



Meeting of the Hawke's Bay Regional Council

Date: Wednesday 15 December 2010
Time: 9.00am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

ITEM	SUBJECT	PAGE
1.	Welcome/Prayer/Apologies/Notices	
2.	Conflict of Interest Declarations	
3.	Confirmation of Minutes of the Regional Council Meeting held on 18 November 2010 and 24 November 2010	
4.	Matters Arising from Minutes of the Regional Council Meeting held on 18 November 2010 and 24 November 2010	
5.	Action Items from Council Meetings	3
6.	Consideration of General Business Items	
Decision Items		
7.	Affixing of Common Seal	7
8.	Recommendations from the Regional Transport Committee	9
9.	Navigation and Safety Warrants	13
10.	RMA Phase Two Reform Discussion Document	15
11.	Approach/Timelines for Annual Plan 2011/12	19
12.	Future Governance and Management of Venture Hawke's Bay	21
13.	Councillors' Remuneration 2010/11 (Post Election)	31
14.	Chairman's Accommodation	45
Information or Performance Monitoring		
15.	Verbal Update on Ngaruroro Storage Prefeasibility Project	
16.	Council Meeting Planner January 2011 - December 2011	47
17.	Monthly Work Plan Looking Forward	49
18.	Chairman's Monthly Report (to be tabled)	
19.	General Business	53

Decision Items (Public Excluded)

- | | | |
|-----|---|----|
| 20. | Confirmation of Public Excluded Minutes of Meeting held on 24 November 2010 | 55 |
| 21. | Matters Arising from Public Excluded Minutes of Meeting held on 24 November 2010 | |
| 22. | Additional Paper Covering Statement of Corporate Intent (SCI) 2011-2013 for Port of Napier Limited (PONL) | 57 |
| 23. | Ruataniwha Plains Water Storage - Focus for Balance of Feasibility | 59 |

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

Item 5

SUBJECT: ACTION ITEMS FROM COUNCIL MEETINGS

INTRODUCTION:

1. On the list **attached** as **Appendix 1** are items raised at Council meetings that require actions or follow-ups. All action items indicate who is responsible for each action, when it is expected to be completed and a brief status comment for each action. Once the items have been completed and reported to Council they will be removed from the list.

DECISION MAKING PROCESS:

Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that as this report is for information only and no decision is required in terms of the Local Government Act's provisions, the decision making procedures set out in the Act do not apply.

RECOMMENDATIONS

That the Council receives the report "Action Items from Council Meetings".



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

- 1 Action Items

Actions from Council Meetings

	Agenda Item	Action	Person Responsible	Due Date	Status Comment
1.	Record parts of Council Meetings or Events upon invitation to play back on Bay FM during evenings or on a Sunday.	Does Bay FM receive normal media comms from HBRC?	AN DB	Dec 10	Research Standing Orders in relation to this and also see what Taupo DC has done with the recording of their meetings. Going to SP & F meeting in January
2.	Leasehold land report	Detailed paper on leasehold land to be provided to Council in December, to include the effect on equity due to fall in market	PD AN	Jan 11	Report will be provided to the Strategic Planning and Finance Committee in January 2011.
3.	Strategic Partnerships	Bring paper to Council for discussion	AN	Feb 2011	
4.	Ruataniwha Stakeholders Meeting	Advise Crs of dates of meetings	AN/BC	Dec 2010	To be advised
5.	Regional Transport Report	Why Emission levels in Napier higher	HC	Dec 10	The Gabites Porter Road Network Projections model shows more km travelled in the Napier airshed than in the Hastings. This is due to the Napier airshed having been calculated at 3321 ha and the Hastings airshed at 1918 ha. Flaxmere and Havelock North are not included in the Hastings airshed. As a result the Napier emissions appear greater than the Hastings emissions.
6.	Land Management Work programmes	A further report on resourcing issues be prepared	MA/AN	Early 2011	Discussed at Council workshop on 7/8 December. Updated draft programme will be brought back to Council early in 2011.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

Item 7

SUBJECT: AFFIXING OF COMMON SEAL

COMMENT:

1. The Common Seal of the Council has been affixed to the following documents and signed by the Chairman or Deputy Chairman and Chief Executive or a Group Manager.

		Seal No.	Date
1.1	Leasehold Land Sales 1.1.1 Lot 44 DP 13039 CT E2/1225 - Agreement for Sale and Purchase	3006	28 November 2010
1.2	Specification: Moore Road to Black Bridge Pathway (5.7km) Contract No: AM10-06-4239C	3005	24 November 2010
1.3	Proxy Port of Napier Limited	3007	9 December 2010
1.4	Staff Warrants	3008- 3009	9 December 2010

DECISION MAKING PROCESS

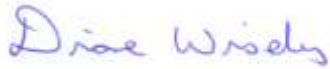
2. Council is required to make every decision in accordance with the provisions of Sections 77, 78, 80, 81 and 82 of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within these sections of the Act in relation to this item and have concluded the following:
 - 2.1 Sections 97 and 88 of the Act do not apply;
 - 2.2 Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others due to the nature and significance of the issue to be considered and decided;
 - 2.3 That the decision to apply the Common Seal reflects previous policy or other decisions of Council which (where applicable) will have been subject to the Act's required decision making process.

RECOMMENDATION:

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.

2. Confirm the action to affix the Common Seal.



Diane Wisely
EXECUTIVE ASSISTANT



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

Item 8

SUBJECT: RECOMMENDATIONS FROM THE REGIONAL TRANSPORT COMMITTEE

REASON FOR REPORT:

1. The following matters were considered by the Regional Transport Committee on Thursday, 9 December 2010 and are now presented to Council for consideration and approval.

DECISION MAKING PROCESS:

2. These items have all been specifically considered at the Committee level.

RECOMMENDATIONS:

Regional Transport Committee Terms of Reference

That the Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Adopts the Terms of Reference for the Regional Transport Committee as attached, setting out the purpose, membership, voting, meeting frequency and meeting fee provisions.

Proposed Meeting Dates for 2011

3. Approves the number of meetings and the proposed dates for 2011 subject to agreement with NZTA and any other amendments required to avoid critical meeting conflicts.



**Helen Codlin
GROUP MANAGER STRATEGIC
DEVELOPMENT**

Attachment/s

- 1 Terms of Reference

A) Permanent Committees

- Regional Transport Committee

This Committee is required by Statute and was reviewed in July 2008. The appointments made to the Committee are designed to meet the objectives of the New Zealand Transport Strategy (NZTS). The Land Management Amendment Act 2008 requires the Regional Council to establish a regional transport committee under Section 105(1) of the Act. Representation on the committee is specified under Section 108(2) and requires the following:

- a) the objectives of economic development, safety and personal security, public health, access and mobility, and environmental sustainability; and
- b) cultural interests; and
- c) the Council; and
- d) other territorial authorities in the region; and
- e) New Zealand Transport Agency.

It is not proposed to change the make-up of this committee unless there are legislative changes at some stage in this Council term.

