AGENDA
EXTRAORDINARY COUNCIL

9AM, WEDNESDAY 13 NOVEMBER 2019
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH
MEMBERSHIP

Grant Smith (Mayor)
Tangi Utikere (Deputy Mayor)
Brent Barrett
Susan Baty
Rachel Bowen
Zulfiqar Butt
Vaughan Dennison
Renee Dingwall
Lew Findlay QSM

Patrick Handcock ONZM
Leonie Hapeta
Lorna Johnson
Billy Meehan
Karen Naylor
Bruno Petrenas
Aleisha Rutherford

Agenda items, if not attached, can be viewed at:

pncc.govt.nz | Civic Administration Building, 32 The Square
City Library | Ashhurst Community Library | Linton Library

Heather Shotter
Chief Executive, Palmerston North City Council

Palmerston North City Council
W pncc.govt.nz | E info@pncc.govt.nz | P 356 8199
Private Bag 11034, 32 The Square, Palmerston North
EXTRAORDINARY COUNCIL MEETING

13 November 2019

MEETING NOTICE

Pursuant to Clause 21 of Schedule 7 of the Local Government Act 2002, I hereby requisition an extraordinary meeting of the Council to be held at 9.00am on Wednesday, 13 November 2019 in the Council Chamber, first floor, Civic Administration Building, 32 The Square, Palmerston North, to consider the business stated below.

ORDER OF BUSINESS

1. Apologies

2. Notification of Additional Items

   Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson’s explanation that specified item(s), which do not appear on the Agenda of
this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

3. **Declarations of Interest (if any)**

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

4. **Confirmation of Minutes**

“That the minutes of the Inaugural Council meeting of 30 October 2019 Part I Public be confirmed as a true and correct record.”

**REPORTS**

5. **Voting System for Certain Appointments**

Memorandum, presented by John Annabell, Legal Counsel.

6. **Committee Structures, Councillor Portfolios, and Appointments to Bodies**

Memorandum, presented by Grant Smith, Mayor.

7. **Extension of Right to Vote to Non-Committee Members**

Memorandum, presented by John Annabell, Legal Counsel.

8. **Amendments to Delegations Manual**

Memorandum, presented by John Annabell, Legal Counsel.
9. Proposed changes to foundation documents for Local Government Funding Agency (LGFA)  
Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

10. Meeting Calendar 2019  
Memorandum, presented by Carly Chang, Democracy & Governance Administrator.

11. Council Work Schedule

12. Exclusion of Public

To be moved:

“That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

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

<table>
<thead>
<tr>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Ground(s) under Section 48(1) for passing this resolution</th>
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This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

[Add Third Parties], because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting.
only for the items that relate to their respective report/s [or matters as specified].
Minutes of the Inaugural Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 30 October 2019, commencing at 7.00pm

Members Present: Grant Smith (The Mayor) (in the Chair) and Councillors, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

136-19 Address by the Chief Executive

The address by the Chief Executive is attached to these minutes.

137-19 Installation of Mayor and Mayoress

The Mayor made the required declaration under Clause 14 of Schedule 7 of the Local Government Act 2002, witnessed by the Chief Executive.

The Mayor was then invested with his Chain of Office.
The Mayoress was invested with her Chain of Office.

138-19 Installation of Councillors

Councillors made the declaration required by Clause 14 of Schedule 7 of the Local Government Act 2002, which were witnessed by the Mayor.

139-19 Inaugural address by The Mayor

The Inaugural Address by the Mayor is attached to these minutes.

140-19 Appointment of Deputy Mayor

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That the Council note that under clause 41A(3)(a) of Schedule 7 of the Local Government Act 2002, the Mayor has appointed Councillor TangiUtikere as the Deputy Mayor.

Clause 140-19 above was carried 16 votes to 0, the voting being as follows:

For:
The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie
Date and Time of the First Council Meeting

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the first meeting of the Council be held as an extraordinary meeting to commence at 9.00am on Wednesday 13 November 2019 to consider matters outstanding from the Inaugural Council meeting and other urgent business, pursuant to Clause 21(5)(d) of Schedule 7 of the Local Government Act 2002. This meeting will be held in the Council Chamber, first floor, Civic Administration Building, 32 The Square, Palmerston North.

Clause 141-19 above was carried 16 votes to 0, the voting being as follows:

For:
The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

REPORTS

Explanation of Statutes

Memorandum, presented by John Annabell, Legal Counsel.

Moved Grant Smith, seconded Tangi Utikere.

RESOLVED

1. That the Memorandum entitled “Explanation of Statutes” be noted.

Clause 142-19 above was carried 16 votes to 0, the voting being as follows:

For:
The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

The meeting finished at 7.39pm

Confirmed 13 November 2019
Chief Executive’s Address to the Inaugural Council meeting

Tena koutou, tena koutou, tena koutou katoa

Distinguished guests, Ladies and Gentlemen, friends and whanau

Welcome to this inaugural meeting of the Palmerston North City Council.

I extend my congratulations to the incoming Mayor and Councillors.

The period running up to the election will have been stressful for all candidates but tonight you can relax as the culmination of all that effort is this very special civic occasion with the installation of the Mayor and Councillors for the new term of the Palmerston North City Council.

All elected members stood for their respective values, ideals and ideas for our city.

Whatever your views you will shortly be asked to make a public declaration to work in the best interests of Palmerston North City. Once you have made your declarations you will form a government at a local level and become an integral part of New Zealand’s democratic structure.

In this important endeavour of being an elected member to Council you will face issues and challenges which will draw on your judgement and skills. It will require you to air your views, debate matters and ultimately vote in the best interests of the city. Staff will assist you in your role by providing you with impartial advice, without fear or favour, which you can choose to accept or not.

When sitting around the Council table you will be part of a team that the electorate has empowered to work for the entire city. In exercising your role you will make decisions in an open and transparent manner unless for good specific reasons the public should be excluded from parts of a meeting. Healthy debate of issues will influence decisions and the future direction of Council and this is the task given to you by the voters.

At times you will need to consult the public before making decisions for the city. This will involve views presented to the council being received with an open mind and given due consideration before decisions are made.

Parliament has charged you to enable democratic local decision-making and action by, and on behalf of, Palmerston North City; and to meet the current and future needs of the city for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Legislation has determined, good-quality infrastructure, services and functions to mean efficient, effective, and appropriate to present and anticipated future circumstances. In order to recognise and respect the Crown’s responsibility council needs to take appropriate
account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Maori to contribute to the local government decision-making processes.

In the weeks following the election there has been a good spirit among the incoming elected members and the city will look forward to this continuing in the new term of Council. Staff also look forward to working with you in this new term.

Once again, congratulations
Mayor Grant Smith’s Inaugural Address

Tēnā koutou, tēnā koutou, tēnā koutou katoa.

Kia Ora, and it is now with great pleasure that I address you as the 29th Mayor of Palmerston North for this new term of Council.

Firstly some acknowledgements....
I want to acknowledge Rangitane as mana whenua, and Wiremu Te Awe Awe for your Karakia and kind words....

The Regional Mayors led by Andy Watson of Rangitikei, with apologies from Mayor Helen Worboys of Manawatu and Mayor Bernie Wanden of Horowhenua, both unable to be here with their own Inaugural Meetings.

And also my fellow Councillors and Chief Executive Heather Shotter thank you for your comments... And I acknowledge everyone else who is gathered here today, for your attendance and support of the Palmerston North City Council. Especially my father Tony, father-in-law Laurence and his partner Barbara, and our wider family members, - they have helped shape me to be who I am today. Although this is the start of a new Council as Mayor, in last term there has been much to be proud of and the great work that happened within our City Council, in fact, in all sectors of Palmerston North. I do believe we are in exciting times and have started to realise the potential in our city.

We set about on revitalizing, growing and setting a new vision for Palmerston North, and although we have not achieved everything, I do believe there has been much positive work done, and like any good leader, I will use my ‘skills and ability’ to inspire and lead our team of Councillors to get better outcomes for our City and wider region.

I am excited and impressed with ‘our team’ of Councillors, who truly reflect our diverse community and have collectively already in the short time together shown me that we’ll knit well, and be a very effective Council.

I am passionate about Palmerston North and our People.

Our vision for Palmerston North is “Small City Benefits, Big City Ambition”, as we have so much going for us in the future..

- we are NZ’s Defence City.
- We have the most PHD’s (per Capita) in our nation.
- We are NZ’s Food Science Research and (Innovation capital),
- We have healthy and sustainable population growth,
- our City is alive, innovative and vibrant.
- our youth are well educated, our relationship with Massey University, UCOL, IPU and the education sector is at an all-time high and and there are many local jobs for them to go to
- Rangitane are prosperous, building a future for their whanau
We are finally embracing our river, our Awa with many thousands using the city’s pathways and the new He Ara Kotahi Bridge each week. And outsiders will now rate Palmerston North as a beautiful, vibrant and smart City.

BUT... For this Vision to happen... Palmerston North City and the wider Manawatu must be more ambitious – and that needs to start from the Mayor and Councillors,

The city has to lead and function effectively. We must be a team. A leadership team that will continue....

- To lobby Wellington, and win Government and private investment for our city....
- Securing partnerships for the community, ensuring we don’t leave people behind
- And improving our environment

The city is in a strong financial position with a AA S&P credit rating (1 below the crown and 1 of only 6 NZ Councils with this rating). The next decade will see Palmerston North and this region experience over $3.5 billion worth of infrastructure work. A pipeline of work not seen here for 30+ years.

In the next 3 years winning investment, partnerships and improving infrastructure will be vital for Palmerston North, the wider Manawatu Region and our People....

Issues like - Housing – our River - CBD Vibrancy – Environmental Sustainability- the Arena Master Plan and Economic Development will ALL have focus and need addressing.

As your Mayor I will be doing my utmost to lead a United Council that is positive and puts Palmerston North and its People first!

There are also many thank you’s...

To the many Palmerstonians that voted for me to again become your Mayor and our Councillors– Our thanks! We will be doing our utmost to lead, but also engage and listen to our community, our ratepayers, ensuring we make the right decisions for our City.

Some staff need to be acknowledged – firstly the Deputy Electoral officer Dr John Annabel, and as John retires next month, thank you for your service to Palmerston North.

To my work colleagues in the Mayor’s Office Nicky, Rachel and Dom thank you for your service to the city and support.

To Heather, the Governance team and the staff here at Council, many thanks for making our new Councils Induction easier.... And for organising tonight.

Finally to my wife and the Mayoress Michelle, and our children Regan & Emma (Emma who is here tonight). We have had to put ourselves ‘out-there’ in the public arena, taking the good with the not
so good, and this has certainly changed our lifestyle. I thank you all for your un-conditional love and support.

As a Council we have hit the ground running, and after talking and listening to all the Councillors I will have some Committee & appointment announcements to make shortly. I congratulate the Deputy Mayor Tangi Utikere. I will also be announcing three new Committees – An Environmental Sustainability Committee, a new Committee with Rangitane and an Infrastructure Committee. The membership of these committees and portfolios are to follow.

