

Ordinary Meeting

Tuesday 7 August 2018

10.30am

Taranaki Regional Council, Stratford



Agenda for the Ordinary Meeting of the Taranaki Regional Council to be held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 7 August 2018 commencing at 10.30am.

Councillors	D N MacLeod	(Chairman)
	M J Cloke	
	M G Davey	
	M P Joyce	
	D L Lean	(Deputy Chairman)
	C L Littlewood	
	M J McDonald	
	D H McIntyre	
	B K Raine	
	N W Walker	
	C S Williamson	

Apologies

Notification of Late Items

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Ordinary Meeting - Agenda

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Agenda Memorandum

Date 7 August 2018

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



Subject: Confirmation of Minutes – 26 June 2018

Prepared by: M J Nield, Director-Corporate Services

Approved by: B G Chamberlain, Chief Executive

Document: 2094381

Resolve

That the Taranaki Regional Council:

1. takes as read and confirms the minutes and resolutions of the Ordinary Meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 26 June 2018 at 10.30am.

Matters arising

Appendices

Document #2075645 – Minutes Ordinary Meeting

**Minutes of the Ordinary Meeting of the
Taranaki Regional Council, held
Taranaki Regional Council Chambers, 47
Cloten Road, Stratford, on Tuesday 26
June 2018 at 10.30am.**



Present	Councillors	D N MacLeod	(Chairperson)	
		M J Cloke		
		M G Davey		
		M P Joyce		
		D L Lean	(Deputy Chairperson)	
		C L Littlewood		
		M J McDonald		
		D H McIntyre		
		B K Raine		
		N W Walker		
C S Williamson				
Attending	Messrs	B G Chamberlain	(Chief Executive)	
		A D McLay	(Director-Resource Management)	
		G K Bedford	(Director-Environment Quality)	
		S R Hall	(Director-Operations)	
		M J Nield	(Director-Corporate Services)	
		G C Severinsen	(Planning and Strategy Manager)	
		S Tamarapa	(Iwi Communications Officer)	
		P Ledingham	(Communications Officer)	
		Mrs	K van Gameren	(Committee Administrator)

Apologies There were no apologies.

**Notification of
Late Items** There were no late items of general business.

1. Confirmation of Minutes - 15 May 2018

Resolved

THAT the Taranaki Regional Council

1. takes as read and confirms the minutes and confidential minutes and resolutions of the Ordinary Meeting of the Taranaki Regional Council held in the Taranaki Regional Council, 47 Cloten Road, Stratford, on Tuesday 15 May 2018 at 10.30am.

Williamson/Cloke

Matters arising

There were no matters arising.

2. Consents and Regulatory Committee Minutes - 5 June 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 June 2018 at 9.30am
2. adopts the recommendations therein.

Joyce/McDonald

Matters arising

Mt Messenger Bypass Project

It was noted that the hearing to consider submissions on applications relating to the Mt Messenger Bypass has been rescheduled to Wednesday 1 August 2018.

Forestry

Mr A D McLay, Director-Resource Management, noted to the Committee that an officer report on the possible impacts of forestry slash in Taranaki would be reported to a subsequent meeting for further discussion.

3. Policy and Planning Committee Minutes - 5 June 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes and confidential minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 June 2018 at 10.30am
2. adopts the recommendations therein.

Walker/Raine

Update on submissions to the Proposed Coastal Plan for Taranaki

The matter raised by the Policy and Planning Committee in relation to Hearing Commissioners the Council has would be looked into, together with what other local authorities were doing to retain/appoint Commissioners, and be the subject of an officer report to a subsequent Council meeting for further consideration.

4. Regional Transport Committee Minutes - 13 June 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes and confidential minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 June 2018 at 10.30am
2. adopts the recommendations therein.

Mcdonald/Williamson

Matters arising

There were no matters arising.

5. Executive, Audit and Risk Committee Minutes - 18 June 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 18 June 2018 at 10.00am
2. adopts the recommendations therein.

Lean/Cloke

Matters arising

There were no matters arising.

6. Joint Committee Minutes

Resolved

THAT the Taranaki Regional Council

1. receives the unconfirmed minutes of the Taranaki Solid Waste Management Committee meeting held on Thursday 24 May 2018
2. receives the unconfirmed minutes of the Taranaki Civil Defence Emergency Management Group Joint Committee meeting held on Tuesday 19 June 2018.

Cloke/MacLeod

7. Setting of Rates: 2018/2019

- 7.1 Mr B G Chamberlain, Chief Executive, spoke to the memorandum to set the rates for the 2018/2019 financial year which are driven from the adopted 2018/2028 Long-Term Plan.
- 7.2 Mr M J Nield, Director-Corporate Services, noted to Members that Deloitte's have verbally advised the Council of their preparedness to issue an unqualified audit opinion on the final Long-Term Plan following formatting and minor editorial changes to be completed.

Resolved

That the Taranaki Regional Council:

1. sets the following rates pursuant to the *Local Government (Rating) Act 2002* on rating units in the Taranaki region for the financial year commencing 1 July 2018 and ending on 30 June 2019:

Capital Value General Rate

Pursuant to section 13 of the *Local Government (Rating) Act 2002* a general rate on the rateable equalised capital value (ECV) of all land within the region known as Taranaki region to collect the following amounts:

General rate	ECV	Percent	GST excl	GST	GST Incl
NPDC	\$20,927,358,182	60.18%	\$2,965,459	\$444,819	\$3,410,277
SDC	\$3,082,320,450	8.86%	\$436,590	\$65,488	\$502,078
STDC	\$10,766,181,593	30.96%	\$1,525,600	\$228,840	\$1,754,440
Total	\$34,775,860,225	100.00%	\$4,927,648	\$739,147	\$5,666,795

- a rate of 0.0175741 cents in the dollar of capital value on every rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region – GST inclusive
- a rate of 0.0172177 cents in the dollar of capital value on every rating unit in the Stratford constituency of the Taranaki region – GST inclusive
- a rate of 0.0170829 cents in the dollar of capital value on every rating unit in the South Taranaki constituency of the Taranaki region – GST inclusive.

Pursuant to section 131 of the *Local Government (Rating) Act 2002*, the Council has used a registered valuer to make an estimate of the projected valuation of all the rateable land in the districts of the constituent territorial authorities.

Uniform annual general charge

Pursuant to section 15(1)(b) of the *Local Government (Rating) Act 2002*, a uniform annual general charge (to produce \$3,480,756) of \$64.40 – GST inclusive for every separately used or inhabited part of a rating unit in the Taranaki region.

Separately used or inhabited part of a rating unit (SUIP): A SUIP is defined as a separately used or occupied part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right

to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

Separately used or inhabited for a residential rating unit includes a building or part of a building that contains, two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a small holding or farmland property rating unit includes a rural property/farm with multiple dwellings (e.g., a house is used by a farm worker) each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a commercial or industrial rating unit: means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes

An exception is made for motels/hotels as these are treated as one business even if each accommodation unit may be capable of separate habitation.

This definition of SUIP only applies to the uniform annual general charge as the Council does not set a fixed charge for any other rates.

River Control and Flood Protection Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a targeted rate of 0.003896 cents in the dollar – GST inclusive, for river control and flood protection works (to produce \$755,940) on the capital value on every rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region.

River Control and Flood Protection Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a targeted rate of 0.000609 cents in the dollar – GST inclusive, for river control and flood protection works (to produce \$62,522) on the capital value on every rating unit in the South Taranaki constituency of the Taranaki region.

Passenger Transport Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a targeted rate of 0.006737 cents in the dollar – GST inclusive, for passenger transport services (to produce \$1,307,404) on the capital value on every rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region.

Passenger Transport Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a targeted rate of 0.000957 cents in the dollar – GST inclusive, for passenger transport services (to produce \$27,907) on the capital value on every rating unit in the Stratford constituency of the Taranaki region.

Passenger Transport Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a targeted rate of 0.000521 cents in the dollar – GST inclusive, for passenger transport services (to

produce \$53,510) on the capital value on every rating unit in the South Taranaki constituency of the Taranaki region.

Yarrow Stadium Targeted Rate

Pursuant to section 16 of the *Local Government (Rating) Act 2002*, a differential targeted rate for Yarrow Stadium on the land value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The targeted rate (in cents in the dollar of land value) for 2018/2019 for each differential category is:

- Group 1 Commercial and Industrial to produce \$168,063 at a rate of 0.017442 cents in the dollar of land value – GST inclusive
- Group 2 Residential to produce \$154,822 at a rate of 0.002750 cents in the dollar of land value – GST inclusive
- Group 3 Small holdings to produce \$8,757 at a rate of 0.001626 cents in the dollar of land value – GST inclusive
- Group 4 Farmland to produce \$14,985 at a rate of 0.000519 cents in the dollar of land value – GST inclusive.

Differential Categories

The Council adopts the definition of its differential categories set out in the Funding Impact Statement contained in the *2018/2028 Long-Term Plan* as its rating categories for the year.

Due Dates

Pursuant to Section 24 of the *Local Government (Rating) Act 2002* the Council's rates will become due and payable by four equal instalments on the following dates:

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	1 August 2018	29 August 2018	29 August 2018
Instalment 2	1 November 2018	28 November 2018	28 November 2018
Instalment 3	1 February 2019	27 February 2019	27 February 2019
Instalment 4	1 May 2019	29 May 2019	29 May 2019

Penalties and Discounts

Pursuant to Section 57 and 58 of the *Local Government (Rating) Act 2002* the following penalties on unpaid rates will be applied.

A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2018 and which remains unpaid after the due date for that instalment.

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	29 August 2018	5 September 2018	29 August 2018
Instalment 2	28 November 2018	5 December 2018	28 November 2018
Instalment 3	27 February 2019	6 March 2019	27 February 2019
Instalment 4	29 May 2019	5 June 2019	29 May 2019

The Council will charge a penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years to 1 July 2018 and which remain unpaid on 2 July 2018 and a further additional penalty of 10 per cent on any rates that were assessed or levied in any previous financial years and which remain unpaid on 29 March 2019 (New Plymouth and North Taranaki constituencies).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 10 July 2018 or such later date as required under section 58(1) (b) (ii). A continuing additional penalty of 10% on so much of any rates levied before 1 July 2017 which remain unpaid six months after the previous penalty was added (Stratford constituency).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 2 July 2018 or such later date as required under section 58(1) (b) (ii). (South Taranaki constituency).

A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year. (South Taranaki constituency only). This will be 29 August 2018.

Payment Locations

The Council's rates and charges will become due and payable at the principal offices and service centres of the region's district councils. The rates and charges can also be paid at the principal office of the Taranaki Regional Council.

GST Inclusive

All rates set are inclusive of GST.

2. appoints the New Plymouth District Council, the Stratford District Council and the South Taranaki District Council, pursuant to section 53 of the *Local Government (Rating) Act 2002*, to collect the rates set by the Taranaki Regional Council.
3. delegates to the New Plymouth District Council, the Stratford District Council and the South Taranaki District Council the power to postpone and remit rates pursuant to the relevant adopted *Rates Remission and Postponement Policy*.
4. approves the keeping the rating information database in separate parts for the constituent districts of the region and delegates the function of maintaining the rating information database to the New Plymouth District Council, the Stratford District Council and the South Taranaki District Council, pursuant to section 27(7) of the *Local Government (Rating) Act 2002*.

5. delegates to the Chief Executive and the Director – Corporate Services the power to resolve administrative matters in relation to the collection of the Taranaki Regional Council's rates and the administration of the rating information database.

Lean/Joyce

8. Representation Review for the 2019 Local Authority Elections

- 8.1 Mr M J Nield, Director-Corporate Services, spoke to the memorandum to commence the Council's representation review for the 2019 local authority elections as per the requirements of the *Local Electoral Act 2001*.

Resolved

THAT the Taranaki Regional Council

1. receives the memorandum on the representation review for the 2019 local authority elections
2. agrees to retain four constituencies, being North Taranaki, New Plymouth, Stratford and South Taranaki to comply with Section 19 of the *Local Electoral Act 2001*
3. agrees to include the following meshblocks from the New Plymouth District City Ward into the New Plymouth Constituency resulting in an increase in population in the New Plymouth Constituency (2,200) and a decrease in population in the North Taranaki Constituency (2,200):
Meshblocks – 1555001, 1555302, 1555303, 1555304, 1555400, 1555500, 1555602, 1555606, 1555607, 1555702, 1555703, 1555800, 1555900, 1556001, 1556100, 1557001, 1557002, 1557100, 4007886, 4007887, 4008025, 4008026, 4008728, 4008729
4. agrees to retain the number of elected members at eleven (11), being:
two (2) elected members for the North Taranaki constituency
five (5) elected members for the New Plymouth constituency
one (1) elected member for the Stratford constituency
three (3) elected members for the South Taranaki constituency
5. notes the procedural steps and timeline for the representation review process
6. agrees to publicly notify the representation review proposal within fourteen (14) days to comply with the *Local Electoral Act 2001*, being no later than 10 July 2018
7. notes that this proposal does not fully comply with the *Local Electoral Act 2001* but that the proposal is considered the most appropriate solution for Taranaki
8. applies to the Local Government Commission for approval for the Stratford and South Taranaki constituencies to be retained as they do not comply with the $\pm 10\%$ rule and seek approval for the inclusion of part of the New Plymouth District City Ward into the New Plymouth Constituency and the changes in boundaries for the New Plymouth and North Taranaki Constituencies to comply with the $\pm 10\%$ rule.

Williamson/Cloke

9. Approval of the revised Regional Land Transport Plan for Taranaki 2015-2021

- 9.1 Mr M J Nield, Director-Corporate Services, spoke to the memorandum to adopt the revised Regional Land Transport Plan for Taranaki 2015/16 – 2020/21: Mid-term Review for the 2018/19-20/21 period prepared by the Regional Transport Committee.

Resolved

THAT the Taranaki Regional Council

1. receives and approves the revised *Regional Land Transport Plan for Taranaki 2015/16–2020/21: Mid-term Review for the 201/19-20/21 period* following its mid-term review.

Williamson/McDonald

10. Broadcasting Hearings and Permitting Remote Submitters to Present

- 10.1 Mr M J Nield, Director-Corporate Services, spoke to the memorandum allowing the Council to consider whether to live broadcast hearings (such as the recent Long-Term Plan hearing) across the internet and whether to allow submitters to present their hearing submissions via electronic means (eg Skype or Zoom) rather than in person.
- 10.2 Following discussion, it was agreed to allow submitters to present their submissions to regional policies or plans remotely at the discretion of the Council Chairperson or Committee Chairperson. Members expressed a preference that submitters who wish to be heard in support of their submission do so in person, but agreed that in some extenuating circumstances remote submissions can be received. This would be on a case by case basis and with the approval of the Council Chairperson or Committee or Joint Committee Chairperson.

Resolved

THAT the Taranaki Regional Council

1. agrees to either live broadcast or not live broadcast hearings on regional policies, plans and strategies
2. agrees to allow submitters to present their submissions remotely (via electronic means) at the discretion of the Council Chairperson or Committee or Joint Committee Chairperson, noting the Council's preference that submitters who wish to be heard in support of their submission do so in person.

MacLeod/Williamson

Councillor M J Cloke voted against Resolution 1

Councillor D N MacLeod left the Ordinary Meeting at 11.35am. Councillor D L Lean undertook the role of Chairperson for the duration of the Ordinary Meeting.

11. Submission to NZ Productivity Commission on Low-emissions economy

- 11.1 Mr B G Chamberlain, Chief Executive, spoke to the memorandum introducing a submission made to the New Zealand Productivity Commission on their draft report *Low-emissions economy* and to recommend its adoption by the Council.

Resolved

THAT the Taranaki Regional Council

1. receives the memorandum *Submission to NZ Productivity Commission on Low emissions economy*
2. adopts the submission.

Walker/McIntyre

12. Meeting Dates July-August 2018

- 12.1 The next round of Council and joint committee meetings were received and noted.

13. Public Excluded

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Ordinary Meeting on Tuesday 26 June 2018 for the following reason/s:

Item 14 – Confidential Executive, Audit and Risk Committee Minutes

THAT the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where such disclosure would be likely to prejudice the maintenance of the law, including the prevention, investigation and detection of offences, and the right to a fair trial.

THAT the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Item 15 – Taranaki Maunga

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Lean/Cloke

There being no further business, Deputy Chairman D L Lean, declared the open meeting of the Ordinary Meeting of the Taranaki Regional Council closed at 11.50am.

Confirmed

Chairperson: _____
D N MacLeod

Date: 7 August 2018

Agenda Memorandum

Date 7 August 2018

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Consents and Regulatory Committee
Minutes – 17 July 2018**

Prepared by: G K Bedford, Director-Environment Quality

Approved by: B G Chamberlain, Chief Executive

Document: 2094385

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 17 July 2018 at 9.35am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2087766 – Minutes Consents and Regulatory Committee Meeting

Minutes of the Consents and Regulatory Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Tuesday 17 July 2018 at 9.35am.



Members	Councillors	M P Joyce	(Committee Chairperson)
		M J Cloke	
		M G Davey	
		C L Littlewood	(via Zoom audio/visual)
		M J McDonald	(via Zoom audio/visual)
		B K Raine	
		D L Lean	(ex officio)
Representative Members	Mr	H Eriwata	(Iwi Representative)
	Mr	K Holswich	(Iwi Representative)
Attending	Messrs	G K Bedford	(Director-Environment Quality)
		A D McLay	(Director-Resource Management)
		S Tamarapa	(Iwi Communications Officer)
	Mrs	K van Gameren	(Committee Administrator)
	Mr	P Ledingham	(Communications Officer)
	Mrs	H Gerrard	(Science Manager)
	Mrs	V MacKay	(Science Manager)
	Mr	R Phipps	(Science Manager)
	Mr	J Glasgow	(Senior Investigating Officer)
	Mr	M Addison	(Investigating Officer Forestry)
Mr	M Ritai	(Iwi Representative)	

One Member of the media.

Opening Karakia Mr H Eriwata (Iwi Representative) gave the opening Karakia to the Consents and Regulatory Committee.

Apologies The apologies from Councillor D N MacLeod, Councillor N W Walker and Ms F Mulligan (Iwi Representative) were received and sustained.

Notification of Late Items There were no late items of business.

1. Confirmation of Minutes - 5 June 2018

Resolved

THAT the Consents and Regulatory Committee of the Taranaki Regional Council

1. takes as read and confirms the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 June 2018 at 9.30am
2. notes that the recommendations therein were adopted by the Taranaki Regional Council on 26 June 2018.

Cloke/Holswich

Matters Arising

There were no matters arising.

2. Resource consents issued under delegated authority and applications in progress

Committee Chairperson, M J Joyce, declared an interest in Item 2 (Resource consents issued under delegated authority and applications in progress), specifically in relation to matters pertaining to Oakura Farms Limited. Councillor Joyce took no part in the deliberations apart from facilitating the meeting as required as Committee Chairperson.

- 2.1 The Committee considered and discussed the memorandum advising of consents granted, consents under application and of consent processing actions since the last meeting of the Committee.
- 2.2 The number of replacement consents issued for the discharge of farm dairy effluent was noted to the Committee as indicative of landowners moving from treated dairy effluent into water to land discharge. The number of forestry consents is increasing as the level of forestry harvesting is increasing in the region and the NES-PF begins to apply.

Recommended

THAT the Taranaki Regional Council

1. receives the schedule of resource consents granted and other consent processing actions, made under delegated authority.

Joyce/Raine

3. Compliance monitoring annual reports

- 3.1 Mr R Phipps, Science Manager, spoke to the memorandum advising the Committee of three tailored compliance monitoring reports that have been prepared since the last meeting of the Committee.
- 3.2 In response to matters raised at previous Consents and Regulatory Committee meeting, the agenda report details stakeholder and iwi interests for each monitoring report.

Recommended

THAT the Taranaki Regional Council

1. receives the 18-06 STDC Wai-inu Beach Settlement Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein.
2. receives the 18-05 Todd Petroleum Limited Mangahewa-C Hydraulic Fracturing Monitoring Programme 2016-2017 and adopts the specific recommendations therein.
3. receives the 18-3 Greymouth Petroleum Limited Turangi-C Hydraulic Fracturing Monitoring Programme 2016-2017 and adopts the specific recommendations therein.

Raine/Lean

4. National Environmental Standards for Plantation Forestry in Taranaki

- 4.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum advising the Committee of the monitoring and enforcement work to be undertaken of forestry activities by the Council in relation to the National Environmental Standards for Plantation Forestry (NES-PF).
- 4.2 Mr M Addison, Investigating Officer Forestry, provided a presentation *NES-PF Taranaki Regional Council* to the Committee in support of the item to outline the Council's on-line notification of permitted activities and inspection regime for consented and permitted activities.

Recommended

THAT the Taranaki Regional Council:

1. receives the memorandum
2. notes the Council has employed a staff member to monitor the forestry industry and will recover the reasonable cost of this from the sector using the user pays provisions of the Long Term Plan
3. notes the Council will monitor and where necessary enforce the provisions of the National Environmental Standard for Production Forestry and the Resource Management Act using its Enforcement Policy(2017)

Consents and Regulatory Committee Meeting Tuesday 17 July 2018

4. notes, given the differences in catchment characteristics, forestry cover, harvesting methods and regulation, the issues with slash management experienced in Gisborne are unlikely to occur in Taranaki.

Holswich/Davey

5. Incident, Compliance Monitoring Non-compliances and Enforcement Summary - 18 May 2018 to 30 June 2018

Councillor C L Littlewood declared an interest in Item 5 (Incident, Compliance Monitoring Non-compliance and Enforcement Summary - 18 May 2018 to 30 June 2018), specifically in relation to matters pertaining to Port Taranaki Limited. Councillor Littlewood took no part in the deliberations apart from participating in discussions of a general nature.

- 5.1 The Committee received and noted the summary of the Council's Incidents, Compliance Monitoring Non-compliances and Enforcement for the period 18 May 2018 to 30 June 2018.
- 5.2 Mr Jared, Compliance Manager, provided an overview to the Committee on the reported incidents and answered questions concerning officer assessments of the incidents.
- 5.3 Mr Glasgow provided an update to the Committee on two Council prosecutions that were heard in the Environment Court recently. Mr and Mrs Vernon were fined \$45,000 and Block 8 Farms Limited fined \$54,000.
- 5.4 Councillor Littlewood requested an update on the recent discovery of plastic wrappers washing up on New Plymouth beaches. Council officers have met with the complainant and with the New Plymouth District Council regarding their responsibilities under the *Litter Act 1979*. Council investigations are continuing.

Recommended

THAT the Taranaki Regional Council

1. receives the memorandum
2. receives the summary of the Incidents, Compliance Monitoring Non-compliances and Enforcement for the period from 18 May 2018 to 30 June 2018, notes the action taken by staff acting under delegated authority and adopts the recommendations therein.

Lean/Cloke

6. Mana Whakahono a Rohe (Iwi relationship agreements) MFE guidance and update on relationship discussions

- 6.1 Mr S Tamarapa, Iwi Communications Officer, spoke to the memorandum introducing a recent report by the Ministry for the Environment (MFE) and Pou Taiao- Iwi leaders group on the development of Mana Whakahono a Rohe (iwi relationship agreements) under the Resource Management Act (RMA) and to update the Committee about work undertaken to date on developing such agreements.

Recommended

THAT the Taranaki Regional Council:

1. receives the memorandum on the Mana Whakahono a Rohe (Iwi relationships) Guide
2. notes the Guide and the MFE workshop provided some useful material to assist the Council and Iwi in the development of a successful relationship agreement
3. notes the Council along with the other councils, within the region and beyond, have begun informal discussions with Te Kaahui o Rauru representatives and also with Te Korowai o Ngāruahine Trust representatives on developing a Mana Whakahono a Rohe agreement
4. notes the discussions with the two iwi have been reasonably positive and constructive in terms of identifying issues that can be addressed and seeking possible solutions for these issues
5. notes the Taranaki iwi chairs forum is also engaging with the Mayoral Forum on possible pan council/iwi approaches.

Joyce/Lean

There being no further business, the Committee Chairperson Councillor M P Joyce, declared the Consents and Regulatory Committee meeting closed at 10.35am.

