

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Council will be held on:

Date: Thursday 6 August 2020
Time: 9.30am
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Council *Kaunhera* OPEN AGENDA

Membership

Chairperson Mayor P Southgate
Heamana

Deputy Chairperson Deputy Mayor G Taylor
Heamana Tuarua

Members	Cr M Bunting	Cr A O'Leary
	Cr M Forsyth	Cr R Pascoe
	Cr M Gallagher	Cr S Thomson
	Cr R Hamilton	Cr M van Oosten
	Cr D Macpherson	Cr E Wilson
	Cr K Naidoo-Rauf	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Monthly – or as required

Becca Brooke
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Menetia Mana Whakahaere

30 July 2020

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Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Hamilton.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
 - 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 or 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 Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the 30-Year Infrastructure Strategy.
 - g) The power to adopt a remuneration and employment policy.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
 - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Approval of any changes to city boundaries under the Resource Management Act.
 - d) Adoption of governance level strategies plans and policies which advance Council's vision and strategic goals.

- e) Approval of the Triennial Agreement.
- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.
- i) Approval of all Council and Committee Advisory Groups and their terms of reference.
- j) Appointments to, and removals from, CCO CCTO and CO boards;
- k) Approval of proposed major transactions or constitutional adjustments of CCOs, CCTOs and COs.
- l) Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO, CCTO or CO.
- m) Approval of city boundary changes, including in respect of Strategic Boundary Land Use Agreements.
- n) Approval Activity Management Plans.

Oversight of Policies and Bylaws:

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies – <i>Tono aroha</i>	5
2	Confirmation of Agenda – <i>Whakatau raarangi take</i>	5
3	Declarations of Interest – <i>Tauaakii whaipaanga</i>	5
4	Public Forum – <i>Aatea koorero</i>	5
5	Confirmation of the Council Open Minutes of 25 June 2020	6
6	Confirmation of Elected Member Open Briefing Notes - 17 June 2020	12
7	Chair's Report	14
8	Update on the Long Term Plan and Community Engagement	16
9	Electoral System Review - 2020	31
10	2020 LGNZ Remits for Consideration	71
11	Open Recommendations from Committees to the Council	119
12	Ruakura Transport	128
13	Resolution to Exclude the Public	140

1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Council to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum – *Aatea koorero*

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Mayor.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6727.

Council Report

Committee: Council **Date:** 06 August 2020
Author: Carmen Fortin **Authoriser:** Amy Viggers
Position: Governance Advisor **Position:** Governance Team Leader
Report Name: Confirmation of the Council Open Minutes of 25 June 2020

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Minutes of the Council Meeting held on 25 June 2020 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Council Open Unconfirmed Minutes 25 June 2020

Council Kaunihera OPEN MINUTES

Minutes of a meeting of the Council held in the Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 25 June 2020 at 9.37am.

PRESENT

Chairperson	Mayor P Southgate
Deputy Chairperson	Deputy Mayor G Taylor
Members	Cr M Bunting
	Cr M Gallagher
	Cr R Hamilton
	Cr D Macpherson
	Cr K Naidoo-Rauf
	Cr A O'Leary
	Cr R Pascoe
	Cr S Thomson
	Cr M van Oosten
	Cr E Wilson

In Attendance	Richard Briggs – Chief Executive
	Lance Vervoort - General Manager Community
	David Bryant – General Manager Corporate
	Eeva-Liisa Wright – General Manager Infrastructure Operations
	Jen Baird – General Manager City Growth
	Maire Porter – City Waters Manager
	Paul Ryan – Senior Planner
	Raewyn Simpson – Senior Planner City Waters

Governance Staff	Becca Brooke – Governance Manager
	Amy Viggers – Governance Team Leader
	Rebecca Watson – Governance Advisor

Cr Thomson took part in the meeting and voted via Audio Visual link.

The meeting was opened with a karakia from Muna Wharawhara, Amorangi Maaori.

1. Apologies

Resolved: (Cr Bunting/Deputy Mayor Taylor)
That the apologies for absence from Cr Forsyth and for early departure from Cr Naidoo-Rauf are accepted.

2. Confirmation of Agenda

Resolved: (Deputy Mayor Taylor/Cr van Oosten)
That the agenda is confirmed noting that item C3 (Ruakura Road West Realignment) has been

Council 25 JUNE 2020 - OPEN

removed from the agenda as the report was unable to be completed prior to this meeting.

3. Declarations of Interest

During the discussion of item 8 (Appeal to the Waikato Regional Council's Decisions Version of Proposed Plan Change 1 - Healthy Rivers/Wai Ora), Mayor Southgate noted in relation to item 8 (Appeal to the Waikato Regional Council's Decisions Version of Proposed Plan Change 1 - Healthy Rivers/Wai Ora) that she had recently been appointed Co-Chair on the Waikato River Authority. She advised that she did not believe she was conflicted on this matter as her new role had not fully commenced yet.

4. Public Forum

No members of the public wished to speak.

5. Confirmation of the Council Open Minutes of 28 May 2020

Resolved: (Cr Wilson/Cr Bunting)

That the Council confirm the Open Minutes of the Council Meeting held on 28 May 2020 as a true and correct record.

6. Confirmation of the Elected Member Briefing Open Notes 27 May 2020

Resolved: (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Notes of the Elected Member Briefing held on 27 May 2020 as a true and correct record.

7. Chair's Report

The Chair took the report as read.

Resolved: (Mayor Southgate/Cr Macpherson)

That the Council receives the report.

During the discussion of the above item, Mayor Southgate noted in relation to item 8 (Appeal to the Waikato Regional Council's Decisions Version of Proposed Plan Change 1 - Healthy Rivers/Wai Ora) that she had recently been appointed Co-Chair on the Waikato River Authority. She advised that she did not believe she was conflicted on this matter as her new role had not fully commenced yet.

8. Appeal to the Waikato Regional Council's Decisions Version of Proposed Plan Change 1 - Healthy Rivers/Wai Ora

The Senior Planner took the report as read. Staff responded to questions from Elected Members concerning zone issues, potential costs, preparation for the Long Term Plan, wellbeing considerations, constructed wetlands and Local Government New Zealand Three Waters approach.

Resolved: (Cr Wilson/Cr Bunting)

That the Council:

- a) receives the report;
- b) approves the Draft 2 Notice of Appeal against the Waikato Regional Council's decisions on 7 provisions in Proposed Waikato Regional Plan Change 1: Waikato and Waipā River Catchments and seeking the addition of 2 new definitions (**Attachment 1**);
- c) notes that, following the Council's approval of the Draft 2 Notice of Appeal, it will be lodged

COUNCIL 25 JUNE 2020 - OPEN

Page 2 of 5

with the Environment Court by the appeal closing date, 8 July 2020;

- d) approves the Council's becoming a Section 274 party (as per the Resource Management Act 1991) to any other appeals that have the potential to affect the Council's interests; and
- e) notes that any Section 274 Notices must be lodged by 29 September 2020.

9. Open Recommendations from Committees to the Council

The report was taken as read.

Resolved: (Cr Pascoe/Cr Bunting)

Financial Strategy Monitoring Report

That the Council:

- a) approves the capital movement in expenditure of (\$2m) and in revenue \$0.1m from the 2019/20 Financial Year to future years as identified in the 16 June 2020 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 19 to 24 of this report;
- c) approves the revised forecast Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 25 to 32 of this report; and
- d) approves an increase in the Te Awa Path budget by \$1.6m (\$784,000 local share) from \$4.2m to \$5.8m subject to Waka Kotahi NZ Transport Agency approving a minimum 51% subsidy, with the local share for the full project being promoted by Council as a contribution towards any transport related economic stimulus packages currently being considered by the Government.

Local Government Funding Authority Notice of Special General Meeting

That the Council:

- a) receive the Local Government Funding Authority Notice of Special General Meeting report.
- b) approve the amendments to the foundation policies of the Local Government Funding Authority.
- c) approve by way of proxy, a nominated member of staff to attend the Special General Meeting as shareholder representative of Hamilton City Council
- d) approve the amendment of Council's Investment and Liability Management Policy to align with the Local Government Funding Authority foundation policy change to the net debt to revenue covenant, subject to shareholders' approval of (b) above.

Resolved: (Cr Pascoe/Mayor Southgate)

Audit Proposal Letter for 2020, 2021 and 2022

That the Council:

- a) approves the Audit Proposal Letter; and
- b) delegates the Mayor authority to sign the Audit Proposal Letter on Council's behalf.

That the Council notes that the matter of the Risk Management Policy Review recommendation to the Council will be reported to the 6 August Council meeting.

Council 25 JUNE 2020 - OPEN

Resolved: (Cr Bunting/Cr Naidoo-Rauf)

Te Inuwai Park Naming

That the Council approves Te Inuwai Park as the name for the neighbourhood park located on Lot 400 DP 527758 and Lot 211 DP 527758.

10. Resolution to Exclude the Public

Resolved: (Cr van Oosten/Cr Naidoo-Rauf)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Council Public Excluded Minutes of 28 May 2020) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Appointment of Maangai Maaori to the Finance and Strategic Risk and Assurance Committees) Official Information and Meetings Act 1987	
C4. Confirmation of the Council Unconfirmed Minutes 30 April 2020 - CE Review Committee Matters		
C5. Recommendation from the CE Review Committee		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C5.	to protect the privacy of natural persons	Section 7 (2) (a)

The meeting went into a public Excluded session at 10.50am.

During the Public Excluded session of the meeting, the following resolution was released into the open.

COUNCIL 25 JUNE 2020 - OPEN

Page 4 of 5

C2. Appointment of Maangai Maaori to the Finance and Strategic Risk and Assurance Committees

Resolved: (Cr Pascoe/Cr van Oosten)

That the Council:

- a) approves the appointment of Hemi Rau as Maangai Maaori on the Finance, Strategic Risk and Assurance Committees and Hearings and Engagement Committee (for hearings relevant to the Finance and Strategic Risk and Assurance Committees);
- b) notes that the General Manager Corporate is delegated to complete negotiations and execution of the individual kawenata between the Council and Hemi Rau in respect of his appointment; and
- c) approves the public release of the Council's decision on this matter.

The meeting was declared closed at 12.33pm.

Council Report

Committee: Council

Date: 06 August 2020

Author: Carmen Fortin

Authoriser: Amy Viggers

Position: Governance Advisor

Position: Governance Team Leader

Report Name: Confirmation of Elected Member Open Briefing Notes - 17 June 2020

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Notes of the Elected Member Briefing held on 17 June 2020 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes - 17 June 2020

Elected Member Briefing Notes – 17 June 2020 – Open

Time and date:	10.00am, 17 June 2020
Venue:	Committee Room 1, Hamilton City Council
In Attendance:	Mayor Southgate, Crs Pascoe, Bunting, Macpherson, van Oosten, Thomson, Wilson, Naidoo-Rauf, Forsyth, and Maangai Maaori Thompson-Evans
Apology for Full Session:	Deputy Mayor Taylor, Cr O'Leary, Cr Hamilton, Cr Gallagher
Apologies for lateness/early departure:	Cr Pascoe, Cr Forsyth

Discussion

The briefing session covered in an open session.

- Smokefree and Vaping Policy
- Regional Land Transport Plan

There were a number of key points arising from the discussion:

1. **Smokefree Outdoor Areas Policy and Vaping** (Presentation was provided)

The Social Development Advisor explained that the purpose of the presentation was to provide background to the smokefree policy and the update.

Members asked questions in relation to the following:

- Vaping statistics
- Classification and regulation of vaping, including the timeline for this process and role of Council
- Views on vaping products throughout health sector
- DHB smoking and vaping area
- Available support
- Process going forward

2. **Regional Land Transport Plan** (Presentation was provided)

The Network Operations and Use Leader explained that the purpose of the presentation was to provide background information and gain feedback from Members regarding the Regional Transport Plan and changes.

Members asked questions in relation to the following:

- Priority lists, including communication with Regional council in regards to these lists
- Project details, in particular, biking and mobility
- How other metros function
- The use of 20 minute city language

Council Report

Committee: Council

Date: 06 August 2020

Author: Amy Viggers

Authoriser: Becca Brooke

Position: Governance Team Leader

Position: Governance Manager

Report Name: Chair's Report

Report Status	<i>Open</i>
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Recommendation - *Tuutohu*

That the Council receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report



Chair's Report

Item 7

Thank you to Councillors and staff for all the work that has gone into the Annual Plan. We have had some excellent debates and some robust discussions – which is exactly how it should be. I am pleased with where we have reached in our deliberations, ahead of our final Annual Plan meeting on 10 August.

Attention now turns to the Long-Term Plan, which is the place for more strategic discussions about the future direction of Hamilton Kirihiroa. I look forward to working with Councillors and staff over the coming weeks and months to shape our future direction – and in due course hearing from the community. I want this to be the most open and accessible Long-Term Plan process that has ever been run.

A specific issue we need to return to is the future of the Founders Theatre site. The theatre has been closed since March 2016 due to safety concerns. Waikato Regional Theatre, which is due to open in 2022, will provide the city with a world class cultural and arts facility. Although there was consultation in the last triennium on the future of the Founders Theatre site, no decision was reached.

Last year, Council adopted the West Town Belt (WTB) Masterplan to provide a 30-year vision and strategic framework for the future of the WTB. Founders Theatre sits within the WTB 'Heart Character Area'. Given the confirmation of the Waikato Regional Theatre and the strategic direction set out in the WTB Masterplan, now is the right time to discuss the future of the Founders Theatre site. Staff will therefore shortly engage the community to give Hamiltonians a final opportunity to decide on the future of the site.

As part of Council's 2020/21 Annual Plan, Council received a submission from the Theatre of the Impossible Charitable Trust (TOTI) which proposed retaining the Founders Theatre building, restoring it to a standard that will enable it to become a town hall or community facility. Staff intend to include and consider this submission as part of the aforementioned engagement exercise.

Recommendation:

That the Council receives the report.

Paula Southgate
Mayor Hamilton City

Attachment 1

Council Report

Committee: Council **Date:** 06 August 2020
Author: Julie Ambury **Authoriser:** Sean Hickey
Position: Corporate Planning Manager **Position:** General Manager Strategy and Communications

Report Name: Update on the Long Term Plan and Community Engagement

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform and update the Council on planning for the 2021-31 Long-Term Plan (LTP) and related community engagement.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report; and
 - b) notes that the content of this report satisfies the requirement to deliver a Long-Term Plan programme/timetable for adoption by the Council for the 2021-2031 period.

Executive Summary - *Whakaraapopototanga matua*

3. This Report to the Council is delivered at the Chief Executive's request. It contains a detailed approach for enabling the delivery of Hamilton City Council's 2021-31 LTP and is structured on key components of the LTP process.
4. Key milestone dates are:
 - **24-26 November 2020** – LTP Council Meeting (budget deliberations)
 - **7-8 December 2020** – LTP Council Meeting (budget deliberations)
 - **23 February 2021** – LTP Council Meeting (to adopt Consultation Document)
 - **1 March-7 April 2021** – Formal Consultation with the community
 - **19-23 April 2021** – LTP Hearings
 - **18-21 May 2021** – LTP Council Meeting (final deliberations)
 - **24 June 2021** – LTP Council Meeting (to adopt LTP)
5. Staff consider delivery of the LTP of high significance and are satisfied the approach for delivery complies with the Council's legal requirements and the requirements of the Local Government Act 2002.

Background - *Kooreo whaimaarama*

6. The Local Government Act 2002 (s93) requires local authorities to deliver an LTP every three years, to cover the period of at least 10 years. The purpose of an LTP is to:
 - Describe the activities of a local authority
 - Describe the community outcomes of the local authority's district or region
 - Provide integrated decision-making and co-ordination of the resources of the local authority
 - Provide a long-term focus for the decisions and activities of the local authority
 - Provide a basis for accountability of the local authority to the community
7. The 2021-31 LTP is scheduled for adoption on 24 June 2021. Milestones leading up to adoption are detailed in the attached "Timeline for Elected Members", which will be updated as additional detail is confirmed.
8. The LTP titled "Te Anamata o Kirikiriroa" will comprise two key components:
 - The LTP, which describes activities the Council will deliver over the next 10 years and how it intends to demonstrate success to the community, and includes a Financial Strategy
 - A 30-year Infrastructure Strategy, which identifies significant infrastructure challenges and details of proposed responses
9. Key related foundational documents include Asset/Activity Management Plans (AMPs). Reviewing these as part of the LTP process means building on the current LTP as opposed to a complete 'restart'.
10. There is a legislative requirement for the Consultation Document, supporting information, and the LTP itself to be audited. This will occur in Jan-Feb 2021 and May-June 2021 respectively.

Enabling the delivery of the LTP

11. Project team meetings commenced late 2019, with the draft programme plan developed in February 2020.
12. Key components of the LTP process are:
 - Building an understanding of what is important to the community
 - Understanding the challenges for the next 10 years – climate change, future insights etc.
 - Understanding our current infrastructure, facilities and services, and what we plan for the next 10 years to deliver to the city growth through AMPs
 - Identifying priorities for the LTP
 - Planning for the delivery of strategies, activities and projects to deliver to priorities
 - Building the budget within the Financial Strategy constraints
 - Consultation with the community
 - Final deliberations to determine programmes and budget

Building an understanding of what is important to the community

13. The first phase of engagement with the community, executed between June 2019 and January 2020, provided insight into what the community loves about Hamilton. At a Elected Member Briefing on 19 February 2020, Council were presented with an introduction to the LTP and the results of this first phase of engagement.

14. At an Elected Member Briefing on 26 February 2020, the Council agreed the proposed approach for the second phase of engagement “Shape your future city”.
15. Phase two of engagement with the community (“Shape your future city”) ran from 9 March to 8 April 2020. Building on the first phase, the purpose of this second phase was to develop an understanding about the things that would make Hamilton even better. Results from this phase of engagement have been shared with Elected Members.

Understanding the challenges

16. At an Elected Member Briefing on 4 March 2020, a Future Insights Report and presentation was delivered by Dovetail, which identified key future trends and laid a foundation for discussion regarding Hamilton’s biggest challenges and how to best prepare to meet them. An introduction to growth projections was also provided at this session.
17. Topic specific guides (e.g. climate change) were developed to assist staff in considering these challenges as part of their review of AMPs.
18. A presentation on key elements of the Financial Strategy and 12 guiding financial principles was introduced as part of the Annual Plan process on 13 May 2020.
19. On 4 March 2020, an introduction to growth projections Elected Member Briefing occurred followed by workshops on 29 May and 5 June 2020 facilitated by the Growth Team. The purpose of the workshops was to help develop an understanding of context for growth, seek feedback regarding growth principles, and direction regarding a baseline growth scenario for the LTP.

Understanding what we currently do and plan to do

20. During January and February 2020, the Project Team worked with the business to prepare for “State of activities” workshops, which were scheduled for two full days in March, and April – four days in total. Due to COVID-19, these workshops were cancelled, and a SharePoint site was developed and implemented on 1 July 2020 following an introductory briefing on 29 May 2020.
21. Due to COVID-19, the business and Council spent between March and July 2020 refocussing their attention on the Annual Plan. With the Annual Plan due for adoption on 10 August 2020, attention can now be refocussed back on the 2021-2031 LTP.

Identifying priorities

22. The General Manager Strategy and Communication is working with the Mayor’s Office, to facilitate the development of a strategic direction document. This document will include Council’s vision for Hamilton and identify the priorities for realising the vision.
23. This strategic direction document will provide a theme for the LTP and inform phase three of community engagement and formal consultation next year.
24. Phase three of community engagement will be undertaken during October and November 2020. “Our vision and priorities for the next ten years” will share the vision for Hamilton and intended direction ahead of consultation about specific projects and services. This phase will also ensure our partners and wider community understand how they can have their say during the formal consultation process that will follow. (Refer **Attachment 1** “Shaping our city together” communication and engagement plan.)

Planning for delivery

25. Priorities will be addressed through the review of AMPs and identification of key projects for each priority.
26. Part of this process (the development of Asset/Activity Management Plans, also referred to as AMPs) relies on “State of activities” conversations with Council. Initially, workshops were scheduled to have these conversations but had to be cancelled due to COVID-19. These conversations are now being progressed using a central SharePoint site and through group managers and relevant committees.

Building the budget

27. LTP Council meetings for budget options are scheduled for 24-26 November 2020 and 7-8 December 2020. These meetings are the next critical point in the LTP process. The Project Team has been working closely with the business to ensure they know exactly what is required, and when, to ensure this key milestone is met.
28. At the final LTP Council meeting this year (7-8 December 2020) budget deliberations will be completed and approval will be sought from Council on the engagement approach for formal consultation in 2021.
29. There are five information sessions before budget deliberations commence on 24 November 2020. Details for the first two information sessions (scheduled for 16 and 23 September 2020) are currently being finalised. The remaining three information sessions will focus on preparation for budget deliberations. The detail for these information sessions are yet to be developed (refer attached “Timeline for Elected Members”).

Consultation with the community

30. The formal LTP consultation phase of our engagement with the community builds on phases one, two and three and the conversations that have already occurred with Iwi, Haapu and Maataawaka.
31. In these conversations, Iwi, Haapu and Maataawaka requested consideration of their strategic documents in developing the LTP. Planning is underway for a second hui to ensure this occurs.
32. The purpose of phase four (formal consultation) is to get community feedback on projects and budget for the next 10 years. This will occur from March to April 2021. Consultation will be guided by Council’s priorities – for each priority there will be a series of project proposals and options for the community to have their say on.
33. On 4 February 2021, an information session is scheduled to work through the consultation document before its adopted on 23 February 2021 ahead of formal consultation, which will take place between 1 March and 7 April 2021.
34. The consultation document will be available in English, Maaori, NZ Sign Language and Chinese Mandarin and will be easily accessible online and in a range of mediums to suit Hamilton’s diverse community.
35. At this stage verbal submissions are scheduled for 19-23 April 2021. Planning is underway for a workshop with the Mayor and Elected Members to consider options for hearing verbal submissions in a form other than formal hearings and guided by a Moderation Policy (yet to be developed).

Final deliberations to determine programmes and budget

36. Final deliberations to determine programmes and budgets are scheduled for 18-21 May 2021 followed by adoption of the LTP and related policies on 24 June 2021.

Financial Considerations - *Whaiwhakaaro Puutea*

37. This is a regular operating activity funded through the current 2018-2028 Long-Term Plan.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

38. Staff confirm that this matter complies with the Council's legal and policy requirements and the requirements of the Local Government Act 2002.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

39. The purpose of local government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the four wellbeings').
40. The information set out in this report is consistent with that purpose.

Risks - *Tuuraru*

41. Due to COVID-19 and the flow-on impacts to the 2020-21 Annual Plan process, the Long-Term Plan timeframes have been compressed. There is also a risk that further impacts of COVID-19 may impact the direction or development of the Long-Term Plan. It is important that key milestones in the LTP development are met to minimise the risk of late adoption of the Long-Term Plan. However, staff and Elected Members may need to adapt timeframes as the plan develops.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

42. Having considered the Significance and Engagement Policy, staff have assessed that the LTP is of high significance as it sets out the direction of Council for the next 10 years.

Engagement

43. Engagement for the LTP is detailed in **Attachment 1** "Shaping our city together" communication and engagement plan.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Long-term plan communication and engagement overview

Attachment 2 - EM information - LTP timeline and process

SHAPING OUR CITY TOGETHER

AN OVERVIEW OF THE COMMUNICATION AND ENGAGEMENT PROGRAMME FOR TE ANAMATA O KIRIKIRIROA (2021 – 31 LONG-TERM PLAN)

Ka hua.
Ka puaawai.
Ko roa.

Dreams are realised when people take ownership for creating, fostering and giving life to the vision.



OUR ENGAGEMENT APPROACH AT HAMILTON CITY COUNCIL

Our goal is to connect the community and the Council. Doing this effectively is dependent on having genuine and authentic two-way conversations with our community. We need to make it easy for Hamiltonians to share their voice in a way that suits them and then use these insights to shape our city together.

The more we engage and understand what is important to Hamiltonians, the more we can focus our effort on the things that make the most difference to improving wellbeing.

OUR TE ANAMATA O KIRIKIROA (LONG-TERM PLAN) COMMUNICATION AND ENGAGEMENT PROGRAMME

June 2019 – July 2021

Council's Te Anamata o Kirikiriroa communication and engagement programme will follow best practice and deliver a Plan that truly reflects the wants and needs of our city. This communication and engagement programme is our chance to capture what is important to Hamiltonians capturing their dreams, aspirations and ideas for our city.

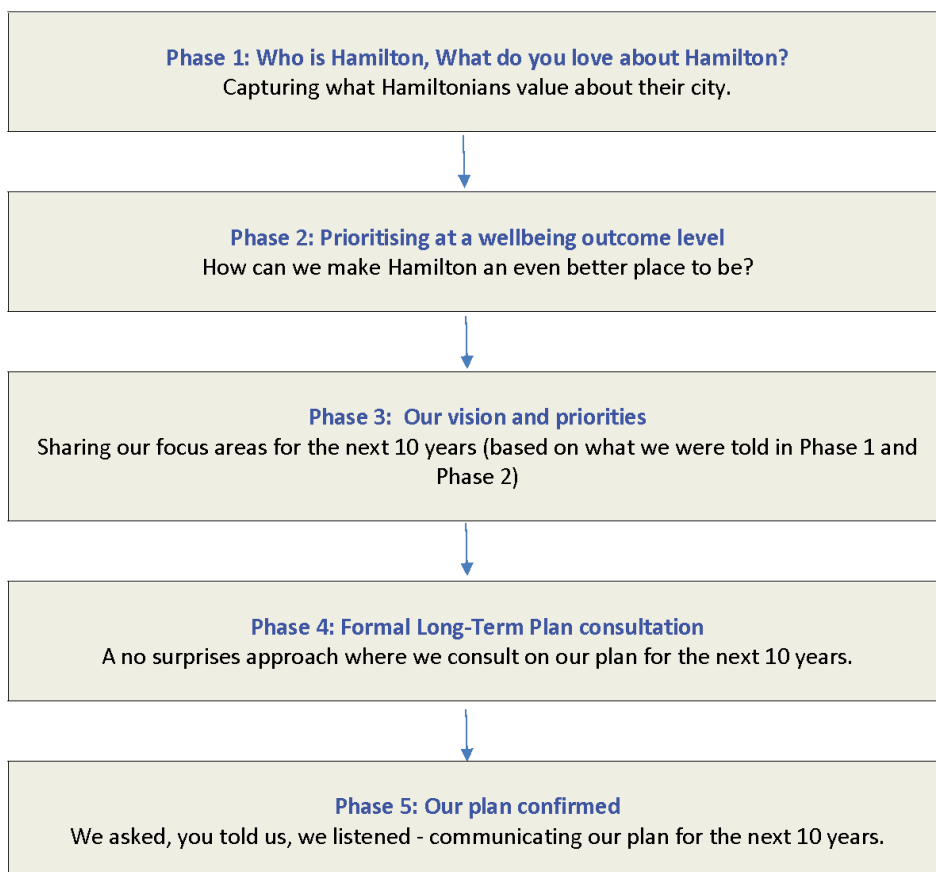
It will be a community-centric plan. Following the 'we asked, you told us, we listened' approach will mean our plan is truly based on what our community want for their city. The final consultation document will be based on research and feedback from the community. If done properly, the projects and issues we end up consulting on should be of no real surprise to our people as we will have taken them on the journey and landed any new issues with them beforehand.

