



Nelson City Council

te kaunihera o whakatū

AGENDA

**Ordinary meeting of the
Nelson City Council**

Governance

**Tuesday 16 July 2013
Commencing at 10.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership:

His Worship the Mayor Aldo Miccio, Councillors Ian Barker, Ali Boswijk (Deputy Mayor), Gail Collingwood, Ruth Copeland (Co-Portfolio Holder), Eric Davy, Kate Fulton, Paul Matheson, Jeff Rackley, Pete Rainey, Rachel Reese, Derek Shaw (Co-Portfolio Holder) and Mike Ward

Opening Prayer

Apologies

1. Interests

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

2. Confirmation of Order of Business

3. Public Forum

4. Confirmation of Minutes

- 4.1 Council – Governance and Policy and Planning– 4 June 2013 **11-29**

Document number 1526418

Recommendation

THAT the minutes of the meeting of the Nelson City Council – Governance and Policy and Planning, held on 4 June 2013, be confirmed as a true and correct record.

- 4.2 Council – to Approve the Annual Plan 2013/14 – 18 June 2013 **30-36**

Document number 1538853

Recommendation

THAT the minutes of the meeting of the Nelson City Council to Approve the Annual Plan 2013/14, held on 18 June 2013, be confirmed as a true and correct record.

- 4.3 Council – to Adopt the Annual Plan 2013/14 – 27 June 2013 **37-46**

Document number 1545104

Recommendation

THAT the minutes of the meeting of the Nelson City Council to Adopt the Annual Plan 2013/14, held on 27 June 2013, be confirmed as a true and correct record.

5. Mayor's Report

6. **Status Report - Governance** **47**

Document number 1034743 v10

Recommendation

THAT the Status Report - Governance (1034743 v10) be received.

7. Portfolio Holder's Report

During this part of the meeting the Mayor will be joined by the Governance Portfolio Holder, Councillor Shaw.

8. Local Elections Candidates' Meeting

- 8.1 Local Elections Candidates' Meeting **48-51**

Document number 1548330

- 8.2 Notice of Motion from Councillor Davy

THAT Council approves a grant to the Nelson Residents' Association for the use of the Victory Room for a publicly advertised candidates' meeting for the upcoming 2013 triennial election.

9. Code of Conduct Complaint

A Code of Conduct complaint from Councillor Reese was recently investigated. It was alleged Councillor Rainey breached Code of Conduct provisions through comments made to the media. Following an investigation, the complaint was not upheld.

10. Establishing a District Licensing Committee

52-59

Document number 1496320

Recommendation

THAT the report Establishing a District Licensing Committee (1496320) be received;

AND THAT the Nelson City Council District Licensing Committee comprise only of elected members including:

- ***an elected member as chairperson of the DLC who has successfully completed the Ministry for the Environment Making Good Decisions Chairs course and has experience to drive efficiencies in the process; and***
- ***an elected member as deputy chairperson of the DLC; and***
- ***committee members drawn from a list of elected members only.***

OR

THAT the Nelson City Council District Licensing Committee comprise of elected members and suitably qualified persons including:

- ***a Commissioner as chairperson of the DLC; and***
- ***an elected member as deputy chairperson of the DLC; and***
- ***committee members drawn from a list of elected members and other members.***

AND THAT the Chief Executive report back to a future Council meeting the list of suitably qualified persons to be Commissioners and/or list members of the Nelson City Council District Licensing Committee for the Council's consideration and approval.

AND THAT the members of the Nelson City Council District Licensing Committee be appointed post-election;

AND THAT the Delegation Register is amended as part of the required post-election review to reflect this decision.

11. Remuneration of Elected Members 2013-2016 60-112

Document number 1542709

Recommendation

THAT the report Remuneration of Elected Members 2013-2016 (1542709) and its attachments (1542746, 1546956, 1547161, 1507219, 1547015, and 1528778) be received;

AND THAT Council approves Additional Pay Option 1 outlined in report 1542709 as the basis for the allocation of the additional pay for councillor remuneration to apply from the 2013 council election to the 2016 council election, for submission to the Remuneration Authority for approval;

AND THAT Council approves the draft Nelson City Council Expenses Policy for Elected Members 2013-2016 (1547015), including Communications Allowance Option 1 as outlined in report 1542709, for submission to the Remuneration Authority for approval.

12. Adoption of the Fees and Charges: Resource Consents Business Unit 2013/14 113-120

Document number 1544662

Recommendation

THAT the report Adoption of the Fees and Charges: Resource Consents Business Unit 2013/14 (1544662) be received;

AND THAT the Fees and Charges: Resource Consents Business Unit (1452697) be adopted;

AND THAT the fees and charges under section 36 of the Resource Management Act apply as from 22 July 2013.

REPORTS FROM COMMITTEES

13. Kotahitanga Hui – 10 May 2013 121-125

Document number 1512524

Recommendation

THAT the unconfirmed minutes of the meeting of the Kotahitanga Hui, held on 10 May 2013, be received.

14. Remuneration Review Committee – 17 June 2013 126-128

Document number 1536413

Recommendation

THAT the unconfirmed minutes of the meeting of the Remuneration Review Committee, held on 17 June 2013, be received.

15. Audit, Risk and Finance Committee – 18 June 2013 129-131

Document number 1538456

Recommendation

THAT the unconfirmed minutes of the meeting of the Audit, Risk and Finance Committee, held on 18 June 2013, be received.

CROSS COUNCIL ITEMS

16. Sugary Carbonated Drinks 132-139

Document number 1495197

Recommendation

THAT the report Sugary Carbonated Drinks (1495197) and its attachment (1495057);

AND THAT Council develop a policy on the sale of sugary carbonated drinks from Council facilities and parks and Council events;

OR

AND THAT Council does not develop a policy on the sale of sugary carbonated drinks from Council facilities and parks and Council events.

Note: Youth Councillors John Gibson and Joseph Cotton will be in attendance and available to participate in the discussion for this item, at the Chairperson's discretion.

PUBLIC EXCLUDED BUSINESS

17. Exclusion of the Public

Recommendation

THAT the public be excluded from the following parts 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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Public Excluded Minutes – Governance and Policy and Planning – 4 June 2013 These minutes confirmed the public excluded minutes of the 23 April 2013 Governance and Policy and Planning meeting, and also contain information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	Resource Management Act Procedures Committee Minutes – 20 March and 30 April 2013		<ul style="list-style-type: none">• Section 7(2)(i) To carry out negotiations

	Rate Remission for Land Affected by the December 2011 Rainfall Event		<ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person
	Heads of Agreement for the termination of the Ridgeway's Joint Venture		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
2	<p>Public Excluded Minutes – To Approve the Annual Plan 2013/14 – 18 June 2013</p> <p>These minutes confirmed the public excluded minutes of the 30 May 2013 Council meeting to deliberate on submissions to the draft Annual Plan 2013/14, and also contain information regarding:</p>	<p>Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	Potential Debtor Issue		<ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person • Section 7(2)(h) To carry out commercial activities

3	Public Excluded Status Report – Governance – 16 July 2013 This report contains information relating to:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	
	Nelson City Council Tasman District Council Engineering Services Agreement		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	Governance Options for, and commercially sensitive information regarding, the Nelson Regional Sewerage Business Unit		<ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations
	The proposed transfer of assets, and negotiation of a lease and contract with the Theatre Royal and Nelson School of Music.		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	Potential Exit from Ridgeway's Joint Venture		<ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations
	Theatre Royal Trust Deed		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	The Statement of Intent and Half Yearly report provided by Nelson Tasman Tourism to Council		<ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities

4	<p>Public Excluded Minutes – Remuneration Review Committee – 17 June 2013</p> <p>These minutes confirmed the public excluded minutes of the 22 February Remuneration Review Committee, and also contain information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	<p>Chief Executive's Proposed Performance Agreement 2013/14</p>		<ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(i) To carry out negotiations
5	<p>Drainage Ownership Policy Public Private Drains</p> <p>This report contains information regarding an amended Drainage Ownership Policy</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(g) To maintain legal professional privilege

18. Re-admittance of the public

Recommendation

THAT the public be re-admitted to the meeting.

Note:

- **Lunch will be provided at 12.30pm.**
- **This meeting will be followed by a Council workshop on the Local Alcohol Policy.**

Minutes of a meeting of the Nelson City Council – Governance and Policy and Planning

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Tuesday 4 June 2013, commencing at 9.06am

Present: His Worship the Mayor A Miccio, Councillors I Barker, A Boswijk, G Collingwood, R Copeland, E Davy, K Fulton, P Matheson, J Rackley, P Rainey, D Shaw, and M Ward

In Attendance: Chief Executive (C Hadley), Executive Manager Support Services (H Kettlewell), Executive Manager Strategy and Planning (M Schruer), Executive Manager Regulatory (R Johnson), Executive Manager Community Relations/Kaihautuu (G Mullen), Chief Financial Officer (N Harrison), Executive Manager Community Services (R Ball), Executive Manager Network Services (A Louverdis), Manager Administration (P Langley), and Administration Adviser (L Laird)

Apologies: Councillor R Reese, and Councillor E Davy for lateness

Opening Prayer

Councillor Rackley gave the opening prayer.

1. New Zealand Order of Merit

His Worship the Mayor congratulated Councillor Rainey on receiving the award of Member of the New Zealand Order of Merit.

2. Apologies

Resolved

THAT apologies be received and accepted from Councillor Rachel Reese and Councillor Eric Davy for lateness.

Boswijk/Matheson

Carried

3. Interests

Councillor Rainey declared an interest with the report relating to the Events Resource Consent and the Gambling Policy Review.

Councillor Matheson declared an interest with the report relating to the Gambling Policy Review.

4. Confirmation of Order of Business

4.1 His Worship the Mayor updated the meeting on the revised public forum schedule. He said the public forum from Mr Richard King had been cancelled, and added the Mr Neville Baldwin and Mr Graeme O'Brien would make presentations.

4.2 Late Item – Heads of Agreement for the Termination of the Ridgeway's Joint Venture

Resolved

THAT the public excluded item regarding Heads of Agreement for the Termination of the Ridgeway's Joint Venture be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable Council to meet the conditions of the Heads of Agreement.

His Worship the Mayor/Barker

Carried

4.3 Late Item – Draft Statement of Proposal – Gambling Policy Review

Resolved

THAT the item regarding Draft Statement of Proposal – Gambling Policy Review be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable consultation in accordance with section 83 of the Local Government Act 2002 to be undertaken on this matter prior to the end of this Council term.

His Worship the Mayor/Boswijk

Carried

4.4 Late Item – Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14

Resolved

THAT the item regarding Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14 be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the

Local Government Official Information and Meetings Act 1987, to enable a report regarding fees and Charges: Resource Consents Business Unit 2013/14 to be brought back to Council prior to the end of the financial year.

His Worship the Mayor/Rackley

Carried

5. Public Forum

5.1 Princes Drive Reservoir

Mr Matthew Taylor made a Power Point presentation regarding the proposed Princes Drive Water reservoir (1526264). Mr Taylor said he did not oppose a second reservoir being constructed but was opposed to the construction of a viewing platform on top of it.

Mr Taylor presented pictures of the proximity of a viewing platform on the second reservoir to both his property and that of his neighbour, Mr Emery. He said a viewing platform would be invasive to these properties. He added that people used the viewing platform on the original reservoir late at night, leaving behind alcohol bottles and making noise. Mr Taylor illustrated for the Council that the second viewing platform, if constructed, would be even closer to their properties.

Mr John Emery tabled some documents (1526291) and showed some photos of the proposed water reservoir site (1526297).

Mr Emery also opposed the construction of a viewing platform on the second reservoir, for the same reasons as Mr Taylor. Mr Emery also said the proposed construction of the second reservoir and potential viewing platform had a significant effect on their property value, and had made it very hard for them to sell it.

5.2 Freedom Camping

Mr Neville Baldwin spoke about freedom camping. He said anecdotally, that many travellers chose not to stop in Nelson because of the Freedom Camping regulations, and instead carried on to Golden Bay. He said this was a significant opportunity lost for Nelson, and supported the repeal of the Camping Bylaw 2011.

5.3 Waimea Street/Motueka Street intersection

Mr Graeme O'Brien spoke on behalf of 34 residents opposed to the Waimea Road/Motueka Street upgrade. Mr O'Brien spoke about the process of consultation with the community to date and said that, in his opinion, it had not been satisfactory. He said the final report was too narrow and did not include the opinion of the residents that he represented. His Worship the Mayor said he would respond to Mr O'Brien's questions outside of the meeting.

GOVERNANCE ITEMS

6. Confirmation of Minutes

6.1 23 April 2013

Document number 1498813, agenda pages 14-32 refer.

Resolved

THAT the minutes of a meeting of the Nelson City Council – Governance and Policy and Planning, held on 23 April 2013, be confirmed as a true and correct record.

His Worship the Mayor/Shaw

Carried

7. Mayor's Report

Document number 1508024, agenda pages 33-35 refer.

His Worship the Mayor noted that Councillor Rackley would now not be attending the Local Government New Zealand 2013 Conference.

Councillors emphasised the importance of understanding their role and function as prescribed in the Sale and Supply of Alcohol Act 2012 and said it was important to begin this process now.

Resolved

THAT the Mayor's report for June 2013 (1508024) be received;

AND THAT Council retrospectively approves travel and accommodation costs of \$533 plus disbursements for Councillor Reese to attend a meeting with the Minister of the Environment to discuss improvements to the implementation of the Resource Management Act 1991;

AND THAT Council retrospectively approves travel and accommodation costs of \$679 (and \$298 travel for the Mayoress) plus disbursements for the Mayor and Mayoress to attend the Suter Art Gallery charity auction and cocktail party hosted by the Governor General in Wellington on Friday 19 April 2013;

AND THAT Council retrospectively approves registration costs of \$1,000 for Councillors Barker, Matheson, Copeland, Fulton, Davy and Reese to attend a half day District Licencing

Agency Workshop on 31 May 2013 at Tasman District Council;

AND THAT Council approves conference registration, travel and accommodation costs of \$7,000 plus disbursements for the Mayor and Councillor Ward to attend the Local Government New Zealand 2013 conference in Hamilton on 21-23 July 2013;

AND THAT Council confirms the Mayor and Councillor Ward and the Chief Executive as delegates to officiate at the Local Government New Zealand Annual General meeting on 21 July 2013;

AND THAT Councillor Collingwood be appointed to represent the Mayor on the Whakatu Marae Komiti;

AND THAT the Delegations Register be updated accordingly.

Shaw/Boswijk

Carried

8. Status Report - Governance

Document number 1034743 v9, agenda pages 36-37 refer.

Resolved

THAT the Status Report – Governance (1034743 v9) be received.

His Worship the Mayor/Shaw

Carried

9. Portfolio Holder's Report

Councillor Copeland gave the Governance Portfolio Holder's Report and spoke about the thorough process through the Annual Plan 2013/14 deliberations.

10. Uniquely Nelson Business Plan 2013/14

Document number 1513589, agenda pages 38-60 refer.

Cathy Madigan and Duncan Gray (Chairman), of Uniquely Nelson, joined the meeting. Ms Madigan said Uniquely Nelson was concentrating in building on the point of difference of the area.

In response to questions, Ms Madigan said that Uniquely Nelson was aware of the gaps in the city and where possible were making attempts to fill these, including initiatives to promote using NBus.

Attendance: Councillor Davy joined the meeting at 9.56am.

Resolved

THAT the Uniquely Nelson Business Plan 2013/14 be received.

Matheson/Rackley

Carried

11. Nelson Tasman Business Trust Strategic Plan and Business Plan 2013/14

Document number 1517669, agenda pages 61-90 refer.

Sarah Holmes, Ian Kearney and Gillian Williams of the Nelson Tasman Business Trust, joined the meeting. Ms Holmes thanked the Council for their continued support of the Trust.

Ms Holmes spoke about the role and successes of the Trust and said it continued to add a real benefit to Nelson businesses through the provision of free information, advice, training and support, including mentoring.

Resolved

THAT the Nelson Tasman Business Trust Strategic Plan and Business Plan 2013/14 be received.

Barker/His Worship the Mayor

Carried

12. Event Resource Consents: Return on Investment

Document number 1520219, agenda pages 91-97 refer.

Attendance: Councillors Rainey and Copeland declared an interest with this item and withdrew from the meeting for the duration of the discussion.

Manager Community Development, Kath Inwood, joined the meeting and presented the report. In response to a question she confirmed that the intention of the recommendation was to make a return on the investment with one of the resource consents.

It was confirmed that there would be information available to applicants to help them understand the proposed consenting process.

Resolved

THAT the Council confirm that the consents (RM115245 and RM125012) are a Council investment;

AND THAT a fee of \$250 be charged for special events, where the event will be using the

Council's Resource Consent RM125012 and Site Noise Management Plans;

AND THAT this charging regime be reviewed and reported back to the Audit, Risk and Finance Committee in 12 months.

Barker/Boswijk

Carried

REPORTS FROM COMMITTEES

13. Audit, Risk and Finance Committee – 23 May 2013

Document number 1520245, agenda pages 98-102 refer.

Resolved

THAT the minutes of a meeting of the Audit, Risk and Finance Committee, held on 23 May 2013, be received.

Barker/Davy

Carried

Resolved

THAT the overspend on the budget for the festival activity be covered from the budget savings within the District and Regional Plan activity, and the Social Heritage activity.

