



# Inaugural Meeting of Council

## AGENDA

**10.00am Tuesday 25 October 2016**

**War Memorial Hall, Queen Street, Wairoa.**

The agenda and associated papers are also available on our website: [www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)

For further information please contact us 06 838 7309 or by email [info@wairoadc.govt.nz](mailto:info@wairoadc.govt.nz)

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# Agenda

**Mayor:** His Worship the Mayor Mr C Little

**Councillors:** M Bird, D. Eaglesome-Karekare, H Flood, J Harker, M Johansen, C Lambert.

	<b>Pages</b>
<b>Procedural Items</b>	
1. <b>Karakia</b>	
2. <b>Declarations of Elected Members</b>	
2. <b>Apologies for Absence</b>	
3. <b>Declarations of Conflict of Interest</b>	
4. <b>Appointment of Deputy Mayor</b>	<b>4-5</b>
Report regarding procedure by: Charlotte Knight – Governance Advisor & Policy Strategist	
5. <b>Items of Urgent Business not on the Agenda</b>	
6. <b>Public Participation</b>	
A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 3 minutes per person is allowed.	
7. <b>General Explanation</b>	<b>6-8</b>
F Power – Chief Executive Officer	
8. <b>CEO Monthly Report</b>	<b>9-11</b>
F Power – Chief Executive Officer	
<b>General Items</b>	
9. <b>Standing Orders</b>	<b>12-91</b>
Charlotte Knight – Governance Advisor & Policy Strategist <i>Appendix 2 under separate cover</i>	
10. <b>Elected Members' Remuneration</b>	<b>92</b>
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11. <b>Code of Conduct</b>	<b>93-116</b>
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<b>12. Committee Structure</b>	<b>117-131</b>
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<b>13. Meeting Schedule</b>	<b>132-135</b>
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Andrew Morton – Chief Financial Officer	

## Council

25 October 2016



### Appointment of Deputy Mayor

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 This report provides information for Council on the 2 ways a Deputy Mayor could be appointed.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council receive the report and appoint a Deputy Mayor.</i>
<b>2. Background</b>	2.1 The Local Government Act 2002 Amendment Act 2012 provides additional powers for Mayors which came into effect immediately after the 2013 elections on October 12. These powers are modelled on the powers given to the Mayor of Auckland Council although not as extensive.
<b>3. Appointment by the Mayor</b>	3.1 Under section 41A(3)(a) of the Local Government Act 2002, the Mayor has the power to appoint a Deputy Mayor. 3.2 This does not prevent the Council from removing this appointed person in accordance with clause 18 of Schedule 7 of the Local Government Act 2002.
<b>4. Election by elected members</b>	4.1 If the Mayor declines to exercise their power under section 41A (3)(a) of the Local Government Act 2002 then clause 17(1) of Schedule 7 of the Local Government Act 2002 applies. 4.2 Clause 17(1) of Schedule 7 of the Local Government Act 2002 requires the Council to elect 1 of its members as the Deputy Mayor in accordance with clause 25. 4.3 Clause 25 outlines the 2 voting systems that are required to be used when electing a Deputy Mayor. 4.4 System A: System A— (a) requires that a person is elected or appointed if he or she receives the votes of a majority of the members of the local authority or committee present and voting; and (b) has the following characteristics: (i) there is a first round of voting for all candidates; and (ii) if no candidate is successful in that round there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and (iii) if no candidate is successful in the second round there is a third, and if necessary subsequent, round of voting from which, each time, the candidate with the fewest votes in the previous round is excluded; and (iv) in any round of voting, if 2 or more candidates tie for the

lowest number of votes, the person excluded from the next round is resolved by lot.

4.5 System B:

System B—

(a) requires that a person is elected or appointed if he or she receives more votes than any other candidate; and

(b) has the following characteristics:

(i) there is only 1 round of voting; and

(ii) if 2 or more candidates tie for the most votes, the tie is resolved by lot.

4.6 One of these systems must be used for the election of the Deputy Mayor in order to meet legislative requirements.

**Further  
Information  
Signatories**

Local Government Act 2002

Author: C Knight

Approved by: F Power



# Council

25 October 2016



## General Explanation

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	F Power – Chief Executive Officer
<b>1. Purpose</b>	<p>1.1 As Chief Executive of the Wairoa District Council, I am required under Schedule 7 of the Local Government Act 2002 to give a general explanation to elected members of certain legislation which controls the way in which the Council's business may be conducted and the laws affecting elected members. This explanation does not attempt to cover all the detailed points of the legislation, but brings to your attention the key issues affecting your role and functions as Council members.</p>
<b>Recommendation</b>	<p><i>The Chief Executive Officer RECOMMENDS that Council receive the report.</i></p>
<b>2. Local Government Official Information and Meetings Act 1987</b>	<p>2.1 This Act governs the availability of information and is based on the principle that information should be made publicly available, unless one or more specific withholding grounds apply. Matters relating to requests and release of information are administered by officers of the Council. This Act also sets meeting procedures and requirements.</p> <p>These include:</p> <ul style="list-style-type: none"><li>• The requirement to give public notice of meetings;</li><li>• The public availability of the agenda and supporting papers for meetings of the council, and its committees and subcommittees;</li><li>• The circumstances when the council may resolve to exclude the public from meetings, and the procedure that must be followed in such circumstances; and,</li><li>• The responsibility of the chair to maintain order at meetings.</li></ul> <p>2.2 There will be a training session on information requests made under this Act conducted by the Ombudsman on the 15th November at 9am in the Council Chamber. I encourage you all to attend to find more about your role and responsibilities when information is requested by members of the public under this Act.</p>
<b>3. Local Authorities</b>	<p>3.1 There is some guidance provided by the Office of the Auditor General on this Act which can be located on the</p>

**(Members' Interests) Act 1968**

Hub.

3.2 The Act has 2 main aspects

- This Act prohibits certain contracts between the Council and its members, or with persons associated with its members. A breach results in loss of office.
- This Act also prohibits an elected member from discussing or voting on an issue in which the member, directly or indirectly, has a pecuniary interest. Any member found to have contravened this part of the Act could be prosecuted, and if convicted, would lose office.

**4. Crimes Act 1961**

4.1 Under the Crimes Act 1961 a member of a local authority who obtains or accepts or offers to accept any bribe to do, or not do, something, or who corruptly uses information obtained in an official capacity to get a direct or indirect pecuniary advantage, is liable to a term of imprisonment of up to seven years.

**5. Secret Commissions Act 1910**

5.1 Under the Secret Commissions Act 1910, an elected member who accepts a gift or obtains any advantage from any other party as a reward for doing any act in relation to Council business commits an offence. It is also an offence not to disclose a pecuniary interest in any contract, and also to aid or abet or be involved in any way in an offence under this Act. Conviction can lead to imprisonment for up to two years and a fine of up to \$1,000.

**6. Financial Markets Conduct Act 2013**

6.1 Under the Financial Markets Conduct Act 2013, elected members are in a similar position to company directors if the Council were to issue financial products, such as equity or debt securities, under its borrowing powers. Elected members may therefore be personally liable if product disclosure statements to investors contain untrue information, and may be liable for civil action or criminal prosecution if the requirements of the Act, such as keeping an audited register of financial products issued, are not met.

**7. Health and Safety at Work Act 2015**

7.1 On 4 April 2016, the Health and Safety at Work Act 2015 came into force. The HSWA provides a significant change to New Zealand's current health and safety legislation and is a response to the scrutiny placed on New Zealand's health and safety practices following the Pike River tragedy.

7.2 The Act allocates duties to those people who are in the best position to control risks to health and safety as appropriate to their role in the workplace, and for the person conducting a business or undertaking (PCBU) (i.e. the Council) to ensure, as far as is reasonably practicable, the safety of workers and others who may be impacted by the work the business undertakes.

7.3 One of the significant changes is the introduction of "Officers", who is any person occupying a position in relation to the business or undertaking, that allows the person to exercise significant influence over the management of the business or undertaking.

- 7.4 Officers have obligations of due diligence, which are:
- a) to acquire, and keep up-to-date, knowledge of work health and safety matters; and
  - b) to gain an understanding of the nature of the operations of the business or undertaking of the PCBU, and generally of the hazards and risks associated with those operations; and
  - c) to ensure that the PCBU has available for use, and uses, appropriate resources and processes to eliminate or minimise risks to health and safety from work carried out as part of the conduct of the business or undertaking; and
  - d) to ensure that the PCBU has appropriate processes for receiving and considering information regarding incidents, hazards, and risks and for responding in a timely way to that information; and
  - e) to ensure that the PCBU has, and implements, processes for complying with any duty or obligation of the PCBU under this Act; and
  - f) to verify the provision and use of the resources and processes referred to in paragraphs (c) to (e).

7.5 The duties of the Officers and of the PCBU are independent of each other. This means if a PCBU has failed to meet its duty but the Officers exercised due diligence then they would not be personally liable for the health and safety failings.

**Further  
Information**

The following legislation is available at [www.legislation.govt.nz](http://www.legislation.govt.nz)  
Local Government Official Information and Meetings Act 1987  
Local Authorities (Members' Interests) Act 1968  
Crimes Act 1961  
Secret Commissions Act 1910  
Financial Markets Conduct Act 2013  
Health and Safety at Work Act 2015

**Signatories**

Author: F Power





## Council

25 October 2016



### Chief Executive Officer's Monthly Report

<b>Department</b>	Office of the Chief Executive
<b>Author</b>	Chief Executive Officer – F Power
<b>Contact Officer</b>	As above
<b>1. Purpose</b>	1.1 To update Councillors on significant matters attended to by the CEO in the interval since the last report – 25 September 2016.
<b>Recommendation</b>	<i>The Chief Executive Officer RECOMMENDS that Council receive this report.</i>
<b>2. Staff and intern movements</b>	<p>2.1 Internships are open to all who meet our academic requirements, and whose studies match our operational needs. University students from the Wairoa district have priority for internships. Unsurprisingly, however, applications from Wairoa applicants are relatively few as a result of most New Zealand University students needing to make good money over the 13 week summer break in order to fund their ongoing studies.</p> <p>Luckily for Te Wairoa, many international students compete for the opportunity to join our internship programme, both over the summer, and during the remaining 75% of the year when New Zealand University students are committed to their studies.</p> <p>Shinen Wu (Wilson) (China) continues to work on Council's GIS. Wilson is a graduate GIS student (Postgraduate Diploma in Applied Science at the School of Surveying, University of Otago). His main tasks involve development and maintenance of GIS datasets in order to make Council spatial data services more effective and efficient. He acquired knowledge and skills through multiple tertiary studies, which included spatial analysis &amp; programming using Python &amp; SQL, geovisualisation &amp; cartography involving 3D &amp; virtual reality, remote sensing &amp; photogrammetry, GIS solution development, environmental engineering, urban design, and RTK GPS. His experience in diverse GIS projects/work locally and overseas (such as GIS support &amp; analysis work in TracMap (NZ), Mahu Whenua biodiversity mapping project (NZ), an urban planning project for Lüliang City (China)). Wilson also has</p>

knowledge of programming/scripting in VB.NET, C++, R, HTML5, and JavaScript.

Thomas Dekker of The Netherlands continues to work in the Finance Department. Thomas is a second year International Financial Management Student from Avans University of applied sciences Breda in the Netherlands. His study is mainly focused on the financial aspect of conducting business although he has also learned the basics of law, marketing and accounting information systems.

Wilma Haak studies International Business and Languages at NHL university of applied sciences. In her education the focus lays on not only import and export, but also in marketing. Wilma studied at Oita University, Oita, Oita prefecture, in Japan for 5 months in 2014. She is working on a marketing campaign related to increasing the visibility of Te Wairoa to a targeted sector of domestic tourists.

Tom Siegert is a fourth year bachelor student studying Integrated Safety Science at the University of applied sciences Utrecht, The Netherlands. Tom is assigned to space launch viewing tourism safety and security, working closely with Gautier to ensure that our community, and our visitors, have a pleasurable experience when space launch tourism activity commences.

Joachim L'Hoost (from Belgium) is undertaking a Masters degree in Human Resources Management at the Université Catholique de Louvain (UCL), Louvain-la-Neuve, Belgium. Joachim is assisting James Baty and Charlotte Knight with our HR policies.

### **3. Economic Development**

#### *3 Napier – Wairoa Rail Line to Re-open*

3.1 An agreement has been reached between the Port of Napier and Kiwirail that will lead to the Napier-Wairoa rail line re-opening in late 2017. This is tremendous news for both road users and forestry companies, and may lead to further expansion of rail transport.

### **4. Events and meetings**

#### *4 Elections*

4.1.1 I would like to congratulate all returning Councillors, and our newly-elected Councillor, Charles Lambert.

#### *4.2 Regional Meetings*

4.2.1 I attended the REDS Governance Group meeting in Napier on 29 September 2016.

- 4.2.2 As a result of the election, and the impact of Labour Weekend, the past month has had a lower than usual level of regional meeting activity.
- 4.2.3 On 03 October 2016, a preliminary meeting of the Space Project Operations Coordinating Committee (SPOCC) was held in Wairoa, with Dave Bamford (Chair) of TRC, the Giblin Group and Council staff in attendance.
  
- 4.3 Maori Standing Committee
  - 4.3.1 On 07 October 2016 I attended the MSC meeting, which was held in Council Chambers.
  
- 4.4 Annual QRS AGM
  - 4.4.1 I attended the annual QRS AGM on 18 October 2016. QRS has posted a solid profit for 2015/16, and the Board has expressed satisfaction with forward orders.
  
- 4.5 Rocket Lab
  - 4.5.1 On 03 October 2016, a preliminary meeting of the Space Project Operations Coordinating Committee (SPOCC) was held in Wairoa, with Dave Bamford (Chair) of TRC, the Giblin Group and Council staff in attendance.
  - 4.5.2 The inaugural meeting of SPOCC was held on 18 October 2016.

**Further  
Information  
Appendices  
Background  
Papers  
Signatories**

None.  
None.  
None.  
Author: F Power



# Council

25 October 2016



## Standing Orders

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 For Council to adopt a set of Standing Orders.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council adopt the Standing Orders attached as Appendix 1.</i>
<b>2. Background</b>	<p>2.1 Standing Orders are the rules that are used to control the debate and processes of Council meetings.</p> <p>2.2 It is mandatory for Council to adopt Standing Orders even though they can be suspended for particular meetings or parts of meetings should meeting informality be required.</p> <p>2.3 To provide consistency Councils have in the past adopted “<b>New Zealand Model Standing Orders For Meetings of Local Authorities and Community Boards NZS9202:2003</b>”. This document was developed taking into account the requirements of the Local Government Act 2002 and is widely used throughout the country.</p> <p>2.4 This document has now been reviewed and replaced by a LGNZ working party with a model set of standing orders – attached as Appendix 1.</p>
<b>Appendices</b>	Appendix 1 – Draft Wairoa District Council Standing Orders Appendix 2 – LGNZ Guide to Standing Orders
<b>Signatories</b>	Author: C Knight Approved by: F Power



# **Wairoa District Council Standing Orders**

[Date standing orders adopted]



## Preface

Standing orders contain rules for the conduct of the proceedings of local authorities, committees, subcommittees and subordinate decision-making bodies, and local and community boards. Their purpose is to enable local authorities to exercise their decision-making responsibilities in a transparent, inclusive and lawful manner.

In doing so the application of standing orders contributes to greater public confidence in the quality of local governance and democracy in general.

These standing orders have been designed specifically for local authorities, their committees, subcommittees and subordinate decision-making bodies, and local and community boards. They fulfil the requirements of the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 with regard to the conduct of meetings.

Please note standing orders do not apply to advisory bodies or workshops unless incorporated in their specific terms of reference.

It is mandatory that councils adopt standing order for the conduct of their meetings and the meetings of any subordinate bodies, such as committees and subcommittees (see cl. 27 Schedule 7 of the Local Government Act 2002).

For clarity's sake whenever a question about the interpretation or application of these standing orders is raised, particularly where a matter might not be directly provided for, it is the responsibility of the Chairperson of each meeting to make a ruling.

All members of a local authority must abide by standing orders.

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## **1. Introduction**

These standing orders have been prepared to enable the orderly conduct of local authority meetings. They incorporate the legislative provisions relating to meetings, decision making and transparency. They also include practical guidance on how meetings should operate so that statutory provisions are complied with and the spirit of the legislation fulfilled.

To assist elected members and officials the document is structured in three parts:

- Part 1 deals with general matters
- Part 2 deals with pre-meeting procedures
- Part 3 deals with meeting procedures.

Following Part 3 the Appendices provide templates and additional guidance for implementing provisions within the standing orders. Please note; the Appendix is an attachment to the standing orders and not part of the standing orders themselves, consequently amendments to the Appendix do not require the agreement of 75% of those present). In addition the 'Guide to Standing Orders' provides additional advice for Chairpersons and staff on implementation of the standing orders and are not part of the standing orders.

### **1.1 Principles**

Standing orders are part of the framework of processes and procedures designed to ensure that our system of local democracy and in particular decision-making within local government is transparent and accountable. They are designed to give effect to the principles of good governance, which include that a local authority should:

- conduct its business in an open, transparent and democratically accountable manner;
- give effect to its identified priorities and desired outcomes in an efficient and effective manner;
- make itself aware of, and have regard to, the views of all of its communities;
- take account, when making decisions, of the diversity of the community, its interests and the interests of future communities as well;
- ensure that any decisions made under these standing orders comply with the decision-making provisions of Part 6 of the LGA; and
- ensure that decision-making procedures and practices meet the standards of natural justice.

These are reinforced by the requirement that all local authorities act so that "governance structures and processes are effective, open and transparent" (s. 39 LGA 2002).

### **1.2 Statutory references**

The Standing Orders combine statutory provisions with guidance on their application. Where a statutory provision has been augmented with advice on how it might be implemented the advice (so as not to confuse it with the statutory obligation) is placed below the relevant legislative reference.

In some cases the language in the statutory provision has been modernised for ease of interpretation or amended to ensure consistency with more recently enacted statutes.

It is important to note that during a meeting any statutory references in the standing orders apply throughout the period of the meeting, regardless of whether or not parts or all of the Standing Orders have been suspended. These provisions must also be carried through into any amendment of the standing orders that might be made. Please note, where it is employed the word 'must', unless otherwise stated, identifies a mandatory legislative requirement.

### 1.3 Acronyms

LGA 2002	Local Government Act 2002
LGOIMA	Local Government Official Information Act 1987
LAMIA	Local Authority Members' Interests Act 1968

### 1.4 Application

For the removal of any doubt these standing orders do not apply to workshops or meetings of working parties and advisory groups.

## 2. Definitions

**Adjournment** means a break in the proceedings of a meeting. A meeting, or discussion on a particular business item, may be adjourned for a brief period, or to another date and time

**Advisory group** means a group of people convened by a local authority for the purpose of providing advice or information that is not a committee or subcommittee. These standing orders do not apply to such groups. This definition also applies to workshops, working parties, working group, panels, forums, portfolio groups, briefings and other similar bodies.

**Agenda** means the list of items for consideration at a meeting together with reports and other attachments relating to those items in the order in which they will be considered. It is also referred to as an 'order paper'.

**Amendment** means any change of proposed change to the original or substantive motion.

**Audio link** means facilities that enable audio communication between participants at a meeting when one or more of the participants is not physically present at the place of the meeting.

**Audio visual link** means facilities that enable audiovisual communication between participants at a meeting when one or more of them is not physically present at the place of the meeting.

**Chairperson** means the person presiding at a meeting – the presiding member.



**Chief executive** means the chief executive of a territorial authority or regional council appointed under section 42 of the LGA 2002, and includes, for the purposes of these standing orders, any other officer authorized by the local authority.

**Clear working days** means the number of working days (business hours) prescribed in these standing orders for giving notice and excludes the date of the meeting and date on which the notice is served.

**Committee** includes, in relation to a local authority:

- (a) A committee comprising all the members of that authority;
- (b) A standing committee or special committee appointed by that authority;
- (c) A joint committee appointed under clause 30A of Schedule 7 of the LGA 2002; and
- (d) Any subcommittee of a committee described in (a), (b) and (c) of this definition.

**Community board** means a community board established under s.49 of the LGA 2002.

**Contempt** means being disobedient to, or disrespectful of, the chair of a meeting, or disrespectful to any members, officers or the public.

**Council** means, in the context of these standing orders, the governing body of a local authority.

**Deputation** means a request from any person or group to make a presentation to the local authority which is approved by the Chairperson and which may be made in English, te reo Māori or New Zealand Sign Language.

**Electronic link** means both an audio and audio visual link.

**Extraordinary meeting** has the same meaning as defined in cl. 22 of Schedule 7 of the LGA 2002.

**Foreshadowed motion** means a motion that a member indicates their intention to move once the debate on a current motion or amendment is concluded.

**Joint committee** means a committee in which the members are appointed by more than one local authority in accordance with clause 30A of Schedule 7 of the LGA 2002.

**Karakia timatanga** means an opening prayer.

**Karakia whakamutunga** means a closing prayer.

**Lawfully excluded** means a member of a local authority who has been removed from a meeting due to behaviour that a Chairperson has ruled to be contempt.

**Local authority** means in the context of these standing orders a regional council or territorial authority, as defined in s. 5 of the LGA 2002, which is named in these standing orders, and any subordinate decision-making bodies established by the local authority.

**Mayor** means the Mayor of a territorial authority elected under the Local Electoral Act 2001.

**Meeting** means any first, inaugural, ordinary, or extraordinary meeting of a local authority, subordinate decision-making bodies and any community or local board of the local authority convened under the provisions of LGOIMA.

**Member** means any person elected or appointed to the local authority.

**Mihi whakatau** means a brief welcome typically delivered by one person without any further formalities.

**Minutes** means the record of the proceedings of any meeting of the local authority.

**Motion** means a formal proposal to a meeting.

**Mover** means the member who initiates a motion.

**Newspaper** means a periodical publication published (whether in New Zealand or elsewhere) at intervals not exceeding 40 days, or any copy of, or part of any copy of, any such publications; and this includes every publication that at any time accompanies and is distributed along with any newspaper.

**Notice of motion** means a motion given in writing by a member in advance of a meeting in accordance with, and as provided for, in these standing orders.

**Open voting** means voting that is conducted openly and in a transparent manner and may be conducted by electronic means. The result of the vote must be announced immediately it has concluded. Secret ballots are specifically excluded.

**Order paper** means the list of items for consideration at a meeting together with reports and other attachments relating to those items set out in the order in which they will be considered. An order paper is also referred to as an agenda.

**Ordinary meeting** means any meeting, other than the first meeting, of a local authority publicly notified in accordance with sections 46(1) and (2) of LGOIMA.

**Petition** means a request to a local authority which contains at least 20 signatures.

**Powhiri** means a formal welcome involving a Karanga from the Tangata Whenua (the home people) followed by formal speech making. A Powhiri is generally used for formal occasions of the highest significance.

**Presiding member** means the person chairing a meeting.

**Procedural motion** means a motion that is used to control the way in which a motion or the meeting is managed as specified in standing orders 24.1 – 24.7.

**Public excluded information** refers to information which is currently before a public excluded session, is proposed to be considered at a public excluded session, or had previously been considered at a public excluded session and not yet been released as publicly available information. It includes:

- any minutes (or portions of minutes) of public excluded sessions which have not been subsequently released by the local authority;
- any other information which has not been released by the local authority as publicly available information.

**Public excluded session**, also referred to as confidential or in-committee session, refers to those meetings or parts of meetings from which the public is excluded by the local authority as provided for in LGOIMA.

**Public forum** refers to a period set aside usually at the start of a meeting for the purpose of public input.

**Publicly notified** means notified to members of the public by a notice contained in a newspaper circulating in the district of the local authority, or where there is no such newspaper, by notice displayed in a public place. The notice may also be replicated on a council's website.

**Qualified privilege** means the privilege conferred on member by s. 52 and s. 53 of LGOIMA.

**Quasi-judicial** means a meeting involving the consideration of issues requiring the evaluation of evidence, the assessment of legal argument and/or the application of legal principles.

**Quorum** means the minimum number of members required to be present in order to constitute a valid meeting.

**Regional Council Chairperson** means the member of the governing body of a regional council elected as Chairperson of that regional council under cl.25 Schedule 7 LGA 2002.

**Resolution** means a motion that has been adopted by the meeting.

**Right of reply** means the right of the mover of a motion to sum up the debate and reply to those who have spoken against the motion. (The right can also apply to an amendment.)

**Secunder** means the member who seconds a motion.

**Sub judice** means under judicial consideration and therefore prohibited from public discussion elsewhere.

**Subordinate decision-making body** means committees, subcommittees, and any other bodies established by a local authority that have decision-making authority, but not local or community boards or joint committees.

**Substantive motion** means the original motion. In the case of a motion that is subject to an amendment, the substantive motion is the original motion incorporating any amendments adopted by the meeting.

**Substantive resolution** means the substantive motion that has been adopted by the meeting or a restatement of a resolution that has been voted on in parts.

**Subcommittee means** a subordinate decision-making body established by a council, or a committee of a council, local board or community board. See definition of “Committee”.

Working day means any day of the week other than:

- (a) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign’s Birthday, and Labour Day and, if Waitangi Day or Anzac Day falls on a weekend, the following Monday.
- (b) A day in the period commencing with the 25th day of December in any year and ending with the 15th day of January in the following year.

Should a local authority wish to meet between the 25th of December and the 15th day of January in the following year any meeting must be notified as an extraordinary meeting unless there is sufficient time to notify an ordinary meeting before the commencement of the period.

**Working party** means a group set up by a local authority to achieve a specific objective that is not a committee or subcommittee and to which these standing orders do not apply.

**Workshop**, means in the context of these standing orders, a gathering of elected members for the purpose of considering matters of importance to the local authority at which no decisions are made and to which these standing orders do not apply. Workshops may include non-elected members. See definition of “advisory group”. Workshops are also described as briefings.

## General matters

### 3. Standing orders

#### 3.1 Obligation to adopt standing orders

A council is required to operate in accordance with standing orders for the conduct of its meetings and the meetings of its committees and subcommittees. Local boards and community boards must also adopt standing orders. Standing orders must not contravene any Act.

