillor salary
Environment Bay of Plenty	130,750	52,000
Environment Canterbury	152,000	59,100
Environment Southland	90,400	30,600
Environment Waikato	142,900	55,400
Hawkes Bay Regional	109,800	46,700
Horizons.mw	120,650	40,300
Northland Regional Council	106,650	52,700
Otago Regional Council	117,750	43,300
Taranaki Regional Council	91,700	32,800
Wellington Regional Council	157,300	57,600
West Coast Regional Council	70,250	30,300

Appendix B: Position descriptions

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.

Base community board members – 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 C: Review of submissions

1. The size index, and the role of population versus other factors

A number of both regional and territorial councils questioned the omission of assets, geographic spread and the effects of fluctuating populations in the calculation of the size index. Many of these same criticisms were levelled against the criteria used under the pool system. In selecting criteria to take into consideration, the Authority believes using standard data that can be externally verified is key. Both 'expenses' and 'population' provide such data and have been found to be key indicators of job size when sample councils have been reviewed. Many of the issues driven by other criteria are more subjective and require value judgments to be made, based on contestable data. Distance travelled by councillors in more geographically spread areas is now addressed in the travel-time component of the travelling expenses policy, and, as a result of submissions, will be improved. The variation in population in tourist areas is recognised by the continued inclusion of expenses in the funding formula. On balance, whilst appreciating the effort that went into submissions, the Authority was not convinced that any additional factors should be developed.

2. Loadings for unitary councils

Submissions in this area ran the gamut from no loading to 50%. The Authority remains satisfied that some loading is justifiable and will hold the loading at 12.5% for the coming period. It will, however, ensure that when job sizing and hours of engagement exercises are undertaken in 2015, a specific focus is put on the additional requirements. It will also invite unitary councils to develop, in conjunction with the Authority, sample job descriptions that identify the broader range and level of duties that some submitters suggested existed.

3. Pool available for additional responsibilities and the process for dealing with them

In this area there was again a range of views on the Authority's proposal for a pool of additional responsibilities from little support for payments for additional responsibilities to suggestions that the capped amount should be doubled. The Authority appreciates that many councils found comment difficult because councillors' base salary is not yet clear.

This is an area of the Authority's role that has been particularly difficult in the past, given that job titles have told us little about the particular characteristics of additional duties taken on by certain individuals in different areas; and arrangements such as meeting fees have not provided clarity on the remuneration received. Improving clarity about the size of additional duties and additional time commitment taken on by certain representatives will be an aim of the Authority as we deal with recommended payments under the pool for additional duties.

Additionally, a number of submissions raised the issue of District Plan participation by councillors, commenting on both the time commitment required of a small group of councillors and the difficulty of finding people willing to undertake such duties. The Authority has decided to broaden this provision to allow councils to provide some additional remuneration for those sitting on District Plan reviews. Whilst the Authority believes the hearings process is a core role of councils, it acknowledges that this burden falls unevenly across years and councillors, and that in fairness some additional remuneration is justified. It

does not accept the view that those sitting on hearings should be paid at the level prescribed for resource consent hearings, or the argument that 'savings to the council' in reducing the cost of commissioners warrants additional councillor payments. The Authority remains concerned that there could be a perception of self interest in determining the role of councillors in these tasks.

To enable some reimbursement to be made in this area, the Authority will increase the maximum amount available to recognise additional responsibilities from 1 to 1.5 times councillor salaries. As this work fluctuates across time, the Authority expects councils to consider how this work might fall when making its recommendations to the Authority, and to carry forward funds from years when there are no hearings to the year or years in which hearings occur.

For the period from 2013 the Authority will give councils considerable flexibility in establishing how the additional funds are allocated. After the first period an examination will be made in greater depth into patterns of remuneration across the country and specific job specifications and loadings may be developed for 2016.

The Authority has been asked to develop a clear process for reviewing and confirming or denying recommendations. This work will be undertaken, but from the Authority's perspective it has traditionally accepted recommendations that are unanimously supported. The problem for the Authority is split recommendations, where the possibility of political differences driving the proposal cannot be overlooked or where the relativities established are well outside national norms. In those cases strong supporting documentation concerning the reasoning behind any change in the recognition of positions should be provided.

4. *Payments to community board chairpersons*

Whilst the Authority's proposal for additional payments was generally supported, the level was deemed by some to be too high. The Authority has considered whether it should set these payments, or whether it should indicate a maximum rate and seek the view of the community board concerned. On balance the Authority believes that the level does represent current practice in a number of areas, and that setting the rate fulfils the aim of depoliticising the remuneration of elected officials as much as possible.

5. *Meeting fees*

Currently only around 10% of councils utilise meeting fees, and of those some use meeting fees as a way of funding participation in District Plan reviews. The Authority does not support using meetings fees as a way of incentivising participation in meetings that are part of the designated duties of councillors, nor does it consider attendance to be the primary indicator of effectiveness. It will not therefore move away from the principle of a fixed annual rate for members which anticipates their regular attendance at scheduled and required meetings. The matter of District Plan reviews is dealt with above.

6. *Resource consents*

The Authority received a number of submissions on this matter, raising issues that had not been submitted on widely in responses to the first discussion paper.

Many of these submissions discussed the additional requirements for training that councillors undertaking this work face, and the fact that councillors would be remunerated more generously if they performed the same work for another council as a consultant.

The restriction on payment to the time of the actual hearing, rather than remunerating preparation time and procedural direction in addition to the meeting time, was also raised.

Finally, submissions also questioned the Authority's view that councillors should receive remuneration for externally generated resource consent hearings only, and a number of views were expressed on the direction that government policy might take in this area over coming years.

The Authority already approves, in the expenses and allowance policies of many councils, the reimbursement of costs of appropriate training. If training to undertake resource management hearing was included in the description of appropriate training, the Authority would approve such a policy.

The Authority has no view on the 'market rate' for commissioners. It believes that \$80 or \$100 per hour would be deemed an adequate reimbursement by most New Zealanders, and compares very favourably with fees set within the Cabinet Fees Framework.

The Authority has, however, accepted that preparation time for hearings should be reimbursed. It believes the preparation time to be reimbursed should not exceed the time of the actual hearing.

The Authority remains unconvinced by the suggestion that councillors sitting on council-initiated resource consent hearings should receive additional remuneration. The definition currently included in the determination will therefore continue.

7. Travel and mileage

Whilst the mileage and travel allowance did not form part of the review, it was commented on by mainly rural authorities. This provision was made more generous last year with a move to recognise travel time in excess of one hour. As a result of submissions and the work undertaken to identify the appropriate base rate for elected members, the Authority has decided to increase the hourly rate for travel from \$15 to \$35. The broader mileage policy will not be amended as the Authority considers it adequately reimburses the additional costs met by elected members. A full advisory paper on this issue will be distributed separately.

8. Community boards

A submission was made that the Authority should base community board members' salaries as a fixed proportion of the base councillor salary for the parent council.

We considered that submission very carefully but decided not to use that approach for the following reasons.

1. Analysis of the relativity of current (2012) community board salaries to **average** 2012 councillor salaries showed that there was a wide variation, both between councils and within councils. The ratio ranged from 1% to 44%. Within councils there is as much as a 35 percentage points difference. The ratio of 2012 community board salaries to 2012 base councillor salaries ranged from 1% to 109%. Thus, moving to this method would be a significant disruption to what would appear to be councils' current thinking about the fair relativities between community board members.

2. Of the 28 councils with more than one community board, 40% currently elect to have differing community board salaries within their councils. This reinforces the view that moving to this method would be a significant disruption to what would appear to be councils' current thinking about the fair relativities between community board members.
3. The size of the population served by community boards can vary considerably. The ratio of smallest to largest community board population, within a council, can be as low as 3% (in other words a community board within a particular council has only 3% of the population of the largest community board in the same council). Basing the community board salary as a fixed proportion of the parent council's base councillor salary would, in our view, not be consistent with our responsibility to be fair to individual community board members.

The primary function of community board members is representation. It is therefore reasonable to expect that the time, effort, and expertise required to represent a large number of people would be greater than that for a smaller number of people. Therefore, it is reasonable for the remuneration of members of a community board serving a large population to be greater than that for members of a community board serving a small population.

It follows that community board remuneration somehow linked to the board's population base would result in remuneration being fairer to its members.

Accordingly we have based community board salaries on the community board population. This does not mean that the community board salary is a fixed multiple of its population; rather it means that there is relativity between a community board's population and the remuneration of its elected members.

Appendix D: Descriptions of positions of additional responsibilities

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

- Working closely with other elected members of council to ensure smooth council decision-making
- Keeping abreast of all issues concerning council activity and business within their area of responsibility.

Deputy Mayor

Responsibilities in addition to those of a councillor:

- Supporting the Mayor in his/her role and deputising for him/her in his/her absence
- Keeping abreast of all issues facing council, to allow for relative ease when deputising for the Mayor, should that need arise
- Representing the council to a high standard, recognising that conduct in the role of Deputy Mayor reflects on council as a whole
- Representing the council in a strong, competent and articulate manner in the council area and to any external agencies 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.