Barker/Davy

Carried

POLICY AND PLANNING ITEMS

14. Status Report – Policy and Planning

Document number 1034725 v10, agenda pages 103-105 refer.

Resolved

THAT the Status Report – Policy and Planning (1034725 v10) be received.

Davy/His Worship the Mayor

Carried

15. Portfolio Holder's Report

Councillor Fulton gave the Policy and Planning Portfolio Holder's Report. She spoke about the recent District Licensing Workshop and what would be involved for Council in consenting alcohol licenses.

She added this presented an opportunity to take responsibility for promoting healthy communities. She said the process would start on 18 June, although the legislation would not take effect until 18 December.

Attendance: the meeting adjourned for morning tea from 10.28 to 10.45am.

16. Freedom Camping Bylaw Review

Document number 1466833, agenda pages 106-115 refer.

Policy Adviser, Sarah Yarrow, and Team Leader Parks, Lindsay Barber, joined the meeting and presented the report. Ms Yarrow explained that the Council's Freedom Camping Bylaw was not required based on the function of the Freedom Camping Act 2011.

Ms Yarrow further explained that non-self contained vehicles could park in the city, and would be asked to move on if a complaint was made. She said there would be no active enforcement of the Act.

It was noted that all streams of Council information about freedom camping should be updated to reflect the new Council policy to ensure people were properly informed. It was also suggested that freedom campers should be informed of motor camps in the area and that freedom camping rules may differ in the Tasman region.

Resolved

THAT Nelson City Council uses the existing suite of statutory, regulatory, operational and public awareness tools to manage the effects of freedom camping in Nelson;

AND THAT Nelson City Council does not make new bylaws under the Freedom Camping Act 2011 at this time;

AND THAT the Nelson City Council Camping Bylaw 2011 (Bylaw 220) be revoked using the Special Consultative Procedure as required by Section 156 of the Local Government Act 2002;

AND THAT a Statement of Proposal be brought back to Council for approval;

AND THAT the public is informed of the proposed approach to providing for and managing freedom camping as outlined in this report (1466833).

Davy/Copeland

Carried

17. Public transport – Report on First 12 Months of NBus Service

Document number 1506785, agenda pages 116-123 refer.

Principal Adviser Transport and Rooding, Rhys Palmer, and Strategy and Planning Analyst, Brylee Wayman, joined the meeting and presented the report.

It was re-iterated by Councillors that more information was required to give an accurate picture of the NBus service. The information requested included more robust statistics around administration costs and other overheads on top of the contracted budget to SBL, more information about patronage on specific routes to inform where routes should be changed, Gold Card user information and whether there had been a change in motor vehicle usage.

It was also stated that there had been significant positive feedback about the service, and additional information would help make decisions to further enhance the service.

Councillors noted the lack of support from Tasman District Council, however agreed that there were benefits in enticing Tasman residents into Nelson city.

There was agreement that the bus routes could be improved to reduce the wait time and to access venues like Saxton Field and the Airport.

The Chief Executive said further questions and requests for information relating to the report could be emailed through to her for a response.

Resolved

THAT the Public Transport – Report on First 12 Months of NBus Service be received.

His Worship the Mayor/Davy

Carried

18. Adoption of Nelson 2060 Strategy

Document number 1501399, agenda pages 124-128 refer.

Resolved

THAT the Nelson 2060 Strategy (1513594) be adopted.

Boswijk/His Worship the Mayor

Carried

19. Remit Proposal: Local Government – A Place in our Constitution

Document number 1520141, agenda pages 129-142 refer.

Resolved

THAT Council confirms its support for the Wellington City Council Remit Proposal 'Local Government – A Place in our Constitution' (1520131).

Boswijk/Rackley

Carried

20. Council Submission on Making Pool Safety Easier

Document number 1511627, agenda pages 143-158 refer.

Resolved

THAT the submission (1507218) on the Ministry of Business, Innovation and Employment discussion document "Making Pool Safety Easier" is confirmed, subject to any changes agreed by Council.

Davy/Rainey

Carried

21. Freshwater Reform 2013 and Beyond Submission

Document number 1491207, agenda pages 159-168 refer.

Resolved

THAT the Nelson City Council submission (1483322) on the Government's 'Freshwater Reform 2013 and Beyond' discussion document is confirmed.

Shaw/Davy

Carried

REPORTS FROM COMMITTEES

22. Resource Management Act Procedures Committee – 20 March 2103 and 30 April 2013

Document numbers 1479050 and 1507995, agenda pages 169-174 refer.

Resolved

THAT the minutes of a meeting of the Resource Management Act Procedures Committee, held and

adjourned on 20 March 2013 and reconvened on 30 April 2013, be received.

His Worship the Mayor/Collingwood

Carried

23. Framing our Future Committee

- 23.1 Deliberations on Submission to the draft Nelson 2060 Strategy – 30 April 2013

Document number 1502401, agenda pages 175-180 refer.

Resolved

THAT the unconfirmed minutes of a meeting of the Framing Our Future Committee – to deliberate on submissions to the draft Nelson 2060 Strategy, held on 30 April 2013, be received.

Davy/Shaw

Carried

- 23.2 Hearing of Submissions to the draft Nelson 2060 Strategy – 9 April 2013

Document number 1489736, agenda pages 181-186 refer.

Resolved

THAT the unconfirmed minutes of a meeting of the Framing Our Future Committee – hearing of submissions to the draft Nelson 2060 Strategy, held on 9 April 2013, be received.

Davy/Shaw

Carried

24. Hearings Panel – 15 March 2013

Document number 1477379, agenda pages 187-194 refer.

Resolved

THAT the unconfirmed minutes of a meeting of the Hearings Panel, held on 15 March 2013, be received.

Davy/His Worship the Mayor

Carried

CROSS COUNCIL ITEMS

25. Princes Drive Reservoir and associated works

Document number 1508115, agenda pages 195-204 refer.

Resolved

THAT Council note that the tender for a concrete reservoir tank is the preferred option and that the tender from Donaldson Civil is the preferred tender;

AND THAT for the reasons given in this report (1508115) Council do not approve the addition of a viewing platform on either the existing or the new concrete reservoir.

Boswijk/Rainey

Carried

26. Draft Statement of Proposal – Gambling Policy Review

Document number 1477879, late item 2 refers

Attendance: Councillor Matheson declared an interest with this item and left the meeting for the duration of the discussion.

Resolved

THAT the attached Statement of Proposal (1326758) be approved and advertised for consultation in accordance with section 83 of the Local Government Act 2002;

AND THAT the consultation period runs from 6 June 2013 to 8 July 2013;

AND THAT Council hear, deliberate and make decisions on all submissions made.

His Worship the Mayor/Rackley

Carried

27. Officer Report on Submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14

Document number 1517014, late item 2 refers

Resolved

THAT Council considers and deliberates on the submissions to the draft Fees and Charges: Resource Consents Business Unit 2013/14;

AND THAT the draft Fees and Charges 2013/14: Resource Consent Fees and Resource Management Act Planning Documents Fees (document 1452697) reflect the Council decisions on submissions.

Boswijk/His Worship the Mayor

Carried

28. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts 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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Public Excluded Minutes – Governance – 23 April 2013</p> <p>These minutes confirmed the public excluded minutes of the 12 March 2013 Governance meeting and the public excluded minutes of the 14 March 2013 Infrastructure meeting, and also contain information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	<p>The Statement of Intent and Half Yearly report provided by Ridgeways Joint Venture to Council.</p>		<ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities
	<p>The final list of candidates for the Nelmac directorship role.</p>		<ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(i)

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4 June 2013

			To carry out negotiations
	The Statement of Intent and Half Yearly report provided by Nelmac to Council.		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities
	Joint Shareholders Committee – Unconfirmed Public Excluded Minutes – 5 April 2013, including information regarding statements of intent and half yearly reports for joint Council Controlled Trading Organisations and commercial trading enterprises, and the appointment of a Director Nelson Airport Limited.		<ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons Section 7(2)(c) To protect information that is subject to an obligation of confidence Section 7(2)(h) To carry out commercial activities Section 7(2)(i) To carry out negotiations
	The negotiation of a Nelson Regional Sewerage Business Unit contract.		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities Section 7(2)(i) To carry out negotiations
	The transfer of assets to Nelson City Council, under the Theatre Royal Trust Deed.		<ul style="list-style-type: none"> Section 7(2)(i) To carry out negotiations
2	<p>Public Excluded Status Report – Governance</p> <p>This report contains information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	The withholding of the information is necessary:
	Nelson City Council Tasman District Council Engineering Services Agreement		<ul style="list-style-type: none"> Section 7(2)(i) To carry out negotiations
	Governance Options for, and commercially sensitive information regarding, the Nelson Regional Sewerage		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities Section 7(2)(i)

Business Unit		To carry out negotiations
Recommendations to Council on Directors' rotation and fees for Council Controlled Organisations and Council Controlled Trading Organisations.		<ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons Section 7(2)(h) To carry out commercial activities
Proposed Leases of Maitahi (Maitai) whenua (land) between Nelson City Council and Wakatu Incorporation for the Maitai Shared Path		<ul style="list-style-type: none"> Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person Section 7(2)(c) To protect information that is subject to an obligation of confidence Section 7(2)(h) To carry out commercial activities
The proposed transfer of assets, and negotiation of a lease and contract with the Theatre Royal and Nelson School of Music.		<ul style="list-style-type: none"> Section 7(2)(i) To carry out negotiations
Potential Exit from Ridgeway's Joint Venture		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities Section 7(2)(i) To carry out negotiations
Theatre Royal Trust Deed		<ul style="list-style-type: none"> Section 7(2)(i) To carry out negotiations
The Statement of Intent and Half Yearly report provided by Ridgeways Joint Venture to Council.		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities
The final list of candidates for the Nelmac directorship role.		<ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons Section 7(2)(i) To carry out negotiations

	The Statement of Intent and Half Yearly report provided by Nelmac to Council.		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities
	The Nelson Airport Limited Statement of Intent and Half Yearly report		<ul style="list-style-type: none"> Section 7(2)(h) To carry out commercial activities
	The Nelson Tasman Tourism Statement of Intent and Half Yearly Report 2013/2014		<ul style="list-style-type: none"> Section 7(2)(c) To protect information that is subject to an obligation of confidence Section 7(2)(h) To carry out commercial activities
	The appointment of Director Nelson Airport Limited 2013		<ul style="list-style-type: none"> Section 7(2)(c) To protect information that is subject to an obligation of confidence Section 7(2)(h) To carry out commercial activities
3	<p>Public Excluded Status Report – Policy and Planning</p> <p>This report contains information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	A decision to withdraw and re-draft a Statement of Proposal, including an update that this decision has now been released to the public.		<ul style="list-style-type: none"> Section 7(2)(g) To maintain legal professional privilege
	The classifications of certain heritage precincts, including references to specific addresses.		<ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons
	A proposal for a lease on Council land		<ul style="list-style-type: none"> Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position

			<ul style="list-style-type: none"> of a person • Section 7(2)(i) To carry out negotiations • Section 7(2)(j) To prevent improper gain or advantage
4	<p>Public Excluded Minutes – Resource Management Act Procedures Committee 20 March 2013 and 30 April 2013.</p> <p>These minutes confirmed the minutes of the public excluded part of the meeting on 13 December 2012 and also contain information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p>
	Plan Change 14 Appeal on the Front Yard Rule		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	Plan Change 17 and 18 Appeals Update		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
5	<p>Rates Remission for Land Affected by the December 2011 Rainfall Event</p> <p>This report contains information regarding an approach to rates for land which continues to be affected by the December 2011 Rainfall Event.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person
6	<p>Heads of Agreement for the Termination of the Ridgeway's Joint Venture</p> <p>This report contains information regarding the Heads of Agreement for the termination of the Ridgeway's Joint Venture.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations

His Worship the Mayor/Boswijk

Carried

The meeting went into public excluded session at 11.51am and resumed in public session at 12.09pm.

29. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

His Worship the Mayor/Boswijk

Carried

30. Buxton Toilet Upgrade

Document number 1482467, agenda pages 38-50 refer.

Resolved

THAT the Buxton Toilet Upgrade report (1482467) be considered in public session.

His Worship the Mayor/Matheson

Carried

Principal Adviser Reserves and Community Facilities, Andrew Petheram and Senior Engineering Officer, Noelia Esteban Martinez, joined the meeting and presented the report.

The Council were shown illustrations (1515705) of a proposed design for the Buxton Toilets, should the Council decide to negotiate with external tenderers to construct a new toilet block, rather than appoint Creative Communities.

Mr Petheram summarised the features of the current toilet block that raised Crime Prevention through Environmental Design (CPTED) issues.

The Council discussed the benefits of each option. It was noted that by engaging Creative Communities to upgrade the toilets would incur a significantly lower budget and would maximise community engagement in the process.

Attendance: His Worship the Mayor left the meeting at 12.16pm and Councillor Boswijk assumed the Chair. Councillor Davy also left the meeting at 12.16pm.

In response to questions, Mr Petheram said all building consent and CPTED issues could be adequately accommodated through the Creative Communities approach.

The Council turned their minds to whether a project of this size was appropriate to first experience the Creative Communities approach, and whether a smaller project would be more appropriate.

Resolved

THAT Creative Communities be engaged to upgrade the Buxton Toilet at a cost of \$75,000 including the director's fee of \$9,750;

AND THAT the brief for Creative Communities includes that all work complies with the Building Regulations and addresses identified CPTED (Crime Prevention Through Environmental Design) issues.

Boswijk/Fulton

Carried

Councillor Rainey requested that his vote against the motion be recorded.

There being no further business the meeting ended at 12.46pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Minutes of a meeting of the Nelson City Council to Approve the Annual Plan 2013/14

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Tuesday 18 June 2013, commencing at 9.05am

Present: His Worship the Mayor A Miccio, Councillors I Barker, A Boswijk (Deputy Mayor), G Collingwood, R Copeland, E Davy, K Fulton, P Matheson, J Rackley, P Rainey, R Reese, D Shaw and M Ward

In Attendance: Chief Executive (C Hadley), Senior Legal Adviser (V Altmants), Acting Executive Manager Community Services (R Ball), Chief Financial Officer (N Harrison), Executive Manager Regulatory (R Johnson), Executive Manager Support Services (H Kettlewell), Executive Manager Network Services (A Louverdis), Manager/Kaihautū Community Relations (G Mullen), Executive Manager Strategy and Planning (M Schruer), Senior Accountant (T Hughes), Manager Policy and Planning (N McDonald), and Administration Adviser (L Canton)

Apology: Councillor J Rackley (for lateness)

Opening Prayer

Councillor Davy gave the opening prayer.

1. Apologies

Resolved

THAT apologies be received and accepted from Councillor Rackley for lateness.

His Worship the Mayor/Boswijk

Carried

2. Interests

There were no updates to the Interests Register and no conflicts of interest with items on the agenda were declared.

3. Confirmation of Order of Business

3.1 Late Items

Document number 1536020 refers.

His Worship the Mayor advised that there was a public late item and a public excluded late item, both requiring procedural resolutions to be considered at this meeting

Resolved

THAT the public excluded item regarding Potential Debtor Issue be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable the Council to receive urgent advice.

Reese/Copeland

Carried

Resolved

THAT the item regarding Civic Assurance Annual General Meeting 2013 be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable appropriate voting at the Civic Assurance Annual General Meeting on 21 June 2013.

His Worship the Mayor/Shaw

Carried

4. Public Forum

4.1 Waimea Road and Motueka Street Intersection

Graeme O'Brien spoke on behalf of the Waimea Action Committee and affected residents, against the inclusion in the Annual Plan 2013/14 of a project to upgrade the intersection of Waimea Road and Motueka Street. He said that the community's safety concerns had not been addressed in the project's planning process and would not be improved by the upgrade.

In response to a question Mr O'Brien said the main safety issues were a lack of visibility at the intersection, a high number of T-bone accidents, and a history of accidents relating to driveway use.

5. Confirmation of Minutes – 29 and 30 May 2013

Document number 1525033, agenda pages 4-31 refer.

Resolved

THAT the minutes of a meeting of the Nelson City Council – to Deliberate on Submissions to the draft Annual Plan 2013/14, held on 29 and 30 May 2013, be confirmed as a true and correct record.

His Worship the Mayor/Collingwood

Carried

6. Reasons for Annual Plan 2013/14 Decisions

Document number 1528281, agenda pages 32-48 refer.

Councillors discussed the reasons for the Annual Plan 2013/14 decisions.

It was agreed that the response on the Waimea Road 3 Laning item would be altered to reflect the earlier Council resolution on the topic and to advise the submitter that they could make a further submission to the next Long Term Plan.

Councillors discussed the allocation of funds for the new entity intended to manage the Theatre Royal and Nelson School of Music. Some concerns were expressed that the funding was not identified in the draft Annual Plan 2013/14, and that Council was allocating funds before it understood how the new entity would be structured.

It was noted that the establishment of a new entity had been approved in the Long Term Plan 2012-2022 and that the Theatre Royal had requested additional operational funding. The Chief Executive advised that Council had previously considered whether additional funding for a new joint entity might disadvantage either organisation, and it was felt that the proposed funding would be beneficial to them both. She reminded the meeting that Council had previously been advised that a charitable trust would be the most appropriate form of the new entity. These factors justified the allocation of funds, she said.