Confirmed

Chairperson _____

M P Joyce

Date

28 August 2018

Agenda Memorandum

Date 7 August 2018

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Policy and Planning Committee Minutes
– 17 July 2018**

Prepared by: A D McLay, Director-Resource Management

Approved by: B G Chamberlain, Chief Executive

Document: 2094386

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 17 July 2018 at 10.45am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2088054 – Minutes Policy and Planning Committee Meeting

Minutes of the Policy and Planning Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Tuesday 17 July 2018 at 10.45am.



Members	Councillors	M P Joyce		
		C L Littlewood	(via <i>Zoom</i> audio/visual)	
		B K Raine		
		C S Williamson	(Committee Meeting Chairperson)	
		D L Lean	(ex officio)	
Representative	Ms	E Bailey	(Iwi Representative) (via <i>Zoom</i> audio/visual)	
Members	Mr	J Hooker	(Iwi Representative)	
	Mr	P Muir	(Taranaki Federated Farmers)	
	Councillor	C Coxhead	(South Taranaki District Council)	
	Mr	M Ritai	(Iwi Representative)	
Attending	Messrs	A D McLay	(Director-Resource Management)	
		G K Bedford	(Director-Environment Quality)	
		C L Spurdle	(Planning Manager)	
		P Ledingham	(Communications Officer)	
		R Ritchie	(Communications Manager)	
		S Tamarapa	(Iwi Communications Officer)	
		M Addison	(Investigating Officer)	
		R Phipps	(Science Manager)	
		Mrs	V MacKay	(Science Manager)
		Mrs	H Gerrard	(Science Manager)
		Mrs	K van Gameren	(Committee Administrator)
		Mr	K Holswich	(Iwi Representative)
		Mr	H Eriwata	(Iwi Representative)
Mr	J Clough	(Wrightson Consulting)		

One Member of the media.

Apologies The apologies from Councillor D H McIntyre, Councillor D N MacLeod, Councillor N W Walker, Councillor Richard Jordan (New Plymouth District Council), Councillor P Nixon (South Taranaki District Council) and Councillor G Boyde (Stratford District Council) were received and sustained.

Notification of Late Items There were no late items of business.

Election of Chairperson

Mr A D McLay, Director-Resource Management, opened the Policy and Planning Committee meeting. Due to the absence of the Committee Chairperson and Committee Deputy Chairperson, in accordance with section 13.2 of the *Taranaki Regional Council Model Standing Orders*, the Committee was required to elect a Member (who is present) to act as Chairperson for the meeting.

Councillor C S Williamson was elected Committee Chairperson for the duration of the meeting.

1. Confirmation of Minutes - 5 June 2018

Resolved

THAT the Policy and Planning Committee of the Taranaki Regional Council

1. takes as read and confirms the minutes and confidential minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 June 2018 at 10.30am
2. notes that the recommendations therein were adopted by the Taranaki Regional Council on 26 June 2018.

Raine/Lean

Matters Arising

There were no matters arising.

2. Proposed Coastal Plan for Taranaki: Summary of decisions requested

- 2.1 Mr C L Spurdle, Planning Manager, spoke to the memorandum presenting the Committee with the summary of decisions sought for the *Proposed Coastal Plan for Taranaki* and the process from here.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum on the summary of submissions to the *Proposed Coastal Plan for Taranaki*
2. notes that 61 submissions have been received on the Proposed Plan
3. agrees that the *Proposed Coastal Plan for Taranaki - Summary of Decisions Requested* document be publicly notified
4. agrees that the Council invite further submissions in support or opposition to submissions made on the Proposed Plan.

Raine/Muir

3. Review of minimum flows and water allocation in Taranaki – consultant report

- 3.1 Mr R Phipps, Science Manager, spoke to the memorandum introducing a report produced by Mr Ian Jowett entitled *Review of Minimum flows and water allocation in Taranaki* prepared to support community discussion and consideration of minimum flow and allocation limits for Taranaki rivers within the regional *Freshwater and Land Management Plan*.
- 3.2 Mr Phipps provided a presentation *Review of Minimum Flows and Water Allocation in Taranaki (Jowett Consulting Limited)* to the Committee in support of the item that will help inform the Council's *Regional Freshwater and Land Management Plan*.
- 3.3 Mr M Ritai, Iwi Representative, noted that the Jowett Report did not directly reference Mātauranga Māori or any assessment of cultural values. While it was noted that iwi will be provided the opportunity to have a workshop session with Dr Jowett to share expertise as part of the process to engage and consult with iwi/hapu, Mr Ritai noted that a discussion on Mātauranga Māori should have occurred first.

Recommended

That the Taranaki Regional Council:

1. receives the report *Review of minimum flows and water allocation in Taranaki*
2. notes that the report will inform technical discussions and the wider consultation of water allocation policy options to be incorporated in a proposed *Freshwater and Land Management Plan*
3. notes the Council intends to circulate the report and a factsheet and convene a series of workshops with key water stakeholders, including major water users, iwi, Department of Conservation and Fish and Game Council to further discuss and potentially resolve issues with water allocation policy in the region.

Ritai/Raine

4. Regional freshwater ecological quality: 2016-2017 results from state of the environment monitoring

- 4.1 Mr G K Bedford, Director-Environmental Quality, spoke to the memorandum updating the Committee on the latest annual results of the Council's state of environment monitoring programme for fresh water ecological health (macroinvertebrate monitoring).
- 4.2 Mr Bedford provided a presentation *Ecological measures of stream health and freshwater quality 1995-2017* to the Committee in support of the item to outline the state of and both long-term and recent trends in freshwater quality as assessed by ecological measures (macroinvertebrate index) in the Council's programme determining the state of the region's surface fresh water environment.

Recommended

That the Taranaki Regional Council:

1. receives this memorandum noting the preparation of a report into the state of and trends in regional in-stream macroinvertebrate community health data for Taranaki, for 2016-2017 and over the period 1995-2017
2. notes the findings of the SEM programme
3. adopts the specific recommendations therein.

Williamson/Joyce

5. SEM Periphyton Monitoring Programme Report for 2016-2018

- 5.1 Mr G K Bedford, Director-Environment Quality, spoke to the memorandum presenting the Committee with the latest report on the ecological health and state of streams and rivers in the Taranaki region as measured by assessing periphyton during the 2016-2018 years.
- 5.2 Mr Bedford provided a presentation *Ecological measures of stream health and freshwater quality 1995-2017* to the Committee in support of the item to outline the state of and both long-term and recent trends in freshwater quality as assessed by ecological measures (Periphyton measures) in the Council's programme determining the state of the region's surface fresh water environment.

Recommended

That the Taranaki Regional Council:

1. receives this memorandum on the results of the Council's SEM programme monitoring periphyton, and the accompanying report *Freshwater Periphyton Monitoring Programme (Periphyton monitoring in relation to amenity values) State of Environment Monitoring Report 2016-2018 Technical Report 2018-7*
2. adopts the specific report recommendations contained therein.

Williamson/Joyce

Councillor C L Littlewood and Mr K Holswich (Iwi Representative) left the Policy and Planning Committee meeting at 12.15pm.

6. National Environmental Standards for Plantation Forestry in Taranaki

- 6.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum advising the Committee of the monitoring and enforcement work to be undertaken of forestry activities by the Council in relation to the National Environmental Standards for Plantation Forestry (NES-PF).

- 6.2 Mr M Addison, Investigating Officer Forestry, provided a presentation *NES-PF Taranaki Regional Council* to the Committee in support of the item to outline the Council's on-line notification of permitted activities and inspection regime for consented and permitted activities.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum
2. notes the Council has employed a staff member to monitor the forestry industry and will recover the reasonable cost of this from the sector using the user pays provisions of the Long Term Plan
3. notes the Council will monitor and where necessary enforce the provisions of the National Environmental Standard for Production Forestry and the Resource Management Act using its Enforcement Policy(2017)
4. notes, given the differences in catchment characteristics, forestry cover, harvesting methods and regulation, the issues with slash management experienced in Gisborne are unlikely to occur in Taranaki.

Raine/Joyce

7. Submission on Zero Carbon Bill

- 7.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum introducing a draft submission on the Zero Carbon Bill. Submissions close on 19 July 2018.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum *Submission on Zero Carbon Bill*
2. adopts the submission.

Williamson/Lean

8. Mana Whakahono a Rohe (Iwi relationship agreements) MFE guidance and update on relationship discussions

- 8.1 Mr S Tamarapa, Iwi Communications Officer, spoke to the memorandum introducing a recent report by the Ministry for the Environment (MFE) and Pou Taiao- Iwi leaders group on the development of Mana Whakahono a Rohe (iwi relationship agreements) under the Resource Management Act (RMA) and to update the Committee about work undertaken to date on developing such agreements.

Recommended

THAT the Taranaki Regional Council:

1. receives the memorandum on the Mana Whakahono a Rohe (Iwi relationships) Guide
2. notes the Guide and the MFE workshop provided some useful material to assist the Council and Iwi in the development of a successful relationship agreement
3. notes the Council along with the other councils, within the region and beyond, have begun informal discussions with Te Kaahui o Rauru representatives and also with Te Korowai o Ngāruahine Trust representatives on developing a Mana Whakahono a Rohe agreement
4. notes the discussions with the two iwi have been reasonably positive and constructive in terms of identifying issues that can be addressed and seeking possible solutions for these issues
5. notes the Taranaki iwi chairs forum is also engaging with the Mayoral Forum on possible pan council/iwi approaches.

Ritai/Hooker

9. Key Native Ecosystems programme mid-year update 2018

- 9.1 Mr C L Spurdle, Planning Manager, spoke to the memorandum presenting to the Committee an update on the identification of thirteen new Key Native Ecosystem (KNE) sites.

Recommended

That the Taranaki Regional Council:

1. receives this memorandum and the attached inventory sheets for Chris Jury Forest & Wetlands; Pirinoa; Hall's Bush; Lowe East Block; Lowe North Block; Sextus Family Reserve; Swanepoel KNE; Donald QEII; The Totaras; Todd Energy - Tikorangi Road East Farm; Peter and Margaret Atkinson; David and Raewyn Lusk and Paritutu / Centennial Park.
2. notes that the aforementioned sites have indigenous biodiversity values of regional significance and should be identified as Key Native Ecosystems.

Raine/Muir

Closing Karakia Mr M Ritai (Iwi Representative) gave the closing Karakia to the Policy and Planning Committee and Karakia for kai (lunch).

There being no further business, the Committee Chairperson Councillor C S Williamson, declared the open meeting of the Policy and Planning Committee meeting closed at 12.55pm.

Confirmed

Chairperson

N W Walker

Date

28 August 2018

Agenda Memorandum

Date 7 August 2018

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Executive, Audit and Risk Committee
Minutes – 30 July 2018**

Prepared by: M J Nield, Director-Corporate Services

Approved by: B G Chamberlain, Chief Executive

Document: 2098364

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 30 July 2018 at 10.00am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2095740 – Minutes Executive, Audit and Risk Committee

Minutes of the Executive, Audit and Risk Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Monday 30 July 2018 at 10.00am.



Members	Councillors	M J Cloke M P Joyce D N MacLeod N W Walker	(Committee Meeting Chairperson)
Attending	Messrs	B G Chamberlain	(Chief Executive)
	Mrs	R Johnson	(Financial Services Manager)
	Mr	C B Clarke	(Transport Services Manager)
	Mrs	K van Gameren	(Committee Administrator)
	Mr	P Ledingham	(Communications Officer)
Apologies		The apologies from Councillor D L Lean and Councillor C S Williamson were received and sustained.	

Notification of Late Items There were no late items of business.

Election of Chairperson Mr B G Chamberlain, Chief Executive, opened the Executive, Audit and Risk Committee meeting. Due to the absence of the Committee Chairperson, in accordance with section 13.2 of the *Taranaki Regional Council Model Standing Orders*, the Committee was required to elect a Member (who is present) to act as Chairperson for the meeting.

Councillor D N MacLeod was elected Committee Chairperson for the duration of the meeting.

1. Confirmation of Minutes - 18 June 2018

Resolved

THAT the Executive, Audit and Risk Committee of the Taranaki Regional Council:

1. takes as read and confirms the minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 18 June 2018 at 10.00am
2. notes the recommendations therein were adopted by the Taranaki Regional Council on 26 June 2018.

Cloke/Walker

Matters arising

There were no matters arising.

2. Financial and Operational Report

- 2.1 The memorandum to receive information on the operational and financial performance of the Council was noted and discussed by the Committee. Financially, the Council is generally in-line with the estimates established in the *2017/2018 Annual Plan*.
- 2.2 Mr C B Clarke, Transport Services Manager, updated the Committee on the regional integrated ticketing project following Factory Acceptance Testing carried out on 25-30 June 2018.

Recommended

THAT the Taranaki Regional Council

1. receives the memorandum and the May 2018 Monthly Financial Report
2. notes the Common Seal has been affixed to the following document:
2018/05: Consent to grant a security interest – Bulk Storage Terminals Limited
3. notes the Regional Integrated Ticketing System update
4. notes the digital media report
5. notes the health and safety report.

Walker/Joyce

3. 2017/2018 Annual Report Audit Engagement Letter

- 3.1 The memorandum to receive and consider the Audit Engagement Letter (Deloitte) related to the audit of the Council's *2017/2018 Annual Report* was noted and discussed.

Recommended

THAT the Taranaki Regional Council

1. receives the Audit Engagement Letter in relation to the preparation, audit and adoption of the Council's *2017/2018 Annual Report*
2. notes the content of the Audit Engagement Letter.

Joyce/MacLeod

4. Port Taranaki Limited: Draft Statement of Corporate Intent – 1 July 2018 to 30 June 2021

Councillor D N MacLeod declared an interest in Item 4 (Port Taranaki Limited: Draft Statement of Corporate Intent – 1 July 2018 to 30 June 2021) and took no part in the discussion or deliberations. Councillor N W Walker facilitated discussion on this item.

- 4.1 Mr B G Chamberlain, Chief Executive, spoke to the memorandum to receive and comment on Port Taranaki Limited's draft Statement of Corporate Intent (SCI) for the period 1 July 2018 to 30 June 2021.

Recommended

THAT the Taranaki Regional Council

1. receives Port Taranaki Ltd's draft Statement of Corporate Intent for the period 1 July 2018 to 30 June 2021

Cloke/Joyce

5. Passenger transport operational update for the quarter ending 30 June 2018

- 5.1 Mr C B Clarke, Transport Services Manager, spoke to the memorandum providing the Committee with an operational report of the Council's public transport services for the fourth quarter and financial year ending 30 June 2018.

Recommended

THAT the Taranaki Regional Council

1. receives and notes the operational report of the public transport services for the fourth quarter and financial year ending 30 June 2016.

Joyce/Walker

6. Public Excluded

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Executive, Audit and Risk Committee meeting held on Monday 30 July 2018 for the following reason/s:

Item 7 - Confirmation of Confidential Minutes

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where such disclosure would be likely to prejudice the maintenance of the law, including the prevention, investigation and detection of offences, and the right to a fair trial.

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Item 8 - 2017/2018 Annual Report Audit Report

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Item 9 - Consideration of the 2017/2018 Annual Report

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Joyce/Cloke

There being no further business, the Committee Chairperson, Councillor D N MacLeod, declared the open meeting of the Executive, Audit and Risk Committee closed at 10.20am.

Confirmed

Committee Chairperson: _____
D L Lean

Date: **10 September 2018**

Agenda Memorandum

Date 7 August 2018



**Memorandum to
Chairperson and Members
Taranaki Regional Council**

**Subject: Remuneration Authority Information
Paper: Determining the Remuneration of
Local Government Elected Members –
Oversight of Issues; and Local
Government Members (2018/19)(Local
Authorities) Determination 2018**

Approved by: M J Nield, Director-Corporate Services
B G Chamberlain, Chief Executive

Document: 2098056

Purpose

The purpose of this memorandum is to receive and note the:

- Remuneration Authority Information Paper: *Determining the Remuneration of Local Government Elected Members – Oversight of Issues*
- *Local Government Members (2018/19)(Local Authorities) Determination 2018*

Recommendations

That the Taranaki Regional Council:

1. receives the memorandum *Remuneration Authority Information Paper (30 June 2018): Determining the Remuneration of Local Government Elected members – Oversight of Issues; and Local Government Members (2018/19)(Local Authorities) Determination 2018*
2. notes the remuneration of members from 1 July 2018 as prescribed in the *Local Government Members (2018/19)(Local Authorities) Determination 2018*
3. notes the changes to the remuneration of members that will be phased in over the next three determinations – 2018/19, 2019 and 2019/20.

Background

The Remuneration Authority (the Authority) sets remuneration for local government elected members, including allowances and expenses.

The Taranaki Regional Council (the Council) is required to pay its Members remuneration prescribed the current gazetted Local Government Members Determination.

Since 2011, the Authority has undertaken a review (in stages) of remuneration for local government elected members. In November 2017, the Council responded to the Authority's *Review of Local Government Elected Members Remuneration Part 3*. Following consultation with the local government sector, the issuing of the Authority's Information Paper (30 June 2018) *Determining the Remuneration of Local Government Elected members – Oversight of Issues* outlines a new approach to sizing councils and the construction of a local government pay scale and the Authority's steps over the next two determinations to align remuneration with the new model.

Local Government Members (2018/19)(Local Authorities) Determination 2018

The Council is required to pay its Members remuneration prescribed in the current gazetted Local Government Members Determination. The *Local Government Members (2018/19) (Local Authorities) Determination 2018* (the Determination) came into force on 1 July 2018.

Remuneration for elected members is prescribed in the Remuneration Schedule Part 1 (Remuneration of members of regional councils) of the Determination as follows:

Chairperson	\$97,425*
Deputy Chairperson/Executive, Audit & Risk Chairperson	\$58,325
Chairperson Policy and Planning/Taranaki Solid Waste	\$54,436
Chairperson Consents and Regulatory	\$50,548
Chairperson Regional Transport, or Civil Defence Emergency Management, or Yarrow Stadium Joint Committee	\$46,660
Councillor and appointee Taranaki Biodiversity Trust	\$44,715
Councillor	\$38,883

* includes deduction of chairperson car – full private use

The Determination also prescribes allowances that can be paid to members. The Council updated its *Policy on Elected Members' Allowances and Recovery of Expenses* in December 2017 following amendments to the 2017/18 Determination due to the Authority's consultation and review of the remuneration framework that had been undertaken at that time. There are no changes to allowances prescribed in the 2018/19 Determination.

Just as the 2018/19 Determination was submitted to be gazetted, the IRD announced that it has changed its kilometre (mileage) rate. The Determination was unable to be changed to match the new rates. This will be updated in a new Determination in due course.

Remuneration Authority – changes to remuneration model

Under the system used for the past several years by the Authority for local government members, the Authority set the base councillor rate for each council with councils able to make submissions on additional remuneration for those members undertaking additional duties. The Authority has now reviewed and consulted with local authorities on changes to the remuneration framework and has made decisions on a new approach.

The Authority's size index has been revised to include extra sizing factors relevant to the responsibilities of the local authority. The revised and updated council size index has resulted in changes to where councils are placed on the Authority's index. The Council is ranked 10 out of 11 regional authorities. Members of the Council do not receive an increase in remuneration in 2018/19 as they are currently paid more than they would be according to our ranking on the new regional council size index.

The Authority has also created a local government pay scale using parliamentary remuneration as a comparator.

These changes are reflected in the 2018/19 Determination in varying levels of remuneration increase between councils as the Authority adjusts councils on the pay scale. They will be applied in three tranches – firstly in the 2018/19 Determination, the second in next year’s Determination and the third after the 2019 local government elections.

Following the 2019 local government elections, each council will have allocated a remuneration pool reflecting its rank on the Authority’s size index. The whole pool must be utilised. Each council will make recommendations on appropriate remuneration for a base councillor salary and for positions of responsibility. This applies for all councillors, but not the chairperson of a regional council. That remuneration will continue to be determined by the Authority.

By early 2019, councils will be advised of their governance pool they will be allocated following the 2019 local government elections and will be asked by the Authority to provide a formal response outlining how the pool will be allocated to individual roles in their council following the elections.

Limits have been imposed by the Authority on the purchase price for motor vehicles for mayors and regional chairpersons. The new purchase prices apply to all new or replacement vehicles on or from 1 July 2018. The Council will be required to publish in its annual financial statements the details of the vehicle provided to the Chairperson.

For the Determination to be implemented on 1 July 2019, the following will occur:

- Part one (applying until the new council assumes office following the elections)
- Part Two (introducing the governance pool following the 2019 elections) will apply the whole governance pool for each council. This requirement will be communicated formally to councils during 2018
- New councils elected in 2019 will have the opportunity to amend proposals submitted to the Authority by the outgoing councils (within three months following the election).

One other change which is not referred to in the actual Determination is that the Authority no longer requires councils to send their expenses policies for checking. The Authority believes that councils should make their decisions and check they are complying with the provisions of the Determination without consulting the Authority.

Decision-making considerations

Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

This memorandum and the associated recommendations are consistent with the Council’s adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document 2087514: Remuneration Authority Information Paper Paper (30 June 2018)
Determining the Remuneration of Local Government Elected members – Oversight of Issues
Document 2097296: Local Government Members (2018/19)(Local Authorities) Determination
2018



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Information Paper

Determining the Remuneration of Local Government Elected Members – Oversight of Issues

30 June 2018

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Introduction

1. This paper describes the changes that the Remuneration Authority is making to its approach to setting remuneration for local government elected members. The paper does not cover in detail allowances or expense reimbursements, which were addressed by the Authority in the 2017 Local Government determination and which will be further addressed again when the current work programme on remuneration is completed. The significant changes will be introduced following the 2019 local government elections, with some adjustments prior to that in the 2018/19 determination and the 2019/20 determination.
2. The Authority would like to thank all the councils and individuals who assisted in this process. We appreciated the interest of the sector and the ideas that were put forward. While not all have been able to be picked up and implemented by us, the range of suggestions and the conversations we had with many of you certainly gave us a deeper and more nuanced understanding of the issues facing local government.

Background to this Review

3. The Local Government Act 2002 gave the Remuneration Authority the responsibility for setting remuneration for local government elected members. To prepare for its first determination under this regime (dated 24th June 2003), the Authority undertook a review of roles and responsibilities of members, issued a discussion paper and received submissions. It then *“established appropriate models to assist in determining the cost and representation for each local and regional authority.”*¹ The model used four criteria – population, operational expenditure, assets controlled and rate of population change. The June 2003 Determination said that *“the application of these models resulted in an indicative pool of money notionally attributable to each local and regional authority. These indicative pools were used in general by the Authority in ultimately determining the major portion of remuneration for each member”*. Some meeting fees were still in place at that time. To assist the Authority to *“recognise the diversity of local government”*, councils were given the opportunity of recommending a suggested remuneration appropriate for the responsibilities of each position within the council and its community boards. This process remained in place for successive years till 2012.
4. In 2010 the Authority conducted a review of remuneration of mayors and regional chairs, observing that the time commitment and responsibilities of these roles had grown disproportionately to those of other elected members, particularly since the 2002 Act came into force. Between 2008 and 2011 the negative impact of the Global Financial Crisis on the New Zealand economy was recognised by the Authority in depressing increases in local government remuneration. In the 2011 Determination the factors used by the Authority to

¹ Remuneration Authority Local Government Determination 2003

help assess size were changed to population, expenses and assets. In late 2011 the Authority issued a discussion document ² outlining possible approaches and issues. This was followed in November 2012 by a further document ³ which presented the system that the Authority was proposing to institute from the 2013 local government election.

5. For a variety of reasons, in the years 2014 to 2016 the Authority did not completely implement the proposed process. However, significant elements are now in place. The key relevant elements of the 2013 proposal, since implemented, were:
 - a) Moving away from the traditional salary/meeting fee mix for local government remuneration.
 - b) Removing the pool system that allowed councils to recommend allocation of the pool.
 - c) Setting a base councillor rate for each council, with councils able to make submissions on additional remuneration for councillors undertaking additional responsibilities, paid out of a limited pool.
 - d) Basing the remuneration for councillors/mayors/chairs on:
 - the relative place of the council in the size index (derived from population and council expenditure).
 - the job size of the positions as assessed for sample councils;
 - the proportion of full time work as demonstrated by survey results;
 - the Authority's pay scale.
 - e) Basing remuneration for community board members on population.

