



PALMERSTON NORTH CITY COUNCIL

AGENDA

COUNCIL LATE ITEM

**9AM - HEARINGS - ANNUAL BUDGET 2023/24,
TUESDAY 16 MAY 2023
COUNCIL CHAMBER, FIRST FLOOR
CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH**

MEMBERS

Grant Smith (Mayor)	
Debi Marshall-Lobb (Deputy Mayor)	
Mark Arnott	Leonie Hapeta
Brent Barrett	Lorna Johnson
Rachel Bowen	Billy Meehan
Vaughan Dennison	Orphée Mickalad
Lew Findlay (QSM)	Karen Naylor
Roly Fitzgerald	William Wood
Patrick Handcock (ONZM)	Kaydee Zabelin

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

Te Marae o Hine | 32 The Square
Private Bag 11034 | Palmerston North 4442 | New Zealand
pncc.govt.nz

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PALMERSTON
NORTH
CITY

COUNCIL MEETING

16 May 2023

ORDER OF BUSINESS

REPORTS

16. Remits to Local Government New Zealand 2023 Annual General Meeting

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Memorandum, presented by Hannah White, Democracy & Governance Manager.

Reason for lateness:

The remits was received after the Agenda was published.

Reason for urgency:

Hamilton City Council have requested a response by Friday 17 May 2023.

MEMORANDUM

TO: Council

MEETING DATE: 16 May 2023

TITLE: Remits to Local Government New Zealand 2023 Annual General Meeting

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATIONS TO COUNCIL

1. That Council endorse/ does not endorse the 2023 remit proposal on Virtual Quorum from Hamilton City Council (Attachment 1).
2. That Council endorse/ does not endorse the 2023 remit proposal on Kiwisaver for Elected Members from Hamilton City Council (Attachment 2).
3. That Council endorse/ does not endorse the 2023 remit proposal on Development of a shared understanding and centralised framework of wellbeing from Hamilton City Council (Attachment 3).

1. ISSUE

- 1.1 Hamilton City Council has requested that Palmerston North City Council support its three remits to the Local Government New Zealand (LGNZ) Annual General Meeting (AGM).
- 1.2 A summary of Hamilton's remit requests are as follows:

1. Virtual Quorum

That LGNZ advocate for an amendment to the Local Government Act 2002 so that members who attend meetings virtually count for quorum.

2. Kiwisaver for Elected Members

Elected Members are currently treated as independent contractors, as such there is no obligation on councils to make KiwiSaver deductions or contribute to Members' KiwiSaver. Hamilton City Council view this as a disadvantage and a barrier to some being elected.

The remit requests LGNZ advocate for an amendment to the Employment Relations Act 2002 to allow for organisations to deduct KiwiSaver from salaries allocated to independent contractors. This will allow for KiwiSaver deductions to be taken from elected members' salaries.

3. Development of a shared understanding and centralised framework of wellbeing

That LGNZ advocate for the development of a shared understanding and framework of wellbeing across central and local government to ensure a united voice is heard to promote the needs of our local communities. The framework would provide a common language for explaining why councils do what we do and enable a tool to measure ourselves against.

- 1.3 Remits are due to Local Government New Zealand by 5pm Friday 24 May 2023. Hamilton City Council has requested an indication of support or feedback by 19 May.

2. BACKGROUND

- 2.1 For a remit to be put forward at the AGM, it must meet the National Council's screening policy which states:

- The remit is relevant to local government as a whole, not just a single zone, sector or council.
- The remit relates to significant matters, including constitutional and substantive policy, rather than matters that can be dealt with administratively.
- The remit concerns matters that cannot be addressed through channels other than the AGM.
- The remit does not deal with issues that are already being actioned by LGNZ. This covers work programmes underway as part of LGNZ's strategy.

- 2.2 A remit must also be supported by either an LGNZ zone, sector, or five member councils.