In response to questions, the Manager Policy and Planning, Nicky McDonald, advised that the funds for the new entity would not be made available until the transfer of assets had taken place. She added that all documents relating to this would come back to Council before they were signed.

Attendance: Councillor Rackley joined the meeting at 9.48am.

With regard to the riverside murals project, it was agreed that the response to the submitter would include advice that funding was contingent on a report to Council on the proposed project.

During discussion about the responses to submissions on both rates and debt, and on capital expenditure, it was agreed that 'its' be substituted for 'a', to read 'and its focus on achieving a deliverable work programme for 2013/14'.

Resolved

THAT the information on decisions and the reasons for them in Attachment (1532150) be approved as the basis for responses to submitters.

Shaw/Fulton

Carried

7. Approval of Amended Annual Plan 2013/14

Document number 1530533 on agenda pages 49-129 refer.

Updates to the Annual Plan 2013/14 were tabled (1536627). During a discussion about the report, it was noted that not all project deferrals were in response to submissions, and that some had been deferred to ensure the Annual Plan 2013/14 represented a realistic work programme for Council, or to allow Council sufficient time to develop a business case.

With regard to the resourcing of stormwater issues, Councillors noted the allocation of an additional \$500,000 to stormwater matters in 2013/14 to enable officers to address stormwater priorities.

Councillor Matheson asked that while he was speaking, His Worship the Mayor stop texting, stating that it was disrespectful to do so. His Worship the Mayor warned Councillor Matheson that he must not make assumptions about the Mayor's actions. He asked Councillor Matheson to apologise or withdraw from the Council Chamber.

Attendance: Councillor Matheson withdrew from the Council Chamber at 10.05am.

Councillors noted their continuing concern for members of the community who were vulnerable to stormwater issues. However, they also acknowledged that the stormwater programme had a complicated critical path and that it must also take into account issues such as biodiversity concerns and seasonal elements.

The meeting turned to a discussion of the rates increase. Councillors noted that, although the rates increase of 2% was higher than the rate of inflation, debt had been reduced by \$14 million. The view was expressed that the rates increase and the total level of debt represented good value for the services provided.

Councillors also discussed the removal of funds for addressing earthquake prone building issues in 2013/14. It was suggested that

earthquake prone issues would need to be addressed in a considered manner and that this area would require funding provision in the future.

Point of Order: Councillor Collingwood said that the meeting was being recorded without notifying the Chairperson. His Worship the Mayor instructed Councillor Fulton to stop recording and to delete the video file.

Attendance: Councillor Matheson returned to the meeting at the invitation of His Worship the Mayor, and Councillor Collingwood left the meeting at 10.31am.

Resolved

THAT the amended Annual Plan 2013/14 (1482145 and 1532890) be approved prior to final adoption.

His Worship the Mayor/Fulton

Carried

Attendance: The meeting adjourned for morning tea from 10.45am to 11.07am.

CROSS COUNCIL ITEM - GOVERNANCE

8. Civic Assurance

Document number 1534053, late item refers.

Resolved

THAT Council votes against the proposed increase in Directors' Fees at the Civic Assurance Annual General meeting on 21 June 2013.

Davy/Shaw

Carried

9. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts 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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Public Excluded Minutes – Deliberations on Submissions to the draft Annual Plan 2013/14</p> <p>These minutes contain information regarding the possible negotiations of contracts, in relation to Council bids for Cricket World Cup 2015, and FIFA Under-20 World Cup 2015.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
2	<p>Public Excluded Late Item - Potential Debtor Issue</p> <p>This report contains information regarding a potential debtor issue.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person • Section 7(2)(h) To carry out commercial activities

His Worship the Mayor/Davy

Carried

The meeting went into public excluded session at 11.08am and resumed in public session at 11.48am.

10. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

His Worship the Mayor/Rackley

Carried

There being no further business the meeting ended at 11.50am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Minutes of a meeting of the Nelson City Council to Adopt the Annual Plan 2013/14

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Thursday 27 June 2013, commencing at 9.06am

Present: His Worship the Mayor (A Miccio), Councillors I Barker, A Boswijk, C Collingwood, R Copeland, E Davy, K Fulton, P Matheson, J Rackley, P Rainey, R Reese, D Shaw, and M Ward

In Attendance: Chief Executive (C Hadley), Acting Executive Manager Community Services (R Ball), Chief Financial Officer (N Harrison), Executive Manager Support Services (H Kettlewell), Executive Manager Network Services (A Louverdis), Executive Manager/ Kaihautū Community Relations (G Mullen), Executive Manager Policy and Planning (M Schruer), Manager Administration (P Langley), Manager Policy and Planning (N McDonald), Manager Community Relations (A Ricker), and Administration Adviser (L Canton)

Opening Prayer

Councillor Davy gave the opening prayer.

1. Apologies

There were no apologies.

2. Interests

There were no updates to the Interests Register, and no conflicts of interest with any agenda items were declared.

3. Confirmation of Order of Business

There was no change to the order of business.

4. Adoption of the Final Annual Plan 2013/14

Document number 1535043, agenda pages 11-94 refer.

Councillors discussed the formation of a charitable trust as the entity preferred by the Nelson School of Music and the Theatre Royal Trust boards to govern the new joint entity. It was noted that the intention to set up the new entity at the same time as preparing for the transfer of assets had been signalled early in the Annual Plan 2013/14 process. In

response to a question, Executive Manager Support Services, Hugh Kettlewell, advised that a Wellington recruitment agency had been used for trustee recruitment to avoid any sense of impropriety around the selection.

Resolved

THAT the final Annual Plan 2013/14 (1538014 v2) be adopted;

AND THAT the Nelson City Council set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2013 and ending on 30 June 2014. All figures are GST inclusive.

The revenue approved below will be raised by the following rates:

General Rate	\$30,358,318
Uniform Annual General Charge	\$7,243,817
Separate General Charge	\$3,889,933
Waste Water Charge	\$6,800,048
Water Charge	\$11,263,471
Clean Heat Warm Homes & Solar Saver	\$581,649
Rates and Charges	\$60,137,236
Goods and Services Tax (at the prevailing rates)	\$9,020,585
Total Rates and Charges	\$69,157,821

(1) General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:

- a rate of 0.61023 cents in the dollar of land value on every rating unit in the "residential" category**

- ***a rate of 0.67125 cents in the dollar of land value on every rating unit in the "part non-rateable" category***
- ***a rate of 0.67125 cents in the dollar of land value on every rating unit in the "multi residential" category***
- ***a rate of 1.46455 cents in the dollar of land value on every rating unit in the "commercial outside the inner city zone" category***
- ***a rate of 1.25097 cents in the dollar of land value on every rating unit in the "commercial outside the inner city zone subject to 25% residential & 75% commercial" category***
- ***a rate of 1.03739 cents in the dollar of land value on every rating unit in the "commercial outside the inner city zone subject to 50% residential & 50% commercial" category***
- ***a rate of 0.82381 cents in the dollar of land value on every rating unit in the "commercial outside the inner city zone subject to 75% residential & 25% commercial" category***
- ***a rate of 1.95273 cents in the dollar of land value on every rating unit in the "commercial inside the inner city zone" category***
- ***a rate of 1.61710 cents in the dollar of land value on every rating unit in the "commercial inside the inner city zone subject to 25% residential & 75% commercial" category***
- ***a rate of 1.28148 cents in the dollar of land value on every rating unit in the "commercial inside the inner city zone subject to 50% residential & 50% commercial" category***
- ***a rate of 0.94585 cents in the dollar of land value on every rating unit in the "commercial inside the inner city zone subject to 75% residential & 25% commercial" category***
- ***a rate of 0.39665 cents in the dollar of land value on every rating unit in the "rural" category***

- **a rate of 0.54921 cents in the dollar of land value on every rating unit in the "small holding" category**

(2) Uniform Annual General Charge

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$372.10 per separately used or habitable portion of a rating unit, (excluding properties subject to statutory declarations for unoccupied or second residential units not being used as separate units).

(3) Separate General Charge – Stormwater and Flood Protection

A targeted rate under section 16 of the Local Government (Rating Act) 2002 of

\$219.40 per rating unit, (excluding rural category, small holding category east of Gentle Annie saddle, residential properties east of Gentle Annie saddle, Saxton's Island and properties subject to statutory declarations for unoccupied or second residential units not being used as separate units).

(4) Waste Water Charge

A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:

- **\$374.90 per separately used or habitable portion of a residential rating unit, (excluding properties subject to statutory declarations for unoccupied or second residential units not being used as separate units), that is connected either directly or through a private drain to a public waste water drain**
- **For non-residential rating units, a waste water charge of \$374.90 per separately used or habitable portion of a rating unit that is connected either directly or through a private**

drain to a public waste water drain and a "trade" waste charge will be levied.

(5) Water Supply Charges

A targeted rate for water supply under Section 19 of the Local Government (Rating) Act 2002, of:

A minimum annual charge \$191.42

Price of water:

0 – 10,000 cu.m/year \$1.968 per m³

10,001 – 100,000 cu.m/year \$1.504 per m³

> 100,000 cu.m/year \$1.188 per m³

Summer irrigation \$1.736 per m³

(6) Clean Heat Warm Homes

A targeted rate per separately used or habitable portion of a rating unit that has been provided with home insulation and/or a heater to replace a non-complying solid fuel burner under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of:

- For properties levied the Clean Heat Warm Homes as a result of agreements entered into after 1 July 2011, the targeted rate for each year for 10 years will be the total cost of the installed works excluding GST, divided by 10, plus GST.**
- For properties levied the Clean Heat Warm Homes as a result of agreements entered into prior to 1 July 2011 the targeted rate of:**

Loan Assistance Range	Installation after 30 Sept 2010	Completed prior to 30 Sept 2010
\$1,400 to \$1,599	\$140.00	\$143.11

\$1,600 to \$1,799	\$160.00	\$163.56
\$1,800 to \$1,999	\$180.00	\$184.00
\$2,000 to \$2,199	\$200.00	\$204.44
\$2,200 to \$2,399	\$220.00	\$224.89
\$2,400 to \$2,599	\$240.00	\$245.34
\$2,600 to \$2,799	\$260.00	\$265.78
\$2,800 to \$2,999	\$280.00	\$286.22
\$3,000 to \$3,199	\$300.00	\$306.67
\$3,200 to \$3,399	\$320.00	\$327.11
\$3,400 to \$3,599	\$340.00	\$347.56
\$3,600 to \$3,799	\$360.00	\$368.00
\$3,800 to \$3,999	\$380.00	\$388.44
\$4,000 to \$4,199	\$400.00	\$408.89
\$4,200 to \$4,399	\$420.00	\$429.34
\$4,400 to \$4,599	\$440.00	\$449.78
\$4,600 to \$4,799	\$460.00	\$470.22
\$4,800 to \$4,999	\$480.00	\$490.67

(7) Solar Hot Water Systems

A targeted rate per separately used or habitable portion of a rating unit that has been provided with financial assistance to install a solar hot water system under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of:

- ***0.14964 (including GST) for agreements entered into prior to 1 July 2011, multiplied by the Net Cost of the Work adjusted for any increased GST.***
- ***0.13847 (including GST) for agreements entered into after 1 July 2011 multiplied by the Net Cost of the Work.***

(8) Postponement Application Charge

A targeted rate for rates postponement application charge under Section 16 of the Local Government (Rating) Act 2002, of \$400.00 per rating unit that commenced rates postponement during the 2013/14 rating year.

(9) Postponement Interest Charge

A targeted rate for rates postponement interest charges under Section 16 of the Local Government (Rating) Act 2002 per rating unit based on the 2013/14 rates levied and any outstanding balance from previous rating years, of:

Interest charge	5.75%pa
Reserve fund	0.25%pa
Scheme application fee	1.00%pa

Other Rating Information:

Differential Categories

The Nelson City Council adopts the following as its definition for its differential categories for the 2013/14 financial year:

General Rate

- Residential – all rating units that are used primarily for residential purposes**
- Multi Residential – all rating units that contain more than one residential dwelling that are capable of being used primarily for residential purposes**
- Commercial – any rating unit which is used primarily for commercial use. Properties that have a portion of residential use shall have a reduced commercial differential**

Instalment Number	Instalment Date	Penalty Date
Instalment 1	1 August 2013	27 August 2013
Instalment 2	1 November 2013	27 November 2013
Instalment 3	1 February 2014	27 February 2014
Instalment 4	1 May 2014	27 May 2014

- ***Commercial Inner City Zone – any rating unit which is used primarily for commercial use that is located within the Inner City Zone. Properties that have a portion of residential use shall have a reduced inner city commercial differential***
- ***Rural – any rating unit having an area greater than 15 hectares which is used primarily for dairy, fattening and grazing, quarries, forestry or horticultural use and is recorded as rural on the District Valuation Roll***
- ***Small Holding – any rating unit which is primarily used as a small holding and having an area greater than 0.5 hectares but is less than 15 hectares and is recorded as a small holding on the District Valuation Roll***

Due Dates for Payment of Rates

The above rates (excluding water charges) are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable in four instalments on the following dates:

Due Dates for Payment of Water Rates

Residential water rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable on the following dates:

<i>Billing Month</i>	<i>Penalty Date</i>
<i>July 2013</i>	<i>16 September 2013</i>
<i>August 2013</i>	<i>16 September 2013</i>
<i>September 2013</i>	<i>15 October 2013</i>
<i>October 2013</i>	<i>16 December 2013</i>
<i>November 2013</i>	<i>16 December 2013</i>
<i>December 2013</i>	<i>15 January 2014</i>

January 2014	17 March 2014
February 2014	17 March 2014
March 2014	15 April 2014
April 2014	16 June 2014
May 2014	16 June 2014
June 2014	15 July 2014

Special (final) water rates will be due and payable 14 days from the date of the special (final) water reading.

Commercial water rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson on the 20th of the month following the date shown on the water invoice.

Penalty on Rates

Pursuant to Sections 57 & 58 of the Local Government (Rating) Act 2002, the council delegates authority to the Chief Financial Officer to apply the following penalties on unpaid rates (including water accounts) at their discretion:

- a first additional charge of 10% of the amount of each rate instalment remaining unpaid on the penalty date as shown on each rate instalment notice.**
- a second additional charge of 10% will be added to any balance remaining outstanding from a previous rating year (including penalties previously charged) as at 31st December 2013**
- a further additional charge of 10% will be added to any balance remaining outstanding from a previous rating year (including penalties previously charged) as at 30 June 2014**

The above penalties will not be charged where Council has agreed to a program for payment of outstanding rates.

Penalty Remission

In accordance with Council's rate remission policy, the council will approve the remission of the penalty levied on instalment one due to late payment provided the total annual rates are paid

in full by 27 November 2013. If full payment of the annual rates is not paid by 27 November 2013 the penalties relating to the first instalment outlined above will apply.

Discount on Rates

Pursuant to Section 55 of the Local Government (Rating) Act 2002, the Council will allow a discount of 2.0 percent of the total rates (excluding water charges) where a ratepayer pays the year's rates in full on or before the penalty date for instalment one being 27 August 2013.

Payment of Rates

The rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Wednesday and Friday and 9.00am to 5.00pm Thursday. Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

His Worship the Mayor/Rackley

Carried

There being no further business the meeting ended at 9.22am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

GOVERNANCE STATUS REPORT – 16 JULY 2013

No	Meeting Date	Document Number	Report Title/Item Title	Officer	Resolution or Action	Status
1	13/10/2011	1172883	Policy on Directors Rotation	Hugh Kettlewell	<p><u>AND THAT</u> a policy on Directors' rotation be written for consideration by the Joint Shareholders Committee;</p> <p><u>AND THAT</u> the Joint Shareholder's Committee, in amending the Director's policy, include an upper limit on the number of terms that a director may serve.</p>	<p>16/7/13</p> <p>This item has been superseded by further discussions between the Mayors and CEs of Nelson City and Tasman District.</p> <p>Complete.</p>
2	20/11/2012	1398180	Updated Expenses Policy for Elected Members	Penny Langley	<p><u>THAT</u> the Nelson City Council Expenses Policy for Elected Representatives (document number 1385969, Attachment 3), as amended, be forwarded to the Remuneration Authority for approval.</p>	<p>16/7/13 The status of last year's Determination remains unclear. The report in the current agenda is on the basis that it will be approved as the intention is to maintain the current arrangements until the election.</p> <p>Complete</p>

Local Elections Candidates' Meeting

1. Purpose of Report

- 1.1 To consider the provision of meeting facilities to the Nelson Residents' Association for its upcoming Candidates' Meeting.

2. Background

- 2.1 Councillor Davy has provided a Notice of Motion, requesting a grant to the Nelson Residents' Association for use of the Victory Room.
- 2.2 The Nelson Resident's Association has written to Council separately, requesting use of the Trafalgar Centre (Attachment 1).

3. Discussion

- 3.1 Both requests are for the use of Council-owned facilities for the purposes of a Candidates' Meeting held by the Nelson Residents' Association.
- 3.2 The Victory Room holds a maximum of 300 people, and costs \$340 to hire. This price includes set-up of chairs. The size of the Victory Room does not allow for stage set-up.
- 3.3 The usual cost of hiring the Trafalgar Centre for community groups is \$1,725. Half-stadium hire, with sufficient space for approximately 500 people plus staging, is also available to community groups for \$1,000. These costs are for hire of hall space only. Hall set-up, any including flooring, seating, staging and any technical requirements, is contracted to an external provider and is invoiced to Council separately.