This document provides a high-level overview of our communication and engagement plan our long-term plan. More detail on each phase will be available as separate communication and engagement plans.



COMMUNICATION AND ENGAGEMENT PHASES

The communication and engagement strategy is broken down into five key phases.



LONG-TERM PLAN BRAND

To emphasise that this plan is created by and delivered for our people, Te Anamata o Kirikiriroa Plan brand is based on illustrations captured by our live illustrator at our various Your Neighbourhood events and throughout various campaign stages. The brand will also be supported by feedback from and photos of real Hamiltonians.



PHASE 1: WHAT DO WE LOVE ABOUT HAMILTON

- What makes Hamilton a great place to live?
- What are you most proud of

Purpose: To capture the hearts and minds of the community by asking them what they love about the city and what makes them proud to be a Hamiltonian.

Timeframes: June 2019 – February 2020 (and ongoing)

Overview:

Our first phase of community engagement included:

- Focused conversations using 'pulse' Quality of Life surveys (June and December 2019)
- Capturing feedback via live illustration at our city's Your Neighbourhood events (between September and November 2019)
- An extensive social media campaign through Facebook, LinkedIn and Instagram (December 2019 to January 2020).



We wanted to hear from our community about what makes Hamilton a great place to live and what makes them proud of their city.

What we heard

What our community told us about what makes Hamilton a great place to live:

- More than 75% or more of our people over 25 years think Hamilton is a great place to live. It's a different story for those under 25 years (where just over half (57%) think Hamilton is a great place to live)
- Themes included:
 - Love and recognition of the value of our river, access via river paths, trees and tui
 - Green spaces, trees, walkways and playgrounds create healthy people and options for families
 - Friendliness of people
 - How our city looks, vibrancy and diversity of cafes, arts and sports scene
 - Accessible, affordable transport and shopping options and housing
 - Energy of a growing city.

What our community told us about what makes them proud of Hamilton:

- There was a large group of 'neutral' responses
- Themes included:
 - Our reconnection to the river, 'greenness' of our city, our special places
 - Safe and connected, walkways and cycleways, playgrounds and parks, friendly people, off-leash dog areas
 - Our diverse cultures that make Hamilton home, theatres, concerts and music scene
 - A forward-thinking city, growing tech industry, improving transport links



PHASE 2: Shape your future city

- What do you want for the future of Hamilton?
- How can we make Hamilton an even better place to be?

Purpose: To ask people to choose and prioritise the wellbeing outcomes they want for the city. To get an understanding of what Hamiltonians value, prioritise and what they think would make Hamilton even better.

Timeframes: March - April 2020

Overview: An extensive community engagement campaign began on 9 March this year.

This engagement phase encouraged Hamiltonians to read through our four wellbeing areas (environmental, economic, social and cultural) and share what is important to them, their family and their neighbourhood. To do this, they could select up to three words that best resonated with them for each wellbeing.

The key objectives for this phase were:

- Hamiltonians are excited to think about and share ideas that will make our city an even better place to be.
- Hamiltonians can easily give feedback in a way that suits them.
- We build on city pride by getting Hamiltonians to think big and think bold.
- We encourage conversations amongst the community (not just Council-led).
- We build on existing wellbeing conversations
- We capture ideas and direction that will inform Council strategy and plans.

Using a mix of digital media, community events, facilitated stakeholder sessions etc, this engagement plan was planned to be an opportunity for us as to have genuine conversations with our community about the future of our city.

Unfortunately, COVID-19 interrupted our engagement approach and reduced the possibility of face-to-face events. It soon became clear it wasn't the right time to continue to talk about our future, so the engagement programme was stopped. However, we still received feedback from nearly 900 Hamiltonians and some clear themes became evident.

The insights gained from this engagement is helping to shape our priority areas which are the 'why' for our organisation and will assist with the decision-making process. They will form our guiding strategy and give context to everything that we do.



PHASE 3: Our vision and city priorities

- Our focus areas for the next 10 years

Purpose:

To share our city priorities with our partners and our wider community

Timing: October – November 2020

Overview: Using the feedback we have received from the first two phases, we will present to our community our city priorities for the next 10 years. This will be an information, communication exercise where we tell our story about what the future holds. It will reinforce the positive future that awaits our city and build confidence amongst our partners and community that Council has a clear vision in place.



A collaborative approach in the creation of the Long-Term Plan means our partners are vital in this stage and we want to make sure they hear about our priorities first so they are taken on a journey with us as we move forward into the formal Long-Term Plan adoption process next year. This will be achieved through partner events plus a stakeholder communication programme.

Once our partners have been engaged, we will have the opportunity to tell our story to our city.

What it will look like:

- Video series outlining our priorities
- Continued use of futurehamilton.co.nz to tell our city stories
- A Your Neighbourhood event series
 - Showcase our priorities
 - Showcase 'what we do'
 - Showcase our major and capital projects so our community know what's coming up and how we are investing in getting our city back on track
- Schedule of speaking opportunities with community groups
- Speaker information pack – speaking points, powerpoint presentation, link to video
- Attendance at any city events (For example Homeshow)

At the same (or similar) time, we may also engage the community about specific projects and issues that will inform our Long-Term Plan.



PHASE 4: Long Term Plan consultation

- How we are funding our priority actions
- How we are delivering on our vision

Purpose: To get community feedback on our projects and budget for the next 10-years.

Timing: March – April 2021

Overview: Our long-term plan consultation will be guided by our priorities. For each priority there will be a series of project proposals and options for the community to have their say on.

The formal submission process can be off-putting for some. Our priority is to make it as easy as possible for people to give feedback in a way that suits them. This means providing a variety of ways to capture feedback beyond the traditional channels.

Our consultation document will be available in English, Maaori, NZ Sign Language and Chinese Mandarin and will be easily accessible online and in a range of mediums to suit the needs of our diverse community.

All of this feedback will be collated and presented to elected members to assist in their decision making processes.

Our primary focus will be on digital communication where we will have an engaging online presence that tells our story and makes it easy for people to have their say. We want to use this as a civic education opportunity – so people will be able to know what Council does, how we work and what we are proposing.

Our secondary focus will be on face-face events. During the consultation period, we will hold:

- Local Your Neighbourhood events (small neighbourhood events)
- Key stakeholder partner events
- A variety of community group speaking opportunities

A more extensive communication and engagement plan will be created and presented to Council prior to this phase of consultation starting.



PHASE 5: Long Term Plan communication

- Closing the loop – we asked, you told us, we listened

Purpose: To communicate our confirmed plans for the next 10 years.

Timing: June - August 2021

Overview: This phase will be about communicating what we are doing to deliver on our vision and priorities. We will confirm and communicate what decisions were made, what projects have been confirmed and what the financial implications are.

Details of this will be confirmed at a later stage.

SUPPORTING COMMUNICATION

Alongside all of the phases will be a civic education element. Our community can't have an informed say on our plans for the future if they don't understand us in the first place.

Our consultation document will be supported by a variety of educational resources including:

Videos

- What does Council do overarching video
- Financial videos – how do rates work? What does it cost to run our great river city?
- Now you know – how to make a submission
- Now you know – how decisions get made
- Now you know – how our planning cycle works (annual plans, annual reports, long-term plans)

Digital

We will have an interactive, touch screen digital map that showcases some of our city's major projects. People will be able to search across the city and find out what's happening in their neighbourhood (well their side of the city).

Creation of the website is under way and the transportable touch-screen projector means the map can be set up at various sites (our facilities, Customer Service Centre and at Your Neighbourhood events). It can be set up on walls and on tables where people can tactically engage and interact with the map.

The site will be created for the 2020/21 financial year and updated once the long-term plans have been confirmed in June.



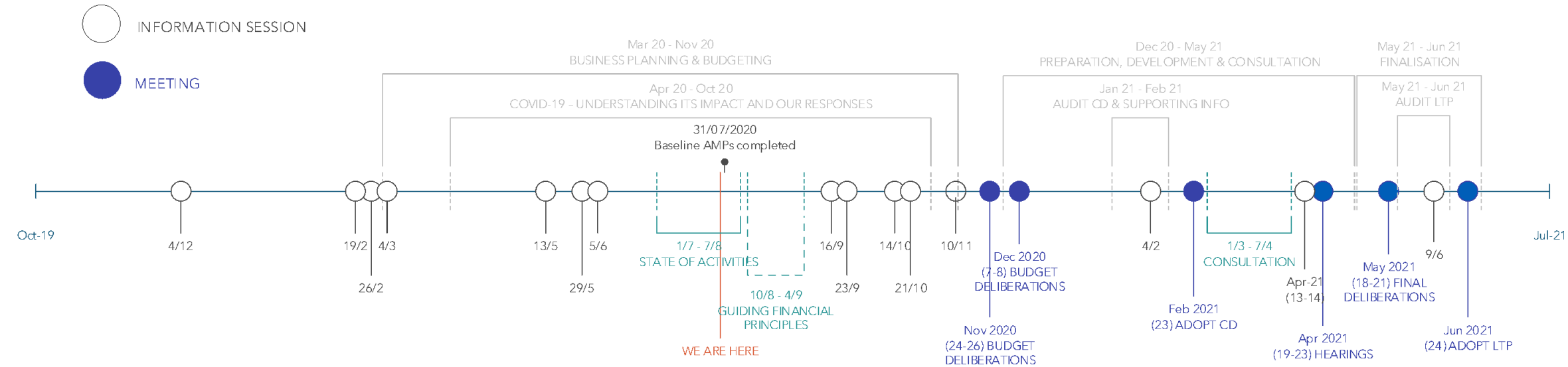
TIMELINE FOR ELECTED MEMBERS

July 2020

PURPOSE: To provide Elected Members (EMs) with an overview of the timeline and process for Te Anamata o Kirikiriroa - Hamilton's 2021-31 Long-Term Plan (LTP).

This document will be updated as additional detail is confirmed. For the most recent version click [here](#).

TIMELINE:



DETAILS:

LEGEND: Information session Meeting Conversation/Community engagement

Date	Topic	Purpose	What it will cover	Direction/decision sought
4 December 2019	Introduction to wellbeing			For information and discussion.
23 Dec 2019-7 Feb 2020	School and Summer Holidays			
19 February 2020	LTP and wellbeing	Introduce LTP and present results of engagement - phase one.	<ul style="list-style-type: none">Overview of LTPResults of first phase of engagement with our community on wellbeing	For information and discussion.
26 February 2020	Shape your future city	Agree proposed approach to "Shape your future city".	Details of proposed approach to second phase of engagement "Shape your future city" including dates, methodology, channels, collateral and utility of the feedback.	Discussion/direction regarding proposed approach.
4 March 2020	Future insights (delivered by Dovetail)	Develop understanding of external influences impacting on Hamilton City's future.	<ul style="list-style-type: none">Results of environmental scan - identification of key future trendsHamilton's biggest challengesOpportunities future trends might presentHow Hamilton can best prepare for the future	For information and discussion.
	Introduction to growth projections	Develop understanding of context for growth projections.	<ul style="list-style-type: none">Work to date on growth projectionsHow growth projections are developedMost critical aspects of growth projectionsOptions for consideration when adopting growth projection lineIssues and concerns regarding growth projections	For information and discussion.
13 Mar-14 Apr 2020	School and Easter Holidays			
13 May 2020	Financial Strategy	Review key elements of current Financial Strategy and 12 guiding financial principles.	<ul style="list-style-type: none">Context settingKey elementsThe budget challengeGuiding principles	For information and discussion. Reaffirm or determine whether any amendments are required to better guide financially prudent decision making in the future.
29 May 2020	Growth principles and baseline growth scenario - Part 1	Develop understanding of context for growth, seek feedback regarding principles and direction regarding baseline growth scenario.	<ul style="list-style-type: none">Context setting and timingsLessons learned since the last Global Financial CrisisDraft growth principles	For discussion, feedback and direction.

D-3390430
Last updated 29 July 2020

TE ANAMATA O KIRIKIRIROA | 2021-31
LTP@hcc.govt.nz | Have a conversation with us [here](#)

			<ul style="list-style-type: none">Current growth assumptionsBaseline growth scenarioRecommended approach and next steps	
	Introduction to state of activities conversations	Introduction to approach for state of activities conversations with staff.	Background and details of proposed approach for engaging in conversation with staff regarding state of activities.	For information only.
5 June 2020	Growth principles and baseline growth scenario - Part 2	Continue conversation from 29 May (Part 1). Agree baseline growth scenario and growth principles.	<ul style="list-style-type: none">Recommended baseline growth scenarioRevised growth principles	Endorsement of baseline growth scenario and growth principles.
1 Jul-7 Aug 2020	State of activities	Engage with staff about the state of activities.	Conversations focus on questions and or key discussion points for each activity identified by staff.	Input and direction sought specific to each activity. The input and direction sought will inform development of Asset Management Plans (AMPs) and budgets.
6-17 July 2020	School Holidays			
10 Aug-4 Sep 2020 (dates tbc)	Guiding financial principles	Review the key elements of our Financial Strategy and 12 guiding financial principles.	Continue conversation from 13 May. Engage further with staff about guiding financial principles.	Direction sought whether to reaffirm or amend each principle.
16 September 2020	Wellbeing conversations	Develop understanding of what our community has told us so far.	<ul style="list-style-type: none">Recap of first conversation with our community.Results of the second conversation with our community 'Shape your future city'	For information only. Informs discussion regarding strategic direction.
	Strategic direction (vision, priorities and outcomes)	Agree our strategic direction.	<ul style="list-style-type: none">Strategic framework (why, why now?)Strategic direction context, content and utility	For discussion and agreement. Informs theme/narrative/look and feel, review of strategies and plans, decision-making.
	Most likely growth scenario	Consolidate conversations and thinking to agree most likely growth scenario.		For discussion and agreement. Informs AMP development, business cases and budgets.
	Introduction to Infrastructure Strategy	Develop understanding of context for the Infrastructure Strategy.		For information only.
	Significance and Engagement Policy	Agree reviewed Policy.	Details of and rationale for proposed changes to the Policy.	For discussion and agreement. Informs Consultation Document, and engagement approach.
23 September 2020	State of activities	Wrap-up conversations and agree where further investigation is required.	Summary of conversations, common themes etc. Proposed topics for further investigation	For discussion, agreement and delegation.
	Levels of service			
	Financial Strategy			
	Decision-making framework	Enable decision-making for budget deliberations		
	Consultation Document and engagement approach			
28 Sep-9 Oct 2020	School Holidays			
14 October 2020	Preparation for budget deliberations			
21 October 2020	Preparation for budget deliberations			
10 November 2020	Preparation for budget deliberations			
24-26 November 2020	Budget deliberations			
7-8 December 2020	Budget deliberations	Two additional meeting days as back-up for further budget deliberations and/or information sessions for Consultation Document and engagement		
	Consultation Document and engagement approach			
21 Dec 2020-9 Feb 2021	School and Summer Holidays			
4 February 2020	Consultation Document and draft LTP			
23 February 2020	Consultation Document and supporting information	Adopt Consultation Document.		
1 Mar-7 Apr 2020	Community consultation	Engage with our community to hear what they have to say.		
2-5 April 2020	Easter Holidays			
13-14 April 2020	Feedback from consultation/preparation for hearings			
	Preparation for final deliberations			
19-30 April 2020	School Holidays			
19-23 April 2020	Hearing of verbal submissions			
18-21 May 2020	Final deliberations			
9 June 2020	Preparation for adoption			
24 June 2020	LTP and Development Contributions Policy	Adopt LTP and DC Policy		

Council Report

Item 9

Committee: Council

Date: 06 August 2020

Author: Becca Brooke

Authoriser: David Bryant

Position: Governance Manager

Position: General Manager Corporate

Report Name: Electoral System Review - 2020

Report Status	Open
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Purpose - *Take*

1. To inform the Council on the outcome of community engagement for the Electoral System Review.
2. To seek a decision from the Council on the Electoral System to be used for the 2022 Triennial Elections and beyond as per legislative requirement under the Local Electoral Act 2001.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council either:
 - a) Approves that there be no change to the electoral system and that **First Past the Post (FPP)** system continue to be used for the 2022 triennial election; and
 - b) Notes that public notice will be given by 19 September 2020 of the decision, and the right of electors to demand a poll on the electoral system to be used by Hamilton for the next two triennial elections (2022 and 2025).

OR

 - a) Approves to change the electoral system to the **Single Transferable Voting (STV)** system for the 2022 and 2025 triennial elections; and
 - b) Notes that public notice will be given by 19 September 2020 of the decision, and the right of electors to demand a poll on the electoral system to be used by Hamilton for the next two triennial elections (2022 and 2025)

OR

 - a) Approves to undertake a standalone poll of electors to determine the electoral system to be used by Hamilton for the 2022 and 2025 triennial elections (poll to be held prior to 21 May 2021).

OR

 - a) Approves to continue with the FPP electoral system and that a poll of electors will be undertaken as part of the 2022 triennial election to determine the electoral system to be used for the 2025 and 2028 triennial elections; and
 - b) Notes that public notice will be given by 19 September 2020 of the decision, and the right of electors to demand a poll on the electoral system to be used by Hamilton for the next two triennial elections (2022 and 2025).

Executive Summary - *Whakaraapopototanga matua*

4. The Local Electoral Act 2001 (LEA) provides for two electoral systems for Councils to use in local elections. The two available systems are First Past the Post (FPP) and Single Transferable Voting (STV).
5. Two years before the next triennial election, each local authority is legislatively required to consider which electoral system it wishes to use for the next triennial election (2022) by 12 September 2020, unless the local authority changed electoral system or held a poll which took effect at the previous triennial election.
6. The LEA enables Councils to choose between two electoral systems as a way to provide 'fair and effective representation for individuals and communities'. Councils are required to be neutral/impartial in how information on electoral systems is conveyed.
7. A change to the electoral system can be initiated either by resolution of the Council or by a poll of electors. A poll can arise from public demand from a minimum of 5% of electors or as a result of a Council resolution.
8. Hamilton City Council has traditionally used the FPP system. STV was introduced as an option for local authorities to use in 2004.
9. The last electoral system review for Hamilton was completed in 2011 with a resulting decision to continue using FPP system (by default) for the 2013 election, and to hold a poll with the 2013 elections to determine the system used for the 2016 and 2019 elections. The outcome of the poll was in favour of the FPP system.
10. For the 2020 Electoral Review, Council has undertaken a city-wide education/engagement campaign to better understand the views of the community on this matter prior to a decision by the Council on the matter.
11. This report will inform Elected Members of the outcome of the electoral system engagement and present available options to the Council as below:
 - continue with FPP;
 - change to STV; or
 - hold a poll on a preferred electoral system (standalone or as part of the 2022 triennial election).
12. Staff consider the matters and decision in this report to have medium significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

13. For the 2019 elections, of the 78 local authorities in NZ, 11 (14%) used STV and 67 (86%) used FPP. Councils that used STV for the 2019 elections were:
 - Kaipara District Council
 - Tauranga City Council (first time in 2019)
 - Ruapehu District Council (first time in 2019)
 - New Plymouth District Council (first time in 2019)
 - Palmerston North District Council
 - Kapiti Coast District Council

- Porirua City Council
 - Wellington City Council
 - Greater Wellington Regional Council
 - Marlborough District Council
 - Dunedin City Council
14. FPP has been used for local authority elections, including Hamilton, for many years. STV was introduced in 2004 as an alternative electoral system option for local authorities.
 15. The last electoral system review for Hamilton was completed in 2011 with a resulting decision to continue using FPP system (by default) for the 2013 election, and to hold a poll with the 2013 elections to determine the system used for the 2016 and 2019 elections.
 16. The result of the electoral system poll held in 2013 was 69.74% of electors in favour of FPP and 30.26% of electors in favour of STV, with the result being binding for the 2016 and 2019 elections.
 17. HCC also undertook a standalone poll of electors on electoral systems in 2006 with the outcome of the poll being 60.53% in favour of FPP and 39.47% in favour of STV, with the result being binding for the 2007 and 2010 elections.

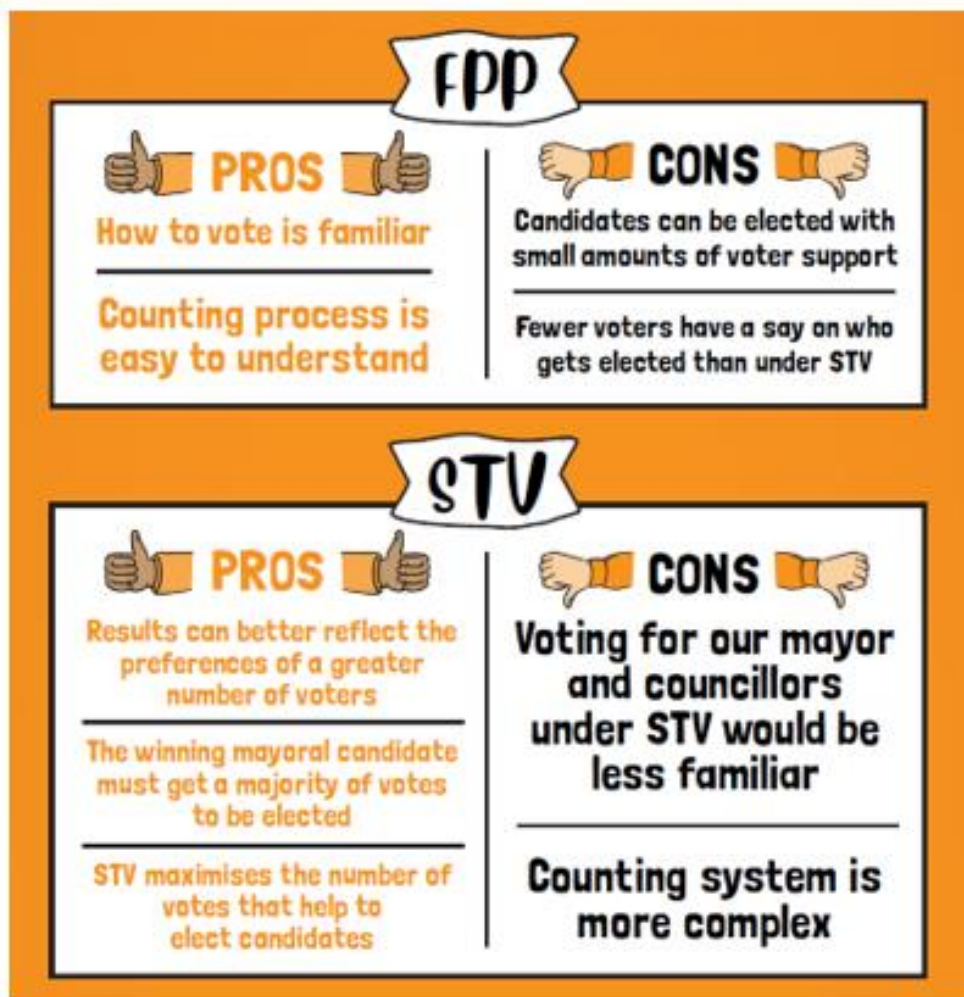
Discussion - *Matapaki*

18. **Electoral Systems**
19. There are two electoral systems available in NZ for Local Government. First Past the Post (FPP) and Single Transferable Voting (STV). Legislation requires that any explanatory information and educational material being provided to the public on this matter to be neutral:
 - 1) **STV**
 - Is a form of preferential or proportional voting where voters use numbers to rank candidates in their order of preference.
 - Voters can rank as few or as many of the candidates as they wish. To cast a valid vote, a voter needs to rank at least one candidate.
 - A quota (determined from the number of valid votes and number of positions) is then used to determine who is elected. First preference votes are then counted and candidates who reach the quota are elected.
 - The surplus votes for elected candidates are then transferred according to voters second preferences.
 - This process then repeats until the required number of candidates are elected.
 - There has been some suggestion that the STV electoral system may negatively impact voter turnout due to it being less familiar, however, evidence suggests that the type of electoral system used in elections has little to no impact on voter turnout.
 - All DHBs must use STV under the NZ Public Health and Disability Act, so most electors will likely already have some experience/familiarity with the STV system (noting DHB elections for Hamilton didn't take place in 2019 due to a commissioner being appointed).
 - If the recent Simpson report on the future of district health boards is adopted by the Government, elections for district health board members may no longer be required.

2) **FPP**

- Is not a proportional voting system, but rather a block voting system where voters tick the names of candidates they wish to vote for.
- A voter can vote for as many candidates as there are positions to be filled.
- The candidates with the most votes get elected to Council.

20. The graphic below outlines the high-level pros and cons of each electoral system.



21. A more comprehensive table outlining the how each of the electoral systems work and the advantages and disadvantages of each system are shown in **attachment 2** of this report.

22. **Engagement Process**

23. The Council ran an engagement campaign from 17 June to 17 July asking Hamiltonians which voting system they want to use for Hamilton City Council elections, and why they prefer that system.
24. The engagement tool was hosted at yourcityelections.co.nz. Hardcopy engagement forms were also available at the Council building and Hamilton City Libraries branches.
25. Before choosing FPP or STV as their preferred system, respondents were required to watch a video (an illustration was provided in hardcopy) which explained how each system works and they were also shown the pros and cons of each system. FAQs were also available which went into more detail.

26. Respondents also had to answer why they preferred their chosen system before their response could be submitted (digital only).
27. These 'barriers' to engagement were put in place intentionally so Council could be reasonably confident that the responses were informed.
28. The engagement material was reviewed and approved by University of Otago politics expert Professor Janine Hayward, Election Services Director and Hamilton City Council Electoral Officer Dale Ofoske, and the Department of Internal Affairs. Elected Members also had the opportunity to provide feedback prior to the campaign going live.
29. The campaign was advertised extensively in print and online newspapers, radio, social media and stakeholder emails to community groups and all schools in Hamilton. Engagement with the campaign was also encouraged by the Community Development Team through its networks.
30. In total, more than 4100 people visited the website. Through Facebook, Instagram, and LinkedIn, the campaign was seen by 173,615 people, and 7205 engaged (i.e. commented, liked, shared or clicked) with its social media posts. On social media, the 'FPP or STV' video was viewed 7018 times. Facebook ranked the campaign above average for its conversion rate and engagement rate.
31. HCC's Electoral System engagement document and FAQs are shown in **attachment 4** of this report.
A link to the STV/FPP video's can be found [here](#)
32. **Engagement outcome**
33. We received 928 submissions (916 online and 12 hardcopies). Of the submissions, 799 people shared their name and/or their contact details and can be considered unique.
34. Respondents spent an average of more than 6 minutes and 30 seconds on the website, suggesting their submission is highly informed by the video, pros and cons, and the FAQs.
35. Overall, 726 respondents (78.1%) prefer STV and 203 (21.9%) prefer FPP. Of the respondents who provided a name and/or contact details, 625 (78.2%) prefer STV and 174 (21.8%) prefer FPP.
36. The main themes for why respondents prefer STV are better representation of public opinion, less wastage of votes, and opportunity for more diversity in the council.
37. The main themes for why respondents prefer FPP are simple majority voting, easy to understand and easier to vote.
38. Further information concerning the analysis of the engagement results are shown in **attachment 3** of this report.
39. **Polls on Electoral Systems**
40. Following a decision on the electoral system being made by the Council, a public notice of the resolution must be made by 19 September 2020 giving electors the right to demand a poll on the matter.
41. The threshold to demand a poll is 5% of electors from the 2019 election (a minimum of 5135 Hamilton electors).
42. Following public notice of a decision, electors have until 21 February 2021 to submit a demand for a poll and if a valid demand is received, the poll must be held by 21 May 2021 – with the outcome effective for the 2022 and 2025 triennial elections.