Appendix 2

GUIDANCE ON ADDITIONAL 2013 REMUNERATION FOR COUNCILLORS AND COMMUNITY BOARDS

INTRODUCTION

- 1 The Remuneration Authority has advised councils of their base councillor and base community board salaries for 2013, to apply immediately after the local body elections in October 2013.
- 2 All councils are now required to advise the Remuneration Authority whether they are seeking extra pay for councillor and community board positions/roles of additional responsibility.
- 3 If councils do not intend to seek extra pay, there is still a requirement to advise the Authority that is the case, by completing several questions in the required template.
- 4 If councils intend to submit proposals for extra pay, guidance is provided below in paragraphs 12-27 on the information required to complete the template.
- 5 The Remuneration Authority has received queries on the pre election timing of proposals on extra pay, as some councils may change positions or roles of additional responsibility after October 2013. The Authority is requesting proposals now, for inclusion in its 2013 Determination to apply after the local body elections, as:
 - past experience has demonstrated that the majority of councils do not significantly change their governance structure after the elections
 - the Authority believes it is important that candidates are fully informed of the remuneration they will receive if elected
 - until the positions or roles of additional responsibility are reflected in the Authority's formal Determination, those holding such positions or roles cannot be paid accordingly
 - past experience has also shown there can be considerable delay in confirming remuneration in an election year (until at least the following February) due to the timing of council and community board meetings, closeness of the elections to the Christmas break, and the errors that often require follow up by the Authority. This can disadvantage those elected members who are dependent on council remuneration as their principal form of income.
- 6 If any council decided to restructure duties among members immediately after the election it may submit a proposal to the Authority, which can be dealt with by way of an amendment to the Determination.

TEMPLATE FOR COMPLETION

- 7 The template is an excel workbook, titled "Template Additional Responsibilities for Councillors and Community Boards". The template has been emailed to councils and can also be downloaded from the front page of the Remuneration Authority's website: <http://remauthority.govt.nz>
- 8 Please ensure the template is used as it will help to ensure that councils provide accurate and consistent information to assist the Authority with making its decisions.

- 9 The template comprises two worksheets; one for councillors and one for community boards. Councils should rename the blank template to incorporate their name, e.g. "Council X Template for Councils Seeking Additional 2013 Remuneration". The completed template should then be emailed to:

info@remauthority.govt.nz

- 10 All responses, including any specific proposals, must be submitted **by email** to the Remuneration Authority by 5.00pm on **Friday 19 July 2013**. Adhering to this timeframe and submitting the information in electronic form will ensure prompt issuing of the Authority's 2013 Determination.

INFORMATION REQUIRED FROM COUNCILS NOT INTENDING TO SUBMIT PROPOSALS FOR EXTRA PAY

- 11 If councils are not intending to submit any proposals for extra pay, only a limited number of questions need to be answered:
- a) on the councillor worksheet, the question in Q2 as to whether any extra pay is being sought, and
 - b) on the community board worksheet:
 - (i) Q2 as to whether the council has any community boards
 - (ii) if the answer to Q2 is yes, then respond to Q3 and Q4 regarding the community board name and chairperson
 - (iii) confirmation in your response to Q5 that no extra pay is being sought.

INFORMATION REQUIRED IN TEMPLATE FROM COUNCILS SUBMITTING PROPOSALS FOR EXTRA PAY

General

- 12 The template requests specific information that must be provided for *every* councillor position of additional responsibility or community board role of additional responsibility.
- 13 Some examples have been provided in the attached copy of the template to illustrate the kinds of information and level of detail required. They are not necessarily examples of what the Remuneration Authority would approve. As mentioned further below each proposal is considered on a case by case basis.
- 14 Please note that the Authority would prefer **not** to receive copies of documents that include the information that is being sought and be told to refer to those documents. The relevant information should be inserted (summarised if appropriate) in the template.
- 15 Further detailed information is provided in the Remuneration Authority's May 2013 document *Local Authority Elected Member Remuneration Setting 2013 (excluding Auckland Council) Answers to Frequently Asked Questions*, on both the kinds of additional responsibilities that might be recognised and the levels of extra pay that would be approved. Information responding to questions 5-15 of that document specifically relate to Councillors. Information responding to questions 18-21 specifically relates to Community Boards. Councils should be familiar with that information before attempting to complete their proposals for extra pay. Some of the key points are summarised below for ease of reference.

Extra Pay for Councillors

- 16 In addition to their base salary, Councillors can receive extra pay for:
- positions of additional responsibility (including deputy mayor/deputy regional chairperson) and/or
 - taking on significantly extra duties during the District Plan process.

- 17 A council may draw on a pool of funds to provide additional pay for those who take on any of the above positions. A pool equivalent to 1.5 times of one base councillor salary is available to every council. For example, if the base salary for a councillor is \$40,000, then the total pool for that council which could be used for additional pay will be capped at \$60,000.
- 18 The Remuneration Authority has identified the commonly required roles of deputy mayor/chaiperson and committee chairperson/portfolio holder. Anticipated responsibilities for such roles can be found on pages 23-24 of the Authority's April 2013 document *Local Authority Elected Member Remuneration Setting 2013*.
- 19 There may also be additional positions such as membership of specialist panels, working parties and external bodies. These are likely to vary from council to council. Before approving any additional pay the Authority would expect to see evidence of significant extra workload and/or responsibility required on an ongoing basis to carry out such positions. This could include the need to attend regular additional meetings, or to gain a technical knowledge base for a particular field of expertise.
- 20 It is expected that:
- additional remuneration for a deputy mayor will not exceed 40% of the base councillor salary, and
 - additional remuneration for committee chairpersons or portfolio leaders or other councillor positions of additional responsibility will be between 5% and 25% of the base councillor salary.
- 21 An example of how the above parameters might work follows.
- Council A has 10 councillors, each starting with a base salary of \$40,000.
- The Council has a total pool of up to \$60,000 (i.e. 1.5 times the base councillor salary) to allocate to some or all of its 10 councillors for positions with extra responsibility.
- The Council wishes to pay its Deputy Mayor an additional \$10,000 for carrying out the responsibilities of that role. That is 25% of the base councillor salary of \$40,000.
- The Council has up to \$50,000 remaining to allocate to its councillors for any positions of additional responsibility.
- The Council wishes to pay three of its councillors an extra \$5,000 each (being 12.5% of the base councillor salary) each to undertake additional responsibilities as chair of a standing committee.
- That leaves the sum of \$35,000 that could be allocated to councillors for undertaking significant extra duties around the District Plan process.

Extra Pay for Community Boards

- 22 If a community board has additional levels of responsibility, then the Authority may approve extra pay for that board in addition to its base salary. All proposals for extra pay for community boards must come from the relevant council.
- 23 The additional responsibilities must be to the board as a whole and not to individual members.
- 24 Councils should note that the Remuneration Authority will not automatically approve extra pay for community boards. Each proposal will be considered on a case by case basis. Evidence will be required to show how any community board is significantly operating above and beyond the role of community boards as outlined in section 52 of the Local Government Act 2002. Factors that the Remuneration Authority will take into account include:

- the implications for overall workload, such as significant additional hours required whether the additional responsibility is an ongoing one
the extent to which the community board's members' 2013 base salary was modified upwards or downwards from its unadjusted 2013 members' salary.

- 25 The maximum percentage that can be added to the base community board member salary will be 30%. The maximum would only be approved, however, for roles where significant and easily recognisable additional responsibility had been proven.
- 26 It is not expected that any core council responsibilities would be delegated from a council to its board(s) as that would be seen as reducing the role of the council.
- 27 Additional pay for community boards cannot be drawn from the pool of 1.5 times the basic councillor salary that can be used for councillor positions of additional responsibility, i.e. it is over and above the maximum amount of the councillor pool.

QUERIES

- 28 Any queries on completing the attached template can be emailed to:

info@remauthority.govt.nz

Remuneration Authority
29 May 2013

Item 8.5

Attachment 3

Q13 RECOMMENDED ADDITIONAL PAY
Amount recommended for additional pay per
board member

8.6 2013-14 ELECTED OFFICIALS COMMUNICATIONS ALLOWANCE**Information Only - No Decision Required**

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Mike Drummond, Corporate Services Manager
Report Number:	RCN13-08-08
File Reference:	C780

Item 8.6**1 Summary**

- 1.1 The Council, at its June 2013 meeting, determined that a communications allowance would be paid to elected members in accordance with the guidelines set out by the Remuneration Authority. This allowance was to be set at a level that was moderate and conservative.
- 1.2 The June meeting authorised the Mayor, in conjunction with the Chief Executive, to finalise the proposed allowance with the Remuneration Authority.
- 1.3 Following the meeting a survey of elected members' equipment and costs was undertaken to determine an appropriate allowance level based on average costs.
- 1.4 The survey had a good response rate and supported leaving the communications allowance at the current level of \$750 pa per member.
- 1.5 In addition to the communications allowance, elected members are entitled to be reimbursed for consumable costs incurred in direct relation to carrying out their Council or Community Board role.

2 Draft Resolution

That the Full Council receives the 2013-14 Elected Officials Communications Allowance report.

3 Purpose of the Report

- 3.1 To advise Councillors of the proposed communication allowance effective from the 2013 elections in terms of Council Report RCN-13-06-24.

4 Background and Discussion

4.1 Introduction

Elected members were surveyed as to their current communications costs. These costs were averaged out and applied against Remuneration Authority current policy recommendations for reimbursement. The results provide a realistic view of actual costs accrued by elected members undertaking their role with Council. As can be seen from the table below costs can vary somewhat between Councillors. It is important to remember that the allowance needs to be set at a level that is seen as moderate and conservative. Council is reimbursing the additional cost an elected official is incurring in order to carry out their Council or Community Board duties. Averages are used as the same allowance is paid to all elected members.

