



Ordinary Meeting of Council

AGENDA

10.00am Tuesday 24 May 2016

**Council Chamber, Wairoa District Council, Coronation
Square, Wairoa.**

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz



Agenda

Chairman: His Worship the Mayor Mr C Little

Councillors: D. Eaglesome-Karekare (Deputy Mayor), M Bird, B Cairns, H Flood, J Harker, M Johansen.

	Pages
Procedural Items	
1. Karakia	
2. Apologies for Absence	
3. Declarations of Conflict of Interest	
4. Chairman's Announcements	
5. Items of Urgent Business not on the Agenda	
6. Public Participation	
A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 3 minutes per person is allowed.	
7. Minutes of the Previous Meeting	4-12
8. CEO Monthly Report - May	13-19
General Items	
9. Future Direction resulting from Rating Review	20-41
A Morton – Chief Financial Officer	
10. Policy on Elected Members' Allowances and Recovery of Expenses	42-53
C McGimpsey – Governance Advisor & Policy Strategist	
11. FAR Committee recommendation: Health & Safety Manual	54-105
J Baty – Corporate Services Manager	
<i>Appendix 1 under separate cover</i>	
12. Maori Standing Committee recommendation: Maori Wards	106-118
J Baty – Corporate Services Manager	

- 13. Local Authority Protection Programme** **119-120**
A Morton – Chief Financial Officer

Receipt of Minutes from Committees/Action Sheets

- 14. Council Action Sheet**
No updates from previous meeting
- 15. Maori Standing Committee** **121-123**
- 16. Finance, Audit & Risk Committee** **124-129**

Public-Excluded Items

- 17. Resolution to exclude the public** **130-132**
This contains information on the general subject matter of confidential items and why they are being conducted without the public present.
- 18. Confidential Minutes** **133-134**
- 19. Confidential Action Sheet**
No updates from previous meeting
- 20. Confidential Minutes Finance, Audit & Risk Committee** **135-138**
- 21. FAR Committee recommendation: Shortlisting of applicants for interview for the QRS Director vacancies** **139-140**
C McGimpsey – Governance Advisor & Policy Strategist
Appendix 1 under separate cover
- 22. Statute barred rates arrears** **141-156**
D Doole – Senior Rates Officer



Minutes of an Ordinary Meeting of Council

10.00am Tuesday 26 April 2016 held in the Council Chamber, Wairoa District Council, Coronation Square, Wairoa.

Present: His Worship the Mayor Mr C Little (Chairman)

Councillors: M Bird, B Cairns, D Eaglesome-Karekare, H Flood, M Johansen.

P Kelly (Māori Standing Committee Representative)

F Power (Chief Executive Officer)

H Montgomery (Chief Operating Officer)

J Cox (Engineering Manager)

J Baty (Corporate Services Manager)

C McGimpsey (Governance Advisor & Policy Strategist)

A Morton (Chief Financial Officer)

K Tipuna (Communications Strategist)

Procedural Items

1. Karakia

The karakia was given by Mr P Kelly (Māori Standing Committee Representative).

2. Apologies for absence

Councillor Bird (for lateness), Councillor Harker, and Maori Standing Committee Chairman Mr Symes.

3. Declarations of Conflict of Interest

None.

4. Chairman's Announcements

The recent ANZAC Day celebrations across the district were well attended.

5. Items of Urgent Business not on the Agenda

Minor item – Verbal update regarding Maori Wards (J Baty Corporate Services Manager)

The report is with the Maori Standing Committee for review and recommendation to Council on an option.

Councillor Bird arrived at 10.01am

6. Public Participation

Mr G Preston spoke on the CEO's monthly report.

7. Confirmation of Minutes of the Previous Meeting

Resolved: *That the minutes of the Ordinary Meeting of Council held on 22 March 2016 be confirmed as a correct record of the proceedings.*

Little/Flood

The Chief Executive Officer gave brief verbal update in lieu of a written report on matters attended to in the last month, including:

- Rocket Lab – visit to Auckland headquarters, briefings for various parties
- EIT Senior Leadership Team presentation regarding various matters and looking at increased training opportunities in Wairoa
- Waihi Dam – claim sent to Eastland Group's insurers for consideration

Resolved: *That the Chief Executive Officer's verbal report be received.*

Little/Eaglesome-Karekare

General items

9. QRS Six-monthly report December 2016

The Chief Financial Officer presented his report.

QRS Board Member Mike Jarvis prevented an overview from the Board highlighting the dividend paid to the Council and the improvement from the same time last year.

Councillors discussed the following:

- Private work outlined in the report
- Inclusion of community support in the report
- Staff numbers

Resolved: *That the QRS Six Monthly Report for the period ended 31st December 2015 be received.*

Eaglesome-Karekare/Johansen

8. QRS Statement of Intent 2016/17

The Chief Financial Officer presented the report.

Councillors discussed:

- The change in the dividend payout from previous years

Resolved: *That the Draft QRS Statement of Intent 2016-2017 attached as Appendix 1 be endorsed.*

Little/Flood

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

1. QRS Six-monthly report December 2016

The general subject of each matter to be considered while the public is excluded; the reasons 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) to the passing of this resolution
	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:	48(1)(a) 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 for which good reason for withholding would exist:
QRS Six-monthly report December 2016	Section 7 (2) (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

Eaglesome-Karekare/Flood

Public excluded 10.33am

Public readmitted 10.46am

10. Approval of an Easement over Reserve Land

The Chief Operating Officer presented the report.

Councillors discussed:

- Impact on the ability for public to use the reserve

- Consent process regarding archaeological sites
- Consent timeframes
- Healthy and safety liability of the Council

<u>Resolved:</u>	<p><i>That:</i></p> <ol style="list-style-type: none"> <i>1. The right of way easement is granted across Lot 4 DP 7871 in favour of proposed Lot 1 as shown in appendix 1.</i> <i>2. All costs associated with creating these easements are to be met by the applicant.</i> <p style="text-align: right;"><i>Eaglesome-Karekare /Little</i></p>
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11. Remuneration Authority Submission

The Governance Advisor & Policy Strategist presented the report.

<u>Resolved:</u>	<p><i>That Council approve the submission material attached as Appendix 1.</i></p> <p style="text-align: right;"><i>Flood/Cairns</i></p>
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12. Outcome of the review of Council's fire appliances

The Chief Operating Officer presented the report.

Councillors discussed:

- The appliance located in Gisborne
- The pending changes to the structure of the fire service
- Acknowledging and aligning with submissions received on the topic through the Long Term Plan

<u>Resolved:</u>	<p><i>That Council:</i></p> <ol style="list-style-type: none"> <i>1. Receive the report;</i> <i>2. Replacements are deferred for 3 years when the service will be taken over by the national fire service under the new legislation; and,</i> <i>3. Given the timeframes, the associated actions are removed from the Action Sheet.</i> <p style="text-align: right;"><i>Cairns/Eaglesome-Karekare</i></p>
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13. S17a review update

The Governance Advisor & Policy Strategist presented the report.

Councillors discussed:

- Incorporation of previous work into the process

<u>Resolved:</u>	<p><i>That Council receive the report.</i></p> <p style="text-align: right;"><i>Little/Flood</i></p>
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14. Wairoa Wi-Fi Feasibility Study update

The GIS Coordinator presented the report.

Councillors discussed:

- Long Term Plan submissions
- Free Wi-Fi scheme along main street in town
- Options in the report regarding using the equipment elsewhere

Resolved:

That Council:

1. *Conclude the Wairoa Wi-Fi Feasibility Study at end of stage two*
2. *Reallocate remaining funds to enhance and extend the current broadcast area of the Wairoa Free Wi-Fi.*

Eaglesome-Karekare /Flood

15. HB LASS Statement of Intent 2016/17

The Chief Executive Officer presented the report.

Councillors discussed:

- Further costs for staff engagement

Adjourned 11.59am

Reconvened 12.06pm

Councillor Eaglesome-Karekare left the meeting at 12.06pm

Councillors discussed:

- 3 additional independent directors (as per the current constitution)

Resolved:

That Council endorses the HB LASS Ltd Statement of Intent for the 2016/17 financial year.

Cairns/Johansen

Councillor Eaglesome-Karekare re-entered the meeting at 12.07pm

16. Maori Standing Committee recommendation: Maori Policy

The Maori Relationships Manager presented the report.

The Council thanked the staff and Maori Standing Committee for their thorough work on the policy.

Councillors discussed:

- The Committee's recommendation for public consultation

- Timing of the district-wide hui to determine the representatives for the committee

Part of section 7 of Appendix 1 of Appendix 1 (Maori Policy) of the report was amended to read (amendments in bold) “In a local government election-year, the Maori Standing Committee shall schedule district-wide **after the inaugural meeting** for the selection process to decide the membership of the next Maori Standing Committee by the end of **January**”.

Resolved: *That Council accepts and adopts the Māori Policy as reviewed by the MSC attached as Appendix 1 (with amendment) for public consultation.*
Eaglesome-Karekare/Cairns

Receipt of Minutes from Committees/Action Sheets

17. Council Action Sheet

Hawke’s Bay Regional Council (HBRC) Chairman Mr F Wilson gave an update on action 457 from the HBRC’s perspective and gave an update on other issues in the Wairoa District that HBRC are working through currently.

Councillor Johansen left the meeting at 12.37pm

Councillor Johansen entered the meeting at 12.39pm

Councillors discussed the Maori Standing Committees of both Councils working together going forward.

Councillor Flood left the meeting at 12.51pm

Councillor Flood entered the meeting at 12.55pm

Councillor Bird left the meeting at 12.58pm

Councillor Cairns left the meeting at 12.58pm

Councillor Flood left the meeting at 12.59pm

12.59pm Meeting adjourned for 30 seconds due to a lapse in quorum

1.00pm Meeting reconvened

Councillor Flood entered the meeting at 1.00pm

Councillor Bird entered the meeting at 1.00pm

Councillor Cairns entered the meeting at 1.01pm

18. Maori Standing Committee

Resolved: *That Council receive the Maori Standing Committee minutes from their meeting on the 8 April 2016.*

Flood/Little

19. Economic Development Committee

Resolved: *That Council receive the Economic Development Committee minutes from their meetings on the 3 February and 4 April 2016.*

Eaglesome-Karekare/Flood

Public-excluded items

20. Resolution to exclude the public

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

2. Confidential Minutes of Previous Council Meeting
3. Confidential Action Sheet
4. Confidential Minutes Economic Development Committee 4 April 2016

The general subject of each matter to be considered while the public is excluded; the reasons 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) to the passing of this resolution
Confidential Minutes of Previous Council Meeting	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons (h) enable any local	48(1)(a) 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 for which good reason for withholding would exist: (i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i))

		<p>authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	[of the Local Government Official Information and Meetings Act 1987]
Confidential Action Sheet	<p>Section 7 (2)</p> <p>(a) protect the privacy of natural persons, including that of deceased natural persons</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i))</p> <p>[of the Local Government Official Information and Meetings Act 1987]</p>	
Confidential Minutes Economic Development Committee	<p>Section 7 (2)</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i))</p> <p>[of the Local Government Official Information and Meetings Act 1987]</p>	

Little/Eglesome-Karekare

PUBLIC EXCLUDED: 1.03pm

RE-ADMITTED: 1.16pm

There being no further General Business His Worship the Mayor declared the meeting closed.

CLOSED: The meeting closed at **1.16pm.**

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Chair



Council

24 May 2016

Chief Executive Officer's Monthly Report

Department	Office of the Chief Executive
Author	Chief Executive Officer – F Power
Contact Officer	As above
1. Purpose	1.1 To update Councillors on significant matters attended to by the CEO in the interval since the last (verbal) report – 26 April 2016.
Recommendation	<i>The Chief Executive Officer RECOMMENDS that Council receive this report.</i>
2. Staff movements	2.1 Nil.
3. Tourism	<p><i>Strengthening Support</i></p> <p>3.1 It is extremely pleasing to be able to report a considerable uplift in support from, and interaction with, Tourism Hawke's Bay since the appointment of Council's new Tourism Manager, Jaime-Leigh George.</p> <p>3.2 Tourism Hawke's Bay personnel have visited Te Wairoa on a fact-finding visit, and sampled several tourism offerings within the district.</p> <p>3.3 An invitation was extended by Tourism Hawke's Bay to Jaime-Leigh George, Tourism Manager, to join Tourism Hawke's Bay at the recent TRENZ Conference in Rotorua, and this provided multiple opportunities for engagement with significant tourism operators. TRENZ is New Zealand's biggest annual international tourism event.</p> <p>3.4 At this event, New Zealand's leading providers of visitor accommodation, transport, activities and attractions showcase their product to more than 270 international travel and tourism buyers from New Zealand's major and emerging visitor markets. During four days of focused business-to-business activity, they negotiate business agreements for forthcoming seasons, ensuring New Zealand's vibrant \$9.3 billion export tourism industry continues to grow.</p> <p>3.5 TRENZ also features a substantial international and domestic media programme, promoting New Zealand as a visitor</p>

destination as well as the economic importance of the country's tourism industry.

3.6 TRENZ aims to increase international visitor arrivals and/or yield as a result of:

- Development and increased awareness of new products
- Development of new markets and business relationships
- Maintaining established business and relationships
- Extending the distribution of New Zealand product.

3.7 The Ministry of Business, Innovation & Employment (MBIE) has updated its tourism forecasts for key tourism markets for the 2016-2022 period.

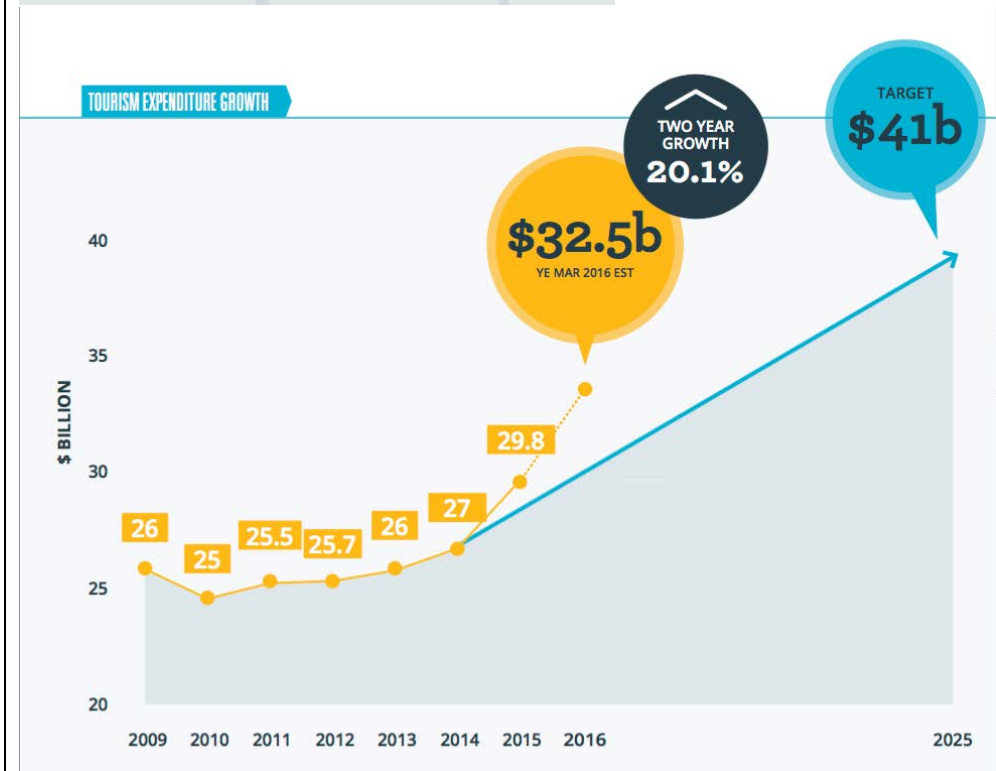
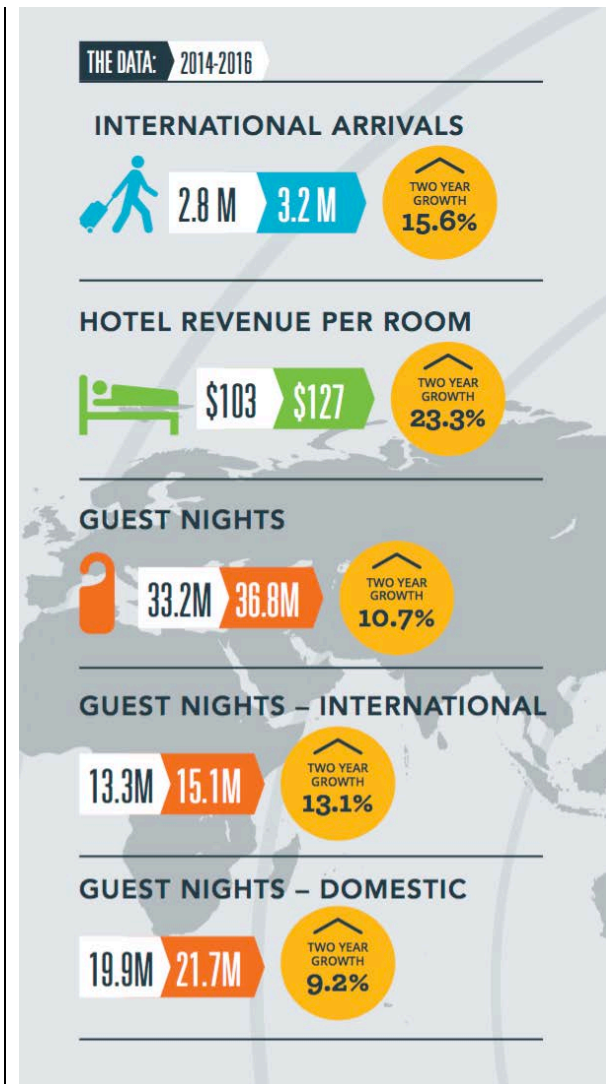
3.8 MBIE says visitor arrivals to New Zealand are expected to grow 5.4% a year, reaching 4.5 million visitors in 2022 from 3.1 million in 2015 and total international spend is expected to reach \$16 billion in 2022, up 65.5% from 2015.

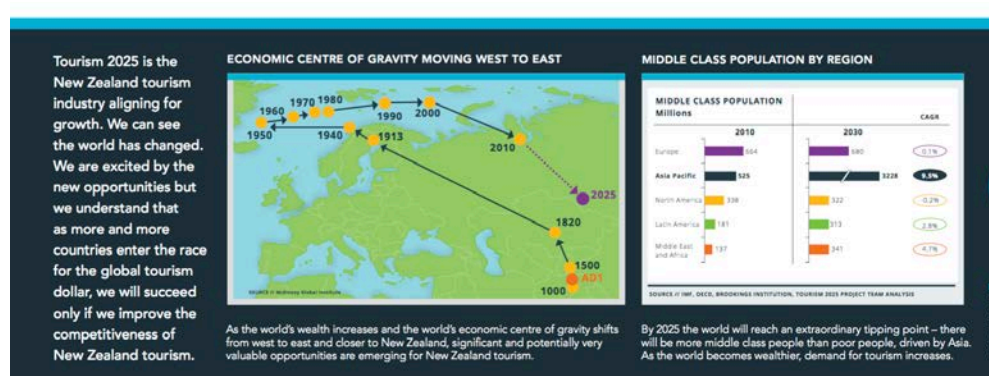
3.9 Most of this forecasted growth is expected to come from holidaymakers and those visiting friends and relatives.

3.10 Australia is New Zealand's largest visitor market, providing more than 1.3 million visitors in 2015. The forecasts show that this market will continue to be healthy and looks set to grow by 25 per cent by 2022. Another key market for New Zealand is China, and MBIE tourism forecasts predict that China will become New Zealand's largest market in terms of expenditure by 2017.

3.11 The following graphics (and attached data summary) sourced from Tourism New Zealand, MBIE, TIA and Tourism 2025 clearly demonstrate the critical importance of Wairoa district substantially increasing its focus and energy in the tourism sector, if our district is to benefit from the staggering increase in tourism numbers and spend in New Zealand.

3.12 'Dispersal' is one of the key themes of Tourism New Zealand and Tourism Industry Aotearoa, as traditional 'larger centre' tourism locations are increasingly becoming overwhelmed by tourist numbers and demands. As dispersal to the regions accelerates, Wairoa district needs to both resource and position itself to capture the resulting opportunities for increased prosperity, employment and associated community revitalisation.





Space Launch and Wider Tourism Project Scope

- 3.13 The Hawke's Bay Regional Council and Tourism Hawke's Bay have joined with Wairoa District Council to undertake a space launch and wider tourism project scope.
- 3.14 This is a substantial study, being undertaken for the Hawke's Bay Regional Council by the Giblin Group and TRC Tourism. It is anticipated that this project scope will be completed by mid-July 2016.
- 3.15 Priority is being given to space launch tourism due to the imminent commencement of Rocket Lab launch activities.

4. Events and meetings

Space Launch Viewing Field Trip

- 4.1 On 05 May 2016, His Worship the Mayor and I were joined by staff and representatives of the Hawke's Bay Regional Council and Tourism Hawke's Bay, and a number of potential official space launch viewing sites were visited.

Rocket Lab

- 4.2 On 14 March 2016, His Worship the Mayor and I were joined by the Hon Stuart Nash and hosted by Rocket Lab at their launch site at Mahia Peninsula.

Finance, Audit and Risk Committee

- 4.3 The Finance, Audit and Risk Committee met on 11 May 2016. The Committee noted its pleasure at the progress made on comprehensive monthly financial reporting, and extended congratulations to the entire Finance Department team for an extraordinary (and successful) effort in bringing Wairoa District Council's financial reporting to the level now exhibited.
- 4.4 Two years ago, such reporting was non-existent, and the effort made over the past two years to improve the transparency, immediacy and accuracy of financial reporting to governance has resulted in the provision of valuable monthly information.

Council's auditor has also noted satisfaction with the comprehensiveness of this monthly financial reporting.

TRENZ 2016

4.5 I was invited by the Tourism Industry Aotearoa to attend the VIP session of TRENZ on 13 May 2016. Ahead of this briefing (at which the Prime Minister announced, amongst other things, a new Regional mid-Sized Tourism Facilities Fund), Annie Dundas, the Chief Executive of Tourism Hawke's Bay had also prepared a number of key tourism operators to meet with me. The scale of TRENZ, and its status as New Zealand's largest tourism industry annual event, mean that it is essential that Wairoa district have an ongoing presence at future events, in association with Tourism Hawke's Bay.

**Further
Information
Appendices
Background
Papers
Signatories**

None.

Appendix 1 – Key Tourism Statistics 13 May 2016

None.

Author: F Power





Key Tourism Statistics

May 13, 2016

International visitor arrivals¹ (year ending March 2016)

	Market share	Visits	Growth (pa)
Annual international arrivals:		3,255,000	10%
Australia (incl. Norfolk Island)	42%	1,365,000	7%
China	12%	378,000	28%
USA	8%	254,000	12%
UK	7%	214,000	7%
Japan	3%	91,000	10%
Germany	3%	90,000	12%

Combined, these markets provided 73.5 % of international visits to New Zealand for the year ended March 2016.

Purpose of visit	Visits	Growth (pa)
Holiday/Vacation	1,653,000	15%
Visit Friends/Relatives	981,000	7%
Business	277,000	4%
Other	343,000	6%

Average intended length of stay:	Days	Growth (pa)
	19	-1%

Commercial accommodation³ (year ending March 2016)

Accommodation Type	Nights	Growth (pa)
Hotels	13,104,000	6%
Motels	11,676,000	5%
Holiday parks	7,369,000	8%
Backpackers	5,080,000	5%
Total	37,229,000	6%

Occupancy Rates	This month	Month last year
Hotels	76.8%	73.4%
Motels	70.2%	67.6%
Holiday parks	24.9%	20.1%
Backpackers	55.9%	53.8%
Total	52%	48.6%

Trips abroad by New Zealanders⁵ (year ending March 2016)

	Trips	Growth (pa)
Annual Outbound Departures	2,429,000	5%
Countries visited by New Zealanders		
Australia (incl. Norfolk Island)	1,143,000	3%
USA	174,000	2%
Fiji	151,000	14%
UK	112,000	9%
China	87,000	8%

International tourism forecasts⁷ (forecast period 2016 to 2022)

	2022	Growth (pa)
Total visitor arrivals (millions)	4.5	5.4%
Total visitor days (millions)	90.3	5.7%
Total visitor expenditure (\$ billions)	16.0	7.5%

Key international markets in 2022	Visits	Spend (\$m)
Australia	1,653,000	2,973
China	921,000	5,317
USA	401,000	1,728
UK	252,000	1,313
Germany	125,000	665
Japan	120,000	336

International visitor expenditure^{*2} (year ending December 2015)

		Growth (pa)
Total expenditure (\$ millions)	\$9,698	31%
Average expenditure per person per trip	\$3,440	19%
Median expenditure per person per trip	\$2,180	20%

Key international markets (\$ millions)	Current year	Growth (pa)
Australia	\$2,440	19%
China	\$1,668	63%
USA	\$1,065	40%
UK	\$1,055	35%
Germany	\$492	21%
Canada	\$241	26%

Total spend by purpose of visit (\$ millions)	Current year	Growth (pa)
Holiday / vacation	\$5,784	27%
Visiting friends / relatives	\$2,037	33%
Business	\$903	58%
Other	\$974	33%

* Excludes international airfares and individuals whose purpose of visit to New Zealand was to attend a recognised educational institute, and are foreign-fee paying students.

