

Marlborough District Council

*Notice of the First Meeting following the
2010 Triennial General Elections
to be held in the Council Chambers,
Seymour Street, Blenheim on
Thursday, 28 October 2010
to commence at 3.00 pm*

BUSINESS

As per the Order Paper attached.

**ANDREW BESLEY
CHIEF EXECUTIVE**

Marlborough District Council

Order Paper for the FIRST MEETING following the 2010 Triennial General Elections to be held in the Council Chambers, District Administration Building, Seymour Street, Blenheim on THURSDAY, 28 OCTOBER 2010 commencing at 3.00 pm

Open Session

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Marlborough District Council

Order Paper for the First Meeting following the 2010 Triennial General Elections to be held in the Council Chambers, District Administration Building, Seymour Street, Blenheim on THURSDAY, 28 OCTOBER 2010 commencing at 3.00 pm

1. Chair

In terms of Schedule 7 Clause 21(4) of the Local Government Act 2002, the first meeting shall be chaired by the Chief Executive until the Mayor has completed the Declaration required by Schedule 7 Clause 14 of the said Act.

2. Statutory Declaration by the Mayor

C405-02

The formal Declaration required in terms of Schedule 7 Clause 14 of the Local Government Act 2002 must be completed by the Mayor in the presence of the Chief Executive and the Council.

3. Statutory Declarations by Councillors

C405-02

Formal Declarations are required to be completed by each Councillor in terms of Schedule 7 Clause 14 of the Local Government Act 2002.

4. Prayer

Almighty God,
Give your blessing to this District Council
And grant us such a measure of your wisdom
That we may have a right judgement in all things
And may worthily manage the affairs of this District.

Amen

5. Apologies

6. Election of Deputy Mayor

C405-01

1. Schedule 7 (Clause 17) of the Local Government Act 2002 (the Act) provides that every Local Authority shall elect one of its members to be its Deputy Mayor.
2. The vote, although in the nature of an election rather than a resolution of the Council, is required to follow the requirements of Schedule 7 (Clause 25) of the Act. Council must determine by resolution that a person be elected by using one of the following systems of voting:
 - System A
 - (a) requires that a person is elected or appointed if he or she receives the votes of a majority of the members of the local authority or committee present and voting; and
 - (b) has the following characteristics:
 - (i) there is a first round of voting for all candidates; and
 - (ii) if no candidate is successful in that round there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and
 - (iii) if no candidate is successful in the second round there is a third, and if necessary subsequent, round of voting from which, each time, the candidate with the fewest votes in the previous round is excluded; and
 - (iv) in any round of voting, if 2 or more candidates tie for the lowest number of votes, the person excluded from the next round is resolved by lot.
 - System B
 - (a) requires that a person is elected or appointed if he or she receives more votes than any other candidate; and
 - (b) has the following characteristics:
 - (i) there is only 1 round of voting; and
 - (ii) if 2 or more candidates tie for the most votes, the tie is resolved by lot.

RECOMMENDED

No recommendation pending discussion by Council.

7. General Explanation

C405-01

1. In accordance with Schedule 7 Clause 21(5)(c) of the Local Government Act 2002, **attached** is information providing a general explanation of:
 - 1.1. the Local Government Official Information and Meetings Act 1987
 - 1.2. the Local Authorities (Members' Interests) Act 1968
 - 1.3. Sections 99, 105 and 105A of the Crimes Act 1961
 - 1.4. the Secret Commissions Act 1910
 - 1.5. the Securities Act 1978
2. In addition a publication issued by the Office of the Controller and Auditor-General on the Local Authorities (Members' Interests) Act 1968 has been separately distributed.
3. Should any member have a concern about the application of 'Members' Interests' they should discuss the matter with the District Secretary, Tony Quirk.

RECOMMENDED

That the information be received.

1.1 LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

This Act provides for public access to information and attendance of public at meetings of the Council and its Committees:

MEETINGS:

Members of the public have the right to attend all meetings of a local authority and some Councils set aside time at their meetings for the public to state their views on any issue to be dealt with at the meeting. Copies of the agenda and associated reports must be made available for inspection at least two working days before the meeting and at the meeting. An exception is made for extraordinary meetings. Information that is expected to be withheld from the public in accordance with the provisions of the Act can be excluded from the reports available for inspection.