REGIONAL TRANSPORT COMMITTEE**TERMS OF REFERENCE**

- To prepare for approval by the Council,
 - a regional land transport strategy and any variations to it;
 - a regional land transport programme and any variations to it;
 - a regional public transport plan and any variations to it;
 - reports on the effectiveness and implementation of the above plans and strategies as appropriate and as may be required by legislation
- To oversee the programme of Road Safe Hawke's Bay through the Road Safe governance group sub-committee.
- To advocate regional transport issues and priorities in accordance with the Regional Land Transport Strategy to central government and relevant organisations as appropriate.
- To provide the regional council with any advice and assistance the council may request in relation to its transport responsibilities generally.
- To make policy recommendations to the Regional Council as appropriate in relation to regional transport and public transport matters.

MEMBERS:

- Two elected members of the Regional Council
- One representative, as appointed by Council, from each of the following organisations who are able to propose to the Committee short term replacements to attend in their place if they are unable to attend any meeting:

Wairoa District Council

Hastings District Council

Napier City Council

Central Hawke's Bay District Council

New Zealand Transport Agency

- One representative, as appointed by Council, to represent the New Zealand Transport Strategy objectives listed below. Such representatives are able to propose to the Committee short term replacements to attend in their place if they are unable to attend any meeting:

Economic Development representative (1)

Access and mobility representative (1)

Public Health representative (1)

Safety and personal security representative (1)

Environmental sustainability representative (1)

Cultural interest representative (1)

- One Advisory position to represent each of the following modes of transport:

Road

Rail

Coastal

VOTING:

The NZTS Objective and Cultural Interest representatives have full speaking rights but do not have voting rights on matters related to regional land transport programmes.

The Advisory positions have full speaking rights but no voting rights

CHAIRMAN:

One of the Regional Council representatives as elected by the Council

MEETING FREQUENCY:

At least quarterly.

MEETING FEE:

A meeting allowance of \$230 will be paid to a NZTS representative upon receipt of a claim form where the representative is self employed or not paid by his or her employer to attend.

STAFF EXECUTIVE:

Group Manager Strategic Development

SUBJECT: NAVIGATION AND SAFETY WARRANTS

REASON FOR REPORT

1. This paper seeks Council's delegation to the Chief Executive for approval of Harbourmaster, Relieving Harbourmaster, Harbours Enforcement Officers and Honorary Boating Advisor warrants.

Background

2. Historically, the Chief Executive has appointed staff to fill Navigation and Safety positions within Council. After those appointments have been made, Council has then approved the warrants to authorise these staff to exercise the powers they need to fulfil their employment requirements by way of resolution.
3. The majority of Council operational statutory warrants are delegated from the Chief Executive to staff, by way of delegation from Council to the Chief Executive. At present only marine oil spill 'Regional On-scene Commander' and 'Navigation and Safety' warrants are directly approved by Council, rather than the Chief Executive.

General Information

4. To increase the flexibility and timeliness in delivering the Navigation and Safety activities, staff consider that it is appropriate that the Chief Executive is able to authorise all Navigation and Safety warrants under Section 650B of the Local Government Act 1974. This will enable operational processes to proceed as required, without the need to bring a specific paper to Council to approve each individual warrant.
5. There are no existing legal or process requirements that specifically require these warrants to be approved by Council, as opposed to being authorised by appropriate delegation to the Chief Executive.
6. Staff are not recommending delegating the decision to authorise Regional On-scene Commander warrants for marine oil spills to the Chief Executive as these warrants have an associated financial delegation of \$250,000.

DECISION MAKING PROCESS

7. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded the following:
 - 7.1 Sections 97 and 98 of the Act do not apply as these relate to decisions that significantly alter the service provision or affect a strategic asset.
 - 7.2 Sections 83 and 84 covering special consultative procedure do not apply.
 - 7.3 The decision does not fall within the definition of the Council's policy on significance.
 - 7.4 The persons affected by this decision are Council staff, potential contractors to Council and potentially Port Of Napier staff.
 - 7.5 The options considered are to retain the authorisation to approved Navigation and Safety warrants, under the Local Government Act, with the Council, or authorise the Chief Executive to approve Navigation and Safety warrants.
 - 7.6 Section 80 of the Act covering decisions that are inconsistent with an existing policy or plan does not apply.
 - 7.7 Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others having given due consideration to the nature and significance of the issue to

be considered and decided, and also the persons likely to be effected by or have an interest in the decisions to be made.

RECOMMENDATIONS

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Delegates to the Chief Executive, the authority to approve all warrants required within the Navigation and Safety project, in accordance with any qualification requirements and Section 650B of the Local Government Act 1974.



Bryce Lawrence
MANAGER COMPLIANCE



Darryl Lew
GROUP MANAGER
RESOURCE MANAGEMENT

Attachment/s

There are no attachments for this report.

SUBJECT: RMA PHASE TWO REFORM DISCUSSION DOCUMENT

REASON FOR REPORT:

1. The Ministry for the Environment has released a discussion document titled '*Building Competitive Cities – Reform of the Urban and Infrastructure Planning System*' as part of RMA Phase Two reforms. Submissions are now invited on the discussion document.
2. This paper presents an overview of the discussion document's key features, then proposes nominating two Councillors to review and approve a submission be lodged on the discussion document before the closing deadline of 17 December 2010.

COMMENT:

3. Phase Two RMA reform follows on from Phase One's simplifying and streamlining amendments enacted in October 2009. The 'Building Competitive Cities' discussion document continues investigative work on Phase Two reforms.
4. The discussion document focuses on options for reform of urban and infrastructure planning to enable urban areas to function more effectively. However, the "options for change" are not just limited to the RMA. They extend to the Local Government Act 2002 (LGA), Land Transport Management Act 2003 (LTMA) and the Public Works Act 1981 (PWA).
5. The options for reform respond to concerns about the lack of explicit integration of related statutory processes which influence urban and infrastructure planning, as well as concerns with timing and duplication of processes in the RMA, PWA, LTMA, and LGA. It is consistent with the Government's aim of having simpler and more efficient RMA processes.
6. The discussion document identifies four urban planning and five infrastructure problems. It then contains 51 high level "options for change", each with a number of further options, to address the identified problems. The discussion document does not make any recommendations nor identify any preferred options.
7. Key options for change discussed, include:
 - 7.1. *greater Government input or direction into local planning matters:* emphasis on greater use of NPSs, NESs or the National Infrastructure Plan to express Government policies and objectives.
 - 7.2. *expanding the spatial plan for Auckland:* expanding the role and recognition given to the Auckland spatial plan is identified, with the potential for this plan to be the single plan for Auckland, replacing all RMA plans and policies or alternatively incorporating the Regional Land Transport Strategy and Auckland Regional Policy Statement.
 - 7.3. *expanding the use of spatial plans to other parts of the country:* options include spatial plans (like Auckland's above) being either mandatory or voluntary, with use being either wide-spread or limited to areas with urban growth pressures.
 - 7.4. *changing the eligibility to obtain designations* (a form of planning approval for network utilities and infrastructure) and the related ability to compulsorily acquire land.
 - 7.5. *altering details required to be provided in designation applications:* concerns have been raised about level of detailed information increasingly required for approval of designations. Options considered include providing for concept designations, which would not involve the level of detail currently required for designations.
 - 7.6. *streamlining of process to obtain all necessary approvals for a project:* the option of creating a 'project consent' to integrate all necessary approvals under the RMA and

other statutes (such as PWA, and presumably Historic Places Act 1993), with a single point of appeal. Other streamlining options include removing the two-stage notice of requirement + outline plan process and establishing a development's limits when a designation is established; and providing for subsequent consents to be classified as controlled activities where a concept designation is established.