4. Conclusion

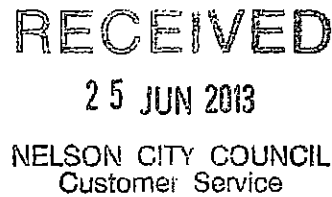
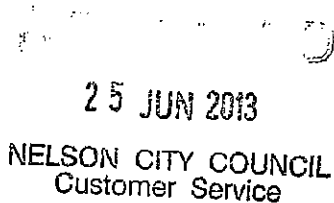
- 4.1 Council may wish to consider allocating a grant to the Nelson Residents' Association equivalent to the cost of hiring the Victory Room, which could then be applied to the hire cost of the Nelson Residents' Association's preferred Council-owned facility for its Candidate's Meeting.

Clare Hadley
Chief Executive

Attachments

Attachment 1: Request from Nelson Residents' Association ([1542853](#))

No supporting information follows



Nelson Residents' Association Incorporated

"Never doubt that a small group of thoughtful committed citizens can change the world; indeed it's the only thing that ever has."

MARGARET MEAD

76 Tahunanui Drive, NELSON 7011
Phone :03-548-6790

email:NelResAss@xtra.co.nz

24 June 2013

*The Chief Executive
Nelson City Council
PO Box 645
NELSON 7040*

Dear Clare

Local Body Elections 2013

The Nelson Residents' Association was formed in 1995 to fulfill a perceived need for some organisation to encourage the public to take an interest in civic activities and to that end, every three years, the association has held meetings for the public to be able to hear the candidates for office as councillors and to quiz them on their policies.

This association's resources to stage the triennial meetings of candidates have been limited, particularly since the creation of the Charities Commission which regards all Ratepayers or Residents' associations as political lobby groups. This fact disqualifies Nelson Residents from being registered as a charity despite our totally non-partisan, non-political membership and consequently the association is disregarded by the various charitable trusts which allocate grants from the lottery boards and similar sources.

In past elections Nelson City Council has generously made the Trafalgar Pavilion or the Victory Room available to us at little or no cost but as the Victory Room, last election, (with very limited advertising), was close to overflowing and because the association intends to significantly enlarge its advertising budget, we believe that the proposal to seriously consider the main auditorium is within our capabilities.

At this stage, the association has time on its side to consider all options but bearing in mind the booking issue, a response from the Nelson City Council at its earliest convenience will be very helpful.

From our observations the hall can be configured to accommodate relatively smaller numbers and still retain a satisfactory atmosphere. A big plus with the proposal is the ability to accommodate close to 50 people on stage. This, coupled with the good sound system which, incidentally is sadly lacking in other venues, makes the proposition viable.

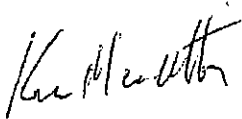
Our executive is very ready to discuss this proposal in more detail with you if you require it.

To use the main stadium of the Trafalgar Centre, in order to accommodate a larger number of Nelson citizens, we understand from the manager of the building that there will be a charge for carpeting the stadium floor to protect the playing surface and we are seeking relief from costs.

Usually only 40% of eligible voters vote. Help us to encourage the electorate to do better this time.

Please circulate to Mayor and councillors for their consideration.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Meredith', with a stylized flourish at the end.

Ken Meredith

Secretary/Treasurer, Nelson Residents' Association Incorporated

Establishing a District Licensing Committee

1. Purpose of Report

- 1.1 To determine the composition of a District Licensing Committee (DLC).

2. Recommendation

THAT the report Establishing a District Licensing Committee (1496320) be received;

AND THAT the Nelson City Council District Licensing Committee comprise only of elected members including:

- ***an elected member as chairperson of the DLC who has successfully completed the Ministry for the Environment Making Good Decisions Chairs course and has experience to drive efficiencies in the process; and***
- ***an elected member as deputy chairperson of the DLC; and***
- ***committee members drawn from a list of elected members only.***

OR

THAT the Nelson City Council District Licensing Committee comprise of elected members and suitably qualified persons including:

- ***a Commissioner as chairperson of the DLC; and***
- ***an elected member as deputy chairperson of the DLC; and***
- ***committee members drawn from a list of elected members and other members.***

AND THAT the Chief Executive report back to a future Council meeting the list of suitably

qualified persons to be Commissioners and/or list members of the Nelson City Council District Licensing Committee for the Council's consideration and approval.

AND THAT the members of the Nelson City Council District Licensing Committee be appointed post-election;

AND THAT the Delegation Register is amended as part of the required post-election review to reflect this decision.

3. Background

A new Liquor Licensing Regime Phased in over 12 Months

- 3.1 On 18 December 2012 the Sale and Supply of Alcohol Act 2012 (the Act) was enacted. The purpose of the Act is to make changes to the way alcohol is sold or otherwise made available in New Zealand.
- 3.2 The new Alcohol Regulatory and Licensing Authority (the Authority) replaced the Liquor Licensing Authority. The Authority will continue to hear contested licence applications until 18 December 2013. After this date the Authority will only hear appeals on licensing decisions, appeals against Local Alcohol Policies, determine enforcement applications and determine complex cases referred to it by a DLC.
- 3.3 Licence applications filed between 19 December 2012 and 18 June 2013 can only be granted an interim licence of one year by the existing District Licensing Agency.
- 3.4 From 18 June 2013 the new criteria in the Act came into effect when assessing application for liquor licences. The new criteria include whether the application is likely to increase alcohol-related harm and whether granting the application will negatively impact the community and neighbourhood.
- 3.5 From 18 December 2013 the existing District Licensing Agencies will be replaced by DLCs.
- 3.6 The DLC will be a committee of Council (s200(1)). It will be subject to the Local Government Official Information and Meetings Act 1987 except Part 7, Local Authority Meetings.
- 3.7 From 18 December there are also new requirements for licensees and managers. A range of other conditions may also be imposed by the DLC.
- 3.8 Regulations including risk-based licence fees will be developed by Central Government before December 2013 through public discussion documents.

- 3.9 Councils may develop Local Alcohol Policies that can come into effect after 18 December 2013. This matter is being brought to Council separately.

District Licensing Committee

- 3.10 A Council must appoint a DLC to deal with licensing matters for its district (s186).
- 3.11 The functions of licensing committees are outlined in section 187 of the Act.
- 3.12 Under the Act, the Chief Executive is the secretary of the DLC (s196).
- 3.13 The DLCs will decide contested and uncontested applications for new or renewed licences and Managers' Certificates.
- 3.14 The Council must appoint a Chairperson. The Chairperson must be either an elected member or a commissioner (s189 (2)).
- 3.15 The Council may appoint an elected member to be a Deputy Chairperson (s 189(3)).
- 3.16 The Act enables the Chairperson to decide on uncontested licences and certificates alone (s191(2)).
- 3.17 In all other instances, the DLC must consist of three members (s189(1)), including the Chairperson and it has a quorum of three members (s191(1)).
- 3.18 The Council must maintain a list of people approved to be members of the DLC. This can be done either independently or in conjunction with another Council (s192).
- 3.19 The members of the DLC must be drawn from a list of persons approved to be members of the Committee by the Council. There are requirements in the Act about who can qualify to be on the list of members and how long they can stay on the list (s192).
- 3.20 The list of approved persons may include: elected members, elected members or staff of another local authority, or the Council may approve private individuals to be on this list.
- 3.21 Each person on the list must have experience relevant to alcohol licensing matters but not be involved or appear to be involved with the alcohol industry. Local Government New Zealand has released a competency guidance document for District Licensing Committee members. The members cannot be a constable, a Medical Officer of Health, a Liquor Licensing Inspector, or an employee of the Council.

Training

- 3.22 The Ministry of Justice, Local Government New Zealand and Health Promotion Agency are offering a full day workshop at Tasman District Council on Monday 11 November 2013 to assist DLC members understand the new licensing criteria, their powers and functions and any learning gained from the introduction of these new criteria since 18 June 2013.
- 3.23 The Ministry of Justice website and newsletter is continually updated with information <http://www.justice.govt.nz/policy/sale-and-supply-of-alcohol>.
- 3.24 Local Government New Zealand is preparing a webinar for elected members on the Act.
- 3.25 Should the Council approve elected members to be on the DLC, there is the ability for these members to gain experience in liquor licensing decision making prior to 18 December 2013. Non-contested applications for liquor licences and Managers' Certificates can be presented to potential DLC members to enable them to become familiar with the new purpose, object and criteria of the Act prior to deciding both non-contested and contested applications.

Fees and Allowances for DLC Members (s 195)

- 3.26 Consultation on the new fees regime was open between 13 June and 14 July. The proposal includes an introduction of an annual fee (between \$182 and \$1375) in addition to the application fee (between \$248 and \$1875). The application fees are set within a risk framework with those creating the biggest need for regulatory effort to pay the biggest cost.
- 3.27 The fees regime is based on recovery of costs. Under the current fees regime only 40% of licensing costs are recovered by application fees. Under the new regime it is projected that the number of contested licences will increase. Overall the income from licence applications and licence holders need to increase three fold to recover all projected costs.
- 3.28 Remuneration for DLC members is set by the Government and will be \$78 per hour for the Chairperson or Commissioner and \$51 per hour for the DLC members.
- 3.29 Actual and reasonable travelling and other expenses incurred in carrying out DLC duties can be reimbursed.

4. Discussion

- 4.1 The functions of licensing committees will be used to inform Council's delegations register when it is updated to include the DLC. The possible delegation by the Chief Executive of the role of secretary would also be addressed at this time.

- 4.2 It makes sense for Council to appoint a Chairperson, a Deputy Chairperson and to have more than two approved list members for the DLC, to cover illnesses and other availability issues.
- 4.3 There is significant merit in the person appointed as Chairperson to be appropriately trained in a Chairperson's role. Those who have successfully completed a Ministry for the Environment Making Good Decisions Chairpersons Course are well qualified for this role. It would contribute to efficient and compliant decision making if any Chairperson was so qualified.
- 4.4 The anticipated workload for the Chairperson is up to half a day per week.
- 4.5 The composition of the DLC approved list may be reviewed at any time subject to conditions of any fixed term contracts.
- 4.6 Both Tasman District Council and Marlborough District Council have opted to have elected members to fill the Chairperson and Deputy Chairperson positions on their DLCs. Marlborough District Council is also only having elected members as Committee members whereas Tasman District Council is potentially having private persons to be approved members.
- 4.7 DLCs can involve several combinations of commissioners, elected members and private persons (including people who have a role in another local authority such as Tasman District Councillors).

5. Conclusion

- 5.1 It is recommended that the positions of Chairperson, Deputy Chairperson and list members be assigned along with all other committee memberships following the 2013 election.
- 5.2 To be consistent with current Council delegations for Resource Management Act 1991 and non Resource Management Act Hearings only those elected members with the Making Good Decisions Chairs qualification should be appointed as Chairperson to the DLC.
- 5.3 In addition given the likely significant increases in fees for applicants the Chairperson will need to be very mindful of commercial impacts for the decision making process and to run the process as efficiently as possible to minimise these costs.
- 5.4 Following the 2013 elections, as part of the regular review, the delegations register be amended to include the DLC.

Mandy Bishop
Manager Resource Consents

Attachments

None

Supporting information follows.

Supporting Information

1. Fit with Purpose of Local Government

The performance of Regulatory functions is one of the stated purposes of Local Government.

2. Fit with Community Outcomes and Council Priorities

Good leadership – Processes, decision making and monitoring activities all seek to ensure the sale, supply and consumption of alcohol is undertaken safely and responsibly.

The main community outcome is minimising alcohol related harm caused by the excessive or inappropriate consumption of alcohol.

3. Fit with Strategic Documents

The decision making process for the District Licensing Committee is consistent with the Nelson Tasman Regional Alcohol Strategy 2006 [723885](#).

4. Sustainability

Local issues will be assessed and decided locally.

5. Consistency with other Council policies

Fulfilling the territorial authority duties under the Sale and Supply of Alcohol Act 2012 meets the Statutory and Internal Compliance Policy. The promotion of people's health and safety under this Act is consistent with Nelson City Council's Social Wellbeing Policy [1052440](#).

6. Long Term Plan/Annual Plan reference and financial impact

Liquor licensing monitoring is identified as one of the aspects contributing the Council's stated outcome of People-Friendly Places in the Long Term Plan 2012-2022. Liquor licensing fees and charges are currently set by national regulation that recovers approximately 40% of the licensing costs. When the new fee regulations are set it is likely they will enable more cost recovery but it is unknown what the level of recovery will be. There are financial impacts in training staff and Committee members, establishing new processes and potentially increasing the current administration and inspector staff hours that are not accounted for in the 2013/14 budget.

7. Decision-making significance

This is not a significant decision in terms of the Council's Significance Policy.

8. Consultation

Consultation has not been undertaken with any external parties. This will occur when drafting the Local Alcohol Policy.

9. Inclusion of Māori in the decision making process

There has been no consultation with iwi regarding this recommendation.

10. Delegation register reference

A Council decision.

Remuneration of Elected Members 2013-2016

1. Purpose of Report

- 1.1 To approve the allocation of additional pay for elected members, and the draft Nelson City Council Expenses Policy for Elected Members, to apply from the 2013 council election to the 2016 council election.

2. Recommendation

THAT the report Remuneration of Elected Members 2013-2016 (1542709) and its attachments (1542746, 1546956, 1547161, 1507219, 1547015, and 1528778) be received;

AND THAT Council approves Additional Pay Option 1 outlined in report 1542709 as the basis for the allocation of the additional pay for councillor remuneration to apply from the 2013 council election to the 2016 council election, for submission to the Remuneration Authority for approval;

AND THAT Council approves the draft Nelson City Council Expenses Policy for Elected Members 2013-2016 (1547015), including Communications Allowance Option 1 as outlined in report 1542709, for submission to the Remuneration Authority for approval.

3. Background

- 3.1 The Remuneration Authority has developed a new remuneration setting system for elected members as the result of a review that commenced in September 2011. As part of this review, Council submitted feedback on the Authority's remuneration proposal in December 2012. The outcome of the review is detailed in the Remuneration Authority report, Local Authority Elected Member Remuneration Setting 2013 (Attachment 1). Councillors received a briefing from officers on the new system on 18 June 2013.
- 3.2 Previously, remuneration for elected members was drawn from a pool set by the Remuneration Authority. Under this system, Council had input

into how the total available remuneration pool was allocated amongst councillors, subject to final determination by the Remuneration Authority.

- 3.3 The new remuneration setting system is task based and will apply from the 2013 election. Under this system, in every election year the Remuneration Authority assesses the relative size and complexity of each council's business using a national size index. A 'public good' reduction is also applied, to reflect the principle of public service in elected member roles (page 2 of Attachment 1). The Authority then uses the index to set the salary of each council's Mayor and the base salary of its councillors.
- 3.4 Each year, the Remuneration Authority reassesses the Mayor's salary and councillors' base salaries to reflect any increases in CPI, general wage levels, or the council's size index, and prevailing economic conditions.
- 3.5 There is an amount of additional pay available for councillors who have additional responsibilities. Every election year, the Remuneration Authority determines how the extra pay is allocated for the ensuing three year term based on proposals from councils. A council is not required to distribute its entire additional pay (Attachment 2).
- 3.6 The Remuneration Authority is asking councils for their proposals on the allocation of additional pay now so that election candidates are fully informed of the remuneration they will receive if elected. Should positions of additional responsibility change after the election, councils may apply to the Remuneration Authority at that point to vary the way the additional pay is allocated (Attachment 2).
- 3.7 The total additional pay available for allocating amongst councillors is 1.5 x the base councillor salary. This includes any extra pay for the Deputy Mayor, who may receive up to an additional 0.4 x the base councillor salary. The maximum additional payment any one councillor may receive is capped at 0.5 x the base councillor salary
- 3.8 No additional remuneration can be provided to the Mayor above the Mayor's salary (Attachment 2).
- 3.9 The Remuneration Authority has provided examples of job descriptions for positions of additional responsibility (Appendix D to Attachment 1). Attachment 3 provides draft job descriptions that separate portfolio holder responsibilities and committee chair responsibilities. These job descriptions more accurately represent how the additional responsibilities identified by the Remuneration Authority fall across Nelson City Council's current structure.
- 3.10 The Remuneration Authority will issue its determination for 2013 remuneration after receiving all proposals from councils on extra pay for positions of additional responsibility.

3.11 The Remuneration Authority has advised Nelson City Council of the salaries to apply from the 2013 election (Attachment 4):

Mayor's salary	\$121,500
Councillors' base salary	\$35,700
Additional pay (1.5 x base salary)	\$53,550

3.12 The Remuneration Authority also sets allowances that lie outside the additional pay. These were included in the Remuneration Authority's review and the resulting changes are captured in the draft Nelson City Council Expenses Policy for Elected Members 2013-2016 (Attachment 5).

3.13 Starting in 2013, Council's Expenses Policy will be approved by the Remuneration Authority once every three years. The exception to this is hearing fees for resource consent hearings, which will continue to form part of the annual determination.

3.14 The Remuneration Authority requires Council to submit, by 19 July 2013, its proposal for allocation of the additional pay (\$53,550) amongst councillors with additional responsibilities following the 2013 election. This also includes the Expenses Policy for Elected Members to take effect following the 2013 election.

4. Discussion

4.1 Given the constraints outlined above, and to avoid pre-empting the structure of the new Council following the 2013 election, the following options for the allocation of the additional pay are based on Council's current structure.