In summary...
Councillors I wish you all the very best for the next 3 year Term, and I’m absolutely sure it will be one of Palmerston North’s best with exciting times ahead.

To the members of the public who are here tonight, I and these Councillors have made a very solemn pledge to serve this City and community, to lead and do the very best collectively that we can for Palmerston North. That is a pledge I will be honouring to the letter.

Thank you for coming this evening

Kia Ora and Good Evening
No reira, tena koutou, tena koutou tena tatou, katoa
MEMORANDUM

TO: Council
MEETING DATE: 13 November 2019
TITLE: Voting System for Certain Appointments
PRESENTED BY: John Annabell, Legal Counsel
APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION TO COUNCIL

1. That the Council resolves to adopt System A as the voting system for all appointments made by the current Council, its committees and subcommittees to which Clause 25 of Schedule 7 of the Local Government Act 2002 applies, noting that this resolution would not apply to any appointment made by the Mayor pursuant to Section 41A of the Local Government Act 2002.

1. ISSUE

To consider the procedure to be used for the election or appointment of the Deputy Mayor, the Chairperson and Deputy Chairperson of any Council Committee, and any representative of the Council. The chosen procedure will apply throughout the current term of Council, but will not apply to Mayoral appointments. At this meeting of the Council, the procedure will apply only to the appointment of Deputy Chairs of Committees and to the appointment of outside representatives.

2. BACKGROUND

Before the Council can undertake an election or appointment, other than those made by the Mayor under Section 41A, and in accordance with the Local Government Act 2002, one of the following voting systems needs to be instated.

Under clause 25 Schedule 7 of the Local Government Act, the Council must determine by resolution that a person be elected or appointed by using one of the following systems of voting:

• The voting system described as “System A”.

• The voting system described as “System B”.

Under System A, the person elected or appointed is the person who receives the votes of a majority of the members of the Council present and voting, and the system has the following characteristics:

(i) there is a first round of voting for all candidates; and
(ii) if no candidate is successful in that round there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and
(iii) if no candidate is successful in the second round there is a third, and if necessary subsequent, round of voting from which, each time, the candidate with the fewest votes in the previous round is excluded; and
(iv) in any round of voting, if two or more candidates tie for the lowest number of votes, the person excluded from the next round is resolved by lot.

Under System B, a person is elected or appointed if he or she receives more votes than any other candidates, and the system has the following characteristics:

(i) there is only one round of voting; and
(ii) if two or more candidates tie for the most votes, the tie is resolved by lot.

In summary, before any election or appointment is made for Chairperson or Deputy Chairperson of a committee, a decision needs to be made on which of the two voting systems is to be used. It is recommended that the Council pass a resolution that applies not just for this Council Meeting, but all Council and Committee meetings for the current term of Council. This is to avoid the need for the Council or a committee to consider this issue before each relevant appointment is made.

Whichever system is adopted, the appropriate procedure that then applies is for each candidate to be nominated (moved and seconded) by two members. After voting using the chosen system, the Chairperson simply declares the successful person as being elected or appointed. A confirming resolution is not necessary.

In relation to the appointment of members of committees and their Deputy Chairpersons, members of committees should be appointed first (by resolutions made in the normal manner, subject to any amendments) and then the appointment of Deputy Chairperson should follow using either System A or System B, after a decision has been made on which system to adopt. This assumes that the Mayor has already appointed Chairpersons of each committee.

3. **NEXT STEPS**

Based on Council decisions to adopt System A in 2010, 2013 and 2016, it is recommended that System A also be adopted for this term of Council.
## 4. COMPLIANCE AND ADMINISTRATION

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>Does the Committee have delegated authority to decide?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are the decisions significant?</td>
<td>No</td>
</tr>
<tr>
<td>If they are significant do they affect land or a body of water?</td>
<td>No</td>
</tr>
<tr>
<td>Can this decision only be made through a 10 Year Plan?</td>
<td>No</td>
</tr>
<tr>
<td>Does this decision require consultation through the Special Consultative procedure?</td>
<td>No</td>
</tr>
<tr>
<td>Is there funding in the current Annual Plan for these actions?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are the recommendations inconsistent with any of Council’s policies or plans?</td>
<td>No</td>
</tr>
</tbody>
</table>

The recommendations contribute to Goal 5: A Driven and Enabling Council

The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy

The recommendation covers procedural matters relating to the operation of Council and Committee meetings for the current term of Council.

## ATTACHMENTS

Nil
MEMORANDUM

TO: Council

MEETING DATE: 13 November 2019

TITLE: Committee Structures, Councillor Portfolios, and Appointments to Bodies

PRESENTED BY: Grant Smith, Mayor

APPROVED BY: Heather Shotter, Chief Executive

RECOMMENDATIONS TO COUNCIL

1. That the Council notes the establishment of Committees made by the Mayor as attached in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

2. That the Council notes the Chairperson appointments made by the Mayor to the Committees as identified in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

3. That the Council establishes the Chief Executive’s Performance Review Panel as attached in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

4. That the Council approves the Mayor’s recommendations for the Chairperson and Deputy Chairperson of the Chief Executive’s Performance Review Panel as identified in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

5. That the Council approves the Mayor’s recommendations for Deputy Chairpersons of the Committees as identified in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

6. That the Council approves the Mayor’s recommendations for councillor membership of Committees and the Chief Executive’s Performance Review Panel, as identified in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

7. That the Terms of Reference for the Council and Committees and specific functions of the Chief Executive’s Performance Review Panel be adopted in the form identified in Appendix 1 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

8. That an independent person be appointed to the Finance & Audit Committee and that a recruitment process be undertaken to fill that vacancy.
9. That, in regard to the independent person on the Finance & Audit Committee, a recruitment panel comprising the Mayor, Deputy Mayor, and Chairperson of the Finance & Audit Committee be delegated authority to undertake the recruitment process and recommend a preferred appointee to the Council, having regard to the following skill sets:

- finance and accounting, including financial reporting;
- broad governance, assurance, and risk management disciplines;
- understanding of internal controls and assurance frameworks, including understanding of the roles of internal and external audit;
- knowledge of the sector or industry in which the public entity operates; and
- other attributes as specifically relevant to the entity (for example, legal or information technology experience).

10. That a Rangitāne representative be on each of the Community Development, Economic Development, and Environmental Sustainability Committees; such representation to be nominated by Rangitāne and approved by the Council.

11. That, in regard to the community membership of the CCNZ/Arts & Culture Fund Committee, nominations be sought from the named organisations and from the wider community for the two community representatives.

12. That, in regard to the membership of the CCNZ/Arts & Culture Fund Committee, a selection panel comprising the Mayor or Deputy Mayor and the Chair of the Community Development Committee and the Chair and Deputy Chair of the Arts, Culture & Heritage Committee be established to make recommendations to the Council on the community membership appointees to the Committee.

13. That all members of the Council who are already accredited under the Making Good Decisions certification programme are appointed Hearings Commissioners and that those persons have such powers and responsibilities as delegated by the Council to Commissioners.

14. That any members of the Council who become accredited under the Making Good Decisions certification programme be deemed to be appointed Hearings Commissioners from the date their accreditation is confirmed and that those persons have such powers and responsibilities as delegated by the Council to Commissioners.

15. That any member of the Hearings Committee wishing to attain accreditation or re-accreditation or training as a Chair under the Making Good Decisions certification programme be authorised to do so, with expenses paid.

16. That the Council notes the establishment of the Joint Strategic Planning Committee will be subject to the Local Government Act 2002, Schedule 7, Clause 30A which requires a separate report including an agreement with Manawatu District Council.

17. That the Council adopts the Terms of Reference and Scope for Councillor Portfolios attached in Appendix 2 to the report dated 13 November and titled “Committee
18. That the Council approves the Mayor’s recommendations for Councillor portfolios as listed in Appendix 2 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”.

19. That any Steering Groups established by the previous Council and still operating up to the end of the Council term be re-established with the same terms of reference.

20. That the Council approves the Mayor’s recommendations for appointments to bodies as listed in Appendix 3 to the report dated 13 November and titled “Committee Structures, Councillor Portfolios, and Appointments to Bodies”; noting that the external appointments to the CCNZ/Arts & Culture Fund Committee were extended to the 30 June 2019 by the Council at its meeting of 7 October 2019.

21. That the “Policy on Appointments to Council Committees”, in regard to CCNZ/Arts & Culture Fund Committee, be reviewed.

1. **ISSUE**

The Local Government Act 2002, Schedule 7, Clause 30(7) provides that Committees, Sub-Committees and any other subordinate decision-making body is deemed discharged on the coming of the office of the new council. Therefore, following each election new committee structures are established to conduct the business of council. In addition, appointments are made to bodies that specifically make provision for the appointment of elected members or where the Council appoints external representatives. Finally, as with the previous term of council, to establish portfolios to enhance engagement between the Council and the Community in particular sectors.

2. **BACKGROUND**

In accordance with the Local Government Act 2002 S41A(3) the Mayor has the following powers in relation to this report:

“(b) to establish committees of the territorial authority:
(c) to appoint the chairperson of each committee established under paragraph (b), and, for that purpose, a mayor—
(i) may make the appointment before the other members of the committee are determined; and
(ii) may appoint himself or herself.”

The Mayor has exercised his power by establishing the following Committees and Chairpersons:
In addition, the Council will need to establish the Chief Executive’s Performance Review Panel and appoint a Chairperson, and Deputy Chairperson.

It should be noted if the Council does not agree with the decisions the Mayor has exercised under his delegated authority the Council has the ability to discharge a chairperson and discharge and reconstitute a committee as per the Local Government Act 2002 Schedule 7.

Committee and Panel Structures

Key elements of the Committee and Panel structures are:

- The Finance & Audit, Infrastructure, and Planning & Strategy Committees will meet monthly on a Wednesday at 9.00am on their respective days.
- Community Development, Arts, Culture & Heritage, Economic Development, Environmental Sustainability, and Play, Recreation & Sport Committees will meet quarterly on a Wednesday commencing at 9.00am on their respective days.
- The Committee of Council, Hearings Committee, and Chief Executive’s Panel will meet as required.
- The Rangitāne o Manawatū Committee has been established in accordance with the “Kawenta in Relation to Te Motu o Poutoa” agreement between Rangitāne o Manawatu and Palmerston North City Council. This agreement, while specific to the co-management of Te Motu o Poutoa, has the ability to extend to other reserves which are wāhi tūpuna to Rangitāne, as the partnership grows. It is agreed the Chair and the Deputy Chair will be appointed annually by the Council. For the first year, the Chair will be appointed either from Rangitāne or Council members of the Committee and the Deputy Chair from the other partner. It is envisaged that this Committee will meet six-monthly.
The establishment of the Joint Strategic Planning Committee is subject to the Local Government Act 2002, Schedule 7, Clause 30A the pertinent section being:

“(1) A local authority may not appoint a joint committee under clause 30(1)(b) unless it has first reached agreement with every other local authority or public body that is to appoint members of the committee.