*cl. 27(1) & (2), Schedule 7, LGA 2002.*

#### 3.2 Process for adoption and alteration of standing orders

The adoption of standing orders and any amendment to standing orders must be made by the Council and by a vote of not less than 75 % of the members present. Similarly, in the case of a local and community board the adoption of standing orders and any amendments also requires a vote of not less than 75% of the members of the specific board.

*cl. 27(3) Schedule 7, LGA 2002.*

#### 3.3 Members must obey standing orders

All members of the local authority, including members of committees and subcommittees, must obey these standing orders. Local boards and community boards which have adopted these standing orders must also comply with them.

*cl. 16(1) Schedule 7, LGA 2002.*

#### 3.4 Application of standing orders

These standing orders apply to all meetings of the local authority, its committees, subcommittees and subordinate decision-making bodies. They will also apply to any local boards and community boards unless stated otherwise. This includes meetings and parts of meetings that the public are excluded from.

#### 3.5 Temporary suspension of standing orders

Any member of a council, committee, subcommittee and subordinate body, and local and community board, may move a motion to suspend standing orders at a meeting of which they are a member. Any such motion must also include the reason for the suspension. If seconded, the Chairperson must put the motion without debate and at least 75 per cent of the members present and voting must support the motion for it to be carried.

*cl. 27(4), Schedule 7, LGA 2002.*

A motion to suspend standing orders may also identify the specific standing orders to be suspended. In the event of suspension those standing orders prescribed in statute will continue to apply, such as the quorum requirements.

### **3.6 Quasi-judicial proceedings**

For quasi-judicial proceedings the local authority or a local or community board may amend meeting procedures. For example, committees hearing applications under the RMA 1991 have additional powers under the Commissions of Inquiry Act 1908.

### **3.7 Physical address of members**

Every member of a local authority, local board and community board must give to the chief executive a physical residential or business address within the district or region of the local authority and, if desired, an electronic or other address, to which notices and material relating to meetings and local authority business may be sent or delivered. Members are to provide their address within 5 working days of the publication of the declaration of the election results.

## **4. Meetings**

### **4.1 Legal requirement to hold meetings**

The local authority must hold meetings for the good government of its city, district or region. The same requirement applies to local boards and community boards in respect of their communities. Meetings must be called and conducted in accordance with:

- (a) Schedule 7 of the LGA 2002;
- (b) Part 7 of LGOIMA; and
- (c) These standing orders.

A meeting can be adjourned to a specified time and day if required by resolution of the meeting.

### **4.2 Meeting duration**

A meeting cannot continue more than six hours from when it starts (including any adjournments) or after 10.30pm, unless the meeting resolves to continue. If there is no such resolution any business on the agenda that has not been dealt with must be adjourned, transferred to the next meeting or transferred to an extraordinary meeting.

No meeting can sit for more than three hours continuously without a break of at least ten minutes unless the meeting resolves to extend the time before a break.

### **4.3 Language**

A member may address a meeting in English, te reo Māori or New Zealand Sign Language. A Chairperson may require that a speech is translated and printed in English or te reo Māori.

If a member intends to address the meeting in New Zealand Sign Language, or in te reo Māori when the normal business of the meeting is conducted in English, they must give prior notice to the Chairperson not less than 2 working days before the meeting. Where the normal business of the meeting is conducted in te reo Māori then prior notice of the intention to address the meeting in English must also be given to the Chairperson not less than 2 working days before the meeting.

#### **4.4 Webcasting meetings**

Webcast meetings should be provided in accordance with the protocols contained in Appendix 5.

#### **4.5 First meeting (inaugural)**

The first meeting of a local authority following a local authority triennial general election must be called by the chief executive as soon as practicable after the results of the election are known. The chief executive must give elected members not less than 7 days' notice of the meeting. However in the event of an emergency the chief executive may give notice of the meeting as soon as practicable.

*cl. 21(1) - (4), Schedule 7, LGA 2002.*

#### **4.6 Requirements for the first meeting**

The chief executive (or, in the absence of the chief executive, their nominee) must chair the first meeting until the Chairperson has made an oral declaration and attested the declaration (see cl. 21(4), Schedule 7 (LGA 2002)).

The business to be conducted at the first meeting following a general election must include the following:

- (a) The making and attesting of the declarations required of the mayor (if any) and members under cl.14, Schedule7, (LGA 2002), and
- (b) The election of the Chairperson (if any) and the making and attesting of the declaration required of the Chairperson under cl. 14 Schedule7, (LGA 2002), and
- (c) A general explanation, given or arranged by the chief executive, of:
  - i. LGOIMA; and
  - ii. Other laws affecting members, including the appropriate provisions of the Local Authorities (Members Interests) Act 1968; and sections 99, 105, and 105A of the Crimes Act 1961; and the Secret Commissions Act 1910; and the Financial Markets Conduct Act 2013;
- (d) The fixing of the date and time of the first meeting of the local authority, or the adoption of a schedule of meetings; and
- (e) The election of the deputy Mayor or deputy Chairperson in accordance with cl.17 Schedule7, (LGA 2002).

*cl. 21(5), Schedule 7, LGA 2002.*

It is common for councils to adopt standing orders at the first meeting; however this is not always necessary as, if not amended, standing orders will remain in force after each triennial election.

Please note that the election of a deputy mayor is not required if the Mayor has already made the appointment under s. 41A (3)(a) of the LGA 2002 prior to the meeting. Nothing limits a territorial authority from removing a deputy Mayor from office in accordance with cl.18 of Schedule 7 LGA 2002.

## **5. Appointments and elections**

### **5.1 Mayoral appointment of deputy Mayor, committee chairs and members**

A Mayor may appoint the deputy Mayor, the Chairperson and the members of each committee of the territorial authority. The names of any appointments made by the Mayor must be tabled at the first meeting of the council after the appointments are made. The Mayor may also appoint him or her self.

*s. 41A (3) LGA 2002.*

### **5.2 Council Discharge of a Mayoral Appointment**

Nothing, however, limits or prevents a territorial authority from discharging deputy Mayor, a Chairperson or a member of a committee appointed by the Mayor. Any decision by the territorial authority to discharge a deputy Mayor shall follow the procedure in Standing Order 5.5.

If the Mayor declines to appoint a deputy Mayor or committee Chairpersons in accordance with s.41A LGA 2002, the council (or a committee, if so directed by the council) must elect those positions in accordance with standing order 5.4.

*cl. 31, Schedule 7 LGA 2002*

### **5.3 Establishment of committees by the Mayor**

The Mayor may establish committees of the territorial authority. Where a Mayor exercises this right a list of the committees and their terms of reference must be tabled at the next following meeting of the Council. Should the Mayor decline to establish committees under s. 41A then any decision to establish committees must follow the processes set out in these standing orders.

Nothing, however, limits or prevents a territorial authority from discharging or reconstituting, in accordance with cl. 30 of Schedule 7, LGA 2002, a committee established by the Mayor or appointing, more committees in addition to any established by the Mayor.

*s. 41A (3) and (4) LGA 2002.*



## **5.4 Elections of regional Chairpersons, deputy Mayors and deputy Chairpersons**

The council (or a committee responsible for making the appointment) must decide by resolution to use one of two voting systems (see standing order 5.5) when electing people to the following positions:

- the Chairperson and deputy Chairperson of a regional council;
- the deputy Mayor;
- the Chairperson and deputy Chairperson of a committee; and
- a representative of a local authority.

Please note, this provision does not apply in situations where a mayor has used their appointment powers under s.41A to appoint a deputy Mayor or committee chairs. See Appendix 7.

*cl. 25 Schedule 7, LGA 2002.*

## **5.5 Removal of a deputy Mayor**

A deputy Mayor, whether appointed by the Mayor under standing order 5.1 or elected by the council, can only be removed in accordance with cl. 18, Schedule 7, of the LGA 2002. See Appendix 8.

*cl. 18, Schedule 7, LGA 2002.*

## **5.6 Voting system for chairs, deputy Mayors and committee chairs**

When electing a regional council chair, a deputy Mayor or a committee chair the local authority must resolve to use one of the following two voting systems.

### **System A**

The candidate will be elected or appointed if he or she receives the votes of a majority of the members of the local authority or committee who are present and voting. This system has the following characteristics:

- (a) there is a first round of voting for all candidates;
- (b) if no candidate is successful in the first round, there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and
- (c) if no candidate is successful in the second round, there is a third round, and if necessary subsequent rounds, of voting from which, each time, the candidate with the fewest votes in the previous round is excluded.

In any round of voting, if two or more candidates tie for the lowest number of votes, the person to be excluded from the next round is resolved by lot.

## **System B**

The candidate will be elected or appointed if he or she receives more votes than any other candidate. This system has the following characteristics:

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

*cl. 25 Schedule 7, LGA 2002.*

## **6. Delegations**

### **6.1 Limits on delegations**

Unless clearly stated in the LGA or any other Act, a council may, for the purposes of efficiency and effectiveness, delegate to a committee, subcommittee, subordinate decision-making body, community board, local board, member, or officer of the local authority, any of its responsibilities, duties, or powers except:

- (a) the power to make a rate;
- (b) the power to make a bylaw;
- (c) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan;
- (d) the power to adopt a long-term plan, annual plan, or annual report;
- (e) the power to appoint a chief executive;
- (f) the power to adopt policies required to be adopted and consulted on under the LGA in association with the long-term plan or developed for the purpose of the local governance statement;
- (g) *Repealed*;
- (h) the power to adopt a remuneration and employment policy.

*cl. 32 (1) Schedule 7, LGA 2002.*

### **6.2 Committees may delegate**

A committee, subcommittee, subordinate decision-making body, local board, community board, member, or officer of the local authority, may delegate any of its responsibilities, duties, or powers to a subcommittee or person, subject to any conditions, limitations, or prohibitions imposed by the body that made the original delegation.

*cl. (2) & (3), Schedule 7, LGA 2002.*

### **6.3 Use of delegated powers**

The committee, subcommittee, other subordinate decision-making body, community board, or member or officer of the local authority to which or to whom any responsibilities, powers, duties are delegated may, without confirmation by the council, committee or body or person that made the delegation, exercise or perform them in the like manner and with the same effect as the local authority could itself have exercised or performed them.

*cl. 32(2) & (3)(4) Schedule 7, LGA 2002.*

### **6.4 Decisions made under delegated authority cannot be rescinded or amended**

Nothing in these standing orders allows a council, committee and subcommittee to rescind or amend a lawfully made decision of a subordinate decision-making body carried out under a delegation authorising the making of that decision. The same requirement applies to a local board and community board in relation to any committees or subcommittees with delegated authority.

*cl. 30 (6), Schedule 7, LGA 2002.*

### **6.5 Committees and sub committees subject to the direction of the local authority**

A committee, subcommittee or other subordinate decision-making body is subject in all things to the control of the local authority, and must carry out all general and special directions of the local authority given to them.

*cl. 30 (3) & (4), Schedule 7, LGA 2002.*

### **6.6 Duty to consider delegations to community boards**

The council of a territorial authority must consider whether or not to delegate to a community board if the delegation would enable the community board to best achieve its role.

*cl. 32(6) Schedule 7, LGA 2002.*

## **7. Committees**

### **7.1 Appointment of committees and subcommittees**

A council may appoint the committees, subcommittees, and other subordinate decision-making bodies that it considers appropriate. A committee may appoint the subcommittees that it considers appropriate, unless it is prohibited from doing so by the council.

*cl. 30(1) & (2), Schedule 7, LGA 2002.*

### **7.2 Discharge or reconstitution of committees and subcommittees**

Unless expressly provided otherwise in legislation or regulation:

- (a) a local authority may discharge or reconstitute a committee or subcommittee, or other subordinate decision-making body; and
- (b) a committee may discharge or reconstitute a subcommittee.

A committee, subcommittee, or other subordinate decision-making body is, unless a council resolves otherwise, discharged when members elected at a subsequent triennial general election come into office.

*cl. 30 (5) & (7), Schedule 7, LGA 2002.*

**Please note:** s.12 (2) of the Civil Defence and Emergency Management Act 2002 states that a Civil Defence and Emergency Management Group is not deemed to be discharged following a triennial election.

### **7.3 Appointment or discharge of committee members and subcommittee members**

A council may appoint or discharge any member of a committee and, if established by the council, a subcommittee. A committee may appoint or discharge any member of a subcommittee appointed by the committee unless directed otherwise by the council.

*cl. 31 (1) & (2), Schedule 7, LGA 2002*

### **7.4 Elected members on committees and subcommittees**

The members of a committee or subcommittee may be, but are not required to be, elected members of a local authority. A council or committee may appoint a person who is not a member of the local authority to a committee or subcommittee if, in the opinion of the council or committee, the person has the skills, attributes or knowledge to assist the committee or subcommittee.

At least one member of a committee must be an elected member of the council. In the case of a committee established by a local board or community board at least one member must be a member of that board. A staff member of the local authority, in the course of their employment, can be a member of a subcommittee but not a committee.

*cl. 31(4) Schedule 7, LGA 2002.*

## **7.5 Local authority may replace members if committee not discharged**

If a local authority resolves that a committee, subcommittee or other subordinate decision-making body is not to be discharged under cl. 30 (7) Schedule 7, LGA 2002, the local authority may replace the members of that committee, subcommittee or subordinate decision-making body after the next triennial general election of members.

*cl. 31(5) Schedule 7, LGA 2002.*

## **7.6 Membership of Mayor**

The Mayor is a member of every committee of the local authority.

*s. 41A (5), LGA 2002.*

## **7.7 Decision not invalid despite irregularity in membership**

For the purpose of these standing orders a decision of a local authority, committee, local board and community board is not invalidated if:

1. there is a vacancy in the membership of the local authority, committee, local or community board at the time of the decision; or
2. following the decision some defect in the election or appointment process is discovered and/or that the membership of a person on the committee at the time is found to have been ineligible.

*cl. 29, Schedule 7, LGA 2002.*

## **7.8 Appointment of joint committees**

A local authority may appoint a joint committee with another local authority or other public body if it has reached agreement with each local authority or public body. The agreement must specify:

- (a) the number of members each party may appoint; and
- (b) how the Chairperson and deputy Chairperson 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 party; and
- (e) how the agreement may be varied.

The agreement may also specify any other matter relating to the appointment, operation, or responsibilities of the committee agreed by the parties.

*cl. 30A (1) & (2), Schedule 7, LGA 2002.*

## **7.9 Status of joint committees**

A joint committee is deemed to be both a committee of a council and a committee of each other participating local authority or public body.

*cl. 30A (5), Schedule 7, LGA 2002.*

## **7.10 Power to appoint or discharge individual members of a joint committee**

The power to discharge any individual member of a joint committee and appoint another member in their stead must be exercised by the council or public body that made the appointment.

*cl. 30A (6)(a), Schedule 7, LGA 2002.*

## Pre-meeting

### 8. Giving notice

Please note; the processes described in this section (standing orders 8.1 – 8.13) apply as appropriate to local boards and community boards.

#### 8.1 Public notice – ordinary meetings

All meetings scheduled for the following month must be publicly notified not more than 14 days and not less than 5 days before the end of every month, together with the dates on which and the times and places at which those meetings are to be held. In the case of meetings held on or after the 21st day of the month public notification must be given not more than 10 nor less than 5 working days before the day on which the meeting is to be held.

*s. 46, LGOIMA.*

#### 8.2 Notice to members - ordinary meetings

The chief executive must give notice in writing to each member of the local authority of the time and place of any meeting. Notice must be given at least 14 days before the meeting unless the council has adopted a schedule of meetings, in which case notice must be given at least 14 days before the first meeting on the schedule.

*cl. 19 (5), Schedule 7, LGA 2002.*

#### 8.3 Extraordinary meeting may be called

An extraordinary council meeting may be called by:

- (a) resolution of the council, or
- (b) a requisition in writing delivered to the chief executive which is signed by:
  - i. the Mayor or Chairperson, or
  - ii. no less than one third of the total membership of the council (including vacancies).

*cl. 22 (1) Schedule 7, LGA 2002.*

#### 8.4 Notice to members - extraordinary meetings

Notice in writing of the time and place of an extraordinary meeting called under standing order 8.3 and of the general nature of business to be considered must be given by the chief executive to each member of the council at least 3 working days before the day appointed for the meeting. If the meeting is called by a resolution then notice must be provided within such lesser period as is specified in the resolution, as long as it is not less than 24 hours.

*cl. 22 (3), Schedule 7, LGA 2002.*

## **8.5 Public notice - extraordinary meetings**

Where an extraordinary meeting of a local authority was called and notice of that meeting was inconsistent with these standing orders the local authority must, as soon as practicable following the meeting, give public notice stating that:

- (a) the meeting has occurred;
- (b) the general nature of business transacted; and
- (c) the reasons why it was not correctly notified.

*s. 46 (3) & (4), LGOIMA.*

## **8.6 Process for calling an extraordinary meeting at an earlier time**

If the nature of business requires a meeting to be held at an earlier time than is allowed by the notice requirements specified in standing order 8.4, a meeting may be called by the Mayor or Chairperson, or if the Mayor and Chairperson are not available, the chief executive.

*cl. 22 (2) Schedule 7, LGA 2002.*

## **8.7 Notification of extraordinary meetings held at an earlier time**

Notice of the time, place and matters to be considered of a meeting called under Standing Order 8.6, must be given by the person calling the meeting or by another person on that person's behalf. Notice must be given to each member of the council and the chief executive by whatever means is reasonable in the circumstances and at least 24 hours before the time appointed for the meeting.

*cl. 22 (4), Schedule 7 LGA 2002.*

## **8.8 Chief executive may make other arrangements**

The chief executive is to make any other arrangement for the notification of meetings, including extraordinary meetings, as the local authority may, from time to time, determine.

*s. 46(5) LGOIMA.*

## **8.9 Meetings not invalid**

The failure to notify a public meeting under these standing orders does not of itself make that meeting invalid. However, where a local authority becomes aware that a meeting has been incorrectly notified it must, as soon as practicable, give public notice stating:

- that the meeting occurred without proper notification;
- the general nature of the business transacted; and
- the reasons why the meeting was not properly notified.

*s. 46 (6), LGOIMA.*



## **8.10 Resolutions passed at an extraordinary meeting**

A local authority must, as soon as practicable, publicly notify any resolution passed at an extraordinary meeting of the local authority unless -

- (a) the resolution was passed at a meeting or part of a meeting from which the public was excluded; or
- (b) the extraordinary meeting was publicly notified at least 5 working days before the day on which the meeting was held.

*s. 51A, LGOIMA.*

## **8.11 Meeting schedules**

Where the local authority adopts a meeting schedule it may cover any period that the council considers appropriate and may be amended. Notification of the schedule, or an amendment, will constitute notification to members of every meeting on the schedule or the amendment. This does not replace the requirements under LGOIMA to also publicly notify each meeting.

*cl. 19 (6) Schedule 7, LGA 2002.*

## **8.12 Non-receipt of notice to members**

A meeting of a local authority is not invalid if notice of that meeting was not received, or not received in due time, by a member of the local authority or board unless:

- (a) it is proved that the person responsible for giving notice of the meeting acted in bad faith or without reasonable care; and
- (b) the member concerned did not attend the meeting.

A member of a local authority may waive the need to be given notice of a meeting.

*cl. 20 (1) & (2) Schedule 7, LGA 2002.*

## **8.13 Meeting cancellations**

The Chairperson of a scheduled meeting may cancel the meeting if, in consultation with the chief executive, they consider this is necessary for reasons that include lack of business, lack of quorum or clash with another event.

The chief executive must make a reasonable effort to notify members and the public as soon as practicable of the cancellation and the reasons behind it.

## **9. Meeting agenda**

### **9.1 Preparation of the agenda**

It is the chief executive's responsibility to prepare an agenda for each meeting listing and attaching information on the items of business to be brought before the meeting so far as is known, including the names of the relevant members.

When preparing business items for an agenda the chief executive should consult the Chairperson.

### **9.2 Process for raising matters for a decision**

Requests for reports may be made by a resolution of the council, committee, subcommittee, subordinate decision-making body, local boards or community board and, in the case of all decision-making bodies other than the council, must also fall within the scope of their specific delegations. A process for requesting reports is described in Appendix 11.

### **9.3 Chief executive may delay or refuse request**

The chief executive may delay commissioning any reports that involve significant cost or are beyond the scope of the committee that made the request. In such cases the chief executive will discuss options for meeting the request with the respective Chairperson and report back to a subsequent meeting with an estimate of the cost involved and seek direction on whether the report should still be prepared.

If a member makes a direct request to a chief executive asking that a report is prepared the chief executive may refuse. In such cases an explanation should be provided to the member.

### **9.4 Order of business**

At the meeting the business is to be dealt with in the order in which it stands on the agenda unless the Chairperson, or the meeting, decides otherwise. An example of a default order of business is set out in Appendix 10.

The order of business for an extraordinary meeting must be limited to items that are relevant to the purpose for which the meeting has been called.

### **9.5 Chairperson's recommendation**

A Chairperson, either prior to the start of the meeting and/or at the meeting itself, may include a recommendation regarding any item on the agenda brought before the meeting. Where a Chairperson's recommendation varies significantly from an officer's recommendation the reason for the variation must be explained.

### **9.6 Chairperson's report**

The Chairperson of a meeting has the right, through a report, to direct the attention of a meeting to any matter which is on the agenda or which falls within the responsibilities of that meeting.

## **9.7 Public availability of the agenda**

All information provided to members at a local authority, or local or community board, meeting must be publicly available except where an item included in the agenda refers to a matter reasonably expected to be discussed with the public excluded.

*s. 5 & 46A, LGOIMA.*

## **9.8 Public inspection of agenda**

Any member of the public may, without payment of a fee, inspect, during normal office hours and within a period of at least 2 working days before a meeting, all agendas and associated reports circulated to members of the local authority and local and community boards relating to that meeting. The agenda:

- (a) must be available for inspection at the public offices of the local authority (including service centres), at public libraries under the authority's control and on the council's website, and:
- (b) must be accompanied by either:
  - i. the associated reports; or
  - ii. a notice specifying the places at which the associated reports may be inspected.

*s. 46A (1), LGOIMA.*

## **9.9 Withdrawal of agenda items**

If justified by circumstances an agenda item may be withdrawn by the chief executive. In the event of an item being withdrawn the chief executive should inform the Chairperson.

## **9.10 Distribution of the agenda**

The chief executive must send the agenda to every member of a meeting at least two clear working days before the day of the meeting, except in the case of an extraordinary meeting (see Standing Order 8.4).

The chief executive may send the agenda, and other materials relating to the meeting or other council business, to members by electronic means.

## **9.11 Status of agenda**

No matter on a meeting agenda, including recommendations, may be considered final until determined by formal resolution of that meeting.

## **9.12 Items of business not on the agenda which cannot be delayed**

A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with that item and the Chairperson provides the following information during the public part of the meeting:

- (a) the reason the item is not on the agenda; and
- (b) the reason why the discussion of the item cannot be delayed until a subsequent meeting.

*s. 46A (7), LGOIMA*

Items not on the agenda may be brought before the meeting through a report from either the chief executive or the Chairperson.

**Please note** that nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA 2002 with regard to consultation and decision-making.

## **9.13 Discussion of minor matters not on the agenda**

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion.

*s. 46A (7A), LGOIMA.*

## **9.14 Public excluded business on the agenda**

Items that are likely to be discussed under public excluded must be indicated on each agenda and state the general subject of the item. The chief executive, however, may exclude public access to any reports, or parts of reports, which are reasonably expected to be discussed with the public excluded.

*s. 46A (9), LGOIMA.*

## **9.15 Qualified privilege relating to agenda and minutes**

Where any meeting is open to the public and a member of the public is supplied with a copy of the agenda, or the minutes of that meeting, the publication of any defamatory matter included in the agenda or in the minutes is privileged. This does not apply if the publication is proved to have been made with ill will or improper advantage has been taken of the publication.

*s. 52, LGOIMA.*

# Meeting Procedures

## Opening and closing

Local authorities, local boards and community boards may, at the start of a meeting, choose to recognise the civic importance of the occasion through some form of reflection. This could be an expression of community values, a reminder of the contribution of members who have gone before or a formal welcome, such as a mihi whakatau. Options for opening a meeting could include a karakia timitanga, mihi whakatau, or powhiri as well as a karakia whakamutunga to close a meeting where appropriate.

## 10. Quorum

### 10.1 Councils

The quorum for a meeting of the council is:

- (a) half of the members physically present, where the number of members (including vacancies) is even; and
- (b) a majority of the members physically present, where the number of members (including vacancies) is odd.

*cl. 23 (3)(a) Schedule 7, LGA 2002.*

### 10.2 Committees and subcommittees

A council sets the quorum for its committees and subcommittees, either by resolution or by stating the quorum in the terms of reference. Committees may set the quorums for their subcommittees by resolution provided that it is not less than two members.

In the case of subcommittees the quorum will be two members unless otherwise stated. In the case of committees at least one member of the quorum must be a member of the council, or if established by a local board or community board, the relevant board.

*cl. 23 (3)(b) Schedule 7, LGA 2002.*

### 10.3 Joint Committees

The quorum at a meeting of a joint committee must be consistent with Standing Order 10.1. Local authorities participating in the joint committee may decide, by agreement, whether or not the quorum includes one or more members appointed by each local authority or any party.

*cl. 30A (6)(c) Schedule 7, LGA 2002.*

## **10.4 Requirement for a quorum**

A meeting is constituted where a quorum of members is present, whether or not they are all voting or entitled to vote. In order to conduct any business at a meeting, a quorum of members must be present for the whole time that the business is being considered.

*cl. 23(1) & (2) Schedule 7, LGA 2002.*

## **10.5 Meeting lapses where no quorum**

A meeting must lapse, and the Chairperson vacate the chair, if a quorum is not present within 30 minutes of the advertised start of the meeting. Where members are known to be travelling to the meeting, but are delayed due to extraordinary circumstance, the Chairperson has discretion to wait for a longer period.

No business may be conducted while waiting for the quorum to be reached. Minutes will record when a meeting lapses due to a lack of a quorum, along with the names of the members who attended.