6. In 2015 the Authority commissioned some work on local government role sizing from the Hay Group and in 2017 it conducted a survey of retiring local government members in an attempt to gain more understanding of work load. In 2017 the Authority issued a Consultation Document⁴, looking at both short term and longer-term measures. The Authority noted that it had decided to maintain several key approaches:
 - a) Maintaining a "total remuneration" approach rather than meeting fees.
 - b) Using a size index to determine relativity between various councils.
 - c) Adopting a "pay scale" for local government that is fair and seen to be fair.
 - d) Reviewing the components of the council size index every three years and applying appropriate factors to territorial authorities and regional authorities.
 - e) Recognising that unitary councils have dual responsibilities and sizing them accordingly.

7. Following input from the local government sector, the Authority issued the 2017 Determination, which updated key areas relating to expense reimbursements and allowances. In particular, we acknowledged the demands on councillors who are members

² Remuneration Authority *Review of Local Authorities Setting – Discussion Document (September 2011)*

³ Remuneration Authority *Remuneration Setting Proposals for Local Authorities – 2013 and Beyond (November 2012)*

⁴ Remuneration Authority *Consultation Document (2017)*

of plan hearing panels, an activity which requires a significant amount of time. Our more recent focus has been on remuneration, which is the subject of this paper.

8. In 2017 we were assisted in our initial thinking by a group of senior local government elected members (the Local Government Leadership Group) and we also presented to and had question and answer sessions at the Local Government New Zealand (LGNZ) Zone meetings, except for Zones 1 and 4 which did not respond to our request for meetings. We then conducted three webinars to give individual councillors the opportunity to hear us first hand and have their questions answered, as well as providing feedback on any issues. In 2018 we met with the sector groups of LGNZ and through a survey sought information from all councillors in New Zealand, as well as members of Auckland Local Boards, to give us a snapshot overview of workload. We also had discussions with some of the democratic services staff of some councils.
9. In summary, during this exercise over the past two years the Authority has:
 - Issued a consultation document to local government and received responses from 66 councils/boards, 14 individual elected members, as well as other organisations associated with the local government sector, including LGNZ and the Society of Local Government Managers (SoLGM)
 - Gained initial input from a representative group of local government elected members (the Local Government Leadership Group)
 - Surveyed outgoing councillors
 - Requested information from all current councillors in New Zealand and members of Auckland Local Boards
 - Met with LGNZ zones 2, 3, 5, and 6
 - Met with sector groups of LGNZ
 - Conducted three webinars for individual councillors
 - Consulted periodically with LGNZ
 - Briefed the Local Government Commission
 - Briefed the Minister of Local Government
 - Briefed the Department of Internal Affairs
 - Met with the democratic services staff of some councils
 - Received assistance from a range of professionals including academics, statisticians and remuneration specialists
 - Researched approaches to local government remuneration in similar jurisdictions (Australia and the UK)

The Role of Local Government

10. In our 2017 discussion paper on this subject, we quoted from a document⁵ issued by LGNZ in 1997. It contained a thoughtful summary of the role of local government and we reproduce the excerpt here again as a summary of the role of this critical sector.

11. The document said:

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

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

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

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

12. In our view, this characterisation of local government has not changed since it was written more than two decades ago. What has changed is the scope and breadth of local government responsibilities and how elected members are held to account. This has particularly been the case since the changes introduced in the Local Government Act 2002, which saw local government through a much less prescriptive lens than had been the case in previous policy and legislation. Since then there has been an increasing degree of responsibility moved from central to local government.

⁵ *Options for Setting Elected Members’ Remuneration – A Discussion Document for Local Government and Stakeholders* prepared by the Local Government New Zealand Elected Members’ Remuneration Working Party (1997)

13. Major changes in the responsibilities of local government between 2006 and 2012 were summarised in a more recent LGNZ paper ⁶ which discussed what is often referred to amongst councils as “unfunded mandates” passed over from central government. The focus of the paper was cost, which is not per se the major focus of the Remuneration Authority. However, with additional responsibilities come not only extra cost, but also extra work and, in most cases, the requirement for substantially more specialist knowledge and understanding of legal frameworks. It was clear from reading the paper that there was significant additional responsibility and work involved in delivering the extra functions delegated to councils through legislation or regulation during the period it covered.
14. In the six years since then, a wide range of further responsibilities has been added, including statutory requirements around urban development, water quality and Treaty settlement co-governance arrangements. These have impacted on virtually all councils, though in different ways depending on local variables.
15. This trend of devolving work to councils was also noted by the Productivity Commission in its 2013 report ⁷, which said:

“There has been a steady stream of new statutes over the last decade, affecting local government regulatory activities to varying degrees.

Councils making decisions with environmental implications increasingly need access to:

- *Technical information and skills in interpreting technical information;*
- *Methods of modelling uncertain scenarios; and*
- *Skills in engaging with communities and stakeholders on technical issues.”*

16. The Commission went on to say that there is often limited analysis of local government capability or capacity to implement regulations prior to the allocation of additional regulatory functions (or changes to existing functions). Earlier in its report, the Commission quoted both the stakeholder groups of local government and councils themselves on the issue of capability, noting that *“councils – particularly smaller councils operating in rural areas – recognise that they face capability challenges”*.⁸ The Remuneration Authority took into account these observations in its deliberations. Those capability challenges may be able to be resolved by larger councils, which can afford the specialist staff required - though even in these cases, final decisions are routinely made by councillors. Being the representatives of the community in governance roles, elected members need to be skilled in interpreting and making decisions on complex (often technical or scientific) issues for which they experience the immediacy of local accountability. If a council is small and does not have the financial ability to attract the specialist staff required, this puts incredible stress on its elected

⁶ LGNZ *The Impact of Government Policy and Regulations on the Cost of Local Government*, November 2012

⁷ New Zealand Productivity Commission *Towards better local regulation* May 2013 p.214

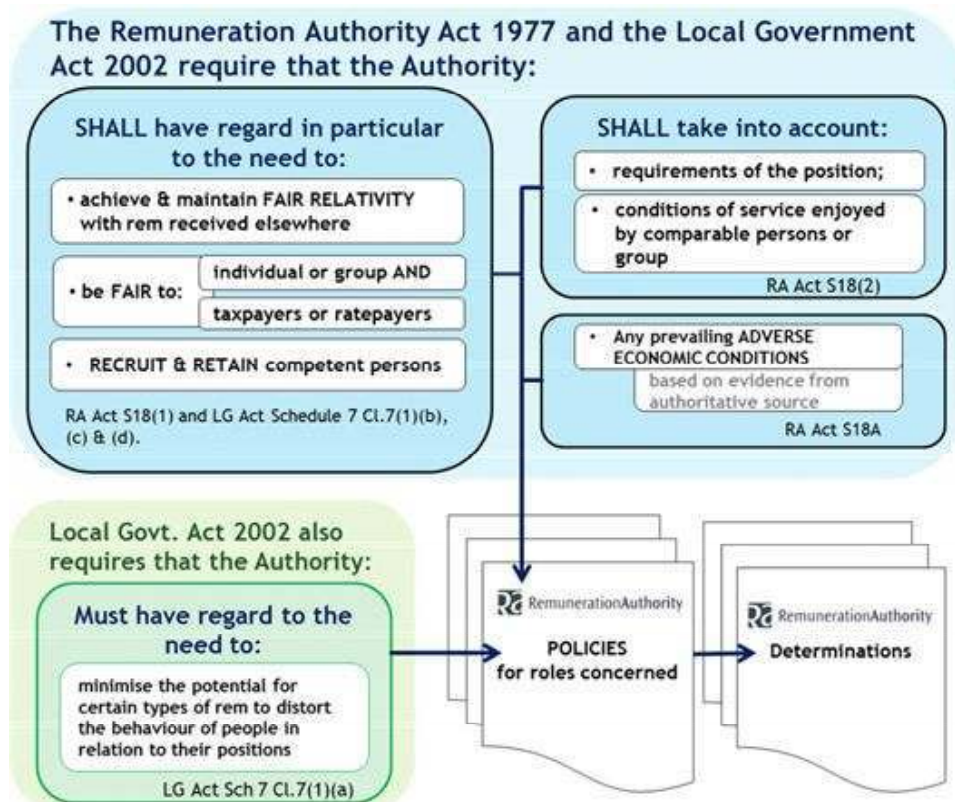
⁸ New Zealand Productivity Commission *Towards better local regulation* May 2013 p. 80

members who, like their colleagues in larger councils, still have to make important decisions but frequently without the benefit of high quality expert advice. Such councils also have little distance between their members and those they represent.

- In summary, in the 21st century local government elected members not only need time and commitment, but increasingly need to be able to grapple with complex policy issues that will shape our communities for generations. This situation is further exacerbated by modern technology and social media. Elected people are now far more accessible than they have ever been. In New Zealand we have always valued this accessibility and the fact that our politicians are close to and “amongst” the population. From the point of view of an elected member this accessibility means being constantly available.

Criteria used by the Remuneration Authority

- The setting of remuneration for elected members is an important part of the support for a robust and healthy representative democracy in New Zealand. The work of the Authority in relation to its local government mandate is covered by two pieces of legislation – the Remuneration Authority Act 1977 and the Local Government Act 2002. The table below sets out the requirements of that legislation. Each of these requirements is then discussed below in the context of local government remuneration.



19. Our survey of local government elected members elicited many comments from respondents, which were very helpful to us in understanding the pressures they face. We reproduce a sample of the more typical ones below in the relevant sections and elsewhere in this paper.

“Fair relativity”

20. For local government, achieving fair relativity with remuneration received elsewhere is challenging. There is no other identical role. We looked at other jurisdictions to see if there were any benchmarks that would assist us. After examining a variety of other roles in New Zealand, we decided that the nearest occupation with similar but not identical characteristics was that of a Member of Parliament. We discuss this later in this paper.

“Fairness to individual/group”

21. History would suggest that people do not run for election to local government for money. Most understand that it is not highly paid and that there is a significant degree of “public service” by the individuals concerned. However, the local government environment in New Zealand has changed substantially over time and, especially in the last decade, the role of local government has widened considerably. Many local government representatives give up comparatively well-paid roles to be able to serve on a council and the local government role can inhibit them from gaining other suitable work to “back fill” their council remuneration. It is important that those who are elected are paid fairly, while taking into account the public service nature of the role. In our survey responses, some councillors said they were paid adequately or would do the job for less, but within the majority of responders there was strong congruence on two themes – the job is far bigger than the remuneration, even taking into account public good, and the pay and conditions discouraged many from standing for office.

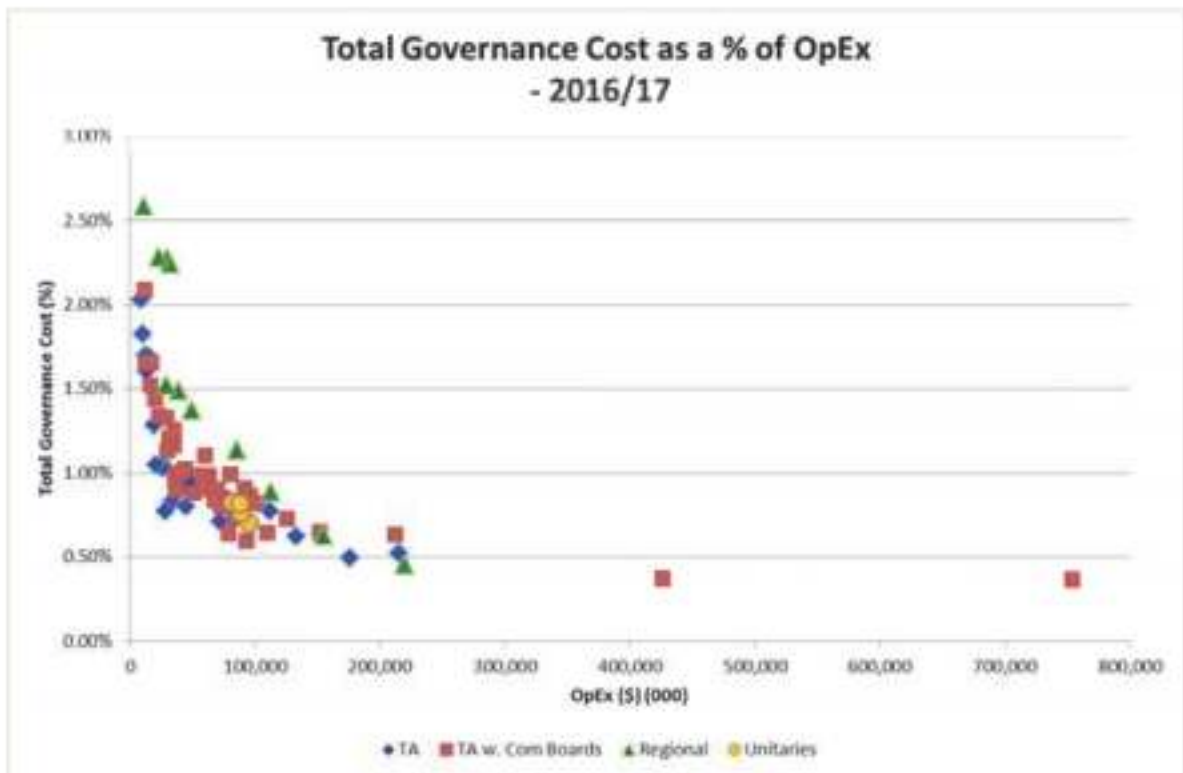
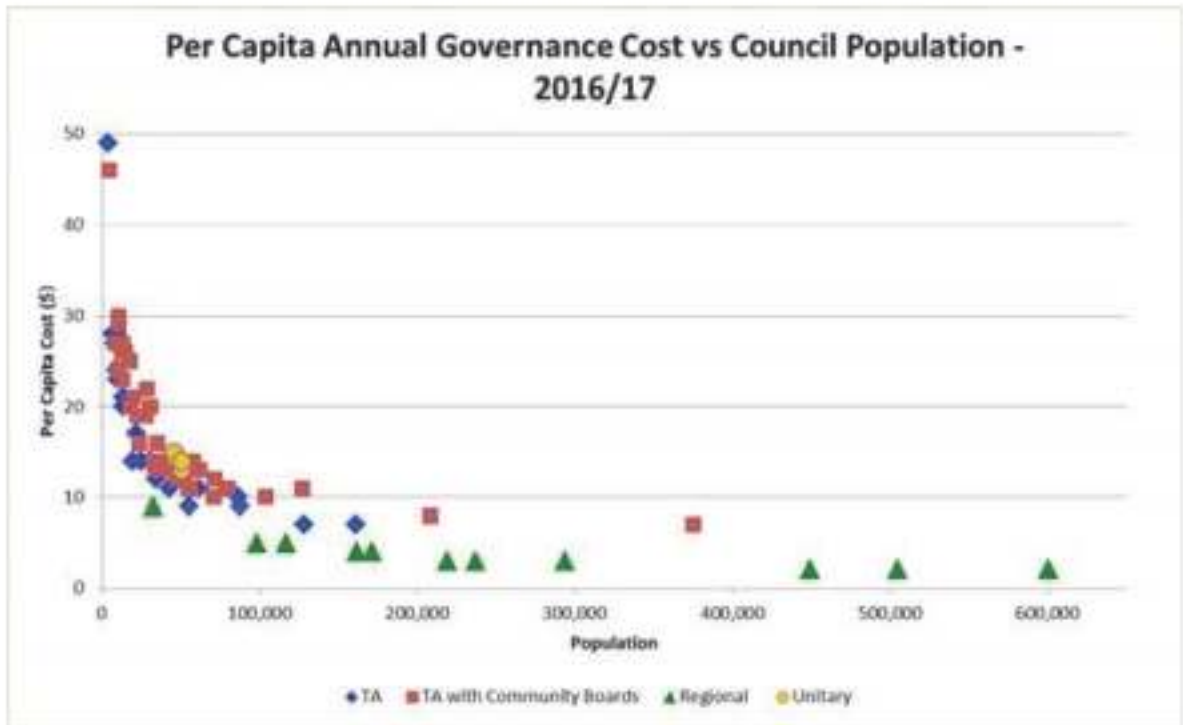
“Even allowing for the public good element, it is very low remuneration for the hours spent, the skills required and the contribution to the community”.

“Remuneration is very low at our council, generally requiring councillors to partake in other employment, potentially negating the councillors’ efficiency and commitment. However I don’t think any of us would consider we participate as councillors for the money, more as a duty to the community.”

“Fairness to ratepayers”

22. This provision is a counterbalance to the one above. In metropolitan councils with big populations, the proportion of operational expenditure committed to governance costs – that is, the payment of elected representatives – may be quite small. However, for councils

with a small population and fewer ratepayers, it is likely to be a higher proportion of operational spend. This difference is illustrated by the graphs below.



23. Albeit that governance costs are far from the biggest expenditure on any council, for smaller councils, with comparatively fewer ratepayers to share the burden, any increases would have a greater impact on their ability to spend on other services for citizens. We have been acutely aware of this during the course of this review. Unsurprisingly, these graphs also show that councils with Community Boards tend to have a higher governance cost than those of councils with similarly-sized populations that do not have Community Boards. Obviously the number of councillors on each council also has an impact.

“Recruitment and retention of competent people”

24. This requirement is related to the requirement for fairness to the individual or group so as to enable as wide a pool as possible to consider the role. Although the legislation does not define “competent” the Authority has for some time considered that for local government to represent its communities well, competencies amongst councillors must apply also to the diverse experiences and skills required to make decisions on behalf of those communities. Such diversity (or lack of it) was commented on by a number of survey respondents and would be easily observable in the makeup of many councils. There is a widely-held (and probably accurate) perception that this type of service is difficult for many people who have family or work responsibilities and would find a council role financially challenging.

“Although it shouldn’t be about money and I am lucky personal circumstances allow me to be an elected member, the current setup might exclude anyone who isn’t financially comfortable or can supplement their remuneration with a pension or has a partner who is earning a reasonable wage or has another part time job with flexible hours”

“I am a young person at the peak of my earning potential. I am earning about half as much as I would in my previous role. I think we need more young and middle aged, skilled and energetic councillors. We need to pay people to attract these skills. I struggle to support my family”.

“Many councillors like myself see this time on council as more of a community service. There is, however, no doubt that the need to have an alternative source of income is a barrier to wider diversity round the table”.

25. Many elected members need to rely on their partner's income to support their families, frequently at some cost to the family unit.

"As a young elected member the financial constraints this puts on my family and I are untenable."

26. Presumably other potential candidates cannot afford to give up their "day job" and are thus unable to offer their services to the community in this capacity. Many others endeavour to straddle both a representative role and another job in the workforce, often with great difficulty. There were frequent comments in our survey responses about this issue. In particular it was notable that those who were self-employed or who owned businesses found it less difficult to fit in council work, albeit that they paid the price in income loss.

"I am absolutely committed to my council work but for hours spent on council matters and because I am representing a low rate paying base council, there is a definite impact on my business."

"I run a small business and the income from Council does not compensate for the additional cost I incur employing additional staff to cover for me when attending to council duties. In all reality, it costs me financially to be a councillor."

"It is very hard to attract young people into the Council as the pay makes it not worthwhile. I'm lucky as I'm self-employed so I can kind of make it work, but if I was employed by a business there is no way I could be involved"

"The remuneration is pretty low for the amount of time spent on the role. But one of the biggest issues is how it impacts on other work roles with meetings, workshops, and other commitments which means I have to juggle my other part time role to fit around council expectations. That can be very difficult, but I need my other work to be able to pay the bills."

27. It is important that the remuneration level does not discourage diversity in local government. The Authority members understand the need to have wide demographic representation in these decision-making roles – gender, age, race and socio-economic status. Examples of local government leaders (mayors and regional council chairs) earning less than the average wage do not encourage people to see local government as a viable option because of personal financial constraints. In one instance we were told of a deputy mayor earning less than she might have had she been on an unemployment benefit – surely not a great example of the worthwhile nature of local government work.

“Two of the three main towns in our district have a deprivation index of 10. But our district has historically been represented more by older, wealthier white men than anyone else. I believe a higher remuneration could encourage diversity and a better and fairer representative of our struggling communities.”

28. Another issue that appears to be of growing concern in local government is that caring for dependents may limit options for some people, particularly younger women who may have child care responsibilities. This is seen by many as a barrier to participation. The Authority is looking at the carer issue and will make a decision prior to the 2019 election. We need to point out, however, that were we to approve councils providing reimbursement for carers, it would be up to each individual council to implement such a decision, as it is with all the allowances and reimbursements included in our local government determinations.

“Elected members do need some help with childcare when they need to attend meetings in the evening/weekends”.

29. Remuneration alone cannot address all these issues and obviously there are other determinants of participation. Most of these are beyond our jurisdiction. For example, there appears to have been a move from evening meetings to daytime meetings and possibly this has impacted on the ability of people to hold an outside position as well as a council role. This is something that has led to a type of “professionalisation” of councillor roles which may not always be appropriate, especially for smaller councils. We acknowledge that this is in direct conflict with the greater requirements to understand complex legal and technical issues that we refer to above. It is but one example of many contradictions in the democratic process of governing our local communities.

“Minimise potential to distort behaviour”

30. This requirement was the driver behind the 2013 proposal to replace the traditional meeting fee approach with remuneration for the whole role. The Authority recognises that attending formal council meetings is far from the only requirement for an elected member. Constituency work (including advocacy and now increasing expectation that politicians will

reach out to constituents on social media), council representation and meetings such as workshops are also a part of the basic role. There is also a significant amount of reading, some of it highly technical. In fact, with the increase in responsibilities of councils and the greater need for councillors to make legally binding decisions that are challengeable in court, the actual meeting time is probably less relevant than the preparation time (including workshops) prior to a formal decision being made. We see no reason to change the current approach of a "rate for the job" and few councils have suggested that we should.

"Requirements of position and conditions of service"

31. This is a difficult criterion to fulfil because each council is very different. Nevertheless, there are some basics that are shared everywhere – being in the public eye, erratic hours and being "on call" to constituents at all times. These issues drew considerable comment in the survey of elected members. The requirement to "upskill" was also commented on in a number of responses, citing the need to undertake RMA and IOD courses, amongst other training that now appears to be reasonably regular.

"Being the sole rep in a large area the role is more like full time than part time. For instance, my ten minute supermarket trips are now 30 mins. My 5-minute pop into town visits are now 30+ mins. I cannot step out the door at any private event without council business dominating a large part of the enquiries I receive. There is no box for day to day community interaction that is such an important part of our role".

"I am a practicing solicitor – remuneration is poor for the work and skills involved."

32. In the case of mayors and regional council chairs, the Authority has for the last few years considered that those roles are full time or near to full time such that incumbents would find it difficult to find other employment that would allow for the full delivery of the council role. In the case of other elected members, the situation differs considerably between councils. The survey results around time use are discussed in greater detail later.
33. It should be noted in this context that local government elected members are treated for tax purposes as independent contractors rather than wage and salary earners. For example, elected local government representatives are not eligible for the same ACC or Kiwisaver provisions as wage and salary earners. This is an issue that needs to be taken up by local government itself with the relevant central government authorities if local government members believe it is important.

“Prevailing adverse economic conditions”

34. The New Zealand economy is performing well, so we consider that there are no current prevailing economic conditions that would encourage us to provide a nil or extremely small increase in remuneration. Conversely, we have noted that the Government’s stated objective is to narrow the gap between the highest and lowest paid earners in a fiscally sustainable manner. Local government elected members are certainly not amongst the highest paid. We noted in particular the Prime Minister’s comment earlier this year that “the Government is particularly committed to raising pay levels for those on low and middle incomes.” On hours worked, many local government members would be in the category of low to middle earners. We see the current relatively strong economic conditions as an opportunity to re-align the local government remuneration system with a comparator group and correct obvious inconsistencies between councils, bearing in mind that there will always be a “public service” factor in elected member remuneration.