As shown on the published order paper, or during a meeting it may be resolved to exclude the public from part or all of the proceedings and the reasons for doing so must be given. In summary, valid reasons (under Section 48) for excluding the public include:

- (a) there is good reason for withholding information under Section 6 and 7 of the Act, e.g.
 - **disclosing the information would contravene legal requirements, including breaching legal privilege, or prejudice the maintenance of the law, or endanger the health or safety of any person**
 - the need to protect the privacy of natural persons
 - to prevent material loss to members of the public or improper commercial exploitation of information held whether related to the authority's activities or those of another party
 - to protect the public interest
 - to enable a local authority to conduct its affairs effectively without improper pressure or harassment;
- (b) disclosure is contrary to provisions in another enactment;
- (c) the meeting is considering a recommendation from the Ombudsman;
- (d) private deliberation is necessary as the decision is subject to a right of appeal to a court.

The meeting must be open to the public while such a resolution is passed and the order paper or resolution must indicate the general subject matter to be considered.

Where it is desirable that some person or persons be permitted to remain after the public has been excluded, this must be incorporated in the resolution stating their names and the reasons for their remaining.

The formal resolution required in any specific case is usually set out in the agenda for that particular meeting.

ACCESS TO INFORMATION

Official Information must be made available unless there is good reason for withholding it. The valid reasons for the Chief Executive Officer to withhold information are similar to Clause (a) above, with the addition of the following:

- the information requested is not available or is trivial
- substantial collation or research would be required to provide the information.

When a local authority refuses a request to provide official information or proposes to charge a fee for providing it then the reasons for doing so must be stated. In addition the applicant's right to complain to an Ombudsman and request an investigation and review of the refusal must be stated. On completion of any investigation the Ombudsman may make recommendations to the local authority which has a public duty to observe them unless it resolves within 20 days from their receipt not to do so. Any such resolution must be recorded in writing.

1.2 LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Section 3 of this Act disqualifies a person from being a member or being elected or appointed a member of a local authority or of any committee of a local authority, if -

- (a) that person is concerned or interested in a contract or contracts with the local authority they are a member of; and
- (b) total payment made under the contract or contracts in any financial year exceeds \$25,000.

Where a member's interest in a contract or contracts arises through membership of an incorporated company, the Act applies in the following circumstances -

- The member or the member's spouse singly or between them, own directly or through a nominee, 10 percent or more of the issued capital of the company or any company controlling that company; or
- The member or the member's spouse is a member of the company or a controlling company and either of them is the managing director or general manager (by whatever names they are called) of that company or of that controlling company; or
- The member or the member's spouse is the managing director or the general manager (by whatever names called) of the company and either of them is a member of a company controlling that company.

The above does not apply where -

- The member and spouse are living apart; or
- The member did not know and had no reasonable opportunity of knowing that his or her spouse owned any part of the issued capital of the company or of any company controlling that company, or was a member of or held any of the offices as set out above.

A member can also be disqualified through an interest his or her spouse may have in some other type of business, such as a partnership.

A controlling company is defined as a company owning 50 percent or more of the issued capital of that other company or is able to control the exercise by 50 percent or more of the total voting powers exercisable by all members of that other company.

It should be noted that the Act speaks of payment by the local authority and the opinion of the Audit Office is that payment in cash is meant. A transaction, for say, the exchange of land with the Council where no monetary consideration passes would not disqualify a member.

Audit Office approval in special cases may be obtained allowing payment without disqualification under a contract which would otherwise be a disqualifying contract.

A number of named and specific kinds of contracts are exempted from disqualification and these are detailed in the Act.

Where a member becomes disqualified under Section 3, an extraordinary vacancy is created and the person is precluded from being elected or appointed to the local authority until the next general election.

It is an offence to act as a member while disqualified and this is punishable by a fine not exceeding \$200.

No member will be disqualified if a contract has had the prior approval, or receives the retrospective approval of the Audit Office on the application of a local authority.