## **10.6 Business from lapsed meetings**

Where meetings lapse the remaining business will be adjourned and be placed at the beginning of the agenda of the next ordinary meeting, unless the Chairperson sets an earlier meeting and this is notified by the chief executive.

# **11. Public access and recording**

## **11.1 Meetings open to the public**

Except as otherwise provided by Part 7 of LGOIMA, every meeting of the local authority, its committees, subcommittees, local boards and community boards, must be open to the public.

*s.47 & 49(a), LGOIMA.*

## **11.2 Grounds for removing the public**

The Chairperson may require any member of the public whose conduct is disorderly, or who is creating a disturbance, to be removed from the meeting.

## **11.3 Local authority may record meetings**

Meeting venues should contain clear signage indicating and informing members, officers and the public that proceedings may be recorded by the local authority and may be subject to direction by the Chairperson.

## **11.4 Public may record meetings**

Members of the public may make electronic or digital recordings of meetings which are open to the public. Any recording of meetings must be notified to the Chairperson at the commencement of the meeting to ensure that the recording does not distract the meeting from fulfilling its business.

Where circumstances require the Chairperson may stop the recording for a period of time.

## **12. Attendance**

### **12.1 Members right to attend meetings**

A member of a local authority, or of a committee of a local authority, has, unless lawfully excluded, the right to attend any meeting of the local authority or committee.

*cl. 19(2), Schedule 7, LGA 2002.*

If the member of the local authority is not an appointed member of the meeting at which they are in attendance they may not vote on any matter at that meeting. However, they may, with the leave of the chair, take part in the meeting's discussions.

A member attending a meeting of which they are not an appointed member is not a member of the public for the purpose of s.48 LGOIMA. Consequently, if the meeting resolves to exclude the public any members of the local authority who are present may remain unless they are lawfully excluded.

Please note: this section does not confer any rights to non-elected members appointed to committees of a local authority.

### **12.2 Attendance when a committee is performing judicial or quasi-judicial functions**

When a committee is performing judicial or quasi-judicial functions members of the local authority who are not members of that committee are not entitled to take part in the proceedings.

### **12.3 Leave of absence**

A council, local board or community board may grant a member leave of absence following an application from that member.

In addition a council, local board or community board may delegate the power to grant a leave of absence to the Chairperson in order to protect a member's privacy. The Chairperson will advise all members of the council, local board or community board whenever a member has been granted leave of absence under delegated authority. Meeting minutes will record that a member has leave of absence as an apology for that meeting.

## **12.4 Apologies**

A member who does not have leave of absence may tender an apology should they be absent from all or part of a meeting. The Chairperson must invite apologies at the beginning of each meeting, including apologies for lateness and early departure. The meeting may accept or decline any apologies.

For clarification, the acceptance of a member's apology constitutes a grant of 'leave of absence' for that meeting.

## **12.5 Recording apologies**

The minutes will record any apologies tendered before or during the meeting, including whether they were accepted or declined and the time of arrival and departure of all members.

## **12.6 Absent without leave**

Where a member is absent from the council, local board or community board for four consecutive meetings without leave of absence (not including extraordinary meetings) then the office held by the member will become vacant. A vacancy created in this way is treated as an extraordinary vacancy.

*cl. 5 (d) Schedule 7, LGA 2002.*

## **12.7 Right to attend by audio or audio visual link**

Provided the conditions in these standing orders are met members of the local authority or its committees have the right to attend meetings by means of an electronic link, unless they have been lawfully excluded.

## **12.8 Member's status: quorum**

Members who attend meetings by electronic link will not be counted as present for the purposes of a quorum.

## **12.9 Member's status: voting**

Where a meeting has a quorum, determined by the number physically present, the members attending by electronic link can vote on any matters raised at the meeting.

## **12.10 Chairperson's duties**

Where the technology is available and a member is attending a meeting by audio or audio visual link, the Chairperson must ensure that:

- (a) the technology for the link is available and of suitable quality;
- (b) procedures for using the technology in the meeting will ensure that:
  - i. everyone participating in the meeting can hear each other;



- ii. the member's attendance by audio or audio visual link does not reduce their accountability or accessibility of that person in relation to the meeting;
- iii. the requirements of Part 7 of LGOIMA are met; and
- iv. the requirements in these standing orders are met.

If the Chairperson is attending by audio or audio visual link then chairing duties will be undertaken by the deputy chair or a member who is physically present.

*cl. 25A (3) schedule 7, LGA 2002.*

### **12.11 Conditions for attending by audio or audio visual link**

The Chairperson may give approval for a member to attend meetings by electronic link, either generally or for a specific meeting. Examples of situations where approval can be given include:

- (a) where the member is at a place that makes their physical presence at the meeting impracticable or impossible;
- (b) where a member is unwell; and
- (c) where a member is unable to attend due to an emergency.

### **12.12 Request to attend by audio or audio visual link**

Where possible, a member will give the Chairperson and the chief executive at least 2 working days' notice when they want to attend a meeting by audio or audio visual link. Should, due to illness or emergency, this is not possible the member may give less notice.

Where such a request is made and the technology is available, the chief executive must take reasonable steps to enable the member to attend by audio or audio-visual link. However, the council has no obligation to make the technology for an audio or audio-visual link available.

If the member's request cannot be accommodated, or there is a technological issue with the link, this will not invalidate any acts or proceedings of the local authority or its committees.

### **12.13 Chairperson may terminate link**

The Chairperson may direct that an electronic link should be terminated where:

- (a) use of the link is increasing, or may unreasonably increase, the length of the meeting;
- (b) the behaviour of the members using the link warrants termination, including the style, degree and extent of interaction between members;
- (c) it is distracting to the members who are physically present at the meeting; and
- (d) the quality of the link is no longer suitable.

### **12.14 Giving or showing a document**

A person attending a meeting by audio or audio visual link may give or show a document by:

- (a) transmitting it electronically;

- (b) using the audio visual link; or
- (c) any other manner that the Chairperson thinks fit.

*cl. 25(A) (6) schedule 7, LGA 2002.*

## **12.15 Link failure**

Where an audio or audio visual link fails, or there are other technological issues that prevent a member who is attending by link from participating in a meeting, that member must be deemed to be no longer attending the meeting.

## **12.16 Confidentiality**

A member who is attending a meeting by audio or audio visual link must ensure that the meeting's proceedings remain confidential during any times that the public are excluded. At such times, the Chairperson may require the member to confirm that no unauthorised people are able to view or hear the proceedings.

# **13. Chairperson's role in meetings**

## **13.1 Council meetings**

The Mayor or Chairperson of the council or local or community board must preside at meetings of the council or board unless they vacate the chair for a part or all of a meeting. If the Chairperson is absent from a meeting or vacates the chair, the deputy Mayor/chair must act as Chairperson. If the deputy Mayor/chair is also absent the local authority members who are present must elect a member to be Chairperson at that meeting. This person may exercise the meeting responsibilities, duties and powers of the Mayor/Chairperson for that meeting. This provision also applies to committees and subcommittees.

*cl. 26(1), (5) & (6) Schedule 7, LGA 2002.*

## **13.2 Committee meetings**

The appointed Chairperson of a committee must preside at all committee meetings, unless they vacate the chair for a particular meeting or part of a meeting. If the Chairperson is absent from a meeting or vacates the chair, the deputy Chairperson (if any) will act as Chairperson. If the deputy Chairperson is also absent, or has not been appointed, the committee members who are present must elect a member to act as Chairperson at that meeting who may exercise the meeting responsibilities, duties and powers of the Chairperson.

This standing order also applies to subcommittees and subordinate decision-making bodies.

*cl. 26(2), (5) & (6), schedule 7 LGA 2002.*

## **13.3 Addressing the Chairperson**

Members will address the Chairperson in a manner that the Chairperson has determined.

### **13.4 Chairperson's rulings**

The Chairperson will decide all procedural questions where insufficient provision is made by these standing orders and with regard to all points of order. Any refusal to obey a Chairperson's ruling or direction constitutes contempt.

### **13.5 Chairperson standing**

Whenever the Chairperson stands during a debate members are required to sit down and be silent so that they can hear the Chairperson without interruption.

### **13.6 Member's right to speak**

Members are entitled to speak in accordance with these standing orders. Members should address the Chairperson when speaking. They may not leave their place while speaking, unless they have the leave of the Chairperson.

### **13.7 Chairperson may prioritise speakers**

When two or more members want to speak the Chairperson will name the member who may speak first. Other members who wish to speak have precedence where they intend to:

- (a) raise a point of order, including a request to obtain a time extension for the previous speaker; and/or
- (b) move a motion to terminate or adjourn the debate; and/or
- (c) make a point of explanation; and/or
- (d) request the chair to permit the member a special request.

## **14. Public Forums**

Public forums are a defined period of time, usually at the start of a meeting, which, at the discretion of a meeting, is put aside for the purpose of public input. Public forums are designed to enable members of the public to bring matters to the attention of the local authority.

In the case of a committee, subcommittee, local or community board, any issue, idea or matter raised in a public forum must also fall within the terms of reference of that meeting.

### **14.14 Time limits**

A period of up to 30 minutes, or such longer time as the meeting may determine, will be available for the public forum at each scheduled local authority meeting. Requests must be made to the meeting secretary at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

Speakers can speak for up to 5 minutes. No more than two speakers can speak on behalf of an organisation during a public forum. Where the number of speakers presenting in the public forum

exceeds 6 in total, the Chairperson has discretion to restrict the speaking time permitted for all presenters.

### **14.15 Restrictions**

The Chairperson has the discretion to decline to hear a speaker or to terminate a presentation at any time where:

- a speaker is repeating views presented by an earlier speaker at the same public forum;
- the speaker is criticising elected members and/or staff;
- the speaker is being repetitious, disrespectful or offensive;
- the speaker has previously spoken on the same issue;
- the matter is subject to legal proceedings;
- the matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.

### **14.16 Questions at public forums**

At the conclusion of the presentation, with the permission of the Chairperson, elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by a speaker.

### **14.17 No resolutions**

Following the public forum no debate or decisions will be made at the meeting on issues raised during the forum unless related to items already on the agenda.

## **15. Deputations**

The purpose of a deputation is to enable a person, group or organisation to make a presentation to a meeting on a matter or matters covered by that meeting's terms of reference. Deputations are approved by the Chairperson or an official with delegated authority.

### **15.1 Time limits**

Speakers can speak for up to 5 minutes. No more than two speakers can speak on behalf of an organisation's deputation.

### **15.2 Restrictions**

The Chairperson has the discretion to decline to hear or terminate a deputation at any time where:

- a speaker is repeating views presented by an earlier speaker at the meeting;
- the speaker is criticising elected members and/or staff;
- the speaker is being repetitious, disrespectful or offensive;

- the speaker has previously spoken on the same issue;
- the matter is subject to legal proceedings;
- the matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.

### **15.3 Questions of a deputation**

At the conclusion of the deputation members may, with the permission of the Chairperson, ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by the deputation.

### **15.4 Resolutions**

Any debate on a matter raised in a deputation must occur at the time at which the matter is scheduled to be discussed on the meeting agenda, and once a motion has been moved and seconded.

## **16. Petitions**

### **16.1 Form of petitions**

Petitions may be presented to the local authority or any of its committees, local boards or community boards. Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories). They must be received by the chief executive at least 5 working days before the date of the meeting at which they will be presented.

Petitions must not be disrespectful, use offensive language or include malicious statements (see standing order 19.9 on qualified privilege). They may be written in English or te reo Māori. Petitioners planning to make a petition in te reo Māori or sign language should advise the relevant Chairperson at least two working days before the meeting to enable the petition be translated and reprinted, if necessary.

### **16.2 Petition presented by petitioner**

A petitioner who presents a petition to the local authority or any of its committees and subcommittees, local boards or community boards, may speak for 5 minutes (excluding questions) about the petition, unless the meeting resolves otherwise. The Chairperson must terminate the presentation of the petition if he or she believes the petitioner is being disrespectful, offensive or making malicious statements.

Where a petition is presented as part of a deputation or public forum the speaking time limits relating to deputations or public forums shall apply. The petition must be received by the chief executive at least 5 working days before the date of the meeting concerned.

## **16.3 Petition presented by member**

Members may present petitions on behalf of petitioners. In doing so, members must confine themselves to presenting:

- (a) the petition;
- (b) the petitioners' statement; and
- (c) the number of signatures.

## **17. Exclusion of public**

### **17.1 Motions and resolutions to exclude the public**

Members of a meeting may resolve to exclude the public from a meeting. The grounds for exclusion are those specified in section 48 of LGOIMA (see Appendix 1).

Every motion to exclude the public must be put while the meeting is open to the public, and copies of the motion must be available to any member of the public who is present. If the motion is passed the resolution to exclude the public must be in the form set out in schedule 2A of LGOIMA (see Appendix 2). The resolution must state:

- (a) the general subject of each matter to be excluded;
- (b) the reason for passing the resolution in relation to that matter; and
- (c) the grounds on which the resolution is based.

The resolution will form part of the meeting's minutes.

*s. 48 LGOIMA.*

### **17.2 Specified people may remain**

Where a meeting resolves to exclude the public, the resolution may provide for specified persons to remain if, in the opinion of the meeting, they will assist the meeting to achieve its purpose. Any such resolution must state, in relation to the matter to be discussed, how the knowledge held by the specified people is relevant and be of assistance.

No such resolution is needed for people who are entitled to be at the meeting, such as relevant staff and officials contracted to the council for advice on the matter under consideration.

*s.48 (6) LGOIMA.*

### **17.3 Public excluded items**

The chief executive must place in the public-excluded section of the agenda any items that he or she reasonably expects the meeting to consider with the public excluded. The public excluded section of the agenda must indicate the subject matter of the item and the reason the public are excluded.

s.46A (8) LGOIMA.

## **17.4 Non-disclosure of information**

No member or officer may disclose to any person, other than another member, officer or person authorised by the chief executive, any information that has been, or will be, presented to any meeting from which the public is excluded, or proposed to be excluded.

This restriction does not apply where a meeting has resolved to make the information publicly available or where the chief executive has advised, in writing, that one or both of the following apply:

- (a) there are no grounds under LGOIMA for withholding the information;
- (b) the information is no longer confidential.

## **17.5 Release of information from public excluded session**

A local authority may provide for the release to the public of information which has been considered during the public excluded part of a meeting.

Each public excluded meeting must consider and agree by resolution, what, if any, information will be released to the public. In addition the chief executive may release information which has been considered at a meeting from which the public has been excluded where it is determined the grounds to withhold the information no longer exist. The chief executive will inform the subsequent meeting of the nature of the information released.

## **18. Voting**

### **18.1 Decisions by majority vote**

Unless otherwise provided for in the LGA 2002, other legislation or standing orders, the acts of and questions before a local authority (or local and community boards) must be decided at a meeting through a vote exercised by the majority of the members of that meeting voting.

*cl. 24 (1), Schedule 7, LGA 2002.*

### **18.2 Open voting**

An act or question coming before the local authority must be done or decided by open voting.

*cl. 24 (3) Schedule 7, LGA 2002.*

### **18.3 Chairperson has a casting vote**

The Mayor, Chairperson or any other person presiding at a meeting has a deliberative vote and, in the case of an equality of votes, has a casting vote.

*cl. 24 (2) Schedule 7, LGA 2002.*



## **18.4 Method of voting**

The method of voting must be as follows:

- (a) the Chairperson in putting the motion must call for an expression of opinion on the voices or take a show of hands, the result of either of which, as announced by the Chairperson, must be conclusive unless such announcement is questioned immediately by any member, in which event the Chairperson will call a division;
- (b) the Chairperson or any member may call for a division instead of or after voting on the voices and/or taking a show of hands; and
- (c) where a suitable electronic voting system is available that system may be used instead of a show of hands, vote by voices or division, and the result displayed notified to the Chairperson who must declare the result.

## **18.5 Calling for a division**

When a division is called, the chief executive must record the names of the members voting for and against the motion and abstentions and provide the names to the Chairperson to declare the result. The result of the division must be entered into the minutes and include members' names and the way in which they voted.

The Chairperson may call a second division where there is confusion or error in the original division.

## **18.6 Request to have votes recorded**

If requested by a member immediately after a vote the minutes must record the member's vote or abstention.

## **18.7 Members may abstain**

Any member may abstain from voting.

## **19. Conduct**

### **19.1 Calling to order**

When the Chairperson calls members to order, they must be seated and stop speaking. If the members fail to do so, the Chairperson may direct that they should leave the meeting immediately for a specified time.

### **19.2 Disrespect**

No member may speak or act in a manner which is disrespectful of other members or inconsistent with the local authority's Code of Conduct at any meeting.

### **19.3 Retractions and apologies**

In the event of a member or speaker who has been disrespectful of another member or contravened the council's Code of Conduct, the Chairperson may call upon that member or speaker to withdraw the offending comments, and may require them to apologise. If the member refuses to do so the Chairperson may direct that they should leave the meeting immediately for a specified time and/or make a complaint under the Code of Conduct.

### **19.4 Disorderly conduct**

Where the conduct of a member is disorderly or is creating a disturbance the Chairperson may require that member to leave the meeting immediately for a specified time.

If the disorder continues the Chairperson may adjourn the meeting for a specified time. At the end of this time the meeting must resume and decide, without debate, whether the meeting should proceed or be adjourned.

The Chairperson may also adjourn the meeting if other people cause disorder or in the event of an emergency.

### **19.5 Contempt**

Where a member is subject to repeated cautions by the Chairperson for disorderly conduct the meeting may, should it so decide, resolve that the member is in contempt. Any such resolution must be recorded in the meeting's minutes.

### **19.6 Removal from meeting**

A member of the police or authorised security personnel may, at the Chairperson's request, remove or exclude a member from a meeting.

This standing order will apply where the Chairperson has ruled that the member should leave the meeting and the member has refused or failed to do so; or has left the meeting and attempted to re-enter it without the Chairperson's permission.

## **19.7 Financial conflicts of interests**

Every member present at a meeting must declare any direct or indirect financial interest that they hold in any matter being discussed at the meeting, other than an interest that they hold in common with the public.

No member may vote on, or take part in, a discussion about any matter in which they have a direct or indirect financial interest unless an exception set out in s.6 LAMIA applies to them, or the Auditor-General has granted them an exemption or declaration under s.6.

Members with a financial interest should physically withdraw themselves from the table unless the meeting is in public excluded in which case they should leave the room.

Neither the Chairperson nor the meeting may rule on whether a member has a financial interest in the matter being discussed. The minutes must record any declarations of financial interests and the member's abstention from any discussion and voting on the matter.

*s. 6 & 7 LAMIA.*

## **19.8 Non-financial conflicts of interests**

Non-financial interests always involve questions of judgement and degree about whether the responsibility of a member of a local authority (or local or community board) could be affected by some other separate interest or duty of that member in relation to a particular matter. If a member considers that they have a non-financial conflict of interest in a matter they must not take part in the discussions about that matter or any subsequent vote.

The member must leave the table when the matter is considered, but does not need to leave the room. The minutes must record the declaration and member's subsequent abstention from discussion and voting.

Neither the Chairperson nor the meeting may rule on whether a member has a non-financial interest in the matter being discussed.

## **19.9 Qualified privilege for meeting proceedings**

Any oral statement made at any meeting of the local authority in accordance with the rules adopted by the local authority for guiding its proceedings is privileged, unless the statement is proved to have been made with ill will or took improper advantage of the occasion of publication.

*s. 53, LGOIMA.*

## **19.10 Qualified privilege additional to any other provisions**

The privilege referred to above is in addition to any other privilege, whether absolute or qualified, that applies as a result of any other enactment or rule of law applying to any meeting of the local authority.

*s. 53, LGOIMA.*

## **19.11 Electronic devices at meetings**

Electronic devices and phones can only be used to advance the business of a meeting.

Personal use may only occur at the discretion of the chair. A Chairperson may require that an electronic device is switched off if its use is likely to distract a meeting from achieving its business or a member is found to be receiving information or advice from sources not present at the meeting which may affect the integrity of the proceedings.

## **20. General rules of debate**

### **20.1 Chairperson may exercise discretion**

The application of any procedural matters in this section of the standing orders, such as the number of times a member may speak, is subject to the discretion of the Chairperson.

### **20.2 Time limits on speakers**

The following time limits apply to members speaking at meetings:

- (a) movers of motions when speaking to the motion – not more than 10 minutes;
- (b) movers of motions when exercising their right of reply – not more than 5 minutes;
- (c) other members – not more than 5 minutes.

Time limits can be extended if a motion to that effect is moved, seconded and supported by a majority of members present.

### **20.3 Questions to staff**

During a debate members can ask staff questions about the matters being discussed. Questions must be asked through the Chairperson and how the question should be dealt with is at the Chairperson's discretion.

### **20.4 Questions of clarification**

At any point of a debate a member may ask the Chairperson for clarification about the nature and content of the motion which is the subject of the debate and the particular stage the debate has reached.

### **20.5 Members may speak only once**

A member may not speak more than once to a motion at a meeting of a local authority or any local or community board except with permission of the Chairperson.

## **20.6 Limits on number of speakers**

If three speakers have spoken consecutively in support of, or in opposition to, a motion, the Chairperson may call for a speaker to the contrary. If there is no speaker to the contrary, the Chairperson must put the motion after the mover's right of reply.

Members speaking must, if requested by the Chairperson, announce whether they are speaking in support of or opposition to a motion.

## **20.7 Secunder may reserve speech**

A member may second a motion or amendment without speaking to it, reserving the right to speak later in the debate.

## **20.8 Speaking only to relevant matters**

Members may speak to any matter before the meeting; a motion or amendment which they propose; and to raise a point of order arising out of debate, but not otherwise. Members must confine their remarks strictly to the motion or amendment they are speaking to.

The Chairperson's rulings on any matters arising under this standing order are final and not open to challenge.

## **20.9 Restating motions**

At any time during a debate a member may ask, for their information, that the Chairperson restate a motion and any amendments; but not in a manner that interrupts a speaker.

## **20.10 Criticism of resolutions**

A member speaking in a debate may not unduly criticise the validity of any resolution except by a notice of motion to amend or revoke the resolution.

## **20.11 Objecting to words**

When a member objects to any words used by another member in a speech and wants the minutes to record their objection, they must object at the time when the words are used and before any other member has spoken. The Chairperson must order the minutes to record the objection.

## **20.12 Right of reply**

The mover of an original motion has a right of reply. A mover of an amendment to the original motion does not. In their reply, the mover must confine themselves to answering previous speakers and not introduce any new matters.

A mover's right of reply can only be used once. It can be exercised either at the end of the debate on the original, substantive or substituted motion or at the end of the debate on a proposed amendment.

However, the original mover may reserve their right of reply and speak once to the principal motion and once to each amendment without losing that right of reply. If a closure motion is carried the mover of the motion has the right of reply before the motion or amendment is put to the vote.

### **20.13 No other member may speak**

In exercising a right of reply, no other member may speak:

- (a) after the mover has started their reply;
- (b) after the mover has indicated that they want to forego this right;
- (c) where the mover has spoken to an amendment to the original motion and the Chairperson has indicated that he or she intends to put the motion.

### **20.14 Adjournment motions**

The carrying of any motion to adjourn a meeting must supersede other business still remaining to be disposed of. Any such business must be considered at the next meeting. Business referred to, or referred back to, a specified committee or local or community board, is to be considered at the next ordinary meeting of that committee or board, unless otherwise specified.

### **20.15 Chairperson's acceptance of closure motions**

The Chairperson may only accept a closure motion where there have been at least two speakers for and two speakers against the motion that is proposed to be closed, or the Chairperson considers it reasonable to do so.

However, the Chairperson must put a closure motion if there are no further speakers in the debate. When the meeting is debating an amendment, the closure motion relates to the amendment. If a closure motion is carried, the mover of the motion under debate has the right of reply after which the Chairperson puts the motion or amendment to the vote.

## **21. General procedures for speaking and moving motions**

### **21.1 Options for speaking and moving**

This subsection provides three options for speaking and moving motions and amendments at a meeting of a local authority, its committees and subcommittees, and any local or community boards.

Option A applies unless, on the recommendation of the chairperson at the beginning of a meeting, the meeting resolves [by simple majority] to adopt either Option B or Option C for the meeting generally, or for any specified items on the agenda.

## **21.2 Option A**

- The mover and seconder of a motion cannot move or second an amendment. (This does not apply when the mover or seconder of a motion to adopt a report of a committee wants to amend an item in the report. In this case the original mover or seconder may also propose or second the suggested amendment).
- Only members who have not spoken to the original or substituted motion may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost cannot move or second a subsequent amendment.
- Members can speak to any amendment and, provided they have not spoken to the motion or moved or seconded an amendment, they can move or second further amendments.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

## **21.3 Option B**

- The mover and seconder of a motion cannot move or second an amendment. (This does not apply when the mover or seconder of a motion to adopt a report of a committee wants to amend an item in the report. In this case the original mover or seconder may also propose or second the suggested amendment).
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment that is carried can move or second a subsequent amendment. A mover or seconder of an amendment which is lost cannot move or second a subsequent amendment.
- Members can speak to any amendment and, provided they have not spoken to the motion or moved or seconded an amendment, they can move or second further amendments.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

## **21.4 Option C**

- The mover and seconder of a motion can move or second an amendment
- Any members, regardless of whether they have spoken to the original or substituted motion, may move or second an amendment to it.
- The mover or seconder of an amendment whether it is carried or lost can move or second further amendments.
- Members can speak to any amendment.
- The meeting by agreement of the majority of members present may amend a motion with the agreement of the mover and seconder.

## **21.5 Procedure if no resolution reached**

If no resolution is reached the Chairperson may accept a new motion to progress the matter under discussion.

## **22. Motions and amendments**

### **22.1 Proposing and seconding motions**

All motions and amendments moved during a debate must be seconded (including notices of motion). The Chairperson may then state the motion and propose it for discussion.

Amendments and motions that are not seconded are not in order and are not entered in the minutes.

### **22.2 Motions in writing**

The Chairperson may require movers of motions and amendments to provide them in writing, signed by the mover.