- 7.7. *Extended use of the PWA, and a willingness to revisit how compensation is calculated:* although only touched on, there appears to be a willingness to expand the types of projects that could make use of the PWA process, including enabling local authorities to acquire land for major urban renewal projects.
- 7.8. *Introduction of a national plan template:* while not central to the discussion document, some interest groups appear to support this concept in order to allow consistent treatment of NESs and NPSs at the local level.
8. Many of the options are 'high level' and their actual impact will largely depend upon the detail of how they are prescribed and implemented in legislation. The 'detail' will inevitably be laid out in amendment Bills to follow.
9. A key point to note in relation to designations is that district plans contain designations – regional plans do not. However, the Regional Council is a 'requiring authority' under the RMA and so has powers to designate land for infrastructural projects.

COUNCIL SUBMISSION

10. Senior council staff have reviewed the discussion document and participated in technical workshops with MfE officials and Local Government New Zealand (LGNZ) representatives.
11. At the time of writing this paper, a draft submission was still under construction by staff. Consequently, a draft submission is not attached to this paper for the Council's full consideration.
12. It is suggested that the Council delegate authority to review and approve a submission to Councillors Dick and von Dadelszen, being respective chairs of the Regional Land Transport Committee and Environmental Management Committee.

WHAT NEXT?

13. The discussion document describes the next steps after submissions close as being: *"the Ministry will evaluate submissions and may, where necessary, seek further comments. After this, recommendations will be developed for Ministers, and then Cabinet, to consider."* Presumably, recommendations will be around the form and scope of statutory reform and possibly even development of other national tools (eg: NPSs and NESs).

DECISION MAKING PROCESS:

14. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded the following:
- 14.1. Sections 97 and 98 of the Act do not apply as these relate to decisions that significantly alter the service provision or affect a strategic asset.
- 14.2. Sections 83 and 84 covering special consultative procedure do not apply.
- 14.3. The decision does not fall within the definition of the Council's policy on significance.
- 14.4. The persons affected by this decision are all entitled to also make a submission on the discussion document.
- 14.5. The options considered are to make a submission on the discussion document or not to make a submission.
- 14.6. Section 80 of the Act covering decisions that are inconsistent with an existing policy or plan does not apply.

14.7. Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others having given due consideration to the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by or have an interest in the decisions to be made.

RECOMMENDATIONS:

That the Council :

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Delegates authority to Councillors Dick and von Dadelszen to review and approve a submission to be lodged on the Council's behalf by 17 December 2010 deadline.



Gavin Ide
TEAM LEADER POLICY



Helen Codlin
**GROUP MANAGER STRATEGIC
DEVELOPMENT**

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

SUBJECT: APPROACH/TIMELINES FOR ANNUAL PLAN 2011/12

Item 11

REASON FOR REPORT:

1. To outline the approach to be taken to the development of the Annual Plan 2011/12, the recommended timelines for the development of the Plan, Council workshops and some of the major issues that need to be addressed in that Plan.

COMMENT:

2. Significant work was undertaken for the 10 Year Plan 2009-19 to include strategies and projects, including both financial and performance management information, therefore it is proposed to use the third year of the 10 Year Plan (2011/12) as the basis for the development of the Annual Plan 2011/12.
3. There are a number of additional issues that may require consideration by Council and these issues will either be the subject of a separate paper to Council over the next few months or part of the Council workshop scheduled for February 2011. The known issues at this time are:
 - 3.1. Review of some of the aspects of the economic development rate to fund tourism and economic development.
 - 3.2. Decision on special consultative process for the Holding Company. Depending on this outcome budgets are to reflect either the Holding Company operation or continued administration of investments by the Council.
 - 3.3. Planning to reflect the application of futures scenarios?
 - 3.4. Issues arising from the water symposium.
 - 3.5. Restructuring of Venture Hawke's Bay with budget implications for the Annual Plan.
 - 3.6. Water storage strategies and budgets.
 - 3.7. Determine land management strategies and resourcing going forward.
 - 3.8. Gravel resource review.
 - 3.9. Efficiency reviews being undertaken into costs of delivering services for the Council.
 - 3.10. Pressure on staffing resources – Water Advisor for the Water Group, Assistant Accountant for Finance, Civil Defence Controller.
 - 3.11. Office accommodation review.
 - 3.12. Implications of Treaty settlements on annual planning.
 - 3.13. Future developments in the nutrient stripping project and any funding requirements.
4. It is proposed to finalise preliminary Annual Plan estimates by the end of January 2011 and to present these to a Council workshop in early February 2011.
5. The following programme and timelines are proposed for the development and approval of the Annual Plan 2011/12:
6. **Proposed Timelines**

Task	Timing
Development of known policy papers and submit to Council.	Nov/Dec 2010/Jan 2011
Summary of Annual Plan to be submitted to Council workshop.	Thursday 10 Feb 2011 <i>(Papers out Friday 4 Feb 2011)</i>
Adoption of Draft Plan.	Wednesday 16 March 2011 <i>(Papers out Thursday 10 Mar 2011)</i>
Consultation period from Tuesday 6 April to Monday 10 May (5 weeks' duration).	6 April 2011 - 10 May 2011
Staff responses and submissions to be sent to Council.	Wednesday 1 June 2011
Council hears submissions	Wednesday 8, Thursday 9 & Friday 10 June 2011
Council adoption of final Plan	Wednesday 29 June 2011 <i>(Papers out 23 June 2011)</i>

DECISION MAKING PROCESS:

- Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION:

That the:

- Council accept this information paper and note the relevant Council meeting dates for the Annual Plan 2011/12 process.



Paul Drury
GROUP MANAGER CORPORATE SERVICES



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

SUBJECT: FUTURE GOVERNANCE AND MANAGEMENT OF VENTURE HAWKE'S BAY

Item 12

REASON FOR REPORT:

1. This report provides Council with an update on progress with the development of a relationship with the Wine Country Tourism Organisation (WCTO) for joint delivery of regional tourism organisation services (RTO).
2. Further the paper recommends adoption of an interim position for the relationship through balance of the 2010-2011 financial year, thereby enabling both the Council and the Industry to refine and consolidate an operating model. This also leaves Council flexibility to run its annual plan and budgeting processes before locking into a detailed contractual arrangement.

BACKGROUND

3. At a Council meeting on 24 November 2010 Council resolved to:
 - 3.1. Opt in principle and subject to a final business case, to create an unincorporated joint venture with the tourism industry as represented by the Wine Country Tourism Organisation.
 - 3.2. This business case and joint venture agreement to be presented to Council for final adoption at its December 15 meeting.
 - 3.3. With respect to the Joint Venture option, it is proposed that this structure be reviewed by Audit New Zealand.
 - 3.4. Council also resolved to consult with industry and the Territorial Local Authorities.