Every member is urged to take the first opportunity after the election to advise the Chief Executive as to the firms with whom dealing must be restricted by reason of a potential conflict of interest. Where the member is interested in several firms it is the total dealing with all the firms which is taken into account.

VOTING AND DISCUSSION ON ISSUES

The Local Authorities (Members' Interests) Act 1968 prohibits a member of a local authority or of a committee thereof, from voting or taking part in the discussion of any matter in which the member has, directly or indirectly, any pecuniary interest, other than an interest in common with the public.

Where an incorporated company has, directly or indirectly, a pecuniary interest in a matter before a local authority or committee thereof, a member of that local authority or committee may be deemed to have a pecuniary interest in the matter.

A member is also deemed to have a pecuniary interest in a matter, if his or her spouse is directly or indirectly the owner or one of the owners (otherwise than as a member of an incorporated company) of an estate, or has an interest in any real or personal property, or of any business, or as a party to any contract or proposed contract which is affected by the matter before the committee.

Certain exceptions apply where discussion may take place without infringing the Act and these relate mainly to procedural matters and the preparation of District Plans and the like.

1.3 THE CRIMES ACT 1961

Section 105 of the Crimes Act 1961 makes it a crime for any official to corruptly accept or obtain or attempt to do so, any bribe for himself or herself or any other person to do or fail to do any act in his or her official capacity.

Under s99 of the Crimes Act 1961 "official" includes any person in the service of the Crown or any member or employee of any local authority or public body.

Under the same section of the Crimes Act "bribe" means any money, valuable consideration, office or employment, or any benefit, whether direct or indirect.

It is also a crime under Section 105A of the Crimes Act for an official to corruptly use information acquired in his or her official capacity, to obtain directly or indirectly an advantage or pecuniary gain for themselves or any other person.

The penalty for these crimes is imprisonment for a term not exceeding seven years.

1.4 THE SECRET COMMISSIONS ACT 1910

This Act makes it an offence for any agent of a principal to accept or attempt to obtain for themselves or any other person, any gift or inducement or reward for doing or not doing any act in relation to the principal's business.

A number of actions by agents are made offences, including having a pecuniary interest in a contract made on behalf of a principal, presenting false receipts to a principal, and other acts such as advising any person to enter into a contract with a third person and receiving a gift or inducement without the person advised knowing.

For the purposes of this Act, every officer or member of a local authority board, council or committee or any other body of persons having public functions under a statute, shall be deemed to be an agent of that local authority.

Persons convicted of an offence against this Act are liable to imprisonment for a maximum of 2 years or a fine not exceeding \$1,000, and any corporation to a fine not exceeding \$2,000.

1.5 THE SECURITIES ACT 1978

The Securities Act 1978 requires disclosure to be made when local authorities offer their stock to the public, that is, to any people who are not institutional or other 'habitual' investors. The Act requires these offers to be made in an investment statement. A prospectus must also be registered. The Securities Act and Securities Regulation 1983 set out the requirements for these documents and how offers of stock to the public must be made.

Elected members are deemed 'directors' of the local authority for the purposes of the Act and Regulations. As such they are potentially personally liable to investors if a registered prospectus or investment statement contains an untrue statement. Members may also be criminally liable if the requirements of the Act or Regulations are not met.

8. Triennial Elections – Notification of Results

E090-10-13

1. The Electoral Officer reports that the following candidates for the office of Mayor and Councillors of the District of Marlborough have been declared elected in terms of the Local Electoral Act 2001.

Mayor

Alistair Travers Sowman

Blenheim Ward

Jennifer (Jenny) Louise Andrews

Jamie Arthur Arbuckle

Jessica Patricia Bagge

David William Richard Dew

John Craig Leggett

Terence (Terry) Michael Sloan

Graeme Taylor

Marlborough Sounds Ward

Graeme Spinley Barsanti

Trevor Eric Hook

David Don Oddie

Wairau/Awatere Ward

Geoffrey (Geoff) Ian Tudor Evans

Peter John Squire Jerram

Francis Dominic Maher

2. A report from the Electoral Officer on the 2010 Triennial Election process will be prepared for the next Council meeting.

RECOMMENDED

That the information be received.