4.2 Elected Members Survey

The following questions were put to Council elected members:

1. Do you use a laptop or PC to access Council information online when away from the office? If so, which do you use?
2. Do you also use a secondary device, eg laptop, tablet PC, IPad, or Smartphone to access Council information online?
3. Do you have a Broadband Internet plan? Can you tell me the approximate monthly cost of the plan?
4. Does the Broadband plan include your telephone account or is that separate? If so what is a typical telephone account?
5. Do you have a mobile phone or Smartphone? Can you tell me the approximate monthly cost of the plan?
6. Do you have a separate data plan eg a T-stick or other USB modem to allow your laptop etc to access the internet?
7. Do you have a printer? If so, is it a laser or a DeskJet printer?

The questions were designed to show current costs borne by elected members broken down into the areas of hardware, broadband and mobile communications costs in line with the Remuneration Authority recommendation.

4.3 Survey Responses

The following responses were received;

1. Councillors – 8 responses
 - a. 4 x Richmond Ward
 - b. 2 x Golden Bay Ward

- c. 1 x Nelson Lakes Ward
 - d. 1 x Waimea Moutere Ward
2. Community Board Members – 5 responses
 - a. 3 x Golden Bay Ward
 - b. 2 x Motueka Ward

The responses were a mixture of urban and rural residence members from different parts of the District so provided a good variety of communications options and challenges. The average of each question response is listed below.

1. Desktop or PC
 - a. Average response = PC
2. Secondary Device
 - a. Average response = None

3. Broadband Costs

Low	High	Average
\$25.00	\$80.00	\$45.00

- a. Average cost = \$45.00 per month

4. Telephone Account

Low	High	Average
\$50.00	\$50.00	\$50.00

- a. Average rental cost = \$50.00 per month

5. Cellphone Plan

Low	High	Average
\$10.00	\$60.00	\$25.00

- a. Average cost = \$25.00 per month

6. T-Stick cellular modem
 - a. Average response = None
7. Printer
 - a. Average response = DeskJet

4.4 Costs Applied to Remuneration Authority Policy

The Remuneration Authority finding for computer equipment is based on a maximum of 50% of the use of hardware being attributed to Council usage. The remaining 50% is deemed to be personal use. As a council term is three years, the useful life of any equipment is deemed to be over that three year period so is split into thirds. Therefore, the overall annual remuneration is for 50% of the average cost of equipment, spread over three years, or 50% of 1/3rd of costs annually that could be requested from the Authority.

- 4.5 Cost of services is based on the average costs given in the survey of elected officials above.

Item	Remuneration (per annum)
Desktop (50% of 1/3 cost)	\$150.00
Printer (50% of 1/3 cost)	\$40.00
Phone (50% of 1/3 cost)	\$60.00
Broadband (25% of total)	\$135.00
Mobile Plan (90% of max = \$400 pa)	\$360.00
TOTAL (per annum)	\$745.00

- 4.6 Please note, the Remuneration Authority considers \$400 per annum based on 800 extra talk minutes on an average mobile plan as the maximum fair remuneration for mobile costs. In line with this, the recommendation is to accept 90% of maximum remuneration recognising the extent of time elected members are away from home and office as part of their role.
- 4.7 Where there are particular non-standard start-up communications requirements that accrue costs, these will be considered on a case-by-case basis by the Authority.
- 4.8 In addition to the communications allowance, elected members are entitled to be reimbursed for consumable costs incurred in direct relation to carrying out their Council or Community Board role.

5 Options

- 5.1 Option 1 – Request the Remuneration Authority to set the communications allowance at the average level as determined by the survey results. This would have the effect of reducing the annual allowance from \$750 pa to \$745 pa.
- 5.2 Option 2 – Request the Remuneration Authority to set the communications allowance at the current level of \$750 pa. This is the option being proposed.

6 Strategic Challenges / Risks

- 6.1 The risks and challenges involved in setting the allowance level are low. Guidelines and maximum allowances have been provided by the Remuneration Authority. The final decision on an acceptable level of allowance rests with the Authority. There is a small reputational risk if the proposed allowance is viewed by the public as not being moderate and conservative.

7 Policy / Legal Requirements / Plan

- 7.1 The provision of communication devices to elected members and reimbursement of related costs must comply with the Remuneration Authority determination.

8 Consideration of Financial or Budgetary Implications

- 8.1 The current budget allowance for the communications allowance is based on \$750 pa per member.

9 Significance

- 9.1 The decision on remuneration for use of communications devices by elected representatives is deemed to be of low significance after considering the criteria and thresholds set in Council's Significance Policy. It does not affect service levels, has a very low financial impact and is of limited interest to the general public.

10 Consultation

- 10.1 This item is of limited interest to the wider community. Due to the low significance of this decision, consultation will not be required.

11 Conclusion

- 11.1 The Communications allowance paid to elected members should remain at \$750 pa. This should be the level of the allowance requested from the Remuneration Authority in due course.

12 Attachments

Nil

8.7 AUTHORITY TO APPROVE RATES REMISSIONS FOR LAND SUBJECT TO COUNCIL INITIATED ZONE CHANGES

Decision Required

Report To: Full Council

Meeting Date: 8 August 2013

Report Author: Mike Drummond, Corporate Services Manager

Report Number: RCN13-08-09

File Reference:

1 Summary

- 1.1 At the Council meeting on 5 June 2013 Council adopted a Rates Remission Policy for Land Subject to Council Initiated Zone Changes. The Corporate Services Committee would normally consider applications for rates remissions.
- 1.2 Applications received under the policy now need to be considered. Due to the timing of Committee/Council meetings and the due date of the first rates instalment, it is appropriate for these applications to go to the 22 August 2013 Corporate Services Committee meeting. The next meeting of the Committee is not scheduled until 7 November 2013.
- 1.3 The Remission Policy provides for delegated authority to consider and approve applications. When adopting the rates remission policy (Report RCN13-06-05) Council did not delegate authority to consider applications under the policy. This report is to obtain the necessary delegated authority for the Corporate Services Committee.

2 Draft Resolution

That the Full Council:

- 1) **receives the Authority to Approve Rates Remissions for Land Subject to Council Initiated Zone Changes report; and**
- 2) **delegates the authority to consider and decide on applications made under the Rates Remission Policy for Land Subject to Council Initiated Zone Changes to the Corporate Services Committee.**

3 Purpose of the Report

- 3.1 To formally delegate authority to approve or decline applications for rates remissions under the Rates Remission Policy for Land Subject to Council Initiated Zone Changes to the Corporate Services Committee.

4 Background and Discussion

- 4.1 At the Council meeting on 5 June 2013 Council adopted a Rates Remission Policy for Land Subject to Council Initiated Zone Changes (Report RCN13-06-05).
- 4.2 Applications received under the Policy now need to be considered. It is preferable for the ratepayers if these applications are dealt with prior to the due date of the first rates instalment (31 August 2013).
- 4.3 Due to the timing of Committee/Council meetings it is appropriate for these applications to go to the 22 August 2013 Corporate Services Committee meeting. The next meeting of that Committee is not scheduled until 7 November 2013.
- 4.4 The Remission Policy provides for delegated authority to consider and approve applications. When adopting the Rates Remission Policy (Report RCN13-06-05) Council did not delegate authority to consider applications under the policy.

5 Options

- 5.1 Option 1 (preferred) – Council delegates to the Corporate Services Committee, authority to consider and approve/decline applications for the Rates Remission Policy for Land Subject to Council Initiated Zone Changes. This option is administratively efficient and consistent with the treatment of other rates remissions.
- 5.2 Option 2 – retain the status quo. Under this option Council will consider the applications at its next meeting (19 September 2013). Ratepayers who have not paid instalment one in full will have had a penalty added. Any reduction in rates will be spread over the remaining instalments. Given that ratepayers are applying for remissions covering two years some applicants will be in credit on their rates. These credits will need to be refunded.
- 5.3 Option 3 – delegate to officers. This option offers administrative efficiency but is not recommended. It is important that elected members make the decisions that affect Council's rates revenues and which set precedents for applying the policy in the future.

6 Policy / Legal Requirements / Plan

- 6.1 The Corporate Services Committee can only make decisions within its delegated authority. If Council wishes the Committee to consider and decide on these remission applications it needs to delegate to it the appropriate authority.

7 Consideration of Financial or Budgetary Implications

7.1 There are no financial or budgetary implications with this decision

8 Significance

8.1 This decision is of low significance as it covers a routine administrative process.

9 Consultation

9.1 No consultation is required due to the low significance and administrative nature of the decision.

10 Conclusion

10.1 Council should delegate to the Corporate Services Committee the authority to consider and approve, or decline, applications under the Rates Remission Policy for Land Subject to Council Initiated Zone Changes.

11 Attachments

Nil

8.8 ENGINEERING SERVICES REORGANISATION - ONGOING PERFORMANCE KPIS**Information Only - No Decision Required**

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Peter Thomson, Engineering Manager
Report Number: RCN13-08-10
File Reference:

Item 8.8**1 Summary**

- 1.1 The Council approved the restructuring of the Engineering Services department at its meeting on 29 November 2012. The Council requested that the Engineering Services Manager report back to the Council in 2013 on KPIs against which the ongoing performance of in-house delivery of engineering services can be measured against contracted delivery.
- 1.2 The 29 November 2012 report to Council also included a business case which identified a list of key performance indicators covering the first year of implementation. These key transitional performance indicators have been presented at each Engineering Services Committee meeting since 14 February 2013.
- 1.3 This report presents the ongoing KPI's for both financial and non-financial outputs that will be the basis of future quarterly reporting to the Engineering Services Committee.
- 1.4 The financial KPI's to the end of the 2012-2013 year are also presented (provisional figures until final accounts are audited) showing a significant positive variance against the proposed business case.