(2) An agreement under subclause (1) must specify—
   (a) the number of members each local authority or public body may appoint to the committee; and
   (b) how the chairperson and deputy chairperson of the committee are to be appointed; and
   (c) the terms of reference of the committee; and
   (d) what responsibilities (if any) are to be delegated to the committee by each local authority or public body; and
   (e) how the agreement may be varied.”

The establishment of the Joint Committee will be subject to a separate report.

The establishment of the Jaycee Trust Travelling Fellowship Panel will be subject to a separate report in the New Year.

Appointments to Committees

The Local Government Act 2002, Schedule 7, Clause 31 gives authority to appoint external members to a committee:

“The members of a committee or subcommittee may, but need not be, elected members of the local authority, and a local authority or committee may appoint to a committee or subcommittee a person who is not a member of the local authority or committee if, in the opinion of the local authority, that person has the skills, attributes, or knowledge that will assist the work of the committee or subcommittee.”

External members appointed to committees will have full voting rights as a member of the respective committee.

There are three such instances where committee skill sets could be enhanced. These are discussed in turn.

Firstly, an external appointment to the Finance & Audit Committee. An independent person on audit & risk committees is in line with best practice recommended by the Office of the Auditor General and Local Government New Zealand: “Having an external appointee not only brings additional skill to the committee that would not normally be available but also
ITEM 6

brings a degree of independence.” (Local Government Audit & Risk Management; prepared for LGNZ by Philip Jones, P J & Associates).

A recruitment process will need to be undertaken for the independent person on the Finance & Audit Committee. It is recommended that a panel comprising the Mayor, Deputy Mayor and Chair of the Finance & Audit Committee be delegated this task and recommend to Council the preferred appointee. It is also recommended that the panel have regard to the skill sets of audit committees identified by The Office of the Auditor General when undertaking the recruitment process. These skill sets are:

- finance and accounting, including financial reporting;
- broad governance, assurance, and risk management disciplines;
- understanding of internal controls and assurance frameworks, including understanding of the roles of internal and external audit;
- knowledge of the sector or industry in which the public entity operates; and
- other attributes as specifically relevant to the entity (for example, legal or information technology experience).

Secondly, Rangitāne representation on committees, as mana whenua. The Council has developed a strong partnership with Rangitāne and it is appropriate for them to be involved in the earlier stages of decision-making alongside Council. The Treaty of Waitangi is most strongly expressed in the local context and therefore it is critical for mana whenua to be supported to contribute their knowledge of the cultural and historical landscape of this area, and to facilitate relationships of partnership across sectors. There are certain challenges and opportunities our wider Māori population faces in the City, in particular an over-representation in facing social challenges. There are also tremendous opportunities in achieving the potential of Treaty settlements to contribute to the economic wellbeing of the City. Additionally, Rangitāne provides leadership in relationship to environmental sustainability and it is important to recognise their critical role as regards to kaitiakitanga.

It is, therefore, recommended that Rangitāne representation be included on the Community Development Committee, the Economic Development Committee, and the Environmental Sustainability Committee. It would be appropriate to approach Rangitāne to nominate a representative on each of these committees.

It should be noted that councils that have similar appointments to council committees include Napier City, Clutha District, Rotorua District, Kāpiti District, Marlborough District, and Waitaki District. A number of regional Councils including Bay of Plenty, Hawkes Bay, and Northland have Iwi appointees to a number of their committees. These examples all give full voting rights to the iwi appointees.
Thirdly, iwi representation on the Hearings Committee. It is intended to offer Rangitāne the opportunity for two iwi to become accredited under the Making Good Decisions certification programme with a view to being appointed as Hearings Commissioners and as members of the Hearings Committee. These appointments will be subject to a separate report.

In regard to appointments on the CCNZ/Arts & Culture Fund Committee, Council at its 7 October 2019 meeting resolved:

“That with respect to the appointment of members of the District Licensing Committee, the CCNZ/Arts and Culture Fund Committee, and any other committees that include external appointments, the following procedures apply for all appointments apart from iwi appointments:

a. Applications for membership will be invited from elected members (if appropriate) and from the wider community and will be publicly advertised.

b. A selection panel will be established to consider all applications for membership and will make recommendations to the Council with regard to final appointments to be made.

c. The selection panel will comprise the Mayor or Deputy Mayor, the Chairperson of the Community Development Committee or appropriate committee with regard to the CCNZ/Arts and Culture Fund Committee and the Chief Executive in other cases, and two other Councillors who have not nor will be able to apply to become a member of the relevant committee.

d. The decision on the two Councillors for the selection panel will be made by the Mayor or Deputy Mayor in conjunction with the Chairperson of the Community Development or appropriate committee in the case of appointment to the CCNZ/Arts and Culture Fund Committee and by the Mayor and Deputy Mayor in the case of other appointments.

e. The panel will appoint its own chair at the meetings as soon as possible to determine membership of the relevant committee.

f. The selection panel’s report to the Council will include the names and brief biographical statements of those persons recommended for appointment, will list the names of all other applicants, and will include recommendations regarding chairpersonship and deputy chairpersonship of committees as appropriate.

g. Appointments to the District Licensing Committee will be made for a period of up to three years whilst those of other committees will be made for the then current term of Council.”

The policy anticipated that the councillor members on the CCNZ/Arts & Culture Fund Committee would not have been determined at the time of selection of the external members to the Committee. This report notes the appointment made by the Mayor of the Chairperson of the Committee and a Council recommendation of the Deputy Chairperson. It is, therefore, appropriate that the Chairperson and Deputy Chairperson of the CCNZ/Arts &
Culture Fund Committee be part of the selection panel for the remaining membership of the Committee.

**Committee Delegations**

In terms of committee delegations, these will be addressed in a separate report. Elected members’ remuneration and remuneration of external appointees to committees is also addressed in a separate report.

The committee structure, terms of reference, chairs, deputy chairs and membership are attached in Appendix 1.

**Portfolios**

Attached in Appendix 2 is the proposed Terms of Reference for portfolio holders, including the scope of each portfolio. The primary purpose of portfolios is to enable more effective engagement between the Council and the community. The specific responsibilities should be enacted within this purpose. Each portfolio has a lead councillor who is responsible for reporting to the relevant committee.

**Appointments to Bodies**

In accordance with the Local Government Act 2002, Schedule 7, Clause 30(7) Council will need to re-establish any subordinate bodies that it wishes to continue. It is proposed that this is dealt with by an omnibus recommendation. Under the Delegations Manual, Clause 166.9 the Council is the determining body for the appointments of Council representation on any body. Appendix 3 identifies the bodies for which there is Council representation and makes recommendations on councillor appointments to these bodies. It should be noted that the Council, at its 7 October 2019 meeting, extended the appointments of Sheridan Hickey and Margaret May on the Performing Arts Trust Board through until 30 June 2020.

3. **NEXT STEPS**

Once committee structures and appointments have been established, committees can start functioning. An initial round of committee meetings will be held in December for Finance & Audit, Infrastructure, and Arts, Culture & Heritage Committees, being those committees with pending reports for consideration. Notice of Council and Committee meetings to the end of the calendar year 2019 will be provided to elected members and advertised publicly, as required by statute once adopted by the Council.

A council meeting calendar will be brought to the 18 December meeting of Council for the 2020 calendar year.

Recruitment will commence for the independent person to sit on the Finance & Audit Committee.
Recruitment will commence for community members and community group representatives on the CCNZ/Arts & Culture Fund Committee.

Rangitāne will be approached to nominate its representatives on the Community Development, Economic Development, and Environmental Sustainability Committees and to identify two people to become accredited under the Making Good Decisions certification programme.

Rangitāne will also be approached to seek its three appointments to the Rangitāne o Manawatū Committee. Once appointments are made a recommendation on the Chair and Deputy Chair will be made to the Council.

Organisations will be advised of the Council’s appointments.

A report will be prepared to address establishment of the Jaycee Trust Travelling Fellowship Selection Panel in the New Year.

**COMPLIANCE AND ADMINISTRATION**

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the Council have delegated authority to decide?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are the decisions significant?</td>
<td>No</td>
</tr>
<tr>
<td>If they are significant do they affect land or a body of water?</td>
<td>No</td>
</tr>
<tr>
<td>Can this decision only be made through a 10 Year Plan?</td>
<td>No</td>
</tr>
<tr>
<td>Does this decision require consultation through the Special Consultative procedure?</td>
<td>No</td>
</tr>
<tr>
<td>Is there funding in the current Annual Plan for these actions?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are the recommendations inconsistent with any of Council’s policies or plans?</td>
<td>Yes</td>
</tr>
</tbody>
</table>

The recommendations in relation to the Selection Panel membership for the CCNZ/Arts & Culture Fund Committee are inconsistent with Council’s Policy on Appointments to Council Committees adopted by Council on 7 October. What is proposed is a minor deviation to the Selection Panel membership as the current policy had not anticipated that the councillor members would be known at the time that the Panel is established. It is recommended that this Policy be reviewed in regard to the CCNZ/Arts & Culture Fund Committee.

The recommendations contribute to Goal 5: A Driven and Enabling Council

The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy

The recommendations contribute to the achievement of action/actions in Not Applicable
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | Establishing committee structures and assigning elected members to specific duties either through portfolios or appointments to bodies will enable council to effectively conduct the business of council and engage with the community. |

**ATTACHMENTS**

1. Terms of Reference - Council and Committees
2. Terms of Reference - Portfolios
3. Appointments to Bodies
Terms of Reference for Council and Standing Committees

Council

Chairperson: Mayor
Deputy Chairperson: Deputy Mayor
Members: All councillors
Frequency: Monthly

Area of Responsibilities:

1. To consider all matters under the Local Government Act clause 32 schedule 7; and:
   • Governance policy, including delegations
   • Civil Defence
   • Submissions to Select Committee

2. To consider and adopt the recommendations of the Standing Committees.

3. To exercise any powers that can not be delegated to Committees or officers.
Committee of Council

Reporting to: Council
Chairperson: Mayor
Deputy Chairperson: Deputy Mayor
Members: All councillors
Frequency: As scheduled

Area of Responsibilities:

1. To consider matters covering:
   - Council’s strategic direction, including vision and goals, strategies and plans as part of the long-term planning process.
   - Council’s Long-term plan
   - All policies associated with the Long-Term Plan
   - Asset Management Plans in association with the Long-Term Plan
   - Council’s Annual Plans (budgets)
   - Section 17A reviews

2. To exercise any powers as delegated by the Council.
Finance & Audit Committee

Reporting to: Council

Chairperson: Councillor Baty

Deputy Chairperson: Councillor Naylor

Members: Mayor
          Deputy Mayor
          Councillor Dennison
          Councillor Dingwall
          Councillor Findlay
          Councillor Hapeta
          Councillor Handcock
          Councillor Johnson
          Councillor Petrenas
          Vacancy – external appointee

Frequency: Monthly

Area of Responsibilities:

1. To have oversight of Council’s finances and investments, including quarterly performance reports and the Annual Report.