43. The Council **may** itself choose to resolve to hold a poll on the electoral system before 21 February 2021, but a date for the poll need not be specified. If no date is specified, then the poll must be held as soon as practicable (within 89 days and completed by 21 May 2021) with the outcome effective for the 2022 and 2025 triennial elections.
44. Electors may demand a poll on this matter at any time, and if demand for a poll is received after 21 February 2020, the poll must be held after 21 May 2021 i.e. with the 2022 triennial election. The outcome of a poll held after 21 May 2021 will then only be effective for the 2025 and 2028 triennial elections.
45. The Council may itself also resolve to hold a poll as part of the 2022 election, with the outcome of the poll being effective for the 2025 and 2028 elections (such as what was resolved for the 2011 electoral system review).
46. If a resolution was made to hold a poll after 21 May 2021 (i.e. as part of the 2022 election), then public notice of electors right to demand a standalone poll would still be required by 19 September 2020. If a valid demand for a poll was received by the public before 21 February 2021, this would pre-empt any Council resolution to hold a poll as part of the 2022 election.
47. The estimated cost of a standalone poll is \$185,000 + GST and the estimated cost of a poll conducted as part of the 2022 elections is \$35,000 + GST. There would likely be other costs associated with holding a poll i.e. promotional and education components (*outlined in Financial Considerations below*).
48. If the public demand a poll, or the Council resolve to hold a poll, the results of the poll are binding for the following two elections (2022 and 2025 if the poll is conducted by 21 May 2021 or 2025 and 2028 if the poll is held after 21 May 2021).
49. There are obvious financial advantages in conducting a poll in conjunction with the next triennial elections, but the disadvantage is that if the decision on the electoral system was to change as a result of a poll, this could only be implemented from 2025 onwards (rather than from the 2022 election as would be the case if a standalone poll was held early next year).
50. **Attachment 1** of this report outlines the timeframes relating to electoral systems polls.

Options

51. The Council may resolve to stay with the same system (FPP), change to the STV system and/or hold a stand alone poll or a poll as part of the next triennial elections. If an electoral system is decided by poll, the outcome of the poll determines the electoral system that must be used for the following two triennial elections.
52. If the electoral system changes as a result of a council resolution, the new electoral system takes effect for the next two triennial elections, however, that decision can be reversed after the subsequent first election by a resolution of Council or poll of electors. If the outcome of a Council resolution is to retain the current electoral system, then this will only be in effect for the following election, meaning a further decision will be required in the next triennium.
53. The FPP and STV electoral systems both have advantages and disadvantages as outlined in **attachment 2** of this report.

54. The below table sets out the various options for the Council in detail:

Option	Description	Key Dates
1.	Resolution to retain FFP <ul style="list-style-type: none"> Council resolution not to conduct a poll and to retain current system (FFP). No electors' right to demand a poll received. 	Polling date: As soon as practicable (within 89 days and completed by 21 May 2021). Binding to elections: If the outcome of a Council resolution is to retain the current electoral system, then the LEA stipulates this can only be in effect for the following election (2022), meaning a further decision will be required in the next triennium.
2.	Resolution to change to STV <ul style="list-style-type: none"> Council resolution not to conduct a poll and to change to different system (STV). No electors' right to demand a poll received. 	Polling date: As soon as practicable (within 89 days and completed by 21 May 2021). Binding to elections: The new system takes effect for the next two triennial elections (2022 and 2025); however, Council's decision can be reversed after the subsequent first election by: <ul style="list-style-type: none"> resolution of the new Council; or poll of electors.
3.	Standalone Poll by Council resolution Council resolution (with or without specifying a polling date) to conduct an electoral system poll for the next triennium election.	Polling date: As soon as practicable (within 89 days and completed by 21 May 2021). Binding to elections: 2022 and 2025
4.	Election Day Poll by Council resolution Council resolution to continue using FFP for the 2022 elections and conduct an electoral system poll on the next triennium election's voting day to determine outcome for the 2025 and 2028 elections. <i>(This is effectively what was resolved for the 2011 electoral system review)</i>	Polling date: Date of the 2022 triennial election. <i>Note: public notice of electors' right to demand a standalone poll would be required by 19 September 2020. If a valid demand was received before 21 February 2021, this would void any Council resolution to hold a poll as part of the 2022 election.</i> Binding to elections: 2025 and 2028

56. **Regardless of a decision being made on options 1,2 and 4 above, the Council may still be required to hold a standalone poll as a result of receiving a valid demand from electors.**
57. The advantage of holding a poll would be that it would provide a clear outcome of the community's wishes.
58. The disadvantage or risks of undertaking a poll is that:
 - the costs to undertake a poll are currently unbudgeted; and
 - voters may not be fully informed of the advantages and disadvantages of the two electoral systems prior to exercising their vote in a poll. The engagement campaign aimed to address this issue by requiring participants to watch a video on the two systems prior to submitting their views.

Financial Considerations - *Whaiwhakaaro Puutea*

59. **Electoral system poll costs**
60. The estimated cost of conducting a poll are:
 - **Standalone poll:** \$185,000 + GST, excluding potential associated costs such as promotional and education components.
 - **Poll conducted as part of the 2022 elections:** \$35,000 + GST, excluding potential associated costs such as promotional and education components.
61. Additional costs for other components of holding a poll such as promotional material, are estimated to be approximately \$20,000 for a standalone poll, or \$10,000 for a poll held as part of the 2022 election.
62. Costs for a poll and associated components are currently unbudgeted.
63. There are financial advantages in conducting a poll in conjunction with the next triennial elections, but the disadvantage is that if the decision on the voting system was to change as a result of a poll, this could only be implemented from 2025 onwards (rather than from the 2022 election, as would be the case if a standalone poll was held early next year).
64. **Election costs associated to a change in the electoral system**
65. Cost variances between conducting an election via FPP or STV have reduced over time. There is no cost difference in printing voting documents, however there may be a small difference (mostly in labour costs) for counting STV votes. This is because generally more candidates are ranked than there are vacancies, therefore more preferences need to be captured and counted with STV as compared to FPP.
66. The total cost for Council's Election contractor to conduct the 2019 elections for Hamilton was \$503,113 + GST (354,621 + GST after Waikato Regional Council cost recovery). Additional costs for education and promotional material, events etc are not included in this amount.
67. **Education cost associated to a change in the electoral system**
68. If the electoral system was changed to STV, it would be advisable to carry out a communications and education campaign to explain the change closer to first election being held with the new system. As Council has already produced educational material, and because most electors are already familiar with the STV system due to it being used for the DHB elections, the main costs associated with this would be for promoting and communicating the change – estimated to be around \$10,000.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

69. Staff confirm that this matter complies with the Council's legal and policy requirements. Legislative responsibilities regarding electoral system reviews are set out in the LEA.
70. The purpose of the LEA recognises that the law governing the conduct of local elections and polls needs to provide sufficient flexibility to readily accommodate new technologies and processes. The legislation also outlines some rules around matters (such as timing of elections, representation reviews) and aims to allow individual councils and communities to select their preferred electoral system.
71. The principles of the LEA include fair and effective representation for individuals and communities. The decision on an electoral system should consider how that system enables fair and effective representation to occur.
72. The LEA provides that Council "may" resolve that the next two triennial elections will be held using a specified electoral system other than that used for the previous triennial general election (that is, the legislation is permissive rather than directive). If no decision was made in accordance with the requirements of the LEA, then the current system (FPP) would continue to be used for the next election.
73. If the Council resolves to change the electoral system ahead of the next triennial election, it must so by 12 September 2020 and publicly notify the electors of their right to demand a poll on the electoral system by 19 September 2020.
74. Should the Council make a decision on this matter **after** the deadline of 12 September 2020, there would be a risk of challenge by way of judicial review on the ground of error of law. If the Council gave public notice of the right to demand a poll **after** 19 September 2020, then there would be a risk of challenge by way of judicial review on the ground of error of law on the basis that inadequate public notice was given, prejudicing voters' rights. Staff therefore recommend that the timeframes are adhered to in any decision and subsequent public notice.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

75. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
76. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
77. Elected representatives make decisions in relation to social, economic, environmental and cultural wellbeings on behalf of the communities they represent, for the term they are elected.
78. A large number of the community will be affected by a decision on the electoral system as the community (via triennial elections) decide who makes decisions on their behalf through a specified electoral system.
79. The principles of the LEA seek fair and effective representation for individuals and communities, and enable councils to choose between two electoral systems as a mechanism to respond to this.
80. The decision on electoral systems should therefore consider how that system enables fair and effective representation for individuals and communities to occur.
81. The recommendations set out in this report are consistent with that purpose.

Risks - *Tuuraru*

82. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

83. A large number of the community will be affected by a decision on the electoral system as the community (via triennial elections) decide who makes decisions on their behalf through a specified electoral system.
84. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a medium level of significance.

Engagement

85. Community views and preferences have been sought through a city wide education and engagement campaign and have been set out in this report. The outcome of this engagement campaign is covered in **attachment 3** of this report.
86. The Council may choose to further engage with the community on this matter by resolving to hold poll of electors.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Electoral System Review Timetable

Attachment 2 - Local Government Electoral Options - SOLGM

Attachment 3 - Electoral System Engagement Outcome - 2020

Attachment 4 - HCC FPP or STV Engagement Document and FAQs

2020/2021 Electoral System Review Timetable

By 12 September 2020*	A local authority MAY resolve to change the electoral system (from the system it used at the 2019 election) for the next two triennial elections.	Section 27 of Local Electoral Act 2001 (LEA)
By 19 September 2020*	A local authority MUST give public notice that electors may at any time demand that a poll be held on the future electoral system to be used by the local authority for the next two triennial elections, and if a poll outcome is to apply to the next triennial election, a demand for a poll must be received by 21 February 2021. If a resolution has been made by the local authority by 12 September 2020, this must be included in the notice.	Section 28 of LEA
By 21 February 2021*	IF demand for a poll that a specified electoral system be used for the next two triennial elections is received by 21 February 2021, a poll must be held by 21 May 2021.	Sections 29 and 30 of the LEA
By 21 February 2021*	A local authority MAY also resolve to undertake a poll of electors that a specified electoral system be used for the next two elections.	Section 31 of the LEA
By May 2021*	If successful demand for a poll has been received by 21 February 2021, or a resolution for a poll has been made by a local authority by 21 February 2021 (that a specified electoral system be used for the next two triennial elections), then a poll MUST be held within 89 days of notification.	Section 19ZF of LEA

* may be earlier than but not later than



PART 4 – APPENDIX THE LOCAL GOVERNMENT ELECTORAL OPTION 2014

CODE OF GOOD PRACTICE
FOR THE MANAGEMENT OF LOCAL AUTHORITY ELECTIONS AND POLLS 2016

This guide was prepared for the Department of Internal Affairs, the Society of Local Government Managers Electoral Working Party and Local Government New Zealand by Associate Professor Janine Hayward, Department of Politics/Te Tari Tōrangapū, University of Otago

Acknowledgements

Associate Professor Hayward acknowledges the input received on earlier versions of this guide from Gavin Beattie, Department of Internal Affairs.
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INTRODUCTION

The *Local Electoral Act 2001* offers the choice between two electoral systems for local government elections: first past the post (FPP) and the single transferable vote (STV).

Councils now have the option to decide, by 12 September 2014, whether to stay with their current electoral system (either FPP or STV), or whether to change to the alternative system for the 2016 elections.

Whether or not a council passes a resolution by 12 September 2014, it must give public notice by 19 September of the right for 5% of electors to demand a poll on the electoral system to be used at the 2016 local elections. Note that in certain cases the requirement to give public notice does not apply.

The option was first offered for the 2004 local government elections. As a result of that option, ten city/district councils used STV at the 2004 elections (Kaipara, Papakura, Matamata-Piako, Thames-Coromandel, Kapiti Coast, Porirua, Wellington, Marlborough, Dunedin and the Chatham Islands). After the 2004 election, two councils (Papakura and Matamata-Piako) resolved to change back to FPP. The remaining eight councils used STV at the 2007 elections. For the 2010 council elections the Chatham Islands Council and Thames-Coromandel District Council resolved to change back to FPP. Waitakere City Council resolved to change to STV, although the council was subsequently absorbed into the Auckland Council. Therefore six councils used STV in 2010 (Kaipara, Kapiti Coast, Porirua, Wellington, Marlborough, Dunedin). For the 2013 elections, five of these councils used STV again (Kaipara was governed by a commission so no election was held), and Palmerston North City Council resolved to change to STV. Wellington Regional Council also became the first regional council to change to STV.

The *New Zealand Public Health and Disability Act 2000* provides that elections of district health boards must be conducted using STV.

This guide has been developed to help councils and communities reach their decision. It is also intended to provide a basis for information to help councils and their communities understand the choice. Communities have an important role to play in the decision. They must be consulted by way of public notice and may be polled on their preferred electoral system or demand a poll themselves.

The guide includes:

1. a brief description of the two electoral systems including important differences
2. some commonly identified advantages and disadvantages of each electoral system
3. responses to common concerns and questions councils and the public have raised about each electoral system and the electoral option.

This guide does not intend to influence councils or communities either way in their decision-making. It presents evidence for and against both systems and encourages councils and communities to make an informed choice.

1. THE CHOICE: FIRST PAST THE POST (FPP) OR THE SINGLE TRANSFERABLE VOTE (STV)

(a) How do the two electoral systems work?

FPP	STV
<p>FPP: casting a vote You place ticks equal to the number of vacancies next to the candidate(s) you wish to vote for.</p> <p>In multi-member wards/constituencies you cast one vote for each vacancy to be filled, as above.</p> <p>In single-member wards/constituencies you cast one vote.</p> <p>FPP: counting votes The candidate(s) with the most votes win(s). Each winning candidate is unlikely to have a majority of votes, just the largest number of votes cast.</p>	<p>STV: casting a vote You cast one <i>single</i> vote regardless of the number of vacancies. You cast this <i>single</i> vote by consecutively “ranking” your preferred candidates beginning with your most preferred candidate (‘1’) your next preferred candidate (‘2’) and so on.</p> <p>In multi-member wards/ constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish, as above.</p> <p>In single-member wards/constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish.</p> <p>STV: counting votes The candidate(s) are elected by reaching the “quota” (the number of votes required to be elected).¹ Vote counting is carried out by computer.² First preference votes (‘1s’) are counted. Candidates who reach the quota are “elected”. The “surplus” votes for elected candidates are transferred according to voters’ second preferences. Candidates who reach the quota by including second preferences are “elected”. This process repeats until the required number of candidates is elected.³</p>

¹ The quota is calculated using the total number of valid votes cast and the number of vacancies.

² The New Zealand method of STV uses the Meek method of counting votes. Because this method transfers proportions of votes between candidates, it requires a computer program (the STV calculator).

³ If at any point there are no surpluses left to transfer, the candidate with the lowest number of votes is excluded and the votes redistributed according to voters next preferences. For further information on the details of vote counting, see, for example, STV Taskforce, Choosing Electoral Systems in Local Government in New Zealand: A Resource Document, (May 2002).

FPP	STV
<p>FPP: announcing results FPP results can usually be announced soon after voting ends.</p> <p>Results are announced and published showing the total votes received by each candidate.</p>	<p>In multi-member constituencies, despite voters casting only a <i>single</i> vote, a voter may influence the election of more than one representative (if their vote can be transferred to other candidates according to voters' preferences)</p> <p>STV: announcing results Because all votes must be processed before counting can begin, it may take longer than for FPP preliminary results.</p> <p>Official results are announced and published showing elected candidates in the order they reached the quota and unsuccessful candidates in the reverse order they were excluded. All elected candidates will have the same share of the vote.</p>

(b) What is the difference between the two electoral systems?

FPP is a 'plurality' electoral system; this means that to get elected a candidate must win the most votes, but not a majority of the votes. In multi-member constituencies, like local government elections, voters cast multiple votes. This means that one voter can help to elect multiple candidates to represent him/her, and another voter may not elect any candidate to represent him/her. As a plurality system, many votes can be 'wasted' in FPP elections; 'wasted' votes do not help to elect a candidate. FPP is often described as a simple system for voters to use, but it is widely recognised as producing disproportional results; that is results that do not reflect the preferences of the broad community of voters.

STV is a 'proportional' electoral system; this means that to get elected a candidate must win a proportion of the overall votes cast (or 'meet the quota'). In multi-member constituencies like local government elections, a voter casts a single vote by ranking his/her preferred candidates. That single vote can transfer according to the voter's preferences to ensure that the voter has a good chance of helping to elect one candidate to represent the voter. As a proportional system, STV minimises 'wasted' votes; in other words more votes help to elect candidates. STV is often described as a complex system for voters to use, but it is widely recognised to produce proportional results that reflect the preferences of the broad community of voters.

2. WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF EACH SYSTEM?

No electoral system is perfect, and different people will have different views on what is 'fair'. Both FPP and STV have advantages and disadvantages.

Overall, the advantages of STV relate to the people who get elected using STV.⁴ The system potentially achieves:

- broad proportionality (in multi-member wards/constituencies)
- majority outcomes in single-member elections
- more equitable minority representation
- a reduction in the number of wasted votes.

The disadvantages of STV relate to:

- the public being less familiar with the system and possibly finding it harder to understand
- matters of process such as the way votes are cast and counted (for example perceived complexity may discourage some voters)
- the information conveyed in election results.

The advantages of FPP, on the other hand, relate to the simplicity of the process including the ways votes are cast, counted and announced.

The disadvantages of FPP relate to:

- disproportional election results, including the generally 'less representative' nature of FPP councils
- the obstacles to minority candidate election
- the number of wasted votes.

Deciding which electoral system is best for your community may come down to deciding which is more important: process, or outcome. Unfortunately, neither electoral system can claim to achieve well in both.

⁴ For further discussion, see Graham Bush, 'STV and local body elections – a mission probable?' in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand's Local Government*, pp 45–64 (Wellington: Victoria University Press, 2002).

More detailed advantages and disadvantages

FPP	STV
<p>FPP: casting votes FPP is a straightforward system of voting. FPP is familiar to most people.</p> <p>“Tactical” voting is possible; votes can be used with a view to preventing a candidate from winning in certain circumstances.</p> <p>FPP: counting votes FPP is a straightforward system for counting votes. Votes can be counted in different locations and then aggregated. Election results are usually announced soon after voting ends.</p> <p>FPP: election results Official results show exactly how many people voted for which candidates.</p> <p>Results are easy to understand.</p> <p>A ‘block’ of like-minded voters can determine the election of multiple candidates in multi-member wards/ constituencies, without having a majority of the votes, thereby ‘over-representing’ themselves.</p> <p>The overall election results will not be proportional to voters’ wishes, and will not reflect the electoral wishes of the <i>majority</i> of voters, only the <i>largest group</i> of voters who may not be the majority.</p> <p>In single-member elections, the winner is unlikely to have the majority of votes, just the largest group of votes.</p> <p>There will be more “wasted” votes (votes that do not contribute to the election of a candidate).</p>	<p>STV: casting votes STV is a less straightforward system of voting. There is a need for more information for people to understand the STV ranking system of candidates.</p> <p>It is virtually impossible to cast a “tactical” vote under STV. As a result, voters are encouraged to express their true preferences.</p> <p>STV: counting votes STV vote counting requires a computer program (the STV calculator). Votes must be aggregated first and then counted in one location. Election results will usually take a little longer to produce.</p> <p>STV: election results Official results will identify which candidates have been elected and which have not and in which order. They do not show how many votes candidates got overall, as all successful candidates will have the same proportion of the vote (the quota). This information, at stages of the count, can still be requested. Results can be easy to understand if presented appropriately.</p> <p>STV moderates ‘block’ voting as each voter casts only one <i>single</i> vote, even in multi-member wards/ constituencies.</p> <p>The overall election results reflect the wishes of the majority of voters in proportion to their support for a variety of candidates.</p> <p>In single-member wards/constituencies, the winner will have the majority of votes (preferences).</p> <p>Every vote is as effective as possible (depending on the number of preferences indicated) meaning there are fewer “wasted” votes and more votes will contribute to the election of a candidate than under FPP.</p>

3. COMMON QUESTIONS AND CONCERNS

FPP ain't broke: so why fix it?

For those voters supporting candidates who tend to get elected under FPP, it can appear that there is nothing wrong with this system. But FPP elections produce disproportional results that do not reflect the voting preferences of the broad community. As a result, FPP councils often do not 'represent' their community in terms of their composition. STV is a proportional representation voting system that means (if a diversity of candidates stand for election and a diversity of electors vote) the candidates elected will represent a greater number, and a wider diversity, of voters.

FPP is easy to understand. I can't trust a complicated system like STV.

It is often said that FPP is easy and STV is complex. A post-election survey has found, however, that most people have found it easy to fill in the STV voting document and rank their preferred candidates.⁵ The way STV votes are counted is complicated. That is why it requires a computer program (STV calculator). The STV calculator has been independently certified and voters can trust that it only transfers a vote according to a voter's preferences ranked on his/her voting documents. Nothing (and no person) can influence the transfer of votes set out on voting documents.

Won't voters be put off if the voting system is too complicated?

Voter turnout (the number of people voting) in STV local body elections has been mixed. Some councils' turnout was higher than the national average, and some lower.⁶ Turnout for District Health Board (DHB) elections (which must use STV) can be seen to be influenced by a range of factors including elections being at large for seven vacancies, the number of candidates (who are often less well-known than council candidates) and the fact this issue is usually at the end of the voting document.

Overall, voter turnout has been on the decline for many years. It is possible that more voters would turn out to local elections in the future if they feel with STV they have a better chance of electing a representative who better represents them than FPP has in the past.

Won't there be more blank and informal votes under STV, which is not good for democracy?

Despite voters saying in the Local Government Commission survey that they generally found STV an easy way to vote, some voters did cast an informal vote in STV elections (including DHB elections). A small proportion of these voters seemed confused by the voting system. But most blank and informal votes are thought to be due to two different voting systems (FPP and STV) appearing on the same voting document and to other factors, rather than being due to the way STV votes are cast.⁷

⁵ Local Government Commission, 'Report to the Minister of Local Government on the review of the local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), p 14

⁶ Local Government Commission, 'Report to the Minister of Local Government on the review of the local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), p 14

⁷ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 13–18

STV will not work for our council because of our ward/at large system.

There is no 'rule' about the need or otherwise for wards or constituencies, but STV can be seen to provide the greatest benefit in wards or constituencies electing between three and nine candidates. If there are fewer than three candidates, the benefits of the transferable vote in terms of proportionality are not likely to be evident. If there is a very large number of candidates to choose from, voters are likely to find it a more difficult task to rank preferred candidates (though there is no need to rank all candidates).

STV hasn't made any difference to the diversity of representation in STV councils

Until a greater variety of people stand for local body election and a wide diversity of people vote, no representation system will be able to improve the diversity of representatives elected. There has been some change in the gender, ethnicity and age of some members elected by STV.⁸ But it will take some time for a diversity of candidates to see the opportunities of standing in an STV election and more voters to see the potential benefits of voting under a proportional representation system.

USEFUL RESOURCES

Graham Bush, "STV and local body elections – a mission probable?" in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand's Local Government*, pp 45--64 (Wellington: Victoria University Press, 2002).

Christine Cheyne and Margie Comrie, "Empowerment or Encumbrance? Exercising the STV Options for Local Authority Elections in New Zealand", *Local Government Studies*, Vol. 31, No. 2, 185-204, (April 2005).

Justice and Electoral Committee, "Inquiry into the 2004 local authority elections" reported to Parliament in August 2005.

Local Government Commission, "Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation" (February 2008)
(Note: this paper has now been withdrawn from the Commission's website but its contents may be found in the Commission's main report on its review of the above legislation which is available on its website at www.lgc.govt.nz)

STV Taskforce (The Department of Internal Affairs, Ministry of Health, SOLGM, Electoral Commission and Local Government New Zealand), "Choosing Electoral Systems in Local Government in New Zealand: A Resource Document", (May 2002).
[[http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/\\$file/STV.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/$file/STV.pdf)]

Jack Vowles, 'STV and the 2004 local elections: Disaster or success?', Public Sector, 28(3), 2005: 17

⁸ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 18–19





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ELECTORAL SYSTEM REVIEW: SUBMISSIONS ANALYSIS REPORT

REPORT PREPARED BY: PREETA CHITRE
JULY 2020

REVIEWED BY: DAN SILVERTON
JULY 2020

Engagement

The engagement campaign ran from 17 June to 17 July and asked Hamiltonians about which voting system they want to use for Hamilton City Council elections, and why they prefer that system.

Before choosing FPP or STV as their preferred system, respondents were required to watch a video (an illustration was provided in hardcopy) which explained how each system works and they were also shown the pros and cons of each system.

Respondents also had to answer why they preferred their chosen system before their response could be submitted (digital only).

These 'barriers' to engagement were put in place intentionally so the responses were informed and to provide Council with the reasons why a system was preferred.

The engagement tool was hosted at yourcityelections.co.nz, the same website used to promote standing and voting in the 2019 Hamilton City Council elections.

Hardcopy engagement forms were also available at the Council building and Hamilton City Libraries branches.

The engagement material was reviewed and approved by University of Otago politics expert Professor Janine Hayward, Election Services Director and Hamilton City Council Electoral Officer Dale Ofoske, and the Department of Internal Affairs. Elected Members also had the opportunity to provide feedback prior to the campaign going live.

Far North District Council (FNDC) also engaged with its community about which voting system it prefers from 6 July to 21 July. FNDC used the FAQs produced by Hamilton City Council in its campaign and an FNDC Community Board member [suggested watching Hamilton City Council's video to make sense of FPP and STV](#).

The campaign was promoted via:

- Waikato Times (17 June and 1 July, read by 45,000 people a day)
- Hamilton Press (17 June, 24 June, 1 July and 8 July, delivered to 54,600 households)
- Waikato Weekly Chinese Newspaper (18 June, 3 July, 3000 copies distributed in Hamilton)
- The Breeze (17 June to 1 July, listened to by 14% of Hamilton residents)
- Mai FM (17 June to 1 July)
- ZM (17 June to 1 July, listened to by 24% of Hamilton residents)
- The Edge (3 July to 17 July, listened to by 23% of Hamilton residents)
- Stuff.co.nz (17 June to 1 July, ready by 74% of Hamiltonians)
- The Hamilton App (3 July to 17 July)
- Spotify (17 June to 1 July)
- Posters in Council facilities (17 June to 17 July)
- EDM newsletter sent to all schools in Hamilton
- EDM newsletter sent to more than 230 community organisations
- Council's social media channels (Facebook, Instagram, LinkedIn)

In total, more than 4100 people visited the website. Through Facebook, Instagram, and LinkedIn, the campaign was seen by 173,615 people, and 7205 engaged (i.e. commented, liked, shared or clicked) with its social media posts. On social media, the 'FPP or STV' video was viewed 7018 times. The social media campaign ranked above average for its conversion rate and engagement rate. Ads on Spotify were trialled for the first time to target a youth audience. The ads reached 10,822 people, with 47% aged 18-24.