2 Draft Resolution

That the Full Council receives the Engineering Services Reorganisation - Ongoing Performance KPIs Report.

3 Purpose of the Report

- 3.1 On 29 November 2012 the Council approved the restructuring of the Engineering Services department in order to:
- Bring strategic and operational professional services in-house;
 - Increase the Engineering Services Department from 21 to 39 full time equivalent staff;
 - Increase associated staff resources in the Corporate Services Department by two full time equivalents; and
 - Develop new outsourced professional services contracts primarily for capital project works.
- 3.2 This report provides the list of key financial and non-financial performance indicators (KPIs) that will measure the performance of the new in-house delivery arrangements on an ongoing basis.

4 Discussion

- 4.1 At its meeting on 29 November 2012 the Council approved the option to restructure the Engineering Services department to bring key strategic and operational professional services in-house.
- 4.2 The business case report outlined a table of Key Performance Indicators (KPIs) covering the first year of transition (to 1 July 2014) necessary to implement the approved changes. These KPIs have been reported since 14 February 2013 to each successive meeting of the Engineering Service Committee.
- 4.3 As part of the resolutions the Council also requested that **“the Engineering Services Manager report to Council on 4 April 2013 on KPIs against which the ongoing performance of in-house delivery of services can be measured against the contracted delivery option”**.

Key Financial KPI's

- 4.4 The **Key Financial KPIs** developed for quarterly reporting to the Council are included in **Attachment 1**. The financial reporting begins for quarter Q3 in 2012/13 (year 1) and extends to Q4 in 2016/17 (year 5).
- 4.5 The Quarterly Financial KPI targets are based on spreading the annual financial forecasts for the Proposed Structure across the four quarters of each year and making a comparison between these and an assumed quarterly spread of the Current Structure costs to give forecast savings by quarter.
- 4.6 Some additional guidance notes are provided below:
- 4.6.1 All figures used are consistent with the figures presented to the Council meeting on 29 November 2012
- 4.6.2 “Current Structure” costs are only included to provide a comparison to calculate quarterly savings.

- 4.6.3 Columns “YTD Q1” measure Quarter 1 only. Columns “YTD Q2” equate to Q1 + Q2. Columns “YTD Q3” equate to Q1 + Q2 + Q3. Columns “Full Year” equate to Q1 + Q2 + Q3 + Q4
- 4.6.4 The “Current Structure” spread of costs for all years is 25% in each quarter
- 4.6.5 The “Proposed Structure” spread of costs for all years is 25% in each quarter, except:
- 4.6.5.1 Year 1 “In-house Staff and Operating Costs & Overheads” where 75% of existing costs is included in Q3 and the balance is in Q4 reflecting the continuation of status quo until the final quarter of Year 1 when new staff were expected to start coming on board.
 - 4.6.5.2 Year 1 “One-Off Costs” allow for 50% of total one-off costs in Q3 and the remainder in Q4.
 - 4.6.5.3 Year 2 “Prof Service Contract” where the 3 months at 50% of average monthly Prof Service Costs is all included in Q1 as per the business case.
- 4.6.6 The KPI Nos, 8a to 8e are referenced directly from the transition KPIs already being reported to the Engineering Services Committee. One additional KPI shown as KPI No. 8f – Cumulative Savings to TDC has been added. This shows the build-up of savings to the Council over each quarter to reach the forecast \$3.6m savings (before NPV) over the full five years. As outlined in the business case, savings are not predicted to start flowing through to the Council until the beginning of Year 3. This KPI will be added to the transition KPI document with the following annual targets.
- 4.6.6.1 30 June 2013 (Year 1) – Forecast loss of \$1.2m
 - 4.6.6.2 30 June 2014 (Year 2) – Forecast loss \$0.3m
- 4.7 The first financial report against targets is included in **Attachment 2**. This report is based on provisional year-end figures to 30 June 2013. The results are very pleasing and show a positive variance of \$921,000 against the original business case proposal for the reporting period covering the first six months of the department re-structuring.

Key Non-Financial KPI's

- 4.8 The **Key Non-Financial KPI's** have been categorised as follows: (i) Management of Network Maintenance Contracts; (ii) Forward Work Programme for Activity Planning and Programme Delivery; (iii) Review of Activity Management Plan Quality; (iv) Customer Service Response; (v) Monitoring of In-House Professional Services Costs against both operational and capital expenditure.
- 4.9 KPI's are being developed for each of these five categories. It is important that KPI's are appropriate for future long term ongoing application. The assessment of the department's performance will be focused on the re-distribution of responsibilities following the reorganisation that brings key activities in-house.
- 4.10 (i) Management of Network Maintenance Contracts will set out to measure and monitor the overall condition of Council's major infrastructure networks, and the effectiveness in managing major network maintenance contracts.
- 4.11 (ii) A forward work programme for the department's activity planning and programme delivery tasks will be submitted annually and measured against successful work programme outcomes. Timing and measurement parameters have yet to be established. This will be

done as the transition becomes complete, and as the new teams and processes are bedded down.

- 4.12 (iii) The review of Activity Management Plan quality will likely be on a triennial basis, as new AMPs are developed for successive Long Term Plans. The KPI review will attempt to benchmark the AMPs against agreed policy and regulatory standards. The peer review of the Council's 2012 AMPs completed by Waugh Infrastructure Management Ltd will provide a baseline for compliance status and future improvement.
- 4.13 (iv) Customer Service Response is already being measured and monitored against the number of CSRs actioned through the department. The intention is to extend this measurement to include customer satisfaction for the response given or undertaken by Engineering Services. This KPI will be developed in conjunction with the Council's Customer Services group.
- 4.14 (v) In-house professional service costs will need to be monitored against the related and relevant total expenditure on the major infrastructure networks, for both operational and capital expenditure. This is desirable to ensure that in-house services continue to be efficient and cost effective into the future for the delivery of network maintenance and network capital development works.

5 Next Steps/Timeline

- 5.1 A report on progress against the key financial performance indicators (2013-2014 to the end of Q1) will be presented to the Engineering Services Committee as this year progresses and quarterly thereafter. The financial KPIs will be reported alongside the other transitional KPIs for the implementation of the new structure until mid 2014.
- 5.2 Managers and staff will complete work to develop the full new set of KPI's to measure the ongoing performance of the restructured Engineering Services department, and will report this back to Council for endorsement later this calendar year.

6 Appendices

- | | | |
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ATTACHMENT 1: ENGINEERING SERVICES RESTRUCTURING - QUARTERLY FINANCIAL KPI TARGETS

KPI No.	(\$'000's) Including Inflation	5 Year Total		Year 1: 2012/13			Year 2: 2013/14			Year 3: 2014/15					
		Current Structure	Proposed Structure	Current YTD Q3	Full Year	Proposed YTD Q3	Full Year	YTD Q1	YTD Q2	YTD Q3 - Full Year	YTD Q1	YTD Q2	YTD Q3 - Full Year		
Ba.	On-going Costs In-house Staff	11,891	17,115	1,634	2,178	1,439	2,243	580	1,161	1,741	2,322	889	1,777	2,666	3,555
Bb.	Operating Costs & Overhead PS Contract	3,603	5,658	600	800	600	858	167	334	501	668	286	572	858	1,144
Bc.		16,929	3,963	2,438	3,251	2,533	3,511	815	1,629	2,444	3,259	452	452	452	452
	Total On-going Costs	32,423	26,737	4,672	6,229	4,672	6,612	1,562	3,124	4,686	6,248	1,627	2,801	3,976	5,150
Bd.	One-Off Costs Recruitment & Re-aging Implementation Support Capital Expenditure Contingency & Financing	0	164	0	0	82	164	0	0	0	0	0	0	0	0
		0	387	0	0	194	387	0	0	0	0	0	0	0	0
		0	107	0	0	53	107	0	0	0	0	0	0	0	0
		0	134	0	0	67	134	0	0	0	0	0	0	0	0
	Total One-Off Costs	0	792	0	0	396	792	0	0	0	0	0	0	0	0
	Overall Total	32,423	27,529	4,672	6,229	5,068	7,404	1,562	3,124	4,686	6,248	1,627	2,801	3,976	5,150
	Savings		4,894			(396)	(1,175)					(65)	323	710	1,098
	% Savings		15%			(8%)	(19%)					(4%)	10%	15%	18%
	Savings Apportionment														
	General Rate		1,699		0	0	0	0	0	0	0	0	90	139	307
	Other Rates		3,035		0	0	0	(65)	0	161	355	549	0	355	549
	Loan Funding		(1,175)		(396)	(1,175)		(65)	0	0	0	0	0	0	0
	Savings to TDC		3,559		(396)	(1,175)		(65)	252	554	856	0	71	156	241
	Savings to NZTA		1,335		0	0		0	0	0	0	0	0	0	0
	Total Savings		4,894		(396)	(1,175)		(65)	323	710	1,098	0	323	710	1,098
Bf.	Cumulative Savings to TDC		3,559		(396)	(1,175)		(1,240)	(923)	(621)	(319)		(7)	306	931
	NPV/Total		27,233		23,428		3,806								
	NPV Savings over 5 years		3,806		3,806		3,806								
	% NPV Savings		14%		14%		14%								
	NPV Savings over 5 years To TDC		2,724		2,724		2,724								
	To NZTA		1,081		1,081		1,081								
	Total		3,806		3,806		3,806								