2. To monitor the performance of the Council’s CCTO, Palmerston North Airport Limited, including Statement of Expectation, Statement of Intent, six-monthly and annual reporting.

3. To have oversight of the Council’s business assurance activities, such as the Business Assurance Charter, External Audit Management issues, the Internal Business Assurance Programme, and the resulting audits.

4. To have oversight of Council’s risk management activities (including health and safety), such as risk management policy and risk register reporting.

5. To consider matters covering:
   - Rates remissions and postponement
   - Contracts
   - Property leases, sales, purchases, and exchanges
   - Fees and charges

6. To exercise any powers as delegated by the Council.
Infrastructure Committee

Reporting to: Council

Chairperson: Councillor Dennison

Deputy Chairperson: Councillor Baty

Members: Mayor
          Deputy Mayor
          Councillor Barrett
          Councillor Bowen
          Councillor Butt
          Councillor Dennison
          Councillor Findlay
          Councillor Meehan
          Councillor Naylor
          Councillor Petrenas
          Councillor Rutherford

Frequency: Monthly

Area of Responsibilities:

1. To have oversight of progress of design and build projects, such as, but not limited to:
   - Waste Water Treatment Plant
   - Streets for People project implementation
   - Central Energy Trust Arena Masterplan implementation
   - Development of major facilities, for example, the Library and Te Manawa, dog pound
   - Water storage and drainage for growth
   - Infrastructure provision for growth
   - Victoria Esplanade Masterplan implementation
   - Major transportation projects

2. To exercise any powers as delegated by the Council.
Planning & Strategy Committee

Reporting to: Council

Chairperson: Councillor Rutherford

Deputy Chairperson: Councillor Handcock

Members: Mayor
Deputy Mayor
Councillor Barrett
Councillor Bowen
Councillor Butt
Councillor Dingwall
Councillor Hapeta
Councillor Johnson
Councillor Meehan
Councillor Petrenas

Frequency: Monthly

Area of Responsibilities:

1. To have oversight of:
   • Council’s strategic direction, outside the Long-term planning process, such as any amendments to strategies and plans, and performance monitoring of the strategic direction.
   • The development of Council’s bylaws.
   • Council’s policy development aligned to the strategic direction.
   • District Plan reviews and any associated plan changes.
   • RMA matters (excluding hearings)
   • City growth and development.
   • Master planning of strategic facilities and spaces.
   • Strategic infrastructure planning.
   • Submissions to Select Committee

2. To receive regular reports from the lead portfolio councillor for:
   • Transportation.

3. To exercise any powers as delegated by the Council.
**Arts, Culture & Heritage Committee**

**Reporting to:** Council

**Chairperson:** Councillor Bowen

**Deputy Chairperson:** Councillor Barrett

**Members:**
- Mayor
- Deputy Mayor
- Councillor Butt
- Councillor Dingwall
- Councillor Johnson
- Councillor Naylor
- Councillor Petrenas

**Frequency:** Quarterly

**Area of Responsibilities:**

1. To encourage engagement with arts, culture and heritage organisations within the sector.

2. To monitor the performance of the Arts and Culture Council Controlled Organisations, including Statements of Expectation, Statements of Intent, six-monthly and annual reporting.

3. To receive regular updates on council events within the sector.

4. To consider policy relevant to the Committee.

5. To consider matters covering:
   - Arts & culture
   - Heritage

6. To exercise any powers as delegated by the Council.
Community Development Committee

Reporting to: Council
Chairperson: Councillor Johnson
Deputy Chairperson: Councillor Bowen

Members: Mayor
         Councillor Barrett
         Councillor Baty
         Councillor Butt
         Councillor Dingwall
         Councillor Findlay
         Councillor Hapeta
         Councillor Handcock
         Councillor Meehan
         Councillor Naylor
         Councillor Petrenas
         Councillor Rutherford
         Rangitāne representative

Frequency: Quarterly

Area of Responsibilities:

1. To encourage engagement with community organisations within the sector.

2. To consider matters covering:
   - Libraries
   - Community grants
   - Community centres
   - Social housing
   - Community safety

3. To consider policy relevant to the Committee.

4. To receive regular updates on council events within the sector.

5. To receive regular reports from the lead portfolio councillors for:
   - Neighbourhoods, Villages & Rural
   - People & Community
   - Health & Wellbeing
   - Safe City

6. To exercise any powers as delegated by the Council.
Economic Development Committee

Reporting to: Council

Chairperson: Deputy Mayor

Deputy Chairperson: Councillor Hapeta

Members: Mayor
          Councillor Barrett
          Councillor Baty
          Councillor Bowen
          Councillor Butt
          Councillor Dennison
          Councillor Dingwall
          Councillor Findlay
          Councillor Handcock
          Councillor Naylor
          Councillor Petrenas
          Councillor Rutherford
          Rangitāne representative

Frequency: Quarterly

Area of Responsibilities:

1. To encourage engagement with the business community, economic agencies, and major economic sectors.

2. To monitor the economic environment with regular Quarterly reporting.

3. To monitor the economic contribution of major sectors to the local and regional economy through sector profiles e.g. Defence, Education, Agri-business, Tourism, Health, Science and Research, Logistics and Distribution.

4. To receive updates on Council’s international relations activity with regular six-monthly reporting.

5. To receive regular updates of economic projects and activities undertaken by CEDA.

6. To consider policy relevant to the Committee.

7. To receive regular reports from the lead portfolio councillors for:
   • Inner City/ CBD
   • Education & Students
   • Defence
   • Science, Technology & Innovation
   • Housing

8. To exercise any powers as delegated by the Council.
Environmental Sustainability Committee

Reporting to: Council

Chairperson: Councillor Barrett

Deputy Chairperson: Councillor Rutherford

Members: Mayor
          Councillor Butt
          Councillor Dennison
          Councillor Dingwall
          Councillor Johnson
          Councillor Meehan
          Councillor Naylor
          Rangitāne representative

Frequency: Quarterly

Area of Responsibilities:

1. To encourage engagement with organisations within the sector.

2. To consider environmental matters including:
   • Climate change response, both mitigation and adaptation
   • Biodiversity
   • Waste Minimisation
   • Environmentally Sustainable practices
   • Environmental aspects of energy, transport, and water

3. To monitor environmental wellbeing, including through the City’s annual environmental sustainability report.

4. To consider policy relevant to the Committee.

5. To receive regular reports from the lead portfolio councillor for:
   • Climate Change.

6. To exercise any powers as delegated by the Council.
Play, Recreation & Sport Committee

Reporting to: Council

Chairperson: Councillor Hapeta
Deputy Chairperson: Councillor Meehan

Members: Mayor
         Councillor Barrett
         Councillor Butt
         Councillor Dennison
         Councillor Findlay
         Councillor Handcock
         Councillor Naylor
         Councillor Petrenas

Frequency: Quarterly

Area of Responsibilities:

1. To encourage engagement with play, recreation and sport organisations within the sector.

2. To consider matters covering:
   - Playgrounds
   - Parks & reserves
   - Active recreation
   - Sportsfields
   - Recreation & sports facilities

3. To monitor the performance of Sport Manawatu with six-monthly reporting.

4. To consider policy relevant to the Committee.

5. To consider reserve management plans.

6. To exercise any powers as delegated by the Council.
Rangitāne o Manawatū Committee

Reporting to: Council

Chairperson: Appointed by the Council or Rangitāne

Deputy Chairperson: Appointed by the Council or Rangitāne

Members: Mayor
          Councillor Dennison
          Councillor Naylor

Constitution: Mayor and two councillors
              Three appointed members from Rangitāne

Frequency: Six-monthly

Area of Responsibilities:

1. To have oversight of and operate in accordance with the "Kawenata in Relation to Te Motu o Poutoa Agreement signed between Rangitāne o Manawatū and Palmerston North City Council".

2. To propose the name of the Committee.

3. To carry out the functions of the administering body of Te Motu o Poutoa under the Reserves Act 1977, in accordance with any powers that may be delegated by the Council.

4. To recommend Council reserves which are wāhi tūpuna to Rangitāne that will come under the Kawenata arrangement.

5. To recommend modifications to Standing Orders or meeting procedures to enable the Committee to operate in the spirit of the Agreement.

6. To exercise any powers as delegated by the Council.
Chief Executive’s Performance Review Panel

Reporting to: Council
Chairperson: Deputy Mayor
Deputy Chairperson: Mayor

Members: Councilor Baty
         Councilor Dennison
         Councilor Hancock
         Councilor Hapeta
         Councilor Rutherford

Frequency: As required

Area of Responsibilities:

The primary purpose of the Chief Executive’s Performance Review Panel is to ensure Council carries out responsibilities of a Good Employer as the employer of the Chief Executive.

1. To recommend to the Council a process for appraising the Chief Executive’s performance

2. To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings

3. To ensure the Chief Executive receives relevant training and development opportunities

4. To carry out an annual review of the Chief Executive’s performance and report the results to the Council

5. To negotiate a process for reviewing the Chief Executive’s remuneration

6. To carry out an annual review of the Chief Executive’s remuneration and make recommendations to the Council on the application of the review

7. To manage the provisions of the Chief Executive’s Employment Agreement

8. Appointment of an independent HR Contractor to assist with the Performance Review Process

9. To negotiate any variation to the Employment Agreement and make recommendations to the Council

10. To undertake the appraisal of the Chief Executive’s performance.

11. To exercise any powers as delegated by the Council.
Hearings Committee

Reporting to: Council
Chairperson: Deputy Mayor
Deputy Chairperson: Councillor Rutherford
Members: Councillor Barrett
         Councillor Baty
         Councillor Bowen
         Councillor Hapeta
         Councillor Johnson
         Councillor Naylor
         Councillor Petrenas

Frequency: As required

Area of Responsibilities:

1. Hearings conducted pursuant to any enactment to consider and determine any such matter such as hearings or related discussions under these Acts:
   - Resource Management Act 1991
   - Dog Control Act 1996

2. To conduct hearings on other issues where a full formal hearing is required by law or considered desirable by the Council.

3. To exercise any powers as delegated by the Council.

Note: that Resource Management Act 1991 hearings include plan changes and variations other than those associated with the Sectional District Plan review; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions under Sections 357, 357A, 357B, 357C and 357D of the Resource Management Act 1991
CCNZ/Arts & Culture Fund Committee

Reporting to: Council

Chairperson: Councillor Bowen

Deputy Chairperson: Councillor Dingwall

Members:

Constitution: Two elected members (one to become Chairperson)
Two community representatives
Two Tangata Whenua representatives
One Pacifica representative
One Multicultural Council representative
One Youth Council representative
One Community Arts Palmerston North representative

Frequency: As required

Area of Responsibilities:

The purpose of the Committee is to assist the Council in the administration of the Council’s Arts & Culture Fund and the Creative Communities New Zealand Scheme. The Committee:

1. Determines applications, provided Creative Communities New Zealand criteria is met.

2. Approves, administers and monitors such tasks as are integral to the allocation of funds under the combined Council’s Arts & Culture Fund and Creative Communities New Zealand’s Local Authorities Arts Scheme.