Attachment 3

Throughout the campaign, we could analyse who was and wasn't responding based on the area they live, their age and their ethnicity. If groups of people were identified as under-represented, steps were taken to address this. For example, Maaori made up just 4% of respondents after the first week. The Community Development Team then worked with its partners and networks to increase engagement with the campaign. Maaori made up more than 10% of respondents in week two and finished at 6% overall. To increase engagement with age groups and suburbs that were under-represented, these were targeted through Facebook.

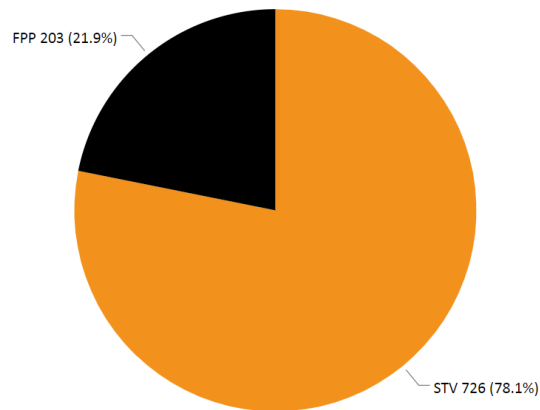
We received 928 submissions (916 online and 12 hardcopies). 799 people shared their name and/or their contact details. Respondents spent an average more than 6 minutes and 30 seconds on the site, suggesting their submission is highly informed by the video, pros and cons, and the FAQs.

From the social media responses (on Facebook), we had a total of 148 comments which include replies to comments. Of these, 66 comments and replies were relevant to what was asked. Themes from these responses are analysed and shown below as word clouds in the relevant sections.

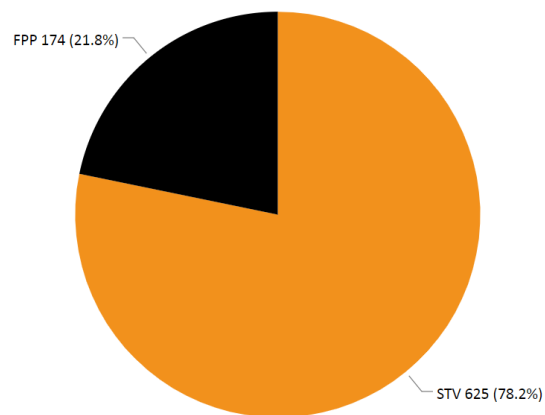
Item 9

People's choice

From all submissions



From those submissions where name/contact details were shared



Item 9

Attachment 3

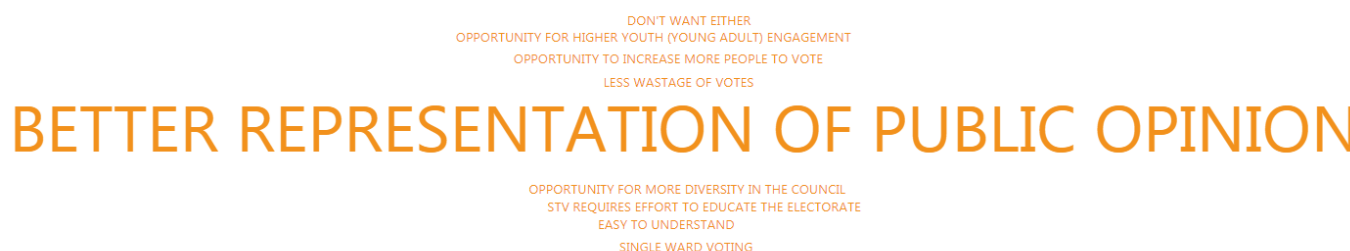
Single Transferable Vote (STV)

Submissions through yourcityelections.co.nz

726 (78%) of the respondents chose STV.

The key themes that came through people's responses on why they choose STV are shown in the table and word cloud below.

Why STV?	No. of responses	% of responses
Better representation of public opinion	634	87.3%
Less wastage of votes	102	14.0%
Opportunity for more diversity in the council	53	7.3%
STV requires effort to educate the electorate	16	2.2%
Opportunity to increase more people to vote	8	1.1%
Easy to understand	7	1.0%
Opportunity for higher youth (young adult) engagement	2	0.3%
Single ward voting	2	0.3%
Don't want either	1	0.1%



Examples of some verbatim comments from our submitters:

"As stated, the results better reflect the preferences of a greater number of voters. The complexity of counting the votes is not my responsibility, so is not a major concern of mine. I understand that my preferences are captured more fairly and that is what matters to me."

"STV makes a lot more sense for democracy and gives a more accurate result for election"

"Less wasted votes, outcome is more proportionately representative and minorities are more likely to be represented. Even though the counting system is more complex for officials, the voting system of ranking candidates is still straightforward."

"It seems a fairer system, even if a bit more complex"

"STV is a much more representative system and gives candidates more chance if they have more general support, but not necessarily everyone's first choice. Each candidate would have to work hard to improve their profile and get into everyone's "top 6" positions. I think STV is a truly proportional voting system and would result in a much more diverse elected body. It does take more effort to educate the electorate to understand this system, but I think it is worth introducing for local body elections and then work on changing the general election system also."

"I chose STV as I believe it results in a fairer outcome through giving more power to each vote"

"I chose STV because it is more democratic (I don't see the problem with more democracy) and the cons isn't a big deal compared to cons. The flag referendum and the DHB elections already use STV so it's less unfamiliar than you would think"

Social media responses

46 of the 66 (70%) comments or replies to comments supported STV. Themes from these are analysed and shown below in the word cloud.



Examples of some verbatim comments from those on Facebook:

"The cons are oh no - something new! STV is the far superior system - ranked voting is the best way to get diverse opinions, diverse representation and increased voter turnout!"

"Absolutely, the best and fairest voting system. And no, New Zealanders are not too stupid to understand how it works."

"First past the post is terrible. It's honestly horrifying that anyone is still considering this outdated a redundant voting system. FPP results in vastly less representation for the people of an electorate."

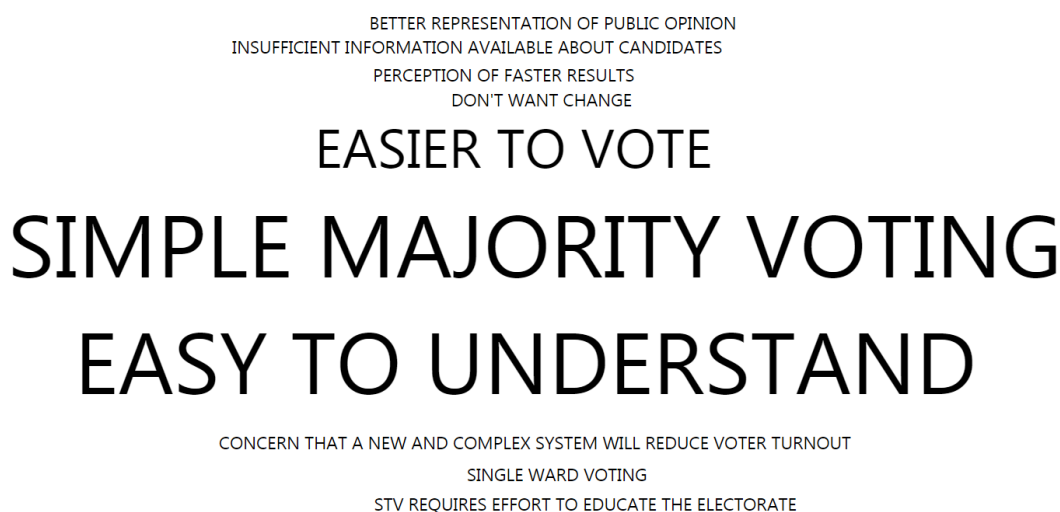
First Past the Post (FPP)

Submissions through yourcityelections.co.nz

202 (22%) of the respondents chose FPP.

The key themes that came through people's responses on why they choose FPP are shown in the table and word cloud below.

Why FPP?	No. of responses	% of responses
Simple majority voting	92	45.5%
Easy to understand	91	45.0%
Easier to vote	59	29.2%
Don't want change	18	8.9%
Perception of faster results	10	5.0%
Concern that a new and complex system will reduce voter turnout	8	4.0%
Insufficient information available about candidates	6	3.0%
Single ward voting	4	2.0%
Better representation of public opinion	3	1.5%
STV requires effort to educate the electorate	1	0.5%



Examples of some verbatim comments from our submitters:

"Easier process to understand and clear winner first off"

"I chose FPP because it's less complicated and the person with the most votes wins"

"Local body elections have a very limited number of voters already and adding any complexity to it will discourage the limited pool. Most people don't know the policies the candidates stand for anyway so STV will make it even more difficult."

"why change things"

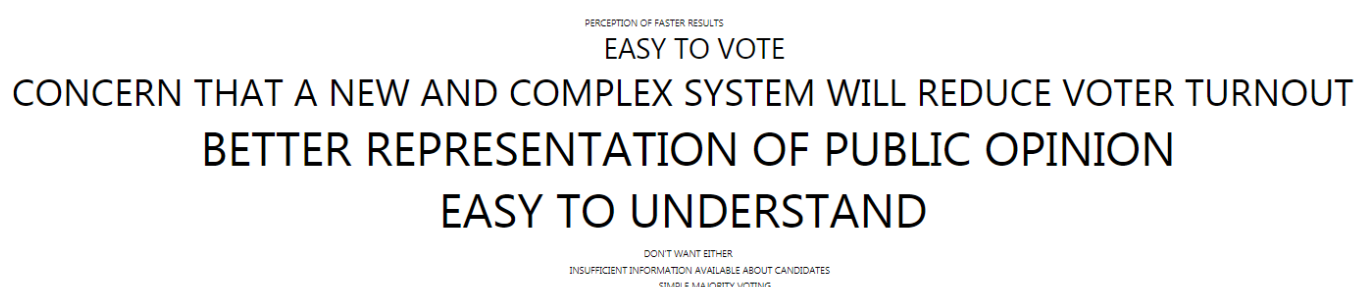
"STV has proven more costly even in Parliament. I don't think the votes are shared out equally even though the excesses transferred to someone else I don't really think it's a fair way of voting"

"Because it has worked well previously its simple to do and count."

"I strongly prefer FPP. This system is much simpler and discourages marginal, unknown and/or non-serious candidates being elected simply because they are less controversial. I believe all candidates who are elected should have previously built a public profile with a record of service."

Social media responses

20 of the 66 (30%) comments or replies to comments supported FPP. Themes from these are analysed and shown below in the word cloud.



Examples of some verbatim comments from those on Facebook:

"Forget STV for local government elections. Hard enough to pick a good candidate, let alone trying to put a number order for multiple candidates. They used it for health boards and what a mess that made."

"FFP is the sensible way to elect councillors. STV is far too complicated and open to results being confused."

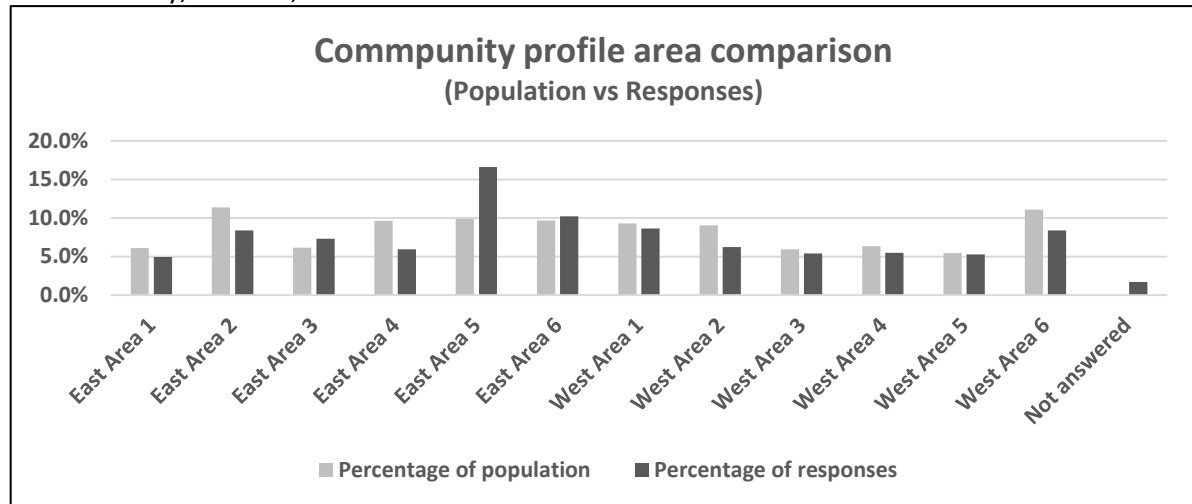
"Keep it as simple as possible. How many people really know (or bother to take the time to find out) enough about candidates to rate them fairly? The preference order would likely be random after number one or two."

Demographics

Respondents vs Hamilton City Profile- Location

We had a high representation from the following areas: Claudelands, Hamilton East, Peachgrove, Chartwell, Chedworth, Harrowfield, Queenwood, Hillcrest, Ruakura, Riverlea, Silverdale.

We had a low representation from all the other areas in Hamilton, with the most significant being from Enderley, Fairfield, Fairview Downs.



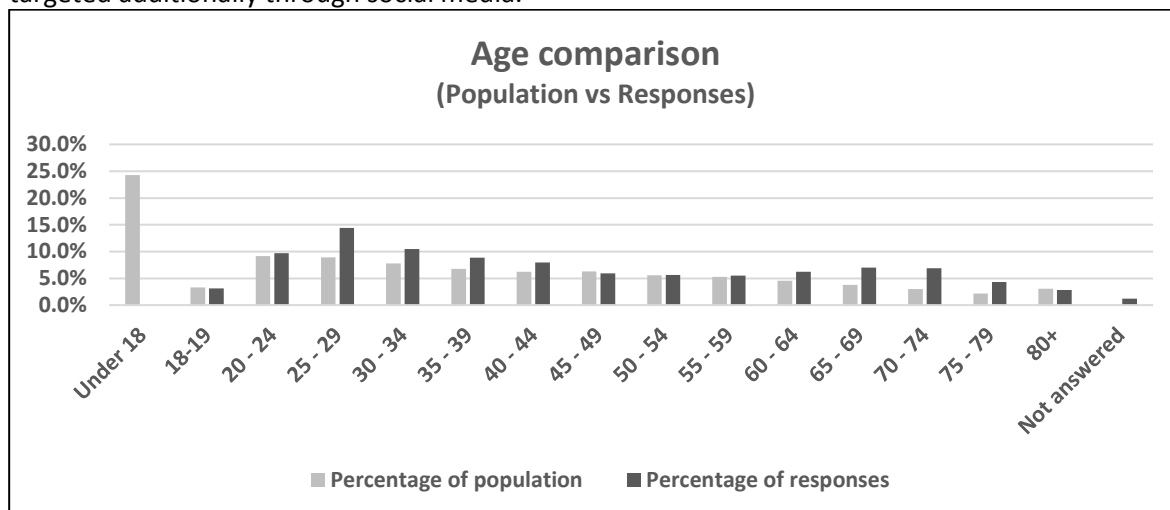
Community Profile Area	List of suburbs
East Area 1	Flagstaff
East Area 2	Callum Brae, Huntington, Rototuna, Rototuna North
East Area 3	Chartwell, Chedworth, Harrowfield, Queenwood
East Area 4	Enderley, Fairfield, Fairview Downs
East Area 5	Claudelands, Hamilton East, Peachgrove
East Area 6	Hillcrest, Ruakura, Riverlea, Silverdale
West Area 1	Avalon, Beerescourt, Forest Lake, Northgate, Pukete, St Andrews, Te Rapa
West Area 2	Crawshaw, Grandview Heights, Nawton, Rotokauri, Western Heights
West Area 3	Aberdeen, Dinsdale, Temple view
West Area 4	Frankton, Maeroa, Swarbrick
West Area 5	Hamilton Central, Hamilton Lake, Hospital, Whitiora
West Area 6	Bader, Deanwell, Fitzroy, Glenview, Melville, Peacocke

Respondents vs Hamilton City Profile- Age group

We had a low representation from under 18 year olds. This was expected.

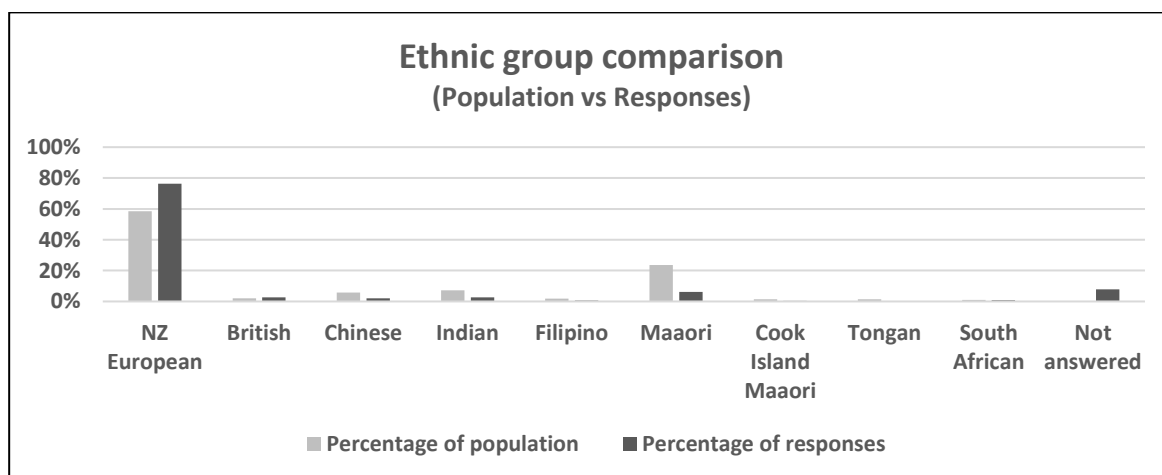
We had a high representation from 20-44 year olds and 60-79 year olds. The others were fairly well represented w.r.t the population of the city.

In response to the low engagement based on age and community of place, these groups were targeted additionally through social media.



Respondents vs Hamilton City Profile- Ethnic group

We had a low representation from the Maaori, Chinese, Indian, Filipino, Cook Island Maaori, Tongan and South African ethnic groups. The low engagement with these groups was identified during the campaign. In response, additional advertising was booked in the Waikato Weekly Chinese Newspaper, the Community Development Team leveraged their relationships with Council's Maaori and ethnic group partners, and a video was filmed starring a member of our Maaori community.





FPP or STV

WHAT'S YOUR CHOICE?



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

FPP OR STV, WHAT'S YOUR CHOICE?

FPP OR STV WHAT'S YOUR CHOICE?

Hamilton City Council is looking at what system we'll use to vote in the next local government elections.

We can stick with the system we use now to vote for our mayor and councillors, which is called First Past the Post (FPP).

Or we can switch to the Single Transferable Vote (STV) system.

To help us decide which system to go with, we want to know which one you think is best.

Read more about how each system works and tell us what system you want Hamilton to use next time we vote for our city's leaders.

How to have your say?

- at yourcityelections.co.nz
- by filling out the feedback form on page 5 and sending it to us at:

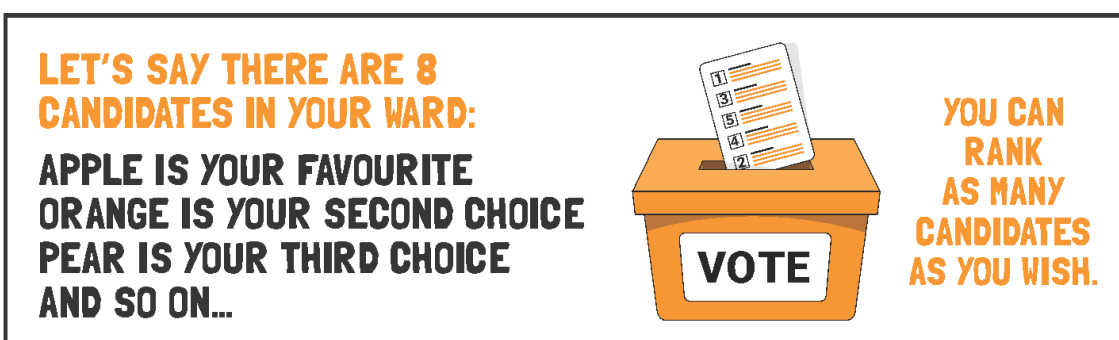
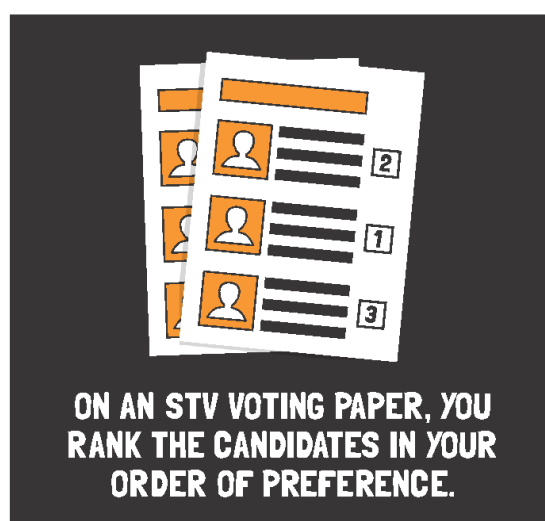
Hamilton City Council
FPP or STV

Freepost 172189
Private Bag 3010
Hamilton 3240

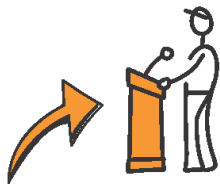
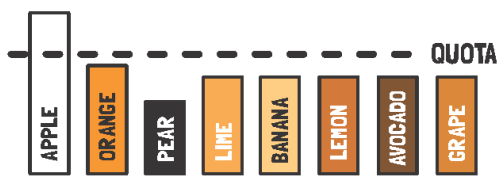


Find out more about the timeline by reading our FAQs on page 6 and 7

HERE'S HOW YOU VOTE FOR OUR COUNCILLORS UNDER STV AND FPP



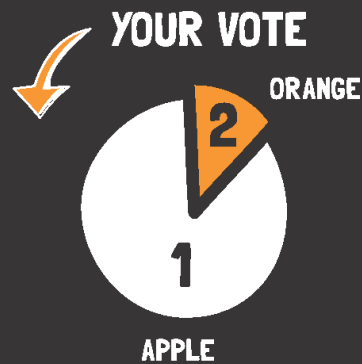
**TO BE ELECTED,
CANDIDATES MUST REACH
A SET AMOUNT OF VOTES,
CALLED THE QUOTA.**



APPLE IS ELECTED

**NOW, STAGE TWO – THIS IS WHERE
THINGS GET INTERESTING. WITH STV
YOUR VOTE CAN BE SHARED BASED
ON YOUR CHOICES.**

**BECAUSE APPLE HAS RECEIVED MORE
VOTES THAN THE QUOTA, PART OF
YOUR VOTE GOES TO YOUR SECOND
CHOICE – ORANGE.**



QUOTA

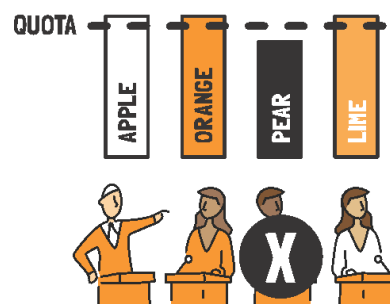


**AND HELPS
ORANGE GET
ELECTED.**

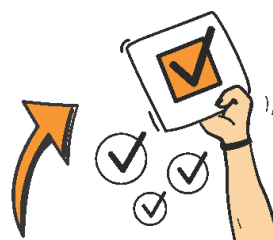
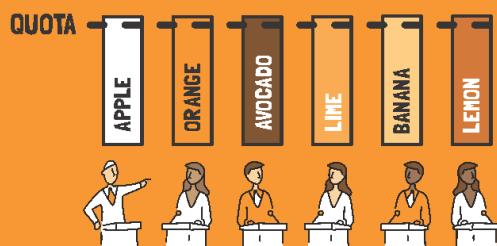
**STAGE 3. THERE ARE STILL SEATS TO
FILL, SO THE CANDIDATE WITH THE
FEWEST VOTES IS ELIMINATED.**

IN THIS CASE, IT'S PEAR.

**VOTES GET SHARED AT THIS STAGE TOO.
IF YOU HAD GIVEN PEAR A 1, YOUR VOTE
WOULD GO TO YOUR SECOND CHOICE.**



**THIS HAPPENS UNTIL
SIX CANDIDATES PASS
THE QUOTA.**

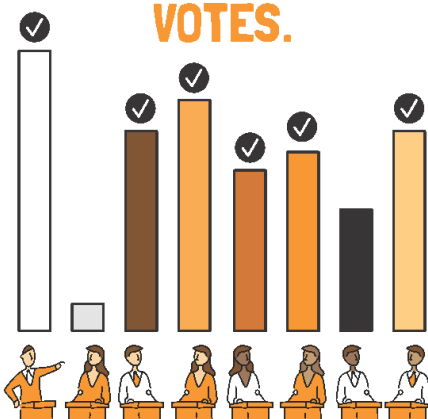


**NOW LET'S LOOK
AT HOW YOU VOTE FOR
OUR COUNCILLORS
UNDER FPP.**

**IN AN FPP ELECTION, YOU
GIVE ONE TICK TO EACH OF
THE CANDIDATES YOU WANT
TO VOTE FOR.**



**THE WINNERS ARE
THE CANDIDATES WHO
RECEIVE THE MOST
VOTES.**

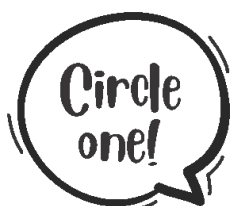


**SO, HAMILTON, WHAT
WILL IT BE?
FPP OR STV?**

FPP OR STV, WHAT'S YOUR CHOICE?

ABOUT FPP AND STV

FPP		STV	
PROS		PROS	
HOW TO VOTE IS FAMILIAR	COUNTING PROCESS IS EASY TO UNDERSTAND	RESULTS CAN BETTER REFLECT THE PREFERENCES OF A GREATER NUMBER OF VOTERS	THE WINNING MAYORAL CANDIDATE MUST GET A MAJORITY OF VOTES TO BE ELECTED
CONS		CONS	
CANDIDATES CAN BE ELECTED WITH SMALL AMOUNTS OF VOTER SUPPORT	FEWER VOTERS HAVE A SAY ON WHO GETS ELECTED THAN UNDER STV	VOTING FOR OUR MAYOR AND COUNCILLORS UNDER STV WOULD BE LESS FAMILIAR	COUNTING SYSTEM IS MORE COMPLEX



I rank **STV**
number one!

I give **FPP**
the tick!

Or still not sure? Check out our FAQs on pages 6 and 7

WIN!

Tell us why you prefer FPP or STV and a little bit about yourself, and you'll go into the draw to win one of three \$100 Prezzy cards.

Why I chose FPP/STV:

.....

Ran out of room? Feel free to attach additional pages.

Name (just your first name is fine):

Email/Phone number:

My suburb is:

Or I live outside of Hamilton at: My age is:

I identify as (please circle all that apply):

NZ European Maaori Indian Chinese Samoan British Filipino

Tongan Cook Island Maaori South African Other:

FREQUENTLY ASKED QUESTIONS

Why are we being asked about FPP and STV?

By September 2020, Hamilton City Council needs to decide which voting type we'll use in the next local government election. We're asking which voting type you think is best, so our Mayor and Councillors know the views of the community before making their decision.