ATTACHMENT 1:

KPI No.	(\$000's) Including Inflation	Year 4: 2015/16				Year 5: 2016/17			
		Current		Proposed		Current		Proposed	
		YTD Q1	YTD Q2	YTD Q3	YTD Q3 -full Year	YTD Q1	YTD Q2	YTD Q3	YTD Q3 -full Year
Ba.	On-going Costs								
Ba.	In-house Staff	616	1,232	1,847	2,463	943	1,886	2,828	3,771
Bb.	Operating Costs & Overhead	178	356	533	711	305	609	914	1,218
Bc.	PS Contract	888	1,736	2,603	3,471	0	0	0	0
	Total On-going Costs	1,661	3,323	4,984	6,645	1,247	2,495	3,742	4,989
	One-Off Costs								
	Recruitment & Re-sizing	0	0	0	0	0	0	0	0
	Implementation Support	0	0	0	0	0	0	0	0
	Capital Expenditure	0	0	0	0	0	0	0	0
	Contingency & Financing	0	0	0	0	0	0	0	0
	Total One-Off Costs	0	0	0	0	0	0	0	0
Bd.	Overall Total	1,661	3,323	4,984	6,645	1,247	2,495	3,742	4,989
	Savings					414	828	1,242	1,656
	% Savings					25%	25%	25%	25%
	Savings Apportionment								
	General Rate					116	232	348	464
	Other Rates					207	414	621	828
	Loan Funding					0	0	0	0
Be.	Savings to TDC					323	646	969	1,292
	Savings to NZTA					91	182	273	364
	Total Savings					414	828	1,242	1,656
Bf.	Cumulative Savings to TDC					1,254	1,576	1,899	2,222
	NPV/Total								
	NPV Savings over 5 years								
	% NPV Savings								
	NPV Savings over 5 years To TDC								
	To NZTA								
	Total					2,557	2,891	3,225	3,559

**ATTACHMENT 2: ENGINEERING SERVICES RESTRUCTURING- QUARTERLY
FINANCIAL KPI TARGETS - Report on Actuals to 30 June 2013**

KPI No.	(\$000's) Including Inflation	5 Year Total		Year 1: 2012/13			
		Actual Structure	Proposed Structure	Actual YTD Q3	Actual Full Year	Approved Business Case Proposed Full Year	Variance Full Year
On-going Costs							
8a.	In-house Staff	11,891	17,115	0	2,147	2,243	95
8b.	Operating Costs & Overheads	3,603	5,658	0	725	858	133
8c.	PS Contract	16,929	3,963	0	2,999	3,511	512
	Total On-going Costs	32,423	26,737	0	5,872	6,612	740
One-Off Costs							
	Recruitment & Re-sizing	0	164	96	128	164	36
	Implementation Support	0	387	290	387	387	0
	Capital Expenditure	0	107	72	96	107	11
	Contingency & Financing	0	134	0	0	134	134
8d.	Total One-Off Costs	0	792	459	612	792	181
	Overall Total	32,423	27,529	459	6,483	7,404	921
	Savings		4,894		(254)	(1,175)	921
	% Savings		15%		(4%)	(19%)	
Savings Apportionment							
	General Rate		1,699		0	0	0
	Other Rates		3,035		0	0	0
	Loan Funding		(1,175)		(150)	(1,175)	1,025
8e.	Savings to TDC		3,559		(254)	(1,175)	921
	Savings to NZTA		1,335			0	
	Total Savings		4,894		(254)	(1,175)	921
8f.	Cumulative Savings to TDC		3,559		(254)	(1,175)	921
	NPV Total	27,233	23,428				
	NPV Savings over 5 years		3,806				
	% NPV Savings		14%				
NPV Savings over 5 years							
	To TDC		2,724				
	To NZTA		1,081				
	Total		3,806				

8.9 2013 RESIDENTS SURVEY RESULTS**Information Only - No Decision Required**

Report To:	Full Council
Meeting Date:	8 August 2013
Report Author:	Susan Edwards, Strategic Development Manager
Report Number:	RCN13-08-12
File Reference:	

Item 8.9**1. Summary**

- 1.1 Since 1996 Council has commissioned a survey of residents' views on a range of services delivered by the Council. The survey is undertaken by the National Research Bureau (NRB) to ensure independence and impartiality.
- 1.2 A total of 402 residents over 18 years of aged were surveyed, with the interviews conducted spread across the five wards and across various age brackets to ensure a representative sample. The survey was conducted by telephone between 17 and 26 May 2013.
- 1.3 The results contained in the report cover satisfaction with Council services. They also provide data on where people find out information about the Council and on what Council decision they approve or disapprove of. The information on levels of satisfaction with Council services has been compared to the peer group (similar local authorities) and the national average of all local authorities.
- 1.4 Overall the results are similar to last year. The activities with the greatest change in level of satisfaction from last year's survey are parking in your local area, footpaths, sewerage systems, Council's rubbish collection service, stormwater drainage and harbourmaster and maritime safety services. The activities with the greatest change in levels of being not very satisfied are parking, environmental information and stormwater drainage.
- 1.5 The activities with the highest levels of satisfaction are recreational facilities, parking in your local town, public libraries, kerbside recycling services, dog control, roads, footpaths and environmental information.
- 1.6 We asked some new questions in this year's survey covering emergency management, Tasman's Great Taste Trail, trust and confidence in Council decision-making, satisfaction with Council's public consultation processes and Council's current debt levels. The results from these questions and other will be useful in future decision making.

2. Draft Resolution

That the Full Council

- 1) receives the 2013 Residents Survey Results report; and**
- 2) receives the Communitrak Survey May 2012 Report prepared by the National Research Bureau; and**
- 3) notes that the Communication Subcommittee will be discussing and considering the communication matters in the Communitrak Survey report at its meeting on 29 August 2013.**

3. Purpose of the Report

- 3.1 The purposes of this report are to advise Council that the Communitrak Residents Survey has been carried out and for Council to receive the survey report prepared by the National Research Bureau (NBR).

4. Background and Discussion

- 4.1 Since 1996 Council has commissioned a survey of residents' views on a range of services delivered by the Council. The survey is undertaken by the National Research Bureau (NRB) to ensure independence and impartiality.
- 4.2 A total of 402 residents over 18 years of aged were surveyed, with the interviews conducted spread across the five wards and across various age brackets to ensure a representative sample. The survey was conducted by telephone between 17 and 26 May 2013.
- 4.3 The full report was sent out to Councillors under separate cover. Please bring your copy to the meeting.
- 4.4 The report will shortly be made available on Council's website for the public to access and will be summarised in a future edition of Newsline.
- 4.5 The Communitrak Survey Report will be considered by the Communications Subcommittee at its meeting on 29 August 2013, with particular reference to communications matters.
- 4.6 The results contained in the report cover satisfaction with Council services. They also provide data on where people find out information about the Council and on what Council decision they approve or disapprove of. The information on levels of satisfaction with Council services has been compared to the peer group (similar local authorities) and the national average of all local authorities. The results are also broken down across the wards. There are some interesting differences in perceptions across the wards which it would be worthwhile for Councillors to examine.
- 4.7 The information contained in the survey will be useful for Councillors when considering the budgets for next year's Annual Plan, and also to Council managers. The residents' satisfaction levels for many of Council's activities are also reported on as performance measures in the Annual Report.
- 4.8 Overall the results are similar to last year, noting that there is a survey margin of error of +/- 5%. The activities with the greatest change in levels of satisfaction from last year's survey are parking in your local area (2012 93%, 2013 88%), footpaths (2012 71%, 2013 76%), sewerage systems (2012 74%, 2013 66%), Council's rubbish collection service (2012 61%, 2013 56%), stormwater drainage (2012 65%, 2013 55%) and harbourmaster and maritime safety services (2012 37%, 2013 48%). The activities with the greatest change in levels of being not very satisfied are parking (2012 6%, 2013 12%), environmental information (2012 8%, 2013 13%) and stormwater drainage (2012 13%, 2013 26%).
- 4.9 There are three instances where the percentage not satisfied in the Tasman District is higher than the peer group and/or national average – stormwater services, public swimming pools and emergency management.

- 4.10 The percentage not very satisfied in Tasman District is lower/slightly lower than the peer group and/or national average for roads, public toilets, parking in your local town and dog control.
- 4.11 Tasman District is on a par with the peer group and national average for not being very satisfied for footpaths, water supply, kerbside recycling, Council rubbish collection services multi-purpose public halls and community buildings, recreational facilities, sewerage systems and public libraries.
- 4.12 There are no comparative peer group and national averages for environmental planning and policy, environmental information, environmental education, harbour management and safety, and recreation programmes and events.
- 4.13 The activities with the highest levels of satisfaction are recreational facilities, parking in your local town, public libraries, kerbside recycling services, dog control, roads, footpaths and environmental information.
- 4.14 The most used Council services and facilities are recreation facilities, kerbside recycling services, public toilets and public libraries.
- 4.15 The Council decision people most supported were:
- the cycleway/bike trails (9%);
 - beautification/upgrades/upkeep parks, reserves and public spaces (5%);
 - do a good job/good service/good leadership (5%);
 - river/flood management/quick response/follow up (4%);
 - library facilities (3%); and
 - sports and recreational facilities (3%).
- 4.16 The Council decisions people disapproved of most were:
- planning issues/rezoning/subdivisions (6%);
 - flooding/flood management/follow up (4%);
 - rates increases/rates too high/rates issues (3%);
 - environmental issues (excluding flooding) (3%);
 - Council performance/attitude/communication (3%);
 - Council spending/overspending/money wasted (3%); and
 - roading/roadworks/road safety.
- 4.17 Overall 71% of residents are satisfied with the way rates are spent on services and facilities provided by the Council, while 23% are not very satisfied.
- 4.18 Of the 60% of residents who have contacted the Council offices in the last 12 months, 86% are satisfied with the service they received.
- 4.19 Less people are getting the main source of their information about Council from Newsline than in the past (54% compared with 58% in 2012), with more people getting most of their information on Council from newspapers (30% compared with 27% in 2012). 94% of residents say they have seen, read or heard information from the Council through Newsline. 79% of residents say they receive enough information about Council.