9. Standing Orders

C405-01

1. Council has previously adopted Model Standing Orders NZS 9202:2003 as its Standing Orders.
2. The Standing Orders of a Council prescribe the rules for how meetings of the Council and its Committees will be conducted. The Standing Orders must not contravene the Local Government Act 2002 (LGA2002), the Local Government Official Information and Meetings Act 1987, or any other Act.
3. Council has also previously (8 November 2004) made three amendments to the Model Standing Orders NZS 9202:2003 following changes to LGA2002 (namely the Local Government Act 2002 Amendment Act 2004). These amendments are to:
 - 3.1. **Standing Orders 2.5.2 and 3.14.2 and Appendix C (C6)**
The LGA2002 was amended to allow Councils the choice as to whether a Mayor or Chairperson is provided with a casting vote. Standing Orders had to be amended to provide this. This Council, in 2004, provided for the casting vote.
4. A copy of the amended 2003 Model Standing Orders is **separately attached for members' information**.
5. It should be noted that an adoption of a new set of Standing Orders by Council will require a vote of not less than 75% of the members present.

RECOMMENDED

That Council note that the Model Standing Orders NZS 9202:2003 as produced by Standards New Zealand with amendments as adopted by Council on 8 November 2004 have been adopted as the Standing Orders for this Council.

10. Committee Structure and Membership

C405-01

1. In terms of Schedule 7 Clause 30 of the Local Government Act 2002, authority exists for a local authority to appoint such Standing Committees and Special Committees and Sub-Committees as it considers appropriate.
2. A Local Authority in terms of Schedule 7 Clause 31 of the said Act may at any time and from time to time appoint or discharge any member of a Committee with the right existing for a Committee at any time to appoint or discharge any member of a Sub-Committee appointed by that Committee.
3. At least one member of every Committee, other than a Sub-Committee, must be an elected member of the Local Authority.
4. The minimum number of members of a Committee shall be three and the minimum number of members of a Sub-Committee shall be two.
5. The procedure for the appointment of Committee Chairpersons is the same as for the election of Deputy Mayor and this is set out in Item 6 above.
6. The Mayor will provide the proposed committee structure and membership at the meeting.

RECOMMENDED

No recommendation pending discussion by Council.

11. Meeting Schedule

C135-01

1. A schedule of meeting dates for the period until Christmas has been prepared. The dates may need alteration depending on the approved Committee structure.
2. The policy of the previous Council was to have meetings of the Full Council (at 3.00 pm) and the Standing Committees on either a Monday or a Thursday.
3. Other Hearing days may be set down; however the earliest advice will be given to members.

Meeting Dates	Closing Dates for Agendas	Committee/Council Meetings
Tuesday 2 November	11 October	Hearings
Wednesday 3 November	11 October	Hearings
Thursday 4 November	11 October	Hearings
Tuesday 9 November	18 October	Hearings
Wednesday 10 November	18 October	Hearings
Thursday 11 November	18 October	Hearings
Tuesday 16 November	22 October	Hearings
Wednesday 17 November	22 October	Hearings
Thursday 18 November	3 November	Committee Meeting
Monday 22 November	3 November	Committee Meeting
Tuesday 23 November	29 October	Hearings
Wednesday 24 November	29 October	Hearings
Thursday 25 November	10 November	Committee Meeting
Tuesday 30 November	8 November	Hearings
Wednesday 1 December	8 November	Hearings
Thursday 2 December	8 November	Hearings
Tuesday 7 December	15 November	Hearings
Wednesday 8 December	15 November	Hearings
Thursday 9 December	24 November	Council (3.00pm)
Tuesday 14 December	22 November	Hearings
Wednesday 15 December	22 November	Hearings
Thursday 16 December	22 November	Hearings

RECOMMENDED
That the schedule be adopted.