Is the Council's decision on whether to use FPP or STV final?

Not necessarily. Voters have the right to demand a poll on which voting system our city should use. The demand for a poll must have the support of 5% of voters from the 2019 election (5135 voters) by 21 February 2021. If valid demand for a poll is received, the poll will be held before 21 May 2021 and the outcome (FPP or STV) will be binding for the 2022 and 2025 Hamilton elections. If there is no demand for a poll, then Council's decision will apply for the 2022 elections.

What voting systems do other councils in New Zealand use?

In the 2019 local government elections, 11 councils used STV:

Dunedin City Council, Kaipara District Council, Kapiti Coast District Council, Marlborough District Council, New Plymouth District Council (1st time), Porirua City Council, Ruapehu District Council (1st time), Tauranga City Council (1st time), Wellington City Council, Greater Wellington Regional Council, Palmerston North City Council.

The other 67 local authorities used FPP. All District Health Board elections must use STV.

How do I vote under FPP?

In an FPP election, you give a tick for the candidates you want to vote for. Voters get a vote for each of the positions to be filled. In Hamilton, you vote for the mayor and six councillors for the ward you live in. So, you give one vote to the candidate you want to be mayor and up to six votes to the candidates you want to be councillors.

How are results decided under FPP?

In the single-member election for mayor, the candidate with the most votes is the winner. For the multi-member election for councillors, the six highest-polling candidates in each ward are elected.

What are the advantages of FPP?

As Hamilton has always used FPP to vote for the city's mayor and councillors, it would be a familiar system for voters to continue using. The counting process is easy to understand and the results easily show how many people voted for each candidate.

What are the disadvantages of FPP?

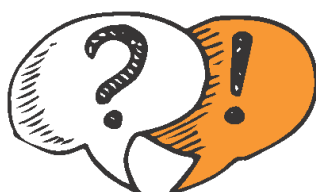
Under FPP, a mayor and/or councillors can be elected with small amounts of voter support. To be elected mayor, a candidate only needs to get more votes than the next highest-polling candidate. This can mean that more voters didn't vote for the winning candidate than did vote for them. And votes for a candidate that aren't needed for them to be elected can be seen as 'wasted'.

What does it mean that votes can be 'wasted' under FPP?

Research on electoral systems labels any vote that does not help to elect a candidate as 'wasted'. This is different to the typical meaning of something being a waste. For example, the votes for candidates who are not elected are described as 'wasted'. Likewise, the surplus votes a candidate receives, over and above the number they need to be elected, are also said to be 'wasted'. The FPP voting system produces more of this type of 'wasted' vote than STV.

What are the ways a vote might become invalid in an FPP election?

If you tick more candidates than the number of vacant positions e.g. if you tick more than one candidate for mayor. Or if you vote using numbers, as in an STV election.



How do I vote under STV?

In an STV election, you have one vote and rank the candidates in order of preference. Give a 1 to your favourite candidate, 2 to your second choice and so on. You can rank as many candidates as you like. By ranking the candidates, parts of your vote may be shared according to your preferences. If the candidate you most want to win gets more votes than they need to be elected, because a lot of other people voted for them too, part of your vote may be transferred to your next choice. The same thing happens if your top choice is really unpopular and doesn't get enough votes to be elected – your vote for them will be transferred to your next preference until all seats are filled.

How are votes counted under STV?

The votes are counted in stages. All first preference votes are counted first. To be elected, candidates must reach what's called the quota – this is based on the total number of valid votes and the number of vacant positions. When a candidate reaches the quota and is elected, a portion of the surplus votes go to their voters' second choices. If no other candidates reach the quota and there are seats still to be filled, the candidate with the fewest votes is eliminated and their first preferences go to voters' second choices. These steps are repeated until all of the positions are filled. If voters didn't give second or more preferences, those votes are called non-transferable and the quota is recalculated.

All of the vote counting is done by computer using specialist software. The Department of Internal Affairs developed the program (called the STV calculator). It has been independently audited and certified, as required by law.

What are the advantages of STV?

Under STV, the election results are more likely to reflect the preferences of a greater number of voters. Because voters' second, third, and other preferences are taken into account, the results are a more accurate indication of the total support each candidate has. As STV maximises the number of votes that help to elect candidates, there is also a higher probability of more voters being represented by someone they voted for. Some Hamilton voters will have used STV to vote for District Health Board members before, so there is some knowledge and familiarity about how it works.

What are the disadvantages of STV?

Voting for our mayor and councillors under STV would be less familiar. The counting system is more complex.

Is the same process used to count the mayoral votes as the one used for councillors?

Yes, it's the same process. But the quota the winning mayoral candidate needs to reach is an absolute majority – more than 50% of the votes.

Are there any 'wasted' votes under STV?

Under STV there are still some 'wasted' votes, but the system is designed to minimise these. If a popular candidate does not need all the votes he or she receives, a share is transferred to their voters' next preferences. On the other hand, if a candidate doesn't receive enough votes to be elected, their votes can be transferred to their voters' next preferences.

Do voters have to rank everyone?

No. You can rank as many or as few candidates as you wish, so your vote is still valid even if you only rank some candidates.

What are the ways a vote might become invalid in an STV election?

If you don't rank anyone at all with a "1". Or if you rank more than one person with a "1". Or if you vote using ticks, as in an FPP election.

If you muck up the later numbers – like ranking two candidates with "3"s – your vote won't be able to transfer after the 2nd preference to help other candidates, but your earlier preferences (1st and 2nd) will still count.

Is voter turnout higher under FPP or STV elections?

It's difficult to say if the voting system used affects voter turnout, as a number of variables impact participation e.g. the appeal of candidates, interest in council issues, perceptions of previous elected members.



For more info visit
yourcityelections.co.nz

SHARE YOUR VOICE. SHAPE YOUR CITY.

**YOU CAN DROP YOUR SUBMISSION FORM OFF TO OUR
COUNCIL OFFICE, LIBRARIES OR POST TO:**



17 June to 17 July 2020

Contact us

Hamilton City Council
260 Anglesea St, Hamilton

Email: haveyoursay@hcc.govt.nz
Phone: +64 7 838 6699

Monday to Friday 7.45am to 5pm | Call centre open 24/7

yourcityelections.co.nz



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Council Report

Item 10

Committee: Council

Date: 06 August 2020

Author: Becca Brooke

Authoriser: David Bryant

Position: Governance Manager

Position: General Manager Corporate

Report Name: 2020 LGNZ Remits for Consideration

Report Status	Open
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Purpose - *Take*

1. To seek approval for those remits Council wishes to support at the 2020 Local Government New Zealand (LGNZ) Annual General Meeting (AGM) to be held in Wellington on Friday, 21 August 2020.

Staff Recommendation – *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) approves the following remits to be **supported/not supported** by Council's presiding delegate at the 2020 Local Government NZ AGM:
 1. Public transport support
 2. Housing affordability
 3. Returning GST on rates for councils to spend on infrastructure
 4. Natural hazards and climate change adaptation
 5. Annual regional balance of transfers
 6. Local Government electoral cycle
 7. Water bottling
 8. Quorum when attending local authority meetings
 9. Use of macrons by local authorities
 10. Rates rebates for low income property owners
 11. Local Government's CO2 emissions

Executive Summary – *Whakaraapopototanga matua*

3. Member authorities of LGNZ (member councils) have been asked to consider 11 remits submitted from zones, sector groups, or member authorities ahead of the 2020 LGNZ AGM.
4. If supported at the AGM by the majority of member councils present, remits will be officially actioned by LGNZ.

5. Representation at the AGM and the voting entitlement of each member council is determined by their LGNZ subscription levels. Hamilton City Council's appointed representatives at the AGM are determined by the Mayor.
6. Mayor Southgate is the Council's presiding delegate and will vote on behalf of Hamilton City Council in accordance with the resolutions made by the Council at this meeting.
7. Crs van Oosten and Naidoo-Rauf have been registered as delegates.
8. The list of 2020 remits for consideration below were received by the Chief Executive and the Mayor on 21 June 2020 and are detailed in Attachment 1 of this report.
9. The LGNZ Remit Policy can be found [here](#).
10. In 2019 a total of 24 remits were voted on at the LGNZ AGM with 21 remits being made official. More information on the 2019 LGNZ remits can be found [here](#).
11. Staff consider the matters in this report to have a low level of significance and that the recommendations comply with the Council's legal requirements.

Discussion - *Matapaki*

12. Summary of 2020 Remits for Consideration:

1. Public Transport

That LGNZ:

- Acknowledges the Government for its recognition during COVID-19 of public transport as an essential service;
- Acknowledges the strong financial support provided by the Government through Waka Kotahi NZTA during the COVID-19 Alert Levels, that enabled councils to continue to provide public transport for people providing essential services and transport for the public to receive essential services up to 30 June 2020;
- Recognises that councils will continue to be under significant financial pressure to maintain the viability of public transport under current FAR rate settings for many months during the recovery phase from COVID-19; and
- Calls on the Government to work with councils to maintain the financial viability of public transport during the recovery phase of COVID-19.

2. Housing affordability

That LGNZ:

- Calls on the Government to introduce legislation that would fully enable councils to address housing affordability in their communities through a range of value uplift and capture tools, one such tool being 'inclusionary zoning';
- Seeks to establish a working group on affordable housing, comprising of relevant/affected councils, central government (MHUD, Kāinga Ora, MSD), iwi, and the community housing sector; and
- Advocates to central government for an affordable housing National Policy Statement to be developed.

3. Returning GST on rates for councils to spend on infrastructure

That LGNZ request that the Government use the appropriate mechanisms to enable the 15 per cent Goods and Services Tax (GST) charged on rates be returned to councils to spend on local or regional infrastructure projects.

4. Natural hazards and climate change adaptation

That LGNZ request central government undertakes, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand's coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand which would cover: the roles and responsibilities of territorial authorities, regional councils and central government; greater direction on an integrated approach; and development of principles for "who pays".

5. Annual regional balance of transfers

That LGNZ work with Treasury, Statistics New Zealand and other government agencies to develop an annual regional balance of transfers to show how much each region contributes in taxes and how much each region receives in government funding.

6. Local Government electoral cycle

That LGNZ request the local government electoral cycle be extended from three to four years.

7. Water bottling

That LGNZ works with the Government to:

- Place a moratorium on applications to take and/or use water for water bottling or bulk export;
- Require and enable regional councils to review inactive water bottling consents, with a view to withdrawal of the consent and discourage consent 'banking';
- Undertake an holistic assessment of the potential effects of the current industry, its future growth and the legislative settings that enable Councils to effectively manage those effects; and
- Initiate a comprehensive nationwide discussion on the issue of water bottling and implement any changes to legislation and policy settings as required.

8. Quorum when attending local authority meetings

That LGNZ requests central government amend legislation to enable elected or appointed members, connecting remotely to a public council meeting, be included in the quorum. This would provide an option for local authority meetings to be held completely remotely, if required.

9. Use of macrons by local authorities

That LGNZ work with central government to put in place a simplified process for the addition of macrons to council names if requested by that council or its community.

10. Rates rebates for low income property owner

That LGNZ request the Government lift the level of rates rebates available for low and fixed income property owners – with yearly increases taking into account the cost for inputs into local government services.

11. Local Government's CO2 emissions

That LGNZ request the Government implement an independent scheme, based on the United Kingdom model operated by the Department of Business, Energy and Industrial Strategy, to measure and report on carbon emissions at a district level.

Financial Considerations – *Whaiwhakaaro Puutea*

13. There are no financial or budget impacts related to the decisions required in this report.

Legal and Policy Considerations – *Whaiwhakaaro-aa-ture*

14. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.
15. Staff confirm that the recommendations in this report comply with the LGNZ Remit Policy which can be found [here](#).

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

16. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
17. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
18. The recommendations set out in this report are consistent with that purpose.

Risks - *Tuuraru*

19. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*
Significance

20. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

Engagement

21. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments

Attachment 1 - 2020 LGNZ AGM Remit Proposals

Who's
putting local
issues on
the national
agenda?

**We are.
LGNZ.**
Te Kāhui Kaunihera o Aotearoa.

2020 Annual General Meeting

Remits

Item 10

Attachment 1

1

Public transport support

Remit:

That LGNZ:

- Acknowledges the Government for its recognition during COVID-19 of public transport as an essential service;
- Acknowledges the strong financial support provided by the Government through Waka Kotahi NZTA during the COVID-19 Alert Levels, that enabled councils to continue to provide public transport for people providing essential services and transport for the public to receive essential services up to 30 June 2020;
- Recognises that councils will continue to be under significant financial pressure to maintain the viability of public transport under current FAR rate settings for many months during the recovery phase from COVID-19; and
- Calls on the Government to work with councils to maintain the financial viability of public transport during the recovery phase of COVID-19.

Proposed by:

Greater Wellington Regional Council

Supported by:

LGNZ Regional Sector

Background information and research

1. Nature of the issue

The Remit is important as an acknowledgement to the Government from the Local Government sector for the strong support for public transport during the response to the COVID-19 pandemic emergency, and to reinforce the need for ongoing support during recovery from COVID-19 to ensure the financial viability of public transport in councils across New Zealand.

The Remit meets the tests for acceptance of a proposed Remit to the LGNZ AGM in that it addresses a major strategic “issue of the moment”, and it has a national focus articulating a major interest and concern at the national political level.

2. Background to its being raised

This Remit gives deserved acknowledgement to the Government for its strong support of public transport during the response phase to the COVID-19 pandemic emergency. We know from experience in China that recovery of patronage on public transport has been slow following the passing of the worst of COVID-19. The recovery phase from COVID-19 in New Zealand may take many months, and even years, based on current projections.

The Government through Waka Kotahi NZ Transport Agency (NZTA) required and funded the delivery of public transport (as an essential service) throughout the Alert Levels.

NZTA has also funded:

- The shortfall in revenue for bus, ferry and train operations;
- The additional costs that resulted from COVID-19 such as cleaning, stickers and advertising collateral; and
- The Total Mobility Service receiving a full subsidy for a taxi service up to \$80 /trip until the end of June.

As at 11 June, we do not know what financial support will be available from the Government through NZTA for public transport beyond financial year 2020/2021. This Remit is calling for the Government to continue to work in partnership with councils to ensure the ongoing viability of public transport in the regions, cities, towns and communities across New Zealand.

3. New or confirming existing policy

This issue is not currently covered by existing LGNZ policy.

It is new policy, in so far as it relates to COVID-19 and the associated ongoing financial viability of public transport. One possible tool could be an increase in the appropriate Financial Assistance Rate (FAR) during the Recovery Phase from COVID-19.

4. How the issue relates to objectives in the current Work Programme

The issue directly relates to Issue “1. Infrastructure and Funding” of LGNZ’s “The six big issues for New Zealand councils, Our work, Our policy priorities”:

<https://www.lgnz.co.nz/our-work/ourpolicy-priorities/the-six-big-issues/>

This also indirectly relates to LGNZ’s social priorities, as it is vital that public transport continues to be available to those in our communities who rely on it.

5. What work or action on the issue has been done and what was the outcome

Because of the speed by which the pandemic has become an issue, no work has been undertaken on this issue by either LGNZ or the proposer. Current government support has primarily been concerned with the need to sustain public transport through the immediate response or emergency phase. This Remit is concerned with the sustainability of public transport during the recovery and rebuild phase's post-COVID-19.

6. Any existing relevant legislation, policy or practice

- Land Transport Management Act 2003 , no 118 (as at 22 October 2019):
<http://www.legislation.govt.nz/act/public/2003/0118/77.0/DLM226230.html>
- Draft Government Policy Statement on Land Transport, 2021/22 – 30/31 including Outcome “Inclusive Access” (which includes “access to work, education and healthcare”), and Outcome “Resilience and security” (which includes “recovering effectively from disruptive events”):
<https://www.transport.govt.nz/multimodal/keystrategiesandplans/gpsonlandtransportfunding/gps-2021/>
- National Action Plan 3 “Unite Against COVID-19”, as of 23 April 2020, National Crisis Management Centre:
<https://uniteforrecovery.govt.nz/assets/resources/legislation-and-key-documents/COVID19-National-Action-Plan-3-as-of-22-April-extended.pdf>

7. Outcome of any prior discussion at a Zone or Sector meeting

Zone and Sector Meetings have not been held during COVID-19 Alert Levels.

8. Suggested course of action envisaged

That the President of LGNZ write to the Minister of Transport and the Minister of Local Government, to convey the Remit and seek a meeting with the Ministers to discuss a joint work programme between the Government and councils (through LGNZ) on policy to maintain the financial viability of public transport during the recovery phase of COVID-19.

2

Housing affordability

Remit:	<p><i>That Local Government New Zealand (LGNZ):</i></p> <ul style="list-style-type: none"> <i>Calls on the Government to introduce legislation that would fully enable councils to address housing affordability in their communities through a range of value uplift and capture tools, one such tool being 'inclusionary zoning';</i> <i>Seeks to establish a working group on affordable housing, comprising of relevant/affected councils, central government (MHUD, Kāinga Ora, MSD), iwi, and the community housing sector; and</i> <i>Advocates to central government for an affordable housing National Policy Statement to be developed.</i>
Proposed by:	Hamilton City Council and Christchurch City Council
Supported by:	Tauranga City Council; Tasman District Council; Waipa District Council; South Waikato District Council; and Waitomo District Council

Background information and research

1. Nature of the issue

Many towns and cities in New Zealand are grappling with how to provide more affordable housing – dwellings that are affordable to buy or rent for households on low to median incomes with secure tenure.

A more joined-up response is necessary. This remit therefore calls for:

- A working group on affordable housing be established, comprising of relevant/affected councils, LGNZ, central government (MHUD, Kāinga Ora, MSD), iwi and the community housing sector; and
- LGNZ to advocate to central government for an affordable housing National Policy Statement to be developed.

The remit also covers one specific proposal: inclusionary zoning.

Councils need more tools to enable them to respond to housing needs in their communities. One such tool is inclusionary zoning that seeks land or financial contributions from developers being vested to nominated housing land trusts.

While this is not commonplace in New Zealand currently, it is widespread in other major housing hotspots around the world including in parts of the United Kingdom, Australia and the United States.

The term inclusionary zoning refers to district plan rules that require a portion of new land development to be retained as affordable housing for people on low-to-moderate incomes. The theory of inclusionary zoning is that when land is up-zoned (for example, from rural to residential), it creates a significant uplift in value, and the community should share in the benefit of that uplift. This value uplift is enabled through council planning processes, including but not limited to private plan changes, granting of resource consents or council-initiated district plan rezoning under the Resource Management Act (RMA) process.

As an example of inclusionary zoning, a council's district plan could require that land developers provide 5 per cent of titled sections from up-zoned land or on a specific unit threshold of consented residential development, or the equivalent monetary value, to a community housing trust. This land would then be retained on behalf of the community in perpetuity and used for affordable housing.

It is critical that government reinstate the ability to secure financial contributions as one of the options for local government funding for securing and providing a basis for a monetary contribution. This remit supports the Resource Legislation Amendment Act 2017 (RLAA) and its proposal to repeal the current provisions which stop the ability to secure contributions after April 2022.

An early form of inclusionary zoning was central to the early success of the Queenstown Lakes Community Housing Trust (QLCHT), enabling it to grow its housing stock significantly since it was established in 2007. Inclusionary zoning was a key tool for the Queenstown Lakes District Council (QLDC), utilised primarily for the period from 2006 through to 2013, ensuring that the Council could negotiate the inclusion of affordable housing through the planning process.

Although QLDC's first inclusionary zoning plan change was settled in July 2013, Queenstown was subject to legal challenges in the Environment Court, High Court and Court of Appeal by some land developers during the period 2009-2013 on its plan change to add a set of objectives, policies and rules into its district plan. The settlement forced the Council to make its inclusionary zoning provisions a matter of assessment, rather than rule-based and mandatory, reducing the effectiveness of these provisions in addressing the District's severe housing affordability issues. Today these provisions represent an inclusionary zoning opportunity that was not completely realised, having achieved only piecemeal and limited further contributions, facilitated through non-mandatory schemes and with limited certainty going forward.

Because of continuing acute housing affordability issues, the QLDC intends notifying new inclusionary zoning provisions in the next stage of its district plan review and is anticipating the same legal challenges and likely lengthy and costly appeals process.

The housing affordability challenge is wide ranging and complex. Inclusionary zoning is not the sole answer. However, it is a vital tool in enabling councils to secure a longer-term supply of land or funds in partnership with registered housing trusts and that legislation is needed to ensure inclusionary zoning can be applied consistently across the regions and minimise the risk of legal challenge.

For the avoidance of doubt, this remit proposes that councils have the clear legal opportunity in legislation to pursue inclusionary zoning. It would not be mandatory.

2. Background to its being raised

The Queenstown Lakes Community Housing Trust

In 2007, QLDC recognised a serious lack of affordable housing in its district and acted by forming the QLCHT. The trust is an independent, not-for-profit, community-owned organisation that maintains a strong relationship with the Council, with a shared goal of creating decent, secure housing for the community. The consensus to establish the QLCHT and develop planning tools to deliver affordable housing were two of 34 action items set out in the 2005 'Housing Our People in our Environment' strategy, a significant milestone of council commitment to address its housing issues with local leadership, and central government participation and investment.

The Trust operates across the housing continuum. As at June 2019, it had assisted 130 households into their assisted ownership programmes, ten into rent-to-buy schemes and 34 into affordable rental properties. The Trust has over 600 households on its waiting list and has set the goal of providing 1,000 homes over the next ten years. This goal was reaffirmed through the October 2017 Mayoral Housing Affordability Task Force report.

QLDC negotiated its first inclusionary zoning agreement with a developer over 15 years ago. This resulted in a cash payment of over \$5 million, which enabled the trust to buy a large piece of land and build its first development in an affordable subdivision of Queenstown. Since then, subsequent agreements with developers have delivered residential land valued at over \$12 million to the Trust, with some further cash contributions.

This remit suggests that the approach taken by QLDC has been one of the few effective approaches in the country in capturing and retaining value uplift for delivery as affordable housing.

Proposed National Policy Statement on Urban Development 2019 (NPS-UD)

Although the proposed NPS-UD looks at providing for intensification and a range of housing typologies, density and variety to support housing capacity assessments, the policies are not generally focused on housing affordability, despite this being an essential part of providing for peoples wellbeing in the proposed Objective O2 of this NPS.

Establishment of the Waikato Community Lands Trust

A housing stocktake, carried out by the Waikato Regional Housing Initiative in 2018, found that Hamilton was the third least affordable house market in New Zealand, with a median house price of 6.8 times the average household income. Three times the median income is considered affordable.

In 2019, Hamilton City Council approved the establishment of the Waikato Community Lands Trust to help address housing affordability – a community owned trust with the purpose of holding land in perpetuity to provide access to affordable housing for the benefit of the community (like the QLCHT model). Hamilton City Council also committed an initial \$2 million to the Trust as a seed funding for purchasing land. However, for the trust to grow its capacity and build a sustainable, long-term model going forward, inclusionary zoning provisions will be needed.

Other councils

While we understand that other councils are interested in exploring the use of inclusionary zoning, few have the appetite for the risks of legal challenge through the Environment Court, High Court, and Court of Appeal that QLDC faced. However, if there were an acceptable pathway that councils could follow to enable their implementation of a local housing strategy, founded on a robust needs assessment, which allowed inclusionary zoning as one of their tools, many are likely to consider such a path. The lack of enablement to local government was raised as the primary barrier to wider uptake at the 25 February LGNZ Housing Symposium.

Challenges to implementing inclusionary zoning

At present, councils that introduce inclusionary zoning provisions into their district plan open themselves up to legal challenge. The risk of lengthy and expensive legal challenges is a key barrier to councils adopting inclusionary zoning as a housing affordability lever.

The risk of legal challenge can be seen from the Queenstown example. In 2010, the QLDC inclusionary zoning requirements were challenged in the Environment Court. The outcome of the initial legal challenge was favourable for the Council and housing trust. The Court decided that the inclusionary zoning provisions were allowed under the RMA because they were a way for the Council to 'mitigate' the impacts of its policy to protect the area's unique landscape by constraining land use (which is critical for tourism and economic development in the area but puts pressure on land prices).

Appeals to the High Court and Court of Appeal by a small set of developer appellants during the period 2009-2013 on its plan change to add a set of objectives, policies and rules into its district plan were focused only on whether affordable housing was an RMA matter. The successive rulings in council's favour affirmed that in the specific case of QLDC's tourism-based economy focused on protecting the outstanding natural landscapes of the district, housing affordability was in fact a matter within scope of resource management, and therefore, application of district plan provisions. However, the substantive case of whether the specific rules and implementation provisions were correct was never heard by any Court.

Therefore, a cloud remains as to whether the specific mandatory tools designed by QLDC for implementation through a local housing trust would comply with the RMA. The settlement forced the Council to make its inclusionary zoning provisions a matter of assessment, rather than rule-based and mandatory, reducing the effectiveness of these provisions in addressing the District's severe housing affordability issues.

QLDC is currently considering further provisions for delivery of affordable housing through its District Plan Review. Clear legal authority from central government to enable councils to address affordable housing would assist both QLDC, Hamilton City Council, and likely any Council around New Zealand which has the local mandate to develop and implement its local housing plan.

3. New or confirming existing policy

This is a new policy.

4. How the issue relates to objectives in the current Work Programme

Affordable and healthy housing are key ingredients to promoting wellbeing in local communities. LGNZ has recognised housing affordability as a key issue and its National Council agreed that housing should be a 2018 priority topic. As part of its Housing 2030 Project workstream, LGNZ currently has two separate working groups – the Supply Working Group and Social and Community Housing Working Group.

5. What work or action on the issue has been done and what was the outcome

Community Housing Aotearoa (CHA) has outlined in its submissions to central government on the Urban Development Bill the need for councils to have clear enabling authority to implement tools locally such as inclusionary zoning. The reason CHA supports this approach is that it supports local strategies between councils and community housing providers across the country to combine local land value uplift with investment through philanthropic channels, blended with central government investment (such as the Income Related Rent Subsidy for social housing or Progressive Homeownership fund) to deliver locally-relevant housing solutions. CHA will continue to work with councils and Local Government New Zealand on the enabling approach to see this tool work for councils that choose to utilise it.

6. Any existing relevant legislation, policy or practice

The RMA enables district plans to explore inclusionary zoning policies to a limited degree but only if councils retain the ability to seek and secure financial contributions. However, without a legislated mandate for affordable housing and in the absence of legislation like the Housing Accord and Special Housing Areas Act (2013) (HASHAA) which is now rescinded, this still comes with uncertainty and relies on individual councils making a strong demonstrable evidence-based case for its own housing need and has a risk of legal challenge.

7. Outcome of any prior discussion at a Zone/Sector meeting

Not possible in the revised timeframes.

8. Suggested course of action envisaged

We assume that, by August's LGNZ AGM, it will be too late to alter the proposed NPS-UD, although it may be possible to make changes at the time of any subsequent amendment. Instead, the remit calls for LGNZ to advocate for there to be a National Policy Statement specifically focused on affordable housing.

This remit also encourages a working group be formed, comprising of relevant/affected Councils, central Government (MHUD, Kāinga Ora, MSD), iwi, and the community housing sector. The group would work on the inclusionary zoning proposals set out in this remit, and work in partnership on other means of addressing the affordable housing challenge, leading to the delivery of the proposed National Policy Statement.