### **22.3 Motions expressed in parts**

The Chairperson, or any member, can require a motion that has been expressed in parts to be decided part by part.

### **22.4 Substituted motion**

Where a motion is subject to an amendment the meeting may substitute the motion with the amendment, provided the mover and seconder of the original motion agree to its withdrawal. All members may speak to the substituted motion.

### **22.5 Amendments to be relevant and not direct negatives**

Every proposed amendment must be relevant to the motion under discussion. Proposed amendments cannot be similar to an amendment that has already been lost. Any amendment which, if carried, would have the effect of defeating a previous motion that was carried is a direct negative and is therefore not allowed.

### **22.6 Foreshadowed amendments**

The meeting must dispose of an existing amendment before a new amendment can be foreshadowed. However, members may notify the Chairperson that they intend to move further amendments and the nature of their content.



## **22.7 Lost amendments**

Where an amendment is lost, the meeting will resume the debate on the original or substituted motion. Any member who has not spoken to that motion may speak to it, and may move or second a further amendment.

## **22.8 Carried amendments**

Where an amendment is carried the meeting will resume the debate on the original motion as amended. This will now be referred to as the substantive motion. Members who have not spoken to the original motion may speak to the substantive motion, and may move or second a further amendment to it.

## **22.9 Where a motion is lost**

In a situation where a motion that recommends a course of action is lost a new motion, with the consent of the Chairperson, may be proposed to provide direction.

## **22.10 Withdrawal of motions and amendments**

Once a motion or amendment which has been seconded has been put to the meeting by the Chairperson the mover cannot withdraw it without the consent of the majority of the members who are present and voting.

The mover of an original motion, which has been subject to an amendment that has been moved and seconded, cannot withdraw the original motion until the amendment has either been lost or withdrawn by agreement, as above.

## **22.11 No speakers after reply or motion has been put**

A member may not speak to any motion once:

- (a) the mover has started their right of reply in relation to the motion; and
- (b) the Chairperson has started putting the motion.

## **23. Revocation or alteration of resolutions**

### **23.1 Member may move revocation of a decision**

A member may give the chief executive a notice of motion for the revocation or alteration of all or part of a previous resolution of the council, subordinate body, local or community board. The notice must set out:

- (a) The resolution or part of the resolution which the member proposes to revoke or alter;
- (b) The meeting date when the resolution was passed;
- (c) The motion, if any, which the member proposes to replace it with; and

- (d) Sufficient information to satisfy the decision-making provisions of sections 77-82 of the LGA 2002.

If the mover of the notice of motion is unable to provide this information, or the decision is likely to be deemed a significant decision, the notice of motion should provide that the proposal is referred to the chief executive for consideration and report.

### **23.2 Revocation must be made by the body responsible for the decision**

If a resolution is made under delegated authority by a committee, subcommittee or subordinate decision-making body, or a local or community board, only that body may revoke or amend the resolution, assuming the resolution is legally made.

This provision does not prevent the body that made the delegation from removing or amending a delegation given to a subordinate body or local board or community board.

*cl. 32 (2)4 Schedule 7, LGA 2002.*

### **23.3 Requirement to give notice**

A member must give notice to the chief executive at least 5 working days before the meeting at which it is proposed to consider the motion. The notice is to be signed by not less than one third of the members of the local authority, including vacancies. Notice can be sent via email and include the scanned electronic signatures of members. If the notice of motion is lost, no similar notice of motion which is substantially the same in purpose and effect may be accepted within the next twelve months.

### **23.4 Restrictions on actions under the affected resolution**

Once a notice of motion to revoke or alter a previous resolution has been received no irreversible action may be taken under the resolution in question until the proposed notice of motion has been dealt with. Exceptions apply where, in the opinion of the Chairperson:

- (a) the practical effect of delaying actions under the resolution would be the same as if the resolution had been revoked;
- (b) by reason of repetitive notices, the effect of the notice is an attempt by a minority to frustrate the will of the local authority or the committee that made the previous resolution.

In either of these situations, action may be taken under the resolution as though no notice of motion had been given to the chief executive.

### **23.5 Revocation or alteration by resolution at same meeting**

A meeting may revoke or alter a previous resolution made at the same meeting where, during the course of the meeting, it receives fresh facts or information concerning the resolution. In this situation 75 per cent of the members present and voting must agree to the revocation or alteration.

## **23.6 Revocation or alteration by recommendation in report**

The local authority, on a recommendation in a report by the Chairperson, chief executive, or any committee or subcommittee, local or community board, may revoke or alter all or part of a resolution passed by a previous meeting. The chief executive must give at least two clear working days' notice of any meeting that will consider a revocation or alteration recommendation.

*cl. 30 (6) Schedule 7, LGA 2002.*

## **24. Procedural motions**

### **24.1 Procedural motions must be taken immediately**

A procedural motion to close or adjourn a debate will take precedence over other business, except points of order and rights of reply. If the procedural motion is seconded the Chairperson must put it to the vote immediately, without discussion or debate.

### **24.2 Procedural motions to close or adjourn a debate**

Any member who has not spoken on the matter under debate may move any one of the following procedural motions to close or adjourn a debate:

- (a) that the meeting be adjourned to the next ordinary meeting (unless the member states an alternative time and place);
- (b) that the motion under debate should now be put (a closure motion);
- (c) that the item being discussed should be adjourned to a specified time and place and not be further discussed at the meeting;
- (d) that the item of business being discussed should lie on the table and not be further discussed at this meeting;
- (e) that the item being discussed should be referred (or referred back) to the relevant committee or local or community board.

A member seeking to move a procedural motion must not interrupt another member who is already speaking.

### **24.3 Voting on procedural motions**

Procedural motions to close or adjourn a debate must be decided by a majority of all members who are present and voting. If the motion is lost no member may move a further procedural motion to close or adjourn the debate within the next 15 minutes.

### **24.4 Debate on adjourned items**

When debate resumes on items of business that have been previously adjourned all members are entitled to speak on the items.

## **24.5 Remaining business at adjourned meetings**

Where a resolution is made to adjourn a meeting, the remaining business will be considered at the next meeting.

## **24.6 Business referred to the council, committee or local or community board**

Where an item of business is referred (or referred back) to a committee or a local or community board, the committee or board will consider the item at its next meeting unless the meeting resolves otherwise.

## **24.7 Other types of procedural motions**

The Chairperson has discretion about whether to allow any other procedural motion that is not contained in these standing orders.

## **25. Points of order**

### **25.1 Members may raise points of order**

Any member may raise a point of order when they believe these standing orders have been breached. When a point of order is raised, the member who was previously speaking must stop speaking and sit down (if standing).

### **25.2 Subjects for points of order**

A member who is raising a point of order must state precisely what its subject is. Points of order may be raised for the following subjects:

- (a) disorder – bringing disorder to the attention of the Chairperson;
- (b) language – use of disrespectful, offensive or malicious language;
- (c) irrelevance – the topic being discussed is not the matter currently before the meeting;
- (d) misrepresentation – misrepresentation of any statement made by a member or by an officer or council employee;
- (e) breach of standing order – the breach of any standing order while also specifying which standing order is subject to the breach;
- (f) request the recording of words, such as a request that the minutes record words that have been the subject of an objection.

### **25.3 Contradictions**

Expressing a difference of opinion or contradicting a statement by a previous speaker does not constitute a point of order.

## **25.4 Point of order during division**

A member may not raise a point of order during a division, except with the permission of the Chairperson.

## **25.5 Chairperson's decision on points of order**

The Chairperson may decide a point of order immediately after it has been raised, or may choose to hear further argument about the point before deciding. The Chairperson's ruling on any point of order, and any explanation of that ruling, is not open to any discussion and is final.

## **26. Notices of motion**

### **26.1 Notice of intended motion to be in writing**

Notice of intended motions must be in writing signed by the mover, stating the meeting at which it is proposed that the intended motion be considered, and must be delivered to the chief executive at least 5 clear working days before such meeting. [Notice of an intended motion can be sent via email and include the scanned electronic signature of the mover.]

Once the motion is received the chief executive must give members notice in writing of the intended motion at least 2 clear working days' notice of the date of the meeting at which it will be considered.

### **26.2 Refusal of notice of motion**

The Chairperson may direct the chief executive to refuse to accept any notice of motion which:

- (a) is disrespectful or which contains offensive language or statements made with malice; or
- (b) is not related to the role or functions of the local authority or meeting concerned; or
- (c) contains an ambiguity or a statement of fact or opinion which cannot properly form part of an effective resolution, and where the mover has declined to comply with such requirements as the chief executive officer may make; or
- (d) is concerned with matters which are already the subject of reports or recommendations from a committee to the meeting concerned; or
- (e) fails to include sufficient information as to satisfy the decision-making provisions of s.77-82 LGA 2002; or
- (f) concerns a matter where decision-making authority has been delegated to a subordinate body or a local or community board.

Reasons for refusing a notice of motion should be provided to the mover. Where the refusal is due to (f) the notice of motion may be referred to the appropriate committee or board.

### **26.3 Mover of notice of motion**

Notices of motion may not proceed in the absence of the mover unless moved by another member authorised to do so, in writing, by the mover.

## **26.4 Alteration of notice of motion**

Only the mover, at the time the notice of motion is moved and with the agreement of a majority of those present at the meeting, may alter a proposed notice of motion. Once moved and seconded no amendments may be made to a notice of motion.

## **26.5 When notices of motion lapse**

Notices of motion that are not put when called by the Chairperson must lapse.

## **26.6 Referral of notices of motion**

Any notice of motion received that refers to a matter ordinarily dealt with by a committee of the local authority or a local or community board must be referred to that committee or board by the chief executive.

Where notices are referred the proposer of the intended motion, if not a member of that committee, must have the right to move that motion and have the right of reply, as if a committee member.

## **26.7 Repeat notices of motion**

When a motion has been considered and rejected by the local authority or a committee, no similar notice of motion which, in the opinion of the Chairperson, may be accepted within the next 12 months, unless signed by not less than one third of all members, including vacancies.

Where a notice of motion has been adopted by the local authority no other notice of motion which, in the opinion of the Chairperson has the same effect, may be put while the original motion stands.

# **27. Minutes**

## **27.1 Minutes to be evidence of proceedings**

The local authority, its committees, subcommittees and any local and community boards must keep minutes of their proceedings. These minutes must be kept in hard copy, signed and included in the council's minute book and, when confirmed by resolution at a subsequent meeting and signed by the Chairperson, will be prima facie evidence of the proceedings they relate to.

*cl. 28 Schedule 7, LGA 2002.*

## **27.2 Matters recorded in minutes**

The chief executive must keep the minutes of meetings. The minutes must record:

- (a) the date, time and venue of the meeting;
- (b) the names of the members present;
- (c) the Chairperson;
- (d) any apologies or leaves of absences;
- (e) the arrival and departure times of members;
- (f) any failure of a quorum;
- (g) a list of any external speakers and the topics they addressed;
- (h) a list of the items considered;
- (i) the resolutions and amendments related to those items including those that were lost, provided they had been moved and seconded in accordance with these standing orders;
- (j) the names of all movers, and seconders;
- (k) any objections made to words used;
- (l) all divisions taken and, if taken, a record of each members' vote;
- (m) the names of any members requesting that votes or abstentions be recorded;
- (n) any declarations of financial or non-financial conflicts of interest;
- (o) the contempt, censure and removal of any members;
- (p) any resolutions to exclude members of the public;
- (q) the time at which the meeting concludes or adjourns;
- (r) the names of people permitted to stay in public excluded.

**Please Note:** hearings under the RMA, Dog Control Act 1996 and Sale and Supply of Alcohol Act 2012 may have special requirements for minute taking.

## **27.3 No discussion on minutes**

The only topic that may be discussed at a subsequent meeting, with respect to the minutes, is their correctness.

## **27.4 Minutes of last meeting before election**

The chief executive and the relevant Chairpersons must sign the minutes of the last meeting of the local authority and its local and community boards before the next election of members.

## **28. Minute books**

### **28.1 Inspection**

A hard copy of the local authority's minute books must be kept by the chief executive and be open for inspection by the public. This does not preclude the complementary use of electronic minutes in accordance with the Electronics Transactions Act.

*s. 51 LGOIMA.*

### **28.2 Inspection of public excluded matters**

The chief executive must consider any request for the minutes of a meeting or part of a meeting from which the public was excluded as a request for official information in terms of the Local Government Official Information and Meetings Act 1987.

## **Referenced documents**

- Commissions of Inquiry Act 1908
- Sale of Alcohol Act 2012
- Crimes Act 1961
- Financial Markets Conduct Act 2013
- Local Authorities (Members' Interests) Act 1968 (LAMIA)
- Local Electoral Act 2001 (LEA)
- Local Government Act 1974 and 2002 (LGA)
- Local Government Official Information and Meetings Act 1987 (LGOIMA)
- Marine Farming Act 1971
- Resource Management Act 1991 (RMA)
- Secret Commissions Act 1910
- Securities Act 1978



## Appendix 1: Grounds to exclude the public

A local authority may, by resolution, exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the following grounds:

- A1** That good reason exists for excluding the public from the whole or any part of the proceedings of any meeting as the public disclosure of information would be likely:
- (a) to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial; or
  - (b) to endanger the safety of any person.
- A2** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:
- (a) Protect the privacy of natural persons, including that of deceased natural persons; or
  - (b) Protect information where the making available of the information would:
    - i. disclose a trade secret; or
    - ii. be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or,
  - (c) In the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to tikanga Māori i, or to avoid the disclosure of the location of waahi tapu; or
  - (d) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would:
    - i. be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or
    - ii. be likely otherwise to damage the public interest; or
  - (e) Avoid prejudice to measures protecting the health or safety of members of the public; or
  - (f) Avoid prejudice to measures that prevent or mitigate material loss to members of the public; or
  - (g) Maintain the effective conduct of public affairs through –the protection of such members, officers, employees, and persons from improper pressure or harassment; or
  - (h) Maintain legal professional privilege; or
  - (i) Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities; or
  - (j) Enable any Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or

- (k) Prevent the disclosure or use of official information for improper gain or improper advantage.

Provided that where A2 of this Appendix applies the public may be excluded unless, in the circumstances of the particular case, the exclusion of the public is outweighed by other considerations which render it desirable, in the public interest, that the public not be excluded.

- A3** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information, the public disclosure of which would:
  - (a) Be contrary to the provisions of a specified enactment; or
  - (b) Constitute contempt of Court or of the House of Representatives.
- A4** That the purpose of the whole or the relevant part of the proceedings of the meeting is to consider a recommendation made to that Council by an Ombudsman under section 30(1) or section 38(3) of this Act (in the case of a Council named or specified in Schedule 1 to this Act).
- A5** That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Council to deliberate in private on its decision or recommendation in:
  - (a) Any proceedings before a Council where
    - i. A right of appeal lies to any Court or tribunal against the final decision of the Council in those proceedings; or
    - ii. The Council is required, by any enactment, to make a recommendation in respect of the matter that is the subject of those proceedings; and
  - (b) Any proceedings of a Council in relation to any application or objection under the Marine Farming Act 1971.

## Appendix 2: Sample resolution to exclude the public

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

- *Name of report(s)* .....

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1 <i>Put in name of report</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

<p>4 <i>Hearings Committee</i></p>	<p>To enable the Committee to consider the application and submissions.</p> <p>OR</p> <p>To enable the Committee to consider the objection to fees and charges.</p> <p>OR</p> <p>To enable the Committee to.</p>	<p>That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Council/Committee to deliberate in private on its decision or recommendation in any proceedings where :</p> <p>i) a right of appeal lies to any Court or tribunal against the final decision of the Council/Committee in those proceedings; or</p> <p>ii) the local authority is required, by any enactment, to make a recommendation in respect of the matter that is the subject of those proceedings.</p> <p>Use (i) for the RMA hearings and (ii) for hearings under LGA such as objections to Development Contributions or hearings under the Dog Control Act s. 48(1)(d).</p>
------------------------------------	--	--

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
	Protect the privacy of natural persons, including that of deceased natural persons (Schedule 7(2)(a))
	Maintain legal professional privilege (Schedule 7(2)(g))
	Prevent the disclosure or use of official information for improper gain or improper advantage (Schedule 7(2)(j))

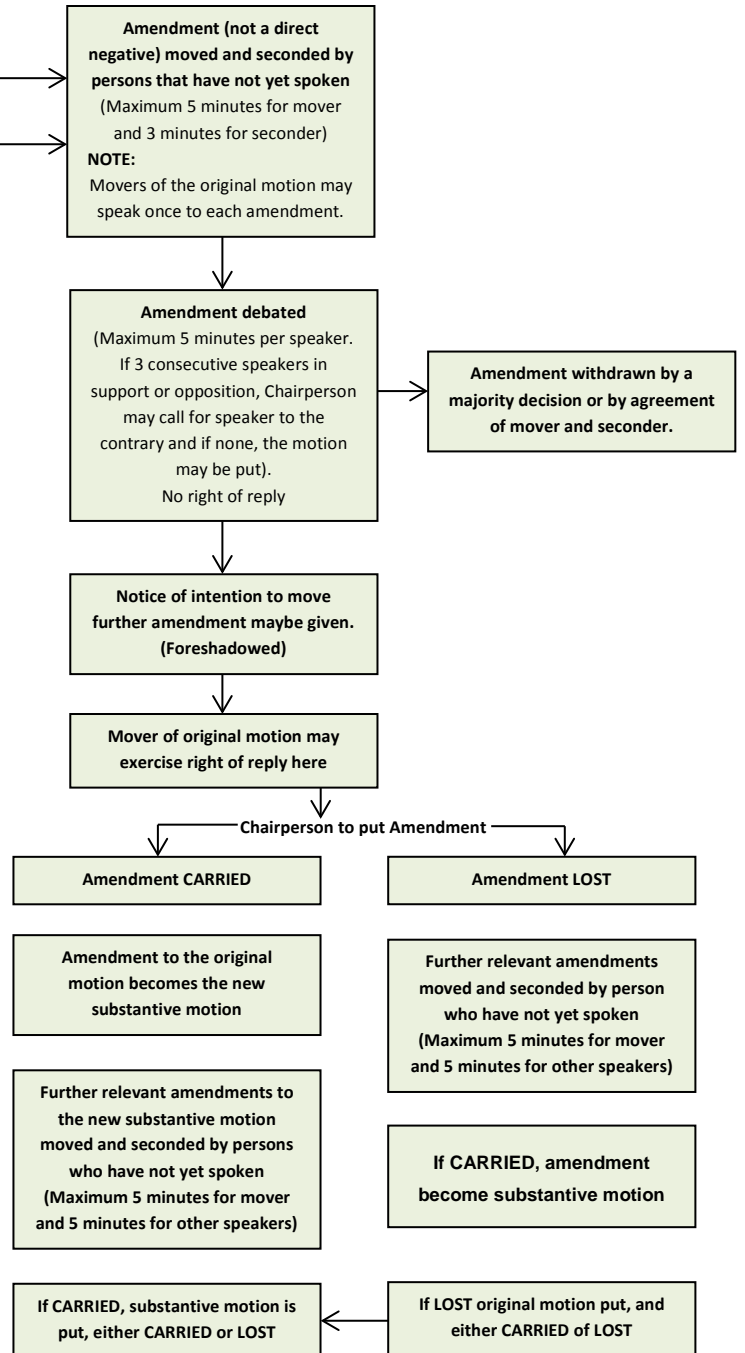
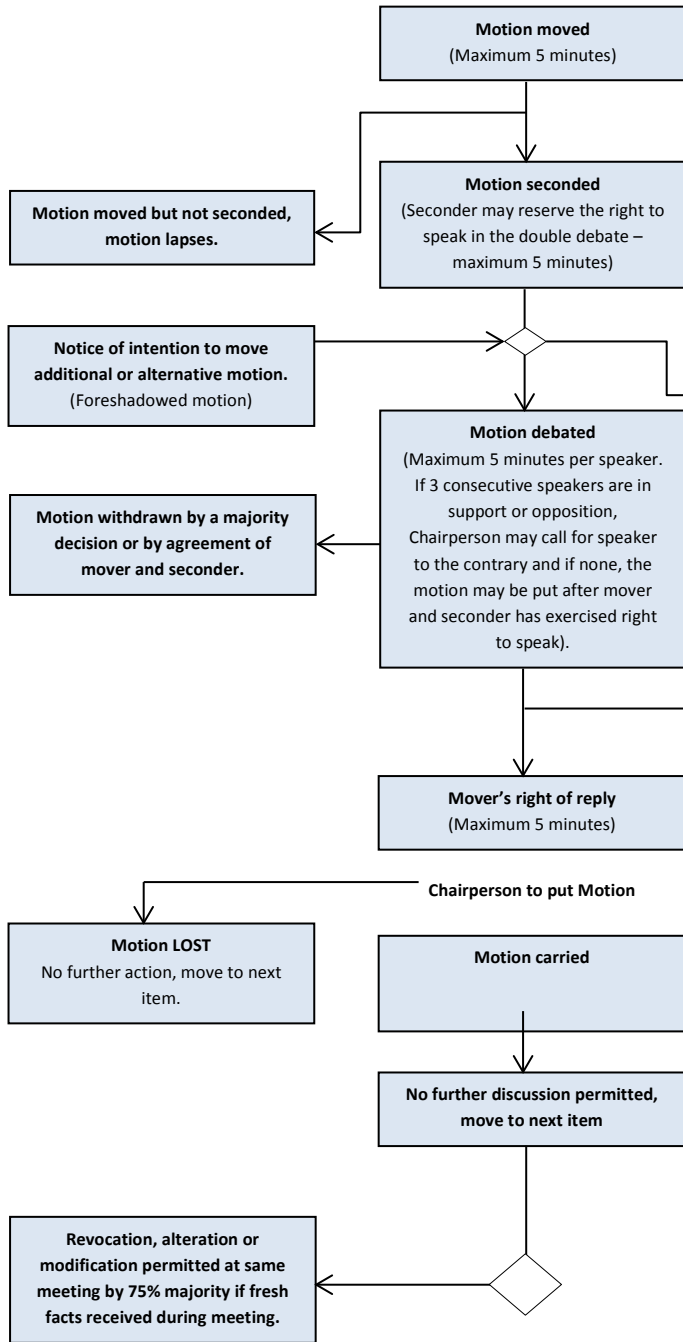
Item No	Interest
	Protect information where the making available of the information (i) would disclose a trade secret; or (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b))
	In the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to Tikanga Māori , or to avoid the disclosure of the location of waahi tapu (Schedule 7(2)(ba))
	Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or (ii) would be likely otherwise to damage the public interest (Schedule 7(2)(c))
	Avoid prejudice to measures protecting the health or safety of members of the public (Schedule 7(2)(d))
	Avoid prejudice to measures that prevent or mitigate material loss to members of the public (Schedule 7(2)(e))
	Maintain the effective conduct of public affairs through the protection of members or officers or employees of the Council, and persons to whom Section 2(5) of the Local Government Official Information and Meetings Act 1987 applies in the course of their duty, from improper pressure or harassment (Schedule 7(2)(f)(ii)).
	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities (Schedule 7(2)(h))

**THAT** XXXX be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of XXXX. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because XXXX.

# Appendix 3: Motions and amendments (option A)

## Motions without amendments

## Motions with amendments



## Appendix 4: Table of procedural motions

Motion	Has the Chair discretion to refuse this Motion?	Is seconder required?	Is discussion in order?	Are amendments in order?	Is mover of procedural motion entitled to reply?	Are previous participants in debate entitled to move this motion?	Can a speaker be interrupted by the mover of this motion?	If lost, can motion be moved after an interval?	Position if an amendment is already before the Chair	Position if a procedural motion is already before the Chair	Remarks
(a) "That the meeting be adjourned to the next ordinary meeting, or to a stated time and place"	No	Yes	No	As to time and date only	No	No	No	Yes – 15 minutes	If carried, debate on the original motion and amendment are adjourned	If carried, debate on the original motion and procedural motion are adjourned	On resumption of debate, the mover of the adjournment speaks first. Members who have spoken in the debate may not speak again
(b) "That the motion under debate be now put (closure motion)"	No	Yes	No	No	No	No	No	Yes – 15 Minutes	If carried, only the amendment is put	If carried, only the procedural motion is put	The mover of the motion under debate is entitled to exercise a right of reply before the motion or amendment under debate is put
(c) "That the item of business being discussed be adjourned to a stated time and place"	No	Yes	No	As to time and date only	No	No	NO	Yes – 15 minutes	If carried, debate on the original motion and amendment are adjourned	If carried, debate on the original motion and procedural motion are adjourned	

Motion	Has the Chair discretion to refuse this Motion?	Is seconder required?	Is discussion in order?	Are amendments in order?	Is mover of procedural motion entitled to reply?	Are previous participants in debate entitled to move this motion?	Can a speaker be interrupted by the mover of this motion?	If lost, can motion be moved after an interval?	Position if an amendment is already before the Chair	Position if a procedural motion is already before the Chair	Remarks
(d) "That the item of business being discussed does lie on the table and not be discussed at this meeting"	No	Yes	No	No	No	No	No	Yes – 15 minutes	If carried, the original motion and amendment are both laid on the table	Motion not in order	
(e) "That the item of business being discussed be referred (or referred back) to the local authority or to the relevant committee"	No	Yes	No	As to committee, time for reporting back etc only	No	No	No	Yes – 15 minutes	If carried, the original motion and all amendments are referred to the committee	If carried, the procedural motion is deemed disposed of	
(f) "Points of order"	No – but may rule against	No	Yes – at discretion of Chairperson	No	No	Yes	Yes	No	Point of order takes precedence	Point of order takes precedence	See standing order 3.14



## Appendix 5: Webcasting protocols

The provisions are intended as a good practice guide to local authorities that are webcasting meetings or planning to do so.