12. Committee Personnel – Co-opted Members

C405-01

1. Certain personnel were co-opted by the previous Council to serve on Committees and these were as follows:

Ms Tracey Edwards	Iwi representative on the Environment Committee.
Ms Venessa Ede	Iwi representative on the Community and Financial Planning Committee.
Mr Richard Hunter	Iwi representative on the Assets and Services Committee.
Vacancy	Iwi representative on the Grants Sub-Committee.
Vacancy	Iwi representative on the Grants Sub-Committee.
Mr Chris Bowron	Rural representative on the Environment Committee.
Mr Leo Jelinek	Forestry representative on the Marlborough Regional Forestry Joint Committee
2. Iwi will need to be contacted for nominations for representatives on Council's standing committees (subject to the decision in item 10 above).
3. The Environment (or equivalent) Committee should consider the need for a rural representative on its Committee.
4. Mr Jelinek has provided expert input to the Marlborough Regional Forestry Joint Committee and it is recommended that he be retained as the Forestry representative on this Committee.
5. Council may wish to consider further representation on Committees or Sub-Committees. Any consideration would be referred to the appropriate Committee for further investigation.

RECOMMENDED

1. **That Mr Leo Jelinek be appointed by Council pursuant to Schedule 7 Clause 31(3) of the Local Government Act 2002 to serve on the Marlborough Regional Forestry Joint Committee.**
2. **That the Environment (or equivalent) Committee consider the need for a rural representative on its Committee.**
3. **That iwi be approached for nominations for iwi representatives on the standing Committees and the Grants Sub-Committee, and that the iwi representatives as currently serving on Committees be appointed (subject to their availability) until a decision on the recommendations of iwi is confirmed.**

13. Sister City Sub-Committee

S225-01

1. Council approved the establishment of a separate Sister City Sub-Committee in January 1994 to manage Council's Sister City activities, and involve greater community participation and sponsorship in the programme.
2. The Sub-Committee reports directly to a standing Committee and consists of a maximum of two elected Councillors, five community members with the Mayor as ex-officio.
3. The Sub-Committee decides its own time and frequency of meetings.
4. Subject to this Sub-Committee being established under item 10, advertisements will be placed requesting registrations of interest from the community for the five community representatives.

RECOMMENDED

That staff commence advertising for registrations of interest from the community for five community representatives on the Sister City Sub-Committee.

14. Grants Sub-Committee

C180-02, C180-06

1. Marlborough District Council has a partnership with Creative New Zealand and SPARC (Sport and Recreation New Zealand) to ensure Local Arts and Rural Travel Funding are available to the Marlborough area.
2. The funding is available through the Creative Communities New Zealand Local Arts Scheme and SPARC Rural Travel Fund with the criteria being set by each of the national organisations.
3. Council's Grants Sub-Committee has delegated authority for allocation of the funds under both schemes. In addition the Grants Sub-Committee has delegated authority for consideration of Marlborough District Council Community Grants and Council's Arts and Heritage Grants, with recommendations being made to Council for consideration.
4. The Committee is appointed in line with local body elections and consists of the following representatives and appointments to meet the requirements of Creative New Zealand and SPARC for community representation:
 - Two elected representatives
 - One Sports Trust appointee
 - One Arts Sector appointee
 - Four community members
 - Two iwi representatives.
5. To gain new membership of the Committee, staff have called for nominations for community representatives, notified Tasman Regional Sports Trust/Sport Marlborough and the Arts Sector for their appointees for the Committee.
6. Until such time as nominations are received and the new Committee confirmed it is recommended that the present Committee be delegated authority to consider any Grant allocation:
 - Sports Trust appointee – Karen Hartshorne.
 - Arts Sector appointee – Kate Parker
 - Community members – Graeme Duncan, Lisa Ivamy, Robin Carr and Rosslyn Weaver.
 - Iwi representatives - both positions are currently vacant.
 - Council representatives on the Committee are dealt with in a previous item.

RECOMMENDED

That until such time as nominations are received and the new Grants Sub-Committee confirmed, it is recommended that the present Grants Sub-Committee partnership and community representatives (Sports Trust appointee – Karen Hartshorne, Creative Marlborough appointee – Kate Parker, Community members – Graeme Duncan, Lisa Ivamy, Robin Carr and Rosslyn Weaver) along with the Council representatives appointed in a previous item, be given delegated authority to consider any Grant allocation.

15. Appointment to Associated Organisations

C405-01

1. There are a number of organisations where Council has direct representation. The Mayor recommends that the following appointments be made.