3. To exercise any powers as delegated by the Council.
TERMS OF REFERENCE FOR
PORTFOLIOS

General Purpose

The purpose of portfolios is to enable more effective sector engagement between the Council and the community.

Specific Responsibilities

1. Enhance relationships with key stakeholders
2. Support achievement of Council strategy within portfolio sector
3. Act as elected Council’s spokesperson and point of contact for matters within their portfolio
4. Collaborate with committee chairs and other portfolio leads where there are shared objectives
5. Work effectively with the relevant GMs and delegated officers
6. Attend any advisory groups or external appointments made
7. As far as possible attend council launches of new projects and activities in their area of responsibility
8. Keep elected members informed through regular reporting to the relevant committee
9. Keep the Mayor informed of any emerging issues
10. Be mindful the code of conduct applies to elected members with staff contact, ethics and behaviour
11. Access Council resources and the centralised budget via the designated officer
### Scope

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Indicative Scope</th>
<th>Reporting Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>People &amp; Community</td>
<td>Senior &amp; older persons; youth; multicultural; children &amp; families</td>
<td>Community Development</td>
</tr>
<tr>
<td>Health &amp; Wellbeing</td>
<td>Workforce &amp; employment; Mid-Central Health DHB relationship; people with disabilities; active recreation</td>
<td>Community Development</td>
</tr>
<tr>
<td>Neighbourhoods, Villages &amp; Rural</td>
<td>City neighbourhoods Awapuni, Highbury, Kelvin Grove, Milson, Roslyn and other community centres; villages of Ashhurst, Bunnythorpe, Linton, Longburn as well as surrounding rural communities; land transport</td>
<td>Community Development</td>
</tr>
<tr>
<td>Safe City</td>
<td>Safety Advisory Board; World Health Organisation accreditation; Neighbourhood Support; road safety</td>
<td>Community Development</td>
</tr>
<tr>
<td>Education &amp; Students</td>
<td>Domestic &amp; international education; Massey University and other tertiary institutions relationships; schools sector; student city programme; workforce &amp; employment</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Science, Technology &amp; Innovation</td>
<td>Workforce &amp; employment; startups &amp; business innovation; Tech sector; digital; Agritech; The Factory; FoodHQ; Massey and other research institutions relationships, Young Enterprise</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Inner City/ CBD</td>
<td>Retail; Business Improvement District; workforce &amp; employment; CBD streetscapes improvements; Central City events</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Housing</td>
<td>Social and public housing; development community relationship; PN City Housing Steering Group</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Defence</td>
<td>Workforce &amp; employment; NZDF - Linton Army - Ohakea relationships; military heritage</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Portfolio</td>
<td>Indicative Scope</td>
<td>Reporting Committee</td>
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<tr>
<td>----------------------------</td>
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</tr>
<tr>
<td>Climate Change</td>
<td>Environmental sector group relationships; natural and open spaces</td>
<td>Environmental Sustainability</td>
</tr>
<tr>
<td>Transportation</td>
<td>Rail – road – air intermodal; road safety; land transport; public &amp; active transport; transport innovation</td>
<td>Planning &amp; Strategy</td>
</tr>
</tbody>
</table>

**Portfolio Councillors**

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Councillors</th>
</tr>
</thead>
<tbody>
<tr>
<td>People &amp; Community</td>
<td>Councillor Johnson (Lead); supported by Councillors Bowen, Dingwall, Findlay, Handcock, Meehan, Naylor, and Rutherford</td>
</tr>
<tr>
<td>Health &amp; Wellbeing</td>
<td>Councillor Meehan (Lead) supported by Councillors Bowen, Hapeta, and Petrenas</td>
</tr>
<tr>
<td>Neighbourhoods, Villages &amp; Rural</td>
<td>Councillor Petrenas (Lead) supported by Councillors Dennison, Handcock, Meehan, and Rutherford</td>
</tr>
<tr>
<td>Safe City</td>
<td>Councillor Handcock (Lead) supported by Councillors Barrett and Dennison</td>
</tr>
<tr>
<td>Education &amp; Students</td>
<td>Councillor Bowen (Lead) supported by Councillors Butt and Naylor</td>
</tr>
<tr>
<td>Science, Technology &amp; Innovation</td>
<td>Councillor Barrett (Lead) supported by Councillors Bowen and Hapeta</td>
</tr>
<tr>
<td>Inner City/ CBD</td>
<td>Councillor Hapeta (Lead) supported by Councillors Bowen, Butt, Handcock, and Petrenas</td>
</tr>
<tr>
<td>Housing</td>
<td>Councillor Baty (Lead) supported by Councillors Dingwall, Handcock, and Johnson</td>
</tr>
<tr>
<td>Defence</td>
<td>Councillor Findlay (Lead) supported by Councillors Bowen and Handcock</td>
</tr>
<tr>
<td>Climate Change</td>
<td>Councillor Butt (Lead) supported by Councillors Barrett, Dingwall, and Johnson</td>
</tr>
<tr>
<td>Transportation</td>
<td>Councillor Barrett (Lead) supported by Councillors Hapeta, Naylor, Petrenas, and Rutherford</td>
</tr>
</tbody>
</table>
## Appointments to Bodies

<table>
<thead>
<tr>
<th>Organisation/ Body</th>
<th>Council Representation</th>
<th>Committee associated with</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Arts Palmerston North (1)</td>
<td>Councillor Johnson</td>
<td>Arts, Culture &amp; Heritage</td>
</tr>
<tr>
<td>Hoffman Kiln Trust (1)</td>
<td>Councillor Petenas</td>
<td>Arts, Culture &amp; Heritage</td>
</tr>
<tr>
<td>NZ Military Tattoo Steering Group</td>
<td>Councillor Bowen</td>
<td>Arts, Culture &amp; Heritage</td>
</tr>
<tr>
<td>PN Defence Heritage Advisory Group (1)</td>
<td>Councillor Bowen</td>
<td>Arts, Culture &amp; Heritage</td>
</tr>
<tr>
<td>Palmerston North’s 150th Sesquicentenary Steering Group</td>
<td>Mayor	Deputy Mayor	Councillor Bowen</td>
<td>Arts, Culture &amp; Heritage</td>
</tr>
</tbody>
</table>
| Palmerston North Performing Arts Trust (Mayor) | Mayor – ex-officio Sheridan Hickey (appointment extended through to 30 June 2020)
Margaret May (appointment extended through to 30 June 2020) | Arts, Culture & Heritage |
<p>| Disabled Persons Assembly (1) | Councillor Naylor | Community Devpt |
| Disability Reference Group (1) | Councillor Naylor | Community Devpt |
| Manawatu Multicultural Centre Inc (1 + Mayor) | Councillor Butt | Community Devpt |
| Palmerston North Community Services Council (1) | Councillor Johnson | Community Devpt |
| Safety Advisory Board (1) | Councillor Handcock | Community Devpt |
| Palmerston North Neighbourhood Support Group (1) | Councillor Handcock | Community Devpt |</p>
<table>
<thead>
<tr>
<th>Organisation/ Body</th>
<th>Council Representation</th>
<th>Committee associated with</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manawatu – Whanganui Civil Defence Emergency Management Group (1)</td>
<td>Mayor Deputy Mayor (alternate)</td>
<td>Council</td>
</tr>
<tr>
<td>Manawatu – Whanganui Regional Disaster Relief Fund (1)</td>
<td>Councillor Dennison Mayor (alternate)</td>
<td>Council</td>
</tr>
<tr>
<td>New Zealand Local Government Association (Zone 3) (5)</td>
<td>Mayor Deputy Mayor Councillor Bowen Councillor Butt Councillor Rutherford</td>
<td>Council</td>
</tr>
<tr>
<td>Kotahitanga Alliance (1)</td>
<td>Councillor Baty</td>
<td>Economic Devpt</td>
</tr>
<tr>
<td>PN City Housing Steering Group (Mayor + 1)</td>
<td>Councillor Baty</td>
<td>Economic Devpt</td>
</tr>
<tr>
<td>People on Bikes Forum (1)</td>
<td>Mayor 1 councillor (tbd)</td>
<td>Environmental Sustainability</td>
</tr>
<tr>
<td>Wildbase Recovery Community Trust (Mayor)</td>
<td>Councillor Bowen</td>
<td>Environmental Sustainability</td>
</tr>
<tr>
<td>Arena Masterplan Steering Group (Mayor +1)</td>
<td>Mayor Councillor Dennison Councillor Hapeta</td>
<td>Infrastructure</td>
</tr>
<tr>
<td>Horizons Passenger Transport Committee (1)</td>
<td>Councillor Barrett Two Councillors (tbd)</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td>Horizons Regional Transport Committee (1)</td>
<td>Mayor Deputy Mayor (alternate)</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td>Manawatu River Accord (Mayor)</td>
<td>Mayor Councillor Barrett (as Chair of Environmental Sustainability)</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td>PN Public Transport Services Advisory Group (Mayor +2)</td>
<td>Mayor Councillor Barrett Councillor Hapeta (observer) Councillor Rutherford (observer)</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td>Te Apiti Governance Group (Mayor)</td>
<td>Mayor</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td>Organisation/ Body</td>
<td>Council Representation</td>
<td>Committee associated with</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Ten-year Plan Steering Group</td>
<td>Mayor</td>
<td>Planning &amp; Strategy</td>
</tr>
<tr>
<td></td>
<td>Deputy Mayor</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Councillor Baty (as chair of Finance &amp; Audit)</td>
<td></td>
</tr>
<tr>
<td>Waste Water Best Practical Option (Nature Calls) Project Steering Group (Mayor + 4)</td>
<td>Mayor</td>
<td>Planning &amp; Strategy; then Infrastructure (build)</td>
</tr>
<tr>
<td></td>
<td>Councillor Barrett</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Councillor Baty</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Councillor Butt</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Councillor Petrenas</td>
<td></td>
</tr>
<tr>
<td>Hockey Turf Steering Group (1 optional)</td>
<td>Councillor Hapeta</td>
<td>Play, Recreation &amp; Sport</td>
</tr>
<tr>
<td>Manawatu Community Athletics Track Advisory Committee (1)</td>
<td>Councillor Petrenas</td>
<td>Play, Recreation &amp; Sport</td>
</tr>
<tr>
<td>Esplanade User Group (1)</td>
<td>Councillor Hapeta</td>
<td>Play, Recreation &amp; Sport</td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Council

MEETING DATE: 13 November 2019

TITLE: Extension of Right to Vote to Non-Committee Members

PRESENTED BY: John Annabell, Legal Counsel

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION TO COUNCIL

1. That Standing Order 1.6, relating to the extension of the right to vote to non-committee members, apply to the following committees for the current term of Council:

   - Finance & Audit Committee
   - Infrastructure Committee
   - Planning & Strategy Committee
   - Arts, Culture & Heritage Committee
   - Community Development Committee
   - Economic Development Committee
   - Environmental Sustainability Committee
   - Play, Recreation & Sport Committee

1. ISSUE

   The Council needs to pass a specific resolution if it wishes to extend the right to vote to non-committee members.