1. The default shot will be on the Chairperson or a wide-angle shot of the meeting room.
2. Cameras will cover a member who is addressing the meeting. Cameras will also cover other key participants in a meeting, including staff when giving advice and members of the public when addressing the meeting during the public input time.
3. Generally interjections from other members or the public are not covered. However if the Chairperson engages with the interjector, the interjector's reaction can be filmed.
4. PowerPoint presentations, recording of votes by division and other matters displayed by overhead projector may be shown.
5. Shots unrelated to the proceedings, or not in the public interest, are not permitted.
6. If there is general disorder or a disturbance from the public gallery, coverage will revert to the Chairperson.
7. Appropriate signage will be displayed both in and outside the meeting room alerting people that the proceedings are being web cast.

## **Appendix 6: Powers of a Chairperson**

This Appendix sets out the specific powers given to the Chairperson contained in various parts of these Standing Orders.

### **Chairperson to decide all questions**

The Chairperson is to decide all questions where these standing orders make no provision or insufficient provision. The Chairperson's ruling is final and not open to debate.

### **Chairperson to decide points of order**

The Chairperson is to decide any point of order and may do so immediately after it has been raised or may first hear further argument before deciding. The ruling of the Chairperson upon any point of order is not open to any discussion and is final. No point of order may be raised during a division except by permission of the Chairperson.

### **Items not on the agenda**

Major items not on the agenda may be dealt with at that meeting if so resolved by the local authority and the Chairperson explains at the meeting at a time when it is open to the public the reason why the item was not listed on the agenda and the reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor matters not on the agenda relating to the general business of the local authority may be discussed if the Chairperson explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at that meeting, but no resolution, decision or recommendation may be made in respect of that item except to refer it to a subsequent meeting.

### **Chairperson's report**

The Chairperson, by report, has the right to direct the attention of the local authority to any matter or subject within the role or function of the local authority.

### **Chairperson's recommendation**

The Chairperson of any meeting may include on the agenda for that meeting a Chairperson's recommendation regarding any item brought before the meeting. The purpose of such a recommendation is to focus debate on a suggested motion.

### **Chairperson's voting**

The Chairperson at any meeting has a deliberative vote and, in the case of equality of votes, has a casting vote where standing orders make such provision.

### **Motion in writing**

The Chairperson may require the mover of any motion or amendment to submit it in writing signed by the mover.

### **Motion in parts**

The Chairperson may require any motion expressed in parts to be decided part by part.

### **Notice of motion**

The Chairperson may direct the chief executive to refuse to accept any notice of motion which:

- (a) Is disrespectful or which contains offensive language or statements made with malice; or
- (b) Is not within the scope of the role or functions of the local authority; or
- (c) Contains an ambiguity or statement of fact or opinion which cannot properly form part of an effective resolution, and the mover has declined to comply with such requirements as the chief executive may have made; or
- (d) Is concerned with matters which are already the subject of reports or recommendations from a committee to the meeting concerned.

Reasons for refusing a notice of motion should be provided to the proposer.

Where a notice of motion has been considered and agreed by the local authority, no notice of any other motion which is, in the opinion of the Chairperson, to the same effect may be put again whilst such original motion stands.

### **Action on previous resolutions**

If, in the opinion of the Chairperson the practical effect of a delay in taking action on a resolution which is subject to a notice of motion, would be equivalent to revocation of the resolution; or if repetitive notices of motion are considered by the Chairperson to be an attempt by a minority to frustrate the will of the meeting, action may be taken as though no such notice of motion had been given.

### **Repeat notice of motion**

If in the opinion of the Chairperson, a notice of motion is substantially the same in purport and effect to any previous notice of motion which has been considered and rejected by the local authority, no such notice of motion may be accepted within six months of consideration of the first notice of motion unless signed by not less than one third of the members of the local authority, including vacancies.

### **Revocation or alteration of previous resolution**

A Chairperson may recommend in a report to the local authority the revocation or alteration of all or part of any resolution previously passed, and the local authority meeting may act on such a recommendation in accordance with the provisions in these standing orders.

### **Chairperson may call a meeting**

The Chairperson:

- (a) May call a meeting to dispose of the business to be transacted following the lapsing of a meeting due to failure of a quorum, if such business cannot be delayed until the next meeting;
- (b) May requisition an extra meeting to be held at a specified time and place, in order to conduct specified business.

### **Irrelevant matter and needless repetition**

The Chairperson's ruling preventing members when speaking to any motion or amendment from introducing irrelevant matters or indulging in needless repetition is final and not open to challenge.

### **Taking down words**

The Chairperson may order words used and objected to by any member, to be recorded in the minutes, provided such objection is made at the time the words are used and not after any other members have spoken.

### **Explanations**

The Chairperson may permit members to make a personal explanation in addition to speaking to a motion, and members who have already spoken, to explain some material part of a previous speech in the same debate.

### **Chairperson rising**

Whenever the Chairperson rises during a debate any member then speaking or offering to speak is to be seated and members are to be silent so that the Chairperson may be heard without interruption.

### **Members may leave places**

The Chairperson may permit members to leave their place while speaking.

### **Priority of speakers**

The Chairperson must determine the order in which members may speak when two or more members indicate their wish to speak.

### **Minutes**

The Chairperson is to sign the minutes and proceedings of every meeting once confirmed. The Chairperson and chief executive are responsible for confirming the correctness of the minutes of the last meeting of a local authority prior to the next election of members.

### **Questions of speakers**

The Chairperson may permit members to ask questions of speakers under public forum or deputations/presentations by appointment, for the purpose of obtaining information or clarification on matters raised by the speaker.

### **Withdrawal of offensive or malicious expressions**

The Chairperson may call upon any member to withdraw any offensive or malicious expression and may require the member to apologise for the expression.

Any member who refuses to withdraw the expression or apologise, if required by the Chairperson, can be directed to withdraw from the meeting for a time specified by the Chairperson.

### **Chairperson's rulings**

Any member who refuses to accept a ruling of the Chairperson, may be required by the Chairperson to withdraw from the meeting for a specified time.

### **Disorderly behaviour**

The Chairperson may:

- (a) Require any member or member of the public whose conduct is disorderly or who is creating a disturbance, to withdraw immediately from the meeting for a time specified by the Chairperson.
- (b) Ask the meeting to hold in contempt, any member whose conduct is grossly disorderly and where the meeting resolves to find the member in contempt, that resolution must be recorded in the minutes.

### **Failure to leave meeting**

If a member or member of the public who is required, in accordance with a Chairperson's ruling, to leave the meeting, refuses or fails to do so, or having left the meeting, attempts to re-enter without the permission of the Chairperson, any member of the police or officer or employee of the local authority may, at the Chairperson's request, remove or exclude that person from the meeting.

### **Audio or audio visual attendance**

Where the technology is available and a member is attending a meeting by audio or audio-visual link, the Chairperson must ensure that:

- (a) the technology for the link is available and of suitable quality
- (b) procedures for using the technology in the meeting will ensure that:
  - i. everyone participating in the meeting can hear each other
  - ii. the member's attendance by audio or audio-visual link does not reduce their accountability or accessibility in relation to the meeting
  - iii. the requirements of Part 7 of LGOIMA are met
  - iv. the requirements in these standing orders are met.

If the Chairperson is attending by audio or audio visual link then chairing duties will undertaken by the deputy chair or a member who is physically present

## **Appendix 7: Mayors' powers to appoint under s.41A**

The role of a Mayor is:

- (a) to provide leadership to councillors and the people of the city or district.
- (b) to lead development of the council's plans (including the long-term and annual plans), policies and budgets for consideration by councillors.

The Mayor has authority to:

- (a) Appoint the deputy Mayor.
- (b) Establish Council committees, their terms of reference, appoint the Chairperson of each of those committees and the members.
- (c) Appoint themselves as the Chairperson of a committee.
- (d) Decline to exercise the powers under clause a) and b) above but may not delegate those powers to another person.

The Council retains the ability to:

- (a) Remove a deputy Mayor appointed by the Mayor.
- (b) Discharge or reconstitute a committee established by the Mayor.
- (c) Discharge a committee Chairperson who has been appointed by the Mayor.

The Mayor is a member of each committee of the Council.

## **Appendix 8: Process for removing a Chairperson and deputy Mayor from office**

1. At a meeting that is in accordance with this clause, a territorial authority or regional council may remove its Chairperson, deputy Chairperson, or deputy Mayor from office.
2. If a Chairperson, deputy Chairperson, or deputy mayor is removed from office at that meeting, the territorial authority or regional council may elect a new Chairperson, deputy Chairperson, or deputy mayor at that meeting.
3. A meeting to remove a Chairperson, deputy Chairperson, or deputy Mayor may be called by:
  - (a) a resolution of the territorial authority or regional council; or
  - (b) a requisition in writing signed by the majority of the total membership of the territorial authority or regional council (excluding vacancies).
4. A resolution or requisition must:
  - (a) specify the day, time, and place at which the meeting is to be held and the business to be considered at the meeting; and
  - (b) indicate whether or not, if the Chairperson, deputy Chairperson, or deputy Mayor is removed from office, a new Chairperson, deputy Chairperson, or deputy Mayor is to be elected at the meeting if a majority of the total membership of the territorial authority or regional council (excluding vacancies) so resolves.
5. A resolution may not be made and a requisition may not be delivered less than 21 days before the day specified in the resolution or requisition for the meeting.
6. The chief executive must give each member notice in writing of the day, time, place, and business of any meeting called under this clause not less than 14 days before the day specified in the resolution or requisition for the meeting.
7. A resolution removing a Chairperson, deputy Chairperson, or deputy Mayor carries if a majority of the total membership of the territorial authority or regional council (excluding vacancies) votes in favour of the resolution.

*cl. 18 Schedule 7, LGA 2002.*



## **Appendix 9: Workshops**

### **Definition of workshop**

Workshops, however described, provide opportunities for members to discuss particular matters, receive briefings and provide guidance for officials. Workshops are not meetings and cannot be used to either make decisions or come to agreements that are then confirmed without the opportunity for meaningful debate at a formal meeting.

### **Application of standing orders to workshops**

Standing orders do not apply to workshops and briefings. The Chairperson or workshop organisers will decide how the workshop, briefing or working party should be conducted.

### **Calling a workshop**

Workshops, briefings and working parties may be called by:

- (a) a resolution of the local authority or its committees
- (b) the Mayor,
- (c) a committee Chairperson or
- (d) the chief executive.

### **Process for calling workshops**

The chief executive will give at least 24 hours' notice of the time and place of the workshop and the matters to be discussed at it. Notice may be given by whatever means are reasonable in the circumstances. Any notice given must expressly:

- (a) state that the meeting is a workshop
- (b) advise the date, time and place
- (c) confirm that the meeting is primarily for the provision of information and discussion, and will not make any decisions or pass any resolutions.

Public notice of a workshop is not required and workshops can be either open to the public or public excluded.

## **Appendix 10: Sample order of business**

### **Open section**

- (a) Apologies
- (b) Declarations of interest
- (c) Confirmation of minutes
- (d) Leave of absence
- (e) Acknowledgements and tributes
- (f) Petitions
- (g) Public input
- (h) Local and/or community board input
- (i) Extraordinary business
- (j) Notices of motion
- (k) Reports of committees
- (l) Reports of local and/or community boards
- (m) Reports of the chief executive and staff
- (n) Mayor, deputy Mayor and elected members' reports (information)

### **Public excluded section**

- (o) Reports of committees
- (p) Reports of the chief executive and staff
- (q) Mayor, deputy Mayor and elected members' reports (information)

## **Appendix 11: Process for raising matters for a decision**

Matters requiring a decision may be placed on an agenda of a meeting by a:

- report of chief executive
- report of a Chairperson
- report of a committee
- report of a community and/or local board
- notice of motion from a member.



Where a matter is urgent and has not been placed on an agenda, it may be brought before a meeting as extraordinary business by a:

- report of chief executive
- report of Chairperson

Although out of time for a notice of motion, a member may bring an urgent matter to the attention of the meeting through the meeting chair.



## Elected Members' Remuneration

<b>Department</b>	Office of the Chief Executive										
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist										
<b>1. Purpose</b>	1.1 To advise Council of its remuneration as set by the Remuneration Authority										
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council receive the report.</i>										
<b>2. Background</b>	<p>2.1 The Remuneration Authority sets the pay for key office holders such as judges, Members of Parliament, local government representatives and some independent statutory bodies. It is required by law to be fair and independent. Adopting a meeting schedule is not compulsory but it is useful for members of the public, elected members, and council staff to have an indication of when meetings will be held.</p> <p>2.2 Any changes to the committee/governance structure (e.g. portfolio structure) may require an amendment to be proposed to the Remuneration Authority.</p> <p>2.3 The current determination for the Council is as below:</p> <table border="1"><thead><tr><th><b>Office</b></th><th><b>Annual salary (\$)</b></th></tr></thead><tbody><tr><td>Mayor</td><td>71,946</td></tr><tr><td>Deputy Mayor</td><td>30,282</td></tr><tr><td>Committee Chairperson (3)</td><td>23,690</td></tr><tr><td>Councillor</td><td>21,630</td></tr></tbody></table> <p><b>Mayoral car</b> Not applicable – Council removed this from the budget during the LTP 2015-2025 process</p>	<b>Office</b>	<b>Annual salary (\$)</b>	Mayor	71,946	Deputy Mayor	30,282	Committee Chairperson (3)	23,690	Councillor	21,630
<b>Office</b>	<b>Annual salary (\$)</b>										
Mayor	71,946										
Deputy Mayor	30,282										
Committee Chairperson (3)	23,690										
Councillor	21,630										
<b>Signatories</b>	Author: C Knight  Approved by: F Power 										

## Council

25 October 2016



## Code of Conduct

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 To adopt a Code of Conduct as per Schedule 7 (part 15) of the Local Government Act 2002.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council hereby revoke any and all previous Codes of Conduct adopted by Council, and adopts the LGNZ Model Code of Conduct attached as Appendix 1.</i>
<b>2. Background</b>	<p>2.1 This Code of Conduct provides guidance on the standards of behaviour that are expected from the Mayor and elected members of the Wairoa District Council.</p> <p>The code applies to elected members in their dealings with:</p> <ul style="list-style-type: none"><li>• each other</li><li>• the Chief Executive</li><li>• all staff employed by the Chief Executive on behalf of the Council</li><li>• the media</li><li>• the general public.</li></ul> <p>2.2 As noted in Step 5 of the complaints process Council may wish to establish a Conduct Review Committee where the majority of members are independent i.e. not elected members. A proposed terms of reference in line with this suggestions is attached as Appendix 2.</p> <p>2.3 Code of Conduct requirements:</p> <ol style="list-style-type: none"><li>1. A Code of Conduct must set out understandings and expectations adopted by the local authority about the manner in which members must conduct themselves while acting in their capacity as members.</li><li>2. Council may amend or replace the Code but may not revoke it without replacement.</li><li>3. Members of Council (Mayor &amp; Councillors) must comply with the Code.</li><li>4. When adopting the Code councillors must consider whether or not they require newly elected members to declare whether or not they are an undischarged bankrupt.</li><li>5. Once adopted an amendment to the Code or the adoption of a new code requires a vote in support of 75% of the members present.</li></ol>

6. A breach of the code is not an offence under the Local Government Act 2002 but may well constitute an offence under various other statutes.

**Further  
Information  
Appendices**

Local Government Act 2002

Appendix 1 – LGNZ draft Code of Conduct

Appendix 2 – Conduct Review Committee Terms of Reference

**Signatories**

Author: C Knight



Approved by: F Power





**Wairoa District Council**

## **Code of Conduct**

**Adopted on the .....**

## **1. Introduction**

This Code of Conduct (the Code) sets out the standards of behavior expected from elected members in the exercise of their duties. Its purpose is to:

- enhance the effectiveness of the local authority and the provision of good local government of the community, city, district or region;
- promote effective decision-making and community engagement;
- enhance the credibility and accountability of the local authority to its communities; and
- develop a culture of mutual trust, respect and tolerance between the members of the local authority and between the members and management.

This purpose is given effect through the values, roles, responsibilities and specific behaviors agreed in this Code.

## **2. Scope**

The Code has been adopted in accordance with clause 16 of Schedule 7 of the Local Government Act 2002 (LGA 2002) and applies to all members, including the members of any local boards as well as the members of any community boards that have agreed to adopt it. The Code is designed to deal with the behaviour of members towards:

- each other;
- the chief executive and staff;
- the media; and
- the general public.

It is also concerned with the disclosure of information that members receive in their capacity as elected members and information which impacts on the ability of the local authority to give effect to its statutory responsibilities

This Code can only be amended (or substituted by a replacement Code) by a vote of at least 75 per cent of members present at a meeting when amendment to the Code is being considered. The Code should be read in conjunction with the council's Standing Orders.



### 3. Values

The Code is designed to give effect to the following values:

1. **Public interest:** members will serve the best interests of the people within their community, district or region and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behavior.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of officials.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code of Conduct, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which the Council operates, including a regular review and assessment of the Council's collective performance.

These values complement, and work in conjunction with, the principles of s.14 of the LGA 2002 and the governance principles of s.39 of the LGA 2002.

## 4. Role and responsibilities

Good governance requires clarity of roles and respect between those charged with responsibility for the leadership of the council and those responsible for advice and the implementation of council decisions. The key roles are:

### 4.1 Members

The role of the governing body includes:

- representing the interests of the people of the city, district or region;
- developing and adopting plans, policies and budgets;
- monitoring the performance of the council against stated goals and objectives set out in its long term plan;
- providing prudent stewardship of the council's resources;
- employing and monitoring the performance of the chief executive; and
- ensuring the council fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.

### 4.2 Chief executive

The role of the chief executive includes:

- implementing the decisions of the council;
- ensuring that all responsibilities delegated to the chief executive are properly performed or exercised;
- ensuring the effective and efficient management of the activities of the local authority;
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority;
- providing leadership for the staff of the council; and
- employing staff on behalf of the council (including negotiation of the terms of employment for those staff).

Under s.42 of the LGA 2002 the chief executive is the only person *directly* employed by the council itself. All concerns about the performance of an individual member of staff must, in the first instance, be referred to the chief executive.

## 5. Relationships

This section of the Code sets out agreed standards of behaviour between members; members and staff; and members and the public.

## 5.1 Relationships between members

Given the importance of relationships to the effective performance of the council, members will conduct their dealings with each other in a manner that:

- maintains public confidence;
- is open and honest;
- is courteous;
- is focused on issues rather than personalities;
- avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- avoids aggressive, offensive or abusive conduct, including the use of disrespectful or malicious language.

Any failure by members to act in the manner described in s.5.1 represents a breach of this Code.

Please note that nothing in this section of the Code is intended to limit robust debate within the council as long as it is conducted in a respectful and insightful manner.

## 5.2 Relationships with staff

An important element of good governance involves the relationship between the council and its chief executive. Members will respect arrangements put in place to facilitate this relationship, and:

- raise any concerns about employees, officers or contracted officials with the chief executive;
- raise any concerns about the performance or behaviour of the chief executive with the Mayor or the chairperson of the Chief Executive Performance Review Committee;
- make themselves aware of the obligations that the council and the chief executive have as employers and observe those requirements at all times, such as the duty to be a good employer;
- treat all employees with courtesy and respect and avoid publicly criticising any employee;
- observe any protocols put in place by the chief executive concerning contact between members and employees;
- avoid doing anything which might compromise, or could be seen as compromising, the impartiality of an employee.

Any failure by members to act in the manner described above represents a breach of this Code.

**Please note:** Elected members should be aware that failure to observe this portion of the Code may compromise the council's obligations to be a good employer and consequently

expose the council to civil litigation or affect the risk assessment of council's management and governance control processes undertaken as part of the council's audit.

### **5.3 Relationship with the public**

Given that the performance of the council requires the trust and respect of individual citizens, members will:

- interact with members of the public in a fair, respectful, equitable and honest manner;
- be available to listen and respond openly and honestly to community concerns;
- consider all points of view or interests when participating in debate and making decisions;
- treat members of the public in a courteous manner; and
- act in a way that upholds the reputation of the local authority.

Any failure by members to act in the manner described above represents a breach of this Code.

## **6. Contact with the media**

The media play an important part in the operation and efficacy of local democracy. In order to fulfil this role the media needs access to accurate and timely information about the affairs of council.

From time to time individual members will be approached to comment on a particular issue either on behalf of the council, or as an elected member in their own right. When responding to the media members must be mindful that operational questions should be referred to the chief executive and policy-related questions referred to the mayor or the member with the appropriate delegated authority.

When speaking to the media more generally members will abide by the following provisions:

### **6.1 Media contact on behalf of the council**

- the mayor or chairperson is the first point of contact for an official view on any issue, unless delegations state otherwise. Where the mayor/chair is absent requests for comment will be referred to the deputy mayor/chair or relevant committee chairperson or portfolio holder;
- the mayor/chair may refer any matter to the relevant committee chairperson or to the chief executive for their comment; and
- no other member may comment *on behalf of the council* without having first obtained the approval of the mayo/chair.

### **6.2 Media comment on a member's own behalf**

Elected members are free to express a *personal view* in the media, at any time, provided the following rules are observed:

- media comments must not state or imply that they represent the views of the council;
- media comments which are contrary to a council decision or policy must clearly state that they do not represent the views of the majority of members;
- media comments must observe the other requirements of the Code; for example, comments should not disclose confidential information, criticize, or compromise the impartiality or integrity of staff; and
- media comments must not be misleading and should be accurate within the bounds of reasonableness.

Any failure by members to meet the standards set out above represents a breach of this Code.

## **7. Information**

Access to information is critical to the effective performance of a local authority and the level of public trust felt by the public.

### **7.1 Confidential information**

In the course of their duties members will occasionally receive information that is confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation. Accordingly, members agree not to use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the member.

## 7.2 Information received in capacity as an elected member

Members will disclose to other members and, where appropriate the chief executive, any information received in their capacity as an elected member that concerns the council's ability to give effect to its responsibilities.

Members who are offered information on the condition that it remains confidential will inform the provider of the information that it is their duty to disclose the information and will decline the offer if that duty is likely to be compromised.

Any failure by members to act in the manner described above represents a breach of this Code.

**Please note:** failure to observe these provisions may impede the performance of the council by inhibiting information flows and undermining public confidence. It may also expose the council to prosecution under the Privacy Act and/or civil litigation.

## 8. Conflicts of Interest

Elected members will maintain a clear separation between their personal interests and their duties as elected members in order to ensure that they are free from bias (whether real or perceived). Members therefore must familiarise themselves with the provisions of the Local Authorities (Members' Interests) Act 1968 (LAMIA).

Members will not participate in any council discussion or vote on any matter in which they have a pecuniary interest, other than an interest in common with the general public. This rule also applies where the member's spouse contracts with the authority or has a pecuniary interest. Members shall make a declaration of interest as soon as practicable after becoming aware of any such interests.

If a member is in any doubt as to whether or not a particular course of action (including a decision to take no action) raises a conflict of interest, then the member should seek guidance from the chief executive *immediately*. Members may also contact the Office of the Auditor General for guidance as to whether they have a pecuniary interest, and if so, may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote.

**Please note:** Failure to observe the requirements of the LAMIA could potentially invalidate the decision made, or the action taken, by the council. Failure to observe these requirements could also leave the elected member open to prosecution (see Appendix A). In the event of a conviction, elected members can be ousted from office.

## 9. Register of Interests

Members shall annually make a declaration of interest. These declarations are recorded in a Register of Interests maintained by the council and will be made available to the public on the Council's website. The declaration must include information on the nature and extent of any interest, including:

- a) any employment, trade or profession carried on by the member or the members' spouse for profit or gain;
- b) any company, trust, partnership etc for which the member or their spouse is a director, partner or trustee;
- c) the address of any land in which the member has a beneficial interest within the jurisdiction of the local authority; and
- d) the address of any land owned by the local authority in which the member or their spouse is:
  - a tenant; or
  - the land is tenanted by a firm in which the member or spouse is a partner, a company of which the member or spouse is a director, or a trust of which the member or spouse is a trustee:
- e) any other matters which the public might reasonably regard as likely to influence the member's actions during the course of their duties as a member (if the member is in any doubt on this, the member should seek guidance from the chief executive)

**Please note:** Where a member's circumstances change they must ensure that the Register of Interests is updated as soon as practicable.

## 10. Ethical behaviour

Members will seek to promote the highest standards of ethical conduct. Accordingly members will:

- claim only for legitimate expenses as determined by the Remuneration Authority and any lawful policy of the council developed in accordance with that determination;
- not influence, or attempt to influence, any council employee, officer or member in order to benefit their own, or families personal or business interests;
- only use the Council resources (such as facilities, staff, equipment and supplies) in the course of their duties and not in connection with any election campaign or personal interests; and

- not solicit, demand, or request any gift, reward or benefit by virtue of their position and notify the chief executive if any such gifts are accepted. Where a gift to the value of \$50 or more is accepted by a member, that member must immediately disclose this to the chief executive for inclusion in the publicly available register of interests.

Any failure by members to comply with the provisions set out in this section represents a breach of this Code.

### **10.1 Undischarged bankrupt**

In accordance with clause 15(5) of Schedule 7 (LGA 2002) any member who is an “undischarged bankrupt” will notify the chief executive prior to the inaugural meeting or as soon as practicable after being declared bankrupt. The member will also provide the chief executive with a brief explanatory statement of the circumstances surrounding the member’s adjudication and the likely outcome of the bankruptcy.

## **11. Creating a supportive and inclusive environment**

In accordance with the purpose of the Code, members agree to take all reasonable steps in order to participate in activities scheduled to promote a culture of mutual trust, respect and tolerance. These include:

- Attending post-election induction programmes organised by the council for the purpose of facilitating agreement on the council’s vision, goals and objectives and the manner and operating style by which members will work.
- Taking part in any assessment of the Council’s overall performance and operating style during the triennium.<sup>1</sup>
- Taking all reasonable steps to ensure they possess the skills and knowledge to effectively fulfill their Declaration of Office and contribute to the good governance of the city, district or region.

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<sup>1</sup> A self assessment template is provided in the Guidance to this Code.



## **12. Breaches of the Code**

Members must comply with the provisions of this Code (LGA 2002, schedule 5, s. 14(4)). Any member, or the chief executive, who believes that the Code has been breached by the behaviour of a member, may make a complaint to that effect. All complaints will be considered in a manner that is consistent with the following principles.