<i>Organisation</i>	<i>Current Appointees</i>	<i>Mayor's Recommendation</i>
Aviation Heritage Centre Trust	Mr Tony Jordan (A.05/06.e.108)	<i>Status Quo</i>
Civic Honours	The Mayor, one nominated Councillor (Clr E I Davidson), Chief Executive, President Marlborough District Law Society, President Blenheim Ministers' Association and a representative from Rural Women. (F.00/01.e.71)	<i>To be advised at the Council meeting</i>
Civil Defence Trust (Darcy Christopher Foundation)	Messrs Graeme Ward, Graeme Faulkner, Roger Winter, Alan Hill and Rob Dalton, Mark Wheeler (Advisory Appointee) (C.09/10.601)	<i>Status Quo</i>
Community Centre Trust	Mr Lindsay Moir and Mr Stuart Tapp (A.10/11.e.113)	<i>Status Quo</i>
Destination Marlborough Trust	Mr Allan Scott and Mr Dain Simpson (Term expires at triennial election). (A.10/11.e.63)	<i>To be referred to the appropriate Committee for consideration</i>
Marlborough Health Trust Appointment Committee	The Mayor and Deputy Mayor (F.99/00.635)	<i>Status Quo</i>
Marlborough Housing for the Elderly Trust	Clrs J L Andrews and G Taylor (C.10/11.109)	<i>To be advised at the Council meeting</i>
Marlborough North Rural Fire Committee	Messrs Ross Hamilton and Paul Newton and the Chair of the Assets and Services Committee or nominee (C.04/05.222)	<i>Status Quo</i>
Marlborough Research Centre	Clr F D Maher and Mr Ivan Sutherland (C.10/11.109)	<i>Status Quo</i>
Marlborough Rural Environment Awards	Chairperson Environment Committee (C.10/11.109)	<i>Status Quo</i>
Marlborough Stadium Trust	Messrs Luke van Velthooven and Matt Kerr (C.10/11.109)	<i>Status Quo</i>
Queen Elizabeth II Award	The Mayor, District Secretary, Chairman of the Arts Council and representatives of the Royal College and Trinity College within Marlborough (C.10/11.109)	<i>Status Quo</i>
Tasman Regional Sports Trust	Mrs Karen Hartshorne and Mr Robin Carr (C.10/11.109 and A.10/11.e.63)	<i>Status Quo</i>

RECOMMENDED

That the above schedule of appointments representing organisations be approved.

16. Minutes

- 16.1. Confirmation of the Minutes of the Council Meeting held on 16 September 2010
(Minute Nos. C.10/11.117 to C.10/11.131)

17. Committee Reports

17.1 Resource Hearings Committee (refer to separate attachment)

Resource Hearings Committee Meetings held on 26 August, 8, 9, 14, 15 and 21 September 2010
(Minute No. H.10/11.109, H.10/11.110 to H.10/11.111, H.10/11.112 to H.10/11.113,
H.10/11.114, H.10/11.115 to H.10/11.116 and H.10/11.132 to H.10/11.133)

17. Committee Reports

17.2 Grants Sub-Committee

Grants Sub-Committee Meeting held on 12 October 2010
(Minute Nos. X.10/11.133 to X.10/11.134)

18. Annual Report 2009/10

(Report prepared by M Fletcher)

S360-05

1. Council considered the interim financial results for the year ended 30 June 2010 at the Community and Financial Planning Committee of 30 August 2010. Subsequent to this meeting the Annual Report has been finalised incorporating the required International Financial Reporting Standards (IFRS) adjustments, subsidiary results and non financial information.
2. The Annual Report reports the performance of Council against non financial performance targets and financial forecasts. The final audited Annual Report is **separately attached for members' information**.
3. The Local Government Act 2002 requires that the Annual Report for Council be adopted by 31 October each year.

RECOMMENDED

That the opinion of Audit New Zealand be received and the Final Annual Report for the Marlborough District Council for the financial year ended 30 June 2010 be adopted.