Economic contribution⁴ (year ending March 2015)

Tourism market	Expenditure (\$b)	Growth (pa)
Domestic	18.1	6.3%
International ⁺	11.8	17.1%
Total	29.8	10.3%

⁺ Includes international airfares paid to New Zealand carriers.

Tourism Exports

International tourist expenditure accounted for \$11.8 billions or 17.4% of New Zealand total export earnings.

Tourism Contribution to GDP

Tourism directly contributes \$10.6 billions (or 4.9%) to New Zealand total GDP. A further \$7.9 billions (or 3.6%) is indirectly contributed. When comparing tourism to other industries, the direct contribution should be used.

Tourism Employment

Tourism directly employed 168,012 people (6.9% of the total employment in New Zealand).

Regional Tourism Estimates⁶ (year ending March 2015)

RTO (\$ millions)	International	Domestic	Total	Market Share
Auckland	3,227	3,268	6,496	29%
Wellington	476	1,690	2,166	10%
Christchurch	677	1,075	1,752	8%
Queenstown	1,182	506	1,688	8%
Waikato	233	998	1,230	5%
Hawke's Bay	110	581	691	3%
Other	2,366	6,014	8,381	37%

Data sources

¹ Statistics New Zealand: International Travel and Migration. 'Business' excludes conferences.

² MBIE: International Visitor Survey. 'Business' excludes conferences.

³ Statistics New Zealand: Accommodation Survey.

⁴ Statistics New Zealand: Tourism Satellite Account.

⁵ Statistics New Zealand: International Travel and Migration.

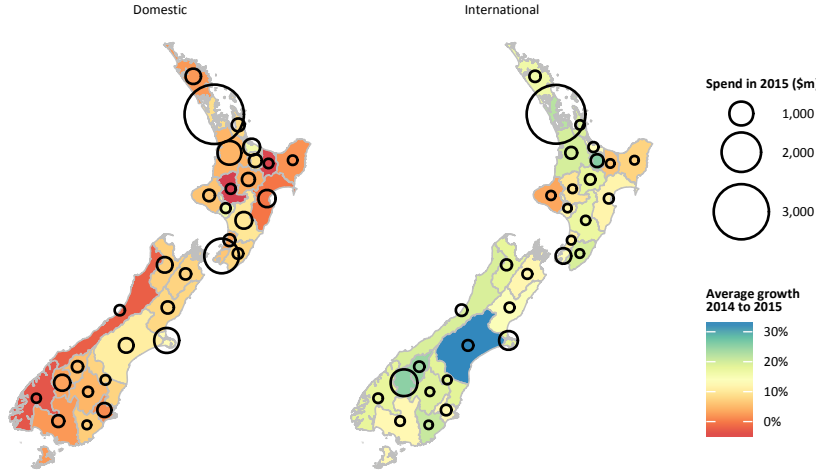
⁶ MBIE: Regional Tourism Estimates (RTO = Regional Tourism Organisation).

⁷ MBIE: New Zealand Tourism Forecasts 2016 to 2022. Expenditure forecasts based on International Visitor Survey data.

This paper was prepared by the Ministry of Business, Innovation and Employment (MBIE). For further information visit the tourism data section of the Ministry's website <http://www.med.govt.nz/sectors-industries/tourism>. Key Tourism Statistics are updated regularly throughout the month as data is released.

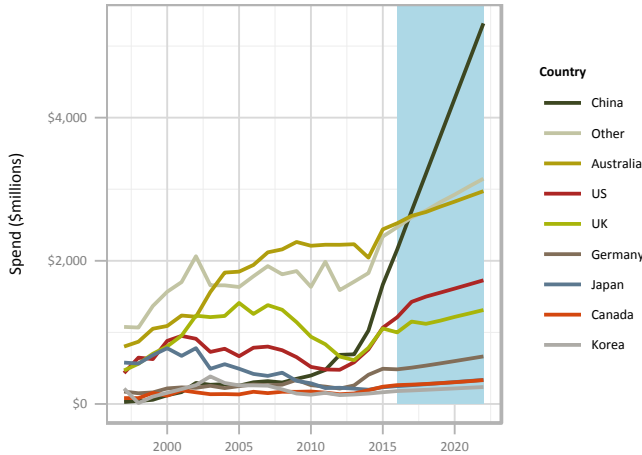


Regional tourism spend distribution (international compared to domestic)



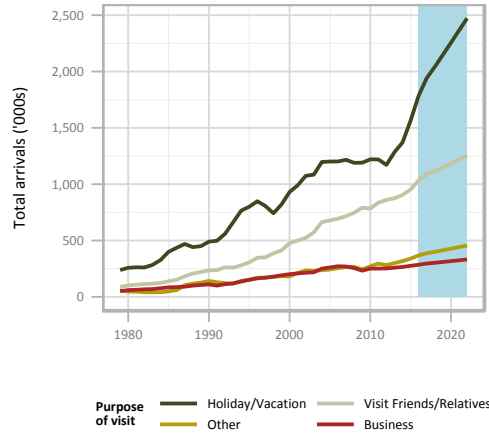
Source: MBIE - Regional Tourism Estimates

Total spend by country (year ending Dec 2015)
(blue shaded area is forecast)



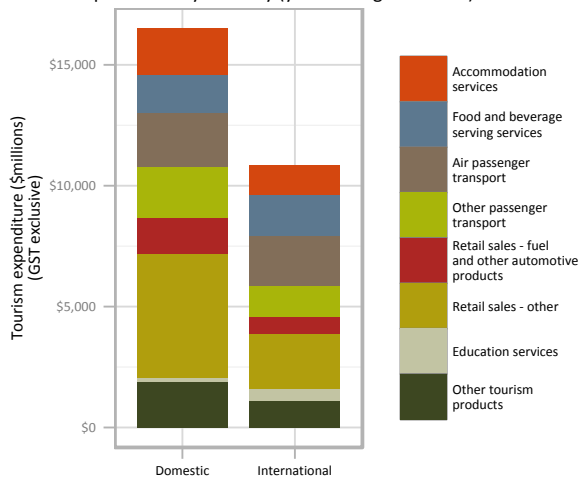
Source: MBIE - International Visitor Survey, MBIE - New Zealand Tourism Forecasts 2016 to 2022

Total arrivals by purpose of visit (year ending Dec 2015)
(blue shaded area is forecast)



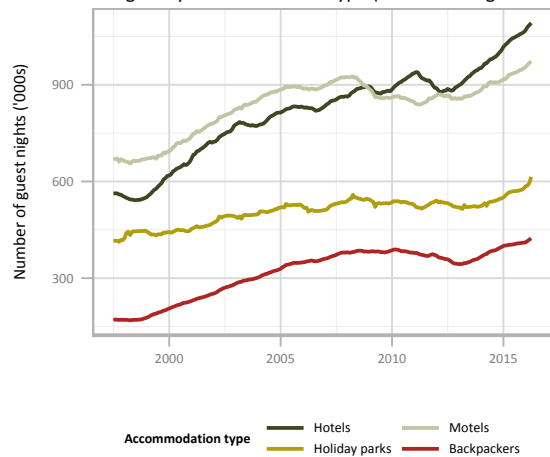
Source: Statistics New Zealand - International Travel and Migration, MBIE - New Zealand Tourism Forecasts 2016 to 2022

Tourism expenditure by industry (year ending Mar 2015)



Source: Statistics New Zealand - Tourism Satellite Account

Guest nights by accommodation type (month ending Mar 2016)





Source: Statistics New Zealand - Accommodation Survey

Council
24th May 2016



Future Direction resulting from Rating Review

Department	Finance
Author & contact officer	A Morton – Chief Financial Officer
1. Purpose	1.1 To provide to Council for consideration the external Consultants report on the Rates Review currently being undertaken.
Recommendation	The Chief Financial Officer RECOMMENDS that Council accept recommendation D from Councils external Consultant <i>“That no changes are made to the Rating Policy for the 2016/17 year as further work is required to minimise the impacts of moving from its current approach to a capital value based approach.”</i> As included within the external consultant’s report “Future direction resulting from the Rating review” attached as Appendix 1.
2. Background	2.1 Council have engaged external consultants to review and suggest changes to its existing rating methodologies in order to provide a more equitable allocation of rates payable. 2.2 Council’s current rating allocation model is unnecessarily complicated and difficult to administer. 2.3 There are no previous resolutions from Council on this matter.
3. Options	The options as identified by Consultants are: A. That the Council believes that as a principle, Capital values reflect a better method of allocation of costs to properties than Land values and therefore wishes to move the General and Roding rates from a land based system to a capital value based approach. B. That Councils acknowledges there is a need to have robust differentials for Commercial and Forestry properties. C. That any changes will be formally consulted as part of the 2017/18 Annual Plan. D. That no changes are made to the Rating Policy for the 2016/17 year as further work is required to minimise the impacts of moving from its current approach to a capital value based approach.

	E. The Council continues its Rating review.
	Or
	F. That the Council, having considered the likely impacts of a change in the Rating policy, ceases the review including not making any changes to the Rating policy for the 2016/17 year.
	3.1 The preferred option is D, this meets the purpose of local government as it will help meet the current and future needs of communities for regulatory functions in a way that is most cost-effective for households and businesses.
4. Conclusion	4.1 The full report from external Consultants is attached at Appendix 1- "Future direction resulting from the Rating review"
5. Corporate Considerations What is the change?	5.1 There will be no change to existing rating processes in the 2016/17 year.
Compliance with legislation and Council Policy	5.2 Existing processes comply with the Rating Act 2002
6. Significance	6.1 If Council resolves to proceed with a change to its Rating Policy, then the decision will be significant and will require public consultation. This consultation can be in parallel with the Annual Plan process.
Appendices	Appendix 1 - Report to Wairoa District Council - Future direction resulting from the Rating review
Confirmation of statutory compliance	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and, b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.
Signatories	Author: A Morton  Approved by: F Power 



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Report to Wairoa District Council - Future direction resulting from the Rating review

1. Purpose

The purpose of this report is for Council to consider the process to date, to provide Council with the opportunity to consider the next steps in its rating review, and to potentially consult with the community during 2017.

2. Recommendation

- A. That the Council believes that as a principle, Capital values reflect a better method of allocation of costs to properties than Land values and therefore wishes to move the General and Roding rates from a land based system to a capital value based approach.
- B. That Councils acknowledges there is a need to have robust differentials for Commercial and Forestry properties.
- C. That any changes will be formally consulted as part of the 2017/18 Annual Plan.
- D. That no changes are made to the Rating Policy for the 2016/17 year as further work is required to minimise the impacts of moving from its current approach to a capital value based approach.
- E. The Council continues its Rating review.

Or

- F. That the Council, having considered the likely impacts of a change in the Rating policy, ceases the review including not making any changes to the Rating policy for the 2016/17 year.

3. Changes to Policy

Any change to Council's rating policy must be reflected in Council's Revenue and Financing Policy and be included within the Funding Impact Statement (FIS) which is to be included within every Long-Term Plan or Annual Plan.

4. Options

There are two options available to Council, being;

- (i) To continue with the review with the intention of;

- 1) progressively moving to a capital value based rating approach from the current mixed value approach,
 - 2) give consideration to how the costs of activities are currently allocated between urban properties and rural properties, and
 - 3) undertake further work to develop more robust differentials for forestry and commercial properties.
- (ii) Having considered the impacts of changes to the Rating policy, that no changes are required to the current Rating policy.

5. Significance

If Council resolves to proceed with a change to its Rating Policy, then the decision will be significant and will require public consultation. This consultation can be in parallel with the Annual Plan process.

6. Risk Management

There are significant risks in all options including doing nothing. To minimise risk there must be good communication with the community to ensure there is a good understanding as to the reasons for the change and the consequences.

Background

The current rating approach for the Council is a three step process.

The first step in the process is to allocate the expenditure into six different types of rates being:

1. Uniform Annual General Charge (UAGC)¹
2. UACs Uniform Annual Charge²
3. General rate excluding the UAGC (Land Value)
4. Services rate (Capital value)
5. Roothing rate (Land Value)
6. Recreation rate (Capital Value)

The next step in the process is to allocate expenditure between urban and rural properties based on the following six tables:

1. Uniform Annual General Charge (Fixed charge on all rating units)		Urban Wairoa	Rural
Property (Investments)	100%	Based on number of Rating Units	
Council	100%		
Maori Governance	100%		
Visitor Information Centre	30%		
Community Co-ordinator	100%		
Community Support	50%		
Library	100%		

2. UAC Uniform Annual Charge (Fixed Charge)		Urban Wairoa	Rural
Waste Man. – Shared	100%	60%	40%
Waste Man. – Rural	100%	0%	100%
Sewerage – Wairoa	100%	100%	0%
Sewerage – Tuai	100%	0%	100%
Sewerage - Mahia/Opoutama	100%	0%	100%
<i>Drainage - Wairoa Township</i>	100%	100%	0%
<i>Drainage - Mahia Township</i>	100%	0%	100%
Water Supply Reticn - Wairoa System	100%	100%	0%
Water Supply Reticn – Tuai	100%	100%	0%
Water Supply Reticn – Mahanga	100%	100%	0%
Water Supply Reticn - Wairua Rural	100%	100%	0%
Water Supply Reticn – Frasertown	100%	100%	0%

¹ Uniform Annual General Charge is set using the provisions of Section 15 Local Government (Rating) Act 2002(LGRA) and is considered part of the General rates as defined by Section 103 (2) (a) Local Government Act 2002(LGA)

² Targeted Rates using the provisions of Section 16 (4) LGRA

3. General Rate Land value		Urban Wairoa	Rural
Airport	100%	50%	50%
District Planning Consents	100%	50%	50%
Environmental Health	100%	50%	50%
Rural Fire Service	100%	0%	100%
Sundry Property	100%	50%	50%

4. Service Rate Capital value		Urban Wairoa	Rural
Corporate	100%	50%	50%
Forestry	100%	50%	50%
Visitor Information Centre	70%	50%	50%
Community Support	50%	50%	50%
Community Halls	100%	0%	100%
Cemeteries	100%	50%	50%
Building Inspection	100%	50%	50%
District Planning	100%	50%	50%
Liquor Licensing	100%	50%	50%
Dangerous Goods	100%	60%	40%
Civil Defence	100%	50%	50%
Bylaw Enforcement	100%	60%	40%
Parking	100%	60%	40%

5. Roading Targeted Rate Land value		Urban Wairoa	Rural
Roading Subsidised	100%	7%	93%
Roading Non Sub. - Shared	100%	30%	70%
Roading Non Sub. - Urban	100%	100%	0%
Roading Non Sub. - Rural	100%	0%	100%

6. Recreation Targeted Rate Capital value		Urban Wairoa	Rural
Parks & Reserves	100%	55%	45%

The final step in the process is to allocate a differential rate which is applied differently for rural and urban properties. The differential applied **can be** different depending whether the rate is based on land or capital. Good practice recommends that the differentials are applied on a consistent basis and have a logical rationale for the differential. The current differentials are demonstrated in the table below.

Urban Differential Category	Differential factor		
Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) and with a land value less than \$80,000	1	Land value Differential	Capital value Differential
Wairoa Township (Commercial/Industrial)	3.85	Land value Differential	
Wairoa Township (Commercial/Industrial) (CV <\$200,000)	2.75		Capital value Differential
Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	2.75		Capital value Differential
Residential 3 (LV ≥\$80,000)	0.55	Land value Differential	

Rural Differential Category	Differential factor		
Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) " with a land value less than \$100,000.	1	Land value Differential	Capital value Differential
Wairoa Rural (Commercial/Industrial)	3.7		Capital value Differential
Rural Villages of Frasertown, Nūhaka and Raupunga	1.25	Land value Differential	Capital value Differential
Rural Non-Forestry (LV ≥\$100,000 and < \$1,000,000).	1	Land value Differential	
Rural Non-Forestry (LV ≥\$1,000,000)	1	Land value Differential	
Rural Residential/Residential One (Māhia)	0.85	Land value Differential	Capital value Differential
Rural Residential - Residential One (b) (Tuai)	0.5	Land value Differential	Capital value Differential
Rural Roding Forestry (<100ha)	1	Land value Differential	
Rural Roding Forestry (≥100ha).	1.54	Land value Differential	

Objectives of the review

Council considered its current approach and the principles of local authority revenue raising which are set out in appendix 1 and concluded that the current approach is complex and lacks some of the requirements of those principles.

Through a workshop, Council identified the following issues, and allocated a priority as outlined in the table below.

Issue	Priority
Affordability	1
UAGC	2
Targeted rates	3
Commercial V Residential	4
Differentials	5
Understandable	6
Forestry	7
Definition & enforcement of SUIP (Separately used or inhabited part of a rating unit)	8
Maori Freehold Land	9
Too many charges	10

Long Term goals

Council considered the existing rating method where both Land and Capital values are used for what is generally considered districtwide rates (rates that are paid by all ratepayers). Council believes that in the long-term, by using capital values as its primary rating tool results in a more equitable approach. Council also wishes to reduce the number of differentials in future years.

A comparison of Capital versus Land value rating is set out in appendix 2.

Council also believes that both commercial and forestry properties should pay a higher differential because of the increased costs on Council's infrastructure particularly Roading. This would result in an amendment to the current allocation of costs of each activity not only to the six rates but also the allocation between urban and rural ratepayers.

Council also deferred the consideration of modification of the following rates until 2017/18:

- Waste Management
- Sewerage
- Drainage
- Water Supply and Reticulation

Options considered for possible consultation in 2016/17

Council considered the impacts of moving to capital rating immediately, however with the complex rating system and current differentials there would have been a significant movement of rates being paid across the district. As an interim step, Council wished to ensure that all properties in the 2016/17 do not see a movement of plus or -10% movement in the total rates resulting from the change in its rating approach.

Therefore it considered modifying the allocations of differentials affecting the following rates:

1. General Rate – Currently differentially set using land value
2. Roading Rate – Currently differentially set using land value
3. Recreation rate – Currently differentially set using capital value
4. Services rate – Currently differentially set using capital value

The options considered for implementation in the 2016/17 year that were available to Council to meet its objectives were:

- | | |
|----------|--|
| Option 1 | Uses existing allocation between Urban & Rural - Discarded by Council at workshop 16 03 16. |
| Option 2 | No allocation between Urban & Rural but retains 4 rates on existing land & capital values and applying differentials to reduce the impact of the change in rates for the 2016/17 year. Discarded by Council as more differentials would have been required to achieve the objective. |
| Option 3 | No allocation between Urban & Rural and all rates on capital except for General Rate, and applying differentials to reduce the impact of the change in rates for the 2016/17 year. |

Option 4 No allocation between Urban & Rural and all rates on capital except for Rooding Rate and applying differentials to reduce the impact of the change in rates for the 2016/17 year.

Option 5 No allocation between Urban & Rural with all rates based on differential capital values and applying differentials to reduce the impact of the change in rates for the 2016/17 year.

The detailed results of the comparison with the current approach with option 3, 4 and 5 are set out in appendix 3. In the appendix the tables for each option show the following:

1. The movement of rates collected by value between ratepayer groups based on the current differentials.
2. The impacts on the sample properties on total rates.
3. The numbers of ratepayer with different movements total rates, both in percentage and for those properties with greater 10%, the dollar value movement.

Summary of results

Option 3

No of properties with an increase of greater than 10% in total rates payable - 605

No of properties with a decrease of greater than 10% in total rates payable – 1,973

Option 4

No of properties with an increase of greater than 10% in total rates payable - 75

No of properties with a decrease of greater than 10% in total rates payable – 1,465

Option 5

No of properties with an increase of greater than 10% in total rates payable - 789

No of properties with a decrease of greater than 10% in total rates payable – 2,057

None of the options resulted in movement in the total rates being paid of plus or minus 10% from the change in its rating approach, therefore Council agreed in principle to make no changes to the rating approach in 2016/17 and deferring any changes until 2017/18. It also considered the impact of the revaluation and change to the Valuer General rules as outlined below.

Impact of Revaluation

The 2016/17 rates will be subject to the three yearly rating revaluation which is undertaken on behalf of Council by QV. With the current approach of allocating expenditure between urban and rural ratepayers, the percentage of rates paid by these groups will not change irrespective of the change in the values. This alone is one reason to delay the implementation of the new rating approach until 2018/18.

Based on the 2015/16 rates, the movement of value based (Capital and Land) rates is set out in appendix 5.

Impact of changes to the Valuer General rules

In addition to the revaluation, there have been changes to the rules set by the Valuer General as to the treatment of rural and forestry properties. In summary this has resulted in a number of forestry and rural properties now being treated as one rating unit and therefore this has reduced the number of properties subject to fixed charges including the UAGC and has impacted on the allocation of Council's differentials which were based on size.

As Council has signalled its intention to develop a better forestry differential, it is important to wait until the impacts of this rule change can be fully assessed.

Next steps

If Council wishes to continue with its rates review then it is likely that the following steps will be taken:

1. As Council has also expressed the desire to consider the public/private good allocations for all rates including the consideration of the impacts of a wider public good. These could be recovered from all ratepayers, review its current allocation of all activities between public and private good and also the allocation of the rate component between urban and rural.
2. As part of the private/public good allocation further investigation work would be undertaken to consider the impacts of both commercial and forestry operations on Council's activities
3. Once that step has been completed, then considering the new land and capital values that have been set as part of the recent revaluation, it would continue to refine options to meet with Council's overall objective.
4. Once Council has undertaken the three steps above then it would be best to develop a consultation process to ensure all affected ratepayers have the opportunity to consider Council's revised approach.

Appendix 1

Revenue & Financing - Principles

- transparency – the over-riding purpose is to show who pays for what and why. The content of your policy should be tailored in such away as to meet the legislative requirements and this test. A policy that does not do this cannot provide the predictability and certainty described in section 102

easy to understand – avoid the use of terminology if you can. If you need to use terms such as ‘marginal cost pricing’ define these in everyday language. Thresholds and percentages may also be useful to make the policy concrete

- robust – the policy should be based on a clean set of funding/financial principles and sound underpinning analysis and documentation. Policies that can demonstrate this are more likely to withstand legal and ratepayer scrutiny

fair and equitable – linked to realism. The policy is your opportunity to explain what Council considers is ‘fair and equitable’. Without this fairness and equity remain a concept that is ‘in the eye of the individual ratepayer’

- durable – the policy should retain relevance in spite of day to day changes in the environment
- realism - like the remainder of the LTP, the revenue and financing represents a commitment to the community by your local authority and in particular elected members. It affects the rates

Appendix 2

Options for selecting value based general rates

Section 13 Local Government (Rating) Act 2002 provides three options to collect the rateable value portion of the general rate. These are:

- I. the annual value of the land; or
- II. the capital value of the land; or
- III. the land value of the land.

Annual values are based on the greater of:

- I. five percent of the capital value of the rating unit or
- II. the rent at which the unit would be let, less twenty percent for houses and buildings and ten percent for land.

There are no Councils currently using the annual value of the land as a method to set its general rates. Both Auckland and Manukau City Councils used this method prior to the creation of Auckland Council.

Capital values are based on the value of the land and improvements. This includes fruit trees, nut trees, vines, berryfruit bushes, or live hedges. Network infrastructure is legally regarded as an improvement, therefore it has a capital value and can be legally assessed for all value-based rates.

Land values are based on the value of the bare (unimproved) value of the land.

Slightly less than half of all local authorities use this method.

Principles of capital value

Capital value targets intensity of use/intensity of development. The higher the intensity of development the greater the capital/land value ratio is likely to be and the higher the share of rates any given property will pay. For example, properties such as hydroelectric dams, dairy factories, and other capital intensive properties can expect to pay especially high levels of rates

Opponents of capital value argue that this system discourages development. There is little systematic evidence to support this claim. Intuitively, rates are such a minor part of most industrial cost structures that in reality any development that has become uneconomic through rates was marginal, at best, before the change in systems.

Capital value tends to be a slightly more buoyant base than unimproved value i.e. it expands more as development occurs. In addition to the price effects on unimproved land noted in the discussion of land value, as land is developed more intensively the value of improvements rises, hence the overall capital base.

Principles of land value

Land value generally provides a poorer reflection of benefit distribution than the other two valuation bases. To take a simple example, assume there are three different rating units side by side. They are similar in every respect except one is unimproved, one has a two bedroom house, and one has a five story residential apartment complex. All other things being equal the three have the same value under the land value system. But no-one would argue that the degree and distribution of benefit is the same - they make quite different use of most local authority services.