Progress to Date

4. The major actions that have been progressed since the 24 November meeting are as follows.
5. WCTO has with the assistance of expert advice developed a business case for moving forward and this case is appended as **Attachment 1**. A presentation will be made by WCTO at this meeting.
6. Budget reviews have been undertaken through to the end of the financial year with a view to refining, in a practical sense, the work programme and ensuring the joint initiatives from VHB and WCTO result in a balanced year end position. These budget reviews have included:
 - 6.1. Venture Hawke's Bay operations have been projected to 31 December 2010 and sufficient funding has been put aside to fund the operations to that date.
 - 6.2. The provision included in the budget to service the loan funding approved by Council for the Rugby World Cup (\$130,000) and prior year deficits (\$250,000) has been set aside.
 - 6.3. The funding required, consistent with budgets, has been set aside for economic development agency activities to 30 June 2011.

- 6.4. A funding allocation, consistent with budget, to contribute funding towards the operations of the proposed Regional Tourism Organisation (RTO) and the remaining World Cup funding not used to 31 December 2010, has been set aside for funding of the proposed RTO. This funding has been estimated at \$450,000 for operations and \$180,000 for Rugby World Cup.

The business case provided by the RTO includes the proposed budgets for the six month operation from January through to June 2011. This budget includes not only funding from the Council but funding committed from the business sector. Work is being undertaken on the financials supporting the RTO business case with a view to show a breakeven position for the six month period.

7. Work has commenced on developing a draft Joint Venture agreement but at this stage is only at the first iteration stage due to time and resource constraints.
8. WCTO has further firmed up its financial contributions to the RTO
9. In summary good progress has been made but it is not sufficient to make a final decision on a full contractual joint venture relationship.

Proposal for Moving Forward for the Balance of the 2010-2011 Financial Year

10. To maintain momentum and to test relationship model the following steps are suggested:
 11. A transitional/establishment board is created to oversee the 6 months of operations with sufficient delegated authority to oversee financial performance and expenditure but also to complete a robust three year plan, operating budget and joint venture agreement for Councils consideration through the annual plan process.
 12. This transition Board might comprise the Chief Executive (or his delegate) from HBRC, the Chair of the WCTO Board and an external Tourism Advisor.
 13. The work programmes of VHB (being the Tourism component) and WCTO are aligned in their delivery from January, and
 14. Interim leadership from a tourism expert is integrated into the team from January through the balance of the year.
 15. Council monitor the performance of the tourism activity with a view to consolidating a three joint venture arrangement prior to the end of the 2010/11 financial year.

DECISION MAKING PROCESS:

16. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded the following:
 - 16.1. Sections 97 and 98 of the Act do not apply as these relate to decisions that significantly alter the service provision or affect a strategic asset.
 - 16.2. Sections 83 and 84 covering special consultative procedure do not apply.
 - 16.3. The decision does not fall within the definition of the Council's policy on significance.
 - 16.4. The persons affected by this decision are all members of the community that either directly or indirectly benefit from tourism activity within the region.
 - 16.5. The options going forward to manage the tourism activity on behalf of the region were analysed in the Council paper on 24 November 2010.
 - 16.6. Section 80 of the Act covering decisions that are inconsistent with an existing policy or plan does not apply.
 - 16.7. Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others having given due consideration to the nature and significance of the issue to be considered and decided, and also the persons likely to be effected by or have an interest in the decisions to be made.

RECOMMENDATIONS:

That the Council :

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Approve the creation of a transitional/establishment Board to oversee the six months (January 2011 to June 2011) to cover the performance and expenditure of the Regional Tourism Organisation responsibilities, noting that Council's financial commitment to this six months of operation has funding consistent with the sums provided in the 2010/11 budget for tourism operations during that period.
3. Note that the transition Board is to be made up of three persons, the Chair of the Wine Country Tourism Organisation Board, an external Tourism Advisor, and the Chief Executive (or his delegate) from HBRC.
4. It is further noted that this Board is to complete a three year plan (commencing 2011/12), operating budget and joint venture agreement for Council's consideration through the Annual Plan process.



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

- 1 VHB Business Case for Moving Forward

A new era for Hawke's Bay Tourism

December 8, 2010

Proposal

This proposal seeks Council approval to establish an interim management arrangement between Venture Hawke's Bay and the Hawke's Bay Regional Council for a period of six months, January 1 - June 30, 2011.

This interim period of mutual cooperation should lead to a new entity, Hawke's Bay Tourism being formed on July 1, 2011. Hawkes Bay Tourism, as a new regional tourism organisation will represent the region of Hawkes Bay from Wairoa to Central Hawke's Bay.

From July 1, 2011, Hawke's Bay Tourism will replace the current tourism functions within Venture Hawke's Bay and combine the efforts of the Hawke's Bay Wine Country Tourism Association.

Current Situation

1. The current Venture Hawke's Bay structure is not viable. If functions were amalgamated with the Hawke's Bay Wine Country Tourism Association there would be far great efficiencies with staff resources and budgets.
2. There is a strong desire to see a tourism organisation formed which would act as its own entity separate from the Economic Development Agency.
3. There is a lack of consistency in marketing messages and branding and no clear creative direction. Current tourism branding of the region is not reflective of the wider Hawke's Bay region.
4. There are areas that are currently budgeted for within Venture Hawke's Bay that could be leveraged through better relationships with other organisations such as Tourism New Zealand.
5. Hawke's Bay Wine Country Tourism Association has a strong membership base but limited budget.

Vision

For the interim management period the intention is to reassess the current promotional plan, refine and modify activity to reduce possible costs and begin to develop a strategic plan for a new Joint Venture agreement between the HBRC and HBTWCA to begin July 1, 2011. This new organisation will be called Hawke's Bay Tourism.

Hawke's Bay Tourism will revitalise itself to become a major competitive player within the New Zealand tourism industry, increasing its market share and economic contribution to the wider region. Hawke's Bay Tourism will be accountable for all members within the tourism sector of the wider region.

Hawke's Bay Tourism will work collaboratively with the EDA and other local council organisations to create a more coordinated approach to marketing the region. We aim to provide a far stronger connection to national tourism policy and funding opportunities.

Deliverables

First six months

- Establish an interim Board for the initial management period of six months, comprising Andrew Newman, Sam Orton as Chair of Hawke's Bay Wine Country Tourism Association and George Hickton, ex CEO Tourism New Zealand.
- Employ an interim Manager to oversee and manage current VHB and HBWCTA staff for the six month period. Annie Dundas, most recently Regional Manager for Tourism New Zealand, North America will act in this capacity.
- Reassess current activity planned (within current financial year) with a view to reducing costs and unnecessary expenditure.
- Formal establishment of the Joint Venture Agreement between HBRC and HBWCTA
- Develop a three-year strategic plan for Hawke's Bay Tourism, to be delivered by February 10, 2011 to include;
 - An annual marketing plan to include activity targeted at improving the low season while maintaining peak season arrivals
 - An annual budget
 - A new organisational structure, incorporating functions of HBWCTA and VHB
 - A communications plan for the Hawke's Bay tourism industry
 - More aggressive targets for visitor arrival numbers both domestically and internationally
 - A review of the regional tourism brand
- Develop a reporting model for the Hawkes Bay Regional Council and key stakeholders to report on progress during the interim six month period.
- Attract private sector investment to increase the overall promotional budget

People involved

George Hickton

CEO of Tourism New Zealand for 10 years. Hickton was the architect of the 100% Pure New Zealand campaign seen globally and rated as one of the strongest tourism brands in the world.