19. Members' Remuneration

(Report prepared by M Porter)

R450-03

Purpose of Report

1. For Council to decide on how the remuneration pool for elected members is distributed among members.

Background

2. The Remuneration Authority (RA) sets members' remuneration and has done so since 1 July 2003. Prior to this the Government set the remuneration of members on a scale based solely on population.
3. In 2003 the RA used a form of "bulk funding" model to set members' remuneration. This model produced an indicative pool for each unitary authority and also produced the Mayor's gross salary (which is to be deducted from the indicative pool). The RA have continued to use this "bulk funding" model to the present day.
4. The RA derived indicative remuneration pools for Councils in four different groups, namely territorial authorities, unitary authorities, regional authorities and other authorities (that did not fit within the boundaries of the exercise).
5. The model used for deriving the indicative remuneration pool for territorial authorities was based on a formula comprising three criteria (weighting 50% population, 33% expenditure and 17% assets) giving a points total. This total is then increased according to the population increase or decrease over the previous few years compared to the average movement plus Council's audited financial accounts for setting the expenditure and assets figures.
6. The basis applicable to unitary authorities is the same as for territorial authorities plus a 12.5% margin added to reflect the added responsibilities arising from being both a territorial and a regional authority.

Previous Situation

7. Previous Councils have made a recommendation to the RA on the remuneration of each councillor by position, and also the rate and rules for meeting fees if applicable on the following basis:
 - 100% of the remuneration pool being paid as a salary and that a differential between Chairpersons and Councillors be based on a weighting of 30 hours for Chairpersons and 20 hours for Councillors. The Deputy Mayor has also been paid as for a Chairperson.
8. It was also recommended that Council's current policy of reimbursing members for work related expenses (i.e. mileage allowance and other expenses (on an actual and reasonable basis) when travelling on Council business) should be retained.
9. These decisions have been accepted by the RA who confirm the situation by way of relevant determinations each year.

Current Situation

10. The RA have recently reviewed the indicative remuneration pool and have advised that no change is being made to the 2010/11 figures and that the remuneration pool will stay the same as that set for the 2009/10 year.

11. Therefore the pool amount (excluding the mayoral position) will be \$417,946. The Mayor's salary has been set at \$106,100 less an allowance for the private use of any vehicle allocated to him; that allowance being set by a RA formula based on the cost of the vehicle.
12. The RA has issued a Determination for Members' Remuneration for the period from the official notification of results through to when a final determination is issued by the RA for the 2010/11 financial year). Members will therefore receive a salary calculated on an annual salary of \$20,200. Following notification from Council of the decisions required at the first Council meeting, a new determination will be set for the period with any alteration to salary (including back pay) being made following receipt of that determination.
13. The RA have requested that new Councils, at the earliest opportunity consider the remuneration of each councillor by position (i.e. whether by salary, meeting fee or a combination of both), and also the rate and rules for meeting fees if applicable. The recommendation also has to include a statement on whether the recommendation was made unanimously or if there was dissent. Details of any dissent have to be included as well.
14. The following paragraphs explain the options that are available. Also included are the reasons the previous Council resolved unanimously to receive a salary payment only.

Option 1 - Meeting Fee Structure (or combination of salary and meeting fee)

15. A Council that wishes to have a meeting fee structure needs to recommend the rate and basis on which this should be paid. Each member (excepting the Mayor) would then receive a payment for attendance at a meeting. Rules on what constitutes a meeting and what constitutes attendance at a meeting (i.e. whether workshops are meetings, whether attending part of a meeting is sufficient, etc) would need to be agreed upon.
16. The RA have dictated that the remuneration pool cannot be overspent. To account for meeting fee payments, Council must estimate the number of meetings that are going to be held in any fiscal year and what percentage of the pool is to be used. The RA acknowledges that as the number of meetings to be held in any year is difficult to predict, and that if the budget is not fully spent, those authorities that have a meeting fee structure can request the RA to carry forward from the previous year up to 30% of the previous year's meeting fee budget. However if the number of meetings is exceeded, then payment would stop once the percentage of the remuneration pool set aside for meeting fees is fully accounted for.
17. The previous Council considered whether to split the remuneration pool to include meeting fees. Historically, meeting fees (less Hearings as they are dealt with separately by the RA) are the same for those on the service delivery side of Council as those on the regulatory side. Members agreed that there did not appear to be any compelling reason to continue paying meeting fees as there would be little or no affect on incorporating the meeting fee into a salary component. Therefore members considered that the remuneration pool should be paid as 100% salary.
18. It is also interesting to note that a number of Councils that paid a part of their remuneration pool as meeting fees are reviewing their decisions in favour of straight salary. Administrative reasons (the estimation of the number of meetings has been very difficult) as well as the complication of the system have been cited as reasons.