3

Returning GST on rates for councils to spend on infrastructure

Remit:	That Local Government New Zealand (LGNZ) request that the Government use the appropriate mechanisms to enable the 15 per cent Goods and Services Tax (GST) charged on rates be returned to councils to spend on local or regional infrastructure projects.
Proposed by:	Hamilton City Council and New Plymouth District Council
Supported by:	Auckland Council; Christchurch City Council; Tauranga City Council; Nelson City Council; Tasman District Council; Gisborne District Council; Waipa District Council; Waikato District Council; and South Waikato District Council

Background information and research

1. Nature of the issue

Whereas GST is not applied on the vast majority of other taxes, it is applied on rates. This causes hundreds of millions of dollars per year to leave the area in which they were generated and go to central government, whilst driving up rates.

One option, of course, would be not to levy this 'tax on a tax'. The option proposed in this remit is that LGNZ negotiate with central Government for this sum to be returned to councils for them to spend directly on local or regional infrastructure. This option has been proposed by – amongst others – respected economist Shamubeel Eaqub.

As well as, we believe, being a fairer and more rational system, this would provide much needed support to councils, whilst ensuring the money is ringfenced to be spent on infrastructure projects of local, regional and national benefit, thus helping to address New Zealand's longstanding infrastructure challenge.

2. Background to its being raised

In 2017, a remit from Gisborne District Council proposing that a proportion of all GST be returned to the region in which it was generated, for councils to use on servicing visitor infrastructure was supported at LGNZ's Annual Conference, although subsequent discussions with the Government did not prove fruitful.

Three years on, with pressure on local government greater than ever following the COVID-19 outbreak, we think the time is right to raise a similar issue. This remit has also been developed noting that the need for investment in New Zealand's infrastructure, particularly in its three waters infrastructure, is ever clearer.

3. New or confirming existing policy

The proposed remit would be consistent with LGNZ's position, as voted through at Annual Conference in 2017, that some GST should be returned to the local or regional level. However, the exact focus of this remit is different.

The issue around GST was also raised by LGNZ in its February 2015 Funding Review discussion paper, as well as in their submission to the New Zealand Productivity Commission's Local Government Funding and Financing Inquiry that commenced in July 2018.

Hamilton City Council also raised the issue of investigating use of various financing tools that are linked to the growth and development in a council's administrative area in its submission to the Productivity Commission's Local Government Funding and Financing Inquiry. The submission noted that "this could involve councils receiving a set portion of the Government's GST 'take' from their administrative area, or alternatively, a set amount of the total 'spend' in a council's administrative area that is captured as an additional levy to the current GST component, potentially in the form of an increase to the GST rate. Such funding streams should be dedicated to core infrastructure maintenance and enhancement".

4. How the issue relates to objectives in the current Work Programme

The remit is broadly consistent with existing LGNZ policy, but with a slightly different focus.

5. What work or action on the issue has been done and what was the outcome

No formal work undertaken.

6. Outcome of any prior discussion at a Zone or Sector meeting

Not possible in the revised timeframes.

4

Natural hazards and climate change adaptation

Remit:	That central government undertakes, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand's coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand which would cover: the roles and responsibilities of territorial authorities, regional councils and central government; greater direction on an integrated approach; and development of principles for "who pays".
Proposed by:	Hauraki District Council
Supported by:	Hawke's Bay Regional Council, Thames-Coromandel District Council; Napier City Council; Hastings District Council; and Northland Regional Council.

Background information and research

1. Nature of the issue

Central government has provided guidance to local government on how to apply a risk-based adaptive approach to planning for climate change in coastal communities. Many councils are now following this guidance and working with their communities using adaptive planning approaches. As these councils look ahead to how adaptive approaches can be implemented, they are encountering limitations in existing legislation and a lack of guidance from central government on the legalities and practicalities of doing so.

Councils report difficulty in determining their respective roles (territorial and regional) and who should do what in the area of managing the risks of natural hazards arising from climate change. Furthermore, they note that there is a lack of direction over who pays for what and who owns/maintains/is liable for any assets that may be required.

Councils also have many unanswered questions around how a managed retreat option should be implemented. For example, where managed retreat is identified as a preferred adaptation option, how should this be undertaken, by who, where should costs fall, whether compensation is payable and if so by whom?

Furthermore, councils see difficulties in how adaptive approaches can be implemented through statutory documents such as District and Long Term Plans, especially as councils are being asked to plan at least 100 years into the future using adaptive approaches which may require rapid implementation (eg in response to a 'trigger' event). This combination of long timeframes, deep uncertainty, and potentially rapid action is not well provided for by these documents.

2. Background to its being raised

Beginning in 2014, Hawke's Bay councils (Napier City Council; Hastings District Council; and Hawke's Bay Regional Council) and tangata whenua partnered to develop a Coastal Hazards Strategy that was ultimately the first project of its type to follow the approaches set out in the Ministry for the Environment's coastal hazards guidance (the Guidance). The councils and tangata whenua are now working on the implementation phase of the strategy.

Hauraki District Council are working with Waikato Regional Council, Waikato District Council and Iwi to prepare a community plan (Wharekawa Coast 2120) for the western Firth of Thames area, using a similar approach to the Hawke's Bay Coastal Strategy, and following the Guidance. Hauraki District Council is aware of other work of this nature being undertaken in the Waikato region by Thames-Coromandel and Waikato District Councils, in the Wellington region, and scoping is underway for work in the Northland region.

All of these projects recognise the importance of regional and territorial authorities working collaboratively with their communities to respond to increasing natural hazard risks in coastal areas, due to climate change. These projects are at different stages of development, but eventually will all be facing the same implementation issues.

3. New or confirming existing policy

This remit is a new policy.

4. How the issue relates to objectives in the current Work Programme

This remit raises issues around how local government can practically implement approaches and responses to natural hazards risks in coastal areas developed under the Guidance. These issues are related to LGNZ's policy priorities: Climate Change and Environment (Natural Hazards). In particular, the topics of community resilience and climate future fit, as well as LGNZ's climate change project.

5. What work or action on the issue has been done and what was the outcome

The Ministry for the Environment recently published a case study on challenges with implementing the Hawke's Bay Coastal Strategy. This case study highlights many of the issues identified by this remit and provides more detailed analysis.

The Wharekawa Coast 2120 Joint Working Party (comprising elected members and iwi representatives) recently considered a paper on project implementation funding issues. Discussions regarding this information, and other papers reviewing Deep South Science Challenge research, prompted the preparation of this remit.

Also of relevance to the issues raised by this remit is the Productivity Commission's recent local government funding and financing inquiry.

6. Any existing relevant legislation, policy or practice

The following legislation is considered relevant to the remit: Resource Management Act 1991 and New Zealand Coastal Policy Statement 2010, Local Government Act 2002, Public Works Act 1981, and Building Act 2004.

7. Outcome of any prior discussion at a Zone/Sector meeting

This has not been discussed at zone or sector meetings to date.

8. Suggested course of action envisaged

LGNZ works with central government to prepare a nationwide coastal strategy that provides further direction on an integrated approach to climate change adaptation issues including:

- a. The roles and responsibilities of territorial and regional councils;
- b. How managed retreat should be implemented including funding arrangements and whether compensation is payable and if so by whom;
- c. A protocol for considering how costs for adaptation actions should be allocated both between local government itself (territorial and regional councils), between local and central government, and between public and private beneficiaries;
- d. How adaptive planning approaches should be implemented, for example by providing better linkages between LGA and RMA processes or by potentially new natural hazard risk management and climate change adaptation-specific legislation; and
- e. How councils could be supported to implement appropriate restrictive zoning behind defensive measures to respond to 'moral hazard' issues.

5

Annual regional balance of transfers

Remit:	That LGNZ work with Treasury, Statistics New Zealand and other government agencies to develop an annual regional balance of transfers to show how much each region contributes in taxes and how much each region receives in government funding.
Proposed by:	New Plymouth District Council
Supported by:	Thames-Coromandel District Council; South Taranaki District Council; Hastings District Council; Rangitikei District Council; and Rotorua Lakes Council.

Background information and research

1. Nature of the issue

Regional New Zealand often questions whether the government returns more or less to the region than it receives in tax and other revenue sources. This remit proposes that LGNZ work with relevant government agencies – particularly Treasury and Statistics New Zealand – to develop an annual publication of a regional balance of transfers outlining the inwards and outwards flow of money between the region and the government.

As with many regions, Taranaki has perceived that it has received low investment from government compared to the amount of tax paid by the region. Various attempts have been made to provide an estimate of the gap, however obtaining regional financial information from government agencies has proved difficult. Many agencies cannot provide breakdowns of expenditure and collection of revenue is difficult to obtain at a regional level.

A regional balance of transfers would provide transparency for all of New Zealand and promote more open democracy where inclusiveness and accountability is strengthened. It would enable better performance measurement and the assessment of outputs in a community against that of other regions and New Zealand.

2. Background to its being raised

Attempts to get a clear picture of a regional balance of transfers – identifying what is paid to and received from central government – have been unsuccessful. There is great inconsistency in reporting and data collection between government agencies and a general unwillingness to be open and transparent in what is spent in regions.

Official Information Act requests often generate responses such as “our information is not structured in such a way that would enable the questions to be answered”.

It is recognised that a full set of actual data may not be able to be provided and assumptions will need to be made in some situations, such as when making “overhead allocations” to the regions for national costs of government.

In recent years there has been a greater focus on measuring the performance of local authorities but not of the performance of central government. A regional balance of transfers would be one factor to help measure equity and the performance of government.

A balance of transfers would also go a long way to build trust in government through transparency and accountability of where public money is spent and where it has come from and in decision-making. This data would also be able to be used by government ministers to help monitor the performance and of their portfolios in an open and consistent manner.

According to Treasury, an objective of the Government “is to continually improve public confidence in the tax system and Inland Revenue. The system should help people meet their obligations, be fair, and inspire confidence. The Government is committed to raising revenue in ways that meet these objectives”. It is believed that the gathering and reporting of a regional balance of transfers would greatly assist government in this aim.

3. How the issue relates to objectives in the current Work Programme

This remit is related to the LGNZ and New Zealand Initiative work on localism whereby this data would help ensure that power and authority flows up from citizens and communities, not down from the government.

LGNZ has led the way in the assessment of council performance through the successful CouncilMARK™ programme that provides qualitative assessment of council performance across a wide range of facets. This remit would help LGNZ to do the same for our communities when considering central government performance and equity.

This remit would also contribute to LGNZs six big issues for New Zealand councils – particularly infrastructure and funding, social and economic.

4. What work or action on the issue has been done and what was the outcome

Attempts have been made to gather the required information from government agencies to create a regional balance of transfers. This has been unsuccessful as the data is apparently not gathered.

5. Any existing relevant legislation, policy or practice

The remit seeks LGNZ to work with Treasury, Statistics New Zealand and other government agencies to develop a regional balance of transfers to show how much each region contributes in taxes and how much each region receives in government funding. To be successful, this would require directives to all government agencies to gather data and give it to either Treasury or Statistics New Zealand to compile and report on.

6. Suggested course of action envisaged

This remit suggests that LGNZ work with Treasury, Statistics New Zealand and other government agencies to develop an annual regional balance of transfers that show how much each region contributes in taxes and how much each region receives in government funding. This is likely to require government Ministers to give such a directive.

6

Local Government electoral cycle

Remit:	That the local government electoral cycle be extended from three to four years.
Proposed by:	Northland Regional Council; Rotorua Lakes Council; Whanganui District Council; and Hamilton City Council.
Supported by:	Hastings District Council; Palmerston North City Council; Napier City Council; Manawātū District Council, South Taranaki District Council, Rangitikei District Council

Background information and research

1. Nature of the issue

The election cycle, or term of office, refers to the number of years an elected representative serves between local government elections. In New Zealand, the length of the term of office of a local government elected representative is three years. At a meeting of Northland Regional Council on 18 February 2020, it was agreed to seek formal support for this remit from Zone One as a pre-requisite for proposing at the LGNZ 2020 AGM.

2. Background to its being raised

Northland Regional Council's remit background

Advocates for extending the election cycle to four years would say that a longer electoral term:

- Promotes longer term thinking and decision-making by councillors. An example of this would be a longer electoral cycle would encourage councillors to lengthen their investment horizon when making financial investment decisions;
- Allows for more time to implement a local government vision by extending the productive working time of a council and reducing councillor turnover;
- Gives more time for new councillors to learn and conduct their duties thereby increasing councils' overall productivity as councillors spend more time governing and less time campaigning;
- Reduces voter fatigue and in turn may result in increased voter turnout;
- Reduces the administration costs of setting up and inducting a new council thereby increasing operational efficiency – particularly of governance staff;

- Provides more opportunity to direct energy and provide certainty for longer term planning and more significant activities such as large capital projects;
- More stable decision-making framework for council through greater opportunity for long term planning;
- Enables implementation of longer term council policies within a single term of office;
- Less pressure on new councillors to get up to speed;
- Longer terms have the potential to be more conducive to stable governance; and
- Provides cost savings by reducing the number of elections. The cost of the last election was approximately \$180,000 – a four year cycle would save this complete amount each third electoral cycle.

Opponents would say that:

- A longer electoral term is a barrier to participation as potential councillors must make a longer commitment to their term in office;
- There is additional expense to educate the public of the change as New Zealanders are very accustomed to three year electoral cycles for both local and national government;
- The shorter term enforces more accountability on elected representatives who face getting voted out if they don't perform as expected;
- Elected representatives must engage more frequently with constituents as they seek to stay top of mind for the next election;
- A longer term may be seen by some as reducing accountability as the community must wait a year longer to judge their council's performance through the voting process; and
- A longer time between elections gives voters less opportunity to express their opinions on the performance of their elected officials.

Extending the local government electoral cycle from three to four years would result in local government and central government elections being held in the same year once every three years. If this was considered to be an issue, then the central government electoral cycle could also be extended to four years. Similar advantages and disadvantages to the change would apply.

Rotorua Lakes Council remit background

By international standards, New Zealand's three- year electoral cycle is short. Far more jurisdictions have a four-year term for central government and in most cases, the length of term of office of local government will be the same as that of their central government.

Madden (2013, July 16) notes that "New Zealand is the only liberal democratic country with a unicameral system and a three-year term. Other unicameral democracies with proportional electoral systems – such as Israel, Sweden, Norway, Denmark and Finland, have four year terms."

Boston et al. (2019) state “For decades, numerous politicians, civic leaders and academics have supported extending the term of Parliament to four years. It has been argued that a modest extension of this nature would enhance the capacity for governments to undertake thoroughgoing policy reforms in a more careful, considered, evidence-informed manner...”

The members of the Constitutional Advisory Panel (2013, November) found that while a reasonable proportion of people supported a longer term, others felt that “elections are the best means for voters to hold government to account and should not be made less frequent.”

Those in favour of a four-year term provided the following reasons for their support:

- The ability to take more time to develop and implement policy could result in the public having better information about the intention of policy, to weigh the pros and cons and see results.
- The three-year term was seen as reducing certainty as policies are perceived to change every three years.
- Conversations regularly highlighted that any extension to the term of Parliament would need to be counter-balanced by mechanisms to improve law-making and accountability.

An Australian report (Bennett, 2000) promoting four-year terms for the House of Representatives provided a list of benefits that supporters for a four-year term claim.

Those of relevance to New Zealand Central and Local government include:

- Longer terms would encourage governments to introduce policies that were long-term rather than merely politically expedient.
- Longer terms would enhance business confidence.
- Over time money would be saved by having fewer elections.
- Australians dislike the frequency they are required to vote.
- Longer periods between elections would raise the standard of political debate.

Boston et al. (2019) note that any reforms to the electoral cycle would require public endorsement via a referendum and that the main political challenge would be convincing the public of the desirability of change. They also point to the two referenda held in New Zealand in 1967 and 1990 on increasing the parliamentary term, which were both heavily defeated. The Constitutional Advisory Panel (2013, November).

While achieving public support for change would be a challenge, another commentator (Singh, S., 2019) notes that the composition of New Zealand has changed dramatically since the two referenda. He points out that New Zealand’s migrant population has significantly increased and that “to many...who have lived overseas and seen a five-year parliamentary term, the idea of a three-year cycle, is an intriguing deviation from an experience they have understood as normal.”

While the case for changing the electoral cycle for central government may be stronger, discussion by elected members in local government in New Zealand supports a change to a four-year term for local government also. Their comment is included below.

- The new norm is that there is an expectation that central and local government will work together in partnership. The current three-year electoral cycle is unbalanced. In addition, generally seven out of every ten years is an election year for either local or central government. This is disruptive and short-term political decision-making results.
- In local government, a longer electoral cycle would enable new councillors to be better educated and informed on long term, infrastructure and financial planning. Currently the importance of the Long Term Plan window (ten years) is not well understood in the sector.
- Short-term political decision-making by local government results in uncertainty and a lack of investor confidence. This is also detrimental to the new partnership approach that councils are seeking to develop with their local investors and stakeholders.

Dr Mike Reid notes that for a four-year term for local government to be acceptable to New Zealand citizens, there must be an adequate accountability framework to protect communities. He notes that if local government was to move to a four-year term, there must be a way for citizens to call a new election should the governing body become inoperable. An accountability framework could include a recall provision which would, on the basis of a petition signed by a sufficient number of residents, force a new election, as argued for in the LGNZ manifesto in 2017.

7

Water bottling

Remit:	That LGNZ works with the Government to: <ol style="list-style-type: none"> 1. Place a moratorium on applications to take and/or use water for water bottling or bulk export; 2. Require and enable regional councils to review inactive water bottling consents, with a view to withdrawal of the consent and discourage consent 'banking'; 3. Undertake an holistic assessment of the potential effects of the current industry, its future growth and the legislative settings that enable Councils to effectively manage those effects; and 4. Initiate a comprehensive nationwide discussion on the issue of water bottling and implement any changes to legislation and policy settings as required.
Proposed by:	Queenstown-Lakes District Council
Supported by:	Greater Wellington Regional Council; Tauranga City Council; Thames-Coromandel District Council; Upper Hutt City Council; and Waitaki District Council.

Background information and research

1. Nature of the issue

The water-bottling industry in New Zealand is young and relatively unregulated. A comprehensive review of legislation and policy needs to be developed in order to fully understand and address its potential effects on community wellbeing and resilience.

The sustainability of water bottling and its associated implications for global plastic waste, local property rights and Māori freshwater rights need to be considered. The effects of climate change on groundwater systems are not yet well understood. Further research is required.

The implications of 'banking' water-bottling consents needs to be fully explored. The amount of water bottled reaches 157.8 million litres annually (as at January 2018), however there are consents available to extract 71.575 million litres of water per day for both bottled water and for mixed uses. The consequences of rapid uptake and growth in the industry are unknown, but could artificially raise land values and make access to water unaffordable.

Therefore, where water is unlikely to be bottled, consents should be available to be reviewed, or in the case of mixed-use consents, water bottling removed as a purpose of the water take.

It is timely to reconsider legislation and policy, given many catchments are nearing their allocation limits and the National Policy Statement for Freshwater Management is under development.

It is important to note that the intent of this remit is not to impact existing water-bottling operations, nor to make judgements on the merits or otherwise of the industry. The focus of this remit is on obtaining a comprehensive understanding of the industry, its potential for growth, the range of externalities such growth may cause and the policy and legislative settings required to address this.

2. **Background to its being raised**

The Industry

Large-scale water bottling is a relatively new industry in New Zealand. As a result, there is no clear policy governing the use of water for bottling, and the industry is not specifically regulated. Managing the effects of the industry requires the alignment of a range of interdependent policies and legislative tools that determine who can access water, for what purpose and under what conditions. A review is required to understand how best to co-ordinate these tools.

The value proposition of water bottling has resulted in the 'banking' and sale of water bottling consents, raising the value of land and effectively creating an unregulated market for water. This can lead to confusion between these outcomes and s122(1) RMA which states that a resource consent is neither real nor personal property. This issue is exacerbated by increasing demand for water, the fact that many catchments are at or approaching full allocation, and the extent to which some regional plans enable existing water consents to be varied to enable water bottling. As the future utilisation of water will become increasingly competed for, understanding what our communities' priorities for this resource are must be fully debated and understood.

Any review needs to also consider the value and reliance placed on consents by owners and operators, and the impact on established property rights, which will need to be addressed.

Overseas Interests

Since 2013, New Zealand Trade & Enterprise (NZTE) has invested in eight water bottling companies through its Focus 700 Group programme, to support the growth of water exports. Although NZTE no longer encourages the sale of NZ's water, it does facilitate the sale of land for the holders of water permits. It is worth noting that certain provisions of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) make it unclear whether NZ drinking water suppliers can be prioritised to ensure NZ communities will always have access to affordable clean drinking water.

Under the OIA foreign investment in NZ's water cannot be managed effectively as water is not defined as a 'sensitive' asset. Treasury has confirmed that our existing free trade agreements do not allow the creation of new classes of sensitive assets.

Therefore, foreign investment in water bottling can only be limited where the water is to be extracted from sensitive land and only if the 'good character' or 'benefit to NZ' tests are not met.

In 2018 Land Information New Zealand (LINZ) Minister Eugenie Sage was unable to decline Cresswell NZ's application to purchase of sensitive land for a water bottling plant. She stated that the provisions of the Overseas Investment Act prevented her declining the application. Subsequently, the government has proposed amendments to the OIA6 that (if enacted) will allow applications involving the extraction of water for bottling to be declined if they are likely to result in a negative impact on water quality or sustainability.

Community Sentiment and Maori Cultural Values

New Zealand has demonstrated community concern in relation to water bottling in recent years, presenting petitions and participating in protests on a number occasions.

On the matter of water export and Maori cultural values, Ngati Awa has appealed the Environment Court Decision arguing that the application is "for too much water to be sold too far away" (at [35]). Their position is that in these circumstances te mauri o te wai and their tangata whenua right to act as kaitiaki of the water are lost.

Waste and Plastic

On the matter of plastic production, it is unclear under which vehicle this can be managed. In the Minority Judgement of the Environment Court against Cresswell NZ (10 December 2019), Commissioner David Kernohan found (at [346]) that "the pollution created from the production and specifically end use disposal of plastic water bottles does not meet the objectives and policies of the RMA". However, the Majority of the Court found that the end uses of the water which involved putting the water in plastic bottles were found to be "ancillary activities which are not controlled under the Regional Plan" and that there had been "no suggestion that control of such activities comes within the ambit of the functions of the regional council under s30RMA" (at[64]).

Impact on Local Government

The effects of the water bottling industry on local councils, as water suppliers and as the owners of transport networks, may be significant and there are a number of examples of this being the case. However, their ability to submit and appeal may be limited by notification provisions.

There are currently three appeals before the High Court. These challenge applications for consent in Belfast and Otakiri and deal with questions related to the allocation of water for water bottling including the ability to consider the effects of plastic bottle production as an end-use of water, the effects of water export on te mauri o te wai and kaitiaki rights under Te Tiriti and the correct process for changing the purpose of a water take.

A levy on water bottling is a response to perceived issues of fairness but this policy could itself have unintended consequences if implemented in isolation and without an assessment of the kind proposed by this remit.

QLDC is therefore proposing comprehensive policy and legislation based on consultation with councils and the community.

3. New or confirming existing policy

This Remit represents a new policy position for LGNZ and for central government.

4. How the issue relates to objectives in the current Work Programme

This remit could accelerate the debate on water allocation and highlight any issues within the RMA and/or the NPS-FM. This could significantly influence the existing LGNZ programme of work in relation to strategic and policy advice to Central Government.

The results may feed into Stage 2 of the reform of the RMA as well as LGNZ's Water 2050 project which could lead to changes that ensure communities are resilient in the face of climatic changes that will impact productive land and water bodies, including sources of drinking water.

The following matters may be raised in delivery of the current work programme in relation to this remit:

Resource Management Act

- Adding consideration of the effects of plastic production to the RMA as a Part 2 matter of national importance.
- Adding effects on Climate Change to the RMA as a Part 2 matter of national importance.
- Greater use of regional councils' powers under s30 RMA to allocate water amongst competing activities with a view to:
 - Zoning water and controlling its use in the same way land use is controlled.
 - Using water allocation as a tool to incentivise resilience and sustainable outcomes.
 - Protecting our deep, clean aquifer water for domestic and community supply.
- Reviewing the provisions governing the variation and transferability of water permits and the effects of those on consent holders' rights as well as the possibility for unregulated water markets.

National Policy Statement on Freshwater Management Development

- Redefining 'efficient allocation' in the draft NPS-FM and regional plans so that when councils are deciding "how to improve and maximise the efficient allocation of water" and identifying in "methods to encourage the efficient use of water"¹² within regional plans, it is clear they are seeking to not only maximise jobs and minimise 'waste', but also to maximise the wider economic, social, cultural, environmental and health benefits of water allocation.
- Re-wording Policy 4 of the draft NPS-FM and the policies for implementing integrated management of land and freshwater (at 3.4 (1) to (4))¹³. The proposed approach is one directional, considering only the effects of land use on fresh water. Rewording these policies may lead to more efficient and sustainable allocation of water.

5. What work or action on the issue has been done and what was the outcome

QLDC wrote to Minister Parker in February requesting a moratorium on new and existing water bottling consents. This was written in support of an initial proposal by Upper Hutt City Council.

6. Any existing relevant legislation, policy or practice

Existing legislation, policy and practice reflects a complex landscape where far greater alignment is required if effective regulation and understanding is to be achieved.

There is some concern that a levy implemented in isolation may not address the issues that communities and local councils will be faced with if the industry grows. Concerns have also been raised that a levy may incentivise or prioritise the grant of water bottling consents as a result of the revenue stream that would be created.

Section 30 RMA 14 provides regional councils with the power to add rules to their plans to allocate water amongst competing activities, in much the same way as district councils can zone land and prioritise, discourage, prohibit or otherwise control different land uses. This power has not been exercised to any great extent to date. Regional Councils have preferred to allocate water on a 'first complete application, first assessed' basis in line with case law, and to grant consent as long as the water 'take' is sustainable and the purpose reflects efficient use. However, in theory, regional councils could undertake a broader assessment of the effects of using water for bottling, and then either prioritise, discourage or prohibit water bottling (across whole catchments or for specified water bodies or depths).

Christchurch's ground water zones are by and large fully allocated and new applications to take water are prohibited. Consent holders have been applying to Environment Canterbury to vary existing industrial and irrigation consents to enable water bottling. There is no ability to use s127 due to the activity being outside the scope of the original applications.

The process being used to vary the consents involves the grant of a new 'use' consent. Whether this process is lawful under the RMA and the Canterbury Land and Water Regional Plan, will be determined by the Court. This highlights the difficulty for planners implementing resource management provisions that are unclear and inadequate in terms of managing the allocation of water in fully allocated catchments. Three consents have been varied in this way and a fourth is being processed.

Plan changes of this nature would come at significant cost to the ratepayer and could not be implemented quickly. Signalling such a plan change might trigger a wave of applications. Therefore, and given that this is an issue that will affect all councils (albeit in different ways), the best way forward is likely to be a moratorium on new consents followed by a review or discussion covering the matters set out below. Any significant policy changes could be required to be implemented via Schedule 1 and an amendment to the NPS-FM, but only if a clear problem is identified and only after consultation with LGNZ and Councils.