2. BACKGROUND

   Standing Order 1.6 of the Council’s Standing Orders provides a mechanism to extend the right to vote to non-Committee members. Under this Standing Order, the Mayor and Councillors of the Council are entitled to vote and/or move or second motions before a committee or sub-committee, regardless of whether or not they are members of the
committee or sub-committee. However, the Standing Order applies only to those committees and sub-committees which have been approved for this purpose by the Council. Any person to whom such rights have been extended is not eligible for appointment as chair or deputy chair nor is to be counted as part of the quorum of any meeting of the committee or sub-committee concerned.

3. NEXT STEPS

It is not recommended that the new Standing Order apply automatically to every committee and sub-committee, as such right would be inappropriate for some committees, particularly any hearings committee, any committee established with another local authority or organisation, any funding committee, and the District Licensing Committee.

4. COMPLIANCE AND ADMINISTRATION

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the Council have delegated authority to decide?</td>
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</tr>
<tr>
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<td>No</td>
</tr>
<tr>
<td>Can this decision only be made through a 10 Year Plan?</td>
<td>No</td>
</tr>
<tr>
<td>Does this decision require consultation through the Special Consultative procedure?</td>
<td>No</td>
</tr>
<tr>
<td>Is there funding in the current Annual Plan for these actions?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are the recommendations inconsistent with any of Council’s policies or plans?</td>
<td>No</td>
</tr>
</tbody>
</table>

The recommendations contribute to Goal 5: A Driven and Enabling Council

The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy

The recommendation covers procedural matters relating to the operation of Council and Committee meetings for the current term of Council.

ATTACHMENTS

Nil
MEMORANDUM

TO: Council
MEETING DATE: 13 November 2019
TITLE: Amendments to Delegations Manual
PRESENTED BY: John Annabell, Legal Counsel
APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION(S) TO COUNCIL

1. That the Delegations Manual be amended, the amendments being as set out in the attachment to the memorandum dated 13 November 2019 and titled “Amendments to Delegations Manual”.

1. ISSUE

This memorandum proposes amendments to be made to the Council’s Delegations Manual, which was last updated earlier this year.

2. BACKGROUND

The proposed amendments to the Delegations Manual are set out in the attachment to this memorandum, together with an explanation for each amendment. These amendments have been recommended for the following reasons:

- To reflect title changes arising from recent restructures within the Council’s staff.
- To clarify and enable Committees to receive or note any report, memorandum or other information, instruct the Chief Executive, and refer any matter to another Committee or to the Council.
- To state that committees cannot establish any sub-committee, working party or advisory group. Appropriate recommendations, however, may be made to the Council.
- To remove the delegation to Committees to approve statements of proposal or other draft consultation documentation, but the ability to make a determination under Section 155 of the Local Government Act 2002 relating to a proposed bylaw will be maintained as an authority delegated to the Planning & Strategy Committee.
• To update the name “Finance and Performance Committee” to “Finance & Audit Committee”.

• To provide for the Rangitāne o Manawatū Committee to undertake the powers of the Council under the Reserves Act 1977 with regard to Te Motu o Poutoa Reserves and any other reserves that may be administered by that Committee.

• To update delegations to the Chief Executive’s Performance Review Panel.

• To update the name “New Zealand Local Government Insurance Corporation Limited” to “Civic Financial Services Limited”.

• To enable the Mayor to approve submissions made to Parliamentary select committees where there is insufficient time to obtain consent of Council beforehand, provided that approval is sought at the next available opportunity.

• To provide for either the Chairperson of the Finance & Audit Committee or the independent member appointed to that Committee to approve the reimbursement of expenses incurred by the Mayor and Chief Executive.

A similar review is currently being undertaken regarding powers delegated by the Chief Executive to Council officers.

3. NEXT STEPS

Following the adoption of this memorandum, the Council’s Delegations Manual will be updated accordingly. Also included in the update will be the Terms of Reference of Council Committees, which is the subject of a separate memorandum to the Council.

4. COMPLIANCE AND ADMINISTRATION

| Does the Council have delegated authority to decide? | Yes |
| Are the decisions significant? | No |
| If they are significant do they affect land or a body of water? | No |
| Can this decision only be made through a 10 Year Plan? | No |
| Does this decision require consultation through the Special Consultative procedure? | No |
| Is there funding in the current Annual Plan for these actions? | Yes |
| Are the recommendations inconsistent with any of Council’s policies or plans? | No |

The recommendations contribute to Goal 5: A Driven and Enabling Council
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy
This memorandum covers administrative matters to enable the smooth running of the Council

**ATTACHMENTS**

1. Proposed Amendments to Delegations Manual  ❘  📄
## PROPOSED AMENDMENTS TO DELEGATIONS MANUAL

<table>
<thead>
<tr>
<th>Amendment</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>A In clause 139, amend the description “Governance and Support Team Leader” to “Democracy and Governance Manager”.</td>
<td>Title update, with regard to the maintenance and making amendments to the Delegations Manual.</td>
</tr>
<tr>
<td>B In clause 143 amend the description “Legal Counsel” to “General Counsel” and make this amendment wherever there is a reference to “Legal Counsel” in the Delegations Manual, except for change N below.</td>
<td>Title update, in which the roles of the Legal Counsel position will now partly be undertaken by the new General Counsel position.</td>
</tr>
<tr>
<td>C In clause 157 and the heading to that clause, amend the description “Chief Financial Officer” to “General Manager Strategy and Planning”.</td>
<td>Title update, with respect to the officer who may sign any Land Information New Zealand Authority and Instruction Form in relation to land transactions. This change reflects the transfer of the legal function from the former City Corporate Unit to the Strategy and Planning Unit.</td>
</tr>
<tr>
<td>D Amend clause 167 by deleting the present sub-clause 167.1 and replacing with new sub-clauses 167.1 to 167.4 as follows: 167.1 To make decisions on meeting procedures where such decisions are either required or permitted by the Council’s Standing Orders or relevant legislation; 167.2 To receive or note any report, memorandum or other information submitted to the Committee; 167.3 To instruct the Chief Executive to report back to the Committee or to the Council where the matter falls within the Committee’s Terms of Reference provided that the purpose of the instruction is not to complete or finalise the matter; and 167.4 To refer any report, memorandum or other information to any other Committee or to the Council for its consideration.</td>
<td>Clarifies and expands on powers delegated to Committees with respect to the matters stated in the proposed amendments 167.1 to 167.4. The power to establish Sub-Committees etc is removed.</td>
</tr>
<tr>
<td>E Delete clause 168 and replace with a new clause 168 as follows: Each Standing Committee, and any Joint Committee and any Sub-Committee cannot appoint any Sub-Committee, working party or members of Sub-Committees or working parties. However, recommendations to the Council for the establishment and appointment of such groups can be made.</td>
<td>As requested by the Mayor, this removes provisions that enabled Standing Committees to approve statements of proposal or other draft documentation for consultation. This amendment supports the Mayor in exercising his powers as Mayor under section 41A of the Local Government Act 2002. See change G below with regard to any determination required by section 155 of the</td>
</tr>
<tr>
<td>ITEM 8 - ATTACHMENT 1</td>
<td></td>
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<tr>
<td>-----------------------</td>
<td></td>
</tr>
<tr>
<td><strong>F</strong> In clause 173 and the heading to that clause, and in all other relevant clauses and headings in the Delegations Manual, amend the description “Finance and Performance Committee” to “Finance &amp; Audit Committee”.</td>
<td></td>
</tr>
<tr>
<td>Title update has been made to the Committee’s name.</td>
<td></td>
</tr>
<tr>
<td><strong>G</strong> Amend clause 182 and its heading to read:</td>
<td></td>
</tr>
<tr>
<td><strong>Planning &amp; Strategy Committee</strong></td>
<td></td>
</tr>
<tr>
<td>The Planning &amp; Strategy Committee has delegated authority to:</td>
<td></td>
</tr>
<tr>
<td>182.1 Exercise any power under the Resource Management Act 1991 to the extent permitted to do so by law, but excluding:</td>
<td></td>
</tr>
<tr>
<td>(a) The ability to conduct any hearing or consider or determine any related matter, as is delegated to the Hearings Committee.</td>
<td></td>
</tr>
<tr>
<td>(b) The power to approve the District Plan or any change to the District Plan.</td>
<td></td>
</tr>
<tr>
<td>182.2 Make any determination required by section 155 of the Local Government Act 2002 in relation to a proposed by-law.”</td>
<td></td>
</tr>
<tr>
<td>To preserve to the Planning &amp; Strategy Committee the ability to make any determination required by Section 155 of the Local Government Act 2002 in relation to a proposed by-law. The other changes to this clause are only to grammar and format.</td>
<td></td>
</tr>
<tr>
<td><strong>H</strong> New clause 184A and heading as follows:</td>
<td></td>
</tr>
<tr>
<td><strong>Rangitāne o Manawatū Committee</strong></td>
<td></td>
</tr>
<tr>
<td>The Rangitāne o Manawatū Committee may, in regard to the Te Motu o Poutoa Reserve, and any other reserve that may be added to the Committee’s jurisdiction, undertake the powers of the Council as an administering body in regard to the Reserves Act 1977. This power will also apply to the Committee if its name is changed and approved by the Council.</td>
<td></td>
</tr>
<tr>
<td>This Committee has been established to administer matters relating to the Te Motu o Poutoa Reserve on behalf of the Council. This jurisdiction may be extended to other reserves in the future.</td>
<td></td>
</tr>
<tr>
<td><strong>I</strong> Amend clause 187 to read:</td>
<td></td>
</tr>
<tr>
<td>The primary purposes of the Chief Executive’s Performance Review Panel is to ensure Council carries out responsibilities of a Good Employer as the employer of the Chief Executive.</td>
<td></td>
</tr>
<tr>
<td>Specific delegations to the Panel are:</td>
<td></td>
</tr>
<tr>
<td>187.1 To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings.</td>
<td></td>
</tr>
<tr>
<td>To note that the Panel is not a committee as such, to remove those matters that are, strictly speaking, not a delegated authority but more in the nature of a Terms of Reference, and to enable the Panel to appoint a Human Resources Consultant to assist the Panel where considered necessary.</td>
<td></td>
</tr>
<tr>
<td>187.2</td>
<td>To ensure the Chief Executive receives relevant training and development opportunities.</td>
</tr>
<tr>
<td>187.3</td>
<td>To negotiate a process for reviewing the Chief Executive’s remuneration.</td>
</tr>
<tr>
<td>187.4</td>
<td>To carry out an annual review of the Chief Executive’s remuneration and make recommendations to the Council on the application of the review.</td>
</tr>
<tr>
<td>187.5</td>
<td>To manage the provisions of the Chief Executive’s Employment Agreement.</td>
</tr>
<tr>
<td>187.6</td>
<td>To undertake the appraisal of the Chief Executive’s performance.</td>
</tr>
<tr>
<td>187.7</td>
<td>To appoint a Human Resources Consultant to assist the Panel as appropriate.</td>
</tr>
</tbody>
</table>