3. NEXT STEPS

- 3.1 The Mayor will inform Hamilton City Council of the decisions to support or otherwise.
- 3.2 The LGNZ AGM will be held on 26 July 2023.
- 3.3 Should this remit proposal gain sufficient support to be put to the meeting, the Mayor as presiding delegate will vote according to the position of 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?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven & Enabling Council	
The recommendations contribute to the achievement of action/actions in Governance and Active Citizenship	
The action is: N/A	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Consideration of remits to the Local Government New Zealand Annual General Meeting is one way by which Council contributes to the national policy conversation in the local government sector.

ATTACHMENTS

1. Remit 1 Virtual Quorum [!\[\]\(e662c6fdc679f154c0e75d901761d894_img.jpg\)](#) 
2. Remit 2 Kiwisaver for Elected Members [!\[\]\(c84b30d7d5311af020af6bce6a2c548f_img.jpg\)](#) 
3. Remit 3 Development of a Wellbeing Framework [!\[\]\(7910f03a1b4fed5edeef128d22723166_img.jpg\)](#) 

Hamilton City Council's Remits to Local Government New Zealand 2023

Remit 1 – Virtual Quorum

Remit	Virtual Quorum
Why is this Remit important?	Allowing Members attendance via audio-visual link can better allow flexibility and ability for Members to manage both their own health and their own schedules.
Background/ Context	<p>During various stages of Covid-19 lockdowns, Elected Members were able to attend and count as part of the quorum via audio-visual link. Members had found that the allowances made through the Epidemic Preparedness notice allowed some flexibility to attend and count towards the quorum, while working from home due to sickness or due to other commitments. The lapse of the Epidemic Preparedness notice has impacted the ability of Members to attending via audio-visual link.</p> <p>Currently, Council and Committee Chairs allow for Members to attend meetings, as well as join in the discussion and vote via audio-visual link under the Standing Orders. However, those attending via audio-visual link do not count towards the required quorum, despite taking part in the discussion and vote.</p> <p>Council recognises the work to date by LGNZ following a Waikato District Council remit in 2020 to raise this matter - with the most recent work in the context of the Severe Weather Emergency Legislation Act 2023, which has seen the use of online quorum put in place until April 2024. Council firmly supports continuing to pursue a permanent change to Local Government legislation to allow for online quorums.</p>
How does this Remit relate to LGNZ's current work programme?	Allowing attendance via audio-visual link allows a more inclusive local democracy, provides a stronger local government, and effectively advocates for the priorities indicated within the four pillars of leadership.
How will your council help LGNZ to make progress on this remit?	Hamilton City Council will continue to advocate for the ability to include virtual attendance in the quorum, both through the LGNZ remit, but also individually.

Hamilton City Council's Remits to Local Government New Zealand 2023

Remit 2 – Kiwisaver for Elected Members

Remit	Kiwisaver for Elected Members
Why is this Remit important?	Currently, Elected Members are treated as independent contractors, with no obligation of the organisation KiwiSaver deductions or contribute to Members' KiwiSaver. This could be viewed as a disadvantage and a barrier to some being elected.
Background/ Context	<p>Currently, Councillors are considered independent contractors, rather than employees of Council. As such, they are expected to set aside their own KiwiSaver contributions, rather than the organisation deducting the amount directly from their payments. In order to make changes to this, there would need to be a change in the legislation (Employment Relations Act 2002) to allow for organisations to deduct KiwiSaver from salaries allocated to independent contractors.</p> <p>Hamilton City Council advocates for the change to legislation which would allow KiwiSaver deductions to be taken from Councillors salaries.</p> <p>Council notes that the topic of Elected member remuneration has been addressed in the draft report He mata whāriki, he matawhanui, prepared as part of the Review into the Future for Local Government, resulting in the key recommendations 17 and 18 (pg 21) from the report as set out below:</p> <p>17 - That central and local government, in conjunction with the Remuneration Authority, review the criteria for setting elected member remuneration to recognise the increasing complexity of the role and enable a more diverse range of people to consider standing for election.</p> <p>18 - That local government develops a mandatory professional development and support programme for elected members; and local and central government develop a shared executive professional development and secondment programme to achieve greater integration across the two sectors.</p> <p>Hamilton City Council strongly believe that as a sector we should continue to advocate for changes to remuneration (such as that outlined above) to ensure local governance roles remain attractive.</p>
How does this Remit relate to LGNZ's current work programme?	This proposed remit aligns with LGNZ's strategy and policy priorities by creating a more inclusive local democracy by creating less barriers for new Councillors, and speaks to the four pillars of guidance including connect, advocate, develop, and include.
How will your council help LGNZ to make progress on this remit?	Hamilton City Council will continue to advocate for the change to the legislation to allow KiwiSaver deductions to be made through organisational finance teams.