Historically property values, especially land values, have been seen as poor indicators of ability to pay. The Covec study in 2007³ plotted a single metropolitan local authority's land and capital values (at meshblock level) against meshblock income. The study found a positive relationship between income and capital, whereas income rises so does the capital value of property owned. However, Covec also found a surprisingly strong positive relationship between unimproved values and income⁴. While this is far from conclusive evidence, if translated across local authorities of different sizes, and mixes of land use, it might suggest land value is a better predictor of ability to pay than has been previously assumed. It has been argued that rating on unimproved values tends to favour residential ratepayers.

³ Covec (2007), *Trends in the Use of Rating Tools Nationally to Fund Services*. This report was one of the background reports requested by the 2007 Independent Inquiry into Rates.

⁴ R^2 of this simple one variable and an intercept model was 0.75 (statisticians tend to find a model with a result of 0.6 or better useful).

Appendix 3

Detailed assessment of options

Option 1 Uses existing allocation between Urban & Rural

This option was discarded by Council as it did not meet the transparency requirements as this method requires an allocation of activity net expenditure between rural & urban communities is subjective and does not meet the long term goal of being transparent.

Option 2 No allocation between Urban & Rural but retains 4 rates on existing land & capital values

Because of the removal of the allocation of expenditure between rural and urban but retaining the existing rating mechanisms would result in a significant increase in the number of differentials required, so this option has not been further investigated.

Options 3, 4 & 5

To achieve the outcome of ensuring there is no significant increase in the total rates payable new differentials are being proposed for each of the options. Each of the options impacts on each of the rate groups are considered in the following pages.

Option 3 No activity allocation between Urban & Rural and moves all rates except the general rate to capital values.

Option 3 All Rates Capital except General Rate

Urban Differential Category	Differential factor	Land	Capital	Capital	Capital	Existing value rates	Proposed Total rates	Percentage change
		General Rate Differential	Roading Rate Differential	Recreation rate Differential	Services rate Differential			
Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) and with a land value less than \$80,000	1	1.00	0.70	3.00	3.00	778,183	826,367	6.19%
Wairoa Township (Commercial/Industrial)	3.85	1.00	3.00			219,777	247,199	12.48%
Wairoa Township (Commercial/Industrial) (CV <\$200,000)	2.75			3.00	5.00	67,251	32,926	-51.04%
Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	2.75			3.00	5.00	233,872	111,263	-52.43%
Residential 3 (LV ≥\$80,000)	0.55	1.00	0.75			32,691	36,300	11.04%
Total Urban rates						1,331,775	1,254,054	-5.84%
Rural Differential Category	Differential factor	Land	Capital	Capital	Capital	Existing value rates	Proposed Total rates	Percentage change
Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) "with a land value less than \$100,000.	1	0.70	0.65	0.65	0.65			
Wairoa Rural (Commercial/Industrial)	3.7			1.00	2.50	155,327	134,953	-13.12%
Rural Villages of Frasertown, Nūhaka and Raupunga	1.25	1.00	0.45	0.50	0.50	45,926	47,968	4.45%
Rural Non-Forestry (LV ≥\$100,000 and <\$1,000,000).	1		0.70			521,104	520,553	-0.11%
Rural Non-Forestry (LV ≥\$1,000,000)	1		1.00			1,320,085	1,281,951	-2.89%
Rural Residential/Residential One (Māhia)	0.85	1.00	0.50	1.00	1.00	602,035	656,430	9.04%
Rural Residential - Residential One (b) (Tuai)	0.5	0.50	0.25	0.25	0.25	14,446	15,482	7.17%
Rural Roding Forestry (<100ha)	1		1.10			13,611	13,773	1.19%
Rural Roding Forestry (≥100ha).	1.54		1.80			574,625	574,248	-0.07%
Total Rural Rates						4,114,660	4,192,381	1.89%
						5,446,435	5,446,435	

Impacts on individual ratepayers based on Council's standard sample.

Location	Type of property	Capital value	Land value	Existing Total Rates	Existing Total Value Rates	% of value rates to total rates	Option 3				
							Option 3 Total Rates	\$ Value Total Change	% Value Total Change	Total value based rates	% Value Total Change
Wairoa Urban	residential	170,000	19,000	2,603	688	26%	2,749	146	5.61%	834	21.20%
Wairoa Urban	residential	395,000	105,000	3,260	1,738	53%	3,550	290	8.89%	2,028	16.68%
Wairoa Urban	residential	255,000	31,000	2,973	1,058	36%	3,167	195	6.55%	1,253	18.39%
Opoutama	residential	370,000	150,000	1,683	572	34%	2,048	366	21.72%	938	63.88%
Wairoa Urban	commercial	500,000	32,000	7,420	5,259	71%	8,408	988	13.32%	6,247	18.79%
Heavy	Industrial	200,000	19,000	4,261	2,346	55%	4,417	156	3.66%	2,502	6.64%
Utilities		3,970,000	-	8,388	7,670	91%	7,383	(1,005)	-11.98%	6,666	-13.10%
Mahia	residential	375,000	140,000	3,024	645	21%	3,351	327	10.82%	972	50.73%
Opoutama	residential	110,000	30,000	1,262	151	12%	1,390	128	10.14%	279	84.66%
Tuai	residential	95,000	38,000	1,615	101	6%	1,614	(0)	-0.02%	101	-0.30%
Waikaremoana	Hill Country	2,675,000	2,175,000	11,580	10,145	88%	11,594	14	0.12%	10,159	0.14%
Southern	Hill Country	2,150,000	1,760,000	8,919	8,202	92%	8,887	(33)	-0.36%	8,169	-0.40%
Morere	Country	6,205,000	5,286,500	26,656	24,503	92%	25,807	(849)	-3.19%	23,654	-3.47%
Southern	Forestry	14,500,000	13,500,000	89,110	88,392	99%	89,870	760	0.85%	89,152	0.86%
Nuhaka	residential	121,000	11,000	852	134	16%	938	86	10.06%	220	63.91%
Raupunga	residential	72,000	5,500	792	75	9%	848	56	7.03%	130	74.77%
Frasertown	residential	185,000	7,000	1,414	156	11%	1,589	175	12.41%	331	112.65%

Greater than 5% increase	1,217	Number of properties with an increase greater than 10%	
Greater than 10% increase	605	Greater than \$10 increase	599
Greater than 15% increase	338	Greater than \$50 increase	585
Greater than 20% increase	212	Greater than \$100 increase	537
Greater than 30% increase	94	Greater than \$200 increase	307
Greater than 40% increase	46	Greater than \$500 increase	69

Decreases

Greater than 5% decrease	2,341	Number of properties with an decrease greater than 10%	
Greater than 10% decrease	1,973	Greater than \$10 decrease	1,756
Greater than 15% decrease	1,704	Greater than \$50 decrease	1,008
Greater than 20% decrease	1,553	Greater than \$100 decrease	738
Greater than 30% decrease	1,220	Greater than \$200 decrease	447
		Greater than \$500 decrease	194
		Over \$1000 decrease	61

Option 4 No activity allocation between Urban & Rural using capital values but retains roading rates on existing land values

Option 4 All rates capital except Roading (Land)

Urban Differential Category	Differential factor	Capital	Land	Capital	Capital	Existing value rates	Proposed Total rates	Percentage change
		General Rate Differential	Roading Rate Differential	Recreation rate Differential	Services rate Differential			
Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) and with a land value less than \$80,000	1	1.00	1.00	3.00	3.00	778,183	849,743	9.20%
Wairoa Township (Commercial/Industrial)	3.85	1.00	3.00			219,777	110,966	-49.51%
Wairoa Township (Commercial/Industrial) (CV <\$200,000)	2.75			1.00	3.00	67,251	22,071	-67.18%
Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	2.75			1.00	3.00	233,872	74,581	-68.11%
Residential 3 (LV ≥\$80,000)	0.55	1.00	0.85			32,691	34,561	5.72%
Total Urban rates						1,331,775	1,091,921	-18.01%
Rural Differential Category	Differential factor	Capital	Land	Capital	Capital	Existing value rates	Proposed Total rates	Percentage change
		General Rate Differential	Roading Rate Differential	Recreation rate Differential	Services rate Differential			
Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) "with a land value less than \$100,000.	1	1.00	0.50	0.50	0.50	867,501	917,976	5.82%
Wairoa Rural (Commercial/Industrial)	3.7			1.00	1.00	155,327	99,296	-36.07%
Rural Villages of Frasertown, Nūhaka and Raupunga	1.25	1.00	0.50	0.50	0.50	45,926	40,375	-12.09%
Rural Non-Forestry (LV ≥\$100,000 and <\$1,000,000).	1		0.65			521,104	570,214	9.42%
Rural Non-Forestry (LV ≥\$1,000,000)	1		0.65			1,320,085	1,442,653	9.28%
Rural Residential/Residential One (Māhia)	0.85	0.50	0.50	0.50	0.50	602,035	625,418	3.88%
Rural Residential - Residential One (b) (Tuai)	0.5	0.30	0.30	0.30	0.30	14,446	16,352	13.19%
Rural Roading Forestry (<100ha)	1		0.65			13,611	14,877	9.30%
Rural Roading Forestry (≥100ha).	1.54		1.00			574,625	627,354	9.18%
Total Rural Rates						4,114,660	4,354,514	5.83%
						5,446,435	5,446,435	

Impacts on individual ratepayers

							Option 4				
Location	Type of property	Capital value	Land value	Existing Total Rates	Existing Total Value Rates	% of value rates to total rates	Option 4 Total Rates	\$ Value Total Change	% Value Total Change	Total value based rates	% Value Total Change
Wairoa Urban	residential	170,000	19,000	2,603	688	26%	2,707	104	4.00%	792	15.11%
Wairoa Urban	residential	395,000	105,000	3,260	1,738	53%	3,639	379	11.62%	2,117	21.80%
Wairoa Urban	residential	255,000	31,000	2,973	1,058	36%	3,119	146	4.90%	1,204	13.78%
Opoutama	residential	370,000	150,000	1,683	572	34%	1,753	70	4.15%	642	12.20%
Wairoa Urban	commercial	500,000	32,000	7,420	5,259	71%	4,161	(3,258)	-43.91%	2,001	-61.95%
Heavy	Industrial	200,000	19,000	4,261	2,346	55%	2,829	(1,433)	-33.62%	914	-61.05%
Utilities		3,970,000	-	8,388	7,670	91%	5,621	(2,767)	-32.99%	4,903	-36.07%
Mahia	residential	375,000	140,000	3,024	645	21%	3,089	66	2.17%	711	10.17%
Opoutama	residential	110,000	30,000	1,262	151	12%	1,285	23	1.85%	175	15.41%
Tuai	residential	95,000	38,000	1,615	101	6%	1,626	12	0.72%	113	11.49%
Waikaremoana	Hill Country	2,675,000	2,175,000	11,580	10,145	88%	12,465	884	7.64%	11,029	8.72%
Southern	Hill Country	2,150,000	1,760,000	8,919	8,202	92%	9,629	710	7.96%	8,912	8.66%
Morere	Country	6,205,000	5,286,500	26,656	24,503	92%	28,696	2,040	7.65%	26,543	8.32%
Southern	Forestry	14,500,000	13,500,000	89,110	88,392	99%	96,205	7,095	7.96%	95,487	8.03%
Nuhaka	residential	121,000	11,000	852	134	16%	859	7	0.85%	141	5.37%
Raupunga	residential	72,000	5,500	792	75	9%	799	6	0.80%	81	8.46%
Frasertown	residential	185,000	7,000	1,414	156	11%	1,444	30	2.14%	186	19.46%

Increases

Greater than 5% increase	883	Number of properties with an increase greater than 10%	
Greater than 10% increase	75	Greater than \$10 increase	73
Greater than 15% increase	13	Greater than \$50 increase	66
Greater than 20% increase	6	Greater than \$100 increase	61
Greater than 30% increase	5	Greater than \$200 increase	39
Greater than 40% increase	3	Greater than \$500 increase	4

Decreases

Greater than 5% decrease	1,543	Number of properties with an decrease greater than 10%	
Greater than 10% decrease	1,465	Greater than \$10 decrease	818
Greater than 15% decrease	333	Greater than \$50 decrease	247
Greater than 20% decrease	310	Greater than \$100 decrease	196
Greater than 30% decrease	174	Greater than \$200 decrease	179
		Greater than \$500 decrease	138
		Over \$1000 decrease	106

Option 5 No activity allocation between Urban & Rural and all rates are based on capital values

Option 5 step All Capital rates

Urban Differential Category	Differential factor	Previously land				Existing value rates	Proposed Total rates	Percentage change
		General Rate Differential	Roading Rate Differential	Recreation rate Differential	Services rate Differential			
Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) and with a land value less than \$80,000	1	1.00	0.65	3.00	3.00	778,183	853,477	9.68%
Wairoa Township (Commercial/Industrial)	3.85	1.00	1.00			219,777	93,420	-57.49%
Wairoa Township (Commercial/Industrial) (CV <\$200,000)	2.75			3.00	3.00	67,251	24,776	-63.16%
Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	2.75			3.00	3.00	233,872	83,723	-64.20%
Residential 3 (LV ≥\$80,000)	0.55	1.00	0.65			32,691	34,362	5.11%
Total Urban rates						1,331,775	1,089,758	-18.17%
Rural Differential Category	Differential factor	General Rate Differential	Roading Rate Differential	Recreation rate Differential	Services rate Differential	Existing value rates	Proposed Total rates	Percentage change
Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) "with a land value less than \$100,000.	1	1.00	0.65	0.65	0.65	867,501	947,705	9.25%
Wairoa Rural (Commercial/Industrial)	3.7			1.00	3.00	155,327	157,589	1.46%
Rural Villages of Frasertown, Nūhaka and Raupunga	1.25	1.00	0.45	0.50	0.25	45,926	50,226	9.36%
Rural Non-Forestry (LV ≥\$100,000 and <\$1,000,000).	1		0.70			521,104	552,466	6.02%
Rural Non-Forestry (LV ≥\$1,000,000)	1		1.00			1,320,085	1,360,543	3.06%
Rural Residential/Residential One (Māhia)	0.85	1.00	0.50	1.00	1.00	602,035	665,313	10.51%
Rural Residential - Residential One (b) (Tuai)	0.5	0.25	0.25	0.25	0.25	14,446	15,694	8.64%
Rural Roding Forestry (<100ha)	1		1.10			13,611	14,617	7.39%
Rural Roding Forestry (≥100ha).	1.54		1.75			574,625	592,524	3.11%
Total Rural Rates						4,114,660	4,356,677	5.88%
						5,446,435	5,446,435	

Impacts on individual ratepayers

Location	Type of property	Capital value	Land value	Existing Total Rates	Existing Total Value Rates	% of value rates to total rates	Option 5				
							Option 5 Total Rates	\$ Value Total Change	% Value Total Change	Total value based rates	% Value Total Change
Wairoa Urban	residential	170,000	19,000	2,603	688	26%	2,783	180	6.90%	868	26.09%
Wairoa Urban	residential	395,000	105,000	3,260	1,738	53%	3,538	278	8.54%	2,017	16.02%
Wairoa Urban	residential	255,000	31,000	2,973	1,058	36%	3,217	244	8.20%	1,302	23.03%
Opoutama	residential	370,000	150,000	1,683	572	34%	2,109	426	25.31%	998	74.43%
Wairoa Urban	commercial	500,000	32,000	7,420	5,259	71%	5,249	(2,171)	-29.26%	3,088	-41.28%
Heavy	Industrial	200,000	19,000	4,261	2,346	55%	3,150	(1,111)	-26.08%	1,235	-47.36%
Utilities		3,970,000	-	8,388	7,670	91%	8,500	112	1.34%	7,782	1.46%
Mahia	residential	375,000	140,000	3,024	645	21%	3,404	380	12.58%	1,025	58.98%
Opoutama	residential	110,000	30,000	1,262	151	12%	1,411	150	11.85%	301	98.88%
Tuai	residential	95,000	38,000	1,615	101	6%	1,615	0	0.01%	101	0.10%
Waikaremoana	Hill Country	2,675,000	2,175,000	11,580	10,145	88%	11,950	369	3.19%	10,514	3.64%
Southern	Hill Country	2,150,000	1,760,000	8,919	8,202	92%	9,168	249	2.79%	8,450	3.03%
Morere	Country	6,205,000	5,286,500	26,656	24,503	92%	26,542	(114)	-0.43%	24,389	-0.47%
Southern	Forestry	14,500,000	13,500,000	89,110	88,392	99%	90,990	1,880	2.11%	90,273	2.13%
Nuhaka	residential	121,000	11,000	852	134	16%	957	105	12.34%	239	78.37%
Raupunga	residential	72,000	5,500	792	75	9%	860	68	8.56%	142	91.01%
Frasertown	residential	185,000	7,000	1,414	156	11%	1,624	210	14.87%	366	135.00%

Increases

Greater than 5% increase	1492
Greater than 10% increase	789
Greater than 15% increase	462
Greater than 20% increase	300
Greater than 30% increase	144
Greater than 40% increase	87

Number of properties with an increase greater than 10%

Greater than \$10 increase	787
Greater than \$50 increase	772
Greater than \$100 increase	711
Greater than \$200 increase	436
Greater than \$500 increase	112

Decreases

Greater than 5% decrease	2,336
Greater than 10% decrease	2,057
Greater than 15% decrease	1,801
Greater than 20% decrease	1,638
Greater than 30% decrease	1,261

Number of properties with an decrease greater than 10%

Greater than \$10 decrease	1,838
Greater than \$50 decrease	1,104
Greater than \$100 decrease	825
Greater than \$200 decrease	520
Greater than \$500 decrease	237
Over \$1000 decrease	124

Appendix 5

Impacts of the revaluation on the value based rates

Urban Differential Category	Differential factor
Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) and with a land value less than \$80,000	1
Wairoa Township (Commercial/Industrial)	3.85
Wairoa Township (Commercial/Industrial) (CV <\$200,000)	2.75
Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	2.75
Residential 3 (LV ≥\$80,000)	0.55

Rural Differential Category	Differential factor
Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) " with a land value less than \$100,000.	1
Wairoa Rural (Commercial/Industrial)	3.7
Rural Villages of Frasertown, Nūhaka and Raupunga	1.25
Rural Non-Forestry (LV ≥\$100,000 and < \$1,000,000).	1
Rural Non-Forestry (LV ≥\$1,000,000)	1
Rural Residential/Residential One (Māhia)	0.85
Rural Residential - Residential One (b) (Tuai)	0.5
Rural Roding Forestry (<100ha)	1
Rural Roding Forestry (≥100ha).	1.54

Existing value rates	Impacts of new valuations	Percentage change
778,183	780,353	0.28%
219,777	220,710	0.42%
67,251	69,096	2.74%
233,872	233,487	-0.16%
32,691	28,129	-13.96%
1,331,775	1,331,775	0.00%
867,501	854,485	-1.50%
155,327	155,226	-0.06%
45,926	41,360	-9.94%
521,104	409,339	-21.45%
1,320,085	1,518,887	15.06%
602,035	559,509	-7.06%
14,446	12,805	-11.36%
13,611	10,415	-23.48%
574,625	552,634	-3.83%
4,114,660	4,114,660	0.00%
5,446,435	5,446,435	

Appendix 1



Council

24 May 2016

Policy on Elected Members' Allowances and Recovery of Expenses

Department	Corporate Services
Author	Governance Advisor & Policy Strategist – C McGimpsey
Contact Officer	Corporate Services Manager – J Baty
1. Purpose	1.1 To adopt the changes to the Policy on Elected Members' Allowances and Recovery of Expenses in line with the recommendations of the Remuneration Authority.
Recommendation	The Governance Advisor & Policy Strategist RECOMMENDS that Council adopt the proposed Policy on Elected Members' Allowances and Recovery of Expenses attached as Appendix 1.
2. Background	<p>2.1 As part of the Remuneration Authority's determination process they have requested the Council's Policy on Elected Members' Allowances and Recovery of Expenses to be sent to them for approval prior to 10th June.</p> <p>2.2 There are 2 changes to the current policy in line with the new recommendations of the Remuneration Authority – change in the mileage rate and a change to the threshold distance.</p>
3. Options	<p>3.1 The options identified are:</p> <ol style="list-style-type: none"> Status quo – send the current policy to the Remuneration Authority; or, Adopt the proposed policy attached as Appendix 1. <p>3.2 Option A: The current policy is now out of line with the Remuneration Authority's recommendations. It is unlikely that they would approve the policy for the period starting 1st July 2016 with a mileage rate 3c higher than their proposed determination.</p> <p>3.3 The preferred option is option B, this policy reflects the relevant changes that the Remuneration Authority plan to make in their determination this year.</p>
4. Corporate Considerations	
What is the change?	<p>4.1 Mileage rates for elected members for the first 5000 kilometres will now be \$0.74c instead of \$0.77c – this is in line with the IRD mileage rate.</p> <p>4.2 The threshold distance will now only apply for travel to council offices.</p>
Who has been consulted?	4.3 There has been no consultation on this matter and no further consultation is required.
5. Significance	5.1 This decision is of low significance.
Further	Remuneration Authority website http://remauthority.govt.nz/

**Information
Appendices**

Appendix 1 - Policy on Elected Members' Allowances and Recovery of Expenses

Appendix 2 – Letter from Remuneration Authority

**Confirmation of
statutory
compliance**

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author: C McGimpsey

Approved by: J Baty





Policy Name: Policy On Elected Members' Allowances and Recovery of Expenses

Person Responsible: Corporate Services Manager **File Reference:** A06.06.01

Category: Finance **Status:** FINAL

Date Policy Adopted: ~~2015~~ May 2016 **Approval By:** Council

Review Period: Bi-annually **Next Review Due By:** August 2017

Supersedes ~~Expense Policy for Elected Members 14.12.13~~ All previous policies from 1st July 2016

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1.1 PAYMENT OF EXPENSES - GENERAL

- 1.1.1 The Wairoa District Council authorises reimbursement of reasonable and actual expenses when Elected Members are required to attend meetings outside the district.
- 1.1.2 All costs should be fair and reasonable, and supported by receipts.
- 1.1.3 All claims must be requested using a 'Councillor Expense Claim' form which is available from the Payroll.
- 1.1.4 Elected Member's expenditure will be approved by the Chief Executive Officer or Corporate Services Manager.
- 1.1.5 Elected members will need to fill in a form to book airfares and accommodation and conference/seminar registrations. In most cases these will be invoiced directly to Council.
- 1.1.6 The travel, accommodation and other costs for a partner or spouse of an Elected Member will not be met by Council, unless prior approval is granted by Council resolution. Airpoints that are earned by official travel paid by the Council are not to be used for private benefit.

2.1 VEHICLE MILEAGE ALLOWANCE

- 2.1.1 The local authority may pay a member a vehicle mileage allowance for travel by the member.

- 2.1.2 An allowance may be paid to a member under subclause (2.1.1) for each day within the period of the current determination that -
- (a) the member is not provided with a vehicle by the local authority; and
 - (b) the distance travelled by the member on the day exceeds the threshold distance; and
 - (c) the member is travelling -
 - (i) in a private vehicle; and
 - (ii) on the local authority's business; and
 - (iii) by the most direct route that is reasonable in the circumstances.

- 2.1.3 The allowance is payable, in relation to each day for which the member qualifies under subclause (2.1.2),—
- (a) in accordance with subclause (2.1.4); but
 - (b) only for the distance travelled on the day that exceeds the threshold distance.

- 2.1.4 The vehicle mileage allowance payable to a member is -
- (a) no more than \$0.~~77~~74 per kilometre for the first 5000 kilometres for which the allowance is payable;
 - (b) no more than \$0.37 per kilometre for any distance over 5000 kilometres for which the allowance is payable.

- 2.1.5 If a member is not a member for the whole of the period of the current determination, subclause (2.1.4) applies as if the reference to 5000 kilometres were replaced by a reference to the number of kilometres calculated in accordance with the following formula:

$$\frac{a}{b} \times 5000$$

where -

- a is the number of days during the period of the current determination that the member held office
 - b is the number of days in the period of the current determination.
- 2.1.6 For the purposes of subclause (2.1.5), in calculating the number of days that a member held office, in the case of a member who did not hold office before the 2013 triennial general election, the member is to be treated as having held office in the period beginning on the day of the election and ending on the close of the day on which the result of the election was declared under section 86 of the Local Electoral Act 2001.

- 2.1.7 In this clause, -
- on the local authority's business includes -
 - (a) on the business of any community board of the local authority; and
 - (b) travel between a member's residence and an office of the local authority or a community board

- 2.1.8 A 30km threshold ~~of~~ distance travelled shall apply only to visits to the council offices. For other travel by members, no threshold shall apply.

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

- ~~(a) the distance equivalent to a round trip between the member's residence and the nearest office of the local authority by the most direct route that is reasonable in the circumstances; and~~

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

2.1.9 Traffic infringements are the responsibility of the offender.

2.1.10 Reimbursement of mileage will be paid through the payroll system upon claim by direct credit to the Elected Member's nominated bank account.