Performance pay and setting remuneration for groups

35. When reaching conclusions about local government remuneration, it is necessary for the Authority to check its decisions against all the above requirements. Given the significant differences in the circumstances of individual councils, this creates some challenges in determining the remuneration of over a thousand individuals across the country. In respect of these differences, we note that, in moving away from the pool system in 2013, the Authority wrote that “over time, the Authority became concerned that the pool arrangement.....was leading to a disparity of remuneration between similar positions in similar sized councils.” This is a serious issue which we have looked at carefully. We have concluded that the “disparity of remuneration between similar positions on similar sized councils” is of less consequence than local councils not having the flexibility to meet local needs. The disparity we want to remedy with our future approach is between the total governance costs of councils of similar sizes, rather than the individual roles on different councils. These issues are further discussed in the section on Remuneration of Councillors.
36. The ability of the Authority to determine the remuneration of every individual in a fair way is further complicated by the fact that the Remuneration Authority is not permitted (nor would it be viable) to take account of individual performance in its determinations. This is an issue that appears to be not well understood by the public. Usually at the time of a Remuneration Authority determination for elected people (whether in central or local government) there is some adverse comment in the media about the inappropriateness of the pay rise and, occasionally, how surprising it is that politicians get paid at all. Over the years, successive public opinion polls on trust indicate that politicians generally do not rank highly, yet, ironically, most New Zealanders will speak favourably of some individuals (often people they know) who hold public office. People grizzle about their “useless” councillors. Frequently the same people are unwilling to put themselves forward for election, sometimes for reasons (noted above) around remuneration and time requirements – or because it is a public role that most people recognise will interrupt or take over their private life.

37. Well-performing local government elected members should not be penalised because some others are not up to scratch. Within councils, non-performers are often widely recognised by their peers. However, sometimes it is more difficult for the public to identify them because they may have created a high personal profile in local media, not necessarily by being positive and constructive. We understand how difficult it can be for a council to manage bad behaviour and, although it is beyond our jurisdiction, suggest that the strength and utility of council codes of conduct might be an issue that local government collectively should address through LGNZ. The Remuneration Authority is not able to take account of the quality of personal behaviour or contribution in setting remuneration. The ultimate “employer” – the voting public – makes these decisions every three years.
38. The final comment regarding the role of the Authority is in regard to the judgement that we are required to exercise when setting remuneration. For any of our client groups, if there were an easy way of setting remuneration that simply relied on feeding a formula into a computer and getting a result, there would be no need for an agency such as the Authority. Our legislation directs us to “have regard to” or “take into account” the issues outlined above, but beyond that it is silent. In all of our considerations, there is a high degree of judgement involved. We most certainly endeavour to gather as much data as possible on which to base decisions and, in terms of this local government review, have gone to some lengths to obtain granular information. However, “one doesn’t fit all” and there will always be some within any group who feel that they are disadvantaged because of their particular personal circumstances. We have endeavoured to be fair and to be seen to be fair to all groups concerned.
39. Taking into account all the issues outlined above, we have decided to re-introduce a pool approach, but in a simpler way than previously, in that it will not be mixed with meeting fees. The new approach will be implemented when new councils assume office following the 2019 local government election.

Council Sizing

40. Normally, when sizing a role for remuneration purposes, the methodology takes into account characteristics of the job (including the responsibilities of the role – i.e. budget, management, other accountabilities) and then attributes required by the person filling the role e.g. “know how” (what the individual brings to the role) and problem-solving ability (related to the level or depth of issues to be dealt with). The Authority holds a considerable amount of information about what elected members, including council leaders, are required to do as part of their roles. However, it would be impossible to size every single elected role in each local authority. Thus we have in the first instance focussed on councils and their overall responsibilities, then created a council size index which we have applied to the roles. In the Consultation Document we defined council size as *“the accumulated demands on any council resulting from its accountability for its unique mix of functions, obligations, assets and citizenry”*. As we have progressed, this review it has become even more obvious to us that councils face such varying local conditions and challenges that even similarly populated councils may bear little relationship to one other. Nonetheless, we have endeavoured to

identify measures that provide an overall view of similarities, using characteristics that can be measured.

41. We initially proposed that the following factors should be used to measure the size of the different types of council (territorial, regional and unitary authorities):
 - Population (all councils)
 - Operational expenditure (all councils)
 - Asset size (all councils)
 - Number of guest nights (all councils)
 - Social Deprivation (TAs and unitary authorities only)
 - Land size (regional and unitary)
42. As well as considering the feedback we received, we also undertook detailed assessment of the availability, transparency and utility of various data sets to measure these and other factors that were suggested as appropriate for size indicators. Fundamentally we needed data that was consistent/comparable between all councils, that was from a reliable source and that was publicly available. These requirements eliminated some suggestions (either our proposals or from councils) that at face value were worthwhile exploring. There were many proposals, some quite similar, and others suggested by only one council.
43. In this section we discuss the main factors that we examined, either because they were on our list or because councils suggested them. Many of these potential factors for sizing councils are inter-related, so we have clustered them here under the broad headings of “people”, “economy”, “finances/assets” and “territorial characteristics”.

People Issues

44. We will continue to use population as a significant factor for measuring size. Although many councils agreed with this, a minority told us that population made no difference to a council workload and that it should not be a factor used – i.e. all councils are the same “size” because the work is similar and may take the same amount of time. Most disagreed with this and we remain convinced that population is a significant factor. The number of people represented by each elected representative is relevant. This is reflected in the fact that both Parliamentary electorates and council wards are required to be based on population formulae – for council wards “plus or minus 10%” of the population of other wards. We note that in both the UK and Australia, arguably the two jurisdictions most similar to ours, population is a major (in some cases the sole) criterion on which local government remuneration is based.
45. We also received suggestions for variations to simple population. Rate of population change was one that was obviously challenging councils with their planning, so we considered this. Sudden significant increases or reductions can be equally demanding on councils, especially in terms of decisions around long-term investment in and maintenance of infrastructure. The extreme example of this recently was following the Christchurch earthquake series, where Waimakariri and Selwyn councils have had population increases of 19% and 33% since the 2013 census, largely as a result of people moving out of Christchurch. Population is estimated annually by Statistics New Zealand using multiple information sources, which

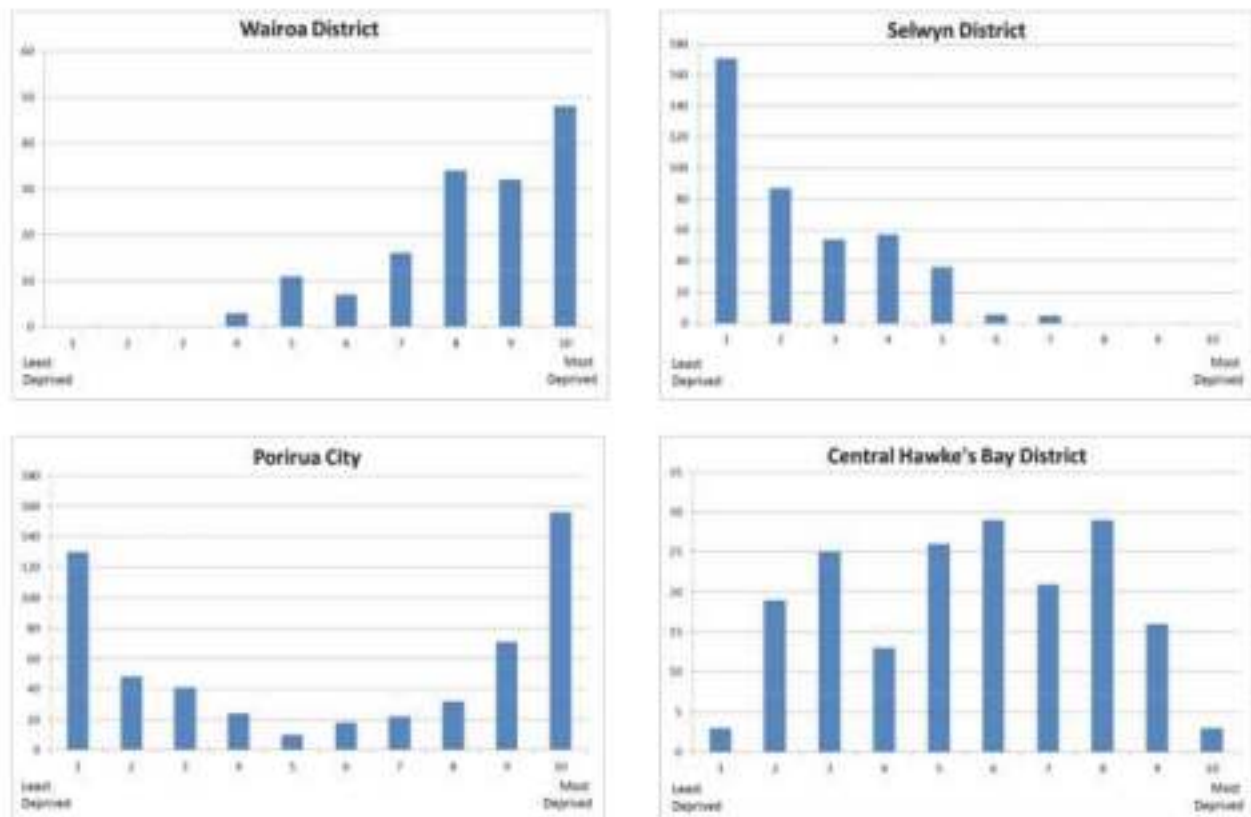
means there is no need to rely on census data which, if used, could be theoretically up to five years old by the end of a council triennium. We decided to use the annual estimate available immediately prior to the major determination at the beginning of each council triennium, which should pick up significant changes in a relatively short time.

46. There were also suggestions for using population projections rather than retrospective numbers, but we considered this to be too risky. Projections do not always materialise into reality and can be impacted by large natural events or economic shocks either locally, nationally or globally.
47. The use of number of electors or number of ratepayers was also suggested. We were not convinced of the utility of these indicators rather than total population. Even if people are not electors (for example, under-age or unenrolled new residents) or not direct rate-payers (i.e. people in rental accommodation) they are nonetheless constituents of councils and require services and infrastructure.
48. The issue of transient populations was raised by several councils. Transient populations include seasonal workers, students, holiday-house owners and tourists. Although seasonal population variations are more difficult for a council to manage than a stable population, when looking at the different categories we felt that they were likely to be accommodated in properties already covered in the rating system. In considering these we took into account the impact of the presence of these people on a council's services and infrastructure and thus on the council's quantity and cost of delivery. Seasonal workers may live in private rental accommodation (flats/houses/holiday parks) or in accommodation provided by the employer. In all these cases the accommodation units used will be rated at the appropriate level by the local council which, as a consequence, should provide the required infrastructure. Continuous or periodic occupation should not affect the rate level and by implication should contribute towards the infrastructure required for when the buildings are occupied, even if not continuously. Students – generally in a district for longer than seasonal workers - likewise will be in flats or student hostels – properties that are also rated.
49. Holiday home owners are, of course, ratepayers. That means that they are paying rates for local infrastructure and services, even though they may not use them all year round. It is possible that some councils may choose to not provide sufficient infrastructure for the peak season, thereby keeping rates down, but risking infrastructure failure when the population swells to its peak. There have been examples of this. Conversely, building sufficient infrastructure for the peak season is likely to put an extra burden on the local population who live in the area all year round. This is an issue particularly in areas where the economic position of the resident population may be generally lower than that of many of the holiday-home owners. We recognise that this poses issues for councils in those circumstances and have looked at using an offsetting factor - the socioeconomic deprivation index of the generally-resident population, discussed further below.
50. The surge in tourist numbers in recent years has benefitted the national economy and many regional economies but has also spawned a cluster of challenges for local government. Rubbish collection and disposal, provision of toilets and ablution blocks and monitoring camping locations are but a few of the requirements. In particular, the impact of freedom

campers is a vexed issue, though not the only one. In our discussion paper we proposed that we should find some way of measuring tourist impact and suggested that guest night count was an obvious mechanism. Some councils agreed with this and others did not. Some suggested that measuring visitor spend was a more useful mechanism for gauging the impact of visitors. We examined both these in detail.

51. Visitor spend data is gathered by the Ministry of Business, Innovation and Employment (MBIE) through analysis of credit card use and the home base of the card holders. There are various processes in place to try to eliminate commuters, for example, and also to estimate spend at the 25% of New Zealand retailers that are not on the network that provides much of the data for the analysis. However, visitor spend as an indicator does not capture all visitors, especially those who pass through a local area and stop at attractions, using local facilities paid for by councils, but not buying any goods or services in the district. A good example of this is Matamata-Piako where between 500,000 and a million people each year visit Hobbiton, without overnighing, but requiring public toilet facilities. Many of those people will have paid for their entry to Hobbiton while they were somewhere else, so the spend may be attributed to another location.
52. We then turned to the proposal for using visitor bed nights as a measure. Unfortunately, this, too, fails to provide a complete picture because it does not pick up the transient visitors (discussed above) who do not use local accommodation. In any case, those visitors who are captured in this data would generally be staying in commercial accommodation which would be rated appropriately by the council and thus be contributing to the cost of infrastructure and services, which is a significant part of a council responsibility. Recently there has been much media focus on the issue of domestic properties being rented out as short-term accommodation. This too presents difficulties, but it appears that increasingly councils are addressing this by considering the application of a commercial rate to properties listed on sites such as Airbnb and rented out for more than a certain number of nights a year.
53. In summary, we found that using the size of the visitor sector as a sizing factor for councils was difficult because of the measurement anomalies. Towards the end of this review the Government announced its policy on the implementation of a "tourism tax". It is unclear at this stage how this might be implemented and, more relevantly, whether there would be any revenue sharing with local government, which certainly benefits from tourism but also bears a significant proportion of the cost in both money and effort.
54. There were a number of suggestions that we should use as a sizing factor a council's co-governance responsibilities arising from a Treaty of Waitangi settlement. We considered this carefully, looking at the different manifestations of co-governance round the country. These range from advisory committees for water bodies to full-on joint committees to develop Regional Plans. Co-governance responsibilities are difficult to define in quantity or nature because each one is so different. Nor is there any data source on the impact on the workload of specific councils arising from their co-governance responsibilities. We assume that over the whole country, even if it is manifest differently in different places, local government will ultimately end up as a significant partner with iwi, but at present we are unable to include it as a factor to measure relative size.

55. There were also suggestions for measuring ethnic diversity, especially the Maori population. We assumed that (aside from co-governance) this was suggested because of the impact on councils of the socio-economic indicators of any population. The adjustment for socio-economic mix is captured in the Otago University Socioeconomic Deprivation Index which we will be using. Similarly, socio-economic or age diversity were also raised as possible criteria. Some councils described these characteristics as heterogeneity. We thought about what aspects of such diversity might cause extra burdens on councils and concluded that those that did were picked up by the deprivation index, which includes factors that drive council delivery in many areas. It captures the socio-economic position of parts of the population, rather than diversity as such, but is a recognised and available index. We have decided to use the Otago University Socioeconomic Deprivation Index because it is currently the one most commonly used and known, although we are aware that the School of Population Health at the University of Auckland has more recently developed a New Zealand Index of Multiple Deprivation as a way of measuring concentrations of deprivation.
56. The deprivation index is built up from mesh block data collected in each population census and gives a picture of the degree of deprivation in each TA area. Although the data is census-based and hence does not fit in with our proposed three-year timetable, we were told by academics who created the index that, at the level of aggregation we would use, the incremental change in the index in most communities would be relatively stable and thus a reliable picture of the socio-economic status of the community. In any case, we currently have no other way of obtaining this measure which we consider to be important and which people in local government have told us is important to them.
57. The dimensions of the index include characteristics that we consider would be issues for councils when representing and providing for their citizens. They include:
- Working-age people:
 - on a means-tested benefit
 - with no internet access at home
 - unemployed
 - in a single parent family; or
 - without qualifications
 - Low income households
 - People not living in own home
 - People with no access to a car
 - People with fewer bedrooms than they need
58. Councils with higher proportions of their population in higher socio-economic deprivation bands (8 – 10) will be given a higher weighting. Some councils commented that their wealthier suburbs were more demanding but, acknowledging that wealthier citizens may be better equipped as lobbyists, we still felt that on balance a higher deprivation index was more challenging for councils in terms of overall service provision. The graphs below illustrate the differentials in the Deprivation Indices of some councils and show that there are clear, quantifiable differences. The first pair, Wairoa (population 7,880) and Selwyn (population 44,595) show completely opposite deprivation characteristics. In the second pair, Central Hawkes Bay has a reasonably “normal” distribution of deprivation, whereas Porirua has extremes at either end of the index.

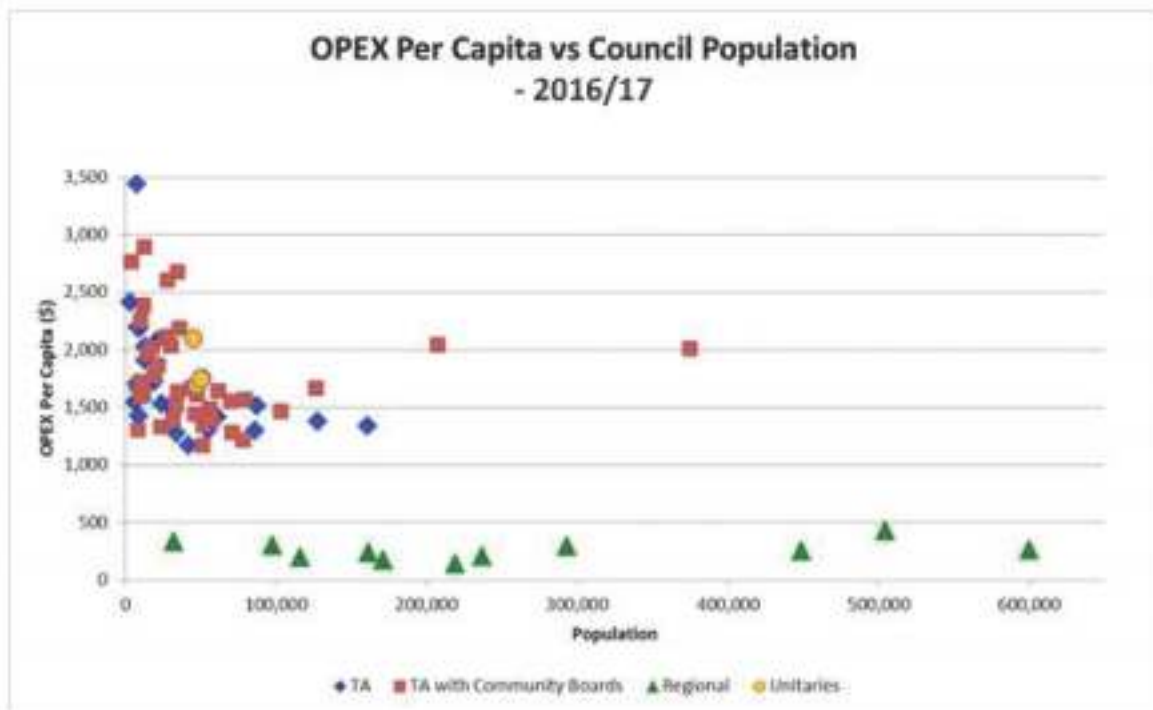


Economic Issues

59. Economic growth was proposed as a factor by many councils. On face value it had some attraction, because there are serious challenges and a high degree of acumen required in making judgments on spending on infrastructure for fast-growing communities. It could also be argued that it is even more difficult for councils with the reverse problem: how do you decide what to do about aging infrastructure when your population is rapidly shrinking - and often those remaining are also aging and on fixed incomes? Regardless, regular data on economic growth is available only for regions, not for districts, so this proposal did not meet our criteria of readily available information.
60. We also received suggestions for using the number of rating units or the amount of rateable land within a council boundary. Clearly this type of data is available, but we were not sure what relevance it has, given the huge differences in the types of rating units/properties. For example, major commercial buildings in large metropolitan areas, small suburban residential properties and large farms all generate different types of both income and work for councils and are simply not comparable.

Financial Issues/Assets

61. When we looked at financial indicators, we were aware that the operational expenditure of any council to a certain extent reflects population, but is not an exact parallel. Operational expenditure per capita does vary, with smaller councils often spending relatively more per capita than larger ones. The reasons for this revolve round the need for all councils to provide a basic level of services and infrastructure, regardless of population size. The graph below illustrates this.



62. We concluded that the use of operational expenditure as a measurement factor might give smaller councils a small advantage which could offset some of the perceived inequities of using population as a significant factor. In discussing operational expenditure, some councils raised the issue of shared services or contracting out to third parties. Shared services would naturally be included, with the cost to each particular council being measured. In the case of contracting out services, the cost and the ultimate responsibility (as demonstrated from time to time when something goes wrong) both lie with the council, with citizens expecting provision regardless of circumstances.
63. There was wide agreement to use asset value as a factor, though there were also some suggestions for refining the data. Some councils suggested weighting the assets according to various characteristics, e.g. "operational v. investment" or "different asset classes" such as "land v. other". After considering these options, we decided to retain as a measure the total value of assets as reported in Statistic NZ's Local Authority Financial Statistics which are

published annually for the 30 June year. Every council needs to provide an infrastructure platform appropriate for the needs of its district, which means that councils with similar populations may have major differences in the size/scale of their infrastructure. A good example of this is in Wairarapa. South Wairarapa District Council with a population just over 10,000 supports three wastewater treatment plants, but its next-door neighbour, Carterton, with a population of just over nine thousand, has only one. In both these cases there are also holiday home owners not normally resident. Where assets are shared, the value of the council's share will be used. We considered whether we should include assets owned/operated by CCOs on behalf of councils and decided that if the council were the ultimate shareholder, then the ultimate responsibility for the asset remained with the council, regardless of the governance structure. We also considered examples of councils whose investments include full or part ownership of large one-off assets such as ports. These are included.

64. Assets included will be those that are provided by councils to Statistics NZ (i.e. those required under schedule 10 of the Local Government Act 2002). By way of example, assets include:

- Land (Operational, Restricted and Infrastructural) including playing fields and sports grounds
- Buildings (operational and restricted)
- Three waters infrastructure
- Roads (local share) and council-owned rail assets
- Social assets such as libraries, collections and playgrounds
- Parks
- Maritime assets, including ports/ferries etc.
- Flood protection infrastructure
- Footpaths and footbridges
- Carparks
- Heritage assets
- Investment assets.

65. We note that the Government is investigating a possible new model for the delivery of the three waters. If this were to result in the ownership and operation of this infrastructure being removed from local government, then this would obviously impact on the size of councils.

Territorial Characteristics

66. Some territorial authorities suggested that land area should be included as a sizing factor for TAs as well as regional councils. There were variations on this, including population "sparsity", geographic spread and remoteness/isolation of communities. For example, in the case of Tasman District, some communities are unable to be accessed by land, so council representatives' travel by water to reach residents. Many councillors round the country have long distances to travel between smaller communities. When we originally suggested land area as a measure for regional and unitary councils, it was as a proxy for their significant land/water regulatory responsibilities. In the case of the TAs who said they should also have that measurement, a number suggested it should be for rural/provincial districts because of the large distances covered and the consequent increase in working time for elected

members. We considered this carefully but concluded on balance that there is no common measure that would give a true picture of the relative difficulties of these circumstances, outside of the travel time requirement for elected representatives. There is already a travel time payment available for all councillors which, together with the car mileage allowance, is intended to compensate for these long-distance journeys on council work. The travel time allowance and the reimbursement of vehicle expenses will both be examined at least every three years to ensure that they remain up to date and fair.

67. We reviewed our own proposal to use land area as a proxy for the regional/unitary regulatory responsibilities and decided it needed to be more exact, in order to capture the water regulation role. We have decided to use the term “geographic size” which covers not only land area but also the extent of water bodies such as lakes, harbours and estuaries, as well as the coastal marine area.