Annie Dundas

Most recently Regional Manager of Tourism New Zealand in North America, has also held senior positions for TNZ within London - Marketing Communications Manager, Wellington Trade Marketing Manager and France (around Rugby World Cup).

Summary

There is a strong and passionate willingness by members of Venture Hawke's Bay and the Hawke's Bay Wine Country Tourism Association to work together to create one organisation to promote the wider tourism region. This organisation will be responsible for delivering visitors to the region and accountable for its activity to rate payers.

This is an opportunity to fully engage all those involved in Hawke's Bay tourism to capitalise on the Council's investment and work cooperatively with the EDA in the overall promotion of the wider region.

Key people with specialist tourism expertise have committed time, money and energy in order to develop a valuable asset for all tourism operators across the region

HBWCTA has industry pledges for a further \$160,000 to enhance and expand marketing campaigns

Hawke's Bay is being offered a unique opportunity to finally realise its true tourism potential and therefore important economic contribution to the wider region

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

Item 13

SUBJECT: COUNCILLORS' REMUNERATION 2010/11 (POST ELECTION)

REASON FOR REPORT:

1. The Remuneration Authority wrote to Council during September setting out its determination of the indicative pool for Councillor' remuneration for the 2010/11 financial year as well as providing guidance on the setting of expense rules and rules for the payment of allowances.
2. This paper covers a number of options to be considered so a recommendation can be made to the Remuneration Authority for the distribution of the net pool amongst elected members of this Council as well as Council Policy on Elected Member's Allowances and Expenses.
3. The Remuneration Authority has indicated that it wishes to receive Council recommendations by 31 January 2011 so that it can issue a final determination for the 2010/11 financial year as early as possible after that date. Councillors will not be able to be paid their back-dated salaries until the final determination is gazetted.

COMMENT:

4. Remuneration:

The Remuneration Authority has advised the following indicative pool for remuneration to cover 2010/11:

	2010/11	2009/10	Variation	
	\$	\$	\$	%
Chairman's Salary	109,500	109,429	71	0.0%
Deduction for use of Vehicle	(3,785)	(3,785)		
Chairman's Salary after deduction	105,715	105,644	71	0.0%
Councillor Remuneration	383,428	383,428	0	0.0%
Total	489,143	489,072	71	0.0%
Plus carried forward meeting fees from 2008/09 - (30% x \$12,880)	0	3,864	(3,864)	
Total Allocation Available	489,143	492,936	(3,796)	(0.1%)

- 4.1. Councillors will note that the Remuneration Authority has not applied a percentage increase to the indicative pool this year. The Authority stated that this decision reflects the ongoing pressure on rate levels.
- 4.2. This paper sets out a number of scenarios for Councillors to consider and decide on one of the scenarios for recommending to the Remuneration Authority. Each of the Scenarios assumes:
- 4.3. That the number of Committee Chair responsibilities for the remainder of the 2010/11 financial year is four or five (as decided at Council's meeting held on 3 November 2010), being:
 - 4.3.1. Hearings Committee; chaired by Councillor Christine Scott,
 - 4.3.2. Regional Transport Committee; chaired by Councillor Alan Dick,
 - 4.3.3. Asset Management and Biosecurity Committee; chaired by Councillor Kevin Rose,

- 4.3.4. Environmental Management Committee; chaired by Councillor Eileen von Dadelszen, and
- 4.3.5. Strategic Planning and Finance Committee; Chaired by Chairman Fenton Wilson initially, but devolved to another Councillor sometime before 30 June 2010.
- 4.4. That the Deputy Chairman of the Council is paid the same salary as Councillor with Committee Chair responsibilities as has been custom for many years.
- 4.5. That a range of differentials between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$4,500 (unchanged from last year given that the pool available for Councillor remuneration is the same as last year), to \$7,500.
- 4.6. That there is no provision for meeting fees to be paid to plan Hearings Committee members hearing formal submissions on plans and strategies prepared under the Resource Management Act (RMA) or Biosecurity Act as planning staff advise that the maximum number of hearing days for the remainder of the 2010/11 financial year is two (Variation 1 to the RMA Plan re River mouth Hazard Areas) and no planned hearings under Council's Biosecurity Act plans. Councillors will recall that last year RMA plan hearing days were estimated at 43 for the 2009/10 financial year and that Council decided to pay meeting fees only where the number of meeting days attended exceeded six. Councillors decided to set aside \$18,400 in meeting fees (20 meeting fees for four Councillors), however, during the 2009/10 financial year only three meeting fees were paid for a total of \$690.
5. Three scenarios have been presented for Council's consideration and the assumptions on each scenario are as below:
- 5.1. **Scenario 1:**
Five Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$4,500.
- 5.2. **Scenario 2:**
Five Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$6,000.
- 5.3. **Scenario 3:**
Five Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$7,500.
- 5.4. **Scenario 4:**
Four Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$4,500.
- 5.5. **Scenario 5:**
Four Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$6,000.
- 5.6. **Scenario 6:**
Four Chairs & Deputy Chair. Differential between a Councillor without Committee Chair responsibilities and a Councillor with Committee Chair responsibilities is provided from \$7,500.

Attached as **Attachment 1** is a table setting out the implications of these six scenarios.

6. Policy on Elected Members' Allowances and Expenses:

- 6.1. Council considered and adopted the Revised Elected Members' Allowances and Expenses Policy on 27 February 2008. Last year no amendment was made to that policy and the policy was approved by the Remuneration Authority.
- 6.2. This paper proposes a number of amendments to that policy occasioned entirely by new requirements set out in the Local Government Elected Members (2010/11) (Except Auckland) Determination 2010 and explanatory notes in a letter from the Remuneration Authority dated 6 September 2010. (The proposed amendments are underlined and italicised – refer to **Attachment 2** for full details).

Section 5 – Mileage Allowances

- 6.3. Add to subparagraph 2 (a) Claims will be paid only for use of a vehicle on Council business where the distance travelled exceeds 30 kilometres. Councillors will only be paid the distance travelled in excess of 30 kilometres. Except for Councillors representing the geographically distant Central Hawke's Bay and Wairoa Constituencies, Councillors will be limited to payment for a total distance travelled on Council business of 5,000 kilometres in any one financial year.

Section 8 – Communication Allowances

- 6.4. Add the following:

Limitation to Total Communication Allowance Payable

Councillors will be limited to a total payment in any one financial year of \$750 and in the case of the 2010/11 financial year \$500 from 15 October 2010 to 30 June 2011.