The Overseas Investment Amendment Bill (No 3) also references water bottling and this is now with the Select Committee Finance and Expenditure (submissions closing 31 August 2020). Currently the Amendment Bill reads that if overseas investment in sensitive land involves the extraction of water for bottling or other extraction in bulk for human consumption, then an additional factor of the benefit to NZ test would be whether the overseas investment is likely to result in a negative impact on water quality or sustainability. If enacted this would not apply to all investments in water bottling plants by overseas interests.

7. Outcome of any prior discussion at a Zone/Sector meeting

Not considered by a Zone or sector meeting.

8. Suggested course of action envisaged

That LGNZ works with the Government to:

- Place a moratorium on applications to take and/or use water for water bottling or bulk export;
- Require and enable regional councils to review inactive water bottling consents, with a view to withdrawal of the consent and discourage consent 'banking';
- Undertake a holistic assessment of the potential effects of the current industry, its future growth and the legislative settings that enable Councils to effectively manage those effects.
- Initiate a comprehensive nationwide discussion on the issue of water bottling and implement any changes to legislation and policy settings as required.

8

Quorum when attending local authority meetings

Remit:	That LGNZ requests central government amend legislation to enable elected or appointed members, connecting remotely to a public council meeting, be included in the quorum. This would provide an option for local authority meetings to be held completely remotely, if required.
Proposed by:	Waikato District Council
Supported by:	Hamilton City Council; Hauraki District Council; Thames-Coromandel District Council; Taupō District Council; Ōtorohanga District Council; South Waikato District Council; Waipa District Council; and Waitomo District Council.

Background information and research

1. Nature of the issue

Prior to the COVID-19 pandemic, legislation required that members had to be physically present at a meeting to be included in the quorum. Under the LGNZ template Standing Orders, members attending by audio or audio-visual means can participate and vote on matters presented at meetings.

To enable public meetings to continue during COVID-19, the COVID-19 Response (Urgent Management Measures) Legislation Act 2020 (the COVID-19 Act) amended sections of the Local Government Act 2002 (LGA) and Local Government Official Information and Meetings Act 1987.

These amendments included:

- Local authority or committee members who join a meeting by audio or audio-visual means were counted for the purpose of a quorum.
- Open public meetings to be livestreams, where reasonably practicable to do so.
- Provide either an audio or video recording, or written summary, of the open public meetings on the local authority's website as soon as practicable after the meeting.

For many councils, this has provided an opportunity to adopt an innovative approach to hold public meetings, resulting in benefits for local government democratic processes, financial and resource efficiencies and environmental improvements (detailed further below).

This remit requests that the legislative amendments introduced for COVID-19 are retained (beyond the term of the Epidemic Preparedness (COVID-19) Notice 2020) as an option for local authorities to adopt via their Standing Orders.

For clarity, the remit:

- Contemplates that:
 - Members attending meetings by audio or audio-visual link are still entitled to participate and vote on agenda items; and
 - Requests to attend a meeting by audio or audio visual link should still be made to the Chairperson, for his/her approval, prior to the meeting, as detailed in the LGNZ template Standing Orders;
- Does not propose that meetings where a quorum (or more) of members attends remotely become the only or dominant means to hold local authority meetings; simply that this is retained as an option for each council to consider using via its Standing Orders; and
- Supports the retention of the COVID-19 LGOIMA amendments to protect transparency and public access to local authority meetings.

2. Background to its being raised

The LGA was amended in 2014 to enable members to join a meeting by audio or audio-visual link, subject to certain procedural requirements being met and the local authority's Standing Orders permitting such remote attendance. However, only members physically present are to be counted toward the meeting's quorum. For council meetings, this requires:

- Half of the members to be physically present (if the number of members, including vacancies, is even); or
- A majority of members to be physically present if the number of members (including vacancies) is odd.

The COVID-19 Act was enacted in response to the restrictions imposed on the New Zealand population, including travel prohibition and social distancing. The COVID-19 Act's amendments to the LGA and LGOIMA (noted above) meant public meetings could be undertaken entirely by remote means (ie audio or audio-visual), subject to certain requirements to protect public access and transparency of local authority meetings. In particular, all members of a local authority or committee could attend remotely and be included in the quorum for a meeting (rather than having to be physically present at a specified meeting venue). These legislative amendments will be repealed on the expiry or revocation of the Epidemic Preparedness (COVID-19) Notice 20201.

The remit's proposal is made in a climate of uncertainty about the long-term impacts of the global pandemic, including financially for communities and councils alike, as well as the opportunities and flexibility that the legislative amendments have brought for local authorities and their respective communities in relation to public meetings.

3. New or confirming existing policy

This remit supports LGNZ's existing policy framework around local democracy and the environment, in particular. No new policy work is required.

4. How the issue relates to objectives in the current Work Programme

The remit supports some of LGNZ's key policy priorities:

Local democracy

- Remote meetings help with LGNZ's goals of reinvigorating local democracy and modernising local government legislation.
- Wider public access to local authority and committee meetings, with potential of a significant increase in members of the public able to view livestreamed coverage compared to travelling to attend a meeting. This is a particular benefit for local authorities with large geographic boundaries or that have a significant rural resident population.
- The wider reach of livestreamed meetings also enhances community engagement and understanding of local government, which may have a positive effect on voter participation at local authority elections.
- The public still being able to participate in open public meetings, if required, via audio-visual tools available.
- Supporting more diversity in representation as this would facilitate people who are unable to travel or be present in person because of workload, family commitments, disability or other factors.

Climate change

- Enabling members and communities to adapt towards a low carbon economy through reduction in travel.

5. What work or action on the issue has been done and what was the outcome

With the advance of COVID-19 Act changes, local authorities have been required to implement, and benefitted from, innovative ways to continue holding public meetings while maintaining the public's access to local government decision-making. This has been able to be achieved at minimal cost to local authorities, which may not otherwise be in a position to put in place more high-tech options for live-streaming of meetings from council offices. As a result, for some councils, returning to a requirement for a quorum to be physically present at all meetings will be a 'step backwards'.

In addition to the advantages already canvassed, providing an option for local authorities to have a quorum (or more) of members attending meetings remotely has resulted in:

- More efficient use of members' time (eg reduction in travel required) for their other roles and responsibilities; and
- Reduced operating costs associated with holding public meetings at council premises.

6. Any existing relevant legislation, policy or practice

The current, temporary legislative framework that has enabled greater utilisation of remote meetings has been noted above. The remit proposes that the legislative amendments to the LGA and LGOIMA are embedded permanently, with each council having the option of incorporating this framework in its Standing Orders (similar to that contemplated under clause 25A(1)(a), Schedule 7, LGA).

7. Outcome of any prior discussion at a Zone/Sector meeting

The issues in this remit have been discussed at the Waikato Mayoral Forum.

8. Suggested course of action envisaged

LGNZ is to:

- Work with central government and relevant stakeholders to advocate for legislative changes to the LGA and LGOIMA, enabling a quorum (or more) of members to attend a public local authority meeting remotely; and
- Update the Standing Orders template to reflect the proposed legislative changes, which each local authority can adopt as an alternative option to holding 'in person' meetings.

9

Use of macrons by local authorities

Remit:	That LGNZ work with central government to put in place a simplified process for the addition of macrons to council names if requested by that council or its community.
Proposed by:	Waipa District Council
Supported by:	Zone Two

Background information and research

1. Nature of the issue

Waipā is proposing that LGNZ work with central government to address the issue of the use of macrons by local authorities through legislative or other reform. Local authorities are corporate bodies created by statute under the Local Government Act 2002 (LGA), the legal names are listed in Schedule 2 of the LGA which can only be changed through rather complex legislative processes. Councils are not able to have trading names in the way that companies do, but some councils use a 'trading name' for the name or brand that the council prefers to operate under, which is different from the legal name in the LGA.

This is not uncommon, for instance, Kapiti Coast District Council trades as the Kāpiti Coast District Council, the Rotorua District Council trades as the Rotorua Lakes Council and the Manawātū-Whanganui Regional Council trades as the Horizons Regional Council.

There are some particular situations where Council needs to use its legal names (eg legal proceedings, contracts, invoices, etc) but other than that, it can use a trading name, for example for branding and signage.

2. Background to its being raised

To date, changes to local authority names to include macrons have resulted from applications to the New Zealand Geographic Board, which can alter the name of a district if the local authority consents to (third parties can apply), or requests the alteration. There is no fee for the request but a council will incur costs in preparing an application by undertaking research and preparing evidence to support the application (such as evidence of consultation with local iwi).

Consideration of applications can take one to two years and involve the Geographic Board undertaking consultation on the matter. Any opposition is referred to the Minister for Land Information for decision. If the application is successful, then there will be a formal change in name for the district and the Government is obligated to instigate an Order in Council process to change the name in Schedule 2 of the LGA.

There are three councils which have gone through this process in the last two-three years. The Manawātū-Whanganui Regional Council applied to change its own name (to include the macron and adding an 'h' in to "Whanganui"). The two other changes for Ōpōtiki and Ōtorohanga District Councils resulted from applications by the Office of Treaty Settlements as part of settlement agreements with local iwi.

Other councils, including Waipā use macrons but for which there is no macron in the legal name, as follows:

- Kaikōura District Council;
- Kāpiti Coast District Council;
- Rangatīkei District Council;
- Taupō District Council; and
- Whakatāne District Council.

There are other councils which could include macrons but which do not currently use them and for which there is no macron in their legal name. For this reason, Waipā District Council considers that this matter has implications for the local government sector as a whole and that it would not be efficient or cost effective for councils to individually go through the legislative processes to change a name. Perhaps the use of a macron could be managed at a national level through a change for example to the LGA.

3. Suggested course of action envisaged

Based on legal advice from Simpson Grierson, there are five potential options for addressing this issue at a national level as follows:

- Option 1: New Zealand Geographic Board could proactively change the names of districts and regions.
- Option 2: The Minister of Local Government could recommend local authority name changes that involve the addition of the macron (no legislative reform required for either of these options).
- Option 3: Parliament could amend Schedule 2 of the LGA to change all local authority names that should include macrons.
- Option 4: Parliament could amend Schedule 2 of the LGA to change the names of self-elected local authorities who wish to include macrons in their names.
- Option 5: Parliament could insert a new section in the LGA to provide that use of a local authority name, or a district or region name, with the addition of a macron, is lawful and will not invalidate any action.

There are a number of advantages and disadvantages associated with each of these options. It is more appropriate that LGNZ assess the options and any other possible options and explore them further with central government. Waipā District Council passed the following resolution at its meeting on 31 March 2020 in relation to using a macron and in particular to a proposed LGNZ Remit:

That –

- a) The 'Use of Macron in Local Authorities Names' report (document number 10374311) of Jennie McFarlane, Legal Counsel be received;
- b) Council adopt a trading name of "Waipā District Council" incorporating the use of a macron to reflect correct pronunciation, which may be used in all circumstances other than when the legal name of Council under the Local Government Act 2002 and other local government legislation is required to be used;
- c) Council approve taking a remit to the next Annual General Meeting of Local Government New Zealand (LGNZ), whenever that is held, requesting that LGNZ work with central government to address the use of macrons and changes to the names of local authorities, through legislative or other reform, in the interests of the local government sector and the wider community, in accordance with the process required by LGNZ for remits;
- d) Council to approve seeking support at the next Zone Two meeting or directly, from other local authorities in New Zealand for the proposed remit as required by the LGNZ remit process; and
- e) Council undertake further consultation with Waikato Tainui.

10

Rates rebates for low income property owners

Remit:	That the Government lift the level of rates rebates available for low and fixed income property owners – with yearly increases taking into account the cost for inputs into local government services.
Proposed by:	Whanganui District Council
Supported by:	Palmerston North City Council; Napier City Council; Manawātū District Council; South Taranaki District Council; and Rangitikei District Council.

Background information and research

1. Nature of the issue

The following issues have been identified:

- (a) The level of rates rebates for low and fixed income property owners as a proportion of rates has gradually reduced for those on low and fixed incomes.
- (b) This level of support has not kept pace with the cost of living and provides significant financial hardship for some members of the community.
- (c) This level of support has not kept pace with the benchmark for council costs and provides significant financial hardship for some members of the community.

2. Background to its being raised

The rates rebate scheme is a partial refund for people who pay rates to their council, providing financial relief for low income residents who own their own home. This is funded by central government through the Department of Internal Affairs. A person who directly pays local authority rates, and meets the household income criteria, is currently eligible for a rates rebate of up to \$640.

In 2006 the rates rebate was significantly increased and over the last decade there have been incremental yearly adjustments, however, these have lagged behind CPI increases. A further small boost to the scheme was introduced in 2019 – lifting the rate from \$630 to \$640 and the income abatement threshold from \$25,180 to \$25,660.

As local authority costs have increased above that of inflation, this has resulted in local authorities either needing to increase rates or reduce existing levels of service. The effect of this is that, over time, the level of rates rebates as a proportion of the total local authority rates has significantly decreased.

This issue is of particular concern for low and fixed income property owners who may be experiencing housing stress, notwithstanding the fact that they may own their own family home mortgage-free (eg superannuitants).

As at 2 March 2020 the Department of Internal Affairs had approved payments for 103,367 applications – a total of \$60,201,285 (GST inclusive).¹

Table 1: Increase in rates rebate, CPI and local authority costs from 2010 to 2020

Year	Max Rebate	% Change	CPI (Stats NZ)	Difference between CPI and Max Rebate increases	Benchmark for local authority costs (Berl)	Difference between local authority costs and Max Rebate increases
2010/11	\$ 570	3.64%	5.35%	-1.72%	2.28%	1.36%
2011/12	\$ 580	1.75%	9.51%	-7.76%	3.05%	-1.30%
2012/13	\$ 590	1.72%	7.23%	-5.51%	1.94%	-0.21%
2013/14	\$ 595	0.85%	1.64%	-0.79%	1.68%	-0.83%
2014/15	\$ 605	1.68%	3.80%	-2.12%	2.09%	-0.41%
2015/16	\$ 610	0.83%	4.28%	-3.45%	1.29%	-0.47%
2016/17	\$ 610	0.00%	1.74%	-1.74%	1.49%	-1.49%
2017/18	\$ 620	1.64%	1.48%	0.16%	1.88%	-0.25%
2018/19	\$ 630	1.61%	1.67%	-0.05%	2.77%	-1.16%
2019/20	\$ 640	1.58%				

3. New or confirming existing policy

This remit would build on existing policy and would require the level of rates rebate to increase, with yearly adjustments taking into account the cost increases for inputs into local government services.

¹ <https://www.stuff.co.nz/national/119883361/productivity-commission-recommends-scrapping-rates-rebate-scheme>
Retrieved 12 March 2020.

The Productivity Commission suggests that: “the rates rebate scheme is poorly targeted and unfair”. It recommends that it be replaced with a national rates postponement programme, or that the scheme at least shift to being online. Local Government Minister Nanaia Mahuta has indicated that the government is carefully considering the recommendations.

4. How the issue relates to objectives in the current Work Programme

‘Social’ is one of LGNZ’s five policy priorities. This focuses on disparity, housing issues and ageing communities:

“Social: Working alongside central government and iwi to address social issues and needs in our communities, including an aging population, disparity between social groups, housing (including social housing) supply and quality, and community safety.”

5. What work or action on the issue has been done and what was the outcome

This remit was originally prepared in 2018 and submitted for consideration. The LGNZ Remits Committee reviewed this and referred it instead to officials to raise with the Productivity Commission as part of the review of local government funding.

The Productivity Commission has since recommended that the government remove the rates rebate system and replace it with a national scheme for postponing rates. The Commission considered that central government is in the best position to tackle pressures on low-income households facing high housing pressures and the current scheme is inequitable, as well as administratively ‘cumbersome’ and modest in its approach (amounting to little over \$12 a week).

This has not found favour with many groups – particularly those who advocate for older New Zealanders. For example, the national president of Grey Power has stated that the organisation “absolutely disagreed” with abolishing the scheme. In addition, a local association (Tauranga and Western Bay of Plenty) submission to the Commission recommended a resetting of the maximum rebate to restore it to previous levels and to align this with cost of living increases. This suggested a maximum rebate of \$1,000 – indexed each year by the average rate increase across the country.

6. Any existing relevant legislation, policy or practice

Rates Rebate Act 1973

- Provides for a rates rebate on local council rates by a specified amount each year, dependant on income.
- Since 2008 the specified amount has been adjusted each year through Orders in Council.
- 2019/20 – Maximum rebate - \$640.

Accommodation Supplement

- Available for very low incomes.

7. Outcome of any prior discussion at a Zone/Sector meeting

With the relevant Zone meeting postponed, support was sought from councils directly. The following councils endorse this remit:

- Palmerston North City Council;
- Napier City Council;
- Manawātū District Council;
- South Taranaki District Council; and
- Rangitikei District Council.

8. Suggested course of action envisaged

That LGNZ pursue an increase in the rates rebate for low income property owners and that this should match ongoing cost increases for local government.

9. Discussion and conclusion

The affordability of rates is not just a question of the quantum of rates and charges but also the ratio of rates and charges relative to income. The rates rebate scheme was introduced in 1974 and was designed to provide assistance to low income residential ratepayers. Over the longer term the quantum of the rates rebate has generally matched CPI, however, this ignores the fact that local authority core inputs are rising well above those of core inflation. Furthermore, over time the Act has not kept pace with the changing nature of tenure or technology. It is requested that the Government lift the level of rates rebates available for low and fixed income property owners.

11

Local Government's CO2 emissions

Remit:	That the Government implement an independent scheme, based on the United Kingdom model operated by the Department of Business, Energy and Industrial Strategy, to measure and report on carbon emissions at a district level.
Proposed by:	Whanganui District Council
Supported by:	Palmerston North City Council; Napier City Council; South Taranaki District Council; Hastings City Council; and Horizons Regional Council.

Background information and research

1. Nature of the issue

The following issues with the current system have been identified:

- There is no national standard for reporting on carbon emissions at a district or regional level.
- The system lacks incentives, structures and information sharing mechanisms that would enable and encourage local government authorities, regional economic development agencies and individual businesses to:
 - Identify best practice in similar regions; and
 - Undertake targeted work that prioritises the reduction of their CO2 emissions.
- The proposal that large energy users publish Corporate Energy Transition plans as outlined in MBIE's Discussion Document: *Accelerating Renewable Energy and Energy Efficiency*, will only address these concerns to a limited degree.

2. Background to its being raised

New Zealand is committed to both domestic and international climate change progress. As a party to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, progress towards meeting our commitments is documented in New Zealand's National Communication and Biennial Reports.

These summarise New Zealand's domestic greenhouse gas emissions profile, climate change policies and measures, our support for developing countries, and progress on implementing our obligations under the UNFCCC. At present, New Zealand is not meeting its international targets and further actions need to be taken.

A feature of our national psyche is the pride New Zealanders place on performing above our weight in the sporting arena. There is significant, untapped potential for the nation's competitive streak to be harnessed in pursuit of fulfilling our climate change mitigation ambitions. Developing and reporting on an externally administered measure of each district's progress in reducing its climate impact in terms of CO2 outputs is one such way of doing this.

3. New or confirming existing policy

The remit may require minor amendment to the Local Government Act to ensure that information that is needed for calculations to be made is required to be produced at specified intervals.

4. How the issue relates to objectives in the current Work Programme

This remit directly aligns with LGNZ's 'Environment' policy priority. In particular, it supports the Climate Change Project and is related to Outcome three: "A local government view on emission reduction targets for New Zealand, and how to achieve these."

It assists with the following project deliverable: "Support councils to take action to mitigate the impacts of climate change, and encourage greater action by their communities on contributing to the reduction of greenhouse gas emissions."

5. What work or action on the issue has been done and what was the outcome

No work has been undertaken specifically on this. However, the proposed model recommends use of the United Kingdom's approach, which is administered by the Department of Business, Energy and Industrial Strategy:

<https://www.gov.uk/government/statistics/uk-local-authority-and-regional-carbon-dioxide-emissions-national-statistics-2005-to-2017>

The United Kingdom Greenhouse Gas inventory (GHGI) is compiled annually and reported on an end-user basis using international best practice guidance, drawing on a variety of National Statistics and sector specific data sources.

This is a technically complex statistical analysis which individual local authorities would be unable to replicate, but provides consistent inventories and emissions projections of greenhouse gases and air quality pollutants.

The credibility of the report allows the results to be reported each year to the UNFCCC and the European Monitoring Mechanism Regulation (MMR). It is also used to assess compliance with the United Kingdom's domestic and international emissions.

The model has been used since 2005 and provides: "an important body of information [for] local authorities (LAs) and other relevant organisations to help identify high emitting sources of CO2 and energy intensive sectors, monitor changes in CO2 emissions over time and to help design carbon reduction strategies." (Local and Regional Carbon Dioxide Emissions Estimates for 2005–2017 for the UK Technical Report:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/812146/Local_authority_CO2_technical_report_2017.pdf)

Over the period for which this model has been used, and where figures are currently available (2005-17), emissions have decreased in all regions of, and for all 391 local authorities, in the United Kingdom. A scan of local authorities suggests that performing well on these measures is a key ambition that drives decision-making for many of these bodies.

6. Any existing relevant legislation, policy or practice

- Local Government Act 2002.
- Climate Change Response Act 2002.
- Climate Change Response (Zero Carbon) Amendment Act 2019.

7. Outcome of any prior discussion at a Zone/Sector meeting

With the relevant Zone meeting postponed, support was sought from councils directly. The following councils endorse this remit:

- Palmerston North City Council;
- Napier City Council;
- South Taranaki District Council;
- Hastings District Council; and
- Horizons Regional Council.

8. Suggested course of action envisaged

That a suitable government department be tasked with:

- (a) Analysing and publishing each district's carbon emissions, in order to provide the most reliable and consistent possible breakdown of CO2 emissions across the country; and
- (b) Publishing interactive local authority level emissions maps that allow users to zoom in to any district and see the emissions for the area, as well as identify the significant point sources. Such maps should be possible to filter by different sectors, to view how emissions have changed across the time series so that areas of best practice can be identified.

This system would provide incentives, structures and low cost information sharing mechanisms that would enable and encourage local government authorities, regional economic development agencies and individual businesses to identify best practice in similar regions or businesses. It would also encourage them to undertake targeted work to reduce their CO2 emissions.

9. Discussion and conclusion

This proposal aligns with New Zealand's international commitments, our national direction and LGNZ's work programme in terms of the mitigation of climate change. It is a system that has been shown to have positive benefits in the United Kingdom and leverages existing characteristics of New Zealanders to achieve these collective goals.

Remits not going to AGM

The Remit Screening Committee's role is to ensure that remits referred to the AGM are relevant, significant in nature and require agreement from the membership. In general, proposed remits that are already LGNZ policy, are already on the LGNZ work programme or technical in nature will be referred directly to the National Council for their action. Remits that fail to meet criteria will be declined.

1. Chief Executive remuneration

- Remit:** That LGNZ works with central government to investigate the potential of a centralised and independent organisation (such as the State Services Commission or the Remuneration Authority) to establish recommended remuneration levels/packages of local government chief executives.
- Proposed by:** Hamilton City Council
- Supported by:** Tauranga City Council; Waipa District Council; Tasman District Council; and Napier City Council.
- Recommendation:** That the remit is referred to the National Council for consideration.

2. Loans for low cost housing

- Remit:** That the Government provide interest-free loans to support the delivery of new low cost housing by relevant agencies, including councils, and that central government consider any additional mechanisms that would support councils and other relevant community agencies to respond to the housing crisis.
- Proposed by:** Whanganui District Council
- Supported by:** Palmerston North City Council; Napier City Council; Manawātū District Council; South Taranaki District Council; and Hastings District Council.
- Recommendation:** That the remit is declined on the basis that it is largely the same as the social housing remit adopted in 2019.

Council Report

Item 11

Committee: Council
Author: Rebecca Watson
Position: Governance Advisor
Report Name: Open Recommendations from Committees to the Council

Date: 06 August 2020
Authoriser: Amy Viggers
Position: Governance Team Leader

Report Status	<i>Open</i>
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Purpose – Take

1. To seek the Council's approval of the recommendation from the Strategic Risk and Assurance Committee meeting of 23 June 2020, in respect of the Risk Management Policy Review.
 - The Agenda of the Strategic Risk and Assurance Committee meeting of 23 June 2020 is available [here](#).
 - The minutes of the Strategic Risk and Assurance Committee meeting of 23 June 2020 is available [here](#).
2. To seek the Council's approval of the recommendation from the Infrastructure Operations Committee meeting on 30 June 2020, in respect of the Waste Management and Minimisation Bylaw 2019 – Service Controls.
 - The Agenda of the Infrastructure Operations Committee meeting on 30 June 2020 is available [here](#).
 - The Minutes of the Infrastructure Operations Committee meeting on 30 June 2020 is available [here](#).
 - The Waste Management and Minimisation Bylaw 2019 is available [here](#).

Recommendation from the Strategic Risk and Assurance Committee:

Risk Management Policy Review

3. That the Council approves the amended Risk Management Policy (attachment 1 of the staff report).

Recommendation from the Infrastructure Operations Committee:

Waste Management and Minimisation Bylaw 2019 – Service Controls.

4. That the Council:
 - a) approves the specification of the following controls for the matters in relation to the collection, transportation, or disposal of waste from any property in accordance with clause 4.1 and clause 5.15 of the Waste Management and Minimisation Bylaw 2019:

- i. Clause 5.15.d - The maximum number of hours prior to or following the collection period that a container may be placed in a public place:

Specified Bylaw Control:

Other than as specified in conditions set by Council in any written approval or licence to collect waste from a public place as per the Waste Management and Minimisation Bylaw 2019, no container may;

- Be placed in a public place for collection more than 14 hours prior to the commencement of the collection period.
- Be left in a public place for more than 14 hours after the collection period ends.

- ii. Clause 5.15.e - The maximum weight of waste put in individual containers:

Specified Bylaw Control:

For Council provided services that the maximum weight allowed in approved containers is;

- 120 litre rubbish bin – 40 Kg of refuse
- 240 litre recycling bin – 40 Kg of dry recyclable material
- Glass crate – 20 Kg of glass bottles or jars
- Food scraps bin – 15 Kg of organic material

For non-standard approved containers;

- The General Manager Infrastructure Operations is delegated to approve the maximum weight that may be set for non-standard approved containers.

- b) notes that the specified bylaw controls will be made available to the public as a document on the Hamilton City Council website alongside the Waste Management and Minimisation Bylaw 2019; and
- c) notes that communication of the specified bylaw controls will be completed using a public notice as required by clause 4.1a of the Waste Management and Minimisation Bylaw 2019.

Attachments

Attachment 1 - Proposed Risk Management Policy

First adopted:	22 February 2012
Revision dates/version:	Updated for Governance Structure May 2019
Approved:	Insert date approved (Council)
Next review date:	May 2023
Engagement required:	Not required
Document number:	Insert D-number
Associated documents:	Risk Management Standards and Guidelines
Sponsor/Group:	General Manager - Corporate

Risk Management Policy

Purpose

1. The Policy outlines Council's risk management philosophy, risk threshold and approach to managing risk. It also sets out the principles which guide Council's risk philosophy and the structures and processes necessary to implement, support and sustain effective risk management across Hamilton City Council.
2. The Policy provides a framework to effectively manage risks inherent to the Council's operation which can affect the achievement of its goals and objectives by:
 - Ensuring risk-based information is available to support good decision-making
 - Providing assurance that risks are being appropriately addressed and managed
 - Ensuring compliance with legislation and regulations

Scope

The scope of this policy applies to all Hamilton City Council employees.