Public Transport

68. A further issue for regional and unitary councils was their role in the delivery of public transport. For the large metropolitan-based regions (in particular Auckland and Wellington) this work is a considerable part of their mandate, in Auckland delivered through the Auckland Transport CCO. Having looked at the spread and impact of this work on regional councils, we concluded that this responsibility could be measured by an indicator of public passenger vehicle boarding numbers and have included it as a factor in measuring regional and unitary councils.

Other Issues

69. As well as the issues outlined above, councils gave us some very thoughtful comments relating to size measurement which have formed a background to our thinking on both size and the weighting of factors. We looked at all of the issues suggested but for a variety of reasons (usually data measurement availability) were not able to utilise many of them. For example, several councils pointed out that smaller councils have fewer staff and contractor resources to support and advise elected representatives, who consequentially often have to do more work within their communities and carry out more of their own research than do those in well-resourced councils. Some councils also commented on the loss of privacy for councillors in smaller communities – though we note this is a phenomenon also faced by well-known local politicians in larger centres.
70. Waimakariri District Council suggested that we should consider “exceptional circumstances of extended duration – e.g. recovery from natural disaster”. We considered this carefully, obviously in the light of the experience of councils impacted by the Christchurch earthquake sequence and, more recently, the Kaikoura earthquake. The issues for us were the scale and the impact of an event. Every year some councils round the country are impacted by various disaster events, especially flooding, which for parts of their population can be equally as catastrophic as a large earthquake. Recent examples include flood damage on the west coast of the South Island, in Edgecumbe and the east coast of the North Island. This raises the issue of scale – what would be the cut-off point? We were unable to decide a formula upon which to base such an assessment. In addition, there is the question of impact – the breadth

of the impact and the duration of the response phase.. Again, there are serious challenges in drawing a line somewhere along the “disaster continuum”. We do note that in some cases there are interventions from central government in the form of financial support, for example through the Mayoral Relief Fund or an increase in the Financial Assistance Rate provided for councils by the New Zealand Transport Agency. This type of financial support is critical for both response and recovery, but it does not alleviate the extra work imposed on elected members, which we recognise is sometimes of heroic proportions, especially in the 12 months or so immediately following the event. Following the Christchurch earthquake, Christchurch Community Boards members did get an extra payment for their increased work as a result of the impact of the disaster on their populations. That was an ad hoc decision by the Authority following a request from the Christchurch City Council. We have decided to maintain that “ad hoc” approach for nationally significant disasters, rather than trying to formulate an exact policy to use when regularly sizing councils. This will allow us to tailor our response to fit the circumstances, including the scale of the event and the length of time that any council is in response mode following a disaster.

71. Hamilton City Council wrote that the proposed weighting for TAs does not appropriately capture the scale or complexity of attributes that contribute to the workload of a council and that it may be more helpful to cluster authorities by issues rather than size or “urbanicity”. We considered how this might work and again it appeared that the data on which to base our judgement in this case could be elusive and may be seen quite differently by different councils.

Unitary Councils

72. In our discussion document we suggested that Unitary Councils could be measured by using the accumulated factors that we agreed for both territorial authorities and regional councils. The thinking behind this was that Unitary Councils had both TA and regional responsibilities and thus should be actually measured for these responsibilities rather than continuing the practice of adding an additional 12.5% across the board, which has been the practice in recent years. We decided to measure the unitary councils using the same characteristics as both TAs and regional councils and then created a scale for the unitary councils

Size Factors

73. The final list of factors we have decided to use to measure the relative size of councils is as follows:

Territorial Authorities

- Population (source = Stats NZ Estimated resident Population at 30 June each year)
- Total operating expenditure (source = Stats NZ Local Authority financial Stats at 30 June each year)
- Total assets (source = Stats NZ Local Authority financial Stats at 30 June each year)
- Socioeconomic deprivation index (source = University of Otago Socioeconomic Deprivation Indices compiled at each census)

Regional Authorities

- Population
- Total operating expenditure
- Total assets
- Geographic size (includes land and marine/water area) (source = Stats NZ Geographic Areas)
- Public passenger transport boardings (source = Ministry of Transport Public Transport Passenger Boardings at November each year)

Unitary Authorities

- Population
- Total operating expenditure
- Total assets
- Socioeconomic deprivation index
- Geographic size
- Public transport boardings

74. All factors we use will be retrospective but measured at “a point in time” as near as possible to the time of our decision. That means that, except for the Deprivation Index, no data sets should be more than three years old. The data sets are available either from Statistics New Zealand or from the annual reports of councils themselves.

Standardising Data

75. Because most of the measures (whether assets, population or operational expenditure) have huge size differences and are non-linear we had to standardise them by the usual practice of applying logarithms. This is because the characteristics of the largest councils would have swamped the analytical methodology. Because the variables are of quite different magnitudes, we transformed all of them except the Deprivation Index data by logging the raw data. The measure based on the Deprivation Index was treated differently because it did not have the same exponential form.

Weighting the Factors

76. The factors alone are not sufficient to generate a size index for councils. The importance and impact of each one in relation to the work of councils is critical. Because of the inherent differences between councils, even a decision on weighting different factors could be seen as advantaging or disadvantaging some councils. We spent considerable time discussing weightings and looked at the initial “intuitive” weightings the Local Government Leadership group had allocated more than a year ago when we first started working on this issue. Ultimately, the weightings we agreed were an informed call by members of the Authority. There is no scientific or statistically demonstrable way of allocating weightings in this instance. It is a matter of judgement informed by extensive consultation with local

authorities and empirical work we have undertaken. This exercise was one of the most challenging parts of our review. We used regression modelling as a means of validating our approach.

77. When we decided on the relative weightings of the factors, we then applied the weights we allocated to each variable to the transformed and scaled information about each council, which gave us consistency. This then gave us a size index which not only identifies the council rank when ordered by size, but also a measure of the magnitude of the differences. This approach was applied to the regional and unitary council indices as well.
78. The order of the Council rankings within the three size indices is attached to this paper as Appendix 1. Clearly the application of these factors has resulted in the movement of councils in relation to where they used to sit in the previous size index.

A Local Government Pay Scale

79. Our Act requires the Authority to “have regard in particular to the need to achieve and maintain fair relativity with remuneration received elsewhere”. In past years this has meant assessing remuneration changes against those of other specified groups. For example, last year we increased remuneration in the sector by 1.7% across the board, reflecting the previous year’s increase in public sector remuneration⁹.
80. However, we feel that it is not sufficient to simply benchmark regular changes in remuneration in either the public sector or the whole workforce. We wanted to find some consistency between councils (using the council size index) then identify a similar occupation or group of occupations which could provide a demonstrable basis for linkages, as we are legally required to do. In our earlier consultation document, we set out the groups we considered as benchmarks and our conclusions on each of them. For the sake of completeness in this report, we reproduce below the section of the earlier report that dealt with our consideration of a comparator group:

The Authority considered and rejected as inappropriate the following:

- a) Local government senior managers’ salaries.

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

⁹ Statistics New Zealand Labour Market Statistics: March 2018 (wage inflation)

b) Central government sector senior managers' remuneration.

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

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

A significant part of the work of elected members consists of representational activities of one sort or another. Most boards of directors do not have this role. Those that do are often in the not-for-profit or NGO sector and, even there, the nature and time requirements of the representational work, including managing constituency issues, is different. Further, most boards are governing an enterprise that is essentially focused on a single group of goods or services within

one industry, whereas councils have a significant array of services that are not necessarily similar in any manner – for example, providing building consents compared to social services.

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

- *The sheer "visibility" of the people involved, resulting in a lack of privacy. In some cases where the elected person is very high profile or important in a community, or when the community is very small, this is extreme and often their close family members are also impacted by this.*
- *This visibility is associated with the need for publicly elected representatives to "front" on difficult issues. This is less common amongst other boards' members and managers. When something goes wrong on a council the councillors and mayor/chair are held to account by the public, whereas on a board it would normally (though we recognise not always) be the CEO.*
- *The meeting requirements on local government are more onerous than they are in other sectors. The Local Government Official Information and Meetings Act 1987 and public expectation is that meetings will be held in public and that information behind decisions and actions will be readily available.*
- *Finally, and perhaps related to all the above, local government entities hold far more frequent meetings/workshops than do other governance boards and the distinction between governance and management is less clear than it is in most other models.*

In the light of this, the Authority looked at a possible alignment with parliamentary remuneration for comparative purposes. Even though (as we note above) local government is not an exact match to central government, parliamentarians are also democratically elected to represent sections of the populace, and those who are members of the Government of the day also exercise

governance over the public service. Within the parliamentary group there are different levels of remuneration between backbenchers, ministers and some other identifiable roles.

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

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

81. Most councils responding to our consultation document agreed that (taking account of the difference in job sizes) parliamentary remuneration was a useful comparator for local government. Some disagreed, but there were virtually no useable examples of another appropriate comparator. Given our legal obligation to “have regard in particular to the need to achieve and maintain fair relativity with remuneration received elsewhere”, we have confirmed our proposal to use the parliamentary salary scale as a comparator for local government, which we stress does not mean that elected councillors would be paid the same as an MP, much less a Minister. We looked at the remuneration of various positions held by MPs. For example, cabinet ministers with portfolios currently get paid \$296,007, ministers without portfolio \$217,676, under-secretaries \$194,374 and party whips \$179,713. Backbench MPs are paid \$163,961 annually. We decided that it would be inappropriate for any local government elected member to earn more than a cabinet minister, which will thus become the top end comparator for the local government sector.
82. Having applied the weighted factors to all councils and ranked them within the size index, and having decided to use parliamentary salaries as a comparator, we then brought these two decisions together to create a local government pay scale. In doing this, there are a few issues that we have had to address:
- The largest local government unit in New Zealand by population is Auckland Council and the smallest is the Chatham Islands Council. Because of their extreme sizes, these two outliers have been excluded from the size index to allow us to draw up a sensible and workable scale for the majority of councils.
 - Even within the rest of the group, there is a wide range of population sizes – e.g. for TAs from 375,000 (Christchurch) to 3,740 (Kaikoura). There is also a wide range of sizes within our newly devised index based on the weighted factors identified above.
 - While we have taken Auckland out of the size index because of its sheer scale, we had to consider carefully the current closeness of the remuneration of Auckland

governing body councillors and Christchurch councillors. This needs to be resolved but will take more than one year to do so.

Remuneration for Mayors and Regional Council Chairs

83. Having settled on an appropriate size for each council, the Authority then decided on an appropriate level of remuneration for the elected leader of that council, using the pay scale we created. We have for some time considered these positions to be full time but the outstanding question in regard to “full time” is what to do in the case of mayors or chairs who are not formally working full time in the role - although even with smaller councils this is a small minority. Overwhelmingly we heard from councils round the country, and we know from our own experience and observation, that being a mayor/regional council chair is all-consuming. The exact hours of formal work in some cases may not constitute 40 hours a week – though in most they are much more. But in all cases the person in the role is “on call” 24 x 7 and the degree of night and weekend work (even at events at which most citizens would be able to relax and enjoy themselves) is hugely intrusive into personal life. It was also pointed out to us that the very few hours of the normal “working day” that mayors/chairs may not be formally in the role leave no opportunity to get any part time job in a practical sense. Some incumbents have their own businesses or farms and it appears from our survey results that they commonly have to pay a third party to fill in for them. One mayor said he was lucky to have a partner who could take over the business – that is not uncommon but for us that begs the question of family choice.
84. When looking at groups to identify a remuneration structure that could appropriately inform our decisions for local government, one such group was local government managers. As noted above, we have not used that group as a formal comparator for our elected members’ pay scale but did observe the differences in scale of remuneration. There was a wide span. It is not uncommon for CEOs to earn more than 200% more than the mayor – in one case it was 393%. At the other end of the scale, the minimum differential was 106%, with the average around 175%.
85. We also looked at remuneration paid to other council staff, particularly on smaller councils. In one council, the mayor was earning approximately \$7000 more per year than the dog control officer. While recognising that dogs and dog control are a highly political and vexed issue for local government and taking into account the “public service” element in mayoral remuneration, we nonetheless concluded that this differential was somewhat smaller than it should be.
86. Overall, we have formally decided that mayor and regional council chair roles should be remunerated as full time roles according to the rank of the council on the size index.
87. Another issue that we raised in the consultation document and which emerged more strongly in the consultation itself was the high degree of congruence between the work of elected representatives on all councils, regardless of size. Most councils agreed to our proposal that there should be a base remuneration for mayors. We have decided to

proceed with this, with the exception of the Chatham Islands Council. The most obvious way to operationalise this was to translate it into a minimum fulltime salary for a mayor. In order to decide what that should be, we first considered whether the average wage should be a sensible point of reference. The role of a mayor/regional council chair includes key elements not likely to be present in the jobs of other New Zealanders earning the average wage. All mayors/chairs are their council leaders, amongst other things steering big policy decisions through the council and acting as a broker between various interests. In times of emergency, mayors have a critical role to play. A mayor is the “first citizen” - civic leader of her or his community, speaking for the district/city and consulted and informed on many of the big issues, even those not directly within the ambit of the council. A regional council chair is not necessarily considered the first citizen of the wider region (not being elected as chair by the population at large), but nonetheless has a significant role as an opinion leader in that community and will be involved in/informed about many big issues.

88. Given the breadth and importance of these roles to New Zealand’s communities, we felt that the average wage was a minimal level for mayor or regional chair remuneration and that, under ordinary circumstances, the salary would be considerably higher. However, taking into account the public service element, the average wage serves as a useful starting point at this time. Our current intention is that, following the 2019 local government election, approximately 1.25 times the average wage will be our base remuneration for mayors/regional chairs. The minimum will be reviewed periodically to decide if the average wage it is still a valid comparator.

Chatham Islands, Christchurch and Auckland Councils

89. As noted above, both Auckland and the Chatham Islands councils are so far outside the mainstream in terms of size that we needed to consider them separately. We have positioned the Mayor of Auckland as the highest paid person in local government and have decided that remuneration for this role should not be any higher than that of a Cabinet Minister. It should be noted that the difference in size between Auckland and the next biggest councils – Christchurch City Council and Canterbury Regional Council – is so large that the remuneration differential will not follow our scale. We will be placing the remuneration of the Mayor of Christchurch so that it better reflects a group of parliamentary positions that sit below that of a cabinet minister.
90. The opposite is the case for the Chathams. The estimated population is 640 which is far smaller than any other type of council in New Zealand. As a consequence of this, the Chatham Islands have a tiny ratepayer group. We had to consider our legal requirement to be fair to ratepayers, so have limited remuneration. However, we have decided that the Mayor of the Chatham Islands Council should receive no less than the average wage.

Total Remuneration Approach

91. In future the Authority will determine a “total remuneration” amount for each mayor/regional council chair. This means that those who chose to have a council car provided will need to have their paid remuneration adjusted accordingly. Councils will calculate and adjust this, rather than the current practice of coming back to the Authority

on each occasion when a council vehicle is changed. The formula is attached to this paper as Appendix 2 and will be included in each determination. We have also decided that there should be a limit on the value of council-supplied vehicles because residents do not expect to have to support an expensive vehicle for their civic leader. The limit will relate to the actual purchase price, on road costs, other dealer charges and GST paid and will be set out each year in the determination. All current vehicles will be “grand-parented” out. The value applying for vehicles purchased in the 2018/19 year is set out in Appendix 2.

92. Because mayor/chairs will be paid as full-time roles the incumbents will no longer be able to claim a travel time allowance.

Remuneration for Councillors

Current Approach

93. The current approach is that the Remuneration Authority allocates basic councillor remuneration for each council and each council then has the opportunity to utilise a pool (twice the “base pay” of one of their councillors) for positions of additional responsibility. Under this approach, councils are not allowed to distribute the whole of the additional amount evenly amongst all councillors. The base pay is currently related to population and operational expenditure, though the relativities between councils have not been reviewed over the last few years. The Authority considers that this approach has severe limitations. For example, many councils find the rules restrictive and it is not uncommon for us to be asked if each councillor can hold a portfolio and the additional remuneration allocation divided up equally. In the past we have not allowed this, but the portfolio approach - and the requests for equal division - are becoming increasingly common. More relevant is the fact that, in its community, each council experiences a unique set of circumstances that require a tailored response in terms of how the council organises itself. For some, a basic councillor payment for most of the councillors with just a few committee chairs may be sufficient. For others, there will be a need to spread the workload and consequent remuneration more evenly.
94. Another area of difference is the number of councillors on each council. Councillor numbers are beyond the influence of the Authority but our work on this remuneration review has thrown the issue into stark relief. The idiosyncratic differences we see now are a legacy of historical circumstances. Issues such as amalgamations and boundary changes, population sparsity or density - and even the presence or absence of activist community groups at particular times - have all contributed to decisions over decades to increase or decrease the number of elected members on any particular council. The biggest council outside of Auckland is Christchurch with 16 councillors, followed by Palmerston North with 15 and a group of others with 14. The smallest number of councillors is six - Mackenzie, Waitomo, Opotiki, Wairoa and West Coast Regional councils. The situation is exemplified in the following chart, which shows an enormous variation in populations represented by councils with a similar number of councillors.

Councillor Numbers (excl. Mayor) in Comparison to Population

Council	Number of Councillors	Estimated Population 30 June 2017
Wellington	14	212,700
Hastings	14	49,900
Clutha	14	17,550
Hamilton	12	165,400
Nelson	12	51,400
Hauraki	12	19,850

Council	Number of Councillors	Estimated Population 30 June 2017
Tauranga	10	131,500
Waimakariri	10	59,300
Stratford	10	9,420
Thames-Coromandel	8	29,000
Central HB	8	13,850
Kawerau	8	6,940

95. As noted earlier in this paper, councils with larger ratepayer bases can more easily absorb higher governance costs than can smaller ones. There is no doubt that in the 21st century, ubiquitous mobile technology, better transport linkages and the mass media have had a homogenising effect. On the other hand, even in cities, local populations pride themselves on the difference between their area and often quite close neighbouring suburbs. Frequently this is accompanied by expectations of having “their” councillor represent them. This diversity enriches our culture and social fabric but the question we faced was whether any group of New Zealanders living in a particular part of the country should pay a significantly higher governance cost than those living in another part of the country with a council of comparable size.

Creating a Governance Pool

96. We have concluded that while councils should be able to recognise different circumstances within their boundaries and not be restricted as to remuneration allocation between different roles, the total cost of governance also has to be fair to ratepayers and should be closely related to the council size rather than number of councillors. From the time of the 2019 local government elections, we will be implementing a “governance pool” allocated to each council and aligned with the ranking of the council on our size index. It is important to stress that this will not be a national pool. The governance pool will provide the total amount that can be paid in remuneration to councillors in each individual council (aside from the mayor or regional council chair, whose remuneration will be determined by the Authority). The pool system will also apply to Auckland Local Boards which will have the same requirements as councils for making decisions on the allocation of the pool in each case. At this stage we have made no decision as to the application of the pool to community board members.

97. The governance pool will reflect the ranking of the council within the appropriate size index (TA, unitary or regional). It will not have any relationship to the number of councillors on a council or the number of councillors nation-wide. Thus, if a council wishes to change the number of councillors and the Local Government Commission agrees, the size of the governance pool will not change, it will just have to be shared amongst more or fewer people.
98. During the consultation some suggested to us that since all councillors nationwide have a base set of responsibilities the Authority should set a base remuneration (similar to the approach we are now taking for mayors) – or even that all should be paid exactly the same regardless where their council ranked on the size index. We do not accept that all councillors throughout the country should be on the same remuneration, but we do accept that there should be a base amount, which is discussed later.
99. Each council may allocate its own pool according to its own priorities and circumstances. Roles may include not just “internal” council roles such as deputy mayor, committee chair or portfolio holder, but also other jobs either internal or representing the council on outside groups. There will be four requirements for each council:
- The whole pool must be utilised. We understand that in any community there will be pressure to “keep rates down” by paying councillors less and we feel it is important that councils are protected from such pressure.
 - The council will need to decide a base remuneration for councillors who have no additional responsibilities. This could be equal to or higher than the base amount set out by the Authority.
 - For any roles with additional remuneration attached, the council will be required to have a formal vote to set out the positions of responsibility and the committee structure, decide who will be undertaking each role and also decide the annual dollar value of remuneration attached to each role, in addition to the basic councillor remuneration.
 - Following its formal decision-making, the council will need to forward its adopted resolutions to the Authority for consideration for inclusion in the determination. A timetable will be available for this.
100. The last requirement not only fulfils the law regarding the setting of local government remuneration but is also a safeguard against the possibility of a rogue council where a majority is tyrannising a minority in terms of remuneration. In our discussion document we proposed that recommendations to the Authority on the council governance pool would need to be agreed by a majority of, say, 75% of the council. It was pointed out to us in the consultation that in the case of a small number of seats on a council this may provide some difficulties. We considered a simple majority without the use of the mayor’s or chair’s casting vote. However, on reflection, since the mayor and chair remuneration is outside of the pool and therefore the holders of those positions have no personal interest in the remuneration being considered, we have decided that if there is a split in the council on this issue, the mayor or regional council chair may use a casting vote.

101. Nonetheless we acknowledge that there could be an unlikely but possible circumstance where a council is dominated by a strong majority with a very small minority being in some way “penalised” for disagreeing or disputing decisions. The law stipulates that only the Remuneration Authority can decide councillor pay, so each council’s views will be forwarded to us as a recommendation. Under normal circumstances we would endorse that recommendation and implement it within the determination. However, if a council proposal appears to be unbalanced, or if a councillor or CE makes a formal request for the Authority to review the proposal, we will act.

Estimating Hours of Work

102. The governance pool will reflect the ranking of the council in our size index, but it also needs to reflect other factors. In determining remuneration in a “regular” job, the employer would take into account variables summarised earlier in the paper - the nature of the role, the employee’s competence and hours of work. We have outlined the nature of this role and public expectations of elected members. It is for the voters to decide whether an election candidate is competent to undertake the role – the Authority is not an employer. In making a determination, the Authority has to assume that all councillors are competent and are completely fulfilling their duties in the best possible way.
103. In assessing hours of work, we reviewed the information we already held. The research that the Hay Group conducted for the Authority in 2015, interviewing the mayor/chair of 20 territorial and regional authorities, a representative sample of committee chairs, councillors, community board chairs and members, and selected representatives of Auckland Council including the Mayor, Deputy Mayor, committee chairs, local board chairs and members. The Hay Group concluded that average work time per week was around 20 hours. The 2017 retiring councillor survey, which had 75 responses, showed similar results. “Half time” is also the experience in some of the jurisdictions we looked at, though it should be noted that no other system of local government is exactly like that in New Zealand. Earlier this year we undertook a survey of all councillors across New Zealand and all Auckland Local Board members in order to ascertain hours of work in their roles as elected members. 659 councillors and 113 Auckland local board members responded.
104. This is the most comprehensive information that the Authority has had available to it about the hours councillors work in their local government roles. The survey responses showed a huge variation in hours worked not only between councils but also within councils. Some of these differences might be attributed to differences in interpretation of the questions that were asked. For example, we saw from the comments included in the responses that some included all their time on email and social media, while others did not include this at all. Other comments indicated that many respondents had taken a rather narrow view of the questions in terms of constituency work and preparation for meetings. We did expect that the questions were sufficiently broad to pick up all work, so, taking into account the comments, have assumed that quite a few respondents did not report all facets of their council work. We also note that many respondents commented on the “lumpy” nature of the work and the fact that the cycle which we asked them to review included Easter break. We have taken this into account.

"The other activity you didn't include in time spent was keeping constituents informed on social media and answering emails – that's probably another 50 – 60 hours per month".

105. As well as reporting on their time use in the survey answers, other issues raised in comments included the following:

- **24/7 Availability:** There is no doubt that the advent of digital communications, in particular social media, has had a major impact on local government just as it has on society in general. A very common comment was around the fact that councillors are now expected to be available 24/7, even if just to rapidly answer emails. The comments that accompanied the survey responses frequently raised this issue.

"Being a councillor is a fulltime commitment to service, in that no matter where I go in my community I am likely to be approached by community members wanting to talk about some aspect of Council rates, roads or services. I expect and am happy to give my time and attention to these residents. In addition, I willingly take phone calls from residents at times that suit them – at all hours of the day and night. I also receive many invitations to attend events across my very geographically spread ward. While these events are lovely and it is a privilege to be invited, they do take up much personal/weekend/public holiday/family time. All of this needs to be acknowledged as relevant to our remuneration level".