7. Remuneration of Maori Representatives:

- 7.1. On 25 February 2009 Council resolved that the Chairman of the Maori Committee would be paid a salary equivalent to that paid to a Councillor without Committee Chairman responsibilities and that no meeting allowances be paid. This paper proposes that this relativity be maintained for the remainder of this financial year.
- 7.2. On 17 March 2010 Council considered an agenda item on hearing payments for tangata whenua appointed members of the Maori Committee to plan hearings that are not related to Resource Consent hearings. Council instructed staff to consider any meeting fee and remuneration payments for Maori Committee members appointed to the Hearings Committee at the same time as decisions were made on Councillor remuneration.
- 7.3. Councillors receive a salary, which is considered to compensate them for their time spent on Plan Hearings, and a meeting fee where the number of meeting days in any one year exceeds six, to reflect the workload associated with the process on these occasions. However, tangata whenua appointed members of the Maori Committee who are appointed to the Hearings Committee receive only a meeting fee of \$230 per day. This contrasts with the case where such members are appointed as a hearings commissioner, where they are entitled to fee based on actual costs.
- 7.4. This paper proposes that tangata whenua appointed members of the Maori Committee who are appointed to plan hearings that are not related to Resource Consent hearings be remunerated at the rates (\$68 per hour) set out in clause 9 of the Local Government Elected Members (2010/11) (Except Auckland) Determination 2010 for all hearing attendance, including time spent reading submissions and officer reports and recommendation and time attending technical workshops that serve to improve Hearing Committee members' understanding of technical issues.

DECISION MAKING PROCESS:

8. Council is required to respond to the Remuneration Authority as a requirement of statute and, is required to determine for themselves, the appropriate apportionment of the remuneration pool as defined by the Authority.

RECOMMENDATIONS:

That the Council :

1. Resolve the level of payments to be made to Councillors with Chair responsibilities and those without Chair responsibilities for the 2010/11 financial year, consistent with the remuneration pool as advised by the Remuneration Authority covering that period, and recommend to the Remuneration Authority that these payment levels be included in the determination for the 2010/11 financial year.
2. Note that payment at the new levels of remuneration will be backdated to the date on which elected members' came into the respective offices they hold.
3. Replace (subject to approval of the Remuneration Authority) Section 1.4.2 (Remuneration) of Council's Policy Handbook with the following, from 15 October 2010, and with elected members only ever being eligible for one salary with that salary being the highest applicable from the table below:

ROLE		COMMENT	SALARY
Chairman of Council:	Salary		\$109,500
Deputy Chairman	Salary	Representing a differentiation of \$x,000 between a Councillor with no Committee Chairman responsibilities or Deputy Chairman responsibilities.	To be decided
Chairman of: - Hearings Committee - Regional Land Transport Committee - Asset Management and Biosecurity Committee - Environmental Management Committee - Strategic Planning and Finance Committee - Hearings Committee	Salary	Representing a differentiation of \$x,000 between a Councillor with no Committee Chairman responsibilities or Deputy Chairman responsibilities.	To be decided
All other elected members of Council	Salary		To be decided

4. Resolve to adopt the policy on elected member's allowances and expenses as set out in Appendix 2 to this paper, and submit this policy to the Remuneration Authority for their approval and incorporation in the Local Government Elected Members' Determination for the remainder of the 2010/11 financial year.
5. Resolve that the Chairman of the Maori Committee continue to be paid an annual salary equivalent to that paid to a Councillor without Committee Chairman responsibilities. Further, it is noted that the payment of this salary is not funded from the Councillor remuneration pool as advised by the Remuneration Authority.
6. Resolve that tangata whenua appointed members of the Maori Committee who are appointed to plan hearings that are not related to Resource Consent hearings be remunerated at the rates (\$68 per hour) set out in clause 9 of the Local Government Elected Members (2010/11) (Except Auckland) Determination 2010 for all hearing attendance, including time spent reading submissions and officer reports and recommendation and time attending technical workshops that serve to improve Hearing Committee members' understanding of technical issues.



Paul Drury
GROUP MANAGER CORPORATE
SERVICES



Andrew Newman
CHIEF EXECUTIVE



Fenton Wilson
CHAIRMAN

Attachment/s

- 1 Table setting out the implications of the scenarios
- 2 Elected members allowances and expenses

Councillor Remuneration

			2010/11					
	2009/10 \$		Scenario 1 \$		Scenario 2 \$		Scenario 3 \$	
Chairman's Salary (Full Use of Council Vehicle)	105,644.00		105,715.00		105,715.00		105,715.00	
Plan Hearings Committee Meetings	18,400.00	(80 meetings paid) 4 Councillors	Nil	(0 meetings paid)	Nil	(0 meetings paid)	Nil	(0 meetings paid)
Deputy Chairman	(Held by Committee Chair)		49,053.50		49,428.50		49,803.50	
Chairman, Hearings Committee	47,799.00		49,053.50		49,428.50		49,803.50	
Chairman, Regional Land Transport Committee	(Held by Committee Chair)		49,053.50		49,428.50		49,803.50	
Chairman, Asset Management and Biosecurity Committee	47,799.00		49,053.50		49,428.50		49,803.50	
Chairman, Environmental Management Committee	47,799.00		49,053.50		49,428.50		49,803.50	
Chairman, Strategy and Finance Committee	47,799.00		49,053.50		49,428.50		49,803.50	
Chairman, Venture Hawke's Bay Advisory Committee	47,799.00		N/A		N/A		N/A	
Elected Members with none of the above responsibilities:	129,897.00	3 x \$43,299.00	89,107.00	2 x \$44,553.50	86,857.00	2 x \$43,428.50	84,607.00	2x \$42,303.50
Total Available	\$492,936.00		\$489,143.00		\$489,143.00		\$489,143.00	
Approximate increase (decrease) from June 2009/10:								
• Chair of Committee			2.62%		3.41%		4.19%	
• Councillors			2.90%		0.30%		(2.30%)	

Councillor Remuneration

	2010/11							
	2009/10 \$		Scenario 4 \$		Scenario 5 \$		Scenario 6 \$	
Chairman's Salary (Full Use of Council Vehicle)	105,644.00		105,715.00		105,715.00		105,715.00	
Plan Hearings Committee Meetings	18,400.00	(80 meetings paid) 4 Councillors	Nil	(0 meetings paid)	Nil	(0 meetings paid)	Nil	(0 meetings paid)
Deputy Chairman	(Held by Committee Chair)		49,616.00		50,178.50		50,741.00	
Chairman, Hearings Committee	47,799.00		49,616.00		50,178.50		50,741.00	
Chairman, Regional Land Transport Committee	(Held by Chair)		49,616.00		50,178.50		50,741.00	
Chairman, Asset Management and Biosecurity Committee	47,799.00		49,616.00		50,178.50		50,741.00	
Chairman, Environmental Management Committee	47,799.00		49,616.00		50,178.50		50,741.00	
Chairman, Strategy and Finance Committee	(Held by Chair)		(Held by Chair)		(Held by Chair)		(Held by Chair)	
Chairman, Venture Hawke's Bay Advisory Committee	47,799.00		N/A		N/A		N/A	
Elected Members with none of the above responsibilities:	173,196.00	4 x \$43,299.00	135,348.00	3 x \$45,116.00	132,535.50	3 x \$44,178.50	129,723.00	3 x \$43,241.00
Total Available	\$488,436.00		\$489,143.00		\$489,143.00		\$489,143.00	
Approximate increase (decrease) from June 2009/10:								
• Chair of Committee			3.80%		4.98%		6.15%	
• Councillors			4.20%		2.03%		(0.13%)	

ELECTED MEMBERS ALLOWANCES AND EXPENSES

Council's policy and rules for expenses (including reimbursement allowances) for elected members 15 October 2010 to 30 June 2011 was adopted on 15 December 2010.