- 4.20 Around 45% (36% in 2012) of residents consider Tasman is a better place to live than it was three years ago, with 48% (54% in 2012) considering it was the same, 4% (6% in 2012) saying it is worse and 4% unable to comment.
- 4.21 We asked some new questions in this year's survey. Residents were asked to list types of emergencies they thought could happen in Tasman/Nelson. The emergencies identified included flooding (mentioned by 88%), earthquake (70%), fires/bush fires (24%), tsunami (22%), slips/landslides/erosion (10%), storms/strong winds/cyclone (6%). Residents were asked if they had an emergency kit in their house – 69% said they did and 31% didn't. The main items included in their kits were food (83%), water (74%), torch/lighting (55%), and first aid kit/medical supplies (40%).
- 4.22 Other new questions covered Tasman's Great Taste Trail, with 55% of residents having biked or walked along part of the Trail, and with 77% of those people being very satisfied with the experience and a further 20% being satisfied. Only 3% were not very satisfied.
- 4.23 We asked if residents had trust and confidence in Council decision-making. 71% said they did, 20% said not really, 7% definitely not and 2% didn't know.
- 4.24 Residents were asked about their satisfaction with the way Council consults the public in the decisions it makes. 42% were satisfied, 40% neither satisfied nor dissatisfied, 14% were dissatisfied, 2% very dissatisfied and 1% didn't know.
- 4.25 When asked about concern with Council's current level of debt, 22% were very concerned, 42% were somewhat concerned, 21% were not concerned and 15% didn't know.

5. Recommendation

- 5.1. Council is being asked to receive this report and the Communitrak Survey May 2013 results. Council is also being asked to note that the survey results will be referred to the Communications Subcommittee to specifically address the communications related matters in the report.

6. Next Steps / Timeline

- 6.1. An article will be prepared for a future edition of Newline outlining the key results in the survey and advising the public that the survey is available on Council's website for viewing.

7. Attachments

2013 Communitrak Residents Survey (Under separate cover)

8.10 CHIEF EXECUTIVE'S ACTIVITY REPORT

Information Only - No Decision Required

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Lindsay McKenzie, Chief Executive
Report Number: RCN13-08-11
File Reference:

Item 8.10

1 Summary

- 1.1 This report summarises my activities since the 27 June 2013 Council meeting. It has been a 'business as usual' period in many respects. The 2012/13 financial year has ended and the **preliminary financial results are pleasing**. Our debt is back on forecast i.e. we have clawed back the over budget opening year position and we are also likely to return an accounting surplus ahead of budget. The surplus is due in the main to vested assets income and accounting adjustments. Nevertheless, in many areas, staff have made an excellent effort to maintain income and control expenditure. Mike Drummond is working to enable us to report on the organisation's underlying or controllable financial performance.
- 1.2 I am especially pleased to report that Peter Thomson and his team have completed the transfer in-house of the agreed range of **professional engineering services well under (~\$900K) the business case estimate**. The primary reason is that the transition period when the Council and MWH were estimated to be both providing the service was much shorter. This in turn was due to staff being appointed who were competent in their roles from day one. We do not have \$900K to show for the effort but rather have not needed to borrow the budgeted sum to fund the transition. We will return to surplus earlier as a result.
- 1.3 The **LGNZ conference** was held in Hamilton during the period. I have reported on some of the highlights.
- 1.4 As reported to the Community Services Committee's last meeting the statutory **pre-election report has been published**. A minor amendment was made to the version that the Committee saw. Our debt and rates limits are now included. These limits were not required to be included in this transitional report but it was considered wise to include them as a reference point for the next time.

2 Draft Resolution

THAT the Full Council receives the Chief Executive's Activity Report RCN13-08-11

3 Purpose

- 3.1 The purpose of this report is to inform Council about some current issues and my operational activities for the period since Council's 27 June 2013 meeting. This is an information report.

4 Strategy and Planning – *vision, direction, plans and policies, Long Term Plan, implementing*

- 4.1 Work on improving the **performance of the organisation** is continuing. The Community Services Committee was recently briefed about two of the projects that staff groups are leading and I hope that the team working on the IdeaXchange will soon brief you. Our eight strategic challenges set the priorities. You may recall that each of those challenges had two or three 'themes' or streams of work supporting them. People have now been approached and have agreed to lead each of these 'themes' as part of the process of passing the challenges on to our staff and engaging them.
- 4.2 I've previously reported on the Council's submission in support of the **Tasman District Council (Validation and Recovery of Certain Rates) Bill**. Reports in the media suggest that the Select Committee may be a month or so from reporting the Bill back to Parliament. We have assisted officials by responding to the Committee with further information. These exchanges are privileged as the Committee's process is confidential. It has been tempting to respond to some of the criticism of the Council but we've considered it more important to respect the Committee process.
- 4.3 The financial review of **Port Tarakohe** has been completed and a proposal for future user charges has been reviewed at staff level. A draft port development plan has been prepared. As a next step the external members of the Commercial Subcommittee are being taken on a site visit by Jim Frater. The Committee and the Port Tarakohe Working Party will be briefed on the work (mostly done by Paul Rosanowski) and a plan to consult the users on the changes will be prepared. There will be a report up to Council once these steps have been taken.
- 4.4 A proposal to share the **Kaihautu/Iwi Liaison Officer role** with Nelson City Council is being discussed. We have included an Iwi liaison function in the proposed new Community Relations section within the Community Development Department but propose resourcing it as a shared service.
- 4.5 Councillors will recall that we have an agreement with Walking Access NZ to assist to identify and, where agreed, open **access to unformed legal roads** in various parts of the district. We have had some successes but many problems remain to be resolved. Access to the Abel Tasman National Park at Marahau has been agreed. Issues remain to be resolved on the Rainy River and Grant Road – Paton's Rock. The solicitor acting for the Majac Trust (Talley Family) has made an official information request for Council reports minutes and other correspondence as a precondition to meeting. That request has been met except for information that is legally privileged.

<p>5 Advice and Reporting – Long Term Plan, annual report, current issues, governance support</p>
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- 5.1 Three **meetings for prospective electoral candidates** were held to provide information about council and community boards. The meetings were at Motueka, Richmond and Takaka. Except for Motueka where 12 people were present, the attendance was poor. While disappointing considering the effort that went into preparing for the meetings we do feel an obligation to support a healthy local democracy by providing information about the organisation and its governance.
- 5.2 The **Local Government New Zealand Conference** was held in Hamilton from 21 – 23 July 2013. I appreciated the opportunity to attend. The business included –
LGNZ's **new brand** launch –

We Are. LGNZ.

- 5.3 As part of the brand launch LGNZ announced a partnership with the Institute of Directors (IOD) to strengthen local governance within the sector. Under the agreement elected members will be able to receive IOD recognised on-going professional training.
- 5.4 A proposal for a centre of excellence was explained. The proposal is to provide 'expert advice and product services on a range of critical matters'. As part of this initiative LGNZ will hold seminars on topics that affect councils and their communities. It is still uncertain what form the centre will take (virtual or actual). That may rely on Government funding and a collaboration or possible merger with the Society of Local Government Managers.
- 5.5 A business relationship with the Local Government Association of Queensland was announced. The relationship is designed to help roll out shared services to New Zealand councils in the areas of 'insurance, procurement of goods and services, cloud computing, after hours call centres and rates arrears collections'.
- 5.6 The highlight for many was a **presentation by Jonar Nader** an Australian sales, marketing and management expert. He shared his basic, sometimes cynical, but invariably relevant observations and ideas about improving organisational culture and performance. His quotes included -
- "Technology will not make us efficient, if we are now inefficient. It will not make us faster, if we are now slow. It will not enable us to deliver better customer-service, if we currently deliver none,"
 - "Advertising and PR will not change people's perception, because the proof is always in the pudding."
 - "Senior managers should keep their diaries free. Back-to-back meetings every day is not going to cut it. Senior managers need to be available. They need to listen, to talk and to interact with their staff at their own level."
 - "There cannot be a disconnect between what is promised and what is delivered,"

- “We need to think from the client’s perspective. We need to park where they park, fill in the forms they fill in and phone the numbers they phone in order to really understand what they want.”
- “Every organisation should have an emergency stop button and everyone should be able to press it”

5.7 Waikato University demographer Professor Natalie Jackson's **presentation about an ageing population** to the LGNZ annual conference in Hamilton provided a sobering look into the future. The growth in population for most of New Zealand in the foreseeable future will be in the over 65s age group, and there will be fewer working age people to support the retired. For almost all of New Zealand the change in population will come from this demographic.