### **12.1 Principles:**

The following principles will guide any processes for investigating and determining whether or not a breach under this Code has occurred:

- that the approach for investigating and assessing a complaint will be proportionate to the apparent seriousness of the breach complained about;
- that the roles of complaint, investigation, advice and decision-making will be kept separate as appropriate to the nature and complexity of the alleged breach; and
- that the concepts of natural justice and fairness will apply in the determination of any complaints made under this Code. This requires, conditional on the nature of an alleged breach, that affected parties:
  - have a right to know that an investigation process is underway;
  - are given due notice and are provided with an opportunity to be heard;
  - have a right to seek appropriate advice and be represented; and
  - have their privacy respected.

### **12.2 Complaints**

All complaints made under this Code must be made in writing and forwarded to the chief executive. On receipt of a complaint the chief executive must forward that complaint to an independent investigator for a preliminary assessment to determine whether the issue is sufficiently serious to warrant a full investigation.<sup>2</sup>

Only members and the chief executive may make a complaint under this Code.

### **12.3 Investigation, advice and decision**

The process, following receipt of a complaint, will follow the steps outlined in Appendix B.

### **12.4 Materiality**

An alleged breach under this Code is material if, in the opinion of the independent investigator, it would, if proven, bring a member or the council into disrepute or, if not addressed, reflect adversely on another member of the council.

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<sup>2</sup> On behalf of the Council the Chief Executive will, shortly after the start of a triennium, prepare, in consultation with the Mayor or Chairperson, a list of investigators for this purpose of undertaking a preliminary assessment. The Chief Executive may prepare a list specifically for his or her council, prepare a list jointly with neighbouring councils or contract with an agency capable of providing appropriate investigators, such as EquiP.

## **13. Penalties and actions**

Where a complaint is determined to be material and referred to the council the nature of any penalty or action will depend on the seriousness of the breach.

### **13.1 Material breaches**

In the case of material breaches of this Code the council, or a committee with delegated authority, may require one of the following:

1. a letter of censure to the member;
2. a request (made either privately or publicly) for an apology;
3. a vote of no confidence in the member;
4. removal of certain council-funded privileges (such as attendance at conferences);
5. restricted entry to council offices, such as no access to staff areas (where restrictions may not previously have existed);
6. limitation on any dealings with council staff so that they are confined to the chief executive only;
7. suspension from committees or other bodies; or
8. an invitation for the member to consider resigning from the council.

A council or committee may decide that a penalty will not be imposed where a respondent agrees to one or more of the following:

- attend a relevant training course; and/or
- work with a mentor for a period of time; and/or
- participate in voluntary mediation (if the complaint involves a conflict between two members); and/or
- tender an apology.

The process is based on the presumption that the outcome of a complaints process will be made public unless there are grounds, such as those set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA), for not doing so.

### **13.2 Statutory breaches**

In cases where a breach of the Code is found to involve regulatory or legislative requirements, the complaint will be referred to the relevant agency. For example:

- breaches relating to members' interests (where members may be liable for prosecution by the Auditor-General under the LAMIA);
- breaches which result in the council suffering financial loss or damage (where the Auditor-General may make a report on the loss or damage under s.30 of the

LGA 2002 which may result in the member having to make good the loss or damage); or

- breaches relating to the commission of a criminal offence which will be referred to the Police (which may leave the elected member liable for criminal prosecution).

## **14. Review**

Once adopted, a Code of Conduct continues in force until amended by the council. The Code can be amended at any time but cannot be revoked unless the council replaces it with another Code. Once adopted, amendments to the Code require a resolution supported by 75 per cent of the members of the council present at a council meeting where the amendment is considered.

Council may formally review the Code as soon as practicable after the beginning of each triennium. The results of that review will be considered by the council in regard to potential changes for improving the Code.

## **Appendix A: Legislation bearing on the role and conduct of elected members**

This is a summary of the legislative requirements that have some bearing on the duties and conduct of elected members. The full statutes can be found at [www.legislation.govt.nz](http://www.legislation.govt.nz).

### **The Local Authorities (Members' Interests) Act 1968**

The Local Authorities (Members' Interests) Act 1968 (LAMIA) provides rules about members discussing and voting on matters in which they have a pecuniary interest and about contracts between members and the council.

A pecuniary interest is likely to exist if a matter under consideration could reasonably give rise to an expectation of a gain or loss of money for a member personally (or for their spouse or a company in which they have an interest). In relation to pecuniary interests the LAMIA applies to both contracting and participating in decision-making processes.

With regard to pecuniary or financial interests a person is deemed to be "concerned or interested" in a contract or interested "directly or indirectly" in a decision when:

- a person, or spouse or partner, is "concerned or interested" in the contract or where they have a pecuniary interest in the decision; or
- a person, or their spouse or partner, is involved in a company that is "concerned or interested" in the contract or where the company has a pecuniary interest in the decision.

There can also be additional situations where a person is potentially "concerned or interested" in a contract or have a pecuniary interest in a decision, such as where a contract is between an elected members' family trust and the council.

### **Determining whether a pecuniary interest exists**

Elected members are often faced with the question of whether or not they have a pecuniary interest in a decision and if so whether they should participate in discussion on that decision and vote. When determining if this is the case or not the following test is applied:

*"...whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned." (OAG, 2001)*

In deciding whether you have a pecuniary interest, members should consider the following factors.

- What is the nature of the decision being made?
- Do I have a financial interest in that decision - do I have a reasonable expectation of gain or loss of money by making that decision?
- Is my financial interest one that is in common with the public?
- Do any of the exceptions in the LAMIA apply to me?
- Could I apply to the Auditor-General for approval to participate?

Members may seek assistance from the mayor/chair or other person to determine if they should discuss or vote on an issue but ultimately it is their own judgment as to whether or not they have pecuniary interest in the decision. Any member who is uncertain as to whether they have a pecuniary interest is advised to seek legal advice. Where uncertainty exists members may adopt a least-risk approach which is to not participate in discussions or vote on any decisions.

Members who do have a pecuniary interest will declare the pecuniary interest to the meeting and not participate in the discussion or voting. The declaration and abstention needs to be recorded in the meeting minutes. (Further requirements are set out in the council's Standing Orders.)

### **The contracting rule**

A member is disqualified from office if he or she is "concerned or interested" in contracts with their council if the total payments made, or to be made, by or on behalf of the council exceed \$25,000 in any financial year. The \$25,000 limit includes GST. The limit relates to the value of all payments made for all contracts in which you are interested during the financial year. It does not apply separately to each contract, nor is it just the amount of the profit the contractor expects to make or the portion of the payments to be personally received by you.

The Auditor-General can give prior approval, and in limited cases, retrospective approval for contracts that would otherwise disqualify you under the Act. It is an offence under the Act for a person to act as a member of the council (or committee of the council) while disqualified.

### **Non-pecuniary conflicts of interest**

In addition to the issue of pecuniary interests, rules and common law govern conflicts of interest more generally. These rules apply to non-pecuniary conflicts of interest, including common law rules about bias. In order to determine if bias exists or not members need to ask:

*"Is there a real danger of bias on the part of the member of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?"*

The question is not limited to actual bias, but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done, but should be seen to be done. Whether or not members believe they are not biased is irrelevant.

Members should focus be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- members' statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a "closed mind"); and
- members have a close relationship or involvement with an individual or organisation affected by the decision.

In determining whether or not they might be perceived as biased, members must also take into account the context and circumstance of the issue or question under consideration. For example, if a member has stood on a platform and been voted into office on the promise of implementing that platform then voters would have every expectation that the member would give effect to that promise, however he/she must still be seen to be open to considering new information (this may not apply to decisions made in quasi-judicial settings, such as an RMA hearing).

### **Local Government Official Information and Meetings Act 1987**

The Local Government Official Information and Meetings Act 1987 sets out a list of meetings procedures and requirements that apply to local authorities and local/community boards. Of particular importance for the roles and conduct of elected members is the fact that the chairperson has the responsibility to maintain order at meetings, but all elected members should accept a personal responsibility to maintain acceptable standards of address and debate. No elected member should:

- create a disturbance or a distraction while another councillor is speaking;
- be disrespectful when they refer to each other or other people; or
- use offensive language about the council, other members, any employee of the council or any member of the public.

See Standing Orders for more detail.

### **Secret Commissions Act 1910**

Under this Act it is unlawful for an elected member (or officer) to advise anyone to enter into a contract with a third person and receive a gift or reward from that third person as a result, or to present false receipts to council.

If convicted of any offence under this Act a person can be imprisoned for up to two years, and/or fines up to \$1000. A conviction would therefore trigger the ouster provisions of the LGA 2002 and result in the removal of the member from office.

### **Crimes Act 1961**

Under this Act it is unlawful for an elected member (or officer) to:

- accept or solicit for themselves (or anyone else) any gift or reward for acting or not acting in relation to the business of council; and
- use information gained in the course of their duties for their, or another persons, monetary gain or advantage.

These offences are punishable by a term of imprisonment of seven years or more. Elected members convicted of these offences will automatically cease to be members.

### **Financial Markets Conduct Act 2013**

Financial Markets Conduct Act 2013 (previously the Securities Act 1978) essentially places elected members in the same position as company directors whenever council offers stock to the public. Elected members may be personally liable if investment documents such as a prospectus contain untrue statements and may be liable for criminal prosecution if the requirements of the Act are not met.

## **The Local Government Act 2002**

The Local Government Act 2002 (LGA 2002) sets out the general powers of local government, its purpose and operating principles. Provisions directly relevant to this Code include:

### **Personal liability of members**

Although having qualified privilege, elected members can be held personally accountable for losses incurred by a local authority where, following a report from the Auditor General under s.44 LGA 2002, it is found that one of the following applies:

- a) money belonging to, or administered by, a local authority has been unlawfully expended; or
- b) an asset has been unlawfully sold or other wise disposed of by the local authority; or
- c) a liability has been unlawfully incurred by the local authority; or
- d) a local authority has intentionally or negligently failed to enforce the collection of money it is lawfully entitled to receive.

Members will not be personally liable where they can prove that the act or failure to act resulting in the loss occurred as a result of one of the following:

- a) without the member's knowledge;
- b) with the member's knowledge but against the member's protest made at or before the time when the loss occurred;
- c) contrary to the manner in which the member voted on the issue; and
- d) in circumstances where, although being a party to the act or failure to act, the member acted in good faith and relied on reports, statements, financial data, or other information from professional or expert advisers, namely staff or external experts on the matters.

In certain situation members will also be responsible for paying the costs of proceedings (s.47 LGA 2002).



## **Appendix B: Process for the determination and investigation of complaints**

### **Step 1: Chief executive receives complaint**

On receipt of a complaint under this Code the chief executive will refer the complaint to an investigator selected from a panel agreed at the start of the triennium. The chief executive will also:

- inform the complainant that the complaint has been referred to the independent investigator and the name of the investigator, and refer them to the process for dealing with complaints as set out in the Code; and
- inform the respondent that a complaint has been made against them, the name of the investigator and refer them to the process for dealing with complaints as set out in the Code.

### **Step 2: Investigator makes preliminary assessment**

On receipt of a complaint the investigator will assess whether:

1. the complaint is frivolous or without substance and should be dismissed;
2. the complaint is outside the scope of the Code and should be redirected to another agency or process;
3. the complaint is non-material; and
4. the complaint is material and a full investigation is required.

In making the assessment the investigator may make whatever initial inquiry is necessary to determine the appropriate course of action. The investigator has full discretion to dismiss any complaint which, in their view, fails to meet the test of materiality.

On receiving the investigator's preliminary assessment the chief executive will:

1. where an investigator determines that a complaint is frivolous or without substance, inform the complainant and respondent directly and inform other members (if there are no grounds for confidentiality) of the investigator's decision;
2. in cases where the investigator finds that the complaint involves a potential legislative breach and outside the scope of the Code, forward the complaint to the relevant agency and inform both the complainant and respondent of the action.

### **Step 3: Actions where a breach is found to be non-material**

If the subject of a complaint is found to be non-material the investigator will inform the chief executive and, if they choose, recommend a course of action appropriate to the breach, such as;

- that the respondent seek guidance from the Chairperson or Mayor;
- that the respondent attend appropriate courses or programmes to increase their knowledge and understanding of the matters leading to the complaint.

The chief executive will advise both the complainant and the respondent of the investigator's decision and any recommendations, neither of which are open to challenge. Any recommendations made in response to a non-material breach are non-binding on the respondent and the council.

### **Step 4: Actions where a breach is found to be material**

If the subject of a complaint is found to be material the investigator will inform the chief executive, who will inform the complainant and respondent. The investigator will then prepare a report for the council on the seriousness of the breach.

In preparing that report the investigator may:

- consult with the complainant, respondent and any affected parties;
- undertake a hearing with relevant parties; and/or
- refer to any relevant documents or information.

On receipt of the investigator's report the chief executive will prepare a report for the council or committee with delegated authority, which will meet to consider the findings and determine whether or not a penalty, or some other form of action, will be imposed. The chief executive's report will include the full report prepared by the investigator.

### **Step 5: Process for considering the investigator's report**

Depending upon the nature of the complaint and alleged breach the investigator's report may be considered by the full council, excluding the complainant, respondent and any other 'interested' members.

In order to avoid any suggestion of bias, a Code of Conduct Committee may often be the best mechanism for considering and ruling on complaints. Committees should be established at the start of a triennium with a majority of members selected from the community through either an application process or by invitation.

The council or committee will consider the chief executive's report in open meeting, except where the alleged breach concerns matters that justify the exclusion of the public, such as

the misuse of confidential information or a matter that would otherwise be exempt from public disclosure under s.48 of the LGOIMA, in which case it will be a closed meeting.

Before making any decision in respect of the investigator's report the council or committee will give the member against whom the complaint has been made an opportunity to appear and speak in their own defense. Members with an interest in the proceedings, including the complainant and the respondent, may not take part in these proceedings.

The form of penalty that might be applied will depend on the nature of the breach and may include actions set out in section 13.1 of this Code.

In accordance with this Code councils will agree to implement the recommendations of a Code of Conduct Committee without debate.

## Conduct Review Committee



### Membership

His Worship the Mayor (ex-officio), 2 councillors, and 3 independent community members.

### Appointment process of independent members

The application process is open to any ratepayer in the Wairoa District.

Applicants will be asked to write a letter to the Mayor and CEO stating why they want to be considered for the committee and what relevant skills and knowledge they would bring to the table.

The applications will be forwarded to Council who will then decide on the final 3 appointments.

### Purpose

The committee responds to any investigation of alleged breach(es) of the Wairoa District Council Code of Conduct.

### Responsibilities

- Responsibilities as set out in the Wairoa District Council Code of Conduct
- Promotion of the highest standards of conduct and behaviour amongst Councillors.
- Recommend to Council the application of the Code of Conduct and improvements to its implementation
- Direct the independent investigator to report their findings on any alleged breach to a meeting of the full Council along with the committee's recommendations

### Delegations

- All powers necessary to perform the Committee's responsibilities.  
Except
  - a) Powers that the Council cannot delegate or has retained to itself
  - b) Where the Committee's responsibility is limited to making a recommendation only
  - c) Establishing subcommittees

### Rules and Procedures

- Standing Orders apply.
- The committee will meet as required.
- The minutes of the committee will be submitted to the Council.

## Council

25 October 2016



### Committee Structure

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 This report provides information for Council to consider the committee structure for the triennium.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council receive the report and advise staff of the committee structure for the triennium.</i>
<b>2. Background</b>	<p>2.1 In 2015, as a result of recommendations from the functional review, Council adopted a committee structure – a change from the previous portfolio structure where each elected member had a specific area of Council business as their portfolio.</p> <p>2.2 In addition to the Maori Standing Committee that had been established previously, Council introduced the following committees: Finance, Audit &amp; Risk, Economic Development, Chief Executive Performance Review, Conduct Review, Assets &amp; Activity, and Community Partnership. The current terms of reference of these committees are attached to this report for Council's consideration.</p> <p>2.3 Since the introduction of these committees the following have had meetings: Finance, Audit &amp; Risk, Economic Development, and Chief Executive Performance Review.</p> <p>2.4 The Conduct Review Committee is currently linked with the Code of Conduct.</p> <p>2.5 The Maori Standing Committee undertook a review of the Maori Policy (which includes their Terms of Reference) earlier this year. The proposed terms of reference is attached as Appendix 1.</p>
<b>3. Community Development Committee</b>	3.1 A potential option is to combine the following committees into 1 committee (Community Development): Economic Development, Assets & Activity, and Community Partnership. This is based on the nature of these committees' current terms of reference and how the work that they undertake at is interconnected under a wider umbrella of community development.
<b>Appendices</b>	Appendix 1 – Maori Standing Committee Terms of Reference Appendix 2 – Current Terms of Reference

**Signatories**

Author: C Knight

A handwritten signature in black ink, appearing to be the initials 'CK' or 'C Knight'.

Approved by: F Power

A handwritten signature in black ink, appearing to be the initials 'FP' or 'F Power'.

## Māori Standing Committee

### Terms of Reference

#### 1. STATUS

The Māori Standing Committee is a committee under clause 30(1)(a) of Schedule 7 to the Local Government Act.

#### 2. PURPOSE

The purpose of the Māori Standing Committee is to:

- Advocate on behalf of tangata whenua to local, regional and national bodies as appropriate
- Consider governance issues relating to Council obligations to *tangata whenua*
- Investigate and report to the Council on any issues that the Māori Standing Committee considers necessary that may have an implication for *tangata whenua*.

#### 3. MEMBERSHIP

- Māori Standing Committee members term of office shall expire at the end of the year in which the triennial local body elections are held.
- Independent members of the Māori Standing Committee shall be determined at series of district-wide *hui* of *hapū* of *takiwā*, held after the triennial elections, whereby those present will endorse representatives to the Committee.
- 9 *takiwā* representatives – 1 representative per *takiwā* (*takiwā* areas as defined by Council)
- 1 representative (Wairoa Whānui) to represent Māori who whakapapa back to *hapū/iwi* outside of Wairoa
- The Māori Standing Committee shall consist of:
  - ten (10) independent members (with a minimum of seven (7) members)
  - His/Her Worship the Mayor ex-officio
  - two (2) Councillors – to be nominated by the Māori Standing Committee and confirmed by Council.
- If the Māori Standing Committee has less than seven (7) independent members, the Māori Standing Committee shall have the power to co-opt. Co-opted members will have equal membership rights with all other members of the Māori Standing Committee.

#### 4. RESPONSIBILITIES

- The Māori Standing Committee shall nominate two (2) members of whom one will be Chair, to attend every scheduled ordinary, and extraordinary public meeting of full Council. These representatives will have speaking rights.
- The Māori Standing Committee shall nominate members as representatives at committees as indicated in the terms of reference of these committees.
- There is an expectation that members will make every effort to attend all Māori Standing Committee meetings.
- The unconfirmed/confirmed minutes and all recommendations made by the Committee will be included in the next ordinary Council meeting agenda.
- The Māori Standing Committee has full responsibility to make decisions regarding the expenditure of its budget.

#### 5. DELEGATED AUTHORITIES

The Māori Standing Committee has the authority to:

- delegate to any subcommittee of the Māori Standing Committee any authorities that have been delegated by Council to the committee and to appoint members
- make recommendations to Council on all governance issues relating to the statutory functions, powers and duties within its terms of reference
- make recommendations on professional development opportunities which will enable members of the Māori Standing Committee to better contribute to its decision-making processes
- review and determine how the steps that Council will take to develop Māori capacity to contribute to decision-making processes should be described, planned and monitored in the draft and final Council Long-term Plan
- make submissions on Māori-related matters in conjunction with Council.

## **6. MEETINGS**

- The Māori Standing Committee shall hold all meetings at such frequency, times and place(s) as agreed for the performance of the functions, duties and powers delegated under the Terms of Reference.

## **7. ELECTION YEAR TRANSITION**

- In a local government election year, the Māori Standing Committee shall schedule district-wide *hui* for the selection process to decide the membership of the next Māori Standing Committee by the end of November.
- The next Māori Standing Committee shall be sworn in by the newly elected Council by February.
- The incumbent Māori Standing Committee shall remain in office until the succeeding Māori Standing Committee are sworn in by the newly elected Council.
- A robust introduction process will be in place for all incoming members of the Wairoa District Council's Māori Standing Committee.

## **8. BUDGET**

- The Māori Standing Committee shall be responsible for its own budget as set through the Annual Plan process.
- Members of the Committee are allocated a budget for the financial year ending 30 June – the budget shall cover the following items:
  - fair remuneration for Committee duties undertaken on behalf of the Council
  - travel allowance for members attending Committee meetings
  - the commission of expertise for advice, training and workshops
  - administration expenses including (but not limited to): materials, venue hire, catering.

## **9. Servicing**

- The Māori Relationships Manager will be the primary contact for the Māori Standing Committee.





# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Asset and Activity Committee

<b>Membership</b>	2 councillors and His Worship the Mayor (ex-officio).
<b>Meeting frequency</b>	As required
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Development of transportation strategies and policies (including footpaths, cycleways, parking facilities, bridges, street facilities, landscaping and ancillary services and facilities, street lighting, and traffic management control devices).</li> <li>• Development of water, wastewater and stormwater, strategies and policies (including the collection, treatment, reticulation, disposal, and public toilets).</li> <li>• Development of solid waste management strategies and policies (including kerbside collection services, landfills and community education).</li> </ul>
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>• Oversee and provide feedback on key physical infrastructure plans and projects relating to transport, water, wastewater, stormwater and solid waste management.</li> <li>• Provide strategic direction to Council to guide development of strategies and policies as outlined in the purpose of the Committee.</li> <li>• Review asset management plans, asset valuation and whole of life optimisation</li> <li>• Oversee and provide feedback on kerbside collections, landfills and community education on solid waste management.</li> </ul>
<b>Delegations</b>	<p>All powers necessary to perform the Committee's responsibilities. Except</p> <ol style="list-style-type: none"> <li>a. Powers that the Council cannot delegate or has retained for itself.</li> <li>b. Where the Committee's responsibility is limited to making a recommendation only.</li> <li>c. The approval of expenditure not contained within approved budgets.</li> <li>d. The approval of final policy.</li> <li>e. Deciding significant matters for which there is high public interest and which are controversial.</li> <li>f. The commissioning of reports on new policy where that policy programme of work has not been approved by the Council.</li> <li>g. Establishing subcommittees.</li> </ol>
<b>Rules and Procedures</b>	<ul style="list-style-type: none"> <li>• Standing Orders apply</li> <li>• The minutes of the Committee will be submitted to the Council.</li> </ul>

	<ul style="list-style-type: none"><li>• The Committee will be serviced by the Engineering Administration Officer.</li><li>• There will be an appropriate induction programme for new members of the Committee.</li><li>• The Committee will produce an annual report for submission to Council detailing the work undertaken by the Committee.</li><li>• The Committee will be advised by the Chief Executive Officer, Engineering Manager, and other officers and advisors as necessary.</li></ul>
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# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Chief Executive Review Committee

<b>Membership</b>	His Worship the Mayor (ex-officio), and 2 councillors.
<b>Meeting frequency</b>	Annually and as required
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Review the progress and performance of the Chief Executive against pre-determined objectives.</li> <li>• Oversee the independent remuneration review process for the Chief Executive and make recommendations to the Council.</li> <li>• Oversee succession planning and the appointment process and make recommendations to the Council of a new Chief Executive.</li> </ul>
<b>Responsibilities</b>	<p>Report to Council on the following:</p> <ul style="list-style-type: none"> <li>• Conduction of the annual performance review processes and determine a committee view of performance in accordance with best practice principles;</li> <li>• Appointment of independent advisors on salary and conditions for the Chief Executive, in conjunction with the Chief Executive;</li> <li>• Negotiating and approving salary and conditions of employment within parameters agreed by the Council;</li> <li>• Reviewing the Chief Executive's position description and contract;</li> <li>• Annually negotiating appropriate performance measures and targets for the Chief Executive</li> </ul>
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• All powers necessary to perform the Committee's responsibilities Except             <ol style="list-style-type: none"> <li>a. Powers that the Council cannot delegate or has retained to itself</li> <li>b. Where the Committee's responsibility is limited to making a recommendation only</li> <li>c. Establishing subcommittees</li> </ol> </li> </ul>
<b>Rules and Procedures</b>	<ul style="list-style-type: none"> <li>• Standing Orders apply.</li> <li>• Minutes of the committee will be submitted to Council.</li> <li>• The Committee will be serviced by the Administration Assistant.</li> <li>• The Committee will be advised by independent advisors.</li> </ul>



# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Community Partnership Committee

<b>Membership</b>	2 councillors, a representative from the Maori Standing Committee and His Worship the Mayor (ex-officio).
<b>Meeting frequency</b>	As required
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>• Appoint the Council's representative for the Regional Licensing Committee under the Sale and Supply of Alcohol Act.</li> <li>• Monitor the development of strategies and policies that meet the current and future needs of communities, local public services, and performance of regulatory functions in a way that is cost-effective for households and businesses.</li> <li>• Review and make recommendations to Council on the Council's Delegation Manual.</li> </ul>
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• Power to appoint hearing committees and hearings commissioners if and when these are required.</li> <li>• All powers necessary to perform the Committee's responsibilities Except             <ul style="list-style-type: none"> <li>a. Powers that the Council cannot delegate or has retained to itself</li> <li>b. Where the Committee's responsibility is limited to making a recommendation only</li> <li>c. The approval of expenditure not contained within approved budgets</li> <li>d. The approval of final policy</li> <li>e. Deciding significant matters for which there is high public interest and which are controversial</li> <li>f. The commissioning of reports on new policy where that policy programme of work has not been approved by the Council</li> </ul> </li> </ul>
<b>Relevant Legislation</b>	<ul style="list-style-type: none"> <li>• Local Government Act;</li> <li>• Resource Management Act;</li> <li>• Building Act;</li> <li>• Sale and Supply of Alcohol Act;</li> <li>• Psychoactive Substances Act;</li> <li>• Health Act; and,</li> <li>• Dog Control Act.</li> </ul>