Salaries

Additional Pay Option 1 – Additional pay for the Deputy Mayor, Committee Chairs, and Portfolio Holders

4.2 The Deputy Mayor is paid the maximum allowed for the role of \$49,980, being the base salary plus 0.4 x base salary (\$14,280).

4.3 Committee chair roles for the Audit, Risk and Finance Committee, and the Framing our Future Committee are paid \$43,197 each, being the base salary plus 0.21 x base salary (\$7,497). Where a committee chair role is shared by co-chairs, the additional payment is divided accordingly (eg. if two members shared a committee chair role, the total payment would be \$39,448.50 per co-chair).

4.4 The four portfolio holder roles of Community Services, Infrastructure, Governance, and Policy and Planning are paid \$41,769 each, being the base salary plus 0.17 x base salary (\$6,069). Where a portfolio holder role is shared by co-portfolio holders, the additional payment is divided accordingly (eg. if two members shared a portfolio holder role, the total payment would be \$38,743.50 per co-portfolio holder).

- 4.5 All other councillors are paid the base salary of \$35,700.
- 4.6 Where a member is both a committee chair and a portfolio holder, the maximum total payable, assuming neither role is shared, is \$49,266. This is made up of the base salary plus 0.21 x base salary (\$7,497) plus 0.17 x base salary (\$6,067), which equates to a total payable of 1.38 x base salary and therefore does not breach the councillor salary cap of 1.5 x base salary.
- 4.7 This option does not allocate additional pay for the chair of the Resource Management Act Procedures Committee. This is because it is Nelson City Council's policy to undertake amendments to the Nelson Resource Management Plan by means of a rolling review. The tasks that this requires are not likely to be recognised as an additional responsibility to the councillor's standard role by the Remuneration Authority. It would therefore be difficult to make a case for allocating additional pay for these tasks. Accordingly, making special allowance for such work in any given year seems unnecessary.
- 4.8 Option 1 uses the total available additional pay of \$53,550. It bears the most resemblance to Council's current remuneration system while also recognising the relative additional responsibilities of the Deputy Mayor, committee chairs and portfolio-holders as defined in the draft job descriptions for Nelson City Councillor positions of additional responsibility (Attachment 3). For these reasons, officers consider Option 1 to be the preferred option for allocation of the additional pay amongst councillors.

Additional Pay Option 2 – Do not use the additional pay

- 4.9 The Deputy Mayor and councillors are paid the base salary of \$35,700. No extra payments are made for committee chair or portfolio holder responsibilities.
- 4.10 Option 2 does not utilise the additional pay at all, and does not recognise the significant additional responsibilities undertaken by the Deputy Mayor, or the additional responsibilities of committee chairs and portfolio holders. It therefore does not reflect Council's current remuneration system. For these reasons, Option 2 is not recommended.

Additional Pay Option 3 – Additional pay for the Deputy Mayor only

- 4.11 The Deputy Mayor is paid the maximum allowed for the role of \$49,980. All other councillors are paid the base salary of \$35,700. There are no extra payments for committee chair or portfolio holder roles.
- 4.12 Option 3 uses only \$14,280 of the available additional pay of \$53,550. It does not recognise the additional responsibilities of committee chairs and portfolio holders, and therefore does not reflect Council's current remuneration system. For these reasons, Option 3 is not recommended.

Additional Pay Option 4 – Additional pay for the Deputy Mayor and Committee Chairs only

- 4.13 The Deputy Mayor is paid the maximum allowed for the role of \$49,980.
- 4.14 Committee chair roles for the Audit, Risk and Finance Committee, and the Framing our Future Committee are paid a total of \$43,197, being the base salary plus 0.21 x base salary (\$7,497).
- 4.15 Under this option, where a committee chair role is shared by co-chairs, the additional payment of \$7,497 is divided accordingly (eg. if two members shared a committee chair role, the total payment would be \$39,448.50 per co-chair). All other councillors are paid the base salary of \$35,700. No extra payments are made for portfolio holder roles.
- 4.16 This option does not allocate additional pay for the chair of the Resource Management Act Procedures Committee for the reasons outlined in Option 1 above.
- 4.17 Option 4 utilises only \$29,270 of the available additional pay of \$53,550. It does not recognise the additional responsibilities of portfolio holders and therefore does not reflect Council's current remuneration system. For these reasons, Option 4 is not recommended.

Additional Pay Option 5 – Additional pay for the Deputy Mayor and Portfolio Holders only

- 4.18 The Deputy Mayor is paid the maximum allowed for the role of \$49,980.
- 4.19 The four portfolio holder roles of Community Services, Infrastructure, Governance, and Policy and Planning are paid a total of \$41,769, being the base salary plus 0.17 x base salary (\$6,069).
- 4.20 Under this option, where a portfolio holder role is shared by co-portfolio holders, the additional payment of \$6,069 is divided accordingly (eg. if two members shared a portfolio holder role, the total payment would be \$38,734.50 per co-portfolio holder). All other councillors are paid the base salary of \$35,700. No extra payments are made for committee chair roles.
- 4.21 Option 5 utilises only \$38,556 of the available additional pay of \$53,550. It does not recognise the additional responsibilities of committee chairs and therefore does not reflect Council's current remuneration system. For these reasons, Option 5 is not recommended.

Expenses Policy for Elected Members 2013-2016

- 4.22 Once approved by the Remuneration Authority, the Nelson City Council Expenses Policy for Elected Members 2013-2016 (the Expenses Policy) will take effect from the date on which the new council comes into office in 2013, until the 2016 election. The draft Policy reflects the allowances set by the Authority and provides additional guidance around entitlements of elected representatives.

Additional Allowances

- 4.23 Following legislative changes, Council is required to set up a new District Licensing Committee (DLC). Fees for the DLC are set at \$78 per hour for chairpersons and \$51 per hour for committee members. The fees are set under the Sale and Supply of Alcohol Act 2012 and are not subject to Remuneration Authority approval.
- 4.24 The Sale and Supply of Alcohol Act 2012 is silent on the basis of payment so, in the absence of specific advice, Council will follow the same principle as that for resource consent hearings. Accordingly the hourly rate is applicable for hearing time and preparation time. Preparation time must not exceed the time of the actual hearing (Frequently Asked Questions, Attachment 2).
- 4.25 Hearing fees for resource consent hearings are set by the Remuneration Authority as part of the annual determination. The fees remain unchanged from 2013/13.

Travel Time and Mileage Allowances

- 4.26 Travel time and mileage allowances are set by the Remuneration Authority every three years, as part of the Council's Expenses Policy. Following the 2013 elections, the Remuneration Authority will increase the maximum hourly rate for travel time from \$15 to \$35. The maximum mileage will increase from 74 to 77 cents per kilometre for the first 5,000 kilometres, and from 35 to 37 cents per kilometre thereafter. All other conditions remain unchanged.

Communications Allowances

- 4.27 The Remuneration Authority has released an updated policy on usage and provision of communication devices (the Communications Policy) (Attachment 6). The Communications Policy recognises the adoption of new technologies in councils' everyday business. It attempts to provide flexibility for individual councils to determine the most appropriate way to apply the policy, whilst ensuring cost effectiveness for ratepayers.
- 4.28 The Communications Policy provides for a maximum communications allowance per councillor of \$1,050, plus consumables. This amount includes a capped allowance of \$650 per year for connectivity plans (25% of a home landline/broadband connection up to a maximum of \$250, plus \$400 for calls/mobile data).
- 4.29 The Communications Policy also includes a formula for calculating allowances payable for specific hardware devices. This is based on the average price of hardware devices (page 3 of Attachment 6). Consumables are available directly from Council, or can be reimbursed on production of an invoice.
- 4.30 Officers have identified three alternative options for implementation of the communications policy. The overall cost to Council does not vary

greatly across the three options outlined below. However, the cost of staff time in administering the allowance, and in providing technical support, is likely to vary considerably. Accordingly, to ensure the operational cost of administering the communications allowance remains cost-effective, it is essential that Council chooses only one option to apply until 30 June 2016, and that this option applies to all elected members.

Communications Allowance Option 1

- 4.31 Under this option, elected members provide their own equipment and connections, including a tablet/personal computer, to a standard that is compatible with Council communication needs. Elected members are paid the maximum allowance of \$1,050 each. Council does not supply hardware, internet connections outside of the Council building, or reimbursement for the cost of calls, texts, faxes or data.
- 4.32 Option 1 allows each elected member to choose their own technology in line with personal preferences. It is administratively simple and therefore has the lowest operational cost for Council. Although this option is not specifically recommended by the Remuneration Authority, it is provided for within the Authority's updated Communications Policy and a case can be made for it by Council officers.
- 4.33 Option 1 requires all additional costs such as call plans, data plans, and insurance to be met by councillors. It is also councillors' responsibility to ensure their devices and connectivity plans are compatible with council's communication needs. It may also require a more complex degree of technical support by council officers as it potentially involves multiple operating systems and platforms. There is limited officer support available for setup of councillors' equipment, providing the equipment is compatible with the standards to be specified by Council.
- 4.34 Option 1 avoids the possibility of councillors being required to reimburse Council for their personal use of Council-provided connectivity plans as discussed below under Option 2. All that is required from councillors wishing to receive the full communications allowance is periodic proof of the cost of their connectivity plans.
- 4.35 For these reasons, Council officers consider Communications Allowance Option 1 to be the preferred option for inclusion in the Expenses Policy.

Communications Allowance Option 2

- 4.36 Council provides councillors with all communications requirements, including a tablet, mobile phone, mobile and internet connectivity plans, insurance and technical support. Councillors are not paid any communications allowance.
- 4.37 Option 2 allows officers to provide the strongest level of technical support. It allows the Council to leverage its organisational purchasing power most effectively, and to gain the advantages of GST recovery.

Accordingly, it is the option that the Authority prefers. If Councillors agree that no hard copy material is required, this option could also reduce the cost of councillor courier deliveries.

- 4.38 However, Option 2 provides little flexibility to accommodate individual councillor preferences as all items will be supplied to a standard specification.
- 4.39 It is also administratively complex. A Council-provided connectivity plan, including calls, is likely to amount to more than the maximum allowance of \$650 per year. Therefore, if members select a Council-provided connectivity plan, they will be required to reimburse Council for their personal usage component. This is calculated individually for each member based on their level of personal usage.
- 4.40 For these reasons, Option 2 is not recommended.

Communications Allowance Option 3

- 4.41 Elected members select from a 'menu' of Council -owned hardware items, and connectivity plans negotiated by Council. For each menu item selected, a corresponding amount, as set out in the Communications Policy (Attachment 6), is deducted from the total maximum allowance payable to the member of \$1,050. An indicative menu is:

Menu Item	Up to \$ per year (approx)	Cap
Hardware		
PC or laptop	150	0.5 x depreciation on average price
Tablet	150	0.5 x depreciation on average price
Smart phone	60	0.5 x depreciation on average price
Printer/scanner	40	0.5 x depreciation on average price
Connectivity		
Internet/broadband	250	25% of total bill
Calls/texts/data	400	\$400

- 4.42 Under this option Council retains ownership of all hardware items it supplies, and these are returned at the end of the term.
- 4.43 Option 3 is greatly complicated by the cap on the amount allowable for connectivity plans and the prescribed formula for calculating the average price of hardware devices.
- 4.44 As outlined above, members selecting a Council-provided connectivity plan will be required to reimburse Council for their personal usage component. This is calculated individually for each member based on their level of personal usage.

- 4.45 The maximum allowance payable per hardware device is calculated by a formula (page 3 of Attachment 6). The allowance is intended to cover half of the annual depreciation cost of the item, and assumes that half the usage is for Council business. This is calculated individually for each member based on the menu options they select.
- 4.46 Regardless of the menu items selected under this option, the maximum total allowance available for all communications is \$1,050.
- 4.47 The requirement for individual calculations and the management of individual member reimbursements to council is administratively complex. Therefore, Option 3 is the least cost-effective and the least efficient of all options. Accordingly, Option 3 is not recommended.

5. Conclusion

- 5.1 Within the terms outlined, and without pre-empting any possible structure of the newly elected Council, Additional Pay Option 1 is considered the preferred option for submitting to the Remuneration Authority.
- 5.2 Given the wide range of individual preferences for technology amongst councillors, and the need to avoid an administratively complex communications allowance, officers recommend Communications Allowance Option 1 as the preferred option for inclusion in the draft Nelson City Council Expenses Policy.

Penny Langley

Manager Administration

Attachments

- Attachment 1: Local Authority Elected Member Remuneration Setting 2013 [1542746](#)
- Attachment 2: Extract from Updated Answers to Frequently Asked Questions [1546956](#)
- Attachment 3: Nelson City Councillor Position Descriptions [1547161](#)
- Attachment 4: Letter advising Remuneration Post Elections 2013 [1507219](#)
- Attachment 5: Draft Nelson City Council Expenses Policy for Elected Members 2013-2016 [1547015](#)
- Attachment 6: Remuneration Authority Updated Policy on Usage and Provision of Communication Devices [1528778](#)

No supporting information follows.

**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
Taranua 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
Opoiki 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 for 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.

Extract from

***LOCAL AUTHORITY ELECTED MEMBER REMUNERATION SETTING
2013 (EXCLUDING AUCKLAND COUNCIL)
UPDATED ANSWERS TO FREQUENTLY ASKED QUESTIONS*¹**

Q8 Are councils expected to allocate and spend the total pool available for additional councillor pay each year? Can any unspent funds be carried over?

A council is not required to distribute its entire pool. Any unspent funds cannot, however, be carried over to the next financial year, with the exception of funds for additional duties to support the District Plan/Regional Plan process. Prior approval for that carryover must be sought from the Remuneration Authority. If the funds are not spend in the next financial year they may continue to be carried over into following financial years , as long as the council's accounts reflect the carryovers.

The exception of the District Plan/Regional Plan process recognises the lengthy and often intermittent nature of that process. Councillors' work around those Plans can fall unevenly across years. Given that fluctuation, the Authority expects councils to consider how this work might fall when making their proposals.

Q22 How are salaries for mayors and chairpersons of regional councils calculated?

The salaries for mayors and chairpersons are based on the job sizing exercise and the size index for their council.

No additional remuneration can be provided above these salaries, with the exception of fees for resource consent hearings in exceptional circumstances (see response to question 31).

Q29 Will councillors undertaking hearings under the Resource Management Act be paid for preparation time? If so, how is that to be calculated?

Yes. This is a change from the previous system.

Preparation time to be reimbursed should not exceed the time of the actual hearing. For example, if a hearing last for three hours then no more than three hours of preparation time may be paid for.

¹ Downloaded from <http://remauthority.govt.nz/documents/faq-local-authority-elected-member-remuneration-setting-2013-exclsAucklandCouncil.pdf> on 2 July 2013.

Preparation time may include time for reading, attending onsite meetings, or attending prehearing briefings/meetings.

Reimbursement will be at the same rates as those for actual hearings time, as set out in the Remuneration Authority's Determination.

Q31 Are mayors and regional chairpersons able to receive fees for participating in resource consent hearings?

Generally no. The Remuneration Authority will not approve fees for full time or close to full time mayors/regional chairpersons. Fees might be considered in exceptional circumstances for part time mayors/regional chairpersons if a new council largely comprises inexperienced councillors, or if there is a significant hearing of a lengthy duration. In such circumstances no fees should be paid without seeking prior approval from the Authority.

Q33 Why are we being asked to submit proposals to the Authority now on additional pay for positions of additional responsibility, when they may change after the elections?

It is important that candidates are fully informed of the remuneration they will receive if elected. Some councils can take considerable time to reassess and implement any changes to their governance structures. The Remuneration Authority recognises there could be some changes after the elections but past experience indicates these are not likely to be significant.

Where councils do reallocate duties among members after the election they may apply to the Authority to vary the way the additional pool of funding is allocated.

**NELSON CITY COUNCIL
ELECTED MEMBER POSITION DESCRIPTION
COUNCILLOR**

Collective duties of the council

- Representing the interests of the council
- Formulating the council's strategic direction and relative priorities through the Long Term Plan (LTP), 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 LTP 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.

**NELSON CITY COUNCIL
ELECTED MEMBER POSITION DESCRIPTION
COMMITTEE CHAIR**

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 Committee Chair 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 Committee Chair
- 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 Committee Chair
- 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 Committee Chair 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 Committee Chair 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.

**NELSON CITY COUNCIL
ELECTED MEMBER POSITION DESCRIPTION
PORTFOLIO HOLDER**

- 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 Portfolio Holder 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 portfolios, 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 Portfolio Holder.
- Undertaking sufficient preparation before meetings for which they are Portfolio Holder to effectively carry out their role as Portfolio Holder.
- Commenting to the media (or other agencies) as the council spokesperson on issues arising that pertain to their portfolio 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 Portfolio Holder 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 Portfolio Holder 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.

**NELSON CITY COUNCIL
ELECTED MEMBER POSITION DESCRIPTION
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.

30 April 2013

Mr Aldo Miccio
Mayor
Nelson City Council
PO Box 645
NELSON 7040

RECEIVED
06 MAY 2013
NELSON CITY COUNCIL
Records

Dear Mr Miccio

Remuneration Post Elections 2013

This letter sets out information about your council's remuneration additional to the basic information given in the "Local Authority Elected Member Remuneration Setting 2013" document which has been made available to all councils.