| J | Immediately before clause 189, amend the heading “DELEGATIONS TO MAYOR AND COUNCILLORS” to “DELEGATIONS TO MAYOR, COUNCILLORS AND OTHER COMMITTEE MEMBERS”. |
| K | In clause 191.1, amend the description “New Zealand Local Government Insurance Incorporation Limited” to “Civic Financial Services Limited”. |
| L | Amend clause 192 by adding the following new sub-clause: 192.6 The Mayor has delegated authority to approve any submission made by the Council to a Parliamentary Select Committee where there has been insufficient time for the submission to be referred to the Council for approval beforehand. The manner of this approval will be stated in any submission approved by the Mayor and the submission will be reported for approval by the Council at the next available opportunity. |
| M | Add a new heading and clause 193A as follows: Chairperson, Finance & Audit Committee/Independent Member Audit & Finance Committee The Chairperson of the Finance & Audit Committee and the independent non-elected member appointed to that Committee each have power to approve expenses incurred by the Mayor and Chief Executive. |
| N | In clauses 233 and 234, including the heading for those clauses, amend the description “Legal Counsel” to “Democracy and Governance Manager”. |

To reflect that one of the delegations proposed to be made under this part of the Delegations Manual is to a person who, although being a member of a Committee, is not a Councillor.

In March 2017, the New Zealand Local Government Insurance Incorporation Limited changed its name to Civic Financial Services Limited.

To provide a means whereby a submission to a Parliamentary Select Committee can be approved by the Mayor where there is insufficient time to report to the Council beforehand.

To establish a new independent system for approval of expenses incurred by the Mayor and Chief Executive.

Title update with regard to waiving compliance for time limits and assigning Hearings Commissioners under the Resource Management Act 1991 and assigning District Licensing Committee members under the Sale and Supply of Alcohol Act 2012.
<table>
<thead>
<tr>
<th></th>
<th>In clause 238, amend the description and words “Environmental Health Officer has delegated authority” to “the Environmental Health Officer, Environmental Health Technical Officer and Environmental Health Officer Cadet each have delegated authority”.</th>
<th>Provides for delegations to new positions having the same delegations as the Environmental Health Officer.</th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
<td>In clause 240, amend the description “Senior Planner – Compliance and Resolutions and the Senior Planner – Resource Consents” to “Senior Planner – Customer”.</td>
<td>Title update for officers exercising functions under the Resource Management Act 1991.</td>
</tr>
<tr>
<td>Q</td>
<td>In clause 241, amend the description “Monitoring &amp; Enforcement Officer” to “Monitoring &amp; Enforcement Officer – Customer”.</td>
<td>Title update for officers exercising functions under the Resource Management Act 1991.</td>
</tr>
<tr>
<td>R</td>
<td>In clause 242, amend the description “Planning Officer” to “Planning Officer – Customer”.</td>
<td>Title update for officers exercising functions under the Resource Management Act 1991.</td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Council

MEETING DATE: 13 November 2019

TITLE: Proposed changes to foundation documents for Local Government Funding Agency (LGFA)

PRESENTED BY: Steve Paterson, Strategy Manager - Finance

APPROVED BY: Grant Elliott, Chief Financial Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council support proposed changes to the structure of the Local Government Funding Agency (LGFA) that enable it to lend to CCOs; and

2. That the Chief Executive, and when necessary elected members, be delegated authority to execute any documents associated with the Council’s participation in LGFA.

1. ISSUE

The Local Government Funding Agency (LGFA) is seeking shareholder approval to proposed changes to a number its foundation documents. This approval is being sought at the forthcoming Annual General Meeting on 21 November 2019.

This memo seeks approval for the Council to support the changes and give delegated authority to execute documents associated with implementing them.

2. BACKGROUND

In June 2012 the Council passed a number of resolutions relating to the LGFA and in particular to authorise the Council becoming a shareholder and guarantor. The Chief Executive was delegated authority to execute any documents associated with the Council’s participation in LGFA.

A number of complex documents were executed as part of the process and the Council has subsequently been a shareholder, guarantor and borrower from what has become a very successful entity that now provides over 90% of New Zealand local governments funding needs and a shareholder equity of approximately $74 million at 30 June 2019.
In 2015 the Chief Executive’s delegation was relied upon to authorise the execution a number of documents that made changes to some of the foundation documents of LGFA so they were compliant with requirements of the then new Financial Markets Conduct Act. The changes at the time made no substantive change to the nature of the Council’s investment in LGFA or its borrowing practices.

LGFA needs to continuously evolve to meet changes in the operating environment and stakeholder demands.

In 2018 shareholders authorised LGFA to proceed to investigate a framework that would enable LGFA to lend directly to CCOs as at the present time it can lend only to Councils.

Attached is a brief summary of the proposed changes headed “Background Information and an update on CCO lending”.

The proposals have been reviewed on behalf of member Councils by the elected Shareholders’ Council and Simpson Grierson. The resulting advice from the Shareholders’ Council is that the proposals should be supported.

3. **NEXT STEPS**

Assuming the necessary proportion of shareholders support the proposed changes by resolution at the AGM then the various documents will be signed by all parties.

Some of the documents will be signed by the Chief Executive and other will be required to be signed by two elected members. Council’s delegations provide for such signing arrangements.

At the present time this Council’s only CCO that borrows to fund capital development is Palmerston North Airport Limited. It uses long established bank relationships to do this. The scale of their borrowing and the administrative processes and additional surveillance that would required means it is unlikely there would be sufficient overall benefits to warrant utilising them LGFA once this facility becomes available.

4. **COMPLIANCE AND ADMINISTRATION**

<table>
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</tr>
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</tr>
<tr>
<td>The recommendations contribute to Goal 5: A Driven and Enabling Council</td>
<td></td>
</tr>
<tr>
<td>The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy</td>
<td></td>
</tr>
<tr>
<td>The recommendations contribute to the achievement of action/actions in</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

**CONTRIBUTION TO STRATEGIC DIRECTION**  
Not applicable

**ATTACHMENTS**

1. Background information and update on CCO lending

[Attachment link]
Background information and an update on CCO lending

The New Zealand Local Government Funding Agency (LGFA) is an agency specialised in financing the New Zealand local government sector. LGFA was established to raise debt on behalf of councils on terms that are more favourable to them than if they raised the debt directly. LGFA was incorporated as a limited liability company under the Companies Act 1993 on 1 December 2011, following the enactment of the Local Government Borrowing Act 2011. As LGFA is majority owned by councils, it constitutes a “council-controlled organisation” under the Local Government Act 2002.

Capital structure and shareholding

As at 2 September 2019, LGFA had 45 million ordinary shares on issue, 20 million of which remain uncalled. There are currently 31 shareholders, comprising the New Zealand Government at 20% and 30 councils at 80%. Any councils wanting to become new shareholders are required to purchase shares from existing council shareholders. The capital structure of LGFA comprises fully paid shares, unpaid shares, retained earnings and borrower notes. Borrower notes are subordinated convertible debt instruments which each council that borrows from LGFA must subscribe for (in an amount equal to 1.6% of the long term borrowing from LGFA by that council). LGFA will redeem borrower notes when the council’s related borrowings are repaid or no longer owed to LGFA. Currently there are NZ$147 million of borrower notes on issue.

Borrowing and lending

LGFA operates with the primary objective of optimising the debt funding terms and conditions for participating councils. LGFA borrows by issuing LGFA bonds (greater than one-year maturity) and LGFA Bills (less than one-year maturity) to investors and banks and then on-lends the proceeds to councils. As at 2 September 2019, there are NZ$10.005 billion of LGFA bonds listed on the NZX across nine maturities from 2020 to 2033. These bonds include $450 million of treasury stock issued to LGFA for liquidity purposes. As at 2 September 2019, there are $463 million of LGFA Bills on issue.

LGFA has experienced strong growth in lending to the sector and has approximately 92% market share of all council borrowing. As at 30 June 2019, LGFA had lent $362 million on a short-term basis to councils and $8.902 billion on a long-term basis.
As at 2 September 2019, there are 64 Participating Local Authorities ("PLAs") who are members of LGFA. There are 63 borrowers amongst the PLAs with Mackenzie District the only non-Borrower to date. The PLAs cover 98% of the local government sector debt. Auckland Council is restricted to borrowing no more than 40% of LGFA lending and is currently at 25%.

The ten largest council borrowers from LGFA as at 2 September 2019 are

<table>
<thead>
<tr>
<th>Council Borrower</th>
<th>$ millions</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auckland</td>
<td>$2,407</td>
<td>24.8%</td>
</tr>
<tr>
<td>Christchurch City</td>
<td>$1,802</td>
<td>18.6%</td>
</tr>
<tr>
<td>Wellington City</td>
<td>$585</td>
<td>6.0%</td>
</tr>
<tr>
<td>Tauranga City</td>
<td>$500</td>
<td>5.1%</td>
</tr>
<tr>
<td>Greater Wellington Regional</td>
<td>$400</td>
<td>4.1%</td>
</tr>
<tr>
<td>Hamilton City</td>
<td>$385</td>
<td>4.0%</td>
</tr>
<tr>
<td>Kapiti Coast District</td>
<td>$215</td>
<td>2.2%</td>
</tr>
<tr>
<td>Bay of Plenty Regional</td>
<td>$192</td>
<td>2.0%</td>
</tr>
<tr>
<td>Rotorua District</td>
<td>$187</td>
<td>1.9%</td>
</tr>
<tr>
<td>Hutt City</td>
<td>$179</td>
<td>1.8%</td>
</tr>
<tr>
<td>53 others</td>
<td>$2,861</td>
<td>29.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$9,713</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Guarantee structure**

LGFA’s obligations in relation to its securities issued are guaranteed by the councils that are guarantors under the Guarantee and Indemnity Deed. Other than the New Zealand Government, each shareholder in LGFA must be a guarantor. In addition, any council that borrows in aggregate
NZ$20 million or more from LGFA must be a guarantor. The guarantee will be in favour of the obligations of LGFA. Any call under the guarantee will be allocated across all the guarantors on a pro rata basis in relation to their rates revenue.

There are 52 Guarantors of LGFA. The only non-Guarantors (due to their small amount of borrowing) are Northland and West Coast Regional Councils and Grey, Central Hawkes Bay, Opotiki, Buller, Rangitikei, Stratford, Wairoa, Mackenzie, Clutha and Westland District Councils.