- **Time between meetings:** This issue was raised frequently. Clearly it is not an issue over which the Authority has any control, but the scheduling of meetings can increase the time requirement for councillors if there are long periods of down time between meetings on the same day. It is difficult to anticipate how long debate will continue, but (as is not uncommon in board meetings) agendas can be structured so that the important issues are considered early, allowing an estimation of finish time. If there is another meeting scheduled to follow, perhaps with a small refreshment break, that in itself provides a discipline on participants to finish on time. This is not just a matter of efficiency for its own sake. It impacts in a significant way on councillors who have external jobs and can be a source of conflict when they cannot reliably schedule other work.

"Because the diary is changed so regularly and often additional meetings or workshops are scheduled in on the days or weeks we should be free, it's virtually impossible for me to make other commitments – work, family or out of (the district)".

- **Travel Time:** Many clearly misunderstood why we did not ask specifically for travel time to be included in the survey response. There are already provisions for councils to pay travel time and vehicle cost reimbursement, but it is obvious that in some instances councils are not paying either cost reimbursements or travel time allowances (or both). The determination in this respect is enabling so councils may choose whether or not to use these provisions. We suggest that councils should conduct an assessment of the travel time of their councillors and, particularly in rural and provincial areas where there are long distances to be covered, should consider making these payments. We will review this in the next year. We consider that the current travel time allowance is sufficient on an hourly basis and it is unlikely to be increased in the near future. Vehicle cost reimbursement is tied to the policies of the IRD.

106. A related issue that drew many comments was the difficulty of ensuring diversity of representation under prevailing work/time/remuneration conditions. We reported some of these comments earlier because we think they give a flavour of the passion and conviction that we observed amongst many elected members and the need for change to encourage a more representative group of people in local government. Remuneration that recognises the extent of the role is part of this solution to this.

Assumptions about Councillor Time Use

107. Despite some (expected) inconsistencies, the survey data and associated comments nevertheless showed some trends that we were able to use as a basis for assumptions about councillor time use in relation to council size. It was evident that in the large “metro” councils (Christchurch, Wellington, Hamilton, Tauranga and Dunedin) a councillor is likely to work up to full time – i.e. one full time equivalent (FTE). There is a second group of councils where councillor workloads sit between full time and half time, with the workload of members of the remainder of councils generally varying around or below .5% of an FTE. It must be stressed, however, that the survey returns showed that both between and within councils, work time differs, even allowing for different roles such as deputy mayor or committee chair. Many work more than a full-time job in their council role, while others apparently put in minimal effort. However, the overall pattern was sufficient for us to use as a basis for decisions.

Other Variables

108. Having collected information on council rankings on the size index and the time basis for the job, we were then confronted with two other variables that distorted some of our results and impacted the concept of a governance pool – the number of councillors on a local authority and whether a council has community boards. Our approach to setting a “total cost of governance”, irrespective of the number of members of any council, is outlined above. The law provides for TAs and unitary authorities to have a minimum of six councillors and a maximum of 30, including the mayor. Regional councils need to have between six and 14 members. The average number across all TAs is 10 councillors and across regional councils is also 10 councillors. Just as councillor time varies roughly

according to the size of the council, so there is an approximate trend in councillor numbers – also with exceptions.

Conclusions Regarding Councillor Remuneration

109. Because of the variations, we decided that (with a few exceptions outlined below) we are unable to take into account the number of councillors on any council and have placed each council on the pay scale by using its overall ranking in the size index combined with average approximate hours worked for councils of similar ranking. We have used Christchurch (the largest council excluding Auckland) to anchor the top of our pay scale. We have anchored the bottom of the councillor pay scale in relation to a proportion of the average wage.
110. For those councils at the bottom end of our size index, we have taken on board feedback received during our consultation suggesting that there is a “basic job” for any councillor, no matter how small the council size. Our current intention is that when the governance pool approach is fully implemented following the 2019 local government election we will, in the first instance, relate the lowest councillor remuneration to a half time equivalent of about two thirds of the average wage. In the case of the smallest councils this will breach our “governance pool” approach and means that the pool for each of those councils will need to reflect the current number of councillors, rather than the ranking of the council on the size index. We note that of the 13 councils impacted, one has 14 councillors, but the average number of members of the remaining 12 councils is between eight and nine. This approach will not apply to remuneration for the Chatham Islands Council which will continue to be determined on a judgement basis.
111. We will begin the adjustments in the 2018/19 Determination and have completed the transition following the 2019 election.
112. In making these changes we are conscious of the effect that the new council size rankings will have on remuneration of individual councils, including:
 - Not all local government remuneration will increase as a result of these changes. In some cases, there will be little change because we have assessed the council pool to be at the right level for the ranking of the council on the index.
 - Because of the impact of the pool approach, in some cases where there are increases members of councils with a high number of councillors (e.g. 14 – 16) will get relatively smaller remuneration increases compared with councils of similar ranking on the size index but with fewer councillors.
 - Elected members of Taranaki Regional Council will not receive an increase in 2018/19 because they are currently paid more than they would be according to their ranking on the new regional council size index. The same applies to Christchurch City Councillors who will not receive an increase this year while we begin the adjustment of other councils on the TA index, which has Christchurch sitting at the top. In the next twelve months we will also be looking more carefully at their relativity with Auckland. Ironically, the presence of the deprivation index in our size measures lifts remuneration in areas where the ratepayers may find it least affordable. In some cases we have

moderated the increases to take account of affordability, as required under our legislation.

113. The impact of differing numbers of councillors on relative total governance pools will be actively considered by the Authority in future years when deciding local government remuneration.

Chatham Islands Councillors

114. Each year the Authority will make an informed judgement on the adjustment for Chatham Island councillors.

Auckland Governing Body Councillors

115. In Auckland the councillor roles are full time and there are 20 councillors. The next largest council is Christchurch, but the size of Auckland is vastly different, as is the mandate, with Auckland being a unitary council. Basically Auckland has hit the “ceiling” in our local government pay scale. In addition, the delegations that the Auckland Council gives to the Auckland Local Boards are changing in this financial year, which presumably will result in changed workloads. We have set the salary of the Auckland Mayor and in 2018/19 we will make an adjustment for governing body councillors that relates to the rise in the Mayor’s remuneration. Thereafter we will create a pool for Auckland councillors that takes into account the size of the council, including the impact of the proposed changes in delegations to Local Boards.

Auckland Local Board Members

116. Auckland’s 21 Local Boards were set up in 2010 as part of the re-organisation of Auckland local government arrangements following the report of the Royal Commission on Auckland Governance. The remuneration was set by the Authority at that time. The statutory powers of Local Boards were set out in the legislation¹⁰ that created the Auckland Council and those powers are more extensive than those applying to community boards, but less extensive than those applying to councils, which have the power of general competence. Also, with the exception of the Waiheke and Great Barrier Island boards, their populations are in the top half of TA populations. The local boards (comprising 149 local board members) have a significant and wide-ranging role and, for some purposes, are considered to be local authorities.
117. The Auckland Council’s Governing Body focuses on regional issues and the local boards on their local areas. They are not committees of the Auckland Council’s Governing Body, but are fully accountable for the decisions they make. Local boards also have a key advocacy role in regional decisions and policies. The extent of the local board governance role is reflected in the annual budget. For the 2017/2018 financial year, the combined annual operating budget of local boards is \$287,444,000. The combined capital budget is

¹⁰ Part 2 of the Local Government (Auckland Council) Act 2009

\$172,888,000. The scope of decision-making responsibilities of local boards is significant and wide-ranging. In addition to their statutory responsibilities to develop local board plans and local board agreements and to engage with their communities, local boards have decision-making responsibility for the non-regulatory local decisions about:

- planning and place-shaping
- maintenance and improvements to street environments and town centres
- business area planning
- arts and culture facilities and initiatives
- community development and facilities
- events
- libraries
- recreation and sports facilities and initiatives
- parks
- environmental management.

118. Local boards also have decision-making responsibilities for non-regulatory local decisions on fees and charges, service specifications, procurement and asset renewal. They can propose local bylaws and local targeted rates and they work with council-controlled organisations on services the CCOs provide in the local board area. As with councils, there is a base level of work and activities that all local boards have to undertake, regardless of budget or population size.
119. The Governance Framework Review that Auckland Council undertook in the last couple of years found that local boards are not sufficiently empowered to deliver on their responsibilities. As a result, local boards have now been delegated powers to manage land under the Local Government Act 2002 and to dispose of local service property and reinvest sale proceeds according to Council policy. Boards also have been given reasonably full discretion to prioritise all renewals funding in relation to all council assets in their area. Further changes are being discussed for implementation in the forthcoming year.
120. Because the Authority does not have certainty around these proposed changes, we are not at present in a position to decide how to size Auckland Local Boards or to construct a pay scale for them, though we do intend to do so in the 2018/19 year. In terms of quantifying work time, our survey response rate from elected members in Auckland, including members of Auckland Boards, was slightly less than the response from the rest of the country. This did not assist in assessing time requirements, but we are conscious of the workload of the Deputy Chairs of Auckland Local Boards and will recognise this in the 2018/19 determination by increasing their remuneration to 60% of that of board chairs, regardless of not having yet developed a pay scale. In the immediate future, remuneration for members of Auckland Local boards will be adjusted to reflect the public sector increase in the last year. We will be engaging in a detailed discussion with Local Boards and the Auckland Council in the near future, with a view to revisiting all their remuneration in the July 1 2019 determination. By then we assume more delegations will have taken place and we will thus be in a position to develop an appropriate pay scale. We also intend to implement a pool system for Auckland at the same time as for the rest of the country.

There will be a pool for the Governing Body (the Council) and a separate one for each of the Local Boards, which will make its own decision regarding allocation of its pool.

Unitary and Regional Councillors

121. Our approach to councillor remuneration for unitary and regional councils was slightly different because the sample sizes of these two groups were limited. For regional councils, there was also a large variation in councillor numbers, between six and 13 (not counting the chair). We have therefore related unitary and regional councillor remuneration changes to the changes in the remuneration of the chair of each council, which is set out above. We also then looked at the relativity between the three groups (TAs, unitary council and regional councils) to assess that there was a fair fit amongst all three pay scales.

Community Board Members

122. Forty TAs and unitary councils have community boards. The circumstances that have led to councils of the same size having different numbers of councillors are in some cases similar to those that have led to the apparently random formation of community boards. Frequently community boards were set up in 1989 when smaller local government units were being amalgamated and the communities that previously had their own council were given a community board instead. Other councils set up community boards in response to the 1989 legislation which required councils with a population over 20,000 to establish them. This requirement was abolished two years later. Even within a single local authority boundary, some communities now have their own community boards and some do not. Although all councils have the same legal opportunity to delegate functions to community boards, there are many variations in their levels of delegation, with most having very little decision-making power. According to Hammond and Hammond in their recent survey of community boards ¹¹ “...the trend is for community boards to advise their local councils, rather than exercise executive power themselves. The only area community boards consistently have decision-making powers in is the administration of community grants”.
123. In our discussion paper we asked councils to tell us if they thought that community board members should be paid out of the same pool as councils. Most of the councils that responded to the survey and that do not have community boards gave us no opinion. Of those that do have community boards, and who gave an opinion, there was an equal split as to whether community board members remuneration should come out of the council pool. In some instances, we have been given informal views of community boards from council leaders that do not correspond with the formal positions of councils. We note that there has been a 30% decline in the number of community boards in the last decade. We have considered carefully the fairness of the fact that local authorities with community boards tend to have a higher cost of governance than those without them - yet presumably

¹¹ Callum Hammond and David Hammond *Serving New Zealand? A 2018 Survey of Community Boards*, p.10

the volume of work is the same, just spread out amongst more people. Clearly many of the hundreds of community board members work extremely hard and with great commitment to their communities. However, in view of the flimsy evidence available about the utility or otherwise of community boards, we have decided that until such time as there is an overall review of their role, community board members will have remuneration adjusted annually by a maximum of the increase in public sector pay the previous year. If councils with community boards wish to increase the remuneration of their community board members, they will need to take the money out of the council governance pool. However, they will not be able to decrease the remuneration level of community board members. Chairs of community boards will continue to receive twice the remuneration of other community board members. Councils will be able to decide whether or not to give extra remuneration to any councillors serving on community boards, as part of their package of recommendations to the Authority.

Timing of Implementation

124. The Authority intends to review the ranking of each council on the size index every three years. At the beginning of each election year we will issue a list showing the new governance pool we propose for each council (NB this is not a national pool), to be implemented by the new council immediately following the next election. This timing will allow existing councils to assess changes and make recommendations for remuneration based on the size of the pool available, well before the election at which they will be implemented. People considering running for office will have this information prior to the election. Even though they will not know exactly which “job” they may have on a council in terms of portfolio holder or committee chair, for example, they will have an indication of the remuneration they could expect if elected as a councillor without any additional responsibilities.
125. We will expect each council to submit a proposal in the first part of the calendar year in which the election is scheduled and we will issue a determination in the middle of that year which will have two parts: Part One for the period from July 1 till the day on which the new council assumes office, and Part Two for implementation when the new council takes office following the election. When the new council takes office, all councillors (except the mayor) will receive the base councillor remuneration set out in Part One of that year’s Determination. For positions of responsibility (including the subsequently elected chair of a regional council), the remuneration will apply from the date the new council makes its formal decision on roles. If newly elected councils wish to change the proposal they will have a window of three months following the election to do so and submit the proposed changes to us for incorporation into a determination that will be backdated to the date the new council made its formal decision on roles and appointments.
126. In the years between the assessments of the “governance pool”, all local government elected member remuneration will be changed on an annual basis using the same public sector equivalent formula that the Authority utilises for parliamentary remuneration.

127. All of the changes to the remuneration outlined above will be phased in over the next two determinations – 2018/19 and 2019/20 - not necessarily in equal tranches.
128. In 2018/19 the Determination will introduce the first of three steps towards re-aligning councils to their new ranking on the size index. The following will occur:
- With the exception of Auckland, all mayors and regional council chairs will have remuneration changed (or in the case of Taranaki Regional Council, maintained) according to their council ranking on the size index.
 - With the exception of Auckland Council, Chatham Islands Council, Christchurch City Council and Taranaki Regional Council, all councillors on TAs, unitary and regional authorities will receive the higher of either a 1.5% increase or approximately 25% of the figure we are currently considering for their council pool following the 2019 election. The 2018/19 figures will be contained in the 2018/19 Determination as dollar amounts, but the proposed 2019/20 pools will not be advised to councils until later this year. It should be noted that the currently assessed pools may change for 2019/20 if there are significant changes in the New Zealand economy or other outside stresses that require consideration.
 - The Auckland Mayor and Governing Body councillors will receive an increase of 2%.
 - Auckland Local Board members and chairs will receive an increase of 1.5%, pending the outcome of further review in 2018/19.
 - Remuneration for deputy chairs of Auckland Local Boards will increase to 60% of their respective chair's remuneration.
 - Chatham Islands Councillors will receive an increase of 2.5%.
 - Members and chairs of community boards will receive an increase of 1.5%.
129. By early in the calendar year 2019 councils will have been advised of the governance pool that they will be allocated following the 2019 local government election. They will be asked by the Authority to provide a formal response outlining how the pool will be allocated to individual roles within their council following the 2019 election.
130. In the determination to be implemented on 1 July 2019 the following will occur:
- Part One (applying until the new council assumes office following the election) will give similar (though not necessarily identical) rises to those in 2018/19, except that the remuneration of Auckland Local Board members and Auckland councillors may be adjusted to take account of variations in responsibilities.
 - The Authority has not yet any proposal for community board remuneration in either part One or Part Two of the 2019/20 determination.
 - Part Two (introducing the governance pool following the 2019 local government election) will apply the whole new governance pool for each council/local board, including the process requirements outlined in this paper. These requirements will be communicated formally to councils during 2018.
 - New councils elected in 2019 will have the opportunity to amend proposals submitted to the Authority by the outgoing councils.

Appendix 1: Size Indices Rankings

Ranking	Territorial Authority
1	Christchurch
2	Wellington
3	Hamilton
4	Dunedin
5	Tauranga
6	Hutt
7	Whangarei
8	Far North
9	Hastings
10	Palmerston North
11	New Plymouth
12	Rotorua
13	Waikato
14	Napier
15	Porirua
16	Whanganui
17	Invercargill
18	Kapiti Coast
19	Waimakariri
20	Selwyn
21	Western BOP
22	Waipa
23	Taupo
24	Whakatane
25	Timaru
26	Thames-Coromandel
27	Horowhenua
28	Queenstown Lakes
29	Upper Hutt
30	South Taranaki
31	Southland
32	Matamata-Piako
33	Masterton
34	Ashburton
35	Manawatu
36	South Waikato
37	Kaipara
38	Hauraki
39	Waitaki
40	Tararua

Ranking	Territorial Authority
41	Clutha
42	Ruapehu
43	Central Otago
44	Rangitikei
45	Central HB
46	Hurunui
47	Grey
48	Wairoa
49	Gore
50	Opotiki
51	Waitomo
52	Buller
53	Kawerau
54	South Wairarapa
55	Otorohanga
56	Westland
57	Stratford
58	Waimate
59	Carterton
60	Mackenzie
61	Kaikoura

Ranking	Unitary Authority
1	Auckland
2	Gisborne
3	Tasman
4	Nelson
5	Marlborough
6	Chatham Islands

Ranking	Regional Authority
1	Canterbury Regional
2	Wellington Regional
3	Waikato Regional
4	Otago Regional
5	BOP Regional
6	Manawatu-Wanganui Regional
7	Hawkes Bay Regional
8	Northland Regional
9	Southland Regional
10	Taranaki Regional
11	West Coast Regional

Appendix 2 – Provision of Motor Vehicle for Mayor and Regional Chair

A local authority **may** decide to provide its mayor or regional chair with a motor vehicle after taking into account what is the **most cost effective option** for the local authority and their ratepayers. The options are the provision of a motor vehicle to undertake local authority business or the ability for the mayor/regional chair to claim a vehicle mileage allowance for costs associated with local authority business.

The **maximum purchase price** that will apply in the 2018/19 year for a local authority provided motor vehicle is:

- **Petrol/Diesel = \$55,000** (including on-road costs, dealer charges and GST paid)
- **Electric/Hybrid = \$65,000** (including on-road costs, dealer charges and GST paid)

If the mayor or regional chair is provided with a vehicle, the local authority **must** deduct from the annual remuneration of the mayor or regional chair the appropriate amount calculated in accordance with the one of the following formula:

a) **Full Private Use**

V x 41% x 20% eg: \$42,800 x 41% x 20% = \$3,510

b) **Partial Private Use** – if a smaller usage is claim. This must be supported by a log book.

V x 41% x 10% eg: \$42,800 x 41% x 10% = \$1,755

Note an amount less than 10% for partial private use is no longer applicable.

c) **Restricted Private Use** - ie: no personal use. The motor vehicle is driven home and garaged by the mayor or regional chair overnight. The motor vehicle is available to be used by other local authority staff when not being used, on local authority business, by the mayor/regional chair. This option must be supported by a log book.

No deduction from annual remuneration

Where:

- **V** = actual purchase price, on-road costs, dealer charges and GST paid
- **41%** = assessed annual value of motor vehicle
- **20%** = assessed as full private use
- **10%** = assessed as a lesser amount of private use which must be supported by a log book

For example:

	A	B	C
Annual Remuneration as shown in either schedule 1 or schedule 2	\$85,220	\$85,220	\$85,220
Motor Vehicle Deduction	\$3,510	\$1,755	\$0
Salary	\$81,710	\$83,465	\$85,220

The deduction from the mayor or regional chair's annual remuneration is effective from the date that they are provided with the motor vehicle.

Vehicle mileage for the use of a private car by the mayor or regional chair cannot be claimed if a local authority motor vehicle is provided.

The above policy will apply to all new or replacement motor vehicles from 1 July 2018.

All existing arrangements associated with current motor vehicles provided to individual mayors and regional chairs are "grandparented". However, local authorities will need to commence appropriate deductions from their mayors/regional chairs annual remuneration from 1 July 2018, using the formula and assessed usage contained in the completed vehicle information forms that were previously provided to the Remuneration Authority.

2018/124



Local Government Members (2018/19) (Local Authorities) Determination 2018

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

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Determination

1 Title

This determination is the Local Government Members (2018/19) (Local Authorities) Determination 2018.

2 Commencement

This determination is deemed to have come into force on 1 July 2018.

3 Expiry

This determination expires on the close of 30 June 2019.

Interpretation

4 Interpretation

In this determination, unless the context otherwise requires,—

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

board means—

- (a) a community board of a territorial authority other than the Auckland Council; or
- (b) a local board of the Auckland Council

determination term means the period from the coming into force of this determination to its expiry

HASHA means the Housing Accords and Special Housing Areas Act 2013

hearing has the meaning given to it by clause 5

hearing time has the meaning given to it by clause 6

local authority means a regional council or a territorial authority

member means,—

- (a) in relation to a local authority (other than the Canterbury Regional Council) or a board, a person who is declared to be elected to that local authority or board under the Local Electoral Act 2001 or who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the local authority or board (for example, a chairperson):
- (b) in relation to the Canterbury Regional Council, a person who has been elected or appointed to membership in the transitional governing body in accordance with the Environment Canterbury (Transitional Governance Arrangements) Act 2016, or who, as the result of further election or appointment, is an office holder in relation to the Canterbury Regional Council (for example, a chairperson)

on local authority business includes on the business of any board of the local authority

regional council means a regional council named in Part 1 of Schedule 2 of the Local Government Act 2002

RMA means the Resource Management Act 1991

territorial authority means a territorial authority named in Part 2 of Schedule 2 of the Local Government Act 2002.

5 Meaning of hearing

In this determination, **hearing** means—

- (a) a hearing that is held by an ATA panel arising from—
 - (i) a resource consent application under subpart 2 of Part 2 of HASHA; or
 - (ii) a request for a plan change or for a variation to a proposed plan under subpart 3 of Part 2 of HASHA; or
- (b) a hearing arising from a resource consent application made under section 88 of the RMA; or
- (c) a meeting for determining a resource consent application without a formal hearing; or
- (d) a hearing arising from a notice of requirement (including one initiated by the local authority); or
- (e) a pre-hearing meeting held under section 99 of the RMA in relation to a hearing referred to in paragraph (b) or (d); or
- (f) a hearing as part of the process of the preparation, change, variation, or review of a district or regional plan or regional policy statement; or
- (g) a mediation hearing in the Environment Court as part of an appeal from a decision of a local authority; or
- (h) a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA.

6 Meaning of hearing time

In this determination, **hearing time** means the time spent on any of the following:

- (a) conducting a hearing;
- (b) in formal deliberations to decide the outcome of a hearing;
- (c) participating in an official group site inspection related to a hearing;
- (d) determining a resource consent application where a formal hearing does not take place;

- (e) up to a maximum of the aggregate of the time referred to in paragraphs (a) and (b), preparing for a hearing and participating in any inspection of a site for the purposes of a hearing (other than an official group site inspection under paragraph (c));
- (f) writing a decision arising from a hearing or communicating for the purpose of the written decision.

Entitlement to remuneration, allowances, and hearing fees

7 Remuneration, allowances, and hearing fees payable

- (1) A member of a local authority or a board is entitled to—
 - (a) the applicable remuneration set out in the Schedule (adjusted in accordance with clause 9 if applicable);
 - (b) the applicable allowances payable in accordance with clauses 10 to 13;
 - (c) the applicable hearing fees payable in accordance with clause 14.
- (2) If a member of a territorial authority is also elected or appointed to a board, the member is entitled only to the remuneration that is payable to the member as a member of the territorial authority.

8 Acting mayor or chairperson

- (1) This clause applies to a member who acts as a mayor or chairperson during a period when, because of a vacancy or temporary absence, the remuneration or allowances that would usually be paid to the mayor or chairperson are not being paid.
- (2) While acting as mayor or chairperson, the member must be paid the remuneration and allowances usually payable to the mayor or chairperson, instead of the member’s usual remuneration, allowances, and hearing fees.