The information will give you a better idea of the total costs for your council, the changes to your base councillor remuneration, and the effects of limiting large increases or decreases in councillor salaries.

In this letter, for your council:

2012 Base Councillor Salary, means the actual lowest rate of councillor salary in your council, with meeting fees (if any) spread evenly amongst all councillors.

2012 Average Councillor Salary, means the 2012/13 residual pool, less any amounts paid out of the pool for elected Community Board Members, divided by the number of councillors.

2013 Raw Councillor Salary, means the base councillor salary before limiting any large increases or decreases.

2013 Base Councillor Salary, means the base councillor salary to apply from elections 2013.

2012 Mayor's salary is before any reduction due to the provision of a car.

2013 Mayor's salary is before any reduction due to the provision of a car.

Mayor's Salary

2012 Mayor's salary:	\$116,300
2013 Mayor's salary:	\$121,500
Change in Mayor's salary:	\$5,200

Councillors' salaries

2012 Base Councillor salary:	\$33,452
2012 Average Councillor salary:	\$34,077

Ratio of average to base: 1.02

As this average is less than 1.11 (the national average) it means that your council generally had a lesser differential between salaries for positions of responsibility and base councillor salaries. Other things being equal this means that your council's change in base councillor salary will be smaller than other councils (or even negative).

2013 Raw Councillor salary:	\$40,069
2013 Base Councillor Salary:	\$35,700
Change from 2012 Base Councillor salary:	\$2,248

Without limiting any large increases or decreases, your base councillor salary would have increased by \$6,617 which was considered to be too large an increase, would have had too great an adverse impact on ratepayers, and could be regarded as denigrating the position for retiring councillors. Therefore the increase has been limited to \$2,248.

The base salary set for your council, in our view, fairly recompenses a councillor who spends on average between 2 and 3 days a week undertaking councillor duties over a three year period.

Overall Council Costs

This table compares the 2012 total salary costs with those to apply from elections 2013:

	2012	2013
Mayor's salary	116,300	121,500
Councillors' salaries	408,925	481,950
Total Salary cost	525,225	603,450

Your total salary costs will increase by 14.9%. The average for all councils is 9.3%

The 2013 salaries have been calculated on the assumption that your council will fully utilise the extra 1.5 times base councillor salary for positions of additional responsibility.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Errington', written in a cursive style.

John Errington
Chairman

Nelson City Council Expenses Policy for Elected Members 2013-2016

The following sets out the Nelson City Council's Expenses Policy for elected members, effective from the 2013 council election to the 2016 council election. It includes those that sit on resource consent hearings, in accordance with the Local Government Elected Members (2013/14) (Certain Local Authorities) Determination 2013. This policy also covers expenses related to members' attendance at Conferences, Seminars, Training and international travel, and fees for elected members who sit on the District Licensing Committee.

1. Vehicle Mileage Allowance

A local authority may pay a member a vehicle mileage allowance for travel by the member.

Such an allowance may be paid to a member when:

- the member was present at the event (i.e. not recorded as an apology or absent);
- required to attend (i.e. not voluntary attendance);
- the member is not provided with a vehicle by the local authority;
- the distance travelled by the member on the day exceeds the threshold distance (see definition below);
- the member is travelling:
 - (i) in a private vehicle;
 - (ii) on the local authority's business (see clarification below);
 - (iii) taking the most direct route that is reasonable in the circumstances.

"On the local authority's business" includes:

- travel to and from a member's residence to an office of the local authority.

"Threshold distance" means the shorter of the following distances:

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

The allowance is only payable for the distance travelled on the day which exceeds the threshold distance.

The vehicle mileage allowance payable to a member is:

- no more than \$0.77 per kilometre for the first 5,000 kilometres for which the allowance is payable;
- no more than \$0.37 per kilometre for any distance over 5,000 kilometres for which the allowance is payable.

Members are required to fill out and submit a claim form (1387540) to seek reimbursement for vehicle mileage.

2. Travel Time Allowance

A local authority may pay a member a travel time allowance if the office of the member cannot be properly regarded as a full-time position.

An allowance may be paid to a member for each day that:

- (a) the member is travelling:
 - (i) on the local authority's business (see clarification above);
 - (ii) by the quickest form of transport reasonable in the circumstances.
- (b) the travel time of the member exceeds one hour.

The allowance will only be paid in respect of the travel for that day that exceeds one hour.

The travel time allowance payable to a member is no more than \$35 per hour.

Travel time will not be paid for international travel or when members opt to travel significant distances by road rather than by air.

Members are required to fill out and submit a claim form (1387540) to seek reimbursement for travel time.

3. Communications Allowance

Insert preferred communications allowance option

4. Resource Consent Hearing Fees

A member of a local authority who acts as the Chairperson of a resource consent hearing is entitled to be paid a fee of \$100 per hour of hearing time.

A member of a local authority who is not the Chairperson of a resource consent hearing is entitled to be paid a fee of \$80 per hour of hearing time.

Councillors undertaking resource consent hearings may be reimbursed for preparation time at the above rates. Preparation time to be reimbursed must not exceed the time of the actual hearing.

For any period of hearing time that is less than one hour, the fee must be apportioned accordingly.

A resource consent hearing fee for a pre-hearing meeting held under section 99 of the Resource Management Act is payable to only one member.

Resource consent hearing fees are not payable to the Mayor of a territorial authority.

For the meaning of resource consent hearing and hearing time, please refer to the current determination (docnumber).

Members are required to fill out and submit a claim form (1387540) to seek payment for resource consent hearing fees.

5. District Licensing Committee Fees

A member of a local authority who acts as the Chairperson of a District Licensing Committee hearing is entitled to be paid a fee of \$100 per hour of hearing time.

A member of a local authority who is not the Chairperson of a District Licensing Committee hearing is entitled to be paid a fee of \$80 per hour of hearing time.

Councillors undertaking District Licensing Committee hearings may be reimbursed for preparation time at the above rates. Preparation time to be reimbursed must not exceed the time of the actual hearing.

For any period of hearing time that is less than one hour, the fee must be apportioned accordingly.

District Licensing Committee hearing fees are not payable to the Mayor of a territorial authority.

Members are required to fill out and submit a claim form (1387540) to seek payment for District Licensing Committee hearing fees.

6. Conferences, Seminars and Training

An overview of proposed scheduled spending on conferences, seminars and training is approved by Council resolution at the beginning of each financial year. Actual spending against this overview will be reported back to Council on a six monthly basis. Travel that has not been pre-approved may be approved by Council resolution.

The following costs will be covered for members attending conferences, seminars and training where applicable:

- registration fees;
- airfares;
- accommodation;
- meals (excluding mini bar expenses);
- buses, taxis, transfers.

Councillors who decide to travel significant distances by road instead of by air (for example to Christchurch), will receive cost reimbursement at the level of the cheapest available flight, rather than the kilometre reimbursement. As stated earlier, reimbursement for travel time will not be applicable in this situation.

7. International Travel

All international travel must be approved by Council resolution prior to that travel taking place. This includes all travel for Sister City purposes.

8. Travel Costs for Members' Spouses

Any travel costs involving members' spouses, to be covered by Council, must be approved by Council resolution prior to that travel taking place.

9. Meals for Meetings Held in Nelson

For meetings which continue through normal meal times, members will be provided lunch or dinner as appropriate.

For Resource Consent Hearings, members may be reimbursed for the cost of lunch as appropriate. Members are required to fill out and submit a claim form (1387540) to obtain this reimbursement.

UPDATED POLICY ON USAGE AND PROVISION OF COMMUNICATION DEVICES

Introduction

This allowance has been included in the determination since 2008, and was introduced to bring some equity across the country in the reimbursement of costs and the provision of support to councillors and other elected officials.

The continuing development of communication devices and delivery mechanisms has led the Authority to reconsider the allowance.

The intention is to include an updated provision in the determination that will cover the period from this year's election; and the Authority is issuing this advisory now to give intending candidates clear advice on the **maximum** support that the Authority will approve.

The Principles to be applied

The Authority's view is that elected officials should not carry the costs of communicating with councils or with ratepayers.

The Authority's preferred approach would be that councils provide necessary equipment, consumables, servicing and reimburse on proof of expenditure on other costs that might occur.

This in our view allows two tests to be met. Elected members would have access to the equipment that is required to undertake the work of council, and ratepayers could have confidence that appropriate security of access could be guaranteed in a cost effective fashion.

It is the responsibility of each council to decide the communications equipment needed to carry out its business effectively and efficiently. Decisions about equipment for individual councillors should flow from that.

However, we are aware of two issues that make applying that policy across the country unpopular with both elected members and council staff.

- The first is the desire by some elected officials to utilise the communication equipment they own and are familiar with to undertake council business and an unwillingness to segregate personal and council usage.
- The second is the operational cost of managing a reimbursement system that requires production of proof of expenditure.

Ancillary matters that we are aware of are the small number of elected officials who live in areas where broadband, Wi-Fi and cell phone coverage is poor or non-existent. The current policy doesn't clearly allow additional assistance in those reasonably unique situations.

The intention is that the new communication policy should provide parameters for these three matters.

What is required for communications by elected officials and how is that best described to reflect rapidly changing technologies.

Over the past period the communication requirements and expectations of citizens have changed rapidly, as has the workload of councils and community boards.

But basically the needs are stable, and cover:-

1. Verbal communications, generally via mobile phone nowadays, but in some circumstances by other devices;
2. An ability to transfer and reproduce written materials;
3. An ability to access council information resources, such as websites, intranets, archives and policy and decision-making tools.

Until recently this might have required a landline, PC, internet access (either dial up or broadband), fax and printer capacity and regular courier and postal services. Latterly new devices such as tablets have rapidly changed the usage of paper, fax and courier services with the possibility of substantial direct and indirect cost savings.

Nevertheless, in many circumstances described to the Authority these have been seen as additional rather than replacement items. This mirrors the arrival of mobile phones, which were provided and funded additional to traditional landlines, whilst quite quickly becoming the primary form of verbal communication.

Equally the introduction of broadband and scanners has almost removed the necessity for and usage of fax machines.

If you consider that the iPad was developed in 2010 the speed of change is clearly increasing and regulation from the Authority may always lag behind this rapid change, given the use of annual or triennial determinations.

The Authority believes it is efficient if a council provides each elected official with a phone (mobile or landline), a PC and/or a tablet, and a compatible scanner & printer. The council should also cover the costs of any consumables required.

Equipment should remain the property of the council and shall be replaced or updated at least triennially. In the Authority's view this allows councils to obtain the advantages of bulk purchase and GST recovery that flow from the corporate environment. It also ensures that maximum efficiency is achieved by providing equipment which is consistent across the organisation, fit for purpose and adequately protected to provide security and privacy for ratepayers and staff.

Whilst the Authority has a strong preference for direct provision of equipment, the decision on whether elected officials should be allowed or encouraged to use personal devices will be left as a matter of local decision. Equally the nature of the forms of technology required will be left to local decision.

Where councils decide to provide an allowance to those electing to use their own devices, an allowance can be provided to cover reasonable costs of the additional wear and tear of hardware owned by the elected official, such as:-

- Computer and/or tablet
- Printer
- Modem
- Mobile phone

For items of hardware, it is common practice in a commercial environment to depreciate fully over 3 years. Therefore, the Authority believes a reasonable allowance could be equal to 33% (i.e. 3 year depreciation) of 50% (i.e. half the usage assumed to be for council business) of an average cost of the hardware item.

Typical hardware costs and associated allowances are:

Item	Average price	Allowance (33% of 50% of price)
PC or tablet	\$900	\$150
Printer	\$250	\$40
Telephone (mobile or handset)	\$375	\$60

The Authority would in those cases approve a maximum allowance of \$250 where the equipment requirements of the council are for either a PC or tablet, \$400 where the requirements are for both and the member provides both and \$250 where the council provides one item and the member the second.

What is the reasonable cost of connection and usage for these items?

1. Internet Connection

The Authority presumes that most councils will enjoy corporate rates for transmission of communications. These will in most circumstance be set at a more advantageous level than those available to individuals, and where possible providing such services through the council package would be best value to the ratepayer.

However the Authority recognises that some elected members may not wish to run parallel data systems for council business. Whether this option is available should be a matter for local decision.

Telecommunication markets are increasingly competitive, but also increasingly designed to meet personalised data requirements. So the mix of call plans and broadband widths and speed are difficult to determine. The question we have sought to address is the extent to which these costs are apportioned between council and elected official. This can be complex and will reflect differing household usage as well as council usage. For example in a

household which already has personal usage close to their broadband cap the increased traffic required to move to electronic board papers may require an increase in monthly band usage, even though the data transmitted is modest compared to other internet and electronic traffic.

Once again, where it is possible, the Authority believes that this matter should be dealt with by the council either paying directly or reimbursing on production of invoices costs that can be identified as council business.

If a council determines not to take this approach but to provide an allowance to members the Authority believes that no more than 25% of the connection/usage charges can be regarded as bona fide additional costs incurred by an elected official in carrying out council business, in respect to existing personal connection or usage arrangements. This is on the basis that most of the cost would be incurred for personal use in any event.

A maximum allowance of \$250 would be approved by the Authority, reflecting 25% of the average cost of a landline and broadband connection.

2. Costs of call, texts and data through mobile phones

Mobile phone call costs vary depending on the type of plan, and usage of mobile phones as the primary form of communication will lead to significantly differing usage. As with other matters it would be the Authority's preferred option that these matters are dealt with on a cost recovery basis.

Likewise there may be some areas and individuals where toll costs apply to some communications.

Usage of such equipment will be very much a question of personal communication style and will vary widely

That being said the Authority will approve a maximum allowance of \$400pa to cover council generated calls. This represents about 800 extra payable minutes for an average plan

Unusual circumstances

Over the years the Authority has occasionally been approached to cover the one-off costs of providing connection access or non-standard equipment where regular landline or mobile coverage is not available. Where such circumstances exist the council may put a costed recommendation to the Authority for approval to make a one-off payment for installation and either a reimbursement or allowance for on-going maintenance and support reflecting the costs involved. It is anticipated this allowance will normally reflect no more than 75% of the costs involved.

These provisions will be included both for principal Local Government Determination and the Auckland Council Determination which will take effect from Election Day.

The Authority will review the amount of maximum allowances annually to maintain levels of support as communications costs increase and decrease.

In approving allowances in expenses documents the Authority will seek confirmation of the decision to use particular forms of equipment and to allow allowances rather than reimbursement regimes.

As technologies converge and, for example, tablets can be enabled to perform the full range of functions required for council business this range of reimbursement/allowances will be regularly reviewed.

The following examples are provided for your assistance:-

- Where a council provides a PC, printer and mobile phone, and does not use tablets for agendas/meeting papers, no allowance for equipment is available but a maximum allowance of \$650 would be approved to cover connection costs for the PC and mobile phone. Paper and other consumables should also be provided by the council as required.
- Where the council provides a tablet, PC, printer and mobile phone, reimburses the costs of a designated connection for these items and provides consumables, no allowance is payable. The cost of calls could either be reimbursed on production of invoices or an allowance of \$400 is available.
- Where the member provides their own equipment and connections (including a tablet & PC), to a standard that is compatible with council communication needs, a maximum allowance of \$1,050 would be available with no reimbursement for costs other than consumables.

This policy will be reflected in the determinations gazetted for the period post the 2013 Local Government Elections

Remuneration Authority
28 May 2013

Adoption of the Fees and Charges: Resource Consents Business Unit 2013/14

1. Purpose of Report

- 1.1 To adopt the Fees and Charges for the Resource Consents Business Unit for the 2013/14 financial year.

2. Recommendation

THAT the report Adoption of the Fees and Charges: Resource Consents Business Unit 2013/14 (1544662) be received;

AND THAT the Fees and Charges: Resource Consents Business Unit (1452697) be adopted;

AND THAT the fees and charges under section 36 of the Resource Management Act apply as from 22 July 2013.

3. Background

- 3.1 The draft Fees and Charges: Resource Consents Business Unit 2013/14, was approved for consultation by Council on 12 March 2013. The consultation period ran from 25 March to 26 April 2013 and two submissions were received.
- 3.2 Neither submitter requested to be heard.
- 3.3 Council held a meeting to deliberate on submissions on 4 June 2013. Council did not require changes to the draft fees and charges.
- 3.4 Submitters will be advised of the Council decisions on their submissions.

4. Conclusion

- 4.1 The Fees and Charges: Resource Consents Business Unit 2013/14, Attachment 1 need to be adopted by the Council to have effect.

Mandy Bishop

Manager Resource Consents

Attachments

Attachment 1: Fees and Charges: Resource Consents Business Unit 2013/14
(1452697)

No supporting information follows.



Draft Fees and Charges 2013-2014

**Resource Consent Fees
and
Resource Management Act Planning
Documents Fees
under the Resource Management Act 1991**

Resource Consent Processing and Monitoring, Designations, Plan Changes and all other activity under the Resource Management Act 1991 (RMA) will attract an initial charge (deposit) payable at the time of lodging an application as per Section 1 below.

Where the cost of processing the consent is not fully covered by the initial charge, additional charges will be applied (under Section 36 of the RMA).

Section 2 below lists the various costs that may be charged to a consent.

NOTE: Amended charges are shown as **bold**.