Option 2 – Salary Structure

19. If a percentage of the remuneration pool is used for meeting fees then the remaining percentage would be paid as a monthly salary. 100% salary would also be paid monthly.
20. The other issue to consider with a part or whole salary payment is whether certain positions (i.e. Deputy Mayor, Chairpersons, or Councillors with other responsibilities) be paid at a different rate and what that rate should be.

21. It also follows that if members consider that there should be some form of tiered system within like roles, then each position needs to have its salary level identified. This means that if members consider, for instance, that the Chairpersons should all be paid at a rate that is higher than an ordinary Councillor, but that the Chairperson of Committee A has a higher workload than the Chairperson of Committee B, then a further loading on the salary component could be made.
22. The previous Council considered that Chairpersons and Councillors should be paid at different rates. The amount of extra time spent by Chairpersons on Council business was considered the standout factor. There was considered to be no reason to include any weighting factor between Chairpersons.
23. Staff will be able to model any suggestion prior to and at the meeting based on the remuneration pool of \$417,946.

Resource Consent Hearing Fees

24. As stated earlier the RA have determined that the meeting fee payable to elected members for resource consent hearings are treated separately to the remuneration pool and have no bearing on it. Members are paid \$68 per hour (\$85 for the Chairperson) for the time spent together as the Hearings Committee (this includes the actual hearing, time taken on decisions, site visits etc). The cost of hearings is recoverable from applicants.

Mileage Allowance

25. The RA has determined that the mileage allowance for members using their own vehicle on council business is 70 cents a kilometre. This includes a component of payment for time spent in the vehicle. This allowance is taxable.

Expenses

26. The RA are also required to determine the allowances and expenses of all elected members. They are asking local authorities to provide them with the local authorities proposed rules for the recovery of expenses.
27. This Council has not in the past reimbursed members for anything other than work related expenses (i.e. mileage allowance and other expenses when travelling on Council business). This practice, it is suggested, should continue. If Council wishes to do otherwise a higher budget will be required. A copy of the current policy is **attached**.

Conclusion

28. Council needs to determine if it recommends to the RA whether the remuneration pool of \$417,946 is to be distributed to members by salary, meeting fee or a combination of both.
29. If Council considers that a meeting fee model (whether whole or part) is preferred then Council will need to consider rules on what constitutes a meeting and what constitutes attendance at a meeting.
30. Council will need to consider with a part or whole salary payment, whether certain positions (i.e. Deputy Mayor, Chairpersons, or Councillors with other responsibilities) be paid at a different rate and what that rate should be.
31. A decision on whether to change the existing policy on reimbursing members for work related expenses is also required.
32. Any dissent of any decision must be made available to the RA.

33. The following recommendations are provided as a basis for discussion. If members wish to explore other options, staff will report back with more details at the next Council meeting.

RECOMMENDED

- 1. That Council recommend to the Remuneration Authority that 100% of the remuneration pool be paid to elected members (not including the Mayor) as a salary.**
- 2. That Council recommend to the Remuneration Authority that the differential between Chairpersons and Councillors be based on a weighting of 30 hours for Chairpersons and 20 hours for Councillors.**
- 3. That Council recommend to the Remuneration Authority that this Council's current policy of reimbursing members for work related expenses (i.e. mileage allowance and other expenses (on an actual and reasonable basis) when travelling on Council business) should be retained with an amendment to reflect the reimbursement of home internet connections.**

20. Decision to Conduct Business with the Public Excluded

Decided That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Minutes
- Plan Change 21

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

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Minutes	As set out in the Minutes	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Plan Change 21	In order to protect the privacy of natural persons, as provided for under Section 7(2)(a).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Record No: 10231875