9 Motor vehicles for mayors and regional chairpersons

- (1) A local authority may provide to the mayor or regional chairperson of the local authority either—
 - (a) a motor vehicle (which may be provided for restricted private use, partial private use, or full private use); or
 - (b) a vehicle mileage allowance in accordance with clause 11.
- (2) The maximum purchase price that may be paid for a motor vehicle purchased by a local authority for provision to a mayor or regional chairperson during the term of this determination is,—
 - (a) in the case of a petrol or diesel vehicle, \$55,000 (including goods and services tax and any on-road costs); and
 - (b) in the case of an electric or a hybrid vehicle, \$65,000 (including goods and services tax and any on-road costs).

- (3) If a motor vehicle is provided to a mayor or regional chairperson for restricted private use, no deduction may be made from the annual remuneration payable to the mayor or regional chairperson under Part 1 or Part 2 of the Schedule in respect of the provision of that motor vehicle.
- (4) If a motor vehicle is provided to a mayor or regional chairperson for partial private use or full private use,—
 - (a) the annual remuneration payable to the mayor or regional chairperson under Part 1 or Part 2 of the Schedule must be adjusted by the local authority in accordance with subclause (5) or (6) (as applicable); and
 - (b) the adjustment must take effect on and from—
 - (i) the date of commencement of this determination (in the case of a motor vehicle provided to the person before that date); or
 - (ii) the date of provision of the motor vehicle to the person (in the case of a motor vehicle purchased during the term of this determination).

- (5) If a motor vehicle is provided to a mayor or regional chairperson for partial private use, the amount calculated in accordance with the following formula must be deducted from the remuneration payable to that person:

$$v \times 41\% \times 10\%$$

where v means the actual purchase price of the vehicle, including goods and services tax and any on-road costs.

- (6) If a motor vehicle is provided to a mayor or regional chairperson for full private use, the amount calculated in accordance with the following formula must be deducted from the remuneration payable to that person:

$$v \times 41\% \times 20\%$$

where v means the actual purchase price of the vehicle, including goods and services tax and any on-road costs.

- (7) In this clause,—

full private use means—

- (a) the vehicle is usually driven home and securely parked by the mayor or regional chairperson; and
- (b) the vehicle is available for the mayor or regional chairperson’s unrestricted personal use; and
- (c) the vehicle is used by the mayor or regional chairperson for a mix of local authority business and private use; and
- (d) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional chairperson

partial private use means—

- (a) the vehicle is usually driven home and securely parked by the mayor or regional chairperson; and
- (b) the vehicle is used by the mayor or regional chairperson for a mix of local authority business and private purposes; and
- (c) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional chairperson; and
- (d) all travel in the vehicle is recorded in a log-book; and
- (e) the use of the vehicle for private purposes accounts for no more than 10% of the vehicle’s annual mileage

restricted private use means—

- (a) the vehicle is usually driven home and securely parked by the mayor or regional chairperson; and
 - (b) the vehicle is otherwise generally available for use by other local authority members or staff on local authority business; and
 - (c) the vehicle is used solely for local authority business; and
 - (d) all travel in the vehicle is recorded in a log-book.
- (8) To avoid doubt, subclause (2) does not apply to a motor vehicle provided to a mayor or regional chairperson before 1 July 2018.

Allowances

10 Definition of member

For the purposes of payment of allowances under clauses 11 to 13, **member**, in relation to a territorial authority, includes a member of a board of the territorial authority.

11 Vehicle mileage allowance

- (1) A local authority may pay to a member a vehicle mileage allowance to reimburse that member for costs incurred in respect of eligible travel.
- (2) A member’s travel is eligible for the allowance if—
 - (a) it occurs on a day when the member is not provided with a motor vehicle by the local authority; and
 - (b) the member is travelling—
 - (i) in a private vehicle; and
 - (ii) on local authority business; and
 - (iii) by the most direct route that is reasonable in the circumstances.
- (3) The allowance payable to a member is,—

- (a) for the first 10 000 kilometres of eligible travel in the determination term,—
 - (i) if the member uses an electric vehicle, \$0.81 per kilometre; and
 - (ii) in any other case, \$0.73 per kilometre; and
- (b) for any distance over 10 000 kilometres of eligible travel in the determination term, \$0.37 per kilometre.

12 Travel time allowance

- (1) A local authority may pay a member (other than a mayor or a regional chairperson) an allowance for eligible travel time.
- (2) Travel time by a member is eligible for the allowance if it is time spent travelling within New Zealand—
 - (a) on local authority business; and
 - (b) by the quickest form of transport that is reasonable in the circumstances; and
 - (c) by the most direct route that is reasonable in the circumstances.
- (3) The travel time allowance is \$37.50 for each hour of eligible travel time after the first hour of eligible travel time travelled in a day.
- (4) However, if a member of a local authority resides outside the local authority area and travels to the local authority area on local authority business, the member is only eligible for a travel time allowance in respect of eligible travel time—
 - (a) after the member crosses the boundary of the local authority area; and
 - (b) after the first hour of eligible travel within the local authority area.
- (5) The maximum amount of travel time allowance that a member may be paid for eligible travel in a 24-hour period is 8 hours.
- (6) Despite subclause (1), the Chatham Islands Council may pay the Mayor of the Chatham Islands Council an allowance for eligible travel time.

13 Communications allowance

Equipment

- (1) If a local authority determines that particular information or communications technology equipment is required by members to perform their functions and requests that members use their own equipment for those purposes, the local authority may pay an allowance in accordance with subclause (2).
- (2) The matters in respect of which an allowance is payable and the amounts that may be paid for the determination term are as follows:
 - (a) for the use of a personal computer, tablet, or laptop, including any related docking station, \$200:
 - (b) for the use of a multi-functional or other printer, \$40:

(c) for the use of a mobile telephone, \$150.

Services

- (3) If a local authority requests a member to use the member’s own Internet service for the purpose of the member’s work on local authority business, the member is entitled to an allowance for that use of \$400 for the determination term.
- (4) If a local authority requests a member to use the member’s own mobile telephone service for the purpose of the member’s work on local authority business, the member is entitled, at the member’s option, to—
 - (a) an allowance for that use of \$400 for the determination term; or
 - (b) reimbursement of actual costs of phone calls made on local authority business upon production of the relevant telephone records and receipts.
- (5) If a local authority supplies a mobile phone and related mobile telephone service to a member for use on local authority business and allows for its personal use, the local authority may decide what portion, if any, of the local authority’s costs reasonably attributable to such personal use must be paid by the member.

Pro-rating

- (6) If the member is not a member for the whole of the determination term, sub-clauses (2) to (5) apply as if each reference to an amount were replaced by a reference to an amount calculated in accordance with the following formula:

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

where—

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

Hearing fees

14 Fees related to hearings

- (1) A member of a local authority or a board who acts as the chairperson of a hearing is entitled to be paid a fee of up to \$100 per hour of hearing time related to the hearing.
- (2) A member of a local authority or a board who is not the chairperson of a hearing is entitled to be paid a fee of up to \$80 per hour of hearing time related to the hearing.

- (3) For any period of hearing time that is less than 1 hour, the fee must be apportioned accordingly.
- (4) Subclauses (1) and (2) do not apply to—
 - (a) a mayor or a member who acts as mayor and is paid the mayor’s remuneration and allowances under clause 8(2); or
 - (b) a chairperson of a regional council or a member who acts as chairperson of a regional council and is paid the chairperson’s remuneration and allowances under clause 8(2).

Revocation

15 Revocation

The Local Government Members (2017/18) (Local Authorities) Determination 2017 (LI 2017/167) is revoked.

Schedule Remuneration

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Part 1 Remuneration of members of regional councils

Bay of Plenty Regional Council

Office	Annual remuneration (\$)
Chairperson	143,742
Deputy Chairperson	80,624
Regional Direction and Delivery Committee Chairperson	79,602
Committee Chairperson (5)	67,339
Councillor	57,120

Canterbury Regional Council

Office	Annual remuneration (\$)
Chairperson	170,016
Deputy Chairperson	92,319
Chairperson, Audit and Risk Committee	82,429
Chairperson, Regulation Hearing Committee	79,482
Canterbury Water Management Strategy Zone Committee Member (9)	74,201
Councillor	65,943

Hawke's Bay Regional Council

Office	Annual remuneration (\$)
Chairperson	123,153
Deputy Chairperson	64,588
Committee Chairperson (5)	64,588
Councillor	51,670

Manawatu–Wanganui Regional Council

Office	Annual remuneration (\$)
Chairperson	135,054
Catchment Operations Committee Chairperson	68,244
Deputy Chairperson	61,184
Environment Committee Chairperson	61,184
Audit, Risk and Investment Committee Chairperson	56,478
Passenger Transport Committee Chairperson	56,478
Regional Transport Committee Chairperson	56,478
Catchment Operations Committee Deputy Chairperson	49,419
Environment Committee Deputy Chairperson	49,419

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Office	Annual remuneration (\$)
Manawatu River Users' Advisory Group Chairperson	47,065
Councillor	47,065

Northland Regional Council

Office	Annual remuneration (\$)
Chairperson	119,834
Deputy Chairperson	78,062
Committee Chairperson/Portfolio Leader (7)	68,502
Councillor	55,758

Otago Regional Council

Office	Annual remuneration (\$)
Chairperson	131,833
Deputy Chairperson	69,700
Regional Transport Committee Chairperson	57,254
Committee Chairperson (4)	57,254
Councillor	49,786

Southland Regional Council

Office	Annual remuneration (\$)
Chairperson	106,188
Deputy Chairperson	45,945
Committee Chairperson (4)	45,945
Councillor	38,288

Taranaki Regional Council

Office	Annual remuneration (\$)
Chairperson	102,550
Deputy Chairperson/Executive Committee Chairperson	58,325
Chairperson Policy and Planning Committee and Taranaki Solid Waste Management Committee	54,436
Chairperson Consents and Regulatory Committee	50,548
Committee Chairperson (Land Transport or Civil Defence Emergency Management Committee or Yarrow Stadium Joint Committee) (3)	46,660
Councillor and appointee to Taranaki Biodiversity Trust	44,715
Councillor	38,883

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Waikato Regional Council

Office	Annual remuneration (\$)
Chairperson	158,308
Deputy Chairperson	86,666
Committee Chairperson A and B	74,065
Committee Chairperson A (6)	74,065
Councillor	61,465

Wellington Regional Council

Office	Annual remuneration (\$)
Chairperson	168,437
Deputy Chairperson/Committee Chairperson	90,243
Committee Chairperson (3)	80,296
Portfolio Leader (1)	76,932
Chairperson, Hutt Valley Flood Management Subcommittee and Portfolio Leader	80,296
Committee Chairperson, Chief Executive Employment Review Committee	76,932
Chairperson, Wairarapa Committee	76,932
Councillor	64,223

West Coast Regional Council

Office	Annual remuneration (\$)
Chairperson	79,169
Deputy Chairperson and Chairperson of Resource Management Committee	42,381
Councillor	36,563

Part 2

Remuneration of members of territorial authorities and their community or local boards

Ashburton District Council

Office	Annual remuneration (\$)
Mayor	108,713
Deputy Mayor	36,440
Standing Committee Chairperson (3)	32,535
Councillor	26,029

Methven Community Board

Office	Annual remuneration (\$)
Chairperson	5,290
Member	2,646

Auckland Council

Office	Annual remuneration (\$)
Mayor	279,562
Deputy Mayor	157,518
Chair of committee of the whole (3)	130,030
Councillor (16)	109,750

Albert–Eden Local Board

Office	Annual remuneration (\$)
Chairperson	90,838
Deputy Chairperson	54,503
Member	44,129

Devonport–Takapuna Local Board

Office	Annual remuneration (\$)
Chairperson	80,361
Deputy Chairperson	48,216
Member	43,149

Franklin Local Board

Office	Annual remuneration (\$)
Chairperson	81,290
Deputy Chairperson	48,774
Member	42,426

Great Barrier Local Board

Office	Annual remuneration (\$)
Chairperson	55,123
Deputy Chairperson	33,074
Member	24,103

Henderson–Massey Local Board

Office	Annual remuneration (\$)
Chairperson	94,039
Deputy Chairperson	56,423
Member	44,645

Hibiscus and Bays Local Board

Office	Annual remuneration (\$)
Chairperson	88,155
Deputy Chairperson	52,893
Member	43,820

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Howick Local Board

Office	Annual remuneration (\$)
Chairperson	98,477
Deputy Chairperson	59,086
Member	44,852

Kaipātiki Local Board

Office	Annual remuneration (\$)
Chairperson	87,277
Deputy Chairperson	52,366
Member	43,561

Māngere–Ōtahuhu Local Board

Office	Annual remuneration (\$)
Chairperson	85,316
Deputy Chairperson	51,189
Member	43,716

Manurewa Local Board

Office	Annual remuneration (\$)
Chairperson	87,845
Deputy Chairperson	52,707
Member	43,716

Maungakiekie–Tāmaki Local Board

Office	Annual remuneration (\$)
Chairperson	84,541
Deputy Chairperson	50,725
Member	43,458

Ōrakei Local Board

Office	Annual remuneration (\$)
Chairperson	86,813
Deputy Chairperson	52,088
Member	43,922

Ōtara–Papatoetoe Local Board

Office	Annual remuneration (\$)
Chairperson	86,503
Deputy Chairperson	51,902
Member	43,922

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Papakura Local Board

Office	Annual remuneration (\$)
Chairperson	76,904
Deputy Chairperson	46,142
Member	42,529

Puketāpapa Local Board

Office	Annual remuneration (\$)
Chairperson	80,155
Deputy Chairperson	48,093
Member	43,149

Rodney Local Board

Office	Annual remuneration (\$)
Chairperson	78,555
Deputy Chairperson	47,133
Member	42,013

Upper Harbour Local Board

Office	Annual remuneration (\$)
Chairperson	78,296
Deputy Chairperson	46,978
Member	42,839

Waiheke Local Board

Office	Annual remuneration (\$)
Chairperson	61,368
Deputy Chairperson	36,821
Member	25,755

Waitākere Ranges Local Board

Office	Annual remuneration (\$)
Chairperson	78,090
Deputy Chairperson	46,854
Member	42,736

Waitematā Local Board

Office	Annual remuneration (\$)
Chairperson	83,355
Deputy Chairperson	50,013
Member	43,251

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Whau Local Board

Office	Annual remuneration (\$)
Chairperson	85,316
Deputy Chairperson	51,189
Member	43,716

Buller District Council

Office	Annual remuneration (\$)
Mayor	81,840
Deputy Mayor and Hearings Committee Chair	33,718
Finance and Audit Committee Chair	28,611
Policy and Risk Committee Chair	24,012
Grants Committee Chair	22,480
Councillor	19,414

Inangahua Community Board

Office	Annual remuneration (\$)
Chairperson	7,018
Member	3,509

Carterton District Council

Office	Annual remuneration (\$)
Mayor	70,920
Deputy Mayor	24,318
Ruamāhanga Whaitua Representative (1)	21,410
Councillor	18,707

Central Hawke's Bay District Council

Office	Annual remuneration (\$)
Mayor	89,376
Deputy Mayor	36,742
Councillor	24,437

Central Otago District Council

Office	Annual remuneration (\$)
Mayor	96,484
Deputy Mayor	23,016
Committee Chairperson (4)	22,447
Councillor	21,240

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Cromwell Community Board

Office	Annual remuneration (\$)
Chairperson	13,966
Member	6,983

Maniototo Community Board

Office	Annual remuneration (\$)
Chairperson	6,772
Member	3,386

Teviot Valley Community Board

Office	Annual remuneration (\$)
Chairperson	6,772
Member	3,386

Vincent Community Board

Office	Annual remuneration (\$)
Chairperson	15,025
Member	7,513

Chatham Islands Council

Office	Annual remuneration (\$)
Mayor	52,225
Deputy Mayor	21,843
Councillor and Member of Civil Defence Emergency Management Group (7)	16,350
Councillor	13,743

Christchurch City Council

Office	Annual remuneration (\$)
Mayor	193,099
Deputy Mayor	118,220
Councillor	102,400

Banks Peninsula Community Board

Office	Annual remuneration (\$)
Chairperson	19,342
Member	9,670

Coastal–Burwood Community Board

Office	Annual remuneration (\$)
Chairperson	46,310
Member	23,155

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Fendalton–Waimairi–Harewood Community Board

Office	Annual remuneration (\$)
Chairperson	45,681
Member	22,841

Halswell–Hornby–Riccarton Community Board

Office	Annual remuneration (\$)
Chairperson	48,196
Member	24,098

Linwood–Central–Heathcote Community Board

Office	Annual remuneration (\$)
Chairperson	48,196
Member	24,098

Papanui–Innes Community Board

Office	Annual remuneration (\$)
Chairperson	46,310
Member	23,155

Spreydon–Cashmere Community Board

Office	Annual remuneration (\$)
Chairperson	46,310
Member	23,155

Clutha District Council

Office	Annual remuneration (\$)
Mayor	96,695
Deputy Mayor	28,070
Committee Chairperson (3)	26,733
Portfolio Leader A (2)	22,723
Portfolio Leader B (5)	21,387
Councillor	20,050

Lawrence–Tuapeka Community Board

Office	Annual remuneration (\$)
Chairperson	5,714
Member	2,857

West Otago Community Board

Office	Annual remuneration (\$)
Chairperson	6,772
Member	3,386

Dunedin City Council

Office	Annual remuneration (\$)
Mayor	157,798
Deputy Mayor and Chair of Economic Development Committee	77,316
Committee Chairperson (4)	72,856
Sub-Committee Chairperson	65,192
Councillor	59,474

Mosgiel–Taieri Community Board

Office	Annual remuneration (\$)
Chairperson	18,860
Member	9,429

Otago Peninsula Community Board

Office	Annual remuneration (\$)
Chairperson	15,925
Member	7,963

Saddle Hill Community Board

Office	Annual remuneration (\$)
Chairperson	16,135
Member	8,068

Strath Taieri Community Board

Office	Annual remuneration (\$)
Chairperson	14,669
Member	7,334

Waikouaiti Coast Community Board

Office	Annual remuneration (\$)
Chairperson	15,716
Member	7,858

West Harbour Community Board

Office	Annual remuneration (\$)
Chairperson	16,135
Member	8,068

Far North District Council

Office	Annual remuneration (\$)
Mayor	136,818
Deputy Mayor	78,830
Committee Chairperson (3)	60,166
Councillor	48,574

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Bay of Islands–Whangaroa Community Board

Office	Annual remuneration (\$)
Chairperson	30,660
Member	11,792

Kaikohe–Hokianga Community Board

Office	Annual remuneration (\$)
Chairperson	26,280
Member	10,107

Te Hiku Community Board

Office	Annual remuneration (\$)
Chairperson	26,828
Member	10,318

Gisborne District Council

Office	Annual remuneration (\$)
Mayor	141,171
Deputy Mayor	49,688
Standing Committee Chairperson (5)	45,867
Special Committee Chairperson (2)	42,045
Rural Councillor (4)	39,090
Councillor	38,222

Gore District Council

Office	Annual remuneration (\$)
Mayor	82,677
Deputy Mayor	25,188
Portfolio Leader (3)	22,376
Councillor	18,157

Mataura Community Board

Office	Annual remuneration (\$)
Chairperson	4,041
Member	2,020

Grey District Council

Office	Annual remuneration (\$)
Mayor	87,369
Deputy Mayor	31,697
Councillor	22,641

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Hamilton City Council

Office	Annual remuneration (\$)
Mayor	162,928
Deputy Mayor	97,575
Chairperson Committee of the Whole (4)	90,069
Deputy Chairperson Committee of the Whole (4)	82,563
Councillor	75,057

Hastings District Council

Office	Annual remuneration (\$)
Mayor	139,492
Deputy Mayor	64,369
Chairperson and Portfolio Leader A (4)	51,498
Portfolio Leader A (not a Chairperson) (3)	48,362
Portfolio Leader B (6)	47,316
Councillor	43,709

Hastings District Rural Community Board

Office	Annual remuneration (\$)
Chairperson	14,741
Member	7,370

Hauraki District Council

Office	Annual remuneration (\$)
Mayor	98,112
Deputy Mayor	40,403
Ward Committee Chairperson (3)	29,061
Councillor	21,265

Horowhenua District Council

Office	Annual remuneration (\$)
Mayor	109,494
Deputy Mayor	39,105
Chairperson, Finance, Audit and Risk Committee	33,915
Chairperson, Hearings Committee	33,915
Chairperson, Community Wellbeing Committee	30,856
Chairperson, Community Funding & Recognition Committee	30,856
Councillor	27,798

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Foxton Community Board

Office	Annual remuneration (\$)
Chairperson	12,273
Member	6,137

Hurunui District Council

Office	Annual remuneration (\$)
Mayor	87,775
Deputy Mayor	33,767
Chair, Finance, Audit and Risk	27,463
Chair, Infrastructure and Zone Committee Representative	27,463
Chair, Public Services and Hanmer Springs Thermal Pools and Spa Management Committee (3)	27,463
Councillor with additional duties relating to earthquake recovery	20,634

Hanmer Springs Community Board

Office	Annual remuneration (\$)
Chairperson	7,868
Member	3,934

Hutt City Council

Office	Annual remuneration (\$)
Mayor	148,949
Deputy Mayor	81,442
Committee Chairperson (4)	62,438
Hutt Valley Services Committee Chairperson	58,366
Arts and Culture Sub-Committee Chairperson	58,366
Councillor	54,295

Eastbourne Community Board

Office	Annual remuneration (\$)
Chairperson	13,266
Member	6,633

Petone Community Board

Office	Annual remuneration (\$)
Chairperson	15,793
Member	7,897

Wainuiomata Community Board

Office	Annual remuneration (\$)
Chairperson	16,636
Member	8,318

Invercargill City Council

Office	Annual remuneration (\$)
Mayor	126,562
Deputy Mayor	55,019
Committee Chairperson (3)	47,793
Chairperson, Audit Committee	41,703
Venture Southland representative	41,703
Councillor	35,693

Bluff Community Board

Office	Annual remuneration (\$)
Chairperson	8,423
Member	4,211

Kaikōura District Council

Office	Annual remuneration (\$)
Mayor	63,614
Councillor	19,021

Kaipara District Council

Office	Annual remuneration (\$)
Mayor	100,857
Deputy Mayor	58,938
Taharoa Domain Governance Committee Chairperson	35,363
Mangawhai Community Park Governance Committee Chairperson	35,363
Regional Land Transport Portfolio Holder	35,363
Representative Sport Northland	32,762
Councillor	29,470

Kāpiti Coast District Council

Office	Annual remuneration (\$)
Mayor	122,899
Deputy Mayor	45,945
Committee Chairperson (3)	44,178
Appeals Committee Chairperson	38,876
Chairperson, Grants Allocation Committee	38,876
Councillor	35,342

Ōtaki Community Board

Office	Annual remuneration (\$)
Chairperson	14,951
Member	7,475

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Paekākāriki Community Board

Office	Annual remuneration (\$)
Chairperson	7,791
Member	3,896

Paraparaumu–Raumati Community Board

Office	Annual remuneration (\$)
Chairperson	19,584
Member	9,792

Waikanae Community Board

Office	Annual remuneration (\$)
Chairperson	16,005
Member	8,002

Kawerau District Council

Office	Annual remuneration (\$)
Mayor	70,656
Deputy Mayor	23,660
Regulatory and Services Committee Chairperson	21,126
Councillor	16,900

Mackenzie District Council

Office	Annual remuneration (\$)
Mayor	65,421
Councillor with additional responsibilities (3)	23,089
Councillor	18,471

Fairlie Community Board

Office	Annual remuneration (\$)
Chairperson	3,828
Member	1,914

Tekapo Community Board

Office	Annual remuneration (\$)
Chairperson	3,828
Member	1,914

Twizel Community Board

Office	Annual remuneration (\$)
Chairperson	4,891
Member	2,445

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
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Manawatu District Council