The New Zealand Government does not guarantee LGFA.

**Governance and oversight**

The LGFA Board is responsible for the strategic direction and control of LGFA’s activities and comprises five independent and one non-independent directors. The Board guides and monitors the business and affairs of LGFA, in accordance with the

- Local Government Act 2002
- Local Government Borrowing Act 2011
- Companies Act 1993
- LGFA’s Constitution
- LGFA Shareholder Agreement
- LGFA Annual Statement of Intent

The LGFA Shareholders’ Council comprises five to ten appointees from the council shareholders and the New Zealand Government. The role of the Shareholders’ Council is to

- Review and report performance of LGFA and the board
- Recommend to shareholders as to the appointment, removal, replacement and remuneration of directors
- Recommend to shareholders as to any changes to policies, or the SOI, requiring their approval
- Update shareholders on LGFA matters and
- Co-ordinate shareholders on governance decisions.

LGFA is audited by Audit NZ.

**Risk management**

The LGFA risk management framework follows industry best practice principles and the three lines of defence model to identify, assess and mitigate the risks faced by the business, as a part of its daily business operations.

The LGFA board and the audit and risk committee are responsible for the governance oversight of LGFA’s risk management, compliance and internal audit functions. The CEO and the Manager, Risk and Compliance are responsible for the daily operational controls and processes that are in place to mitigate the business risks of the organisation.

The Risk and Compliance Manager also undertakes the board approved internal audit operations of LGFA and KPMG (appointed by Audit NZ) are the LGFAs external auditors.
The major risks and mitigants faced by LGFA are:

- Interest Rate Risk is where LGFA is subject to adverse movements in interest rates or borrowing spreads. This is mitigated by very tight treasury policy and board-imposed limits and compliance reporting requirements to the LGFA board.
- Funding Risk is where LGFA incurs a mismatch between its borrowing and lending activities and either cannot borrow to match its maturities or incurs a financial loss in doing so. LGFA can issue short dated and long dated instruments, borrows for long terms than it on-lends to councils and has a Liquid Assets Portfolio (LAP) and a standby facility from the New Zealand Government.
- Credit Risk is where a loan to a council cannot be repaid or an investment in the LAP incurs a loss due to a credit event. This is mitigated through LGFA lending to councils on a secured basis (against rates revenue) and each council borrower must comply with LGFA imposed financial covenants. LGFA has strict limits on what investments can be held in the LAP in terms of type, term, amounts and credit ratings of investments in individual securities and issuers.

LGFA also has a defined compliance framework in place, to ensure that all legal, regulatory and treasury compliance requirements are actively managed and reported to the LGFA board.

**Credit rating**

LGFA has credit ratings from both S&P Global Ratings and Fitch Ratings Services. The credit rating of AA+ is the same as the rating of the New Zealand Government and is on positive outlook by S&P.

**LGFA history**

Since establishment in 2012, LGFA has sought to continuously improve to meet the requirements of its council members. A brief timeline is as follows:

February 2012  
Commenced issuing bonds and on-lending to councils. Councils could only borrow at times that LGFA was issuing bonds and only borrow into maturity dates that LGFA was issuing bonds into. LGFA bond maturity dates matched the New Zealand Government Bond (NZGB) maturity dates and all LGFA bond issuance via a tender was held approximately every 6 weeks.

March 2015  
Commenced bespoke lending where a council could borrow at anytime and into any maturity date between the end points of the LGFA bond curve (currently between 2020 and 2033).

June 2015  
Transitioned the front, middle and back office from New Zealand Treasury to an in-house model incorporating a new treasury system.

October 2015  
Commenced short term lending where a council can borrow for terms of between 30 days and 365 days. LGFA commenced issuing LGFA bills with maturity dates of less than 1 year.

November 2015  
LGFA bonds listed on the NZX debt market.
June 2016  LGFA established bond lending facility where banks can borrow LGFA bonds to assist with trading and market liquidity.

November 2017  Shareholders approved changes to Foundation Policy at AGM regarding LGFA investment portfolio to accommodate growth in LGFA balance sheet.

April 2018  April 2022 LGFA bond issued – this was the first LGFA bond that did not match a NZ$GB maturity.

November 2018  Shareholders approved changes to Foundation Policy at AGM to allow lending to Council Controlled Organisations (CCOs).

March 2019  First LGFA bond issued via syndication rather than by tender with a maturity date of April 2024.

November 2019  LGFA will be approaching shareholders to approve documents to progress CCO lending (see below).

**CCO lending – for shareholder approval at November 2019 AGM**

Currently LGFA can only lend to a council. However, a number of councils borrow and on-lend to their CCO subsidiaries and LGFA has been asked to change so that it can lend direct to CCOs (with the consent of the parent council).

There are several reasons for LGFA to lend to CCOs.

- LGFA estimates that forty-seven of its sixty-four member councils have CCOs and a number of councils currently borrow and on-lend to their CCO subsidiaries.
- CCOs are an important part of the Local Government sector and LGFA cannot currently lend directly to CCOs.
- It is difficult for multiple owned CCOs to access financing from LGFA and with potential reform of the water sector signalled by Central Government, LGFA needs to consider what this might mean for sector borrowing.
- Dunedin City Council is one of the few councils not to borrow through LGFA and part of the reason is that they undertake their borrowing through a CCO subsidiary.

LGFA needs to continuously evolve to meet changes in the operating environment and stakeholder demands and in 2018 we started to look at whether LGFA could lend to CCOs.

LGFA received shareholder approval at the November 2018 AGM to proceed with establishing the framework and process to lend directly to CCOs. Russell McVeagh and LGFA management have been working on the structure, process and drafting changes to the LGFA legal documents. Simpson Grierson have acted on behalf of LGFA member councils to provide feedback on the proposal.

There is no additional risk for LGFA guarantors as a result of lending to CCOs because

- The existing four financial covenant requirements at council parent level remain the key metrics for LGFA lending decisions. Given that any LGFA lending to CCOs must have a parent guarantee or uncalled capital availability, these annually tested parent covenants must remain inviolate, thus providing no less security for LGFA member guarantors than exists now;
ITEM 9 - ATTACHMENT 1

- The LGFA board will make the decisions to lend to CCOs following extensive credit analysis of the CCO;
- LGFA will lend only to CCOs that are 100% owned by a council, a group of councils or a mix of councils and Central Government;
- LGFA will report to shareholders on direct lending to CCOs which will provide more transparency for members than the current mechanism where parent councils borrow and on-lend to their CCO subsidiaries;
- LGFA member councils have the right to apply for LGFA to monitor their covenants at a Group level. So far, no council has yet applied to the LGFA.

Russell McVeagh have drafted changes to the following documents:

- Multi Issuer Deed
- Notes Subscription Agreement
- Guarantee and Indemnity
- Shareholder Agreement

Approvals for these changes will be sought at the AGM in November 2019.
MEMORANDUM

TO: Council

MEETING DATE: 13 November 2019

TITLE: Meeting Calendar 2019

PRESENTED BY: Carly Chang, Democracy & Governance Administrator

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION(S) TO COUNCIL

1. That the Palmerston North City Council Meeting Calendar 2019 be approved.

1. ISSUE

At the end of each calendar year and after each triennial election the Council is required to adopt a meeting calendar. This meeting calendar outlines dates, locations and other related information and is published both in hard copy and on the Council’s website.

2. BACKGROUND

As previously agreed, all regular Council and Committee meetings will start at 9:00am on their respective dates. The meeting structure for the remainder of 2019 is attached.

For the rest of 2019 we will be publishing the calendar in a simple format. The Palmerston North City Council Annual Meeting Calendar 2020 will be coming to the next available Council meeting for adoption.

3. NEXT STEPS

Adopt the updated Palmerston North City Council Meeting Calendar 2019 will ensure that it can be distributed and published as required under legislation.

4. COMPLIANCE AND ADMINISTRATION

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the Council have delegated authority to decide?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the decisions significant?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If they are significant do they affect land or a body of water?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>Answer</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Can this decision only be made through a 10 Year Plan?</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Does this decision require consultation through the Special Consultative procedure?</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Is there funding in the current Annual Plan for these actions?</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Are the recommendations inconsistent with any of Council’s policies or plans?</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

**ATTACHMENTS**

1. Palmerston North City Council Meeting Calendar 2019 📈 📖
### Palmerston North City Council Meeting Calendar 2019

<table>
<thead>
<tr>
<th>Date</th>
<th>Start Time</th>
<th>Meeting</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 December 2019</td>
<td>9.00am</td>
<td>Finance &amp; Audit Committee</td>
<td>Council Chamber, Council Building, 32 the Square, Palmerston North</td>
</tr>
<tr>
<td>11 December 2019</td>
<td>9.00am</td>
<td>Infrastructure Committee</td>
<td>Council Chamber, Council Building, 32 the Square, Palmerston North</td>
</tr>
<tr>
<td>11 December 2019</td>
<td>9.00am</td>
<td>Arts, Culture &amp; Heritage Committee</td>
<td>Council Chamber, Council Building, 32 the Square, Palmerston North</td>
</tr>
<tr>
<td>18 December 2019</td>
<td>9.00am</td>
<td>Council</td>
<td>Council Chamber, Council Building, 32 the Square, Palmerston North</td>
</tr>
</tbody>
</table>
COMMITTEE WORK SCHEDULE

TO: Council
MEETING DATE: 13 November 2019
TITLE: Council Work Schedule

RECOMMENDATION(S) TO COUNCIL


ATTACHMENTS

1. Committee Work Schedule
### WORK SCHEDULE – NOVEMBER 2019

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Estimated Report Date</th>
<th>Subject</th>
<th>Officer Responsible</th>
<th>Current Position</th>
<th>Date of Instruction/ Point of Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>December-2019 February 2020</td>
<td>Award of Contract 3458 - Road Maintenance, Resurfacing and Rehabilitation 2017-2021</td>
<td>General Manager Infrastructure</td>
<td></td>
<td>29 May 2017 Clause 81-17 part II</td>
</tr>
<tr>
<td>2</td>
<td>December-2019</td>
<td>Options to enhance community access and input to Council via the portfolio system</td>
<td>General Manager Strategy and Planning</td>
<td></td>
<td>24 October 2018 Clause 161.3</td>
</tr>
<tr>
<td>4</td>
<td>October/ November-2019</td>
<td>PN City Council Co-Management Committee Establishment</td>
<td>General Manager – Strategy and Planning</td>
<td></td>
<td>11 March 2019</td>
</tr>
<tr>
<td>5</td>
<td>TBA December 2019</td>
<td>Implementation Plan for College Street Transport Upgrade – further scope, detail and plans, and options</td>
<td>Chief Infrastructure Officer</td>
<td></td>
<td>23 September 2019 Clause 107.2</td>
</tr>
</tbody>
</table>