All charges listed in this Schedule are GST inclusive

1. Initial Charges (Deposit)

	Activity	Initial Charge
1.1	All activities (other than listed below)	\$1,300
1.2	Subdivision 1-3 lots	\$1,300
	Subdivision 4 plus lots	\$2,000
1.3	Bore permits; Certificate of Compliance; Change of consent conditions or consent notice; Culverts, weirs and other minor structures on the bed of watercourses; Existing Use Certificate; Extension of lapsing period; Fences; Flats Plan update and check; Gravel extraction; Outline Plan approvals; Relocate building; Removal of trees listed in the Nelson Resource Management Plan; Replacement Permits; Right of Way approval; Signs; Transfer/part transfer of Permits	\$500
1.4	NOTIFIED APPLICATIONS: Additional charges for applications requiring notification/ limited notification. (This charge must be paid prior to notifying the application and is in addition to the initial charge paid when the application is lodged).	\$7,000
1.5	Removal of trees listed in the Nelson Resource Management Plan that are confirmed in writing by a qualified arborist as diseased or a threat to public safety.	No charge
1.6	Heritage Buildings: Non-notified application to conserve and restore heritage building, place or object listed in the Nelson Resource Management Plan.	No Charge
1.7	Private Plan changes (Note: Council's policy is to recover 95% of the costs involved for the whole process from the applicant).	\$10,000
1.8	Heritage Orders	\$3,500

- 1.9 Where an application involves multiple consents the initial charge is payable at the higher rate plus \$250.00 for each accompanying application.
- 1.10 Where all or part of any initial charge (deposit) is not paid at application time, the Council reserves the right to not process that application.

2. Costs Charged to a Consent

	Details	Actual Charge
2.1	Council Staff – all staff time inclusive of overhead component associated with processing and assessing applications.	\$140 per hour
2.2	Hearings Panel Charges:	
	- per Councillor as Commissioner (rate set by Remuneration Authority)	\$80 per hour
	- Councillor as Chairperson (rate set by Remuneration Authority)	\$100 per hour
	- Independent Commissioner (requested by applicant)	Cost
	- Independent Commissioner (requested by submitter)	Cost less Councillor rate (applicant pays the Councillor rate)
	- Independent Commissioner(s) required for expertise or due to conflict of interest issues	Cost
2.3	Legal advisors and consultants engaged by Council, or reports commissioned, after discussion with the applicant, to provide expertise not available in-house under s.92(2) RMA.	Cost plus administration charges
2.4	Experts and consultants engaged by Council to undertake assessment of an application where the complexity of the application necessitates external expertise, or where resource consent processing is required to be outsourced due to conflict of interest issues (this is not a s92(2) RMA commissioning).	Cost plus administration charges
2.5	All disbursements, such as telephone calls, courier delivery services, all public notification costs, postage for notified applications and document copying charges.	Cost plus administration charges
2.6	Consultants engaged by the Council where skills are normally able to be provided by in-house staff or when Council staff workloads are unusually high.	\$140 per hour
2.7	Urban Design Panel reviews a proposal before a resource consent application is lodged	No charge
2.8	The applicant agrees (as per 2.1.3 above) to the Urban Design Panel reviewing the proposal after a resource consent application is lodged	Cost plus administration charges

2.9 Photocopying Charges

A4	\$0.20 per page;
A3	\$0.50 per page;
Large copies	\$3.00 per page or actual cost from Copy Service plus staff time.

2.10 Monitoring Charges

- 2.10.1 If monitoring is required, a one-off charge of \$100.00 will be invoiced as part of the consent cost. Any extra work that is required to monitor compliance with the consent conditions will be charged at the appropriate hourly rate for Council staff and separately invoiced.
- 2.10.2 Monitoring charges associated with review of information required to be provided by a condition of resource consent will be charged for at the appropriate hourly rate for Council staff or actual cost for specialist consultant.
- 2.10.3 Where the applicant is required or authorised to monitor the activity, the Council's costs in receiving and assessing the monitoring information will be charged directly to the consent holder at the appropriate hourly rate for Council staff or actual cost of the specialist involved.

2.11 Administration Charges

	Item/Details	Charge
2.11.1	Insurance levy – for each resource consent.	\$30
2.11.2	Street naming and numbering (costs of reporting to Hearings Panel and advising all statutory agencies).	Council staff hourly rate in 2.1.1 above
2.11.3	Street numbering – application for alteration.	\$125
2.11.4	Documents for execution – removal of building line restrictions; easement documents, caveats, covenants and other documents to be registered with LINZ presented after subdivision processed or where not associated with a subdivision application.	\$175 for each document
2.11.5	Certificate under Overseas Investment Act.	\$385
2.11.6	Confirmation of compliance with the Nelson Resource Management Plan for NZ Qualifications Authority.	\$385
2.11.7	Confirmation of compliance with the Nelson Resource Management Plan for liquor licence applications.	\$70
2.11.8	Section 357 Administration charge.	\$255
2.11.9	Private right-of-way – review against existing names and advising all statutory agencies where appropriate.	\$225
2.11.10	Authentication report for small-scale solid-fuel burning appliance or open fire.	\$70

2.11.11	Removal of designation.	\$305
2.11.12	Swing Mooring annual charge (monitoring costs are additional, refer 2.3 above).	\$75
2.11.13	Transfer of Consents to new owner (S.135(1)(a), S.136(1), S.136(2)(a), or S.137(2)(a) Resource Management Act)	\$75
2.11.14	Claiming a swing mooring the Council removed from the Coastal Marine Area that did not have a coastal permit	\$300
2.11.15	Claiming a vessel that was towed and hauled out of the Coastal Marine Area as it was tied to a non consented mooring that was uplifted	Cost for tow and haul out

2.12 Discount for Late Consents

2.12.1 Where statutory processing timeframes have not been met and this is the fault of the Council, a discount of 1% of the total processing costs per each day the consent is late, up to a maximum of 50%, will be credited.

3. Invoicing

3.1 Where processing costs exceed the level of the initial charge (deposit), monthly invoices for any additional charges may be sent to the applicant.

3.2 Annual charges shall be due on 1 December or 30 days from the date of invoicing, whichever is the later, unless otherwise agreed in writing by the Council.

3.3 The Council has no obligation to perform any action on any application until the charges for the action have been paid in full; such payment will be required by the 20th of the month following invoice.

3.4 Where any interim invoice is disputed, work on processing the application will be stopped until the matter is resolved at the discretion of the Manager Resource Consents.

3.5 The option of monthly invoices only, in lieu of initial charges, may be available on strict credit conditions as follows:

- a) The consent process, or Council involvement in the project, is likely to extend over a period in excess of 6 months; and
- b) The total amount for invoices is likely to exceed \$5,000; and
- c) The applicant is in good financial standing with a satisfactory credit record and agrees to abide by the Council's usual credit terms **or**
- d) The applicant is a regular customer of the Council's Resource Consents Business Unit, is in good financial standing with no record of unpaid invoices, who agrees to pay each and every invoiced charge by the 20th of the month following the date of issue of the invoice.

Any disputes relating to an invoiced charge must be resolved after the invoice has been paid. Failure to meet these criteria will result in the option of monthly invoices, in lieu of initial charges plus monthly invoices being withdrawn.

The decision on whether to waive the required charge and institute a system of monthly invoicing shall be made by the Manager Resource Consents or Executive Manager Regulatory, having regard to the above criteria.

4. Pre-Application Charges

Detail	Charge
Pre-application discussion with staff on feasibility of a proposal that may not proceed to a resource consent.	First half hour - no charge. Additional time charged on an hourly basis at the Council staff charge out rate as per 2.1.

5. Resource Management Planning Documents

Copies of Plans	Cost GST Incl
Nelson Resource Management Plan - Text (hard copy)	\$150
Nelson Resource Management Plan - Maps (hard copy)	\$150
CD ROM - combined Nelson Resource Management Plan and Nelson Air Quality Plan - updated annually in Spring	\$15 annually
Nelson Resource Management Plan - hard copy updates issued as required	\$25 annually for text \$25 annually for maps
Nelson Air Quality Plan	\$50
Land Development Manual	\$100

Minutes of the Kotahitanga Hui

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Friday 10 May 2013, commencing at 11.06am

- Present: Waihaere Mason (Ngāti Kuia - Chairperson), Kaumatua Andy Joseph, Barney Thomas (Ngāti Rārua), Hemi Toia (Ngāti Rārua), Kura Stafford, Aunty Judi Billens (Ngāti Tama), Cindy Batt (Te Ātiawa), Jenny Smeaton, Poaneke Rene (Ngāti Toa Rangātira), Matt Hippolite (Ngāti Koata), Frans van Boekhout (Ngāti Koata), Gena Te Kari – Moses (Ngāti Kuia), Jo Westrupp (Ngāti Tama), Moetu Stephens (Ngāti Tama), Fred Te Miha (Ngāti Tama), Nelson City Councillors R Reese, M Ward, R Copeland, D Shaw and G Collingwood, Richard Bradley (Rangitāne)
- In Attendance: Nelson City Council Chief Executive (C Hadley), Tasman District Council Chief Executive (L McKenzie), Marlborough District Council Chief Executive (A Besley), Executive Manager Kaihautū/Community Relations (G Mullen), Executive Manager Regulatory (R Johnson), Executive Manager Network Services (A Louverdis), Executive Manager Strategy and Planning (M Schruer), Acting Executive Manager Community Services (R Ball), Manager Community Relations (A Ricker), Executive Assistant (J Brandt), Tina Thompson, and Administration Adviser (E-J Ruthven)
- Apologies: MP for Labour Rino Tirikatene His Worship the Mayor of Marlborough (A Sowman), His Worship the Mayor of Tasman (R Kempthorne), Nelson City Councillors A Boswijk, K Fulton, P Matheson and E Davy, Harvey Ruru, Butch Bradley, Ann Martin, and His Worship the Mayor of Nelson A Miccio (for lateness)

Karakia

Barney Thomas gave a karakia.

1. Confirmation of Minutes – 17 August 2012

Document number 1357046, agenda pages 4-9 refer.

Resolved

THAT the minutes of a meeting of the Kotahitanga Hui, held on 17 August 2012, be confirmed as a true and correct record.

Mason/Thomas

Carried

2. Working with Tasman District Council and Marlborough District Council on Issues Māori

Executive Manager Community Relations/Kaihautū, Mr Mullen, and Executive Manager Regulatory, Mr Johnson, gave a Power Point presentation (1521076), outlining the impact that the Deeds of Settlement would have on core business and how Council worked with iwi.

Mr Johnson spoke about the freshwater management initiatives being progressed by central Government, and the collaborative approach to policy development being undertaken. There was general discussion regarding the role of Te Tau Ihu iwi, particularly with regards to the management of freshwater. In response to a question, Mr Johnson confirmed that Council staff were mindful of the various sources of freshwater, including those above and below the land surface.

Iwi representatives emphasised that, despite references to Freshwater Advisory Committees within the Deeds of Settlement, it was extremely important that the kaitiaki role of iwi with regards to water management was recognised. The need for iwi involvement in decision-making with regards to water management was also emphasised by iwi representatives. The need to consider water a taonga, rather than purely as a commodity was also emphasised.

Councillors expressed their desire to work together with iwi representatives on a committee regarding freshwater management, and to ensure that iwi representatives were able to play both an advisory and decision-making role. It was suggested that Council could look to implement the responsibilities under the Deeds of Settlement in a creative way. The importance of working together with all Councils and all iwi of Te Tau Ihu was also emphasised. The importance of having a trusting working relationship between Councils and iwi in these matters was further noted.

There was also a discussion about iwi involvement in Council business generally, and a suggestion was made that iwi representatives could be appointed to standing committees, and utilised in Resource Management Act Hearings Panels. It was noted that collaboration between Councils and iwi was in the spirit of the new purpose statement of the Local Government Act 2002.

3. Memorandum of Understanding (MOU) between Six Iwi of Whakatū Marae (iwi) and Nelson City Council (NCC)

Document number 1482564, agenda pages 14-15 refer.

Mr Mullen explained that the current Memorandum of Understanding between Nelson City Council and the six iwi of Whakatū Marae was due for renewal. He added that, as a result of the completion of the Deeds of Settlement, it was appropriate to consider the relationship between Nelson City Council, Rangitāne and Ngāti Apa as well. He suggested that the current Memorandum of Understanding be extended for a further two years, in order to understand the impacts of settlement, and how best to formalise a relationship with other iwi. He also noted the importance of considering how the three Councils of Te Tau Ihu worked together on issues Māori, and how best to formalise the relationship between the three Councils and eight iwi of the region.

Attendance: Hemi Toia departed the hui at 12.25pm, and Richard Bradley joined the hui at 12.27pm.

Iwi representatives noted that, during the iwi anake part of the hui, the following resolution had been passed:

THAT all Councils in Te Tau Ihu must come together and form a framework for engagement with iwi that addresses how iwi will be involved in decision-making and co-governance, in which the base level is exactly the same across all councils, remembering that the rohe of some iwi covers several council areas.

There was general agreement with the spirit of this resolution. A suggestion was made that a similar resolution be passed by the hui, extending an invitation from Nelson City Council to Tasman District Council and Marlborough District Council to formalise a working relationship with the iwi of Te Tau Ihu. It was agreed to adjourn the hui for lunch, in order to consider the wording of a resolution to this effect.

Attendance: The hui adjourned for lunch at 12.46pm, and resumed at 1.20pm.

It was noted that future discussions should also consider the role of other iwi linked to Te Tau Ihu, such as Ngai Tahu.

Resolved

THAT the iwi of Te Tau Ihu request Nelson City Council to invite Tasman and Marlborough District Councils to come together to engage with iwi focusing on implementing Treaty settlements and providing opportunities for involvement in decision-making and co-governance; to enable a consistent approach across the three unitary

authorities, recognising that the rohe of some iwi covers several council areas;

AND THAT the Nelson City Mayor be requested to invite the Mayors of Tasman and Marlborough Districts to provide an opportunity to meet with iwi leaders to progress this before October 2013.

His Worship the Mayor/Thomas

Carried

4. Draft Work Plan for Kaihautū Position

Document number 1411217 v2, agenda pages 16-24 refer.

Mr Mullen explained that he had included a plan of work for the Kaihautū role, and asked iwi representatives for feedback.

In response to a question, it was clarified that the Kaihautū role was to act as a conduit between iwi and Council. It was noted that the work plan involved many Council staff, as well as Mr Mullen, and the importance of Council staff being familiar with the details of the Deeds of Settlement was also emphasised.

There was a discussion regarding iwi management plans, and Mr Hippolite noted that these were under review to ensure that they were consistent with Treaty Settlement legislation. He added that the Ministry for the Environment had useful resources regarding iwi management plans.

A suggestion was made that the Office of Treaty Settlement be invited to brief the Councils of Te Tau Ihu regarding the Settlements, to aid familiarity and understanding with the Settlements.

Attendance: Waihaere Mason retired from the chair, and His Worship the Mayor of Nelson, Aldo Miccio, assumed the chair at 1.37pm.

5. Joint Tasman-Nelson National Freshwater Policy Framework

5.1 Marlborough District Council

Pere Hawes of Marlborough District Council gave a Power Point presentation (1521073). He spoke about the development of the Iwi Working Group, which focused on a collaborative process with early iwi involvement in policy development. He noted that it was one of 12 focus groups involved in the review of Marlborough's resource management framework.

Mr Hawes explained the funding for iwi representation on the working group, and emphasised the benefits of knowledge sharing for all parties.

Mr Hippolite shared his experiences as a member of the Iwi Working Group, and explained it was a good framework for achieving goals within the current context.

5.2 Tasman District Council/Nelson City Council

Document number 1451244, agenda pages 25-31 refer.

Steve Markham of Tasman District Council, and Debra Bradley of Nelson City Council, gave a Power Point presentation (1491060) outlining Tasman District Council and Nelson City Council's approaches to freshwater management to date.

Mr Markham spoke about Tasman District Council's approach to freshwater management in light of the National Policy Statement for Freshwater Management 2011, and noted the various aspects that needed to be considered to ensure an adequate planning framework. He emphasised the need for a clear and consistent structure around freshwater management.

Ms Bradley spoke about the recommendations from the Land and Water Forum, and the planning, research and collaboration with iwi and the wider community that would need to feed into a freshwater management structure. She also noted the close link that freshwater management had with management of coastal areas and environmental monitoring.

There was a discussion regarding discharges into both freshwater and coastal waters, and a request was made for a GIS map containing all water discharges to be made available at the next Kotahitanga Hui. It was noted that such a map would provide a useful overview, but would only include consented discharges that Council was aware of, and would not be a complete picture of all discharges.

Discussion also considered cultural indicators regarding waterways, and how these would fit with a freshwater management system. The importance of acknowledging the integration of science and cultural knowledge was emphasised.

Mr Mullen noted that Council was very willing to engage with iwi on these issues, and that there was a willingness amongst the Councils of Te Tau Ihu to engage in a more collaborative way in the future.

Kaumatua Andy Joseph closed the hui with a karakia.

There being no further business the hui ended at 2.27pm.

Minutes of a meeting of the Remuneration Review Committee
Held in Ruma Ana, Civic House, Trafalgar Street, Nelson
On Monday 17 June 2013, commencing at 12.08pm

Present: His Worship the Mayor A Miccio, Councillors A Boswijk and G Collingwood

In Attendance: Chief Executive (C Hadley), Manager Human Resources (S Gully), and Administration Adviser (L Laird)

1. Apologies

There were no apologies.

2. Interests

No updates to the Interests Register were made, and no conflicts of interests with the agenda were declared.