<b>Rules and Procedures</b>	<ul style="list-style-type: none"><li>• Standing Orders apply.</li><li>• Minutes will be submitted to Council.</li><li>• The Committee will be serviced by the Regulatory Department.</li><li>• There will be an appropriate induction programme for new members of the committee.</li><li>• The committee will be advised by the Chief Executive Officer, Regulatory Manager, and other officers and advisors as necessary.</li></ul>



# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Conduct Review Committee

<b>Membership</b>	Mayor (ex-officio), all councillors, and the Council's legal advisor (who shall not be the independent adjudicator).
<b>Meeting frequency</b>	As required.
<b>Purpose</b>	The Committee responds to alleged breaches of the Wairoa District Council Code of Conduct. In the case of an alleged breach, this Committee shall refer it to an independent a adjudicator, who can exercise the delegated functions and powers of the Committee as set out in Part Four of the Code of Conduct.
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>• Responsibilities set out in Part Four of the Code of Conduct.</li> <li>• Promotion of the highest standards of conduct and behavior amongst Councillors.</li> <li>• Direct the independent adjudicator/s to report their findings on any alleged breach to Council.</li> <li>• Recommend to Council the application of the Code of Conduct and improvements to its implementation.</li> </ul>
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• Power to appoint the Council's legal advisor to investigate alleged breaches.</li> <li>• Power to delegate decision-making powers with respect to complaints made against members under the Code of Conduct to one or more independent adjudicators.</li> <li>• Powers as set out in Part 4 of the Code of Conduct.</li> <li>• Power to act pursuant to these terms of reference is subject to a formal complaint being made either to Council, the Committee or to the Chief Executive.</li> <li>• All powers necessary to perform the Committee's responsibilities Except             <ol style="list-style-type: none"> <li>a. Powers that the Council cannot delegate or has retained for itself.</li> <li>b. Where the Committee's responsibility is limited to making a recommendation only.</li> <li>c. Establishing subcommittees.</li> </ol> </li> </ul>
<b>Rules and Procedures</b>	<ul style="list-style-type: none"> <li>• Standing Orders apply.</li> <li>• Minutes will be submitted to the Council.</li> </ul>

	<ul style="list-style-type: none"><li>• The committee will be serviced by the Governance Advisor &amp; Policy Strategist.</li><li>• There will be an appropriate induction programme for new members of the committee.</li><li>• The committee will be advised by the Chief Executive Officer, Council's legal advisor, and other officers and advisors as necessary.</li></ul>
<b>Reference</b>	<ul style="list-style-type: none"><li>• Wairoa District Council Code of Conduct - <a href="http://www.wairoadc.govt.nz/docs/council_services/2013elections/codeconduct.pdf">http://www.wairoadc.govt.nz/docs/council_services/2013elections/codeconduct.pdf</a></li></ul>



# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Economic Development Committee

<b>Membership</b>	<p>His Worship the Mayor (ex-officio) 2 councillors</p> <p>A representative of the Maori Standing Committee</p> <p>Member(s) of the Horizons Trust</p> <p>Other members as may be co-opted, as appropriate (e.g. tourism, education, digital)</p>
<b>Meeting frequency</b>	<p>Every 2 months and as required.</p>
<b>Areas of activity</b>	<ul style="list-style-type: none"> <li>• Provide strategic oversight and direction to economic development in the district.</li> <li>• Management, monitoring and reporting to Council on the performance of Wairoa’s economy and the coordination of the Economic Development Strategy.</li> <li>• Propose, support and review strategic projects and programmes to deliver on the Economic Development Strategy.</li> <li>• Facilitate partnerships and collaborative funding models to support economic development initiatives and across the arts, cultural and events sector.</li> <li>• Point of engagement for the Council with the government, businesses, business organisations, and local economic development agencies in relation to all economic policy and strategy matters.</li> <li>• Evaluate the balance of economic development policies, programmes and initiatives across the district and ensure an appropriate balance between rural and urban opportunities.</li> <li>• Engagement with Tangata Whenua as Kaitiaki with Mana Whenua status</li> <li>• Maintain the relationship with the sister city of Kitaibaraki.</li> </ul>
<b>Responsibilities</b>	<p>The Committee will focus on: delivering sustainable long-term economic growth and increased employment; promoting the District’s visitor attractions and tourism activities; delivering high-quality events; and supporting initiatives aimed at increasing the population of the District. Within the specified areas of activity the Committee is responsible for:</p> <ul style="list-style-type: none"> <li>• In accordance with the work programme agreed with Council, developing strategy and policy to recommend to Council, including any agreed community consultation.</li> <li>• Acting as a community interface for consultation on relevant policies and as a forum for raising relevant community concerns, while ensuring community engagement is complementary to that undertaken by local</li> </ul>



	<p>boards.</p> <ul style="list-style-type: none"> <li>• Making decisions within delegated powers.</li> </ul>
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• Power to co-opt other members as appropriate</li> <li>• All powers necessary to perform the Committee's responsibilities</li> </ul> <p>Except</p> <ol style="list-style-type: none"> <li>a. Powers that the Council cannot legally delegate or has retained for itself</li> <li>b. Where the Committee's responsibility is limited to making a recommendation only</li> <li>c. The approval of expenditure not contained within approved budgets</li> <li>d. Approval of expenditure of more than \$20,000</li> <li>e. The approval of final policy</li> <li>f. Deciding significant matters for which there is high public interest and which are controversial</li> <li>g. The commissioning of reports on new policy where that policy programme of work has not been approved by the Council</li> <li>h. Power to establish subcommittees</li> </ol>
<b>Rules and Procedures</b>	<ul style="list-style-type: none"> <li>• Standing Orders apply.</li> <li>• The minutes of all Committee meetings will be submitted to Council.</li> <li>• The Committee will be serviced by the Governance Advisor &amp; Policy Strategist.</li> <li>• The Committee will produce an annual report for submission to Council detailing the work undertaken by the Committee.</li> <li>• The Committee will be advised by the Chief Executive Officer, Economic Development Team, and other officers and advisors as necessary.</li> </ul>



# WAIROA DISTRICT COUNCIL

PO Box 54, Wairoa – Telephone (06) 838-7309 – Facsimile (06) 838-8874

## Terms of Reference: Finance, Audit & Risk Committee

<b>Membership</b>	His Worship the Mayor (ex-officio), 2 councillors, and an independent member.
<b>Meeting frequency</b>	Every 2 months and as required
<b>Purpose</b>	This Committee will monitor overall financial management and the performance of the Council; and, act as a liaison point with the Council's auditors in order to ensure robust financial audits and reviews of Wairoa District Council.
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>• Monitor the Council's external and internal audit work programmes and processes.</li> <li>• Provide a communication link between management, internal/external auditors and the Council.</li> <li>• Receive the Auditor's Management Report and make recommendations to Council on any suggested actions by the Auditor.</li> <li>• Monitor and report to Council on the response to audit reports and the implementation of recommendations made by auditors.</li> <li>• Monitor integrity and reliability of financial and other measures of performance and service levels.</li> <li>• Monitor existing corporate policies and recommend to Council new corporate policies to prohibit unethical, questionable or illegal activities.</li> <li>• Provide objective advice and recommendations to Council regarding the sufficiency, quality and results of assurance on the adequacy and functioning of the Council's risk management, control and governance frameworks and processes.</li> <li>• Oversee the compilation and recommend the Annual Report to Council.</li> <li>• Review the development of the financial strategies and policies as required by the long-term plan.</li> <li>• Monitor the financial and non-financial performance and governance of Council Controlled Organisations.</li> </ul>
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• Recommend to Council the terms and arrangements of the external audit programme as agreed with the external auditor.</li> <li>• Assess and approve expenditure where the circumstances could be perceived to give rise to a conflict of interest.</li> <li>• All powers necessary to perform the Committee's responsibilities Except             <ol style="list-style-type: none"> <li>a. Powers that the Council cannot delegate or has retained to itself</li> <li>b. Where the Committee's responsibility is limited to making a</li> </ol> </li> </ul>

	<p>recommendation only</p> <ul style="list-style-type: none"> <li>c. The approval of expenditure not contained within approved budgets</li> <li>d. The approval of final policy</li> <li>e. Deciding significant matters for which there is high public interest and which are controversial</li> <li>f. The commissioning of reports on new policy where that policy programme of work has not been approved by the Council</li> <li>g. Establishing subcommittees</li> <li>h. Delegating the Committee's responsibilities, duties or powers</li> </ul>
<p><b>Rules and Procedures</b></p>	<ul style="list-style-type: none"> <li>• Standing Orders apply.</li> <li>• The minutes of the committee will be submitted to the Council.</li> <li>• The committee will be serviced by the Governance Advisor &amp; Policy Strategist.</li> <li>• There will be an appropriate induction programme for new members of the committee.</li> <li>• The committee will produce an annual report for submission to Council detailing the work undertaken by the committee.</li> <li>• The committee will be advised by the Chief Executive Officer, Chief Financial Officer, and other officers and advisors as necessary.</li> </ul>

# Council

25 October 2016



## Meeting Schedule

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 For Council to adopt a meeting schedule for 2017.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council adopt the Meeting Schedule attached as Appendix 1.</i>
<b>2. Background</b>	<p>2.1 The proposed meeting schedule is based on the proposed committee structure also included on this agenda – any changes to the committee structure will require further work to be done on Appendix 1.</p> <p>2.2 Adopting a meeting schedule is not compulsory but it is useful for members of the public, elected members, and council staff to have an indication of when meetings will be held.</p> <p>2.3 Meeting remaining this year are: Finance Audit &amp; Risk Committee – 4<sup>th</sup> November Forum – 8<sup>th</sup> November Council – 22<sup>nd</sup> November and 6<sup>th</sup> December Maori Standing Committee 9<sup>th</sup> December</p>
<b>Appendices</b>	Appendix 1 – Draft Meeting Schedule 2017
<b>Signatories</b>	Author: C Knight  Approved by: F Power 

## APPENDIX 1

### Meeting Schedule

#### Council

6 weekly meetings

Tuesday 1.30pm

Agenda closes 5 working days before the meeting date

<b>Meeting Date</b>	<b>Agenda closes</b>
<b>14<sup>th</sup> February 2017</b>	Friday 3 <sup>rd</sup> February 2017
<b>28<sup>th</sup> March 2017</b>	Monday 20 <sup>th</sup> March 2017
<b>9<sup>th</sup> May 2017</b>	Monday 1 <sup>st</sup> May 2017
<b>20<sup>th</sup> June 2017</b> <b>Annual Plan Adoption</b>	Monday 12 <sup>th</sup> June 2017
<b>1<sup>st</sup> August 2017</b>	Monday 24 <sup>th</sup> July 2017
<b>12<sup>th</sup> September 2017</b>	Monday 4 <sup>th</sup> September 2017
<b>24<sup>th</sup> October 2017</b> <b>Annual Report Adoption</b>	Friday 13 <sup>th</sup> October 2017
<b>5<sup>th</sup> December 2017</b>	Monday 27 <sup>th</sup> November 2017

#### Council Forum

6 weekly meetings

Tuesday 1.30pm

Agenda closes 2 weeks before the meeting date

<b>Meeting Date</b>	<b>Agenda closes</b>
<b>7<sup>th</sup> March 2017</b>	Monday 20 <sup>th</sup> February 2017
<b>18<sup>th</sup> April 2017</b>	Monday 3 <sup>rd</sup> April 2017
<b>30<sup>th</sup> May 2017</b>	Monday 15 <sup>th</sup> May 2017
<b>11<sup>th</sup> July 2017</b>	Monday 26 <sup>th</sup> June 2017
<b>22<sup>nd</sup> August 2017</b>	Monday 7 <sup>th</sup> August 2017
<b>3<sup>rd</sup> October 2017</b>	Monday 18 <sup>th</sup> September 2017
<b>14<sup>th</sup> November 2017</b>	Monday 30 <sup>th</sup> November 2017

#### Maori Standing Committee

6 weekly meetings

Tuesday 1.30pm (Exception – April meeting is a Wednesday)

Agenda closes 5 working days before the meeting date

## APPENDIX 1

<b>Meeting Date</b>	<b>Agenda closes</b>
<b>31<sup>st</sup> January 2017</b>	Monday 23 <sup>rd</sup> January 2017
<b>14<sup>th</sup> March 2017</b>	Monday 6 <sup>th</sup> March 2017
<b>26<sup>th</sup> April 2017</b> <b>NB: This is a Wednesday</b>	Thursday 13 <sup>th</sup> April 2017
<b>6<sup>th</sup> June 2017</b>	Friday 26 <sup>th</sup> May 2017
<b>18<sup>th</sup> July 2017</b>	Monday 10 <sup>th</sup> July 2017
<b>29<sup>th</sup> August 2017</b>	Monday 21 <sup>st</sup> August 2017
<b>10<sup>th</sup> October 2017</b>	Monday 2 <sup>nd</sup> October 2017
<b>21<sup>st</sup> November 2017</b>	Monday 13 <sup>th</sup> November 2017

### Finance, Audit & Risk Committee

6 weekly meetings

Tuesday 1.30pm

Agenda closes 5 working days before the meeting date

<b>Meeting Date</b>	<b>Agenda closes</b>
<b>28<sup>th</sup> February 2017</b>	Monday 20 <sup>th</sup> February 2017
<b>11<sup>th</sup> April 2017</b>	Monday 3 <sup>rd</sup> April 2017
<b>23<sup>rd</sup> May 2017</b>	Monday 15 <sup>th</sup> May 2017
<b>4<sup>th</sup> July 2017</b>	Monday 26 <sup>th</sup> June 2017
<b>15<sup>th</sup> August 2017</b>	Monday 7 <sup>th</sup> August 2017
<b>26<sup>th</sup> September 2017</b>	Monday 18 <sup>th</sup> September 2017
<b>7<sup>th</sup> November 2017</b>	Monday 30 <sup>th</sup> October 2017

## **APPENDIX 1**

### **Community Development Committee**

6 weekly meetings

Tuesday 1.30pm

Agenda closes 5 working days before the meeting date

<b>Meeting Date</b>	<b>Agenda closes</b>
<b>21<sup>st</sup> February 2017</b>	Monday 13 <sup>th</sup> February 2017
<b>4<sup>th</sup> April 2017</b>	Monday 27 <sup>th</sup> March 2017
<b>27<sup>th</sup> June 2017</b>	Monday 19 <sup>th</sup> June 2017
<b>8<sup>th</sup> August 2017</b>	Monday 31 <sup>st</sup> July 2017
<b>19<sup>th</sup> September 2017</b>	Monday 11 <sup>th</sup> September 2017
<b>31<sup>st</sup> October 2017</b>	Friday 20 <sup>th</sup> October 2017

### **Chief Executive Performance Review Committee**

As required



# Council

25 October 2016



## Appointments to External Bodies



<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	C Knight – Governance Advisor & Policy Strategist
<b>1. Purpose</b>	1.1 To inform Council of organisations seeking Councillor representation at their monthly/bi-monthly meetings.
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council review the need for membership/representation in each case and appoint as necessary.</i>
<b>2. Background</b>	<p>2.1 Previous Councils have made appointments to the following:</p> <ul style="list-style-type: none"><li>• Hawke's Bay Medical Research Foundation -1 Representative Required</li><li>• Wairoa Integrated Healthcare Service Steering Group 1 Representative Required</li><li>• Road Safe Hawke's Bay 1 Representative Required</li><li>• Hawke's Bay Land Transport Committee 1 Representative Required</li><li>• Regional Sports Council 1 Representative Required</li><li>• Eastland Fire 1 Representative Required (typically a member of staff)</li><li>• Wairoa District Heritage &amp; Museum Trust 2 Representatives Required</li><li>• Quality Roding &amp; Services (Wairoa) Limited 2 Representatives Required (typically the Finance Portfolio members)</li></ul>
<b>3. Consideration of Council</b>	<p>3.1 Council needs to consider the composition of its Portfolios and make Councillor appointments accordingly.</p> <p>3.2 Council needs to determine whether they wish to continue to be represented at meetings of the above organisations, and to appoint representatives accordingly.</p>
<b>Signatories</b>	Author: C Knight Approved by: F Power







## Quality Roding and Services (Wairoa) Limited Annual Report as at 30 June 2016

<b>Department</b>	Finance
<b>Author &amp; Contact Officer</b>	A Morton – Chief Financial Officer
<b>1. Purpose</b>	1.1 The purpose of this report is provide Council with a copy of the Quality Roding and Services (Wairoa) Limited (“QRS”) Annual Report for the year ended 30 June 2016 for receipt.
<b>Recommendation</b>	The Chief Financial Officer RECOMMENDS that Council receive the QRS Annual Report as at 30 June 2016.
<b>2. Background</b>	2.1 QRS is 100% owned by the Wairoa District Council and by virtue of that shareholding, QRS is a Council Controlled Organisation. Notwithstanding the above, the management and operations of QRS are independent of Council. 2.2 Council received a dividend of \$140,000 for the 12 months ending 30 June 2016. 2.3 QRS reported a after-tax profit of \$308,000.
<b>Further Information Appendices</b>	Local Government Act 2002  Appendix 1 – Annual Report for the Year Ended 30 June 2016
<b>Confirmation of statutory compliance</b>	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and, b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.
<b>Signatories</b>	Author: A Morton  Approved by: F Power 



# **ANNUAL REPORT**

**For the Year Ended 30 June 2016**



## QUALITY ROADING AND SERVICES (WAIROA) LIMITED

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## QUALITY ROADING AND SERVICE (WAIROA) LIMITED

### DIRECTORY

#### Directors

Mr C J Torrie (Chairman)  
Mr M D S Jarvis (Retired 30 June 2016)  
Mr G E Gaddum  
Mrs W N Harvey  
Mr I C Redshaw (Appointed 1 July 2016)

#### Registered Office

Kaimoana Road  
Wairoa

#### Postal Address

P O Box 83  
Wairoa

Phone: (06) 838 9030  
Fax: (06) 838 9049

#### Auditor

Stuart Mutch of Ernst & Young on behalf of the Auditor General

#### Bankers

ANZ Banking Group  
Wairoa

#### Solicitors

Mr I R McDonald  
Wairoa



# QUALITY ROADING AND SERVICES (WAIROA) LIMITED

## CHAIRMAN'S ANNUAL REPORT TO 30 JUNE 2016

### INTRODUCTION

QRS Directors report a pre-tax profit of \$427,000 (2015: \$113,000). This resulted in an after-tax profit of \$308,000 for the year ended 30 June 2016 (2015: \$79,000).

### PRINCIPAL ACTIVITIES

Quality Roading and Services (Wairoa) Limited, incorporated in 1994, is wholly owned by the Wairoa District Council. The Company is a Council Controlled Trading Organisation of the Local Government Act 2002 and operates under the Companies Act 1993, as defined in Section 6 of the Local Government Act 2002.

The principal activities for the company are Roading Maintenance and Construction, Reserves Maintenance, Quarrying, Heavy Transport, Civil Construction, Forestry Servicing and Utility Services within the Wairoa and East Coast Region.

### RESULTS AND DISTRIBUTIONS

Total revenue (including interest and other operating income) was \$12,360,000 (\$12,000,000 – last year) and costs were \$11,933,000 (\$11,887,000 – last year) producing an operating surplus after net financing costs and before tax of \$427,000 (\$113,000 – last year). QRS has produced a credible result in a challenging business and economic environment.

The dividend payable to our Shareholder, the Wairoa District Council for the 12 months ending 30 June 2016, is declared at \$140,000 (\$50,000 – last year).

### FINANCIAL POSITION

The equity of the Company at 30 June 2016 was represented by:

Current Assets	4,487,000
Less Current Liabilities	(2,499,000)
Plus Non Current Assets	1,988,000
Less Term Liabilities	(1,001,000)
	\$6,020,000

Attaining \$427,000 pretax profit represents a 7.4% return on shareholder funds. This is below our Statement of Intent target of 8.9%. The equity ratio was 63.2% which exceeds our SOI target of 45%. The year end working capital ratio was 1.8:1 with the cost of debt servicing at 0.8% of revenue.

## **REVIEW OF OPERATIONS**

The company has had a very busy and profitable 2016 financial year. We continue to provide services under the 13/02 Wairoa Road Maintenance Contract and have recently been re-appointed contractor to that contract for another two years. In addition to this we have developed relationships with the head contractors on the Gisborne and Northern Hawkes Bay Network Outcome Contracts. As a result of this our teams are now more visible on State Highway 2 in particular. Reports back from the contract holders on the performance of the QRS team are very high.

In the past financial year our roading division was called upon twice to major weather related emergency events. Last year it was the storms and flooding that caused damage to the roading network. Recently it was the snow between Wairoa and Napier that had our crews out all hours in very difficult conditions. This shows the dedication and professionalism that QRS stands for. It also illustrates the capacity of QRS to assist in getting important infrastructural assets back into operation following emergency events.

We entered into a Joint Operation with Wi Pere Trust during the end of the 2015 year to extract limestone aggregate from their Gisborne based land. This operation continues to develop as we look to work together to provide valuable limestone to the ever increasing roading requirements of the Gisborne region.

### **Our People**

The company continues to be a major employer within the Wairoa region. At 30 June 2016 we had 97 employees in the company, with wages paid of \$5m during the year. Health and safety continues to be a focus area for the company.

Like the majority of regional New Zealand companies we regularly face the problem of recruiting and then retaining the right people for the positions we have in the company. This may require a regional collective approach to finding a solution.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

No significant matters have arisen since balance date.

## DIRECTORS

I would like to acknowledge Mike Jarvis' time on the QRS board. Mike joined in October 2003 and resigned June 2016. Mike brought a wealth of knowledge from the Contracting world to the table and on behalf of the Company I thank him for his years of very active service to the company. Replacing Mike on the board is Ian Redshaw. Ian will bring his experience from many boards over the years and his local knowledge.

The board has worked hard with management over the year to continue the drive to grow the company and deliver quality products and services to our customers. At the same time we are embracing the changes required to bring about a culture of safety in the workplace. The development of the company on these and other fronts in the last financial year is testament to the progress that is being made and I thank all involved in the company for this.



Chris Torrie  
QRS Chairman  
21 September 2016





## Directors

The following persons held office as directors during the year.

C J Torrie (Chairman)  
M D S Jarvis (Retired 30 June 2016)  
G E Gaddum  
W N Harvey

## Entries made in the Interests Register Directors Interests and Transactions

### Guy Gaddum has the following interests:

Board Member	Forestry Industry Contractors Association
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### Wendie Harvey has the following interests:

Director	Centralines Limited
Director	Port of Napier Limited
Director	Hawkes Bay Airport Limited
Director	Electrical Training Company Limited
Commissioner	NZ Gambling Commission

## Share dealings with Directors

No director has sold or acquired shares in the company during the year.

## Loans to Directors

No loans have been made to directors.





#### Directors Remuneration

The following amounts of Remuneration were paid:-

C J Torrie	\$29,867
M D S Jarvis	\$17,992
G E Gaddum	\$17,992
W N Harvey	\$17,992

#### Directors Indemnity and Insurance

The company has insured all its directors against liabilities to other parties that may arise from their position as directors. The insurance does not cover liabilities arising from criminal actions.

#### Employees' Remuneration

During the year, the following number of employees received total remuneration and other benefits between:

One Employee	\$240,001 and \$250,000
One Employee	\$120,001 and \$130,000
Two Employees	\$110,001 and \$120,000
Two Employees	\$100,001 and \$110,000

#### Donations / Sponsorship

Donations/sponsorship made during the year was \$58,747

#### Auditors Remuneration

During the year the following amount was paid to Ernst & Young

For Audit work including disbursements	\$58,655
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#### Description of the Business

Quality Roading and Services (Wairoa) Limited is a Council Controlled Trading Organisation principally involved in road construction and maintenance activities. Other work includes infrastructure maintenance in water and waste water reticulation maintenance, reserves maintenance, waste collection and disposal, cemetery maintenance and a variety of private sector civil works.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF QUALITY ROADING AND SERVICES (WAIROA) LIMITED'S  
FINANCIAL STATEMENTS AND PERFORMANCE MEASURES  
FOR THE YEAR ENDED 30 JUNE 2016

The Auditor-General is the auditor of Quality Roading and Services (Wairoa) Limited (the company). The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and performance measures of the company on her behalf.

**Opinion on the financial statements and the performance measures**

We have audited:

- the financial statements of the company on pages 11 to 28, that comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance measures of the company on page 15.

In our opinion:

- the financial statements of the company:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2016; and
    - its financial performance and cash flow for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime.
- the performance measures of the company presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2016.

Our audit was completed on 20 September 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities, and explain our independence.

**Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance measures are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance measures. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and in the performance measures. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance measures, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the company's financial statements and performance measures in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the appropriateness of the reported performance measures within the company's framework for reporting performance;
- the adequacy of the disclosures in the financial statements and in the performance measures; and
- the overall presentation of the financial statements and the performance measures.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance measures. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance measures.

We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### **Responsibilities of the Board of Directors**

The Board of Directors is responsible for the preparation and fair presentation of financial statements for the company that comply with generally accepted accounting practice in New Zealand and New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime. The Board of Directors is also responsible for preparation of the performance measures for the company.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

The Board of Directors is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance measures that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for the publication of the financial statements and the performance measures, whether in printed or electronic form.


#### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and the performance measures and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

#### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the company.