For Tasman our population was about 48,000 as at 30 June 2011 and is currently increasing at 1.3% per annum. Our population is expected to be about 53,900 by 2031, but like the rest of New Zealand the median age of the population is also increasing. The median age in 2011 was estimated at 42.2, and this is expected to increase to 46.8 by 2031. The percentage of the population aged over 65 is expected to increase from 16% in 2011 to 29% by 2031. Conversely the percentage of the population aged under 39 is expected to decrease from 46.9% in 2011 to 42.1% by 2031. That trend will present its challenges.

5.8 Dr Oliver Hartwich’s presentation “**A Global Perspective on Localism**” provided an intellectual stretch. For centuries cities have been the centres of power and influence but now they are subordinate to central government. New Zealand of course was settled as a nation and never had a tradition of localism through powerful cities and that reflects our reality today.

He talked about the value of going local after decades of centralising governments. Economic efficiency is achieved by local versus central delivery of goods and services in the public sector because of the competition and choice local delivery produces. He said that New Zealand is out of step with the rest of the industrialized world. The share of public expenditure held by local government within New Zealand is just 11 per cent. This is significantly behind the OECD average of approximately 40 per cent and a long way behind Switzerland with 85 per cent

He said was that local government provides the best insurance policy against abuses of power. Localism can create a public spirit that engages large parts of the community. It can help to keep a democratic society free.

6 Management of Council Resources – *finance, operations, systems and processes*

6.1 While some year-end financial processing is still to be completed the 30 June 2013 year end position is close to being final. Income for the year was \$108.8 million, or 107.3% of budget, and expenditure at \$99.9 million was 104.1% of budget. Several extraordinary items have affected the overall operating result of Council. The provisional net result for the year is an accounting surplus greater than \$11M. These extraordinary items include:

- Increase in revaluation of Council’s interest rate swaps during the year. The confirmed end of year valuation has increased the value by about \$4M.

- Improved vested assets position in the second half of the year and at year end are at 95% or \$4.98million of the full year budget of \$5.25 million.
- Legal Fees finished significantly over budget for the year, primarily due to the Industrial Water Users arbitration.
- Expenditure on consultants was also ahead of budget. The notable contributors were the Engineering Services restructure, Jackett Island and flood events
- Forest harvesting at Rabbit Island is slightly ahead of the full year budget and a small harvest at the Borlase forest has resulted in an increase in income for the year. With savings in expenditure the year end result is a surplus of \$481k (before allocations to Parks and Reserves and the general rate contribution).
- General Maintenance is at 100% of the annual budget.

6.2 The immediate focus for the finance team is to complete of the financials for the 30 June 2013 Annual Report and to meet Audit requirements and timelines.

7 **Managing People – good employer, performance, health and safety, policies**

7.1 Joanna Cranness our Human Resources Manager is reporting in full to the Corporate Services Committee on personal management activities and issues. I will not repeat what she will inform you about other than to note that:

- The PSA has referred the Employment Relations Authority's determination on an employment agreement interpretation dispute to the Employment Court. The employer's interpretation of the agreement was upheld in the determination and it is disappointing that the matter is still being pursued in the Courts.
- Negotiations on a new agreement have commenced albeit under a cloud.
- Consultation is about to start internally on proposed organisational changes affecting the Corporate Services and new Community Development Departments.
- Applications for the new role of Community Development Manager closed on 24 July 2013 and I was pleased with the high quality of the applications. Interviews are scheduled for around 15 August 2013. The Mayor and Councillor Edgar will assist in the process.
- A briefing of around 25 new staff was held over a lunch hour to inform them about the organisation's performance development plans and current issues.

8 **Relationship Management – Iwi, customers/ratepayers, media, other councils, CCOs**

8.1 The **executive management teams** of the Nelson City and Tasman District Councils met on 5 July 2013 for the first time in a long time. Issues dealt with included Saxton Creek flood management and the Champion Road Culvert, working with Iwi and post Treaty settlement arrangements, shared services and co-governance of council entities, risk and internal audit as well as the industrial water users arbitration and cross boundary water supply.

8.2 Clare Hadley and I have also met with senior engineering services staff to progress the proposals that came out of the work of the **Joint Waste Working Party**. A joint strategy for

landfill management and procurement is planned. I expect that the outcome of that meeting and the proposals for future work will be discussed at the joint councils workshop on 7 August 2013.

8.3 Other community meetings and commitments since the last Council meeting have included:

- hosting the Contractors Federation Branch meeting to report on progress with the engineering services review and report on our capital works programme – Peter Thomson led the presentation
- having the Richmond Probus Club members in for a tour of the building and a briefing on current issues
- meeting Phillip Wilson of Nelson Pine Industries to follow up the matters of concern to the industrial water users that were not covered in the recent agreements
- attending a joint Mayors and Deputies meeting to discuss the agenda for the joint councils workshop
- attending the Tourism NZ Board briefing and dinner when they met in the region on 2 July 2013
- meeting the Ashtons and the new owner of the Gillespie property on Best Island to present our proposals for a legal road frontage for the properties and to begin negotiations
- visiting Mike Eggers at his Moutere property to view his concerns about the Company Ditch.

Draft Resolution

THAT the Full Council receives the Chief Executive's Activity Report RCN13-08-11

9 Appendices

Nil

8.11 MAYOR'S REPORT

Information Only - No Decision Required

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Richard Kempthorne, Mayor
Report Number: RCN13-08-13
File Reference:

1 Summary

1.1 The attached report is a commentary of the Mayor's activities for the months of June/July

2 Draft Resolution

That the Tasman District Council receives the Mayor's Report RCN13-08-13

3 Activities

12 June

I attended the Dovedale Ratepayers Association Meeting with Crs Ensor, King and Norriss and Selwyn Steedman. We discussed the perceived lack of maintenance on the gravel roads in their area and the need for cleaning culverts. The pressure on the Council's budget and work plan following the series of extreme weather events was discussed and it was agreed that residents in the Dovedale area could discuss their roading priorities and communicate them to Council's Engineering Department. We agreed that this was a good process to apply district wide and that this would be communicated via Newsline and in a letter to Residents Associations and Community Boards.

13 June

Attended a Sport Tasman staff Hui

14 June

Cawthron Trust Board meeting

17 June

I met the new Branch Manager, Brendan Horrell & Scott Downs, the Regional Manager from PF Olsen, who manage Council's forests under contract.

18 June

I attended and presented at the Youth Volunteer awards in Nelson. As with all community awards, it is very gratifying to see what many of our young people are accomplishing.

19 June

I met with Horticulture New Zealand and representatives from the Environmental Protection Agency in Wellington regarding the value of Growsafe training enabling appropriate use of agrichemicals.

21 June

I attended the Arbour Day planting in the Saltwater Baths Reserve with Adie Leng, Beryl Wilkes and NELMAC staff, in association with students from Parklands School. The students always impress me with a great attitude to community events. Riley was a great help to me planting trees.

I attended the Young Fruitgrower of the Year Awards night at the Headingly Centre. Adrian Humphries also attended and judged the public speaking section of this competition. There was a tremendous turnout of people associated with the Horticultural sector to support this event.

22 June

I attended the Richmond Methodist Church (across the road from Council) 170years celebration, and in the evening popped into the Contractors Federation Awards night.

24 June

Staff provided Council with a workshop on the Local Alcohol Policy, developed to implement the new Sale and Supply of Alcohol Act.

In the evening I attended Richmond Rotary, for a changeover of the Rotary President.

25 June

Crs Edgar, Ensor and myself met with the CEO as the CEO ReviewR. This is the first meeting for the CEO performance review process for this year.

I attended an AirNZ function to meet executives, and have an opportunity to express appreciation

to John Palmer who has been at the helm of the company as Chairman for some time and helped maintain a high performance for the company.

26 June

A meeting in Wellington with Horticulture New Zealand and Fonterra

27 June

After the Full Council meeting, I attended the end of the EDA's conference and returned for the Council's meeting with the Contractors Federation, which informed the Federation of the changes to the Engineering Services department.

28 June

Had morning tea with Bob Cook from Motueka as an expression of thanks for some of his recent work on walkways in Motueka.

1 July

Together with Lindsay McKenzie, Joseph Thomas and members of WWAC I spoke to the shortlisted candidates for the Project Manager role for the Lee Valley Dam project. Leith Pemberton has now been appointed as the successful contractor.

2 July

A meeting of the Mayors/Deputies and CEOs from Nelson and Tasman Councils, among other things discussing the upcoming joint Councils workshop to be held.

Dinner with the Tourism New Zealand Board. It is clear that key tourism opportunities in some regions will be different to others and that one size does not fit all in the components of value of tourism in a respective regions

4 July

Prime Minister John Key visited Nelson/Tasman, in particular to view the completed section of the Great Taste Trail and meet the members of the Nelson Tasman Cycle Trails Trust and businesses and sponsors associated with the Trail. There was an opportunity in the afternoon for the Committee Chairs and myself to meet briefly with the PM, and we talked to him about the recent flooding events in the region, progress on the Lee Valley Dam and transport/roading funding decisions at a central level and their impact on this region.

5 July

In the morning I visited St Paul's Primary School and presented their student volunteer awards. Then with Cr Wilkins and Adie Leng, on to Greenwood Kindergarten who were celebrating achieving the Green Gold Enviroschools award.