3.1 TRAVEL TIME ALLOWANCE

3.1.1 No travel time allowance shall be paid.

4.1 COMMUNICATIONS ALLOWANCE

4.1.1 If a local authority determines that particular communications equipment and services are required by members to perform their functions and members choose or are required to use their own equipment and communication services, the local authority may pay an allowance for the period of the current determination in accordance with this clause.

4.1.2 The amounts and matters in respect of which the allowance is payable are as follows:

- (a) for the use of a personal computer, \$150:
- (b) for the use of an electronic tablet, \$150:
- (c) for the use of a printer (with or without a scanner), \$40:
- (d) for use of a mobile phone, \$60:
- (e) for an Internet connection (with or without a telephone connection), \$250:
- (f) for council-related toll and mobile phone charges, \$400.

4.1.3 The total amount payable to a member under subclause (4.1.2) must not exceed \$1,050.

4.1.4 If the member is not a member for the whole of the period of the current determination, subclause (4.1.2) applies as if the reference to an amount were replaced by a reference to an amount calculated in accordance with the following formula:

$$\frac{a}{b} \times c$$

where -

- a is the number of days during the period of the current determination that the member held office
- b is the number of days in the period of the current determination
- c is the relevant amount specified in subclause (2).

4.1.5 For the purposes of subclause (4.1.4), in calculating the number of days that a member held office, in the case of a member who did not hold office before the 2013 triennial general election, the member is to be treated as having held office in the period beginning on the day of the election and ending on the close of the day on which the result of the election was declared under section 86 of the Local Electoral Act 2001.

4.1.6 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.

4.1.7 Council will reimburse the costs of business toll calls and provide the Mayor with a cell phone. All private calls are required to be reimbursed to the Council.

THE COMMON SEAL of THE WAIROA DISTRICT COUNCIL

| was affixed this _____ day of _____ ~~2015~~2016 in the presence of:

MAYOR

CHIEF EXECUTIVE OFFICER

20 April 2016

Chairs of Regional Councils

Mayors of Territorial and Unitary Councils

All Chief Executives

Elected Members' Expenses and Allowances

The Authority is required to set or approve the policies of each council with regard to reimbursement of the costs incurred by elected members.

It undertakes this role in two parts. The Annual Local Authority determination includes provisions for mileage, travel times and communications and, additionally, each council is required to provide its full policy on expenses and allowances to the Authority for review and approval.

Once this has been done it is a requirement of the Authority that both the determination and the expenses policy be available for perusal by the public. A number of councils also report to their ratepayers on the usage of these allowances, a move towards further transparency that the Authority supports.

Payments set by the Authority in the Determination

In preparation for this year's determination, which will come into force on the 1st July 2016, the Authority has reviewed the allowances set in the determination and will be making adjustments to both the mileage and travel allowance.

Mileage Allowance

The Authority is making two changes to this allowance.

1. In line with the Inland Revenue Department's decision last year, the first five thousand kilometres claimed should now be reimbursed at 74c per kilometre, instead of 77c at present. The rate for travel in excess of 5000 kilometres remains at 37c.
2. In response to issues raised by elected members, the 30 kilometre threshold will now apply only to visits to the council or community board office. For other travel by members, no threshold distance will apply.

The principles and logic behind the per kilometre rate are explained in detail in the document attached to this letter.

Travel Time Allowance

This amount has been set at \$35.00 since 2013. It will increase to \$37.50.

Communications allowance

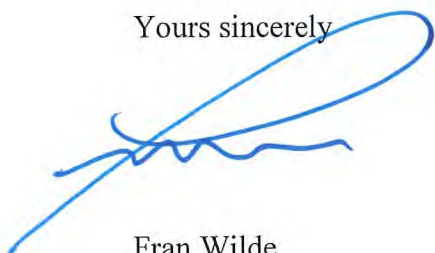
The Communications allowance is unchanged. We would draw your attention to the provision included in 2013 for councils to approach the Authority for approval to provide additional assistance to elected members who face exceptional cost to access or install appropriate communications links.

Please ensure your administration personnel read the determination carefully when it is issued. Particularly note that the mileage and communications allowances have pro rata provisions for members not in position for the full 12 months of the determination. This affects both members who do not return after the election and those who are elected for the first time in October.

Reimbursement and Expenses Policy recommended by the Council

Please review and either reconfirm or amend these policies and forward them to the Authority on letterhead no later than 10th June. The Authority will review and either approve all policies before 1st July or refer them back for further work if they do not clearly identify the payment regime and the authorisation process. The test the Authority will apply reflects the Auditor General's approach to the control and management of sensitive expenditure in the public sector.

Yours sincerely



Fran Wilde
Chair

LOCAL AUTHORITY VEHICLE MILEAGE ALLOWANCE - 2016

This note explains the principles adopted by the Remuneration Authority in setting the terms and conditions of the Vehicle Mileage Allowance, as well as explaining the logic behind the per kilometre rates. It is updated using the 2014/15 Automobile Association data.

Principles

The Authority adopted the following principles when considering the setting of the Vehicle Mileage Allowance:

Principle 1: The Authority does not intend to meet the costs of an elected member getting to and from work, where the elected member lives within normal commuting distance of the nearest office of the local authority. This is because:

- a) The pay scales that the Authority uses to set elected member remuneration are based on pay scales used for other public service positions, where there is no doubt that the costs of travel to and from work is the responsibility of the job holder, and
- b) It is normal practice for people engaged in providing regular services to a single body to meet their own costs of travel to and from the place of employment.

Principle 2: Any mileage allowance should meet the reasonable additional costs incurred by the elected member in using their own vehicle for travel required on council business. This includes travel to and from the place of work in excess of normal commuting distance.

Principle 3: The Authority will apply averages in setting per kilometre rates and normal commuting distances. This means that the Authority will use average vehicle operating costs for average sized and specified cars travelling on average roads, and average kilometres travelled per annum by the population as a whole.

Principle 4: Wherever possible the Authority will use independent sources of information.

Threshold Distance

The application of Principle 1 requires the Authority to consider what a “normal commuting distance”. Taking into account that commuting distances in the country tend to be longer than in urban areas, but not wishing to penalise country elected members, the Authority looked at average commuting distances in cities and large towns.

The Authority considered that it would be fair to regard a normal commuting distance as being 15 kilometres. The Authority recognises that this is an average and that, even in urban areas, some people commute more than 15 kilometres.

This means that any elected member living within 15 kilometres of their nearest office will meet their own cost of getting to and from work.

Members living more than 15 kilometres away from their nearest office may claim the allowance for distances in excess of the normal commuting distance. This means that they can claim for distances in excess of 30 kilometres (i.e. the round trip normal commuting distance).

If the mileage allowance were to apply for total distance travelled for people living more than 15 kilometres away for work, then that would be unfair on those living within 15 kilometres, who are meeting their own commuting costs.

The threshold for people living within the normal commuting distance is set at twice the distance between their home and place of work, so that both groups of people can claim mileage for any travel outside of normal commuting distance.

Per Kilometre Rates

Principle 4 using data on the costs of owning and running a car – this is regularly published by the Automobile Association, which has also supplied us with background data which enables deeper analysis.

The latest Automobile Association publication of car running costs is dated 2014/15. That data is based on the New Zealand average distance travelled of 14,000 kilometres per year for new vehicles over a 5 year period.

That report contains the following data:

Vehicle	Engine size	RRP	Average Cost	Operating Costs (cents per km)		
				14,000 km per year	19,000 km per year	24,000 km per Year
Compact	1501cc - 2000cc	To \$42,000	\$34,284	65c	55c	49c
Medium	2001cc - 3500cc	To \$60,000	\$47,462	80c	67c	60c
Large	3500cc +	To \$75,000	\$66,893	109c	90c	80c

Bearing in mind that Principle 2 requires that additional costs be met by the allowance and that, on average, people drive 14,000 km per annum for personal use, then one can calculate:

- The cost of personal use, being the cost for the first 14,000 km per year, and
- The additional costs that will be incurred if an elected member needs to travel over 14,000 km in a year because of council business. This additional cost can be worked out by calculating the cost of the first 14,000 km in a year and the cost of the total distance in a year (including council travel) – the difference is the additional cost of council travel. This difference can then be expressed as a rate per km.

These calculations are shown below (based on the data from the AA report) where an extra 5,000 km a year is travelled on council business:

Vehicle	Cost rate for first 14,000 km	Personal Cost of first 14,000 km	Cost rate for 19,000 km	Cost of 19,000 km	Cost of additional 5,000km	Additional cost per km
Compact	65c per km	\$9,100	55c per km	\$10,450	\$1,350	27c
Medium	80c per km	\$11,200	67c per km	\$12,730	\$1,530	31c
Large	109c per km	\$15,260	90c per km	\$17,100	\$1,840	37c

Below are comparative calculations where an extra 10,000km a year is travelled on council business:

Vehicle	Cost rate for first 14,000 km	Personal Cost of first 14,000 km	Cost rate for 24,000 km	Cost of 24,000 km	Cost of additional 10,000km	Additional cost per km
Compact	65c per km	\$9,100	49c per km	\$11,760	\$2,660	27c
Medium	80c per km	\$11,200	60c per km	\$14,400	\$3,200	32c
Large	109c per km	\$15,260	80c per km	\$19,200	\$3,940	39c

It can be seen from the above that the additional cost per km incurred for the council travel is 32 cents if a councillor:

- drives a medium sized car, and
- normally does 14,000 km per year for personal travel, and
- does an extra 10,000 km in a year on council business.

Even if the councillor drives a large car (which is above average size) the additional cost per km is only 39 cents.

Using additional data supplied by the Automobile Association we have examined yearly costs associated with much higher additional yearly mileage by assuming higher depreciation rates, more frequent tyre replacement and higher repair costs. Yearly costs are shown in the following table for a car costing \$50,000 and owned for 5 years:

Km per year	14,000	30,000	40,000
Value of car after 5 years	\$18,100	\$8,700	\$4,900
Costs per annum			
Licence and WOF	\$337	\$337	\$337
Insurance	\$911	\$911	\$911
Interest and depreciation	\$6,975	\$8,591	\$9,269
Total Fixed Costs	\$8,223	\$9,840	\$10,518
Fuel	\$2,702	\$5,790	\$7,720
Tyres	\$507	\$1,086	\$1,448
Repairs	\$635	\$1,361	\$1,815
Total Running Costs	\$3,933	\$8,417	\$11,219
Total Costs	\$12,156	\$18,256	\$21,737
Cost per km	86.8c	60.9c	54.3c
Personal cost		\$12,156	\$12,156
Additional Cost		\$6,100	\$9,581
Additional cost per km		38c	37c

Reimbursement using standard Remuneration

Authority rates	\$7,920	\$11,620
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Conclusion

Taking into account all the above data, the Authority believes that the mileage rate of 77 cents for the first 5,000 kilometres of council travel and 37 cents for distances in excess of 5,000 kilometres is fair compensation for any additional costs incurred by an elected member in using their own car for council business travel.

Remuneration Authority

April 2016



Council

11 May 2016

Health & Safety, Manual, SiteWise

Department	Corporate Services
Author & contact officer	James Baty – Corporate Services Manager
1. Purpose	<p>1.1 The purpose of this report is to update Elected Member on health and safety matters, and for Council to consider and adopt the new WDC Health and Safety Manual, and to endorse the regional approach (including Wairoa District Council) to implementing SiteWise.</p> <p>1.2 These issues arises due to the introduction of new legislation in relation to health and safety, and the requirement of that legislation for Elected Members to exercise due diligence to ensure that Council complies with its health and safety duties and obligations.</p> <p>1.3 This report provides a brief overview of the legislation, explains obligations of Elected Members in relation to their due diligence requirements arising from the legislation, provides information to enable Elected Members to undertake said due diligence.</p>
Recommendation	<p><i>The Corporate Services Manager RECOMMENDS that Council receives this report and adopts the new Council Health and Safety Manual and endorses the regional approach (including Wairoa District Council) to implementing SiteWise.</i></p>
2. Update	<p>2.1 The Health and Safety at Work Act (HSWA) came into effect on 4 April 2016.</p> <p>2.2 WorkSafe NZ (the government's Health and Safety regulator) has produced a guidance document for this new legislation (should councillors wish to view this document, it is available on WorkSafe's website http://www.business.govt.nz/worksafe/hswa/hswa-guidance).</p> <p>2.3 The information below is an excerpt from this guidance document and provides a brief overview of key information. <i>"HSWA is largely based on the Australian work Health and Safety law but with changes to reflect the differences between the New Zealand and Australian working environments. It recognises that a well-functioning Health and Safety system relies on participation, leadership, and accountability by government, business and workers. A guiding principle of HSWA is that workers and other persons should be given the highest level of protection against harm to their health, safety, and welfare from</i></p>

work risks as is reasonably practicable.

A ‘worker’ is an individual who carries out work in any capacity for a PCBU (organisation). A worker may be an employee, a contractor or sub-contractor, an employee of a contractor or sub-contractor, an employee of a labour hire company, an outworker (including a homeworker), an apprentice or a trainee, a person gaining work experience or on a work trial, or a volunteer worker. Workers can be at any level (e.g. managers are workers too).

The main purpose of HSWA is to provide for a balanced framework to secure the Health and Safety of workers and workplaces by:

- *protecting workers and other persons against harm to their health, safety and welfare by eliminating or minimising risks arising from work*
- *providing for fair and effective workplace representation, consultation, co-operation, and resolution of issues*
- *encouraging unions and employer organisations to take a constructive role in promoting improvements in work Health and Safety practices and assisting PCBUs (organisations) and workers to achieve a healthier and safer working environment*
- *promoting the provision of advice, information, education, and training in relation to work Health and Safety*
- *securing compliance with the Act through effective and appropriate compliance and enforcement measures*
- *ensuring appropriate scrutiny and review of actions taken by persons performing functions or exercising powers under the Act*
- *providing a framework for continuous improvement and progressively higher standards of work Health and Safety.”*

2.4 Due Diligence Requirements

2.5 The HSWA has created a role named specifically under the Act as “Officers”. The Act places a positive duty on ‘Officers’ of an organisation to exercise due diligence to ensure that the organisation complies with its Health and Safety duties and obligations.

2.6 The term “Officers” in the Act includes those who hold positions that enable them to significantly influence the management of the organisation. For the purposes of Council this role will be referred to “HSWA Officers” (to assist with differentiating between it and Council Officers). HSWA Officers for Wairoa District Council are Elected Members and the Chief Executive Officer (CEO), and may

- extend to members of the Leadership Management Team.
- 2.7 Due diligence requires HSWA Officers to take reasonable steps to understand the organisation's operations and Health and Safety risks, and to ensure that they are managed so that Council meets its legal obligations.
- 2.8 Due diligence is defined in section 44(4) of HSWA as taking reasonable steps to:
- Acquire and update knowledge of Health and Safety matters
 - Gain an understanding of the operations carried out by the organisation, and the hazards and risks generally associated with those operations
 - Ensure the organisation has, and uses, appropriate resources and processes to eliminate or minimise those risks
 - Ensure the organisation has appropriate processes for receiving and considering information about incidents, hazards and risks, and for responding to that information in a timely way
 - Ensure there are processes for complying with any duty, and that these are implemented verify that these resources and processes are in place and being used.
- 2.9 The Institute of Directors and WorkSafe NZ have produced the "Health and Safety Guide: Good Governance for Directors" to provide assistance to Directors and HSWA Officers in meeting their due diligence requirements. A copy of this document is provided as Attachment 1.
- 2.10 Appendix A of the Guide provides Directors and HSWA Officers with a checklist of Health and Safety considerations to take into account when assessing the state of an organisation's Health and Safety management. The questions from this checklist have been inserted into the table below and answers provided. As a whole, the information detailed also serves the purpose of providing an overview of health and safety at Wairoa District Council.

HSWA OFFICER HEALTH AND SAFETY CHECKLIST

1	<p>How do HSWA Officers demonstrate their commitment to Health and Safety?</p> <p><i>HSWA Officers will need to determine this, however it is recommended that they endorse Council's Health & Safety Manual (copy attachment)</i></p>
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2	<p>How do HSWA Officers ensure that the organisation's risks are assessed and appropriate mitigation measures put in place?</p> <p><i>It is anticipated that Council's health and safety risk management strategies and performance will be reported through to the Finance, Audit & Risk Committee b i - monthly to enable the opportunity to review these measures and satisfy due diligence requirements.</i></p>
	<p>How does the organisation involve its workers in Health and Safety?</p> <p><i>Health and Safety is a core part of everyone's role at Council. It is expected that all workers aim to operate in a way that keeps themselves and others safe.</i></p> <p><i>Within our employment documents for all employee's roles here at Council, Health and Safety is documented as being a fundamental part of their role.</i></p> <p><i>It is anticipated that all performance appraisal documents include health and safety objectives. Council has a number of ways in which it actively engages and communicates with Workers on health and safety matters:</i></p> <ul style="list-style-type: none"> <i>• Council has a Health and Safety committee structure, Health and Safety Representatives are fundamental to Council's Health and Safety operations, we have representatives across the organisation representing most teams – they are out and about within every function of Council. Additionally, team members (including volunteers) have the opportunity to raise any health and safety queries or concerns and share opportunities for improving safety in their work areas.</i> <i>• Council staff regularly engage with Council's contractors (and their employees) through site inductions, meetings and observations/inspections.</i> <i>• Health and safety features at monthly full staff meetings.</i>

4	<p>How do HSWA Officers ensure that the organisation's Health and Safety targets are challenging, realistic and aren't creating unintended consequences?</p> <p><i>Council is looking to employ qualified Health and Safety staff (an Advisor/Co-ordinator) to provide guidance on Health and Safety targets for the organisation based upon risk management strategies and incident trends. Moreover, Council has a share service arrangement in place with Napier City Council. Strategies and policies are reviewed by the Health and Safety Committee and the Senior Leadership Team.</i></p>
5	<p>What data are HSWA Officers receiving on both Health and Safety? Is this sufficient?</p> <p><i>It is proposed to provide bi-monthly reports to the Finance, Audit & Risk Committee. Additionally, the CEO is also required to provide Health and Safety information as part of his performance plan. Monthly Health & Safety reports will be provided to the CEO (who is also an HSWA Officer).</i></p>
6	<p>How does the organisation ensure all workers are competent and adequately trained in their Health and Safety responsibilities and accountabilities?</p> <p><i>Council has a range of programmes to ensure that workers are empowered with the knowledge and tools to protect themselves and other people against harm to their health, safety and welfare by eliminating or minimising risks at work. Steps taken to assist in achieving this include:</i></p> <ul style="list-style-type: none"> <i>• Competency tests and observations following training, and periodically thereafter</i> <i>• NZQA qualified staff across a number of our functions (i.e. trained and assessed as competent to a New Zealand Unit Standard).</i> <i>• Safety observations and conversations (where managers and supervisors engage directly with workers asking questions around their work practices and observing their staff undertaking tasks)</i> <i>• Monthly Health and Safety meetings assist in identifying gaps in knowledge and behaviour, and provide a vehicle to reinforce required corrective behaviour post incidents.</i> <p><i>In order to review training and competency as part of their due diligence requirements, it is proposed to provide bi-monthly reports to the Finance, Audit & Risk Committee.</i></p>

9	<p>Does the organisation have a schedule of audits and reviews to ensure the Health and Safety management system is fit-for-purpose?</p> <p><i>Council has a Health and Safety Strategic Plan which sets out requirements for the next three years, some of these requirements relate to having scheduled reviews. Staff engaging contractors routinely undertake observations, inspections and audits of contractor's undertaking work for Council.</i></p> <p><i>Council anticipates engaging qualified external auditors to undertake Health and Safety audits across facilities. Additionally, the ACC has a Workplace Safety Management Practices Programme. Organisations achieve accreditation into this programme through a detailed biannual audit undertaken by an ACC Auditor who reviews the organisations Health and Safety Management System against the audit standard. Council is currently working through this programme.</i></p>
10	<p>How do you as an HSWA Officer ensure that actions identified in incident reports, audits and reviews are communicated to the appropriate level within the organisation and effectively addressed by the organisation?</p> <p><i>This is an area that requires review. Any actions identified in incident reports, audits and reviews should be assigned in the form of an action plan for Managers and their staff to complete within a specified timeframe. Progress toward completing these action plans should be monitored by the Health and Safety Committee to ensure completion in a reasonable timeframe. The identified actions and progress for closeout should be communicated to the Senior Leadership Team and Health and Safety Committee.</i></p> <p><i>In order to be able to regularly review the progress of assigned actions for completion as part of their due diligence requirements, it is proposed to provide bi-monthly reports to the Finance, Audit & Risk Committee.</i></p>

11	<p>Does the organisation have policies and processes in place to ensure contractors used by the organisation have satisfactory Health and Safety standards?</p> <p><i>Contractors must meet certain health and safety requirements prior to commencing work for Council. This is referred to as a “prequalification process” whereby Contractors undergo an assessment to ensure they have adequate systems in place to manage their Health and Safety risks. Work is currently being undertaken in regard to ensuring sufficient health and safety consideration is given refer SiteWise. Site specific Safety Plans are required.</i></p> <p><i>Once engaged for work, contractors are regularly monitored by way of meetings, site inspections, audits and post contract reviews to ensure that their health and safety performance is satisfactory.</i></p>
12	<p>How does the organisation’s performance compare with other comparable organisations and how do you know?</p> <p><i>It can be difficult to benchmark Council’s Health and Safety performance against other organisations as the statistical information is not always readily available. However, Wairoa District Council has recently begun to regularly cooperate and engage in Health and Safety with other councils both locally and within the lower North Island, it is anticipated that with continued networking, Wairoa District Council will be able to access the statistics from other councils and be able to benchmark performance from this.</i></p>

3. Current situation

3.1 WDC Health and Safety Manual

3.2 The new Wairoa District Council Health and Safety Manual (attached) has now been completed. It has been reviewed by the Health and Safety Committee and was released to staff for further comment and input. All feedback has been considered and where appropriate changes have been made to the manual and associated forms. This manual was endorsed by Council’s Finance, Audit & Risk Committee on 11 May 2016 and is recommended for adoption.

3.3 The manual confirms that:

Wairoa District Council recognises its moral and legal responsibility to provide a safe and healthy work environment for its workers (employees, contractors and volunteers). This commitment extends to ensuring its operations do not place the local community at risk of injury, illness or property damage.

Everyone in the workplace has a responsibility for health and safety: the employers, the principal of a contract, the

person in control of the workplace, self-employed persons and employees.

The CEO has overall responsibility for the effective management of health and safety, and the quality of all the company's operations. The CEO is responsible for:

- Setting health and safety standards and processes, including hazard management procedures
- Ensuring that safety inspections and audits are regularly conducted to determine the effectiveness of the plans and systems in place
- Promoting and maintaining the company's ongoing commitment to improve its performance in health, safety and quality management
- Keeping a record of and investigating accidents, and reporting occurrences of serious harm to WorkSafe New Zealand
- Developing emergency procedures
- Giving employees the opportunity to be fully involved in health and safety issues
- Ensuring that employees have sufficient training and experience to carry out their jobs safely or are adequately supervised to do so

Supervisors are accountable for the health and safety of those persons under their control, and are responsible for:

- Ensuring that correct and safe work procedures are implemented and adhered to by all persons
- Identifying, reporting and taking corrective action to eliminate or control hazardous work conditions, equipment and/or practices
- Ensuring that acceptable standards of housekeeping are achieved and maintained
- Ensuring that employees are provided with – and use – appropriate personal protective clothing and equipment, and are provided with the necessary training in its correct use
- Reporting and investigating all accidents/incidents in line with the company's procedures, and ensuring that appropriate corrective action is taken and communicated to all staff
- Ensuring that contractors and visitors adhere to their health and safety obligations in the workplace

All employees are responsible for:

- Reporting immediately any actual or potentially unsafe conditions or activities, dangerous occurrences or injury in the workplace
- Working in a manner that will not endanger themselves or any other person
- Using personal protective clothing, equipment or gear provided by the company
- Complying with instructions relating to the use of

- personal protective clothing, equipment or gear
- Not attempting any tasks unless they are trained, qualified and competent to do so safely

The Health and Safety Committee meets on a monthly basis. All employees and management representatives are required to attend and participate in the scheduled meetings. The H&S committee includes senior management representation and H&S representatives from across the organisation. The next meeting of the committee is set down for 25 May 2016. Health and safety representatives are elected in accordance with the Health and Safety at Work Act 2015 and during their term are responsible for:

- Ensuring that the company's safety standards are maintained in the workplace
- Acting as a spokesperson for employees in relation to hazards and areas of concern
- Conducting or participating in monthly inspections
- Conducting or participating in accident investigations where required

3.4 SiteWise:

SiteWise is an online contractor management system developed and maintained by Site Safe NZ Inc. A not-for-profit organisation, Site Safe is committed to creating a culture of safety in the New Zealand construction and related industries. As experts in both health and safety training and delivery, they work with businesses of all sizes across the sector to raise the bar in health and safety performance. They want everyone in our industry to go home healthy and safe at the end of each day. SiteWise is a prequalification system that grades a contractor's health and safety capability and publishes that grade in a database that can be viewed by main contractors and principal organisations. These organisations use SiteWise to make better-informed contractor selections, making the tendering process simpler and more efficient for everyone involved. It is recommended that Council join Hawke's Bay Councils and the HBDHB in taking on board the SiteWise system.