Stuart Mutch  
Ernst & Young  
On behalf of the Auditor-General  
Wellington, New Zealand

QUALITY ROADING AND SERVICES (WAIROA) LIMITED  
 STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 30 JUNE 2016



	Notes	2016	2015
Revenue		12,062,161	12,100,182
Cost of Sales		4,455,613	5,164,079
<b>Gross Profit</b>		<b>7,606,548</b>	<b>6,936,103</b>
Personnel Expenses	2	5,424,788	5,169,801
Depreciation Expense	12	922,976	864,085
Administrative Expenses		529,288	575,432
Other Operating Expenses	1	201,802	164,426
		<b>7,078,854</b>	<b>6,773,744</b>
<b>Operating Profit Before Financing Costs</b>		<b>527,694</b>	<b>162,359</b>
Financing Income		4,309	12,615
Financing Expenses		(104,526)	(61,668)
<b>Net Financing Costs</b>		<b>(100,217)</b>	<b>(49,053)</b>
<b>Profit Before Tax</b>		<b>427,477</b>	<b>113,305</b>
Income Tax Expense	11	(119,796)	(34,003)
<b>Profit For The Year</b>		<b>307,681</b>	<b>79,302</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the Year</b>		<b>307,681</b>	<b>79,302</b>

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED  
 STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED 30 JUNE 2016



	Notes	2016	2015
EQUITY AT BEGINNING OF THE YEAR		5,763,066	5,828,764
Profit for the year		307,681	79,302
<b>Total recognised revenues and expenses for the year</b>		<b>307,681</b>	<b>79,302</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Transactions with owners in their capacity as owners:</b>			
Dividends Paid	10	(50,000)	(145,000)
<b>EQUITY AT THE END OF THE YEAR</b>	10	<b>6,020,747</b>	<b>5,763,066</b>

*The accompanying accounting policies and notes form part of these financial statements.*



QUALITY ROADING AND SERVICES (WAIROA) LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016



	Notes	2016	2015
<b>ASSETS:</b>			
<b>Current Assets</b>			
Bank		1,141,396	760,270
Trade and Other Receivables	5	2,006,883	2,541,981
Inventories	4	1,339,503	925,944
Taxation Refundable		-	113,497
<b>Total Current Assets</b>		<b>4,487,782</b>	<b>4,341,692</b>
<b>Non Current Assets</b>			
Deferred Tax	11	292,907	255,796
Intangible Assets	13	210,740	118,192
Property, Plant and Equipment	12	4,529,149	4,596,063
<b>Total Non Current Assets</b>		<b>5,032,796</b>	<b>4,970,051</b>
<b>TOTAL ASSETS</b>		<b>9,520,578</b>	<b>9,311,743</b>
<b>EQUITY:</b>			
Share Capital	10	1,250,000	1,250,000
Retained Earnings	10	4,770,747	4,513,066
<b>TOTAL EQUITY</b>		<b>6,020,747</b>	<b>5,763,066</b>
<b>LIABILITIES:</b>			
<b>Current Liabilities</b>			
GST Payable		36,277	158,291
Trade and Other Payables	6	1,063,213	1,103,424
Employee Benefits	7	617,992	651,219
Interest-Bearing Loans and Borrowings	9	754,825	900,191
Taxation Payable		26,334	-
<b>Total Current Liabilities</b>		<b>2,498,641</b>	<b>2,813,125</b>
<b>Non Current Liabilities</b>			
Employee Benefits	7	62,883	70,026
Quarry Aftercare Provision	16	154,943	146,324
Interest-Bearing Loans and Borrowings	9	783,364	519,202
<b>Total Non Current Liabilities</b>		<b>1,001,190</b>	<b>735,552</b>
<b>TOTAL LIABILITIES</b>		<b>3,499,831</b>	<b>3,548,677</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,520,578</b>	<b>9,311,743</b>

For and on behalf of the Board, who authorised the issue of these financial statements on 20 September 2016

 \_\_\_\_\_, Director

 \_\_\_\_\_, Director

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED  
 STATEMENT OF CASH FLOW  
 FOR THE YEAR ENDED 30 JUNE 2016



	Notes	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Receipts from Customers		12,597,259	11,631,983
Financing Income		4,309	12,615
		<u>12,601,568</u>	<u>11,644,598</u>
<b>Cash was disbursed to:</b>			
Payments to Suppliers		5,943,350	6,229,676
Payments to Employees		5,293,236	5,089,695
Taxes Paid		17,076	124,449
Financing Expense		104,526	61,668
		<u>11,358,188</u>	<u>11,505,488</u>
Net Cash Inflow/(Outflow) from Operating Activities	14	<u>1,243,380</u>	<u>139,110</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Proceeds from Sale of Property, Plant and Equipment		85,849	131,217
		<u>85,849</u>	<u>131,217</u>
<b>Cash was applied to:</b>			
Purchase of Property, Plant and Equipment		893,922	1,859,895
Purchase of Intangibles		122,977	8,030
		<u>1,016,899</u>	<u>1,867,925</u>
Net cash Inflow/(Outflow) from Investing Activities		<u>(931,050)</u>	<u>(1,736,708)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Loans and Borrowings		650,736	1,331,169
		<u>650,736</u>	<u>1,331,169</u>
<b>Cash was applied to:</b>			
Payment of Dividends		50,000	145,000
Loans and Borrowings		531,940	312,682
		<u>581,940</u>	<u>457,682</u>
Net Cash Inflow/(Outflow) from Financing Activities		68,796	873,487
<b>Net Increase / (Decrease) in Cash Held</b>		381,126	(724,111)
Add Opening Cash and Cash Equivalents		760,270	1,484,381
<b>Closing Cash and Cash Equivalents</b>		<u>1,141,396</u>	<u>760,270</u>
<b>Cash Balances in the Statement of Financial Position</b>			
Cash / (Overdraft)		1,141,396	760,270
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<u>1,141,396</u>	<u>760,270</u>

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED  
 STATEMENT OF PERFORMANCE MEASURES  
 FOR THE YEAR ENDED 30 JUNE 2016



Specific measures of performance stated and defined within the Statement of Intent are:

	2016		2015	
	Target	Actual	Target	Actual
Return on Equity (Pre Tax)	8.9%	7.4%	8.7%	1.90%
Equity Ratio (shareholders funds as % of total assets)	>45%	63.2%	>45%	61.9%
Positive working capital ratio at year end	>1	1.8	>1	1.5
Cost of Debt Servicing/Revenue	<20%	0.9%	<20%	0.5%

A positive working capital ratio has been maintained throughout the year.





## Reporting Entity

Quality Roading and Services (Wairoa) Limited ("QRS") is incorporated and domiciled in NZ and is wholly owned by the Wairoa District Council. The Company is a Council Controlled Trading Organisation as defined in Section 6 of the Local Government Act 2002.

The principal activities for the company are Roading Maintenance and Construction, Reserves Maintenance, Quarrying, Heavy Transport, Civil Construction, Lime Production and Utility Services within the Wairoa District and wider East Coast Region.

## Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Companies Act 1993, Financial Reporting Act 2013 and the Local Government Act 2002. The financial statements have also been prepared on a historical cost basis except where specifically provided for within these financial statements. The financial statements are presented in New Zealand dollars.

## Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to IFRSs and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities in tier 2 (NZ IFRS RDR).

The company is eligible to report in accordance with Tier 2 for profit accounting standards on the basis that it does not have public accountability and is not a large for profit public sector entity.

## Accounting Policies

The following particular accounting policies which materially affect the measurement of results and financial position have been applied.

### a) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Specifically, revenue on contracts is recognised progressively over the period of each contract.

The amount included in the Statement of Comprehensive Income, and the value of the contract work in progress, are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

### b) Expenses

Expenses shown in the Statement of Comprehensive Income comprise the amounts paid and payable by the Company for completed contracts for the supply from suppliers of goods and services in the ordinary course of business.

### c) Borrowing costs

Borrowing costs are recognised as an expense when incurred.



**d) Goods and Services Tax**

The Financial Statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax, it is recognised as part of the related asset or expense.

**e) Employee Benefits**

Provision is made in respect of the Company's liability for annual leave, sick leave, long service leave and retirement gratuities.

The provision for sick leave is based on the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at balance date.

The provision for gratuities is based on the number of weeks the employee will be paid at retirement, the expected pay rate along with the probability of the employee still being employed by QRS at retirement age.

The provision for long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Expected future payments for gratuities and long service leave are discounted using market yields at the reporting date.

Defined Contribution Pension Plan obligations are recognised as an expense in the Statement of Comprehensive Income as incurred.

**f) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

While discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

**g) Taxation**

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.





The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**h) Accounts Receivable**

Accounts Receivable are recognised initially at fair value and subsequently at amortised cost less an allowance for any uncollectable amounts.

An estimate for doubtful debts is made when collection of the amount is no longer probable. Bad debts are written off when identified.

**i) Cash and Cash Equivalents**

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

**j) Inventories**

Inventories are valued on the basis of the lower of cost, determined on a first-in, first-out basis, and net realisable value.

**k) Property, Plant and Equipment**

Property, Plant and Equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred. There are six classes of Property, Plant and Equipment:

- a.) Freehold Land
- b.) Quarries
- c.) Freehold Buildings
- d.) Plant, Equipment and Motor Vehicles
- e.) Office Equipment and Furniture
- f.) Computer Hardware

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.



If any such indication exists where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

Impairment losses are recognised in the Income Statement in other operating expenses.

#### **l) Depreciation**

Depreciation is calculated to allocate the cost less estimated residual value of property, plant and equipment over their estimated useful lives.

Depreciation is provided on a straight line basis on Freehold Buildings and Quarries. Freehold Land is not depreciated.

Plant, Equipment and Motor Vehicles, Office Equipment and Furniture, and Computer Hardware are depreciated using the diminishing value method

The rates for major classes of assets have been estimated as follows:

a.) Quarries	(3.3 % Straight Line)
b.) Freehold Buildings	(3.3 % Straight Line)
c.) Plant, Equipment & Motor Vehicles	(20 % Diminishing Value)
d.) Office Equipment and Furniture	(20 % Diminishing Value)
e.) Computer Hardware	(48 % Diminishing Value)

Depreciation is calculated on a monthly basis from the date of acquisition. The assets useful lives, residual values and depreciation method are reviewed at least every financial year.

#### **m) Intangible Assets**

Intangible assets acquired separately are capitalised at cost. Following initial recognition, the cost model is applied to all classes of intangible assets.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

The amortisation of the software class of intangible assets has been estimated at 20%-48% diminishing value, depending on the nature of the software.





n) **Statement of Cash Flows**

Operating activities include cash received from all income sources of the Company and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the Company.

o) **Interest-Bearing Loans and Borrowings**

All loans and borrowings are initially recognised at fair value net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are derecognised and as well as through the amortisation process.

p) **Trade and Other Payables**

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the end of the financial year that are unpaid and arise when QRS becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

q) **Financial Instruments**

Financial instruments are recognised in the Balance Sheet when QRS becomes party to a financial contract. They include cash balances, bank overdrafts, receivables, payables and term borrowings. All revenues and expenses in relation to the financial instruments are recognised in the Income Statement.

r) **Leases**

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

s) **Significant Accounting Judgements, Estimates and Assumptions**  
**Quarry Aftercare Make good provisions**

A provision has been made for the present value of anticipated costs of future restoration of quarry sites. The provision includes future cost estimates associated with quarry aftercare. The calculation of this provision requires assumptions such as application of environmental legislation and life of metal extraction from each quarry site. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting both the expense or asset (if applicable) and provision.

t) **New Accounting Standards and Interpretations**

The accounting policies adopted are consistent with those in the previous financial year except for changes arising due to the first time adoption of NZ IFRS RDR, as detailed in note (v). The company has elected not to early adopt any new standards or interpretations, which have been issued but are not yet effective. There are no new or revised standards that had a material impact on the financial statements.



u) **Joint Arrangements**

QRS have a joint arrangement with Wi Pere Trust at the Tangihanga Quarry. A joint arrangement is an arrangement over which two parties or more have joint control. Joint control is the contractually agreed sharing of control over an arrangement which exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. QRS's joint arrangement is a joint operation.

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have the rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interest in the joint operation, the financial statement for QRS includes:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to QRS's interest in the joint operation.

v) **First time adoption of NZ IFRS RDR**

These financial statements are the first prepared in accordance with NZ IFRS RDR. For periods up to and including the year ended 30 June 2015, the financial statements were prepared in accordance with NZ IFRS as applicable to for profit entities that qualified for an applied differential reporting concession (NZ IFRS Diff Rep).

Accordingly, QRS has prepared the financial statements for the year ended 30 June 2016, together with the comparative period data as at and for the year ended 30 June 2015, in accordance with NZ IFRS RDR application for periods ending on or after 30 June 2016, as described in the summary of significant accounting policies. In preparing these financial statements, QRS' opening statement of financial position was prepared as at 1 July 2014, the date of transition of NZ IFRS RDR.

There are no recognition and measurement changes arising from the transition to NZ IFRS RDR.



	<u>2016</u>	<u>2015</u>
<b>1 OTHER OPERATING EXPENSES</b>		
Auditors remuneration including disbursements	61,830	64,345
Directors fees	111,580	85,342
Impairment of trade receivables (bad and doubtful debts)	13,540	514
Loss on disposal of property plant and equipment	1,407	2,579
Gain on disposal of property plant and equipment	(49,397)	(53,477)
Amortisation of intangibles	30,430	38,896
Lease payments - operating lease	12,530	14,300
- rental costs	19,883	11,927
	<u>201,802</u>	<u>164,426</u>
<b>2 PERSONNEL EXPENSES</b>		
Wages and salaries	5,293,236	5,089,695
Liability for long-service leave	4,690	(2,431)
Liability for sick leave	15,891	(22,101)
Liability for gratuities	(15,845)	9,355
Contribution to defined contribution plans	126,816	95,283
	<u>5,424,788</u>	<u>5,169,801</u>
<b>3 OPERATING LEASES</b>		
<b>Leases as lessee</b>		
Non-cancellable operating lease rentals are payable as follows:		
Not later than one year	13,447	12,752
Later than one year and not later than five years	4,481	4,365
	<u>17,928</u>	<u>17,117</u>
<b>4 INVENTORIES</b>		
Metal Stocks	709,883	685,025
Other Supplies	106,437	108,376
Work in Progress	523,183	132,543
	<u>1,339,503</u>	<u>925,944</u>

Some inventories are subject to retention of title clauses. Work in progress is held at cost.





		<u>2016</u>	<u>2015</u>
<b>5 TRADE AND OTHER RECEIVABLES</b>			
Trade Debtors		802,513	1,160,354
Wairoa District Council	17	792,411	781,560
Provision for Doubtful Debts		(3,609)	(2,173)
Tender Deposits		-	1,000
Retentions		392,693	561,585
Prepayments		22,875	39,655
		<u>2,006,883</u>	<u>2,541,981</u>
<b>6 TRADE AND OTHER PAYABLES</b>			
Trade Creditors		771,273	713,213
Other		291,940	390,211
		<u>1,063,213</u>	<u>1,103,424</u>
<b>7 EMPLOYEE BENEFITS</b>			
Long-service Leave		25,694	34,306
Annual Leave		366,471	361,781
Sick Leave		20,711	4,820
Gratuities		71,209	87,054
Time In Lieu		103,581	88,023
Accrued Pay		93,209	145,261
		<u>680,875</u>	<u>721,245</u>
<b>Made up of:-</b>			
Current		617,992	651,219
Non-current		62,883	70,026
		<u>680,875</u>	<u>721,245</u>

**8 BANK FACILITY**

A bank facility is available at the ANZ Bank, and is secured by a fixed floating charge over the company's assets. The facility available totals \$200,000 (2015: Nil). The current interest rate is 6.95% (2015: Nil).

Performance guarantees were given to the Wairoa District Council for \$100,000 and to NZ Transport Agency, \$307,000 to the total value of \$407,000 (2015: \$339,000) by the ANZ Bank, on behalf of Quality Roading and Services (Wairoa) Limited.

UDC provide a Assetlink Current Account facility up to \$1,000,000 at 7.2 % interest.





	2016	2015
<b>9 INTEREST BEARING LOANS AND BORROWINGS</b>		
<b>UDC Term Loan</b>	651,259	130,487
Less Current portion	(183,318)	(52,013)
	<u>467,941</u>	<u>78,474</u>
Interest Rate	7.15%	7.15%
<b>UDC Current Account</b>	447,730	627,737
Less Current portion	(447,730)	(627,737)
	<u>-</u>	<u>-</u>
<b>Porter Finance Limited</b>	186,648	205,605
Less Current portion	(23,169)	(18,957)
	<u>163,479</u>	<u>186,648</u>
Interest Rate	11.00%	11.00%
<b>ANZ Term Loan</b>	-	109,134
Less Current portion	-	(109,134)
	<u>-</u>	<u>-</u>
Interest Rate	6.26%	6.26%
<b>ANZ Term Loan</b>	252,552	346,430
Less Current portion	(100,608)	(92,350)
	<u>151,944</u>	<u>254,080</u>
Interest Rate	6.47%	6.47%
<b>Made up of:</b>		
Current	754,825	900,191
Non-Current	783,364	519,202
	<u>1,538,189</u>	<u>1,419,393</u>
<b>10 EQUITY</b>		
<b>(a) Share Capital</b>		
Opening balance	1,250,000	1,250,000
<b>Closing Balance</b>	<u>1,250,000</u>	<u>1,250,000</u>
<p>At 30 June the company had issued 1,250,000 shares which are fully paid. All shares carry equal voting rights and the right to share in any surplus on winding up the company. None of the shares carry fixed dividend rights. The shares do not have a par value.</p>		
<b>(b) Retained Earnings</b>		
Retained earnings at 1 July	4,513,066	4,578,764
Net operating surplus	307,681	79,302
Interim Dividend	(50,000)	(50,000)
Final Dividend	-	(95,000)
<b>Retained earnings at 30 June</b>	<u>4,770,747</u>	<u>4,513,066</u>



	2016	2015
11 TAXATION		
Profit before taxation	427,477	113,305
Prima facie taxation @ 28% (2015: 28%)	119,693	31,725
Plus taxation effect of permanent differences:		
- Non deductible expenses	103	2,278
	<u>119,796</u>	<u>34,003</u>
Income tax expense		
<b>Major components of taxation expense are:</b>		
Current taxation	162,877	-
Deferred taxation		
Origination and reversal of temporary differences	43,081	39,761
Recognised tax losses	-	(5,758)
	<u>119,796</u>	<u>34,003</u>

Deferred Income Tax at 30 June relates to the following

	Balance Sheet		Income Statement	
	2016	2015	2016	2015
<b>Deferred tax liabilities</b>				
Contract retentions	92,302	148,365	56,062	(41,562)
Future Amortisation	5,399	6,462	1,063	1,042
Gross Deferred Tax Liabilities	<u>97,701</u>	<u>154,827</u>	<u>57,126</u>	<u>-40520</u>
<b>Deferred tax assets</b>				
Doubtful debts	1,011	608	402	466
Provisions				
Annual leave	89,141	82,362	6,779	4,171
Staff gratuities	19,938	24,375	(4,437)	2,619
Sick Leave	5,799	1,350	4,449	(4,973)
Time in lieu	21,129	19,331	1,798	(5,850)
Long service leave	7,194	9,260	(2,065)	(1,026)
Aftercare	43,384	40,971	2,413	(3,777)
ACC premiums	6,385	12,362	(5,977)	29
Recognised tax losses		5,758		5,758
Maintenance Accruals		931	(931)	(24,392)
Construction Accruals	32,102	45,742	(13,640)	20,810
Future depreciation	164,525	167,573	(2,836)	12,682
Deferred Tax Assets	<u>390,608</u>	<u>410,623</u>	<u>(14,045)</u>	<u>6517</u>
<b>Net deferred tax assets</b>	<u>292,907</u>	<u>255,796</u>		
<b>Deferred tax income/(expense)</b>			43,081	(34,003)



12 PROPERTY, PLANT AND EQUIPMENT

2016 Cost	Land	Quarries	Buildings	Plant & Machinery	Fixtures, fittings & equipment	Computer Hardware	Total
Balance at 1 July	266,240	12,223	519,130	12,571,547	436,183	327,613	14,132,937
Additions	20,479			705,344	85,889	82,209	893,921
Disposals				(409,978)			(409,978)
Balance at 30 June	286,719	12,223	519,130	12,866,914	522,072	409,822	14,616,880
<b>Depreciation and Impairment Losses</b>							
Balance at 1 July	-	8,474	288,293	8,797,726	151,970	290,411	9,536,874
Depreciation for the year		405	15,523	813,749	64,068	29,231	922,976
Disposals	-	-	-	(372,119)	-	-	(372,119)
Balance at 30 June	-	8,879	303,816	9,239,356	216,038	319,642	10,087,731
<b>Carrying Amounts</b>							
At 1 July	266,240	3,749	230,837	3,773,821	284,213	37,203	4,596,063
At 30 June	286,719	3,344	215,314	3,627,557	306,034	90,181	4,529,149

2015 Cost	Land	Quarries	Buildings	Plant & Machinery	Fixtures, fittings & equipment	Computer Hardware	Total
Balance at 1 July	29,433	12,223	519,130	11,635,132	159,219	311,974	12,667,111
Additions	236,807			1,327,853	276,964	18,275	1,859,899
Disposals				(391,437)		(2,636)	(394,073)
Balance at 30 June	266,240	12,223	519,130	12,571,547	436,183	327,613	14,132,937
<b>Depreciation and Impairment Losses</b>							
Balance at 1 July	-	8,070	272,770	8,312,619	125,889	267,190	8,986,538
Depreciation for the year	-	403	15,523	798,126	26,081	23,952	864,085
Disposals				(313,019)		(731)	(313,750)
Balance at 30 June	-	8,473	288,293	8,797,726	151,970	290,411	9,536,874
<b>Carrying Amounts</b>							
At 1 July	29,433	4,153	246,360	3,322,513	33,330	44,784	3,680,573
At 30 June	266,240	3,749	230,837	3,773,821	284,213	37,203	4,596,063

13 INTANGIBLE ASSETS

Cost	2016	2015
Balance at 1 July	446,595	438,564
Additions	122,977	8,031
Disposals	-	
Balance at 30 June	569,572	446,595
<b>Amortisation and Impairment Losses</b>		
Balance at 1 July	328,403	289,506
Amortisation for the year	30,429	38,897
Disposals		
Balance at 30 June	358,832	328,403
<b>Carrying Amounts</b>		
At 1 July	118,192	149,058
At 30 June	210,740	118,192





**Security**

UDC term loans are secured over various plant items financed through the loan facility to the value of \$1,824,297 (2015 \$1,472,700).

**Capital Commitments**

Nil

**14 RECONCILIATION OF NET OPERATING PROFIT AFTER TAXATION  
 WITH CASH INFLOW FROM OPERATING ACTIVITIES**

	<u>2016</u>	<u>2015</u>
Reported net operating profit after taxation	307,681	79,302
Add back non-cash items:		
Depreciation	922,977	864,086
Amortisation	30,430	38,896
(Increase)/Decrease in Deferred Taxation	(37,112)	34,003
Increase/(Decrease) in Employee Benefits	(7,143)	(13,572)
Increase/(Decrease) in Quarry Aftercare Provision	8,619	(13,491)
	<u>1,225,452</u>	<u>989,224</u>
<b>Add back items classified as investment activities:</b>		
Net loss on sale of Property, Plant and Equipment	1,407	2,579
Gain on sale of Property, Plant and Equipment	(49,397)	(53,477)
	<u>(47,990)</u>	<u>(50,898)</u>
Movements in Working Capital:		
(Increase)/Decrease in Receivables & Prepayments	535,098	(468,199)
(Increase)/Decrease in Inventories	(413,559)	8,609
Increase/(Decrease) in Trade and Other Payables and GST	(162,225)	(258,322)
Increase/(Decrease) in Employee Benefits	(33,227)	43,145
Increase/(Decrease) in Tax Payable/Receivable	139,831	(124,449)
	<u>65,918</u>	<u>(799,216)</u>
Net Cash inflow/(outflow) from Operating Activities	<u>1,243,380</u>	<u>139,110</u>

**15 CONSTRUCTION CONTRACTS**

For contracts in progress as at 30 June

Total construction contract revenue	249,957	685,851
Gross amounts due to customers	-	-
Gross amounts due from customers	119,236	9,000
Total construction contract revenue for the period	4,041,262	4,182,071

Gross amounts due to customer is recorded in Trade and Other Payables. Gross amounts due from customers is included in Trade and Other Receivables.

**16 OTHER PROVISIONS**

**QUARRY AFTERCARE PROVISION**

Balance at beginning of the year	144,913	159,815
Provided for during the year	10,030	11,246
Expenditure during the year	-	(26,148)
Balance at the end of the year	<u>154,943</u>	<u>144,913</u>

A provision is recognised for expected Quarry reinstatement costs based on past experience of the level of metal extraction.

It is expected that most of these costs will not be incurred in the next financial year but 15% will be incurred within two years of the balance sheet date. An inflationary factor equivalent to the annual CPI is included in this provision.



17 TRANSACTIONS WITH RELATED PARTIES

PARENT

The company's purchases and sales from Wairoa District Council (GST INCL) were as follows:

	<u>2016</u>	<u>2015</u>
Purchases (trading) :	24,387	33,631
Sales :	10,293,169	8,772,585

Liabilities outstanding at year end were \$1,937, (2015: \$375) which is payable on normal trading terms.

The amount outstanding at year end was \$792,411, (2015: \$781,699), which is receivable on normal trading terms except for \$329,186 (2015: \$446,570) contract retentions receivable at closure to defects liability period. The sales to Wairoa District Council account for 73% (2015: 63%) of total sales by the company.

DIRECTORS & EXECUTIVE RELATED PARTIES

Remuneration

Total remuneration is included in 'personnel costs' (see note 2)

Total Executive Officers remuneration

	<u>2016</u>	<u>2015</u>
	649,480	640,998
	<u>649,480</u>	<u>640,998</u>

Sales transacted during the year payable on normal trading terms were as follows:

<b>2016</b>	<b>Business Transacted</b>	<b>Balance Owing</b>
Total sales transacted	7,878	753

2015

Total sales transacted	11,780	420
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C J Torrie, a Director, is part owner of BDO which has provided services to QRS on normal trading terms to the value of \$111,302 (2015: \$32,078).

Categories of Financial Assets and Liabilities

Loans and Receivables

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	1,141,396	760,270
Trade and receivables (note 5)	2,006,883	2,541,981
Total loans and receivables	<u>3,148,279</u>	<u>3,302,251</u>

Financial liabilities measured at amortised cost

Trade and other payables (note 6)	1,063,213	1,103,424
Loans (note 9)	1,538,189	1,419,393
Total creditors and loans	<u>2,601,402</u>	<u>2,522,817</u>

Subsequent Events

The Directors are not aware of any matter or circumstance since the end of the financial year that has significantly or may significantly affect the operations of the Company.