Office	Annual remuneration (\$)
Mayor	106,673
Deputy Mayor	40,574
Committee Chairperson (3)	36,227
Councillor	28,981

Marlborough District Council

Office	Annual remuneration (\$)
Mayor	138,925
Deputy Mayor	47,907
Committee Chairperson (4)	47,907
Councillor	38,325

Masterton District Council

Office	Annual remuneration (\$)
Mayor	102,740
Deputy Mayor	37,730
Chair Strategic Planning and Policy Committee, and Hearings Committee	37,730
Chair Infrastructure Committee	36,382
Councillor	26,950

Matamata–Piako District Council

Office	Annual remuneration (\$)
Mayor	109,922
Deputy Mayor	32,027
Chairperson, Corporate and Operations Committee	32,027
Councillor	27,850

Napier City Council

Office	Annual remuneration (\$)
Mayor	131,514
Deputy Mayor	51,085
Committee Chairperson (4)	48,711
Deputy Committee Chairperson (4)	45,361
Councillor	42,413

Nelson City Council

Office	Annual remuneration (\$)
Mayor	137,869
Deputy Mayor	61,673

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Office		Annual remuneration (\$)
Committee Chairperson (5)		49,750
Deputy Committee Chairperson (3)		43,171
Councillor		41,115
New Plymouth District Council		
Office		Annual remuneration (\$)
Mayor		142,356
Deputy Mayor		62,015
Committee Chairperson (3)		55,370
Councillor		44,297
<i>Clifton Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		12,213
Member		6,107
<i>Inglewood Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		14,530
Member		7,265
<i>Kaitake Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		13,056
Member		6,528
<i>Waitara Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		14,530
Member		7,265
Ōpōtiki District Council		
Office		Annual remuneration (\$)
Mayor		75,284
Deputy Mayor		38,807
Chairperson Audit and Risk Committee		36,815
Coast Community Board Chair		27,026
Councillor		20,530

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
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Coast Community Board

Office	Annual remuneration (\$)
Chairperson	9,782
Member	4,891

Otorohanga District Council

Office	Annual remuneration (\$)
Mayor	76,139
Deputy Mayor	30,347
Councillor	18,393

Kawhia Community Board

Office	Annual remuneration (\$)
Chairperson	3,828
Member	1,914

Otorohanga Community Board

Office	Annual remuneration (\$)
Chairperson	14,034
Member	7,018

Palmerston North City Council

Office	Annual remuneration (\$)
Mayor	141,592
Deputy Mayor and Chair Hearings Committee and Chair CEO Performance Panel	71,933
Chair Finance and Performance Committee and Deputy Chair Hearings Committee	54,850
Chair Arts, Culture and Heritage Committee and Deputy Chair Community Development Committee	50,803
Chair Economic Development Committee	53,501
Chair Audit and Risk Committee	49,454
Chair Sport and Recreation Committee and Deputy Chair Economic Development Committee	52,826
Deputy Chair Finance and Performance Committee, and Deputy Chair Arts, Culture and Heritage Committee	49,680
Chair Planning and Strategy Committee and Deputy Chair Sport and Recreation Committee and CEO Performance Panel	56,199
Deputy Chair Audit and Risk Committee	46,308
Chair Community Development Committee and Deputy Chair Planning and Strategy Committee	52,826
Councillor	44,958

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Porirua City Council

Office	Annual remuneration (\$)
Mayor	127,892
Deputy Mayor	49,822
Standing Committee Chairperson (2)	49,822
Councillor	38,325

Queenstown–Lakes District Council

Office	Annual remuneration (\$)
Mayor	118,079
Deputy Mayor	41,587
Committee Chair (4)	39,070
Councillor	33,538

Wanaka Community Board

Office	Annual remuneration (\$)
Chairperson	23,489
Member	11,745

Rangitikei District Council

Office	Annual remuneration (\$)
Mayor	91,447
Deputy Mayor/Assets and Infrastructure Committee Chairperson	37,354
Committee Chairperson (2)	29,379
Deputy Committee Chairperson/Chairperson Chief Executive Review Committee	24,762
Deputy Committee Chairperson (2)	23,503
Councillor	20,985

Ratana Community Board

Office	Annual remuneration (\$)
Chairperson	4,253
Member	2,126

Taihape Community Board

Office	Annual remuneration (\$)
Chairperson	8,506
Member	4,253

Rotorua District Council

Office	Annual remuneration (\$)
Mayor	138,041

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
		Annual remuneration (\$)
Office		
Deputy Mayor		69,893
Committee Chairperson (2)		58,860
Deputy Committee Chairperson (2)		58,860
Cultural Ambassador		53,343
Councillor		47,827
<i>Rotorua Lakes Community Board</i>		
		Annual remuneration (\$)
Office		
Chairperson		16,468
Member		8,235
<i>Rotorua Rural Community Board</i>		
		Annual remuneration (\$)
Office		
Chairperson		18,405
Member		9,203
Ruapehu District Council		
		Annual remuneration (\$)
Office		
Mayor		90,226
Deputy Mayor		29,479
Committee Chairperson (1)		23,582
Councillor		19,663
<i>National Park Community Board</i>		
		Annual remuneration (\$)
Office		
Chairperson		5,742
Member		2,870
<i>Waimarino–Waiouru Community Board</i>		
		Annual remuneration (\$)
Office		
Chairperson		8,506
Member		4,253
Selwyn District Council		
		Annual remuneration (\$)
Office		
Mayor		122,795
Deputy Mayor		41,409
Councillor		36,115

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Malvern Community Board

Office	Annual remuneration (\$)
Chairperson	17,373
Member	8,686

Selwyn Central Community Board

Office	Annual remuneration (\$)
Chairperson	20,847
Member	10,424

South Taranaki District Council

Office	Annual remuneration (\$)
Mayor	109,787
Deputy Mayor	34,569
Chairperson, Environment and Hearings Committee	31,637
Member Environment and Hearings Committee (4)	28,892
Member Audit and Risk Committee (1)	27,840
Community Board Councillor (1)	25,956
Councillor	25,310

Egmont Plains Community Board

Office	Annual remuneration (\$)
Chairperson	12,062
Member	6,030

Eltham Community Board

Office	Annual remuneration (\$)
Chairperson	11,639
Member	5,820

Hawera–Tangahoe Community Board

Office	Annual remuneration (\$)
Chairperson	13,755
Member	6,878

Patea Community Board

Office	Annual remuneration (\$)
Chairperson	10,792
Member	5,397

South Waikato District Council

Office	Annual remuneration (\$)
Mayor	100,101
Deputy Mayor	36,451
Committee Chairperson A	32,545
Committee Chairperson B	31,285
Councillor with additional duties (7)	27,311
Councillor	24,620

Tirau Community Board

Office	Annual remuneration (\$)
Chairperson	6,560
Member	3,280

South Wairarapa District Council

Office	Annual remuneration (\$)
Mayor	77,209
Deputy Mayor	31,010
Councillor/Committee member (1)	21,586
Councillor	18,314

Featherston Community Board

Office	Annual remuneration (\$)
Chairperson	6,379
Member	3,190

Greytown Community Board

Office	Annual remuneration (\$)
Chairperson	6,379
Member	3,190

Martinborough Community Board

Office	Annual remuneration (\$)
Chairperson	6,379
Member	3,190

Southland District Council

Office	Annual remuneration (\$)
Mayor	113,742
Deputy Mayor	37,380
Committee Chairperson (4)	32,575
Councillor	26,700

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Edendale–Wyndham Community Board

Office	Annual remuneration (\$)
Chairperson	4,656
Member	2,327

Otautau Community Board

Office	Annual remuneration (\$)
Chairperson	7,406
Member	3,704

Riverton/Aparima Community Board

Office	Annual remuneration (\$)
Chairperson	6,560
Member	3,280

Stewart Island/Rakiura Community Board

Office	Annual remuneration (\$)
Chairperson	2,751
Member	1,376

Te Anau Community Board

Office	Annual remuneration (\$)
Chairperson	10,580
Member	5,290

Tuatapere Community Board

Office	Annual remuneration (\$)
Chairperson	4,444
Member	2,223

Wallacetown Community Board

Office	Annual remuneration (\$)
Chairperson	2,751
Member	1,376

Winton Community Board

Office	Annual remuneration (\$)
Chairperson	9,099
Member	4,550

Stratford District Council

Office	Annual remuneration (\$)
Mayor	75,248
Deputy Mayor	25,749

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Office	Annual remuneration (\$)
Chairperson Major Committee (2)	21,115
Representative on External Committee (2)	21,115
Chairperson Minor Committee (1)	19,209
Councillor	18,393

Tararua District Council

Office	Annual remuneration (\$)
Mayor	96,136
Deputy Mayor	37,127
Member Forestry Committee (2)	29,226
Member Audit and Risk Committee (2)	29,226
Councillor	26,519

Dannevirke Community Board

Office	Annual remuneration (\$)
Chairperson	11,427
Member	5,713

Eketahuna Community Board

Office	Annual remuneration (\$)
Chairperson	7,406
Member	3,704

Tasman District Council

Office	Annual remuneration (\$)
Mayor	141,981
Deputy Mayor and Standing Committee Chairperson	49,739
Standing Committee Chairperson (3)	45,913
Committee Chairperson (2)	42,088
Councillor	38,262

Golden Bay Community Board

Office	Annual remuneration (\$)
Chairperson	12,846
Member	6,423

Motueka Community Board

Office	Annual remuneration (\$)
Chairperson	14,320
Member	7,160

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Taupō District Council

Office	Annual remuneration (\$)
Mayor	119,404
Deputy Mayor	42,336
Chair, Fences, Roothing, Reserves and Dogs Committee	40,571
Chair, Emergency Management Committee	40,571
Chair, Mangakino-Pouakani Representative Group	38,807
Councillor	35,279

Turangi–Tongariro Community Board

Office	Annual remuneration (\$)
Chairperson	16,506
Member	8,253

Tauranga City Council

Office	Annual remuneration (\$)
Mayor	155,896
Deputy Mayor	92,588
Committee Chairperson (5)	78,699
Deputy Committee Chairperson (1)	77,928
Councillor	77,156

Thames–Coromandel District Council

Office	Annual remuneration (\$)
Mayor	115,060
Deputy Mayor	50,668
Committee Chairperson (3)	45,940
Councillor with external appointment (3)	38,509
Councillor	33,780

Coromandel–Colville Community Board

Office	Annual remuneration (\$)
Chairperson	15,406
Member	7,703

Mercury Bay Community Board

Office	Annual remuneration (\$)
Chairperson	18,432
Member	9,216

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
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Tairua–Pauanui Community Board

Office	Annual remuneration (\$)
Chairperson	15,406
Member	7,703

Thames Community Board

Office	Annual remuneration (\$)
Chairperson	19,533
Member	9,766

Whangamata Community Board

Office	Annual remuneration (\$)
Chairperson	16,781
Member	8,390

Timaru District Council

Office	Annual remuneration (\$)
Mayor	120,782
Deputy Mayor	49,831
Committee Chairperson (4)	44,493
Deputy Committee Chairperson (4)	37,375
Councillor	35,595

Geraldine Community Board

Office	Annual remuneration (\$)
Chairperson	10,792
Member	5,397

Pleasant Point Community Board

Office	Annual remuneration (\$)
Chairperson	8,464
Member	4,233

Temuka Community Board

Office	Annual remuneration (\$)
Chairperson	11,004
Member	5,502

Upper Hutt City Council

Office	Annual remuneration (\$)
Mayor	115,381
Deputy Mayor	45,749

Schedule **Local Government Members (2018/19) (Local Authorities) Determination 2018** 2018/124

Office	Annual remuneration (\$)
Chairperson, Policy Committee	40,847
Chairperson, City Services Committee	39,214
Chairperson, Audit and Finance Committee	39,214
Chairperson, Hutt Valley Services Committee	35,946
Councillor	32,678

Waikato District Council

Office	Annual remuneration (\$)
Mayor	133,792
Deputy Mayor	58,129
Committee Chairperson (2)	51,901
Discretionary and Funding Committee Chairperson	49,826
Councillor	41,521

Huntly Community Board

Office	Annual remuneration (\$)
Chairperson	10,318
Member	5,159

Ngaruawahia Community Board

Office	Annual remuneration (\$)
Chairperson	10,318
Member	5,159

Onewhero–Tuakau Community Board

Office	Annual remuneration (\$)
Chairperson	10,740
Member	5,369

Raglan Community Board

Office	Annual remuneration (\$)
Chairperson	8,634
Member	4,317

Taupiri Community Board

Office	Annual remuneration (\$)
Chairperson	2,737
Member	1,369

Waimakariri District Council

Office	Annual remuneration (\$)
Mayor	123,068
Deputy Mayor	46,913
Portfolio Holder (9)	42,011
Councillor	38,184

Kaiapoi–Tuahiwi Community Board

Office	Annual remuneration (\$)
Chairperson	17,137
Member	8,569

Oxford–Ohoka Community Board

Office	Annual remuneration (\$)
Chairperson	16,145
Member	8,072

Rangiora–Ashley Community Board

Office	Annual remuneration (\$)
Chairperson	22,105
Member	11,052

Woodend–Sefton Community Board

Office	Annual remuneration (\$)
Chairperson	14,158
Member	7,080

Waimate District Council

Office	Annual remuneration (\$)
Mayor	71,434
Deputy Mayor	26,630
Councillor	19,021

Waipa District Council

Office	Annual remuneration (\$)
Mayor	122,455
Deputy Mayor	54,295
Committee Chairperson (4)	41,133
Councillor	32,906

Cambridge Community Board

Office	Annual remuneration (\$)
Chairperson	18,410
Member	9,206

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Te Awamutu Community Board

Office	Annual remuneration (\$)
Chairperson	17,776
Member	8,887

Wairoa District Council

Office	Annual remuneration (\$)
Mayor	80,081
Deputy Mayor	32,706
Committee Chairperson (3)	25,586
Councillor	23,362

Waitaki District Council

Office	Annual remuneration (\$)
Mayor	101,840
Deputy Mayor/Customer Service Core Committee Chairperson	33,976
Core Committee Chairperson (3)	30,577
Core Committee Deputy Chairperson (3)	27,569
Other Committee Chairperson (3)	27,569
Councillor	24,269

Ahuriri Community Board

Office	Annual remuneration (\$)
Chairperson	11,639
Member	5,820

Waihemo Community Board

Office	Annual remuneration (\$)
Chairperson	11,850
Member	5,926

Waitomo District Council

Office	Annual remuneration (\$)
Mayor	80,979
Deputy Mayor	32,699
Councillor	24,222

Wellington City Council

Office	Annual remuneration (\$)
Mayor	175,810
Deputy Mayor	116,325
Chair City Strategy Committee	103,086
Portfolio Leader (12)	95,747

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
Office		Annual remuneration (\$)
Councillor		87,632
<i>Makara–Ohariu Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		9,429
Member		4,716
<i>Tawa Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		18,441
Member		9,220
Western Bay of Plenty District Council		
Office		Annual remuneration (\$)
Mayor		123,206
Deputy Mayor		47,281
Committee Chairperson (4)		42,216
Councillor		33,609
<i>Katikati Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		10,792
Member		5,397
<i>Maketu Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		5,713
Member		2,857
<i>Omokoroa Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		7,830
Member		3,915
<i>Te Puke Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		10,792
Member		5,397
<i>Waihi Beach Community Board</i>		
Office		Annual remuneration (\$)
Chairperson		8,887
Member		4,444

Schedule	Local Government Members (2018/19) (Local Authorities) Determination 2018	2018/124
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Westland District Council

Office	Annual remuneration (\$)
Mayor	77,620
Deputy Mayor, Committee Chairperson and Portfolio Holder (2)	29,148
Portfolio Holder (6)	21,200
Councillor	18,550

Whakatāne District Council

Office	Annual remuneration (\$)
Mayor	115,849
Deputy Mayor	56,215
Committee Chairperson (2)	46,847
Councillor	31,230

Murupara Community Board

Office	Annual remuneration (\$)
Chairperson	7,830
Member	3,915

Rangitāiki Community Board

Office	Annual remuneration (\$)
Chairperson	10,157
Member	5,079

Tāneatua Community Board

Office	Annual remuneration (\$)
Chairperson	7,830
Member	3,915

Whakatāne-Ōhope Community Board

Office	Annual remuneration (\$)
Chairperson	16,981
Member	8,490

Whanganui District Council

Office	Annual remuneration (\$)
Mayor	122,870
Deputy Mayor	43,492
Chair, Strategy and Finance Committee	39,718
Chair, Property and Community Services Committee	39,718
Chair, Infrastructure and Special Projects Committee	39,718
Chair, Forestry Joint Committee	39,718
Deputy Chair, Strategy and Finance Committee	35,108

2018/124	Local Government Members (2018/19) (Local Authorities) Determination 2018	Schedule
		Annual remuneration (\$)
Office		
Deputy Chair, Property and Community Services Committee		35,108
Deputy Chair, Infrastructure and Special Projects Committee		35,108
Deputy Chair, Forestry Joint Committee		35,108
Councillor		33,531
<i>Whanganui Rural Community Board</i>		
		Annual remuneration (\$)
Office		
Chairperson		11,004
Member		5,502
Whangarei District Council		
		Annual remuneration (\$)
Office		
Mayor		144,526
Deputy Mayor		62,493
Committee Chairperson of Standing Committee (4)		62,493
Councillor		49,995

Dated at Wellington this 23rd day of July 2018.

Fran Wilde,
Chairperson.

Geoff Summers,
Member.

Len Cook,
Member.

Explanatory memorandum

This memorandum is not part of the determination, but is intended to indicate its general effect.

This determination is deemed to have come into force on 1 July 2018 and expires on the close of 30 June 2019.

Under the system used for the past several years by the Remuneration Authority (the **Authority**) for local government members, the Authority set a base councillor rate for each council and councils then made submissions on the additional remuneration for those councillors undertaking additional duties. Under the system, a relationship between the size of a council (measured using a size index) and mayor, chairperson, and base councillor salaries was determined every 3 years in an election year. A similar approach has been used to set the remuneration of community board or local board members, where the remuneration of each board member is related to population.

The Authority has now reviewed and consulted with local authorities on changes to the remuneration framework and made decisions on a new approach in future. A detailed paper setting out all the policy changes and the reasons for them is available on the Authority's Internet site www.remauthority.govt.nz

The new approach will be fully implemented after the 2019 local government election and in this determination some transitional changes have been made. The new system continues to be based on a council size index, which is only intended for the purposes of the Remuneration Authority. The size index has been revised to include extra sizing factors relevant to the responsibilities of territorial, unitary, and regional authorities. The revised and updated council size index has resulted in changes to where councils are placed on the Authority's index. The Authority has also created a local government pay scale using parliamentary remuneration as a comparator. Because of their extreme sizes, Auckland and Chatham Islands councils will sit outside the pay scale, which will be anchored at the top by Christchurch City Council (the largest council aside from Auckland) and at the bottom related to a pro rata proportion of the average wage. The largest role in local government (the Mayor of Auckland) will receive no more than a cabinet minister.

All these changes are reflected in this determination in varying levels of remuneration increase between councils as we begin adjusting councils on the pay scale. These changes will be applied in 3 tranches—the first in this determination, the second in next year's determination, and the third after the 2019 election. This does not apply to community boards or Auckland local boards, whose members have all received an increase of 1.5% in this determination to reflect changes in the Statistics New Zealand Labour Market Statistics (wage inflation) for the public sector in the year to March 2018. Deputy chairpersons of Auckland local boards will receive an increase to take their remuneration to 60% of the new rate for their respective board chairpersons in recognition of the extra workload attached to those positions.

Following the 2019 local government election, and in each local government election year thereafter, each council and Auckland local board will have allocated a remuner-

ation pool reflecting its rank on the size index. Each council will make recommendations on appropriate remuneration for a base councillor salary and for positions of responsibility. The Authority will normally then apply these recommendations in its determination but will reserve the right to intervene if it sees any reason to do so. This process will apply to all councillors, but not to mayors and chairpersons of regional councils, whose remuneration will continue to be determined by the Authority in relation to the council rank on the size index. The Authority has made no decisions yet regarding the possible inclusion of community boards in council remuneration pools.

Upper limits have been set by the Authority on the purchase prices (including on-road costs and goods and services tax paid) of petrol/diesel and electric/hybrid motor vehicles. These upper limits take account of the vehicle being fit for purpose, the safety of the driver, and fairness to the ratepayer. The primary reason the Authority has set a differential between the maximum purchase prices of a petrol or diesel vehicle and an electric or hybrid vehicle is that data from Inland Revenue and AA Motoring show that electric and hybrid vehicles have lower running costs, but higher fixed costs, when compared to petrol or diesel vehicles. The fixed costs of an electric or hybrid vehicle sit between those of a medium and large vehicle. The new purchase prices apply to all new or replacement motor vehicles from 1 July 2018.

However, the new purchase price limits do not apply to existing motor vehicles currently provided to mayors and regional chairpersons. In these cases the actual purchase prices are grandfathered until the existing vehicles are replaced.

The annual remuneration for a mayor or regional chairperson, shown in *Part 1 and Part 2 of the Schedule*, is their “total remuneration” and it includes the annual value of their motor vehicle entitlement. The Authority had previously deducted the annual value from their annual remuneration as shown in earlier determinations.

If a council as at 30 June 2018 provides its mayor or regional chairperson with a motor vehicle it must deduct, from 1 July 2018, the annual value of the motor vehicle using the appropriate formula in *clause 9* from the mayor or regional chairperson’s annual remuneration as shown in *Part 1 or Part 2 of the Schedule*.

If a council chooses to provide its mayor or regional chairperson with a new or replacement motor vehicle on or from 1 July 2018, it must use the appropriate formula in *clause 9* of this determination to calculate the annual value that will need to be deducted from their mayor or regional chairperson’s annual remuneration as shown in *Part 1 or Part 2 of the Schedule*. The deduction commences on the date that the mayor or regional chairperson is provided with the vehicle.

The Authority expects that if a mayor or regional chairperson is provided with a motor vehicle, the local authority will publish in its annual financial statements the vehicle details, including its annual value as a component of the mayor’s or regional chairperson’s total remuneration.

The travel time allowance (*clause 12*) has been amended to take into account that, with the exception of the Mayor of the Chatham Islands, all other mayors and

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regional council chairpersons are deemed by the Authority to have full-time roles. Therefore, those roles are no longer eligible to receive the travel time allowance.

To be fair to ratepayers, if a member lives outside of the member's local authority area and travels on local authority business to and from the member's place of residence and the local authority area, the member can only claim the travel time allowance when travelling within the boundary of the local authority area.

The allowance has been adjusted to place a cap on the amount of travel time that can be claimed within a 24-hour period. The maximum payable is capped at 8 hours, based on a member who travels for 9 hours during a 24-hour period (as the first hour of travel cannot be claimed).

No amendments have been made to other allowances in this determination.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 26 July 2018.

Agenda Memorandum

Date 7 August 2018

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



Subject: Meeting Dates August-September 2018

Approved by: M J Nield, Director-Corporate Services

B G Chamberlain, Chief Executive

Document: 2094449

Purpose

The purpose of this memorandum is to provide notification to Members of the next round of Council meetings for 2018.

Meeting Dates

The six-weekly round of Council meetings for **August-September 2018** will be as follows:

Consents and Regulatory Committee	Tuesday 28 August 2018	9.30am
Policy and Planning Committee	Tuesday 28 August 2018	10.30am
Regional Transport Committee	Wednesday 5 September 2018	11.00am
Executive, Audit and Risk Committee	Monday 10 September 2018	10.00am
Ordinary Meeting	Tuesday 18 September 2018	10.30am

Joint Committee Meetings

Taranaki Solid Waste Management Committee	Thursday 23 August 2018	10.30am
Taranaki Civil Defence Emergency Management Group Joint Committee	Tuesday 4 September 2018	10.30am

Ordinary Meeting Public Excluded

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Ordinary Meeting on Tuesday 7 August 2018 for the following reason/s:

Item 8 - Confirmation of Confidential Minutes

THAT the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Item 9 - Confidential Executive, Audit and Risk Committee Minutes

THAT the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.