3. Confirmation of Minutes – 22 February 2013

Document number 1461190, agenda pages 4-6 refer.

Resolved

THAT the minutes of a meeting of the Remuneration Review Committee, held on 22 February 2013, be confirmed as a true and correct record.

His Worship the Mayor/Boswijk

Carried

PUBLIC EXCLUDED BUSINESS

4. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts 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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Remuneration Review Committee Public Excluded minutes – 22 February 2013</p> <p>These minutes confirmed the minutes of 17 August 2012 and also contain information regarding the Chief Executive’s proposed performance agreement.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(i) To carry out negotiations
2	<p>Chief Executive’s Proposed Performance Agreement 2013/14</p> <p>This report contains information regarding the Chief Executive’s proposed performance agreement for 2013/14.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(i) To carry out negotiations

His Worship the Mayor/Collingwood

Carried

The meeting went into public excluded session at 12.09 and resumed in public session at 12.55pm.

5. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

His Worship the Mayor/Boswijk

Carried

There being no further business the meeting ended at 12.55pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Unconfirmed

Minutes of a meeting of the Nelson City Council Audit, Risk and Finance Committee

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Tuesday 18 June 2013, commencing at 11.50am

Present: Councillor I Barker (Chairperson), Councillors R Copeland (Deputy Chairperson), P Matheson, and Mr Graeme Thomas

In Attendance: Councillors J Rackley, P Rainey and K Fulton, Acting Executive Manager Community Services (R Ball), Chief Financial Officer (N Harrison), Executive Manager Regulatory (R Johnson), Executive Manager Support Services (H Kettlewell), Executive Manager Network Services (A Louverdis), Executive Manager Kaihautū/Community Relations (G Mullen), Executive Manager Strategy and Planning (M Schruer), Senior Accountant (T Hughes) and Administration Adviser (L Canton)

Apologies: His Worship the Mayor, and Councillor G Collingwood for lateness

1. Apologies

Resolved

THAT apologies be received and accepted from His Worship the Mayor, and from Councillor Collingwood for lateness.

Thomas/Matheson

Carried

2. Interests

There were no updates to the Interests Register and no conflicts of interest with items on the agenda were declared.

3. Confirmation of Minutes – 23 May 2013

Document number 1520245, agenda pages 4-8 refer.

Resolved

THAT the minutes of the meeting of the Audit, Risk and Finance Committee, held on 23 May 2013, be confirmed as a true and correct record.

Matheson/Copeland

Carried

4. Finance Report for the Period Ending 30 April 2013

Document number 1520421, agenda pages 9-29 refer.

The Chief Financial Officer, Nikki Harrison, presented the report. She commented that the under and over spends relating to the December 2011 rainfall event would be explained in a report to the Committee once outcomes of the insurance claims were known and once all projects were completed.

In response to questions, Ms Harrison provided further detail on the explanations for the other under and over spends noted in the report. She confirmed that, where possible, unspent funds would be carried forward to the next financial year to offset the rates increase.

Attendance: Councillor Collingwood joined the meeting at 12.01pm.

It was suggested that predicted changes to the Nelson demographic were likely to result in a greater call on the rates rebate scheme, and it was therefore an important scheme for Council to retain.

It was pointed out that the actual net operating surplus of \$1.5 million was a significant shift compared to the budget, and the Committee noted that this would result in a reduction in projected debt levels.

Ms Harrison tabled an update (1538469) to Attachment 3 of the report. She explained that the figures had been updated to ensure budget and actual amounts were reported consistently, with no staff time included, and confirmed that this did not change the overall results.

With regard to Council borrowings and swaps detailed in Attachment 7 to the report, Ms Harrison highlighted that Council had issued its first Local Government Funding Agency (LGFA) floating rate notes, resulting in a weighted average interest rate on borrowings of 4.25%. She added that this, together with an issue on in May 2013, also meant that Council was now compliant with the specific borrowing limits detailed in Attachment 8 to the report. It was noted that LGFA borrowing represented very low cost borrowing as well as a reduced reliance on bank debt.

Resolved

THAT the Finance Report for the Period Ending 30 April 2013 (1520421) be received and the variations noted.

Copeland/Collingwood

Carried

5. Interim Audit of Nelson City Council for the Year Ending 30 June 2013

Document number 1510525, agenda pages 30-34 refer.

The Committee noted the comment in the report item 2.7 'Internal controls' that the declaration of interests was the individual responsibility of councillors and it was suggested that the full Council should be reminded of this.

Resolved

THAT the Interim Audit of Nelson City Council for the Year Ending 30 June 2013 (1510525) be received.

Matheson/Collingwood

Carried

There being no further business the meeting ended at 12.35am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Sugary Carbonated Drinks

1. Purpose of Report

- 1.1 To consider options related to the sale of sugary carbonated drinks (fizzy drinks) in Council facilities and parks and Council-run events.

2. Recommendation

THAT the report Sugary Carbonated Drinks (1495197) and its attachment (1495057);

AND THAT Council develop a policy on the sale of sugary carbonated drinks from Council facilities and parks and Council events;

OR

AND THAT Council does not develop a policy on the sale of sugary carbonated drinks from Council facilities and parks and Council events.

3. Background

- 3.1 Dr Roby Beaglehole, who is a Senior Hospital Dentist at the Nelson Marlborough District Health Board, has asked the Council to consider restricting the distribution of sugary carbonated drinks at its venues and events. He said this would send a positive message about harm reduction, as these drinks are a major contributor to type 2 diabetes, obesity and tooth decay.

4. Discussion

Ministry of Health Information

- 4.1 Last year the Ministry of Health published 'Food and Nutrition Guidelines for Healthy Children and Young People (Aged 2-18 years): A background paper'. It provides evidence-based technical information and best practice recommendations on nutrition, and includes information about sugary carbonated drinks.
- 4.2 Attachment 1 to this report summarises some key points of the Ministry of Health document, including a table listing the sugar and energy content of a range of different drinks including fruit juice, energy drinks

and sports drinks. For example, a 355 ml can of fizzy drink contains 10 teaspoons of sugar and a 600 ml bottle of fizzy drink contains 17 teaspoons of sugar.

- 4.3 The Ministry of Health document states there is convincing evidence that sugary drinks are associated with increased body weight and increased risk of obesity and type 2 diabetes. Another concern about all sugary drinks is their contribution to tooth decay.

Sugary Carbonated Drink Sales from Council Facilities, Parks and Events

- 4.4 Sugary carbonated drinks are sold at a number of Council facilities and parks including: Trafalgar Park, Trafalgar Centre, Montgomery Square Superloo, Tahunanui Motor Camp, Brook Valley Holiday Park, Riverside Pool, and the Waahi Taakaro Golf Course.
- 4.5 Concessions have been granted to food vendors to sell food and drinks at sports fields including Tahunanui Reserve and Saxton Field (hockey, netball and softball) with no limits regarding sugary carbonated drinks.
- 4.6 Sugary carbonated drinks are also sold at a number of Council-run events including the Arts Festival, the Masked Parade and Opera in the Park. Licences to sell alcohol generally include a requirement to offer non-alcoholic drinks as well.
- 4.7 Sugary carbonated drinks are also sold from leased buildings such as the Nelson Yacht Club Restaurant and Melrose Café. In the past the Council has not imposed conditions on the use of leased Council buildings, provided rents are paid and health and safety conditions are met.

The Local Government Act 2002

- 4.8 Promotion of public health is primarily the role of the Ministry of Health. The Ministry's website states that it is "the Government's principal adviser on health and disability: improving, promoting and protecting the health of all New Zealanders."
- 4.9 This issue has been brought to the attention of Council because it relates to the operation of Council premises and events. Provision of public services, such as facilities and events, is within the purpose of Local Government Act.
- 4.10 Restricting the sale of sugary carbonated drinks is not directly related to the provision of public services. However, it could be considered to be relevant to the requirement to provide good quality local public services that are appropriate to present and anticipated future circumstances, such as increasing levels of obesity.
- 4.11 In terms of cost-effectiveness for businesses, any restrictions have potential to impact on the profits made by swimming pool, golf club and campground operators, as well as food vendors and event organisers.

Council Policies

- 4.12 Restricting the sale of sugary carbonated drinks is compatible with the Council's Social Wellbeing Policy (page 2), which states that the Council's social wellbeing role includes:
- Leading by example - looking at Council activities through a social wellbeing 'lens' to improve social wellbeing outcomes for the community;
 - Partnering, collaborating and facilitating – with central government, community organisations and other stakeholders to target initiatives effectively;
 - Advocacy – at regional and national levels.
- 4.13 The Social Wellbeing Policy was developed prior to the changes to the Local Government Act, and the removal of social wellbeing from the purpose. However, Council is still required to take the social interests of people and communities into account, in accordance with section 14, clause (h) of the Local Government Act 2002.

Options

- 4.14 Options for the sale of sugary carbonated drinks from Council facilities, parks and events include:
- Do nothing – do not change the current approach of leaving it to vendors to decide what drinks they sell.
 - Voluntary approach – provide the Ministry of Health information and ask vendors to consider not selling sugary carbonated drinks.
 - Limited scale approach – change contents of vending machines at Council facilities, make it a condition of concessions not to sell sugary carbonated drinks, and change the range of drinks provided at Council-run events.
 - Full scale approach – make it a condition of leases for all Council-owned facilities, for example Nelson Yacht Club Restaurant, Melrose Café, Tahunanui Beach Camp Store.

Analysis of options

Option	Advantages	Disadvantages
Do nothing	Recognises the limited role Council has in health promotion.	Ongoing sale of sugary carbonated drinks from Council facilities, parks and events.
Voluntary approach	Some vendors may change the types of drinks they sell.	Time involved in developing the policy and communicating it. Potential for limited uptake.

Option	Advantages	Disadvantages
Limited scale approach	Some reduction in the carbonated sugary drinks sold from Council facilities, parks and events.	Costs and time to make the changes. Potential financial impacts for vendors who benefit from drink sales. Potential for opposition from vendors.
Full scale approach	Greater reduction in outlets at which sugary carbonated drinks are sold.	The cost of making legal changes to lease agreements. Potential for opposition from lessees.

5. Implementation

- 5.1 As shown in the Table in Attachment 1, a range of beverages including fruit juice, flavoured milk, energy drinks and sports drinks all include sugar. For this reason, it may be difficult for Council to justify selling some of these drinks and not others.
- 5.2 If the Council decides to reduce the sale of sugary carbonated drinks, a Council-wide policy should be developed to ensure a consistent approach is taken to Council facilities, parks and events.
- 5.3 If a limited scale approach was taken, Council would need to progressively phase in this requirement for new concessions and operations that Council runs itself, as well as for vendors such as Mr Whippy, and for vending machines in facilities.
- 5.4 If a full scale approach is taken, changes to leases would need to be negotiated with the lessees for various facilities including the Nelson Yacht Club Restaurant, Melrose Café, and the Tahunanui Beach Camp Store.
- 5.5 A communication plan would need to be developed, to ensure all stakeholders are aware of the proposed policy and have opportunity for input. Development of a policy would be an opportunity to set criteria for the types of drinks which should be restricted, and to identify what healthier alternatives are available.

6. Conclusion

- 6.1 The Ministry of Health's Food and Nutrition Guidelines state there is convincing evidence that sugary drinks are associated with health risks. It is not a core Council role to reduce uptake of these drinks, but the Council does have the opportunity to influence sale of sugary carbonated drinks from its facilities, parks and events if it wishes to do so.

Debra Bradley
Planning Adviser

Attachments

Attachment 1: Extracts from: 'Food and Nutrition Guidelines for Healthy Children and Young People (Aged 2 – 18 years): A background paper' [1495057](#)

Supporting information follows.

Supporting Information

1. Fit with Purpose of Local Government

This issue is not directly related to the purpose of Local Government.

2. Fit with Community Outcomes and Council Priorities

Kind, Healthy People – we are part of a welcoming, safe, inclusive and healthy community.

Good Leadership – our leaders are proactive, innovative, and inclusive “... and act to improve the big issues facing our community”.

3. Fit with Strategic Documents

Consideration of this issue is relevant to the Social Wellbeing Policy. Health is specifically mentioned in the vision statement (page 2):

“The Council’s vision for this policy is that Nelson has a happy, healthy community where people have access to necessary services and facilities and feel connected to each other and to the city.”

4. Sustainability

Reducing the sale of sugary carbonated drinks has potential to contribute to the health of the local community.

5. Consistency with other Council policies

Not applicable.

6. Long Term Plan/Annual Plan reference and financial impact

Not applicable.

7. Decision-making significance

This is not a significant decision in terms of the Council’s Significance Policy.

8. Consultation

A communication plan will be developed if the Council decides to develop a policy related to the sale of sugary carbonated drinks from Council facilities, parks and events.

9. Inclusion of Māori in the decision making process

Maori have not been consulted in the preparation of this report, but the views of iwi/Maori could be sought if a policy is developed in future, and if this is identified as an issue of interest to Maori.

10. Delegation register reference

This is a decision of Council.

Information from the Ministry of Health publication: Food and Nutrition Guidelines for Healthy Children and Young People (Aged 2–18 years): A background paper Published online: 06 August 2012

Introduction (page 4)

Food and nutrition for children and young people

Establishing good nutrition and physical activity patterns in childhood contributes to good health throughout life. The values, habits and behaviours developed during this period often influence behaviours in adulthood. In addition there is emerging evidence that health during childhood and adolescence impacts on health during adulthood.

Part 5: Fluids (From pages 76 – 79)

Table 34: Average sugar and energy levels in fruit juice, flavoured milk, sugary drinks and sports drinks

Type of drink	Serve	Sugar Grams per 100 ml	Sugar Grams per serve	Tsp per serve (4g)	Energy (KJ) Per 100ml	Energy (KJ) Per serve
Fruit juice	Glass (250 ml)	10	25	6	180	400
Flavoured milk	Glass (250 ml)	10	25	6	313	783
Powdered fruit drink	Glass (250 ml)	8	20	5	140	350
Cordial	Glass (250 ml)	8	20	5	140	350
Fizzy drink	Can (355 ml)	11	39	10	180	640
	Bottle (600 ml)	11	66	17	180	1080
Energy drink	Can (250 ml)	10	25	6	190	480
	Bottle (600 ml)	10	60	15	190	1140
Sports drink	Bottle (750 ml)	8	60	15	140	1050
Flavoured waters	Bottle (700 ml)	3	21	5	50	350

Health impacts

There is now convincing evidence that sugary drinks are associated with increased body weight and increased risk of obesity and type 2 diabetes mellitus (Malik et al 2006; Vartanian et al 2007; Gibson 2008). Furthermore, experimental studies show that reducing intakes of sugary drinks improves these health outcomes (Vartanian et al 2007). The World Cancer Research Fund also concluded that there is convincing evidence that sugary drinks are associated with weight gain and obesity, both of which are risk factors for many cancers (World Cancer Research Fund and American Institute for Cancer Research 2007). The main reason sugary drinks contribute to weight gain is thought to be that they do not induce satiety to the same extent as solid food (Wolf et al 2007). As a result, people do not reduce their intake of solid food to compensate for the extra energy (kJ) consumed as sugary drinks, which can lead to weight gain (Bellisle and

Drewnowski 2007). Sugary drinks may also be consumed in higher volumes compared with water, because less fluid is absorbed from sugary drinks (Manz 2007).

Another concern about all types of sugary drinks is that they contribute to dental caries by providing a sugar substrate that is fermented by bacteria to produce acid, which in turn promotes tooth erosion. In addition, many sugary drinks are acidic, which causes tooth erosion independently of dental caries (for more information on both these issues, see section 13.2: Oral health). Many sugary drinks also contain artificial food colours (see section 13.6: Food additives) and some contain caffeine (see section 13.8: Caffeine). A kola-type drink contains around 33 mg caffeine per 355 ml can, compared with 55 mg of caffeine in 250 ml of instant coffee/tea.

Diet drinks

Diet drinks are not recommended for children and young people. However, in recognition that New Zealanders do drink fizzy/soft drinks, a diet fizzy/soft drink would be a better choice than a sugary fizzy/soft drink because it provides less energy (kJ) and does not contribute directly to dental caries. Note that diet drinks tend to be acidic, and can contribute to tooth erosion. If consumed, diet drinks should be consumed only occasionally, in small quantities, and with food rather than between meals.

Diet drinks are sweetened with intense sweeteners so provide little or no energy (kJ) (see section 13.7: Intense sweeteners). Theoretically the use of diet drinks should assist with weight control, but there is limited evidence to support this outcome. A small number of diet drinks contain the intense sweetener cyclamate. A dietary modelling study showed that children and young people who consume these drinks in high amounts were at risk of exceeding the acceptable daily intake (ADI) for cyclamate (FSANZ 2004). However, the maximum level of cyclamate permitted in drinks has been lowered since this study was undertaken, making it less likely for consumers to exceed the ADI (see section 13.7: Intense sweeteners).

Another concern about diet drinks is that they maintain a taste for sweetness, so consumers of diet drinks may find healthy foods that are less sweet unpalatable, which could reduce diet quality (Ludwig 2009). Many diet drinks also contain artificial food colours (see section 13.6: Food additives) and some contain caffeine (see section 13.8: Caffeine). A diet kola-type drink contains around 49 mg of caffeine per 350 ml glass, compared with 55 mg of caffeine in 250 ml of instant coffee/tea.