ELECTED MEMBERS ALLOWANCES AND EXPENSES

Hawke's Bay Regional Council has resolved to adopt the following policy as provided to the Remuneration Authority.

SECTION 1 – NAME OF LOCAL AUTHORITY

Hawke's Bay Regional Council

Contact person for enquiries: Paul Drury, Group Manager Corporate Services

Email: pdrury@hbrc.govt.nz Telephone: 06 835 9205

SECTION 2 – DOCUMENTATION OF POLICIES

Rules and procedures relating to the expenses and allowances payable to elected members are recorded in the following document:

HBRC Policy Handbook, Section 1.4 Councillors, Last Updated 15 December 2010.

SECTION 3 – AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

The principles and processes under which Hawke's Bay Regional Council ensures that expense reimbursements and allowances are payable are as follows.

Principles

- Are in line with Council policies
- Have a justified business purpose
- Are payable under clear rules communicated to all claimants
- Have senior management oversight
- Are approved by a person able to exercise independent judgement
- Are adequately documented
- Are reasonable and conservative in line with public sector norms
- Are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of the local authority by the elected member
- Support administrative efficiency by the payment, where possible, of standard allowances based on fair and reasonable value of costs incurred, rather than requiring elected members to continue to make numerous claims.

Processes

1. Councillors are issued with an explanatory memorandum explaining their entitlements and how they should claim them.
2. Councillors are required to make expenditure claims for all allowances, other than agreed regular payments, which are approved by the Chief Executive prior to payment.
3. All reimbursement costs will be based on actual and reasonable expenditure with claims to be supported by appropriate invoices to substantiate the claim and will be approved as part of the Council's normal creditor payment process.

SECTION 4 – VEHICLE PROVIDED

Where the Chairman decides to take up the entitlement to a Council vehicle then the terms and conditions for the supply of a vehicle will be determined by the Chief Executive Officer in line with policies set out by the Remuneration Authority.

SECTION 5 – MILEAGE ALLOWANCES

1. An allowance of 70 cents per kilometre is paid in accordance with the remuneration authority guidelines.
2. Restrictions on mileage claims:
 - (a) Claims will be paid only for use of a vehicle on Council business where the distance travelled exceeds 30 kilometres. Councillors will only be paid the distance travelled in excess of 30 kilometres. Except for Councillors representing the geographically distant Central Hawke's Bay and Wairoa Constituencies, Councillors will be limited to payment for a total distance travelled on Council business of 5,000 kilometres in any one financial year.
 - (b) "Council business" is defined as "official Council business whereby elected members are invited or required to attend both informal or formal meetings or events related to Council. These do not include meetings with constituents, or the elected member's own initiatives to familiarise or better inform themselves in any way with Council business, or where a Council function is primarily entertainment".

SECTION 6 – TRAVEL AND ACCOMMODATION

(Mileage Claims – refer Section 5)

Taxis and other transport

Elected members will be reimbursed for the actual and reasonable cost of any expenditure on taxis and other transport incurred where such expenditure is considered reasonable and necessary for the attendance at conferences, seminars and business related meetings attended at the request of Council, or approved by the Chairman.

Carparks

Individual carparks are allocated to each elected member for use on Council and Committee meeting days only. In addition, the Chairman has a permanent car park and one other car park is permanently available for any other elected member to attend Council business at the Council offices.

Use of rental cars

Elected members will be reimbursed for the actual and reasonable cost of any expenditure on rental cars where this is considered necessary to attend conferences, courses and business meetings attended at the request of Council, or approved by the Chairman. If rental cars are used they are to be cheaper than mileage allowance or air fare.

Air Travel – Domestic

All domestic travel is to be approved in advance by the Chairman or Chief Executive and booked through Council Corporate Services.

Air Travel – International

All international travel is to be approved in advance by the Chairman or Chief Executive and booked through Council Corporate Services.

Council will meet the cost only of economy class airfares unless specifically approved otherwise by the Chairman or Chief Executive.

Stopovers for long distance flights will be at the discretion of the Chairman or Chief Executive, and where approved, will be paid or reimbursed.

Airline Clubs / Airpoints / Airdollars

The Chairman is provided with a Koru Club membership on the basis of frequency of air travel. Airpoints or airdollars earned on travel, accommodation etc., paid for by the Council are available for the private use of members.

Accommodation costs while away at conferences, seminars, etc

Elected members will be reimbursed for the actual and reasonable cost of any expenditure incurred where this expenditure is incurred for attendance at the request of Council or approved by the Chairman or Chief Executive. Travel is to be approved in advance and all bookings are to be made through Council Corporate Services. This provision also applies to Councillors who normally live at a distance from Napier who stay overnight prior to or between Council or committee meetings

Meals and sustenance, incidental expenses

The reasonable cost of meals and sustenance will be paid or reimbursed where such expenditure is incurred for attendance at conferences, courses and business meetings attended at the request of Council, or approved by the Chairman or Chief Executive. A light lunch is generally provided to Councillors on Council and Committee meeting days.

Private accommodation paid for by local authority

An allowance of \$35 per night can be claimed by elected members where they decide to stay privately when attending a conference, course or business meeting where their attendance is at the request of the Council or approved by the Chairman or Chief Executive. Reasonable additional costs associated with staying privately can be claimed only if the prior approval of the Chairman or Chief Executive has been received.

SECTION 7 – ENTERTAINMENT AND HOSPITALITY

There are no hospitality or entertainment allowances paid to elected members. Where entertainment or hospitality is required at the request of the Council, or on the approval of the Chairman or Chief Executive, reimbursement can be claimed of an actual and reasonable basis.

SECTION 8 – COMMUNICATION ALLOWANCES

Equipment and technology provided to elected members

The following allowances are paid to elected members to assist with the costs of equipment and technology provided by the elected member.

Computers

Subject to the conditions below, elected members may be paid an allowance of \$65.55 per month to assist them to provide a personal computer that is available for use for Council business, including email and printing costs.

The allowance is based on the following formula:

$$\text{Allowance} = (\$2,200/36/2) + \$20 + \$15 = \$65.55$$

\$2,200 is taken as the cost of a personal computer with Microsoft Word (or equivalent) and anti-virus protection together with a printer. This figure is divided by 36 (the number of months in a triennium and also the expected life of a personal computer) and then by 2, taking Council use as half of the use of the computer.