7 July

Attended the handover of the first Tasman Habitat for Humanity house at 7 Kakapo Lane in Motueka.

8 July

I spoke at the Nelson City Luncheon Club. They were particularly interested in all aspects of Tasman District with many questions to follow.

9 July

Attended the Golden Bay and Motueka Community Board meetings

10 July

Met with Jackett Island Residents and Stakeholders, with Cr Norriss, Gary Clark, Sarah Downs and Julian Ironside. We summarised the environment court action and discussed further that if anyone wishes to investigate other solutions to access to Port Motueka that Council will help

where possible, but is not intending to be the lead in this. Others considering taking a lead will be very cautious if there is not general support from interested locals.

11 July

I popped in to the Inspire Conference, run by Leanne and Alex Pressman and a group called the Ministry of Inspiration, a day-long workshop held at NMIT for interested or gifted young people.

12 July

Meet Damien O'Connor, with Lindsay and Mike Drummond.

Attended the Sport Tasman Trust Board meeting and dinner with Trustees from outside the region. One of the topics of interest was the value of Richmond as a destination for retail, something that will grow with the opening of K-Mart and the Warehouse.

15 July

I attended the centenary celebrations for the Motueka Museum

18 July

A meeting with representatives from the 'Ruby Coast' Association (Mapua Business Association) about gateway signage for the Ruby Coast area.

Attended along with Lyn and Brian Ensor, an evening presentation put on by a group of young graduates called Generation Zero. Their goal is to take carbon pollution down to zero by

- 1) Reducing our need for energy through efficiency and conservation and
- 2) Scaling up renewable energy to replace fossil fuels

They were actually very impressive in the presentation.

21 – 23 July

LGNZ Conference, Hamilton with CEO Lindsay McKenzie, Crs King and Sangster. Our sympathy to Cr Sangster for the rough start to his conference attendance, as has been previously communicated.

24 July

EDANZ Conference, Hamilton.

4 Other

4.1 LGNZ Conference – Hamilton

With CEO Lindsay McKenzie, Crs King and Sangster, I attended the annual conference, this year in Hamilton.

This conference includes the LGNZ AGM, the Mayor's Taskforce for Jobs AGM, and I also stayed on for an additional day to attend the EDANZ Conference. CEO Lindsay is giving a full report so I will hopefully not repeat what he has said. The compelling content of the conference for me was;

- A presentation given by Natalie Jackson covering the demographic changes that our rural communities are likely to experience into the future, including a population decline in many rural communities, an increase in older people and a reduction in young people in our communities. This has reiterated for me the importance of providing good job opportunities for our young people when possible.

- It was a very good opportunity to catch up with our various contacts within the NZTA as we explore whether there are more efficient ways to contract our operations and maintenance of our roads and transport services, both at the Top of the South and the South Island. We have a good relationship with the NZTA, which I appreciate.
- I was also interested to hear Mayor and Deputy Mayor of Auckland discuss what they have learnt following their amalgamation. It is clear that they have made progress with discussions about transport solutions and an enormous exercise producing the Auckland Plan. Many challenges along the way and the point was made that it is too early to be able to conclude many of the long term benefits. There is interest from other regions in New Zealand and it is my opinion that any suggestion of Nelson and Tasman reviewing a merger proposal following this year's election would be an error of judgement for our region.
- As always, a great opportunity for networking, part of which was achieved at 2:45 a.m. when we were all evacuated from our hotel for 30 minutes for a fire alarm, rather chilling.

For the EDANZ conference I was a panel participant with Mayors Crosby (Tauranga), Hardaker (Hamilton) and Auckland Deputy Mayor Penny Hulse and we were asked to give our view on the importance of economic development in our communities. Clearly our focus is quite different; being the only council represented which is not a metro.

4.2 Role of elected members in emergency response and recovery

As a result of a presentation by John Hamilton, Director of Ministry of Civil Defence and Emergency Management, it became clear it would be useful to have a presentation to Council regarding what happens when we have a CDEM response, the role of various staff during the response and recovery and the role of elected members within these events. We will have this discussion prior to the election as a date to be determined.

Appendices

Nil

8.12 MACHINERY RESOLUTIONS REPORT**Decision Required**

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Pamela White, Executive Assistant to CEO/Mayor
Report Number: RCN13-08-14
File Reference:

SUMMARY

The execution of the following documents under Council Seal requires confirmation by Council.

RECOMMENDATION

That the report be received and that the execution of the documents under the Seal of Council be confirmed.

DRAFT RESOLUTION

That the Full Council receives the Machinery Resolutions report and that the execution of the following documents under the Seal of Council be confirmed:

Lease - Baldwin and Brown Ltd, 51003, Lease of ground floor retail and part level one 257 Queen Street

Lease - RNZ Plunket Society - Nelson Marlborough Area Inc., 52504L, Lease renewal for a further five year term + 5 years right of renewal.

Deed of renewal, Miles and Stephanie Drewery, 51302L2, Right of renewal for another 3 years for Coffee Kiosk based in Richmond Library

Variation to deed, Tasman District Council and MPI, Extension of time to complete reports related to contaminated level investigations

Bylaw, Tasman District Council, Speed Limits Bylaw (Chapter 4 Consolidated Bylaw as per council resolution of 27/06/13

8.13 ACTION ITEMS - PREVIOUS COUNCIL MEETINGS

Information Only - No Decision Required

Report To: Full Council
Meeting Date: 8 August 2013
Report Author: Pamela White, Executive Assistant to CEO/Mayor
Report Number: RCN13-08-15
File Reference:

1 Summary

1.1 Attached, for your information, is a list of the action items from previous meetings of Full Council, and a status update on those items.

2 Draft Resolution

That the Full Council receives the Action Items - Previous Council meetings RCN13-08-15

3 Attachments

1. Action Items for meeting of 8 August 121

Action Sheet – Full Council

Item	Action Required	Responsibility	Completion Date/Status
Meeting Date: 6 September 2012			
RCN12-09-01con Pukekoiko Road Realignment	Commence work programme on Riwaka Kaiterteri Road	G Clark	On hold pending land acquisition
Meeting Date: 29 November 2012			
RCN12-11-16con Building Purchase Mapua Wharf Precinct	Negotiate building purchase as per the resolution specifications	J Frater	Under action - building purchaser is still in negotiation with his sublessees
Meeting Date: 21 February 2013			
RCN13-2-09 Lee Valley Community Dam	Prepare a Request for Proposal for a Project Manager for the next stage of the Lee Valley Dam project	L McKenzie	Successful candidate (Leith Pemberton) selected and approved by VMWAC. Letter of intent exchanged with Leith. Contract to be finalised.
RCN13-02-13	Apply for Forest Stewardship Certification	J Frater	In progress - will take until Oct/Nov 2013 to complete
Meeting Date: 9 May 2013			
RCN13-05-02 Reserves General Policies	Crs Edgar, King and Wilkins to hear submissions on the document	B Wilkes	Hearings date is 19 August 2013
	Appoint iwi representative to join the Hearing Panel in an advisory, non-voting capacity	L McKenzie/ S Edwards	Frank Hippolite has been appointed.
Meeting Date: 27 June 2013			
RCN13-06-15 Report to adopt Annual Plan 2013/2014	Amend Plan as directed and publish	S Edwards	Final Annual Plan published
RCN13-06-16 Rates Setting	Amend rates as agreed and implement	M Drummond	Complete

Item	Action Required	Responsibility	Completion Date/Status
RCN13-06-24 Councilor Remuneration – Communication Devices	Allowance to be implemented in the next triennium of Council. Advise Remuneration Authority of agreed approach	M Drummond	Underway Complete
RCN13-06-23 Consolidated Bylaw – Chapter 4 – Speed Limits	Publish Approved Bylaw Notify submitters	S Elkington	Bylaw signed under Council Seal and published Submitters notified and bylaw published on Council's website
RCN13-06-17 Motupipi Cycleway and Bridge	Notify GB Cycle and Walkways Society of Council decision	S Edwards	Complete
RCN13-06-21 Debris Flow in Pohara and Ligar Bay	Prepare work plan to implement the recommendations in the report. Publish a newsletter for the landowners and residents	D Bush-King	Not yet commenced
RCN13-06-16 Amendments to Delegation Register	Publish amended Delegations Register Re-examine format and content of Delegations Register at end of triennium workshop	P White	Register published Workshop scheduled for 29 August
RCN13-06-22 Richmond Gateways Project	Advise Richmond Unlimited of Council decision	S Downs	Complete. Design is going through discussion with NZTA, scrutiny with the Urban Design Panel and Richmond Unlimited preparing their resource consent application.
RCN13-06-28 Chief Executive's Activity Report	Amend the Terms of Reference for the Commercial Subcommittee to include Port Golden Bay in the Committee portfolio Send Council submission on Te Tau Ihu Settlement Bills	L McKenzie L McKenzie	Complete Complete
RCN13-06-25con Port Tarakohe – Fees and Charges	Advise marine farmers of charges, as agreed by Council	L McKenzie	Complete
RCN13-06-20con Turners Bluff – Pukekoiko – Land Agreement	Conclude land purchase agreement	L McKenzie	Awaiting response from Turners to written agreement

9 CONFIDENTIAL SESSION

9.1 Procedural motion to exclude the public

The following motion is submitted for consideration:

THAT the public be excluded from the following part(s) of the proceedings of this meeting. 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 follows.

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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

9.2 Consideration of Tenders - 257 Queen Street (LATE REPORT)

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.