4. Corporate Considerations Compliance with legislation and Council Policy

Further Information

Appendices

4.1 Relevant legislation – Health and Safety at Work Act 2015:
<http://www.legislation.govt.nz/act/public/2015/0070/latest/DM5976660.html>

- <http://www.business.govt.nz/worksafe/>
- <https://www.sitesafe.org.nz/>

Wairoa District Council Health and Safety Manual.

**Confirmation of
statutory
compliance**

Health and Safety Guide Good Governance for Directors.

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author: J Baty



Approved by: F Power



Health and Safety Guide: Good Governance for Directors

March 2016

About IoD

The Institute of Directors in New Zealand (Inc) (IoD) is the leading professional membership organisation for directors with more than 7,000 individuals representing the spectrum of New Zealand enterprise, from the commercial, not-for-profit and public sectors.

The IoD aims to raise the standard of governance in all areas of New Zealand business and society. It promotes excellence in corporate governance, represents directors' interests and facilitates professional development through education, governance training and resources.

About WorkSafe

WorkSafe New Zealand is New Zealand's workplace health and safety regulator.

New Zealand has unacceptably high rates of workplace fatalities, serious harm injuries and work-related disease and illness. We are working collaboratively to achieve a 25 percent reduction by 2020 of the workplace death and injury toll. Work is also underway to establish occupational health reduction targets.

Our focus is to embed and promote good workplace health and safety practices. We are also the regulator for electricity and gas safety in the workplace and home.

WorkSafe's approximately 550 staff are located in 20 offices across New Zealand.

We work closely with employers, employees and others to:

- › educate them about their workplace health and safety responsibilities
- › engage them in making changes that reduce the chances of harm
- › enforce workplace health and safety legislation.

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FOREWORD

The Institute of Directors in New Zealand (Inc) (IoD) is pleased to release the next edition of the *Health and Safety Guide: Good Governance for Directors* in partnership with WorkSafe New Zealand. The IoD is committed to raising awareness of the importance of health and safety in New Zealand businesses and educating directors about their roles and responsibilities.

The Health and Safety at Work Act 2015 requires directors to take ultimate responsibility for the health and safety of their business. Directors must have knowledge of and commitment to health and safety, but contrary to some beliefs, are not expected to be experts to meet the expectations of the Act.

The principles underpinning health and safety governance are no different than any other aspect of a governance role. Good health and safety governance is about having a demonstrable plan and a pro-active approach to making the workplace as safe as it can be.

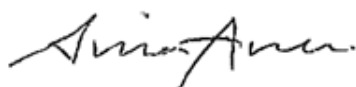
Directorship in health and safety is not about responsibility for the day-to-day granular operations of the entity. It is about ensuring appropriate systems and processes are in place to support health and safety and, critically, that there is proper resourcing and verification of health and safety at the board table.

We are grateful to Dr Kirstin Ferguson for sharing the Safety Governance Pathway to help boards determine their vision of safety governance.

In recent time we have seen many positive steps by companies to entrench a strong health and safety culture. It's encouraging to see many of our members making a commitment beyond basic compliance to changing the safety culture of the entity. Put simply, valued workers make for a better business.

The health and safety guideline helps directors focus on the new Act and supports them with practical guidance and thought leadership in health and safety governance.

I commend this guide to you on behalf of the IoD.



Simon Arcus
Chief Executive
Institute of Directors

As Chief Executive of WorkSafe New Zealand I am pleased to introduce the revised version of the *Health and Safety Guide: Good Governance for Directors* in partnership with the Institute of Directors in New Zealand.

The first version of this guide was produced in May 2013 to assist directors to lead workplace health and safety. This edition complements the Health and Safety at Work Act 2015 which came into force on 4 April 2016.

The Act sets expectations and defines duties clearly. One of these duties is that senior officers of businesses, such as CEOs and board directors, must exercise due diligence on health and safety. This means that the top of the shop must have a good understanding of the risk profile of its operations, the key controls in place and a system of providing information on whether these controls are working. These are essential but not sufficient for exercising really effective health and safety leadership. In addition, leaders need to demonstrate to their staff and to their suppliers, customers and contractors that they mean it. This takes health and safety off the page of process and systems, and into the area of behaviour summarised in the old cliché, 'walking the talk'.

A key component of effective health and safety leadership is engagement with workers. The identification of risk and the implementation and maintenance of effective controls requires input from those at the sharp end. After all, it is the workers who often have the best understanding of how systems, processes and policies are working out in practice. There are also opportunities here that go beyond health and safety. It is well understood that an engaged workforce delivers better morale and productivity. So, what better subject than health and safety to start the engagement journey with staff?

Myself and WorkSafe encourage and support all leaders to foster a health and safety culture in their operations, from one end of the supply chain to the other. Our messages are simple – everyone needs to do more and do it better to make sure we all come home from work healthy and safe each day. Not only is good health and safety the right thing to do, it also makes good business sense.



Gordon MacDonald
Chief Executive
WorkSafe New Zealand

INTRODUCTION

The governance of an organisation involves a framework of values, processes and practices. Through this framework, directors and boards exercise their governing authority and make decisions to achieve the organisation's purpose and goals. Directors ensure the organisation operates ethically and complies with all laws and regulations.

It is important to distinguish between governance and management practices. Directors should focus on determining the organisation's purpose, developing an effective governance culture, holding management to account and ensuring effective compliance. Directors work with management to develop strategy and business plans which are then implemented by management.

Health and safety governance is as important as any other aspect of governance. It is a fundamental part of an organisation's overall risk management function, which is a key responsibility of directors. Directors and other officers have a duty to exercise due diligence to ensure that the organisation complies with health and safety duties and obligations. Failure to manage health and safety risk effectively has both human and business costs. The price of failure can be the damaged lives of workers, their families and friends, as well as direct financial costs, damaged reputations and the risk of prosecution.

It is important to remember that an organisation's primary duty to ensure so far as is reasonably practicable the health and safety of workers extends beyond its own workers to all workers whose activities they influence or direct (including subcontractors and volunteers). Legislation in New Zealand also extends an organisation's health and safety duties to all those who could be put at risk by the activities of the organisation, such as visitors, customers and the public.

Organisations that learn to manage health and safety well learn that the capability that drives success in this area is the same capability that drives success in other areas of the business. Organisations with a good health and safety culture and reputation are valued by workers, investors and stakeholders.

Because of their position in the organisation, directors have a unique opportunity and an obligation to make a difference by providing leadership in this critical area of governance. It is also important to ensure that when an organisation achieves success, it is celebrated.

PURPOSE AND SCOPE OF THIS GUIDELINE

The purpose of this guideline is to provide advice to directors on how to meet their health and safety obligations and to:

- › demonstrate how directors can influence health and safety performance
- › provide a framework for how directors can lead, plan, review and improve health and safety
- › assist directors to identify whether their health and safety management systems are effective in minimising risk
- › encourage directors to create strong, objective lines of reporting and communication to and from the board¹.

¹ This document does not provide industry-specific advice. It is recommended that you seek such advice as a regular part of best practice. Ideally, you will have somebody with industry knowledge on your board who can provide this advice.

This guideline has been drafted by WorkSafe New Zealand in association with the Institute of Directors in New Zealand. Its focus is on the due diligence duty that directors have under the Health and Safety at Work Act 2015 (HSWA). The duty to exercise due diligence is in fact owed by all 'officers' as defined in HSWA, not just directors. Therefore, this guideline can be referred to by all officers to assist them in meeting their due diligence duty.

This guideline is also intended to have particular application to directors of medium-to-large sized organisations (20 or more employees). A separate guideline is available for officers of smaller organisations.

This document is a good practice guideline, intended to explain how an officer (including a director) may comply with their legal obligations under HSWA. While a court may take this document into account, there is no compulsion for it to do so. Where the word 'must' is used in the document, this is intended to convey a legal requirement. The word 'should' is used to convey a good practice requirement.

This guideline updates the 2013 Good Governance Practices Guideline, to reflect HSWA.

THE NEED TO IMPROVE

We know that many New Zealand organisations can and should improve their health and safety record. Each week one to two New Zealanders are killed while at work. It is estimated that annually 600 to 900 people die prematurely from occupational diseases such as asbestosis. The financial cost of work-related injuries and death is estimated to be \$3.5 billion or more each year. When looking at our performance in comparison to other developed countries we have much room for improvement.

The statistics do not begin to describe the impact on those who have been harmed, their families, friends and colleagues. The need to address this human cost is in itself sufficient reason to improve our record of harm prevention.

THE BENEFITS OF GOOD HEALTH AND SAFETY

A positive and robust health and safety culture that begins at the board table and spreads throughout the organisation adds significant value, including:

- › Enhanced standing among potential workers, customers, suppliers, partners and investors as a result of a good reputation for a commitment to health and safety.
- › Workers participating positively in other aspects of the organisation. A good organisational culture spreads wider than health and safety.
- › Decreased worker absence and turnover. Engaged workers are more productive workers.
- › Reduced business costs, for example, a reduction in ACC levies as a result of improved health and safety performance and outcomes.
- › Potentially increased economic returns. A report from the International Social Security association found a return on prevention ratio of 2.2².

The Pike River Mine case provides a sobering example of how ineffective governance can contribute to catastrophic results.

² The Return on Prevention: Calculating the costs and benefits of investments in occupational safety and health in companies; International Social Security Association (ISSA), Geneva, 2011.

Case Study - Pike River Coal Mine Tragedy

An explosion at the Pike River Mine on Friday 19 November 2010 caused the deaths of 29 men.

The mine was new and the health and safety systems of its owner, Pike River Coal Ltd (Pike River) were inadequate for safe coal production. There were numerous warnings of a potential catastrophe at Pike River including multiple reports made by the underground deputies and workers. The warnings were not heeded.

In the view of the Royal Commission after the disaster, the directors and executive managers paid insufficient attention to health and safety and exposed workers to unacceptable risks. The final report reached the following conclusions:

- › **The board needed to satisfy itself that executive managers were ensuring workers were being protected.** The board needed to have a company-wide risk framework and to keep its eye firmly on health and safety risks. It should have ensured that good risk assessment processes were operating throughout the company.
- › **An alert board would have ensured that these things had been done properly.** It would have familiarised itself with good health and safety management systems. It would have regularly commissioned independent audits and advice. It would have held management strictly and continuously to account.
- › **The board's focus on meeting production targets set the tone for executive managers and their subordinates.**
- › **The Chairman's general attitude was that things were under control unless told otherwise.** Coupled with the approach taken by executive managers this attitude exposed the workers to health and safety risks.

This last point is critical; the board's approach was not in line with good governance responsibilities. The board must establish an effective health and safety governance culture that encourages the disclosure of health and safety risks, to enable warnings to be heard and acted upon.

Essential elements of health and safety governance

LEADERSHIP

It is the role of directors to provide leadership by driving policy, including setting the direction for health and safety management and performance. Directors create expectations and exercise due diligence by holding management to account for meeting them.

Directors should:

- › Ensure there is an active commitment and consistent behaviour from the board that is aligned with the organisation's values, goals and beliefs. This will encourage a positive workplace culture.
- › Ensure leadership is 'informed leadership'. Directors need to be aware of the organisation's risks. They should have an understanding of control methods and systems so they can identify whether their organisation's systems are appropriate. They should understand how to 'measure' health and safety performance so they can understand whether systems are being implemented effectively.
- › Be prepared to seek advice from industry and health and safety experts as required.
- › Set an example and engage with managers and workers. This could include visiting work sites. This provides leadership, and improves knowledge of health and safety matters.

The *Safety Governance Pathway* (Appendix B) is a tool to help identify what stage of safety governance maturity an organisation may currently be experiencing.

LEGISLATION

The core piece of legislation governing health and safety practice in New Zealand is HSWA.

HSWA places a primary duty on a person conducting a business or undertaking (PCBU) to ensure, so far as reasonably practicable, the health and safety of its workers, and other workers whose activities they influence or direct. This primary duty extends to ensuring, so far as reasonably practicable, that the health and safety of other persons is not put at risk by the work of the PCBU, including visitors and other people in the vicinity of the workplace³.

A PCBU will usually be a business entity, such as a company. However, an individual can be a PCBU, such as a sole trader or self-employed person. Specific volunteer associations without paid employees are not PCBUs⁴.

DIRECTORS' DUTIES AND LIABILITIES

The legislation places a positive duty on directors – as officers of a PCBU – to exercise due diligence to ensure that the organisation complies with its health and safety duties and obligations.

The term officers' includes those who hold positions that enable them to significantly influence the management of the organisation. This means that certain senior leaders in an organisation (such as CEOs) are also officers and have a due diligence duty.

³ Health and Safety at Work Act, section 36.

⁴ Health and Safety at Work Act, section 17(2).

Officers are:

- › company directors
- › partners in a partnership and general partners in a limited partnership
- › a person who holds a position comparable to a director in a body corporate or unincorporated body (eg members of Boards of Crown entities, members of school trustees, Board or Committee members for community or not-for-profit organisations)
- › people who hold positions that enable them to significantly influence the management of the business or undertaking (eg CEOs).

An elected member of a governing body of a territorial authority or regional council does not have a duty of due diligence to ensure that a council-controlled organisation complies with its duties or obligations under HSWA, unless they are also an officer of that council-controlled organisation.

While this guideline focuses on directors, it is important to note that all officers have the same duty under HSWA to exercise due diligence.

DIRECTORS' DUE DILIGENCE

Due diligence requires directors (as officers) to take reasonable steps to understand the PCBU's operations and health and safety risks, and to ensure that they are managed so that the organisation meets its legal obligations.

Due diligence is defined in section 44(4) of HSWA as taking reasonable steps to:

- › acquire and update knowledge of health and safety matters
- › gain an understanding of the operations carried out by the organisation, and the hazards and risks generally associated with those operations
- › ensure the PCBU has, and uses, appropriate resources and processes to eliminate or minimise those risks
- › ensure the PCBU has appropriate processes for receiving and considering information about incidents, hazards and risks, and for responding to that information in a timely way
- › ensure there are processes for complying with any duty, and that these are implemented
- › verify that these resources and processes are in place and being used.

Directors (and other officers) must exercise the care, diligence, and skill that a reasonable director (or officer) would exercise in the same circumstances. What is considered reasonable will depend on the particular circumstances, including the nature of the business or undertaking, and the director or officer's role and responsibilities.

All officers, including directors, may seek health and safety advice from experts or others within their organisation, such as managers. Where they choose to rely on this advice, the reliance must be reasonable. **Directors (and other officers) should obtain enough health and safety knowledge to ask the right questions of the right people and to obtain credible information.**

DIRECTORS' LIABILITY

Directors and other officers will be personally liable if they breach their due diligence duty. The maximum penalty for a serious breach of the due diligence duty is imprisonment for up to 5 years and/or a fine of up to \$600,000⁵. Insurance cannot be used to pay fines under HSWA⁶. Certain officers are exempt from being prosecuted for a failure to meet the due diligence duty. Exempt officers include:

- › elected members of local authorities (councillors) under the Local Electoral Act 2001
- › members of local or community boards elected or appointed under the Local Electoral Act 2001
- › members of school boards of trustees appointed or elected under the Education Act 1989
- › volunteer officers⁷.

The due diligence duty supports the primary duty of care. It places a duty on individuals whose decisions significantly influence the activities of a PCBU, therefore influencing whether or not the PCBU meets its duties. However, the PCBU's duties and the officer's due diligence duty operate independently. If a PCBU fails to meet any of its duties it does not necessarily mean that the directors or other officers have failed to exercise due diligence. Conversely, a director or other officer may be found guilty of an offence for failing to discharge their due diligence duty whether or not the PCBU has been found liable⁸.

WORKER ENGAGEMENT AND PARTICIPATION

Worker engagement is an important part of growing a positive workplace culture. Research has shown that worker participation (and union participation) leads to better health and safety outcomes⁹. All workers should be encouraged to contribute to continuous improvement by raising issues, generating ideas, and participating in system development, implementation, monitoring and review.

It is a legal requirement for all PCBUs to have worker engagement and participation practices, regardless of their size, level of risk or the type of work they carry out. PCBUs must:

- › engage with workers on matters which will or are likely to affect their health and safety
- › have worker participation practices that provide workers with reasonable opportunities to participate effectively in improving health and safety.

Participation practices can be flexible – an organisation and its workers should choose a worker participation model that works for them. What is appropriate will depend on the nature of the risks, the size of the organisation and the views and needs of the workers.

“Our vision is that worker participation is a valued part of the workplace health and safety system, and management is interested in and open and responsive to workers’ health and safety concerns.”

The Report of the Independent Taskforce on Workplace Health & Safety: He Korowai Whakaruruhau (2013)

⁵ Health and Safety at Work Act 2015, section 47.

⁶ Health and Safety at Work Act 2015, section 29.

⁷ Health and Safety at Work Act 2015, section 51.

⁸ Health and Safety at Work Act 2015, section 50.

⁹ The role and effectiveness of safety representatives in influencing workplace health and safety, Walters, D.R. Theo Nichols, Judith Connor, Ali C. Tasiran and Surhan Cam, (2005), HSE Research Report 363, Sudbury, HSE Books.

Worker participation practices can be direct or through representation. Representation means that workers choose one or more people to speak or act on their behalf. Workers can then share questions, concerns and suggestions with health and safety representatives, health and safety committees, unions or other worker representatives who can raise health and safety matters with the PCBU.

Directors should set the overall tone for engagement by holding management to account to ensure workers are involved. Questions as simple as 'what are our workers saying about this issue?' or 'how do our workers feel about it?' can bring a new dimension to the discussion. Asking what systems or processes are used in finding this information can provide assurance of authentic engagement – for example, some boards may find it useful for directors to make site visits.

Case Study – Easy Rider

When the Easy Rider sunk in Foveaux Strait in 2012, eight people died, including the skipper.

In March 2014, Gloria Davis, the owner of the fishing vessel and sole director of AZ1 Enterprises Ltd was found by the court to be responsible for **failing to take all reasonable steps to ensure no contractor or subcontractor was harmed** while on board the vessel.

The Court found that Davis failed to ask the relevant questions and consciously ignored safety issues as the vessel:

- › had not passed a safety audit
- › contained insufficient life-jackets
- › was carrying passengers, not permitted for a commercial vessel
- › had a skipper with no certification.

In this case, while AZ1 Enterprises Ltd was the principal under the Health and Safety in Employment Act 1992 (HSE), the court found that the company could only discharge its responsibilities through its agents; the skipper, Mr. Karetai (who died in the accident) and Ms. Davis. The individuals' actions could be attributed to the company and the company's liability was therefore the result of the shortcomings of its authorised agents. AZ1 was fined just over \$200,000 and Davis was sentenced to 350 hours of community service and a fine of \$3000.

While brought under HSE, this case provides an example of how some elements of the due diligence requirements may be interpreted under HSWA.

The role of directors in health and safety governance

This part explains how directors can exercise due diligence in relation to health and safety through their governance role. 'Due diligence' is defined in section 44(4) of the HSWA as including particular actions (as is set out earlier in this guideline). This part of the guideline sets out a suggested approach to due diligence which incorporates the legal requirement in section 44(4) of HSWA.

The role of directors is outlined in the following pages in terms of four key elements:

1. Policy and Planning
2. Delivery
3. Monitoring
4. Review

The discussion of each element begins with a table that outlines suggested director and manager responsibilities. At the end of each section you will find a series of diagnostic questions and director actions. The diagnostic questions are designed to be used by directors as a tool to determine whether the organisation's practices are consistent with the board's beliefs, values, goals and approved systems. They can also be used as a basis for identifying areas that could be improved. They will not all be relevant to every organisation, but are intended to assist directors in asking probative questions. The actions for directors are divided into two categories - baseline actions and recommended practice. Baseline actions are a suggested minimum requirement while recommended practice reflects taking the next step towards best practice.

1. POLICY AND PLANNING

DIRECTOR RESPONSIBILITIES	MANAGER RESPONSIBILITIES
<ul style="list-style-type: none"> > To determine the board's charter and structure for leading health and safety. > To determine high level health and safety strategy and policy, including providing a statement of vision, beliefs and policy. > To hold management to account for implementing strategy. > To specify targets that will enable the board to track the organisation's performance in implementing strategy and policy. > To manage the health and safety performance of the CEO, including specifying expectations and providing feedback. 	<ul style="list-style-type: none"> > To determine and implement business and action plans to give effect to board strategy. > To determine targets that will enable management to track their performance. > To implement performance review processes for workers that specify health and safety expectations, and provide feedback on performance.

BOARD CHARTER AND STRUCTURE

The board should have its own charter setting out its role in leading health and safety in the organisation, as well as the role of individual directors. The board may consider assigning a lead role in health and safety to an individual (if you have someone on the board with the necessary expertise) or a committee (with its own Terms of Reference) clearly describing how it supports the board in fulfilling its roles under HSWA and the Board Charter.

Where specialist expertise is required, consideration should be given to the engagement of an expert advisor. However, remember that while tasks can be assigned and external knowledge sought, overall responsibility and liability cannot be delegated.

HEALTH AND SAFETY GOVERNANCE POLICY

A health and safety governance policy will be the formal mode of communication that demonstrates the board's commitment to the management of health and safety. This represents a long-term view that will set the tone for how everyone in the organisation will behave.

The health and safety governance policy is robust when management and workers are involved in its preparation and 'reality-testing', and it is a legal requirement to engage workers in its development. However, this policy should ultimately be approved and 'owned' by the board.

Health and safety policies should reflect the organisation's responsibility to ensure so far as is reasonably practicable the safety and health of all workers (employees, contractors, subcontractors) and of anyone whose health and safety may be at risk by the work carried out by the organisation.

SETTING TARGETS

Directors should set targets that provide clear direction, focus and clarity of expectation.

They should:

- › be measurable
- › be challenging but realistic
- › contain a mix of lead and lag indicators, with a greater weighting on lead indicators which focus on prevention.

A good discussion of the use of indicators is included in the publication *[How Health and Safety Makes Good Business Sense – a summary of research findings.](#)*

Lead indicators measure activities designed to prevent harm and manage and reduce risk, whereas lag indicators measure performance results. Care should be taken with the use of lag indicators because of their potential to encourage perverse outcomes such as the non-reporting of incidents, 'near misses' and injuries.

RELATIONSHIP WITH FINANCIAL TARGETS

It is important that directors set health and safety and financial targets that are complementary. Directors should ensure their organisation does not have a culture where financial targets are prioritised at the expense of health and safety.

ZERO HARM

'Zero harm' is often used as an aspirational target, however this should be done with caution. Before applying this target, consider the strength of the organisation's risk and reporting culture. If it is weak, there may be a risk of cover-ups and non-reporting. Always remember, the key is to know what is happening in the organisation so that the board can make the right decisions.

MANAGEMENT STRUCTURE AND PERFORMANCE

The board should ensure that there is an effective link between their health and safety goals and the actions and priorities of senior management. The board achieves this through the CEO. The CEO and managers allocate health and safety responsibilities and accountabilities throughout the organisation, by including them in role descriptions and performance review processes. It is also good practice for knowledge of, and commitment to health and safety to be assessed during the recruitment of senior managers.

DIAGNOSTIC QUESTIONS

The following diagnostic questions are examples that can be used by directors and boards as prompts to determine whether they are effectively meeting their responsibilities and accountabilities. They can also be useful in determining whether the organisation's practices are consistent with the board's strategies, beliefs, values, goals and approved systems.

1. **How do you ensure that the targets you establish for the organisation are aligned with the health and safety strategies and goals in both the long and short-term, are challenging but realistic, and have no unintended perverse consequences?**
2. **How is the board structured to deliver its commitment to health and safety? Where and how is this structure described?**
3. **What are the key health and safety responsibilities and accountabilities of operational managers? How are these different from support staff?**
4. **How do you ensure that the CEO understands and meets the board's expectations with regard to health and safety management?**
5. **What process do you use to assess the CEO's health and safety performance? How does this process recognise good and bad performance?**
6. **What processes are in place for ensuring that managers clearly understand their health and safety responsibilities and are held accountable for carrying them out?**
7. **How are the organisation's workers involved in the establishment of the organisation's vision, beliefs and policy?**

ACTIONS FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
Organisational Beliefs, Vision, Policy	
Develop, approve and publish a health and safety policy statement that expresses the organisation's commitment to health and safety.	
Ensure that the PCBU involves workers and their representatives in the development of the policy statement. This will help to ensure that it is 'owned' by the whole organisation and is also a legal requirement on the organisation as a PCBU.	
Targets	
Establish targets for tracking the organisation's effectiveness in implementing the board's health and safety strategy and goals.	Include both lead and lag indicators in targets and ensure they do not create perverse incentives.