\$20 is half the monthly cost of a basic Internet connection. The cost of a printer cartridge set is \$80 for usage six months i.e. \$15 per month.

Printer paper will be supplied on request from the Council for Councillors to use on council business.

Conditions

1. The computer allowance is subject to the elected member providing, and using regularly for Council business, a home computer connected to the Internet and loaded with a current version of Microsoft Word (or equivalent) and anti-virus software that is kept up-to-date.
2. The internet connection shall be such that when in use the normal telephone of the elected member continues to operate.

Telephone Rental

Except as set out below, elected members may be paid an allowance of \$21.50 per month, being half the standard cost of a residential phone connection. If the installation of a second telephone line is necessary for Council business, the Council will pay the costs of installing (subject to network availability) the second line and the elected members will be entitled to an allowance of \$35 per month to cover the monthly rental cost. The decision about whether a second line is necessary will be made by the Chairman of the Council in consultation with the Chief Executive. Elected members who have a second line installed will not be entitled to the allowance of \$21.50 per month. The cost of toll calls that are made to conduct the business of the Council will be reimbursed.

Mobile phones

All elected members who can be contacted on a mobile telephone are entitled to an allowance of \$20 per month. This allowance is based on half the cost of the monthly rental plus a contribution towards the cost of calls relating to Council business. It is assumed that a key benefit of a mobile phone is for incoming calls where the cost is met by the caller, and that elected members will make most outgoing calls from land lines. All elected members will provide their own phone at their expense.

Answer Phones, Fax, Filing Cabinets

On request, elected members will be supplied with an answer-phone, facsimile (where a claim is not being made by an elected member for computer-related equipment) and filing cabinet for the period of office. The Council will also supply a reasonable amount of necessary consumables.

Where a faxability line is required, then the cost of this will be paid by the Council. (The cost at the present time is in the order of \$3 per month.)

The equipment remains the property of the Council and must be returned when the elected member leaves office. New equipment will only be supplied where existing surplus equipment is not available.

Limitation to Total Communications Allowance Payable

Councillors will be limited to a total payment in any one financial year of \$750 and in the case of the 2010/11 financial year \$500 from 15 October 2010 to 30 June 2011.

SECTION 9 – PROFESSIONAL DEVELOPMENT, CLUBS AND ASSOCIATIONS

Council pays for the cost of professional development courses, seminars, etc approved by Council or the Chairman, within a specified annual budget.

No expenses or allowances in respect of subscriptions to Clubs or associations are paid other than professional bodies specific to their role with Council e.g. RMLA for Hearings Committee Members.

SECTION 10 – OTHER EXPENSE REIMBURSEMENTS AND ALLOWANCES

The following are reimbursed or provided to elected members:

Clothing

Elected members will be supplied with a rain jacket bearing the Council's logo.

Stationery

Stationery is available on request for use on Council business.

Elected Members' Office

Elected members are entitled to use the Councillors' Office, located next to the Council Chamber on the ground floor of the Regional Council building. The office is equipped with desks, phone and a computer.

Typing facilities

Typing facilities are available to Councillors for use on Council business only.

Chairman's Office

The Chairman is provided with an office at the Council's offices in Napier. This office includes a direct dial telephone extension and networked computer. Limited secretarial assistance is also provided.

SECTION 11 – TAXATION OF ALLOWANCES

Withholding tax will be deducted from all allowances (as distinct from reimbursements of actual business expenses)

SECTION 12 – SIGNATURE

I seek approval from the Remuneration Authority, in relation to the period 15 October 2010 to 30 June 2011, of the expense reimbursement rules and payments of allowances applicable to elected members as set out in this document which was adopted by Council on 15 December 2010.

Attachment 2

The approved document and any attachments will be available for public inspection in accordance with the Remuneration Authority's determination.

Signature	A Newman Chief Executive	Date
-----------	------------------------------------	------

Item 13

SUBJECT: CHAIRMAN'S ACCOMMODATION

REASON FOR REPORT:

1. The recent election of a new Chairman from the Wairoa constituency means that Council must consider the most efficient and economic way of accommodating him whilst working in Napier.

Background

2. Currently the new Chairman is accommodated in a modestly priced motel for an average of four nights per week. This paper compares the price and facilities available in a motel with those available in long term rental accommodation.
3. The factors to be considered are as follows:
 - 3.1. Modestly priced motel @ \$110 per night for approx four nights of the week with an estimated occupancy of 45 weeks per year would cost Council around \$19,800 per year. The facilities available in the motel are basic and do not allow for the storage of confidential information and personal effects and free laundry facilities.
 - 3.2. A modestly priced long term apartment rental in the range of \$250.00 - \$300 per week for 52 weeks per year would cost Council around \$14,300. The facilities available in the apartment would include cooking and laundry facilities and would provide security for personal belongings and confidential information as well as secure parking for the Chairman's vehicle. Whilst there may be some other out of pocket costs for example, some furniture as well as monthly power, these are estimated to be significantly less than the difference between an apartment and a motel.
4. This paper proposes, therefore on the basis of the above analysis, that Council approve the long term rental of an apartment for the Chairman's accommodation as being the most economical option available to it.

DECISION MAKING PROCESS:

5. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded the following:
 - 5.1. Sections 97 and 98 of the Act do not apply as these relate to decisions that significantly alter the service provision or affect a strategic asset.
 - 5.2. Sections 83 and 84 covering special consultative procedure do not apply.
 - 5.3. The decision does not fall within the definition of the Council's policy on significance.
 - 5.4. The persons affected by this decision are all ratepayers within the Hawke's Bay region.
 - 5.5. The options considered are set out above in paragraph 3.
 - 5.6. Section 80 of the Act covering decisions that are inconsistent with an existing policy or plan does not apply.
 - 5.7. Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others having given due consideration to the nature and significance of the issue to be considered and decided, and also the persons likely to be effected by or have an interest in the decisions to be made.

RECOMMENDATIONS:

That Council :

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Resolves to authorise the Chief Executive to enter into a contract for a modest long term rental apartment between \$250 - \$300 per week and for the purchase of any second hand furniture where required for the Chairman's accommodation for the next three years.



**Paul Drury
GROUP MANAGER CORPORATE
SERVICES**



**Andrew Newman
CHIEF EXECUTIVE**

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 15 December 2010

SUBJECT: COUNCIL MEETING PLANNER JANUARY 2011 - DECEMBER 2011

Item 16

REASON FOR REPORT:

1. Annexed as **Attachment 1** is a draft Meeting Planner for 2011. The Strategic Planning and Finance Committee meeting is confirmed for 26 January 2011 and will be advertised on 18 December 2010.
2. Councillors will note that dates have been held for Committees throughout 2011 and these will be confirmed once the Committee Structure has been finalised.

DECISION MAKING PROCESS:

3. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION:

1. That the Council Meeting Planner January 2011 – December 2011 be received.



**Carol Gilbertson
GOVERNANCE AND PUBLIC
TRANSPORT MANAGER**



**Paul Drury
GROUP MANAGER CORPORATE
SERVICES**

Attachment/s

- 1 Council Meeting Planner January 2011 - December 2011 Under Separate Cover