Hamilton City Council's Remits to Local Government New Zealand 2023

Remit 3 – Development of a shared understanding and centralised framework of wellbeing

Remit	Development of a shared understanding and centralised framework of wellbeing
Why is this Remit important?	<p>The Local Government (Community Wellbeing) Amendment Act (2019) restored the four aspects of wellbeing to the mandate of all councils in New Zealand.</p> <p>The Act “provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach”. Unfortunately, the Act does not define what wellbeing, or the four dimensions (social, economic, environmental or cultural) mean.</p> <p>Given the importance of wellbeing to central and local government, it would be helpful to bring together the different frameworks and interpretations into a shared understanding of wellbeing. A lack of a centralised framework and shared understanding has led to multiple wellbeing frameworks and definitions being referenced and used. This adds complexity for Councils and other organisations, and reduces the positive impact that the inclusion of wellbeing in the Act could have. It also makes it harder for central and local government to work together in partnership to improve wellbeing.</p> <p>Hamilton City Council Deputy Mayor, and Chair of Zone Two, Angela O’Leary raised this issue directly with Hon Kieran McAnulty, Minister for Local Government, at a Zone Two forum earlier this year. He suggested he would support work by LGNZ to bring everyone into alignment in this sphere. It will be important that central government is fully engaged in the conversation.</p>
Background/ Context	<p>Currently there are multiple definitions and frameworks used to explain, define, and measure wellbeing. Navigating these causes significant extra and unnecessary work for Councils and other organisations. If there were an agreed understanding of what wellbeing means, and a consistent framework that could be followed - accepting that there will always be local or organisational differences - this would allow central government agencies and local government to work more effectively together.</p> <p>At a national level: The Local Government (Community Wellbeing) Amendment Act restored the four aspects of wellbeing – see details in annex. The then Local Government Minister Nanaia Mahuta said “Re-inserting the four well-beings back into the Local Government Act will acknowledge the valuable role local leadership has to</p>