HEALTH AND SAFETY GUIDE: GOOD GOVERNANCE FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
Board Policy, Structure, Process	
Decide how to structure the board so that health and safety has appropriate focus and expertise.	Consider nominating a non-executive director as a health and safety 'champion', or establishing a committee that can focus on this area.
Develop a board charter that will describe the board's own role and that of individual directors in leading health and safety in the organisation.	Ensure the board charter describes detailed structures and processes to be used to plan, deliver, monitor and review leadership of health and safety.
Management Structure and Performance	
Provide the CEO with a role description that includes health and safety responsibilities and accountabilities.	
Ensure that management operates with a structure that appropriately recognises the respective health and safety responsibilities and accountabilities of operating and support staff.	
Apply a performance review process to the CEO role and ensure that a similar process applies to other management roles.	Ensure that performance review and reward systems do not encourage cover-ups and other unwanted behaviours that are inconsistent with the board's charter and health and safety policy.

2. DELIVERY

DIRECTOR RESPONSIBILITIES	MANAGER RESPONSIBILITIES
<ul style="list-style-type: none"> > To set a clear expectation that the organisation has a fit-for-purpose health and safety management system. > To exercise due diligence to ensure that the system is fit-for-purpose, effectively implemented, regularly reviewed and continuously improved. > To be sufficiently informed about the generic requirements of a modern, 'best practice' health and safety management system and about their organisation and its risks to know whether its system is fit-for-purpose, and being effectively implemented. > To ensure sufficient resources are available for the development, implementation and maintenance of the system. 	<ul style="list-style-type: none"> > To lead the implementation of health and safety management systems. > To identify resource requirements for the development, implementation and maintenance of the health and safety system, obtain approval for their provision, and secure and allocate resources accordingly. > To allocate responsibility and accountability to managers and workers for implementing the system. > To monitor the effectiveness of the system and implement continuous improvements.

HEALTH AND SAFETY MANAGEMENT SYSTEM

Organisations should have a fit-for-purpose health and safety management system that is integrated with other management systems. The size, sophistication and detail of the system will reflect the organisation's risk profile. For example high hazard organisations require more substantial systems.

Merely having a good system will not achieve good health and safety. Systems need to be implemented with rigour and consistency. Directors should hold management to account for effective implementation.

The main aim of a health and safety management system is effective hazard and risk management. This is the process by which hazards that have the potential to cause harm are identified and controlled to eliminate or minimise the risk of harm. Harm refers to illness, injury or both. It includes physical or mental harm caused by work-related stress.

RISK PROFILE

Boards need to understand the nature of the health and safety risks their organisation and workers face. Risk assessment requires a judgement about the probability of an incident happening and the potential seriousness if it does happen. Attention needs to be paid to the full spectrum of risks:

- › **Critical risks** are low probability events that could seriously harm or kill someone. Boards should ensure the organisation has identified its critical risks and that sufficient resources are available to control them. Boards should establish indicators and receive regular reports on management of critical risks.
- › **High probability risks** are the risks that are more likely to occur but generally have less serious acute consequences or chronic effects where there is longterm exposure. Boards need to ensure that these risks are managed as they affect workers health and safety more often. Reviewing lag indicators such as incidents reports can enable boards to understand their high probability risks. Reviewing lead indicators can help the board gain assurance that these risks are being actively managed.

Directors must ensure that the organisation (a PCBU) has available for use, and uses, appropriate resources and processes to eliminate or minimise risks to health and safety. Once boards understand their critical and high probability risks – their risk profile, they can ensure that they allocate appropriate resources so the organisation, as a PCBU, can eliminate or minimise the risks, as appropriate.

Key Aspects of a Health and Safety Management System

Hazard and Risk management	Organisations must identify and assess work-related health and safety risks. During organisational change, risk assessments should be undertaken so that the health and safety impacts can be understood and managed. There must be processes to eliminate or minimise risks to health and safety caused by the work.
Incident management	Organisations should have well-defined processes for reporting and investigating incidents to identify root causes and then to respond to these in a timely way. The aim of incident management is to identify and implement remedial actions to prevent the incident happening again.
Emergency management	Organisations should develop plans for managing potential emergencies that may arise in the workplace. These plans should be communicated to all persons working on site. Plans should be regularly tested by simulation.
Injury management	Organisations must have processes for ensuring that injured persons are properly cared for. In the case of serious injuries and fatalities this care should extend to families and work-mates.
Worker engagement	Organisations must have processes for engaging with their workers on health and safety matters. These processes should cover engagement generally and the specific circumstances when an organisation is legally required to engage with its workers.

Worker Participation	<p>Worker participation practices should be put in place so that workers can effectively participate in improving health and safety on an ongoing basis. Participation practices should provide workers ongoing ways to raise health and safety concerns, get and share information about health and safety issues, offer suggestions for improving health and safety, contribute to decisions which affect work health and safety, and be kept informed about health and safety decisions.</p> <p>Organisations must have appropriate processes for receiving and considering information regarding incidents, hazards and risks and for responding in a timely way to that information.</p> <p>Worker representation is one form of participation. Health and Safety Representatives and Health and Safety Committees are two well established methods of worker representation.</p>
Working with other organisations	<p>Organisations must have processes in place to consult and co-ordinate with other organisations where they also have duties under HSWA in relation to the same task or activity.</p>
Continuous improvement	<p>Continuous improvement is a fundamental part of any management system. Continuous improvement also includes the audit and review process.</p>

Two functions that overlay the system are resourcing and leadership. The organisation must be provided with the resources required for it to operate safely. This includes people, plant and equipment, systems and budget. Leadership should be shown at all levels throughout the organisation. Management must define its commitment to health and safety, establish objectives, targets and plans for giving effect to this commitment, and lead the organisation in their achievement.

DIAGNOSTIC QUESTIONS

Directors and boards can use the following questions as prompts to determine whether they are meeting their responsibilities and accountabilities.

- 1. How do you know that the organisation's health and safety management system is fit-for-purpose and represents best practice?**
- 2. What systems are in place to ensure that hazards and risks (including risks to worker health) are identified, assessed and effectively managed?**
- 3. Have you thought about potential incidents that are less likely to occur, but with critical consequences if they do?**
- 4. Where there is significant organisational change that has implications for health and safety how do you ensure that this is reported to the board?**
- 5. How good is the organisation's emergency management plan and state of readiness that will ensure an effective response to any potential emergency? When was it last tested?**
- 6. How does the organisation ensure that it has the right people, with the right skills and motivation to manage health and safety?**

- 7. How does the organisation ensure that it engages with workers and their representatives on health and safety matters (including listening to their response and involving them in the decision making process)?**
- 8. How does the organisation ensure that it has provided genuine opportunities for workers to participate in the ongoing improvement of health and safety?**
- 9. How does the organisation ensure that all plant and equipment used on site meets an acceptable standard?**
- 10. How does the organisation ensure that other organisations they work with have satisfactory health and safety standards?**
- 11. How does the organisation ensure it works with other organisations to manage matters when both have health and safety duties as PCBUs?**
- 12. How does the organisation ensure that the goods and services it supplies to other organisations meet satisfactory health and safety standards?**
- 13. Does the organisation have an adequate budget for its health and safety programme?**

ACTIONS FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
Health and Safety Management Systems	
Ensure that the organisation (through management) develops, implements, audits and regularly reviews and updates an effective health and safety management system consistent with accepted standards.	Undertake training to ensure a good understanding of the requirements of the health and safety management system and particularly of hazard and risk management practices.
Verify the provision and use of resources and processes by requiring and then reviewing management reports on the health and safety management system. This should include reviews and audits of systems and control plans.	Commission periodic external audits and reviews of the system. Ensure that workers and representatives participate in audits and system reviews.
Become personally aware of the organisation's risks and control systems.	Ensure you have a detailed knowledge of the organisation's risks and control systems. Refresh this regularly by engaging with managers and workers, and where appropriate go on site visits.
Ensure the organisation has processes in place to identify hazards and risks and control them.	Periodically (at least every two years) obtain/ review independent advice on the adequacy of risk control plans and the effectiveness of their implementation.
Ensure that management implements procedures for the selection of contractors and monitoring their activities so that the organisation is assured of their health and safety.	Ensure that management insists on contractors having health and safety standards that match the organisation's. Management should ensure that contractors management processes do not encourage under-reporting.

HEALTH AND SAFETY GUIDE: GOOD GOVERNANCE FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
<p>Ensure that the organisation (a PCBU) implements procedures to consult and coordinate activities with other organisations (other PCBUs) that have overlapping health and safety responsibilities.</p> <p>Ensure management has processes to check that all organisations with overlapping duties are meeting their obligations as agreed.</p>	
Resources – People	
<p>Ensure that management provides the organisation with personnel with the right skills, supported by specialists as required to operate the business safely.</p>	<p>Ensure that the organisation has effective processes in place for recruitment, training and direction of managers so that they are skilled and motivated to reinforce a positive health and safety culture and ensure the health and safety of their people and teams.</p>
<p>Ensure management implements a worker engagement system that enables workers and their representatives to participate in decision-making, implementation and monitoring of workplace health and safety management systems.</p>	<p>Ensure that the organisation implements a ‘just culture’ whereby there is an atmosphere of trust in which people are encouraged to provide safety-related information, without fear of retribution or blame for honest mistakes, but are still held accountable for wilful violations and gross negligence.</p>
<p>Encourage a culture where reporting of incidents, hazards, and risks is expected and reports are followed up in a timely way. Ensure that the PCBU has appropriate processes for receiving this information and responding to it.</p>	<p>Monitor the overall workplace health and safety culture using appropriate techniques, such as surveys.</p>
Resources – Plant and Equipment	
<p>Ensure that the organisation has processes in place so it can ensure plant and equipment is fit-for-purpose and well maintained, that workers using it are properly trained, and that there are safe operating procedures in place for work done on the plant and equipment.</p> <p>Ensure the organisation includes both health and safety requirements in its procurement process for plant and equipment.</p>	<p>Ensure the organisation has processes to ensure that a contractor’s plant and equipment meets the organisation’s health and safety standards before it is allowed on site.</p>
Resources – Budget	
<p>Provide sufficient funds for the effective implementation and maintenance of the health and safety management system, health and safety training for managers and workers and for improvement programmes.</p> <p>Ensure there is a policy of dealing with health and safety on the basis of need rather than budget limits</p>	

3. MONITORING

DIRECTOR RESPONSIBILITIES	MANAGER RESPONSIBILITIES
<ul style="list-style-type: none"> > To monitor the health and safety performance of the organisation. > To outline clear expectations on what should be reported to the board and in what timeframes. > To review reports to determine whether intervention is required to achieve, or support organisational improvements. > To make themselves familiar with processes such as audit, risk assessment, incident investigation, sufficient to enable them to properly evaluate the information before them. > To seek independent expert advice when required to gain the necessary assurance. 	<ul style="list-style-type: none"> > To give effect to board direction by implementing a health and safety management system using the 'plan, do, check, act' cycle. > To provide the board with reports on health and safety management system implementation, and performance as required. > To implement further actions following board review of reports. > To ensure root cause investigations are carried out using independent investigators in the case of serious incidents.

Implementing long-term health and safety goals and strategy through business planning is the responsibility of the organisation (as a PCBU). The board needs to ensure, through appropriate monitoring, that these strategies are being effectively implemented.

Boards should create a strong reporting culture that welcomes 'bad news' and responds to it appropriately. Directors must never turn a blind eye to undesirable information. They should, instead, always seek out complete and accurate information that will enable them to know whether the organisation is meeting all of its health and safety obligations and goals. Directors must always act decisively whenever that information suggests that it is not.

Boards need to undertake a critical assessment of the data and reports they receive. They should ensure that they have sufficient understanding of their organisation's risk profile to be able to 'stress test' the information provided and decide whether their intervention or further investigation is required.

ROUTINE REPORTS TO THE BOARD

The following information should be on the board's agenda and reviewed on a regular basis:

- > Data on all incidents, including near misses, work-related ill-health, compliance with health monitoring programmes and ACC claims. Effective monitoring of these statistics can alert the board to underlying problems before any serious incidents occur.
- > Data on absence rates due to sickness. This can be an indicator of issues such as stress and fatigue.
- > Data on trends including routine exposure to risks that are potentially harmful to health such as high noise levels, toxic chemicals and bullying.
- > Progress towards implementing formal improvement plans and meeting policy goals, including number of actions closed-out on time.
- > Actions in place aimed at preventing harm, such as training, and maintenance programmes.
- > The health and safety performance and actions of contractors.
- > Reports on internal and external audits and system reviews.
- > Data on proactive safety visits such as safety tours and workplace inspections.

Directors should be alert to the possibility that there is reluctance to report this information and should satisfy themselves that any obstacles have been addressed.

INCIDENTS

Incident investigations should identify root causes, and measures to put in place to prevent the incident happening again. Investigations should not be about apportioning blame. When looking for root causes there should be consideration of human factors that can contribute to incidents and the possibility of systemic failure such as culture, workload or lack of training.

Directors should review reports following serious incidents. They need to be satisfied with the integrity of the process, and that the incident investigation has correctly identified root causes. An effective action plan should be put in place to address the issues identified. Directors should require further reports on the completion of actions so that they can be satisfied that the implementation of actions arising from incidents is both effective and timely.

DIAGNOSTIC QUESTIONS

The following diagnostic questions are examples that can be used by directors and boards as prompts to verify that the information they receive is appropriate, accurate and comprehensive.

- 1. Are you asking the right questions? Do you determine what information you receive or does management?**
- 2. How do you know that the information you are receiving is supported by a strong and honest reporting culture?**
- 3. How does the organisation's performance compare with other comparable organisations, how do you know?**
- 4. Does the organisation have the capability to carry out 'root cause' investigations?**
- 5. How do you know that actions identified in incident investigations are effectively implemented?**
- 6. How much of the information that you receive is also shared with workers and their representatives?**
- 7. Are you receiving sufficient information about health as well as safety?**

ACTIONS FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
Health and Safety Management Systems	
In the board's charter specify clear requirements regarding reporting and timeframes for addressing significant health and safety events.	
Ensure that in the case of serious incidents, management have sought external input or review to provide independence and avoid potential vested interests.	
Review serious incidents including serious non-compliance by the organisation and near misses, and be personally satisfied with the adequacy of management actions in response.	Directors should receive basic training in incident investigation methodology sufficient to ensure that they are able to distinguish between adequate and inadequate investigations. In the case of serious health and safety incidents, obtain independent advice on the adequacy of the investigation and remedial actions.

THE ROLE OF DIRECTORS IN HEALTH AND SAFETY GOVERNANCE

BASELINE ACTIONS	RECOMMENDED PRACTICE
Ensure that improvement goals are developed annually by management and that regular progress reports are received by the board.	<p>Separate organisations and work sites will have their own goals. Visible tracking of these by directors will demonstrate commitment and leadership and encourage commitment from line management to take these goals seriously.</p> <p>For example, a site manager may be invited to a board meeting to report on progress with an annual improvement plan or this may be the subject of discussion during a site visit.</p>
Specify clear requirements for the regular reporting of health and safety performance results, and review these reports at meetings for indications of trends, system breakdowns and improvement needs.	<p>Ensure you have a sound understanding of, and focus on, risks that would have a significant impact on health and safety.</p> <p>Ensure reports allow tracking of both lag and lead indicators.</p> <p>Directors should satisfy themselves that there are no obstacles to free and frank reporting.</p> <p>Boards should develop their own reports on health and safety performance for shareholders and other stakeholders. Health and safety performance should be included in external reports.</p>

4. REVIEW

DIRECTOR RESPONSIBILITIES	MANAGER RESPONSIBILITIES
<ul style="list-style-type: none"> > To ensure the board conducts a periodic (eg annual) formal review of health and safety to determine the effectiveness of the system and whether any changes are required. > To ensure the board considers whether an external review is required for an independent opinion. 	<ul style="list-style-type: none"> > To organise regular audits and reviews of the health and safety management system (internal and external) and its implementation. > To take remedial actions as required arising from any audit or review. > To report to the board on the outcomes of audits and reviews. > To assist the board with the formal health and safety review by providing information and other input as required.

The board should conduct a formal review of the organisation's health and safety performance on a periodic basis. This enables the board to establish whether their health and safety principles have been embedded in the organisation's culture. Similarly, the review will consider whether the policy and system are being effectively implemented and whether they are still fit-for-purpose.

AUDITS AND SYSTEM REVIEWS

Audits and system reviews arranged by management will inform the board's formal review. Directors should ensure that reviews are undertaken on a regular basis. The objective of an audit is to assess the quality of system implementation. The objective of a system review is to assess whether the system is fit-for-purpose and representative of best practice.

It is normal for audits and system reviews to recommend actions for improvement. Directors should ensure that these recommendations are properly considered by management, and effectively implemented where agreed.

HEALTH AND SAFETY GUIDE: GOOD GOVERNANCE FOR DIRECTORS

It is desirable that an internal audit or review team comprises a cross section of managers and worker representatives so that a range of perspectives, knowledge and skill is brought to the table. This approach also supports the message that health and safety is everybody's responsibility. Directors should consider if the appropriate people were involved in the review or audit.

It is also good practice for the organisation to periodically seek independent and objective assurance from an external audit and/or system review. An external opinion can bring a fresh pair of eyes and new ways of thinking. Involving worker representatives in the selection of external auditors and reviewers is good practice that will help ensure the required objectivity.

FORMAL REVIEW OUTCOMES

The formal review will identify strengths and weaknesses in the system and its implementation. It is just as important that good performance is recognised and celebrated as it is that opportunities for improvement are identified.

Improvement action plans arising from the formal review should be tracked by directors at regular board meetings.

DIAGNOSTIC QUESTIONS

The following diagnostic questions are examples that can be used by directors and boards as prompts to verify that they are conducting adequate formal reviews of health and safety.

- 1. What do you do to ensure an appropriate and thorough board level review of health and safety?**
- 2. What information do you use for the review and who do you involve?**
- 3. How do you ensure that the review uses best practice as a benchmark?**
- 4. How do you ensure that workers contribute to this review?**
- 5. How do you ensure maximum independence and objectivity of reviews and audits?**
- 6. How do you recognise and celebrate success?**
- 7. How do you ensure that actions identified in the review are communicated and effectively implemented?**

ACTIONS FOR DIRECTORS

BASELINE ACTIONS	RECOMMENDED PRACTICE
<p>In the board's charter specify arrangements for the formal review of health and safety including frequency, who is involved and how, what input is required etc.</p> <p>If workers are likely to be directly affected by the matter being reviewed, the PCBU must engage with them.</p>	<p>Provide opportunities for worker representatives and workers with relevant skills and knowledge to participate in internal audits and reviews and in the selection of external auditors and reviewers.</p>
<p>Ensure that inputs to the formal reviews include audits (internal and external), system reviews, performance results, significant incidents, organisational changes and benchmark data.</p>	<p>Periodically commission a culture survey to assist the review.</p>
<p>As an outcome from the review ensure that the organisation determines an action plan and tracks its progress.</p>	

Conclusion

HEALTH AND SAFETY GUIDE: GOOD GOVERNANCE FOR DIRECTORS

As a director, the organisation's health and safety risk is just as important as its financial performance and reputational risk and it should receive the same focus.

Boards must ensure that the organisation (as a PCBU) has processes for risk management and receiving and considering information about incidents, hazards and risks. The board must make sure these processes are appropriate. The board must also ensure that the organisation has processes to comply with all of its duties as a PCBU. To manage this, boards should determine high level health and safety strategy and policy which managers are required to implement. This strategy and policy should take into consideration all those affected by the organisation's activities, not just workers.

A board's responsibility, however, does not stop with the issuing of strategy and policy. The board should also ensure that it is implemented effectively. They do this by holding management to account through processes of policy and planning, delivery, monitoring and review. This includes recognising when the organisation is doing well and celebrating success. Through these processes the board should ensure that they have created an environment in which a commitment to health and safety is part of everyday business. Having a positive health and safety culture and an integrated, embedded and effective health and safety management system in which managers and workers take individual ownership will have significant benefits for the organisation.

RESOURCES

KEY LEGISLATION

All available online at www.legislation.govt.nz

- › Health and Safety at Work Act 2015
- › Accident Compensation Act 2001
- › Hazardous Substances and New Organisms Act 1996
- › Employment Relations Act 2000

GUIDANCE

A wide range of health and safety guidance including Approved Codes of Practice can be found on the WorkSafe website: www.worksafe.govt.nz

Further resources on health and safety governance are available on the IoD's website: www.iod.org.nz

PUBLICATIONS AND WEBSITES

Ministry of Business, Innovation and Employment: www.mbie.govt.nz

ACC: www.acc.govt.nz/publications

Appendices

APPENDIX A: DIRECTORS HEALTH AND SAFETY CHECKLIST

DIRECTOR HEALTH AND SAFETY CHECKLIST

- How do the board and all directors demonstrate their commitment to health and safety?
- How do you ensure that the organisation's risks are assessed and appropriate mitigation measures put in place?
- How does the organisation involve its workers in health and safety?
- How do you ensure that the organisation's health and safety targets are challenging, realistic and aren't creating unintended consequences?
- What data is the board receiving on both health and safety? Is this sufficient?
- How does the organisation ensure all workers are competent and adequately trained in their health and safety responsibilities and accountabilities?
- Does the organisation have sufficient resources (people, equipment, systems and budget) for its health and safety programme?
- How connected are you to what happens at the organisation's work sites? What measures are in place to inform you?
- Does the organisation have a schedule of audits and reviews to ensure the health and safety management system is fit-for-purpose?
- How do you ensure that actions identified in incident reports, audits and reviews are communicated to the appropriate level within the organisation and effectively addressed by the organisation?
- Does the organisation have policies and processes in place to ensure contractors used by the organisation have satisfactory health and safety standards?
- How does the organisation's performance compare with other comparable organisations and how do you know?
- How do you recognise and celebrate success?

APPENDIX B: THE SAFETY GOVERNANCE PATHWAY - HOW IS YOUR ORGANISATION TRACKING?

The *Safety Governance Pathway* developed by Dr Kirstin Ferguson is a tool to help identify what stage of safety governance maturity an organisation may currently be experiencing.

Safety governance is the relationship between board members and senior executives in the safety leadership of an organisation. It provides the structure through which the vision and commitment to safety is set; agreement on how safety objectives are to be attained; the framework for how monitoring performance is to be established; and a means for ensuring compliance with relevant safety legislation¹⁰. Understanding where an organisation currently sits on the *Safety Governance Pathway* is essential for understanding where senior executives and boards are starting from in their approach to safety governance and determining a vision for where an organisation might like to move to.

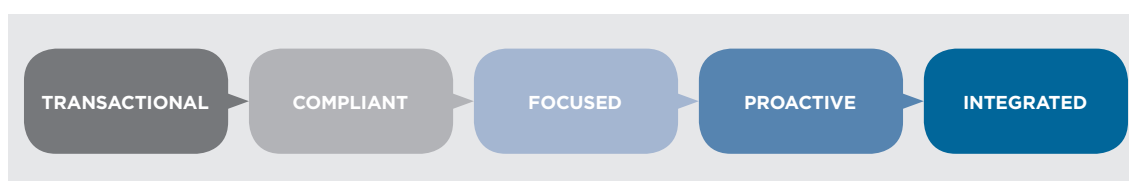


Figure 1: Safety Governance Pathway

Every organisation will identify themselves at a different point on the pathway and may find themselves moving forwards or backwards depending on the commitment to safety of the leaders in place, the emphasis and initiatives to drive safety improvements, or serious incidents that may have occurred. Below are some indicators which can help identify where a particular organisation is placed.

TRANSACTIONAL

Does the board tend to see safety as a management responsibility? Does the board become engaged in safety only after an incident has occurred? Is the culture of the organisation that production is the most important driver of the business success?

A **transactional** approach to safety is the least effective stage of safety governance; and organisations at this stage are likely to have areas of legal non-compliance. There is no clear health and safety vision across the organisation and no clear understanding that 'good safety' means 'good business'. Health and safety is seen as the responsibility of management or the health and safety professional (where one is engaged although often they are part-time or consultants). Health and safety performance is not prioritised and is not disclosed in annual reports. Line managers do not take responsibility for safety outcomes but rather all responsibility for safety is directed to the health and safety function.

¹⁰ Ferguson, K. (2015). A study of safety leadership and safety governance for board members and senior executives. PhD thesis. QUT.

COMPLIANT

Is compliance with relevant workplace health and safety legislation the main driver of reporting to the board? Is the board focused primarily on ensuring the minimum legislation standards are met?

During the **compliant** stage, the board are aware of their legal responsibilities and compliance is the main driver for establishing a health and safety governance framework. Health and safety data is reported; yet the focus of reporting is ensuring compliance and concentrates primarily on lag indicators. Basic (often generic) safety policies and procedures are in place but the board and senior management are not aware of the importance of their own safety leadership. A brief mention of health and safety may be made in annual reports.

FOCUSED

Do board members ask detailed safety questions, often drilling down into the causes of incidents? Does your board consider site visits an important part of their safety leadership role?

After realising that mere compliance with legislation will not necessarily ensure everyone returns home safely every day and a plateau in safety performance is reached, senior executives often drive a more **focused** approach to safety governance. During this stage, the specific role of the board in health and safety may be included in the board charter. A health and safety vision is introduced and safety performance reporting includes lead indicators. A health and safety management system is in place and processes are disclosed in annual reports. There may also be focus on the resourcing of the health and safety function as well as consideration on where the function is included in the organisational chart so there is visibility to the executive team.

PROACTIVE

Is there a sense that most board members ‘get’ health and safety? That is, they understand that a strong safety culture is much more than simply compliance but requires safety leadership inside and outside of the boardroom?

The **proactive** stage is often driven by the board who have become more involved in their safety leadership role and seek to take a proactive approach to safety governance. The board may establish a subcommittee to focus on health and safety. The Chairman often includes a personal commitment to health and safety performance in their annual reports or at annual general meetings. Safety performance referencing both lag and lead indicators is disclosed in annual reports. In most cases, the lead health and safety professional will report to the CEO and report on health and safety directly to the board.

INTEGRATED

Does the board seek to understand the safety impacts of every decision made in the boardroom? Does the concept of ‘safe production’ set the tone for board discussions?

The most effective stage of safety governance occurs when health and safety is completely **integrated** into business operations. The board and senior executives understand that a high level of health and safety performance is linked to business excellence. The board’s commitment to health and safety is stated clearly in annual reports and safety disclosures are transparent.

Safety committees will cascade throughout the organisation so that safety information can be readily shared and obtained from the board sub-committee through to employee safety committees. The senior health and safety professional understands their role is not just a technical position but has a significant strategic focus for the business. Line managers acknowledge and accept their own responsibility for safety rather than seeing it as falling to the health and safety function. There is transparent sharing of safety data and learnings with other organisations in the industry and beyond.

Kirstin Ferguson is a professional company director sitting on ASX100 and ASX200 boards, private company and government boards. She has a PhD in Business focused on safety leadership and safety governance for board members and senior executives, and was awarded the QUT Colin Brain Corporate Governance Fellowship and Safety Institute of Australia Dr Eric Wigglesworth Award for her research contributions to the fields of corporate governance and health and safety respectively.

APPENDIX C: SAMPLE TERMS OF REFERENCE - BOARD HEALTH AND SAFETY COMMITTEE

1. CONSTITUTION

The Board Health and Safety Committee shall be a committee of the board established by the board.

2. OBJECTIVE

The role of the committee is to assist the board to provide leadership and policy in discharging its health and safety management responsibilities within the organisation.

3. SECRETARIAL AND MEETINGS

3.1. The secretary of the committee shall be appointed by the board.

3.2. A quorum of members of the committee shall be two.

3.3. The committee may have in attendance such members of management, including the Chief Executive Officer (CEO), and such other persons as it considers necessary to provide appropriate information and explanations.

3.4. All directors shall be entitled to attend meetings of the committee.

3.5. Reasonable notice of meetings and the business to be conducted shall be given to the members of the committee, all other members of the board and the CEO.

3.6. Meetings shall not be held fewer than four times a year. Further meetings will be arranged on an as-needed basis.

3.7. Minutes of all meetings shall be kept.

3.8. After each meeting the chair will report the committee's recommendations, key issues and findings to the board.

4. RESPONSIBILITIES

4.1. Review, monitor and make recommendations to the board on the organisations health and safety risk management framework and policies to ensure that the organisation has clearly set out its commitments to manage health and safety matters effectively.

4.2. Review and make recommendations for board approval on strategies for achieving health and safety objectives.

4.3. Review and recommend for board approval targets for health and safety performance and assess performance against those targets.

4.4. Monitor the organisations compliance with health and safety policies and relevant applicable law.

4.5. Ensure that the systems used to identify and manage health and safety risks are fit-for-purpose, being effectively implemented, regularly reviewed and continuously improved. This includes ensuring that the board is properly and regularly informed and updated on matters relating to health and safety risks.

- 4.6. Seek assurance that the organisation is effectively structured to manage health and safety risks, including having competent workers, adequate communication procedures and proper documentation.
 - 4.7. Review health and safety related incidents and consider appropriate actions to minimise the risk of recurrence
 - 4.8. Make recommendations to the board regarding the appropriateness of resources available for operating the health and safety management systems and programmes
 - 4.9. Any other duties and responsibilities which have been assigned to it from time to time by the Board
5. AUTHORITY
- 5.1. The committee has complete access to the organisations senior executive team through the chairman, chief executive or company secretary at any time.
 - 5.2. The committee has the authority of the board to obtain any information and to investigate any matter within its terms of reference
 - 5.3. The chairman of the committee has the authority of the board to obtain independent legal or other professional advice and research and generally to engage such advisors and involve such consultants (at the expense of the organisation) as the committee considers necessary to carry out its responsibilities.
 - 5.4. The committee does not have the authority to make a decision in the board's name or on its behalf. The committee will make recommendations to the Board on all matters requiring a decision.
6. REVIEW
- The committee shall:
- 6.1. Ensure that processes are in place to develop, implement, audit, regularly review and update the health and safety management framework to be consistent with accepted standards.
 - 6.2. Formally review the health and safety performance of the organisation including review of audits (internal and external), system reviews, performance results, significant incidents and investigations, the impact of organisational changes and benchmark data. The CEO will be responsible for producing sufficient information for this review to occur, with input from the rest of the executive/senior management team.
 - 6.3. Receive and consider independent reviews and or audits of health and safety within the business.
7. REVIEW OF THE COMMITTEE
- The committee shall undertake annual self-review of its objectives and responsibilities and of these terms of reference and report back to the board. The committee may at any time initiate a review of the committee and make appropriate recommendations for its alteration to the board.

Terms of reference adopted by the committee on XX/XX/201X.

APPENDIX D: GLOSSARY

TERM	DEFINITION
Best practice	A method or technique that in like circumstances has consistently shown superior results in comparison to results achieved using other means – used as a benchmark.
Board Health and Safety Committee	The board health and safety committee is a sub-committee of the board. The purpose of the committee is to assist the board in its role in providing leadership and policy, and to fulfill its responsibilities to ensure compliance with health and safety legislation.
Engagement	<p>A PCBU (person conducting a business or undertaking – see below) has to engage with its workers on health and safety matters.</p> <p>A PCBU engages by:</p> <ul style="list-style-type: none"> > sharing information about health and safety matters so that workers are well-informed, know what is going on and can a say in decision-making > encouraging workers to have a say > listening to and considering what workers have to say > giving workers opportunities to contribute to the decision-making process relating to a health and safety matter.
Due diligence	<p>The due diligence duty requires directors and other officers under HSWA to take reasonable steps to:</p> <ul style="list-style-type: none"> > know about work health and safety matters and keep that knowledge up-to-date > gain an understanding of the operations of the organisation and the hazards and risks generally associated with those operations > ensure the PCBU has appropriate resources and processes to eliminate or minimise those risks and uses them > ensure the PCBU has appropriate processes for receiving information about incidents, hazards and risks, and for responding to that information > ensure there are processes for complying with any duty, and that these are implemented > verify that these resources and processes are in place and being used. <p>Officers must exercise the care, diligence and skill a reasonable officer would exercise in the same circumstances, taking into account matters including the nature of the business or undertaking, and officer’s position and nature of their responsibilities.</p>
Harm	Illness, injury or both. This includes physical or mental harm caused by work-related stress.
Hazard	<p>Physical hazards</p> <p>Things that can cause physical harm, like moving machinery, falls from heights or lifting heavy objects. Some of these hazards may cause injury very slowly like equipment with poor ergonomics.</p> <p>Environmental hazards</p> <p>Things in the environment that could cause injury or illness, like hot or cold temperatures, poor lighting, or uneven ground.</p> <p>Hazardous substances</p> <p>Things such as asbestos or chemicals that could cause health issues such as cancer, fertility problems and even death.</p> <p>Social hazards</p> <p>Such as work-related stress, overwork, long hours, inadequate breaks, or bullying.</p>

TERM	DEFINITION
Health and Safety Committee	<p>A Health and Safety Committee (HSC) supports the ongoing improvement of health and safety at work. An HSC enables PCBU representatives, workers and other committee HSC members to meet regularly and work co-operatively to ensure workers' health and safety.</p> <p>One of the HSC's main functions is to assist in developing standards, rules, and policies or procedures relating to workplace health and safety. An HSC can also perform other functions that are agreed between the PCBU and the HSC, or specified by the WEPR Regulations.</p>
Health and Safety Representative	<p>A worker elected as a health and safety representative in accordance with subpart 2 of Part 3 of HSWA.</p>
Lag indicators	<p>Lag indicators are reactive measure of performance; they measure events where there has been a health and safety failure such as injuries and occupational ill health.</p>
Lead indicators	<p>Lead indicators are proactive measures of performance, such as the number of training sessions or risk assessments completed. They aim to prevent incidents occurring.</p>
Officer	<p>An officer is a person who has the ability to significantly influence the management of a PCBU. This includes, for example, company directors and chief executives.</p> <p>Officers must exercise due diligence to ensure the PCBU meets its health and safety obligations.</p>
Other person at workplace	<p>Examples of other persons at workplaces include workplace visitors and casual volunteers at workplaces.</p>
Organisational Culture	<p>The collective set of values and beliefs held and exercised within an organisation or workplace.</p>
Participation	<p>Worker participation practices are what the PCBU puts in place so that workers can help to improve workplace health and safety on an ongoing basis. These practices make it possible for workers to share ideas and information, raise issues, and contribute to decision-making on an ongoing basis.</p>
PCBU	<p>A PCBU is a 'person conducting a business or undertaking'. A PCBU may be an individual person or an organisation.</p> <p>It does not include workers or officers of PCBUs, volunteer associations with no employees, or home occupiers that employ or engage a tradesperson to carryout residential work.</p> <p>A PCBU must ensure, so far as is reasonably practicable, the health and safety of workers, and that other persons are not put at risk by its work. This is called the 'primary duty of care'.</p>
So far as is reasonably practicable	<p>Core health and safety duties require PCBUs to ensure health and safety 'so far as is reasonably practicable'.</p> <p>When used in relation to these core duties, something is reasonably practicable if it is reasonably able to be done to ensure health and safety, having weighed up and considered all relevant matters, including:</p> <ul style="list-style-type: none"> > How likely are the hazards and risks to occur? > How severe could the harm that might result from the hazard or risk be? > What a person knows or ought to reasonably know about the hazard or risk and the ways of eliminating or minimising it. > What measures exist to eliminate or minimise the risk (control measures)? > How available and suitable is the control measure(s)? <p>Then weigh up the cost:</p> <ul style="list-style-type: none"> > What is the cost of eliminating or minimising the risk? > Is the cost grossly disproportionate to the risk?

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TERM	DEFINITION
Volunteer officer	An officer who is acting on a voluntary basis (whether or not that person receives out of pocket expenses).
Worker	A worker is an individual who carries out work in any capacity for a PCBU. This includes an employee, a contractor or sub-contractor, an apprentice or trainee, a person on work experience or a work trial, or a volunteer worker.
Workplace	<p>A workplace is a place where a worker goes or is likely to be while at work, or where work is being carried out or is customarily carried out. It includes a vehicle, vessel, aircraft, ship or other mobile structure and any waters and any installation on land, on the bed of any waters, or floating on any waters. So certain locations will only be classed as workplaces while work is being carried out at those locations.</p> <p>Most duties under HSWA relate to the conduct of work. However, some duties are linked to workplaces.</p>
WorkSafe New Zealand	WorkSafe is the government agency that is the work health and safety regulator. WorkSafe collaborates with PCBUs, workers and other duty holders to embed and promote good workplace health and safety practices, and enforce health and safety law.
Zero harm	An expression used by many organisations to describe an aspirational target of no harm of any sort to workers.

DISCLAIMER

WorkSafe New Zealand and the Institute of Directors in New Zealand have made every effort to ensure the information contained in this publication is reliable, but makes no guarantee of its completeness. WorkSafe and the IoD may change the contents of this guide at any time without notice.

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Council
24 May 2016

Māori Wards

Department	Corporate Services
Author & contact officer	James Baty – Electoral Officer
1. Purpose	1.1 The purpose of this report is to seek definitive confirmation from Council on the establishment or otherwise of Māori wards arising from the number of options identified in this report.
Recommendation	<p><i>The Electoral Officer RECOMMENDS that:</i></p> <ol style="list-style-type: none"> 1. <i>The report be received.</i> 2. <i>Council provides a decision on its preferred option relating to the establishment or otherwise of Māori wards arising from the number of options identified in this report.</i>
2. Background	<p>2.1 The Electoral Officer has been asked to prepare a report on this matter for Council’s consideration.</p> <p>2.2 This report has been prepared in accordance with the Local Government Act 2002 (LGA) and Local Electoral Act 2001 (LGE) and provides a comprehensive outline of the available options and related processes.</p> <p>2.3 Please note in order to meet statutory timeframes associated with adding a poll of electors to the forthcoming elections (option B) Council needs to consider this matter forthwith.</p> <p>2.4 Consideration of this matter contributes to Council’s vision of ‘Connected Communities; Desirable Lifestyles; Treasured Environments’, is also contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Strong district leadership and a sense of belonging.
3. Introduction	<p>3.1 The Local Electoral Act 2001 (the Act) provides that Māori wards or constituencies may be established for territorial authorities. This can be achieved either by way of a local authority resolution or as the outcome of a poll of electors. Such a poll may either be demanded by electors or be the result of a local authority resolution. The statutory provisions for establishing Māori wards or constituencies are set out in sections 19Z to 19ZH of the Act.</p> <p>3.2 A local authority resolution or a demand for a poll by 5% of electors may be made at any time. However, the Act provides that if a resolution or valid poll demand is to apply</p>

for the next triennial election, they must be made within a particular timeframe. This timeframe is designed to follow that applying to the choice of electoral system. This is because the choice of electoral system may influence a decision on the establishment of Māori wards or constituencies.

- 3.3 If the local authority does make a resolution to establish Māori wards or constituencies it must give public notice of this resolution. The public notice must include a statement that a poll will be required to countermand the local authority resolution.
- 3.4 Any resolution or valid poll demand would have a significant impact on a local authority's review of representation arrangements. For this reason the Local Government Commission (the Commission) considers it good practice for local authorities not to resolve their initial representation proposals until the time for lodging demands for a poll on Māori representation has expired i.e. after 28 February in the year before the next triennial local election.
- 3.5 Council needs to be fully aware of the relevant provisions and possible implications of establishing Māori wards or constituencies for any representation review.
- 3.6 The Commission notes that its role in respect of determination of appeals and objections on representation arrangements does not extend to whether or not Māori wards or constituencies should be established. This is a matter for local discretion. The Commission's role is limited to consideration of the detailed arrangements for such wards/constituencies e.g. the number of wards/constituencies, their boundaries and number of members.

4. Key Statutory Provisions

- 4.1 The relevant provisions of the Act relating to the establishment of Māori wards or constituencies are:
- a local authority may resolve to establish Māori wards or constituencies and, if made no later than 23 November two years before the next triennial local election, the resolution takes effect for the next triennial local election (section 19Z)
 - if a local authority makes such a resolution to establish Māori wards or constituencies it must give public notice of this fact by 30 November two years before the next triennial local election including a statement that a poll is required to countermand that resolution (section 19ZA)
 - 5% of electors may demand a poll at any time on whether a district or region should be divided into one or more Māori wards or constituencies (section 19ZB)
 - a local authority may resolve at any time to conduct a poll on whether the district or region should be divided into Māori wards or constituencies (section 19ZD)

- if, prior to 28 February in the year before the next triennial local election, either a valid demand for a poll is received (under section 19ZB) or the local authority resolves to hold a poll (under section 19ZD) this is notified to the electoral officer and the poll must be held not later than 82 days after the notification i.e. not later than 21 May in that year, and the result of the poll takes effect for the next two triennial local elections (section 19ZF)
- if a valid demand for a poll is received after 28 February in the year before the next triennial local election, the poll must be held after 21 May in that year and takes effect for the next but one triennial local election and the subsequent election (section 19ZC)
- sections 19Z to 19ZD do not apply if the result of a poll took effect at the previous triennial local election or takes effect at the next triennial local election (section 19ZE).

4.2 If, as a result of a resolution or poll, Māori wards or constituencies are to apply for a triennial local election, clauses 1 and 3 of Schedule 1A of the Act require that a review of the representation arrangements of the local authority be undertaken. In such cases the requirements of Part 1A of the Act are subject to the provisions of Schedule 1A.

4.3 Clauses 1 and 3 of Schedule 1A provide that the local authority is required to determine:

- the proposed total number of members of the local authority
- whether (for territorial authorities only):
 - all members are to be elected from either Māori or general wards, or
 - some members are to be elected from either Māori or general wards, and some are to be elected at large
- the proposed number of members to be elected from the Māori wards/constituencies and the number from the general wards/ constituencies
- the proposed name and boundaries of each ward/constituency
- the proposed number of members to be elected from each Māori and general ward/constituency.

4.4 The processes involved with these steps and the factors and considerations to be taken into account are set out below.

4.5 CALCULATING THE NUMBER OF MEMBERS

The process for determining the number of members to be elected from both Māori and general wards/constituencies is set out in clauses 2 and 4 of Schedule 1A and involves:

- determining the total number of members of the local authority

- multiplying the total number of members by the ratio of the Māori electoral population to the total (Māori and general) electoral population.

For territorial authorities the following formula is applied:

$$nmm = \frac{mepd}{mepd + gepd} \times nm$$

where:

nmm is the number of Māori ward members

mepd is the Māori electoral population of the district

gepd is the general electoral population of the district

nm is the proposed number of members of the territorial authority (other than the mayor).

Fractions are rounded up or down to the nearest whole number.

The general electoral population and the Māori electoral population are defined in section 3 of the Electoral Act 1993.

The general electoral population is the total ordinarily resident population at the last census less the Māori electoral population. The Māori electoral population is a calculation based on the number of electors on the Māori roll and proportions of those of Māori descent not registered and those under 18 years of age.

The Māori electoral population and the general electoral population are calculated by Statistics New Zealand and must be provided on request to a local authority by the Government Statistician.

Given the nature of the Māori electoral population and the mathematical calculation that must be made, there may be very limited options available to a local authority in terms of the number of elected members from Māori wards or constituencies. The mathematical calculation may mean that no members could be elected from such wards or constituencies. Local authorities should therefore identify at the outset the range of options for the number of members elected from both Māori and general wards/constituencies for their own district or region. This will ensure that any debate occurs in the district or region in the context of what is possible.

4.6 NUMBER AND BOUNDARIES OF WARDS OR CONSTITUENCIES

In determining arrangements for Māori wards or constituencies, clause 6 of Schedule 1A requires local authorities to:

- satisfy the requirements of sections 19T and 19U, which require:
 - that the election of members will provide effective representation of communities of interest within the district or region
 - conformity with meshblock boundaries

- to the extent that is practicable, conformity of ward boundaries with community boundaries, and conformity of constituency boundaries with the boundaries of territorial authority districts or wards
- have regard to:
 - the boundaries of any existing Māori parliamentary electoral district
 - communities of interest and tribal affiliation.

4.7 NUMBER OF MEMBERS TO BE ELECTED BY EACH WARD OR CONSTITUENCY

Clause 6 of Schedule 1A also sets out particular requirements when determining the number of members to be elected by each Māori ward or constituency (where there are two or more wards/constituencies). The local authority is required to ensure, to the extent that is reasonably practicable and consistent with the above considerations relating to Māori electoral districts, communities of interest and tribal affiliations, that the ratio of members to Māori electoral population in each Māori ward/constituency produces a variance of no more than +/- 10%.

This may require a judgment to be made in individual cases as to the relative importance to be given to each of these sets of factors when determining the number of members from each Māori ward/constituency. Local authorities should record in detail the decisions they reach on this issue.

The Commission notes that, where Māori wards/constituencies are established, the '+/-10% rule' for general wards/constituencies is calculated using the general electoral population (which excludes the Māori electoral population). This means people are not counted twice for the calculations for the number of members for the two types of wards/constituencies.

5. Current Situation

5.1 Following a valid poll demand in 2012, Council conducted a public poll on the matter of introducing Māori wards. This poll was held on Saturday, 19 May 2012 with the following results:

Option	Votes received
FOR the establishment of Māori Wards	1,210
AGAINST the establishment of Māori Wards	1,306

Māori wards therefore could not be introduced for at least the next two triennial elections (**2013** and **2016**) of the Wairoa District Council.

5.2 Elections of members of local authorities are held once every three years, on the second Saturday in October. The next elections will be held on 8 October 2016. *Some local polls may also be held in conjunction with elections.*

6. Options

- 6.1 The options identified are:
- 6.2 **Option A – do nothing.** Council could apply the status quo that no Māori wards be considered until Council is statutorily required to consider this matter. Current representation arrangements are: no wards (including Māori), comprising of six Councillors (plus the Mayor), elected at large and no community boards.
- 6.3 **Option B – hold a poll of electors.** Council could pass a resolution (section 19ZD) to hold a poll of electors to determine whether the district should be divided into one or more Māori wards and that this poll be conducted as part of the elections of members of Wairoa District Council to be held on 8 October 2016 and binding on the following two triennial elections (**2019** and **2022**) of the Wairoa District Council.
- 6.4 **Option C – Council resolution.** Council could resolve one way or the other that the district be/not be divided into one or more Māori wards (section 19Z) and that the statutory processes in this regard ensue. Given the previous poll on this matter conducted in 2012 any resolution in this regard is effective for the 2019 triennial elections. A local authority may resolve to establish Māori wards or constituencies and, if made no later than 23 November two years before the next triennial local election (23 November 2017), the resolution takes effect for the next triennial local election (section 19Z). If a local authority makes such a resolution to establish Māori wards or constituencies it must give public notice of this fact by 30 November two years before the next triennial local election including a statement that a poll is required to countermand that resolution (section 19ZA).
- 6.5 This is essentially a political decision and for this reason there is no preferred option outlined in this report.

7. Corporate Considerations Compliance with legislation and Council Policy

- 7.1 The matters and options discussed above comply with legislation, regulations, policy and the SOLGM Code of Good Practice for the Management of Local Authority Elections and Polls 2016
- 7.2 Relevant legislation – Local Electoral Act 2001
<http://www.legislation.govt.nz/act/public/2001/0035/latest/DLM93301.html>
- 7.3 Relevant regulations – Local Electoral Regulations 2001
<http://www.legislation.govt.nz/regulation/public/2001/0145/latest/DLM49294.html>
- 7.4 **Maximised democratic participation on the question as to whether Māori Wards are established:** It is well evidenced that voter turnout for elections/polls are higher for triennial elections than they are for one-off referendums/by-

Key Consideration Factors

	<p>elections.</p> <p>7.5 Potential cost savings: Holding a poll of electors on the issue of Māori wards as part of the 2016 Elections brings with it obvious cost savings and avoids the increased costs associated with any potential independent referendum in the future (savings of approximately \$15,000-\$20,000).</p> <p>7.6 Future certainty: Holding a poll of electors on the issue of Māori wards as part of the 2016 Elections creates certainty relating to Māori wards for future Councils and the wider community.</p>
What is the cost?	<p>7.7 Cost for running the 2016 elections <i>and any related poll</i> will be met from existing budgetary provisions in the order of \$20-\$30k.</p> <p>7.8 An independent referendum could cost approximately \$15,000-\$20,000, this is currently unbudgeted.</p>
Who has been consulted? (please refer to significance and engagement policy)	<p>7.9 There has been no public consultation to date by Council. However, these matters may require wider consultation depending on the final decision – each option requires some form of statutory consultation.</p> <p>7.10 In working through the requirements of Schedule 1A of the Act, local authorities need to consider appropriate consultation at an early stage with iwi and hapu. This will assist, among other things, in determining the appropriate number of Māori wards/constituencies (subject to Māori and general electoral populations) to reflect Māori communities of interest.</p> <p>7.11 Adoption of any of the options does not trigger a requirement to consult under the Significance & Engagement Policy alone as each option requires some form of statutory consultation and some point.</p>
Māori Standing Committee	<p>7.12 This matter has been referred to the committee. The Committee supports option B.</p>
Significance	<p>7.13 Consideration of this matter by Council has a low impact as there is no significant deviation from current practices or policy direction. Future impacts will need to be assessed once a final decision is reached by Council and the related processes ensue depending on the outcome of that decision. Regardless, there are inherent statutory processes including consultation that must be following relating to each of the options identified in this report.</p> <p>7.14 The financial impact is already resourced in current plans. See above for potential cost implications relating to a potential independent referendum on this matter.</p> <p>7.15 There are currently no anticipated alterations of service levels for any of Council's significant activities. This may change in the future depending on the final decision</p>

Risk Management

reached.