	<p>promote the social, economic, environmental and cultural well-being of citizens and communities”.</p> <p>After the re-introduction of the four wellbeings, Taituarā defined wellbeing as below:</p> <p>Social Wellbeing is the Wellbeing of individuals, their families, whanau, hapu, iwi, and a range of communities gain from being able to set goals and achieve them, such as education, health, the strength of community networks, financial and personal security, equity of opportunity, and rights and freedoms.</p> <p>Cultural Wellbeing arises from those within our communities having shared beliefs, values, customs, behaviours and identities, and having these reflected through language, stories, visual and performing arts, ceremonies and heritage.</p> <p>Economic Wellbeing is the wellbeing derived from the economy generating employment and wealth necessary to provide many of the requirements that make for social well-being, such as health, financial security, and equity of opportunity.</p> <p>Environmental Wellbeing occurs as the natural environment sustainably supports the activities that constitute healthy community life, such as air quality, fresh water, uncontaminated land, and control of pollution.</p> <p>There are numerous other definitions and frameworks of wellbeing used by government agencies including:</p> <ul style="list-style-type: none"> - Living Standards Framework and He Ara Waiora* used by Treasury - Ngā Tūtohu Aotearoa – Indicators Aotearoa New Zealand used by Statistics NZ - Waka Kotahi/NZ Transport Agency Benefits Framework and the Transport Outcomes Framework - Pacifica Wellbeing Framework - He Ara Waiora* – Maaori wellbeing framework - Children’s Commissioner Wellbeing Wheel - He Ara Oranga Wellbeing Outcomes Framework – Mental Health & Wellbeing Commission - United Nations 17 Sustainable Development Goals <p>More information on these is available in the annex.</p> <p>At a regional level:</p> <p>There are numerous organisations seeking to apply a regional lens on wellbeing. For example, in the Waikato, we have the Waikato Wellbeing Project, which is coordinated by the Waikato Regional Council and focuses on the UN’s Sustainable Development Goals. Separately, community foundation</p>
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	<p>Momentum Waikato has produced a holistic report on the four dimensions of wellbeing in our region to inform and support decision-making.</p> <p>At local level: Given the wording of the Local Government Act, many individual Councils apply their own definitions to wellbeing. Hamilton City Council has a clearly articulated purpose of “improving the wellbeing of Hamiltonians”. We simply describe wellbeing as:</p> <p>Social - we care for, and about, all of our people Economic - our economy provides opportunities to prosper Cultural - we celebrate our unique and diverse culture Environmental - we love and protect our environment</p> <p>Hamilton City Council has translated our communities’ aspirations into an understanding of their priorities for Council (“Shaping Hamilton Kirikiriroa – Our Vision”, which identifies five priorities for our city). The wellbeing outcomes are used to describe the benefit of a project or option within the activity management plans or proposals for new or changed activities and infrastructure.</p> <p>We measure our progress towards improving the wellbeing of Hamiltonians in a variety of ways, including a two year ‘Wellbeing report’ that includes a series of indicators to track progress.</p>
How does this Remit relate to LGNZ’s current work programme?	<p>LGNZ state they will empower councils across New Zealand who know their communities best to support them to thrive – culturally, economically, socially, and environmentally. They will support and advocate for councils, ensuring the needs and priorities of their communities and residents are heard loud and clear at the highest levels of central government. They will unite, motivate, and equip our councils to move mountains for our communities.</p> <p>The development of a shared understanding and framework of wellbeing across central and local government will ensure a united voice is heard to promote the needs of our local communities. It would provide a common language for explaining why councils do what we do, and measuring ourselves to understand how we are progressing against what we say we will do.</p> <p>At a local level we will then be able to use the core elements of wellbeing to ensure they are reflective of our own diverse communities. As we plan services, facilities and infrastructure for the future, the community’s view on what will have the most impact on their wellbeing will provide a direction for options and priority of work. Every service, facility or infrastructure project will have a connection to how it contributes to improving wellbeing.</p>

<p>How will your council help LGNZ to make progress on this remit?</p>	<p>Aligning with LGNZ's four leadership pillars, we believe we can assist with:</p> <p>Whakahono // Connect - Hamilton City Council is active in Hamilton and across New Zealand, building connections with others focused on wellbeing and those working in this field. We will continue to identify, approach and work with others who may be able to support promotion of a shared framework and language for wellbeing across the country.</p> <p>Whakamana // Advocate – Hamilton City Council Elected Members and staff would be pleased to participate in work across the sector and with central government to advocate for, and help design, a framework that will bring about a shared understanding and enable local communities to engage in wellbeing conversations with common understanding.</p>
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That LGNZ advocates to central government for the development of a shared understanding and centralised framework of wellbeing
ANNEX

CHANGE TO LOCAL GOVERNMENT ACT

The Local Government (Community Wellbeing) Amendment Act restored the four aspects of wellbeing, as below:

Section 3(d)

From *“Provides for local authorities to play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions”.*

To *“Provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach”.*

Section 10(1)(b)

From *“To meet the current and future needs of communities 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”.*

To *“In promoting the social, economic, environmental, and cultural well-being of communities in the present and for the future”.*

EXAMPLES OF DIFFERENT FRAMEWORKS FOR WELLBEING USED NATIONALLY

The Public Finance (Wellbeing) Amendment Act, requires Treasury to provide an independent report on the state of Wellbeing in New Zealand at least every four years. To enable this, the **Treasury's Living Standards Framework (LSF)** was developed. The LSF is a flexible framework that prompts thinking about policy impacts across the different dimensions of wellbeing, as well as the long-term and distributional issues and implications of policy.

In late 2021 the LSF was updated to better reflect culture and children's wellbeing, including being more compatible with te ao Māori and Pacific cultures. It introduced three levels:

Level 1: Our Individual and Collective Wellbeing

This level of the framework includes 12 domains: Health; Knowledge and skills; Housing; Environmental amenity; Leisure and play; Cultural capability and belonging; Work, care and volunteering; Family and friends; Engagement and voice; Safety; Income, consumption and wealth; and Subjective wellbeing.

Level 2: Our Institutions and Governance

The institutions can be disaggregated into six spheres: Whanau, Hapu and Iwi; Firms and markets; Families and households; Central and local government; Civil society; and International connections. What sets each sphere apart is a common set of values, roles and rules.

Level 3: The Wealth of Aotearoa New Zealand

Our wealth is divided into four categories Natural environment; Financial and physical capital; Social cohesion; and Human capability, along with culture, which underpins it all.

The LSF is one of two wellbeing frameworks at the Treasury.

He Ara Waiora, meaning a pathway towards wellbeing, is the second wellbeing framework at the Treasury. He Ara Waiora is a framework that helps the Treasury to understand waiora, often translated as a Māori perspective on wellbeing.

Ngā Tūtohu Aotearoa – Indicators Aotearoa New Zealand - In early 2018, then New Zealand Prime Minister Jacinda Ardern announced the Government’s plan for New Zealand to become the first country in the world to embed wellbeing and sustainable development in its budget decision-making process, by using measures of social, cultural, and environmental progress. It was agreed that Stats NZ would be well placed to partner with Treasury to develop this new approach to budget decision-making. Ngā Tūtohu Aotearoa – Indicators Aotearoa New Zealand was developed, with 109 Wellbeing indicators outlined on their website, with the stated purpose that “*These indicators are collections of data and research that help us measure the state or condition of particular aspects of our wellbeing*”. ‘Wellbeing’ is a broad term that covers the conditions we experience in our general existence – both as individuals and as broader groups or communities. Wellbeing encompasses our health, happiness, success, and security.

Waka Kotahi NZ Transport Agency Benefits Framework - This framework is aligned with the Ministry of Transport’s Transport Outcomes Framework and Treasury’s Living Standards Framework.

The Transport Outcomes Framework sets a purpose for the transport system centred around the wellbeing of New Zealanders and the liveability of places. It outlines five outcome areas to contribute to this purpose: inclusive access, healthy and safe people, economic prosperity, environmental sustainability, and resilience and security. The Transport Outcomes Framework provides clarity for everyone involved, what they are aiming to achieve, why it is important and how they will work together to achieve the goals.

The Pacifica Wellbeing Framework, the **Māori Wellbeing framework (He Ara Waiora)**, the Children’s Commissioner’s **Wellbeing Wheel** and **He Ara Oranga Wellbeing Outcomes Framework** are wellbeing frameworks in the health and education sectors.

United Nations 17 Sustainable Development goals - the SDGs are a global strategy to end poverty, protect the planet and promote prosperity and peace. Specifically, Goal 3 is to ensure healthy lives and promote wellbeing for all at all ages.