7.16 There is no impact on any council strategic assets.

7.17 This decision does not change the way any significant activities are delivered.

7.18 No strategic risks have been identified in the recommendations contained in this report.

Further Information

<http://www.lgc.govt.nz/assets/Representation-Reviews/Representation-Review-Guidelines.pdf>

EXAMPLE - Māori Representation - What you need to know (attached)

EXAMPLE - Māori Representation Leaflet (attached)

EXAMPLE - Sample Voting Document (attached)

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author: J Baty



Approved by: F Power



Maori Representation

What you need to know



Councils around the country are required to decide every six years whether or not to institute official Maori Seats to their Council. This means that in the next election, you could have the choice of voting for a Maori seat candidate, or a general candidate. Wairoa District Councillors have been discussing the issue at length. Although they have the ability to make the decision themselves, they've opted to seek public opinion to find out what YOU want. Councillors want to know your opinion on having dedicated Maori Seats. Here are some facts to help you make an informed decision.

Why are we discussing this now?

The question of whether or not to have dedicated Maori Seats can be discussed by council at any time under the Local Electoral Act 2001. The decision must be made by November this year if it is to apply to the 2013 Local Government elections.

How many Maori Seats would there be?

The number of Maori Seats depends on the number of voters registered on the Maori Electoral Roll. Depending on official figures this would equate to two or three seats, leaving three or four general seats, plus the Mayor.

Who would be able to vote for those standing for Maori Seats?

Only voters registered on the Maori Electoral Roll can vote for Maori Seat candidates. Anyone of Maori descent can enrol on the MER, but, those registered can ONLY vote for candidates standing for the Maori seats, not general seats. People on both roles can vote for a Mayoral candidate.

Who can stand for the Maori Seats?

Anyone who qualifies for election to the general seats can stand for the Maori Seats, but a candidate cannot stand for both general and Maori at the same time.

Who do the Maori Seat holders represent?

Once elected, Maori Seat holders have the same responsibilities as other councillors to represent the entire community.

Have there been any Councillors of Maori descent in the past?

Yes. Out of the 95 councillors who have been sworn in since the formation of the Wairoa District Council in 1986, 19 have been of Maori descent, including one mayor. All were elected through the general election process.

What representation do Maori currently have at council?



Maori Standing Committee has an advisory role to Council and is made up of nine representatives chosen by tribal areas. **Maori Liaison Officer** is responsible for ensuring Maori interests are considered in all day-to-day work of the council, as well as special projects. The officer is also charged with ensuring staff have the opportunity to develop their understanding of the culture in order to apply it to their various tasks.

Would we still need to have a Maori Standing Committee?

The Maori Standing Committee may still have a role to play, although this decision will ultimately be made by a future Council.

What if I'm not happy with the final decision made by Council?

If five percent of electors (currently around 265 people) sign a petition against a decision, Council is required to conduct an official poll.

Would the cost of running Council be affected?

No.

How do I put my opinion forward?

Fill out the form at the bottom of this page and return it to council by 12 noon on Tuesday, October 25. Councillors will make a decision on the matter at their meeting on Tuesday, November 8.

Meeting Dates

WHERE	WHEN
Wairoa Community Centre	6pm, Thursday September 29
Takitimu Marae Wairoa	6pm, Wednesday October 5
Mokotahi Hall Mahia	6pm, Wednesday October 12
Mohaka Marae Mohaka	6pm, Monday October 17
Ardkeen Hall Ardkeen	6pm, Wednesday October 19
Kahungunu Marae Nuhaka	To be confirmed

These meetings are all open to the public, meaning anyone can attend.

If your question is not answered here, please attend one of the six scheduled public meetings to find out more. If you are unable to attend, you are welcome to contact Wairoa District Council CEO Peter Freeman or Maori Liaison Officer Ropata Ainsley on (06) 838 7309.

EXPRESSION OF OPINION

Name: _____
(One form per person please)

Comments:

Do you wish Wairoa District Council to include dedicated Maori Seats?

YES NO

(Please tick one)

Return to: Wairoa District Council, PO Box 54,
Wairoa 4160
BEFORE 12 NOON, TUESDAY, OCTOBER 25

This form is not an official poll. It is simply to gauge public opinion.

FreePost Details
Overleaf

FreePost 221965



Maori Representation Opinion
Wairoa District Council
PO Box 54
Wairoa 4160



WAIROA DISTRICT COUNCIL

MĀORI REPRESENTATION POLL

Additional Information

Māori Wards for Wairoa District Council?

Wairoa District Council has the opportunity to introduce designated Māori representation through the setting up of one or more Māori wards (in addition to general wards). This is permitted under the Local Electoral Act 2001.

Representatives for Māori wards would be elected by people who are enrolled on the Māori Parliamentary Electoral Roll. Electors of these wards would not be able to vote for members of the general wards. Similarly, people who are enrolled on the General Parliamentary Electoral Roll would vote for members of the general wards but not for members of the Māori wards. All electors would still vote for the Mayor.

Poll on Māori Representation

The Wairoa District Council is holding a poll, following the receipt of a valid demand for a poll, to see whether it should introduce one or more Māori wards for at least its next two triennial elections. Those eligible to vote in the poll are:

- all residential electors (electors who live in the Wairoa District, from both the General and Māori Parliamentary Electoral Rolls); and
- all non-resident ratepayer electors (electors who live outside of the Wairoa District but own property within the District).

Poll Results

The result of this poll will be binding on the Council for at least the next two triennial elections in 2013 and 2016.

If the majority of voters is in favour of introducing one or more Māori wards, Council will undertake a detailed review of its representation arrangements (number of wards, elected members etc.) including:

- the number of general and Māori wards;
- the number of representatives to be elected for general and Māori wards;
- the ward boundaries and names.

The review must be completed by 31 August 2012. There will be a right to make submissions on the Council's proposals and a right of appeal to the Local Government Commission.

The number of Māori ward representatives would be determined by a formula based on the 'Māori electoral population' of the Wairoa District Council, as defined in legislation. Based on the size of the present Council (six members plus the Mayor), there would be three members elected from one or more Māori wards and three members elected from one or more general wards. All elected members, whether elected from general or Māori wards, represent the entire community.

If the majority of voters is not in favour of introducing one or more Māori wards, Council is not required to undertake a detailed review of its representation arrangements.

Legislative Background

The following legislative references are provided for information:

- A principle of the Local Electoral Act 2001 is to implement '(a) fair and effective representation for individuals and communities' (Section 4(1)(a) Local Electoral Act 2001).
- 'The purpose of local government is – (a) to enable democratic local decision making and action by and on behalf of communities; and (b) to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future' (section 10 Local Government Act 2002).
- 'A local authority must – (a) establish and maintain processes to provide opportunities for Māori to contribute to the decision making processes of the local authority; and (b) consider ways in which it may foster the development of Māori capacity to contribute to the decision making processes of the local authority' (section 81 (1) (a)(b) Local Government Act 2002).

Considerations on Māori Wards

Considerations include:

- approximately 63% of the Wairoa District's population is Māori;
- the Wairoa District Council is required to establish and maintain processes to provide opportunities for Māori to contribute to its decision-making processes and to consider ways in which it may foster the development of Māori capacity to contribute to these;
- Wairoa District Council has a Māori Standing Committee and a Māori Liaison Officer;
- once elected, Māori ward representatives have the same responsibilities as other councillors to act in the best interests of the entire community, not just for their own ward;
- only electors on the Māori Electoral Roll can vote for Māori ward candidates. These electors would not be able to vote for general ward candidates. All electors can vote for Mayoral candidates;
- anyone can stand as a candidate for a Māori ward, but cannot stand for both a general and a Māori ward at the same time;
- Māori ward representatives may better relate to and understand Māori communities, and provide the Council with a greater understanding of Māori issues and concerns;
- Māori wards may encourage more Māori to participate in Council by standing for office and voting at local elections.

Have your say

The result of the Māori Representation Poll is important for determining how members will be elected to the Wairoa District Council at the 2013 and 2016 elections.

Please complete and return your voting document as soon as possible. It must be received by the Electoral Officer no later than

12 noon, Saturday 19 May 2012.

**For more detailed information, please contact:
Wairoa District Council
on phone (06) 838 7309**

Māori Representation Poll

VOTING DOCUMENT



READ THIS FIRST

Before you vote

Carefully read the information supplied with this voting document and the instructions below on how to vote.

NOTE - It is against the law to complete, deface, destroy or interfere with another person's voting document, under sections 123 and 124 of the Local Electoral Act 2001.

After you vote

Put the completed voting document in the enclosed freepost envelope, seal the envelope and post or deliver it to the electoral office.

Voting closes at **12 noon on Saturday 19 May 2012**. The voting document must be received by the electoral office by then.

If you make a mistake that you cannot clearly correct, contact the electoral office and ask for a new voting document.

ALL ENQUIRIES

Please phone 0800 922 822

The Electoral Office, Wairoa District Council, C/- PO Box 5135, Wellesley Street, Auckland 1141

DETACH BEFORE RETURNING - TEAR HERE

Wairoa District Council
Māori Representation Poll

**POLL TO DETERMINE WHETHER THE WAIROA DISTRICT COUNCIL ESTABLISHES
MĀORI WARDS FOR THE 2013 AND 2016 LOCAL AUTHORITY ELECTIONS**



FPP - FIRST PAST THE POST POLL

THIS IS A BINDING POLL

Tick ✓ the box next to the **one (1)** option you want to vote for.

- | | | | |
|--------------------------|--|-----|--|
| <input type="checkbox"/> | I vote FOR the establishment of Māori Wards | 101 | |
| <input type="checkbox"/> | I vote AGAINST the establishment of Māori Wards | 102 | |
| | Informal | 103 | |

Voting Closes

12 NOON, SATURDAY 19 MAY 2012

**It is recommended you post your voting document
no later than Wednesday 16 May 2012**



Māori Representation Poll

VOTING DOCUMENT



READ THIS FIRST

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Wairoa District Council
Māori Representation Poll

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| | Informal | 103 | |

Voting Closes

12 NOON, SATURDAY 19 MAY 2012

**It is recommended you post your voting document
no later than Wednesday 16 May 2012**





Council

24th May 2016

Local Authority Protection Programme

Department	Finance
Author & contact officer	A Morton – Chief Financial Officer
1. Purpose	1.1 To request Council consider giving notice to the Local Authority Protection Programme.
Recommendation	<i>The Chief Financial Officer RECOMMENDS that Council instruct Officers to give notice to the Local Authority Protection Programme of its intention to leave the Protection Programme.</i>
2. Background	<p>2.1 For many years Council have been a member of the Local Authority Protection Programme under which Council's underground infrastructure assets are insured.</p> <p>2.2 The Insurance market has now improved post the Christchurch earthquake and alternative providers of infrastructure insurance cover are becoming available.</p> <p>2.3 In order to take advantage of any alternative insurance providers, Council would need to leave the Local Authority Protection Programme.</p> <p>2.4 A notice period of 13 months is required to leave the Local Authority Protection Programme.</p>
3. Options	<p>3.1 The options identified are:</p> <ul style="list-style-type: none"> a. Do not give notice to leave the Local Authority Protection Programme b. Give notice to leave the Local Authority Protection Programme <p>3.2 Option a. This option would result in no changes for Council.</p> <p>Option b. This option would allow Council to consider its infrastructure insurance options for financial year July 2017 onwards. As Council is required to provide 13 months' notice of leaving the Local Authority Protection Programme, no decision in respect of an alternative provider would need to be made until March 2017 for revised insurance cover to be in place from 1st July 2017. Council would at this point still be able to retain membership of the Local Authority Protection Programme if it so wished as providing notice to leave does not in itself cancel Council's membership of the Programme. Council would still need to formally cancel its membership if and when alternative insurance arrangements were in place.</p>

4. Corporate Considerations
What is the change?

3.3 The preferred option is b, this meets the purpose of local government as it will help meet the current and future needs of communities for performance of regulatory functions in a way that is most cost-effective for households and businesses.

4.1 There will be no immediate changes resulting from this decision.

4.2 This decision will not trigger a s17a review.

Compliance with legislation and Council Policy

4.3 Council retains an investment in Civic Assurance Limited whilst it is a member of the Local Authority Protection Programme.

What are the key benefits?

4.4 Providing notice to the Local Authority Protection Plan will allow Council to investigate alternatives to current infrastructure insurance arrangements.

What is the cost? What is the saving?

4.5 There will be no cost involved from this decision.

4.6 No immediate savings will accrue from this decision.

Who has been consulted?

4.7 There has been no formal consultation on this matter.

5. Significance

5.1 This decision will not affect the way any significant activities are delivered.

6. Risk Management

6.1 The strategic risks are as follows:

- a. Council has a long association with the Local Authority Protection Programme
- b. Indicating a future withdrawal from the Programme could weaken the Programmes current standing.
- c. Alternative Insurance provision has yet to be evaluated.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

Author: A Morton

Approved by: H Montgomery

REPORT TO:	MAORI STANDING COMMITTEE	
DATE:	10 JUNE 2016	
SUBJECT:	<u>CONFIRMATION OF MINUTES OF MĀORI COMMITTEE HELD 13 May 2016</u>	FILE REF:
AUTHOR:	D TIPOKI - MAORI RELATIONSHIPS MANAGER	ATTACHMENTS: The Whaanga Report
RELATED COMMUNITY OUTCOME: Supportive, caring and valued communities. Strong district leadership and a sense of belonging. A community that values and promotes its culture and heritage.	RELATED COUNCIL ACTIVITY: Māori Relationships	

WAIROA DISTRICT COUNCIL

MĀORI STANDING COMMITTEE

Minutes of the Māori Standing Committee held at Erepeti Marae, Erepeti on Friday, 13 May 2016 at 1.26pm.

Present:

G Symes (Rākaipaaka), K Hammond (Wairoa Hōpūpū), P Kelly (Wairoa Matangirau), H Nissen (Ruakituri), P Whaanga (Māhia Mai Tawhiti), Sam Jury (Wairoa Whānui)
Councillor H Flood

D Tipoki (WDC's Māori Relationships Manager)
James Baty (WDC's Corporate Services Manager)

Rachel Kerr (Te Reinga Marae)
Ann Revington (Wairoa Star)

KARAKIA

Opening karakia was given by Kiwa Hammond

APOLOGIES

Apologies were received from His Worship the Mayor, C Little, F Power (WDC's CEO), Councillor Bird, Gay Hawkins, E Foster, C McGimpsey, N Lambert

<u>Resolved:</u>	<i>That the apologies received from His Worship the Mayor, C Little, F Power (WDC's CEO), Councillor Bird, E Foster, G Hawkins, C McGimpsey and N Lambert be accepted.</i> Hammond/Nissen
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CALLS FOR CONFLICT OF INTEREST

CALL FOR ITEMS OF URGENT GENERAL BUSINESS NOT INCLUDED IN THE AGENDA AND NOTICES

Waihi Dam update
Forestry Slash Report
Rimuroa/Mangapoike Trust Whenua Rāhui

P Kelly
P Whaanga
Rachel Kerr

SUSPENSION OF MODEL STANDING ORDERS

<u>Resolved:</u>	<i>That the Māori Standing Committee suspend standing orders for the duration of the meeting</i>	Nissen/Kelly
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LATE ITEM - MĀORI WARDS POLL OF ELECTORS

<u>Resolved:</u>	<i>That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the item MĀORI WARDS POLL OF ELECTORS be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the timeframe allowed.</i>	Nissen/Whaanga
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The Electoral Officer presented his report.

The Māori Standing Committee sought clarification on:

- Why the matter of Māori war was being raised
- What the wards structure could possibly look like
- Potential cost savings
- Purpose of the legislation relating to Māori wards

<u>Resolved:</u>	<i>Having fully considered all the relevant information provided, and conducting a healthy and robust discussion, the Māori Standing Committee recommends that Council should hold a poll of electors (option B) to determine whether the district should be divided into one or more Māori wards and that this poll be conducted as part of the elections of members of Wairoa District Council to be held on 8 October 2016 and binding on the following two triennial elections (2019 and 2022) of the Wairoa District Council.</i>	Kelly/Hammond AGAINST: Councillor Flood
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Councillor Flood requested that her reason for a dissenting vote be recorded. She articulated that Council had been publicly elected to make decisions on behalf of the community. In this regard, she was of the view that the Council should resolve one way or the other that the district be/not be divided into one or more Māori wards (section 19Z) and that the statutory processes in this regard ensue.

General Items

Waihi Dam update – Paul Kelly presented an update on the Waihi Dam situation verbally. He advised that he was waiting on a document from Catherine Delahunty and Kate Gudsell and would then submit a written report to MSC along with recommendations for a resolution to Council. He advised that this would happen within the week.

Forestry Slash – Peter Whaanga submitted and read from his report on the slash problem at Māhia. A copy is attached; Peter was encouraged to submit his report to Council and also to the public via the Wairoa Star, as a member of the community. Peter asked on the progress of holding another public meeting on this issue and to the status of the concerned parties, in particular Kiwi Rail. The MRM advised that Kiwi Rail, to date are refusing to confirm or deny their interest in the issue. The MSC were reminded that they were held in high regard by the public in the way that they facilitated the two initial meetings on this issue.

Recommended: That Mr Peter Whaanga's report be presented to Council as further information and findings regarding the slash at Māhia." **Kelly/Whaanga**

PUBLIC FORUM

Rachel Kerr spoke about being newly elected on to Te Reinga Trustees sub-committee and getting to know the procedures; the new committee was having difficulty obtaining information from the old trustees. She indicated that they were going to apply for Whenua Rahui on a number of blocks and asked for guidance from the MSC. The MRM informed her of the process once they made the application.

Confirmation of Minutes

<u>Resolved:</u>	<i>That the minutes of an Ordinary Meeting of the Māori Standing Committee held on Friday, 8 April 2016 be accepted as the true and correct record of the proceedings.</i>	Flood/Kelly
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General Items

MĀORI RELATIONSHIPS MANAGER'S REPORT

The Māori Relationships Manager presented his report and gave a verbal update regarding a request by Mere Tamanui at Te Reinga for the MSC to assist in contributing towards upkeep of the marae before the Ngutu Kaka arrive this weekend (an estimate of \$2000). She had also asked if any dialogue might happen between MSC, His Worship the Mayor and QRS in regard to some earthworks that she needed.

Discussion. The Committee agreed that the funding or recommend to funding did not come under their Terms of Reference and was not their role.

The Committee also discussed the MSC's and MRM's role as support for the Mayor at public events such as Ngutu Kaka, and signalled the sentiment that the Mayor has their full support – should he decide to attend this or any other Māori function.

<u>Resolved:</u>	<i>That the report be received.</i>	Kelly/Nissen
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Te Ohanga O Takitimu - Kiwa Hammond updated the Committee on Te Ohanga o Takitimu - he had just attended Te Hono summit which reported on a group of rangatahi who were to attend Stanford University and take in the Business College. Kiwa will keep updating.

CLOSED: The meeting closed with a karakia by K Hammond at 3.28pm.



Minutes of an Ordinary Meeting of Finance, Audit & Risk Committee

1.30pm Wednesday 11 May 2016 held in the Council Chamber, Wairoa District Council, Coronation Square, Wairoa.

Present: Councillor J Harker (Chairman)

His Worship the Mayor Mr C Little, Councillor D Eaglesome-Karekare (Deputy Mayor), Philip Jones (independent member)

F Power	(Chief Executive Officer)
J Cox	(Engineering Manager)
A Morton	(Chief Financial Officer)
J Baty	(Corporate Services Manager)
C Hankey	(Financial Planning Manager)
S Mutch	(Partner Ernst and Young)
C Torrie	(CCO Chair - QRS Board)

Procedural Items

1. Civic Prayer

The civic prayer was given by the Corporate Services Manager

2. Apologies for absence

None

3. Declarations of Conflict of Interest

Councillor Harker declared a pecuniary interest on agenda item 17 (Shortlisting of applicants for interview for the QRS Director vacancies) as he is an employee of QRS.

4. Chairman's Announcements

None

5. Items of Urgent Business not on the Agenda

None

6. Public Participation

None

7. Minutes of the Previous Meeting

Resolved: *That the minutes of the Ordinary Meeting of the Finance, Audit & Risk Committee held on 1 March 2016 be confirmed as a correct record of the proceedings.*

Eaglesome-Karekare/Harker

8. Health & Safety Update

The Corporate Services Manager presented the report.

Points of clarification were sought regarding:

- Record of audits undertaken in respect of contractors and how these are to be reported to the Finance, Audit & Risk Committee in the future. A dash board approach to be implemented reporting on the numbers of audits undertaken and incidents reported by contactors.

Resolved: *That the Finance, Audit & Risk Committee receives this report and recommends that Council adopt the new Health and Safety Manual.*

Jones/His Worship the Mayor

9. Monthly Financial Report to 28 February 2016

10. Monthly Financial Report to 31 March 2016

The Chief Financial Officer and Financial Planning Manager presented the reports.

Points of clarification were sought regarding:

- Rates as a Percentage of Income between the two reports. It was noted that subsequent to the close off of the accounts for the end of the month that \$1.1M of January NZTA Capital Subsidy was not re-accrued in February. It was noted that the funds had been received by Wairoa District Council, there was a missed step in the recording of the invoice in February that has since been addressed. This was rectified for the March 2016 report.

Resolved: *That the Monthly Financial Reports to 28 February 2016 and to 31 March 2016 be received.*

His Worship the Mayor/Eaglesome-Karekare

Resolved: *That the Finance, Audit & Risk Committee extends its compliments to the entire finance team for the significant improvement in financial reporting.*

His Worship the Mayor /Eaglesome-Karekare

11. Resolution to Exclude the Public

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

1. *Confidential Minutes of Previous Meeting*
2. *Audit Management Report 2015 – Progress Tracker*
3. *Wairoa District Council Audit Plan for the year ending 30 June 2016*
4. *Finance Report February 2016 – Other Debtors*
5. *Finance Report March 2016 – Other Debtors*
6. *Shortlisting of applicants for interview for the QRS Director vacancies*

The general subject of each matter to be considered while the public is excluded; the reasons 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 <i>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:</i>	Ground(s) under section 48(1) to the passing of this resolution <i>48(1)(a) 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 for which good reason for withholding would exist:</i>
Confidential Minutes of Previous Meeting	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons; (b) protect information where the making available of the information – (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; (c) protect information which is subject to an	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

		<p>obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—</p> <p>(i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or</p> <p>(ii) would be likely otherwise to damage the public interest; or</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	
	Audit Management Report 2015 Progress Tracker	<p>Section 7 (2)</p> <p>(a) protect the privacy of natural persons, including that of deceased natural persons;</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
	Wairoa District Council Audit Plan for the	(a) protect the privacy of natural persons, including that of deceased natural persons;	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section

year ending 30 June 2016	(b) protect information where the making available of the information – (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;	6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
Finance Report February 2016 – Other Debtors	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons; (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
Finance Report March 2016 – Other Debtors	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons; (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
Shortlisting of applicants for interview for the QRS Director vacancies	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons;	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

His Worship the Mayor/Eaglesome-Karekare

PUBLIC EXCLUDED: 2.16pm

PUBLIC READMITTED: 3:45pm

General Business

There being no further General Business Councillor Harker declared the meeting closed.

CLOSED: The meeting closed at **3:46pm.**

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Chair

RESOLUTION TO EXCLUDE THE PUBLIC

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

1. Confidential Minutes of Previous Council Meeting
2. Confidential Action Sheet
3. Confidential Minutes Finance, Audit & Risk Committee 11 May 2016
4. FAR Committee recommendation: Shortlisting of applicants for interview for the QRS Director vacancies
5. Statute barred rates arrears

The general subject of each matter to be considered while the public is excluded; the reasons 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) to the passing of this resolution
Confidential Minutes of Previous Council Meeting	<p>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:</p> <p>Section 7 (2)</p> <p>(a) protect the privacy of natural persons, including that of deceased natural persons</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>48(1)(a) 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 for which good reason for withholding would exist:</p> <p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>
Confidential Action Sheet	<p>Section 7 (2)</p> <p>(a) protect the privacy of natural persons, including that of deceased natural persons</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>

	<p>disadvantage, commercial activities</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
<p>Confidential Minutes Finance, Audit & Risk Committee 11 May</p>	<p>Section 7 (2)</p> <p>(a) protect the privacy of natural persons, including that of deceased natural persons;</p> <p>(b) protect information where the making available of the information – (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;</p> <p>(c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—</p> <p>(i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or</p> <p>(ii) would be likely otherwise to damage the public interest; or</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</p> <p>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>
<p>FAR Committee</p>	<p>Section 7 (2)</p>	<p>(i) where the local authority is</p>

<p>recommendation: Shortlisting of applicants for interview for the QRS Director vacancies</p>	<p>(a) protect the privacy of natural persons, including that of deceased natural persons;</p>	<p>named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>
<p>Statute barred rates arrears</p>	<p>Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons;</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>