Definitions

Definition	Detail
Council	The Hamilton City Council elected members.
Hamilton City Council (HCC)	The Hamilton City Council as an organisation.
Level of risk	The magnitude of a risk or combination of risks expressed in terms of the combination of consequences and their likelihood.
Project	A series of interrelated activities undertaken to accomplish a specific goal or end result with specific start and end points (not ongoing).
Public annoyance	The result of something that disturbs or aggrieves the public; something the public finds irritating or troublesome.
Risk attitude	Council's approach to assess and eventually pursue, retain, take or turn away from risk.
Risk management	Coordinated activities to direct and control Council with regard to risk.
Risk management framework	A set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout Council.
Risk threshold	The amount and type of risk that Council is willing to accept in pursuit of its objectives.
Risk tolerance	The maximum risk that Council is willing to take regarding each relevant risk.
Extreme risk	A risk which is almost certain or likely to occur which will result in major or catastrophic consequences.

Principles

3. Risk management will be governed by a common set of principles, aligned to the joint AS/NZS ISO 31000:2018 Risk Management Standard. These principles should be considered for all risk management activities undertaken within Hamilton City Council:
 - a. **Integrated** – risk management is an integral part of all the Council’s activities.
 - b. **Structured and comprehensive** – the Council’s approach to risk management contributes to consistent and comparable results.
 - c. **Customised** – the Council’s risk management framework and processes are customised and proportionate to the external and internal context related to the Council’s objectives.
 - d. **Inclusive** – appropriate and timely involvement of the Council’s stakeholders enables their knowledge, views and perceptions to be considered. This results in improved awareness and informed risk management to inform decision-making, prioritise actions and distinguish alternative courses of actions.
 - e. **Dynamic** – risk management anticipates, detects, acknowledges and responds to those changes and events in an appropriate and timely manner.
 - f. **Best available information** – the inputs to risk management are based on historical and current information, as well as on future expectations. Risk management explicitly considers any limitations and uncertainties associated with such information and expectations. Information should be timely, clear and available to relevant stakeholders.
 - g. **Human and cultural factors** – significantly influence all aspects of risk management at each level and stage.
 - h. **Continual Improvement** – risk management is continually improved through learning and experience.

Risk management statement

4. Risk management is the responsibility and duty of everyone at Hamilton City Council. The process of identifying and managing risks remains at the core of all processes to ensure that Council is able to meet its long-term goals and strategy.

Everyone at Council should be empowered to identify risks and have the tools available to be able to bring these to the attention of Management and Council. This Policy will ensure that events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives, are identified, reported early and managed appropriately.

Risk management overview

1. Council will determine and oversee the risk management structure and ensure it is functioning effectively and efficiently.
2. Council’s requirements and priorities in respect of risk management will be communicated throughout Hamilton City Council.
3. Potentially significant risks identified by personnel can be communicated upwards to Council through the Chief Executive.
4. Council will determine the level of significance that they would like to review, e.g. extreme, very high, and high risk. Risks will be rated on a five-point rating scale at Hamilton City Council (extreme, very high, high, medium, and low).
5. Council should identify and address risks at a governance level which would affect its ability to meet the governance and stewardship role for Hamilton City Council.
6. Hamilton City Council’s risk management guidelines are consistent with the ISO 31000:2018 Risk

Management Standard.

Risk threshold and tolerance

7. Setting risk threshold and tolerance is the responsibility of Council.
8. At Council level, risk threshold is a driver of strategic risk decisions. At an executive level, risk threshold translates into a set of procedures to ensure that risk receives adequate attention when making tactical decisions. At an operational level, risk threshold dictates operational constraints for routine activities.
9. Setting risk threshold starts with the outcome targets Council wishes to achieve, taking into account:
 - a. Current and future potential risk exposures.
 - b. An analysis of risk/ opportunities
 - c. Current and future potential resources.
 - d. Council's desired risk position in the public sector, given the reputation it wants to achieve/maintain, likely sector developments and the positioning and expected strategies of other sector participants/stakeholders.
10. Council sets a risk threshold at an overarching level for all activities undertaken. All risks undertaken should be done so in line with the risk management framework. All risks identified must be assessed against key Council consequence areas to ensure the impact on Council can be clearly understood. This will include consequence areas such as financial, political, reputational, compliance, and safety and wellbeing.
11. In executing its chosen strategies Council encourages intelligent risk taking, grasping of new opportunities and the use of innovative approaches to further the interests of its business and help achieve its stated outcomes provided the resultant risk exposure is within Council's risk tolerance limits.
12. Additional care is needed in taking any action which could:
 - a. impact on the reputation of Council, and HCC
 - b. impact on service delivery to ratepayers
 - c. impact the safety and wellbeing of HCC people and the public
 - d. undermine the achievement of HCC's objectives
 - e. result in financial loss
 - f. result in the disclosure of sensitive information when dealing with Official Information requests.
13. The following risk evaluation guidelines must be considered when considering opportunities or making decisions.

Class	Tolerance	Threshold All risks with an overall rating of Very High or Extreme should be reported to Council
Financial	Operational and capital expenditure budgets should be closely monitored to ensure these are kept within reasonable limits.	Significant financial loss in operational budget in excess of: Opex increase or reduction in revenue: the lesser of 10%-15% (or \$10k-\$100k) of Opex budget
Strategic / Political	The risk is aligned to political changes and confidence at a local or national level.	Activity will be detrimental to the organisation if it progresses as it will not be aligned with local or central political strategic imperatives. Loss of political confidence.
Regulatory / Compliance	All risks can stand up to legal challenges	The activity is unable to comply with regulations, compliance or adverse audit findings. Extensive fines/penalties likely.
People, Health, Safety and wellbeing	No circumstances are expected to adversely impact the safety and wellbeing of staff, contractors and the public. The risk does not anticipate	Significant health and safety concerns requiring additional measures and resources. Injuries could be significant.
Community and Wellbeing	The impact of an activity on the community is localised, short term, reversible and involves no public safety issues	Widespread dissatisfaction from the community with a risk of damage to HCC's reputation caused by poor communication or stakeholder engagement.
Technology	Risks with technology issues and data are easily retrievable	Significant loss of data and impact. Data is at risk of not being retrievable.
Operational	Operational activities will be affected in one area of service delivery. No material loss.	Widespread reduction in service delivery / disruption or outage has a detrimental effect on stakeholders
Reputation	All risks identified should be considered for reputational impact on HCC and Council.	Persistent negative national media coverage which could continue to escalate.
Disaster event, including hazards, exposure and vulnerability	The organisation has risk mitigations in place for preparedness and risk transfer (insurance) which can respond to and recover from the impacts of a likely disaster	Emerging or impending threat of disaster, with the likelihood of loss of life, injury or destruction and damage in a given period of time
Environmental	Any minor environmental damage caused by the activity can be managed through consent and planning process	The activity will cause widespread or major environmental damage with significant cost and reputation.

Projects	All projects can be adequately managed to ensure they are completed within budget and do not incur overruns. These projects should also be completed within the agreed scope and timelines while delivering on the agreed objectives and assessed for reputational consequence on Council.	Project budget severely impacted or requires significant additional funding, key milestones cannot be met, scope change impacts achieving desired results
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The resultant risk ratings after the assessment of consequences and likelihood, as well as the actions required for these risks are outlined in Schedule 1.

Reporting extreme risks.

14. In the case that a risk assessment results in an 'extreme' inherent or residual risk score, the risk is to be reported to the Chief Executive and Council immediately and subsequently reviewed and reported as outlined in Schedule 1.

Review of risk management

15. Risk management performance will be reviewed regularly to ensure that the desired outcomes or benefits are being achieved.
16. Council will receive reports from the Chief Executive of significant risks at Council on a regular basis. Council will review the risks as well as any mitigations/controls in place.
17. Feedback regarding the effectiveness of these controls will be independently provided by Internal Audit on a periodic basis as determined by Internal Audit, or as requested by Council.
18. Audit New Zealand or other external parties may be requested to provide independent assurance on the effectiveness of controls in place at Council, as well as any other risk mitigation processes as required by Council, or as mandated by New Zealand legislation.

Implementation

Risk management responsibilities

19. Council are responsible for:
- Evaluating risks to the delivery of the Long-Term Plan (LTP).
 - Determining the strategic approach to risk.
 - Setting the risk threshold.
 - Setting risk tolerance levels commensurate with the risk threshold.
 - Establishing the structure and practices for risk management.
 - Understanding the most significant risks.
 - Setting Council risk policies.
 - Triennially considering the need for an independent review of the risk management framework.
 - Forming its own view on the strategic risks for Hamilton City Council.
 - Reviewing the quality of risk information, reports and effectiveness of risk assurance practices.

References

AS/NZS ISO 31000:2018 Risk Management – Principles and guidelines

Schedule 1 - Risk rating and reporting

The following tables provide the limits within Hamilton City Council's overall risk threshold which the organisation is expected to operate within and expected responses for each level of risk.

Attachment 1

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost Certain	H	H	VH	E	E
	Likely	M	H	VH	VH	E
	Possible	L	M	H	VH	VH
	Unlikely	L	M	M	H	VH
	Rare	L	L	L	M	H

This matrix is used to map the likelihood and consequence levels of a risk and provide a pictorial representation of the relativity of that risk to other risks within an Activity Group and can also be used for mapping key risks across Hamilton City Council.

Item 11

'Action required' table

The following table details the required actions for each risk:

ACTION REQUIRED FOR RISK	
E	Extreme Risk – Immediate action required: risk escalated as appropriate. Action Plans and management responsibility specified with close scrutiny required. Only the Chief Executive and/or Council can accept this level of risk.
VH	Very High Risk – Senior Leadership Team attention advised. Action Plans and management responsibility specified with periodic scrutiny required. The relevant GM, sponsor, risk manager and programme manager can accept this level of risk.
H	High Risk – Senior Leadership Team attention advised. Action Plans and management responsibility specified with periodic scrutiny required. The relevant General Manager (GM), Risk Owner, Unit Manager or Action Owner can accept this level of risk.
M	Medium Risk – Management responsibility specified. Managed by specific monitoring and procedures. The relevant Risk Owner, unit manager or Action Owner can accept this level of risk.
L	Low Risk – Manage by routine procedures. Unlikely to require specific application of resources. The relevant activity manager can accept this level of risk.

Risk Review and Reporting Table

The following table details the required level to which the different risk levels must be reviewed and reported.

RISK LEVEL	STRATEGIC AND ORGANISATIONAL RISKS	REVIEW PERIOD (Minimum)	REPORTING PERIOD (Minimum)
Extreme	Council	Quarterly	Strategic Risk & Assurance quarterly
	Senior Leadership Team	Monthly	Monthly
Very High	Council	Quarterly	Strategic Risk & Assurance quarterly
	Senior Leadership Team	Monthly	Monthly
High	Senior Leadership Team	Quarterly	Monthly
Medium	Wider Leadership Group*	Six-monthly	Monthly / as Required
Low	Wider Leadership Group*	Six-monthly	Monthly / as required

**Wider Leadership Group is to be interpreted as any staff member with specific business responsibilities, including but not limited to, General Managers, Unit Managers, Team Leaders and Project Managers.*

By using this matrix, a decision can be made as to the level of escalation for management acceptance that is required and the frequencies with which accepted risks are to be reviewed and reported.

Council Report

Committee: Council **Date:** 06 August 2020
Author: Christopher Barton **Authoriser:** Chris Allen
Position: Capital Projects Manager **Position:** General Manager Development
Report Name: Ruakura Transport

Report Status	<i>Open</i>
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Purpose - *Take*

1. To seek the Council's approval to progress two planned transportation projects in the Ruakura area – the urban upgrade of Ruakura Road between Wairere Drive and Silverdale Road and Ruakura 'Spine Road' connection from Silverdale Road to the Waikato Expressway Ruakura Interchange.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receive the report;
 - b) approves the macroscope of the Ruakura Road urban upgrade project as set out in this report;
 - c) approves the Ruakura Road urban upgrade project business case for submission to Waka Kotahi NZTA to seek project financial assistance; and
 - d) approves the macroscope of the Ruakura Spine Road connection between Silverdale Road and the Waikato Expressway Ruakura Interchange.

Executive Summary - *Whakaraapopototanga matua*

3. In alignment with expected completion of the Hamilton section of the Waikato Expressway in late 2021, upgrades of the existing transportation network in the Ruakura area are required including:
 - i. upgrade of the existing Ruakura Road between Wairere Drive and Silverdale Road; and
 - ii. construction of the new Ruakura 'Spine Road' connection from Silverdale Road to the Waikato Expressway Ruakura Interchange.
4. The Ruakura Road urban upgrade project is a planned and funded project in the 2018-28 10-Year Plan and 2020-21 Annual Plan.
5. In order for the upgrade to be ready for the 2020/21 summer construction season approval of the project macroscope is required.
6. Subject to approval of the macroscope and budgeted Waka Kotahi NZTA financial assistance, staff propose to progress detailed design and construction procurement and expect to commence in early 2021.

7. Delivery of the Ruakura Spine Road connection between existing Ruakura Road and the Waikato Expressway is proposed to be jointly funded by the MBIE Provincial Development Unit, Tainui Group Holdings and Hamilton City Council.
8. This report seeks to approve the macroscope of the Spine Road connection, noting proposed commercial arrangements with funding partners are addressed in a separate report to this meeting.
9. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Kooreo whaimaarama*

10. On 13 February 2020 the Strategic Growth Committee received a public excluded report on the Waikato Expressway Ruakura Interchange including consideration of the Ruakura Road urban upgrade project and the future Ruakura Spine Road. Regarding the Ruakura Road upgrade project, the Committee resolved to include full road pavement renewal within the scope of the project, while also requesting staff report back for macroscope approval – particularly regarding provisions for pedestrians and cyclists.
11. Subsequently on 14 May 2020 the Strategic Growth Committee received a report where it was further resolved to hold a Briefing and report back to seek macroscope approval for Ruakura Road upgrade.
12. Discussions with Elected Members since May 2020 have resulted in further improvements and discussions with the northern land owners to enable improved active mode provision and integrated stormwater solutions.
13. The roading network including identification of these projects is shown on **Attachments 1 and 2**.

Discussion - *Matapaki*

Ruakura Road Urban Upgrade

14. A project is included in the 2018-28 10-Year Plan to urbanise the existing Ruakura Road between Wairere Drive and Silverdale Road, where it will tie in with the future Ruakura Eastern Transport Corridor (previously called Spine Road).
15. The road is currently constructed to a rural standard while urban development has progressed in the area and the road is no longer fit for purpose. It is noted that there has been a recent death of a cyclist on this section of Ruakura Road in June 2020, at the intersection of Ruakura Lane.
16. It is planned to commence construction of the upgrade in the 2020/21 construction season prior to additional traffic loading from the Waikato Expressway Ruakura Road West link.
17. The existing Ruakura Road is a minor arterial and is also identified as a "Primary Existing Route" in the current approved Biking Plan.
18. In accordance with the Ruakura Structure Plan, Operative District Plan and Biking Plan, Ruakura Road will continue to function as a two-lane minor arterial road between the Wairere Drive Ring and the Spine Road and it needs to provide for public transport and shared footpath and cycle paths to meet cyclist and pedestrian requirements.
19. The scope of Ruakura Road urban upgrade project is to urbanise the corridor catering for all modes including determining the appropriate intersection treatments at Nottingham Drive, Ruakura Lane and Knighton Road intersections.

20. The existing road corridor has some significant constraints including Transpower lines and land drainage facilities.
21. The proposed macroscope for existing Ruakura Road Urban Upgrade is as follows (refer **Attachment 3**):
 - new pavement/surfacing, kerb and channelling, drainage, lighting and landscape improvements
 - retaining the give way-controlled intersection at Nottingham Drive
 - traffic signals with cycling/pedestrian facilities at Ruakura Lane intersection
 - traffic signals with cycling/pedestrian facilities at Knighton Road intersection
 - road carriageway including 3.5m traffic lanes (1 in each direction) and 1.5m shoulders
 - retain existing public transport stops at key locations to meet land-use demands
 - 3.0m (min) off-carriageway shared path on southern side (shown Blue on Attachment 3)
 - 1.8m pedestrian path on the northern side (shown yellow on Attachment 3)
 - 3.5m wide bi-directional cycle way on the northern side (north of the pedestrian path and shown red on Attachment 3)
 - stormwater improvements via swales and wetland areas to manage quality and quantity discharge to existing networks (looking to amalgamate with stormwater for Innovation Park and Knowledge Zone areas)
 - recognition of the area's cultural heritage – details to be confirmed in collaboration with tangata whenua
22. It is noted the scope of proposed walking and cycling facilities along this corridor exceeds assumptions at the time of original project cost estimation.
23. Development of a Waka Kotahi NZTA Single Stage Business Case has also been progressed, seeking to secure project financial assistance at a rate of 51%. The preferred option from the business case is as per the proposed macroscope outlined above.
24. This project is funded in the 2018/28 10-Year plan and 2020/21 Annual Plan to a value of \$8.85m.
25. Designs are currently at concept stage. Development of project cost estimates are currently underway. If cost estimates exceed existing budget allocations staff will report back to seek further direction from Elected Members.
26. Subject to approval of the macroscope and budgeted Waka Kotahi NZTA financial assistance, staff propose to progress detailed design and construction procurement to commence construction of the upgrade works in early 2021.

Ruakura Spine Road Stage 1 – Expressway to Ruakura/Silverdale

27. In accordance with resolutions of the Strategic Growth Committee on 13 February 2020, staff have collaboratively with delivery partners been progressing the project to connect the arterial roading network from the Waikato Expressway Ruakura Interchange to existing city network and the proposed Ruakura Inland Port development.
28. In collaboration with Tainui Group Holdings, an application to the Provincial Growth Fund (administered by the MBIE Provincial Development Unit) seeking financial support for this project has been endorsed. Development of associated commercial arrangements are addressed in a separate public excluded report to this meeting.
29. The total cost of the combined package is \$38.6m, funded via:
 - \$16.8m from the Provincial Growth Fund (PGF);
 - \$16.8m from Tainui Group Holdings (TGH); and
 - \$5m from Hamilton City Council (HCC)

30. The overall \$38.6m delivery package includes delivery of three key roads:
- Ruakura Spine Road from the Expressway to existing Ruakura/Silverdale Road;
 - Development of 'Road 3' connecting from Spine Road to the proposed Ruakura Inland Port; and
 - Realignment of existing Percival Road including the existing rail level crossing
31. Road 3 and Percival Road are collector/local roads and will follow standard land development consenting processes.
32. Council's proposed \$5m investment to the project is targeted to the Ruakura Spine Road, which is a major arterial strategic corridor.
33. The proposed macro-scope for the Ruakura Spine Road is as follows (refer **Attachment 4**):
- new road pavement and surfacing, kerb and channelling, lighting and landscaping.
 - connection with Ruakura Road – intersection operating as an un-controlled intersection in the short term (no turning movements) and future-proofed to operate as a traffic signal controlled intersection when future northern extension of Spine Road is constructed.
 - realignment of Silverdale Road to connect to Spine Road at a new traffic signal controlled intersection
 - traffic signals at the intersection with 'Road 3' & 'Road 4'
 - strategic water and wastewater infrastructure to service land development
 - 2m pedestrian path on the Spine Road southern/western side
 - 3.5m wide bi-directional cycle way on the Spine Road southern/western side (adjacent to the pedestrian path)
 - priority pedestrian/cycle crossing facilities at intersections including raised crossings
 - road drainage and stormwater management via swales along the corridor, discharging to existing watercourse - noting future-proofed design to provide integrated stormwater management outcome for adjacent future land development.
 - recognition of the area's cultural heritage – details to be confirmed in collaboration with tangata whenua
34. The macro-scope of this project has largely been defined by its designation as part of the Waikato Expressway but staff have been able to modify the scope to obtain better alignment with the macro-scope of the urban upgrade.
35. Following Elected Member feedback, the intersection of the Spine Road and Ruakura Road has been modified to enable an easy conversion to a signalised intersection at a later date with very little sacrificial work, once the Ruakura Eastern Transport Corridor progresses.
36. Development of the scope of the Ruakura Eastern Transport Corridor to reflect the emerging mass transit role it is likely to play is discussed in the separate public excluded report
37. Subject to approval of the urban upgrade and Silverdale Road project macro-scope and associated agreements discussed in the public excluded report, staff propose to finalise detailed design and consenting and commence construction procurement in order to mobilise for construction in the upcoming summer season.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

38. Staff confirm that the matters and recommendations within this report comply with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

39. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
40. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
41. The recommendations set out in this report are consistent with that purpose.
42. When fully developed Ruakura will become New Zealand's largest integrated inland port operation and will serve to bring social, economic, environmental and cultural benefits to Waikato and New Zealand.

Social

43. The completion of the Ruakura transport network will help provide for a connected city allowing communities to access employment, education, health and other essential services as well as access to recreational and social opportunities.
44. The social impacts of transport were considered as part of the designation of the Ruakura Road Interchange undertaken by the Transport Agency in 2015 and through the Board of Inquiry for the inland port and the subsequent plan change to bring the broader Ruakura area into the District Plan.
45. The recommendation to reconsider the transport corridor more broadly and taking into account any direction from the Metro-Spatial Plan provides an opportunity to also reconsider social opportunities.

Economic

46. The completion of the Ruakura transport network will allow for economic wellbeing city-wide but particularly for Ruakura and its intended inland port and associated logistics and industrial land zoning.

Environmental

47. Environmental impacts will be considered as part of the business case.
48. The Ruakura transport network enables development of significant employment opportunities on the eastern side of the city reducing the demand for travel given the housing opportunities on the eastern side. The transport proposals will also include significant walking and cycling facilities.
49. Completion of the Ruakura transport network is an important enabler of the Ruakura Inland Port which is intended to drive a mode shift from road to rail when fully developed, which is particularly important given the expected 53% growth in the freight by 2042.
50. Mode shift from road to rail has positive environmental impacts including a reduction in road crashes involving trucks and heavy vehicles and fewer carbon emissions from the burning of transport fuels.

Cultural

51. Completion of the Ruakura transport network will not only allow connection of the Expressway with the local transport network, it will also enable development of Ruakura and the commencement of the Ruakura Inland Port.
52. Ruakura is a critical platform for enabling Waikato Tainui economic development aspirations. Tainui advise it is intended to provide a long-term source of income to support the health, wellbeing and education of the future generations of Waikato-Tainui.

53. As part of the procurement and delivery of Ruakura Spine Road HCC will be giving effect to the Waikato Tainui talent and capability plan.
54. Engagement with tangata whenua is ongoing in regard to opportunities to incorporate appropriate cultural consideration and recognition into design and construction.

Risks -*Tuuraru*

55. Projects are still at design stage and are subject to key risks including cost estimate updates, confirmation of consents and associated conditions, tender pricing, conflicts with existing services, significant traffic management and unforeseen ground conditions.
56. The Ruakura Road urban upgrade is currently budgeted on the assumption of Waka Kotahi NZTA funding assistance at 51%. If this is not realised or funding approval is delayed, staff will report back to Council to seek further direction.
57. Subject to works staging and timing, there is a high likelihood that these key connections from the city to the Hamilton section of the Waikato Expressway will not be complete at the time the Waikato Expressway is opened.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

58. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

Engagement

59. Community views and preferences are already known to the Council through engagement over:
 - the Waikato Expressway which included consultation on city connections;
 - the Hamilton City Operative District Plan; and
 - the 2018-28 10-Year Plan.
60. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments

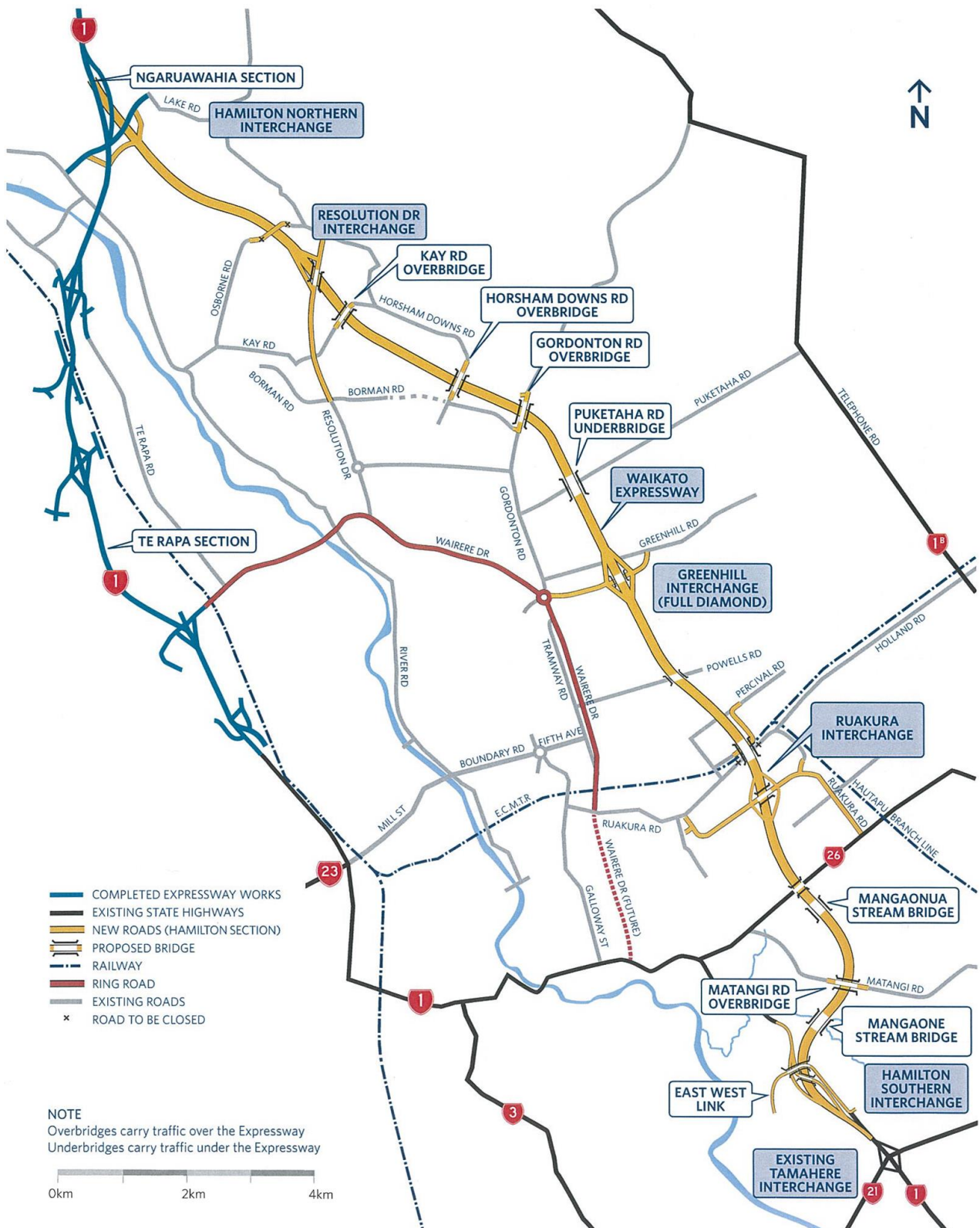
Attachment 1 - Waikato Expressway Hamilton Section Plan

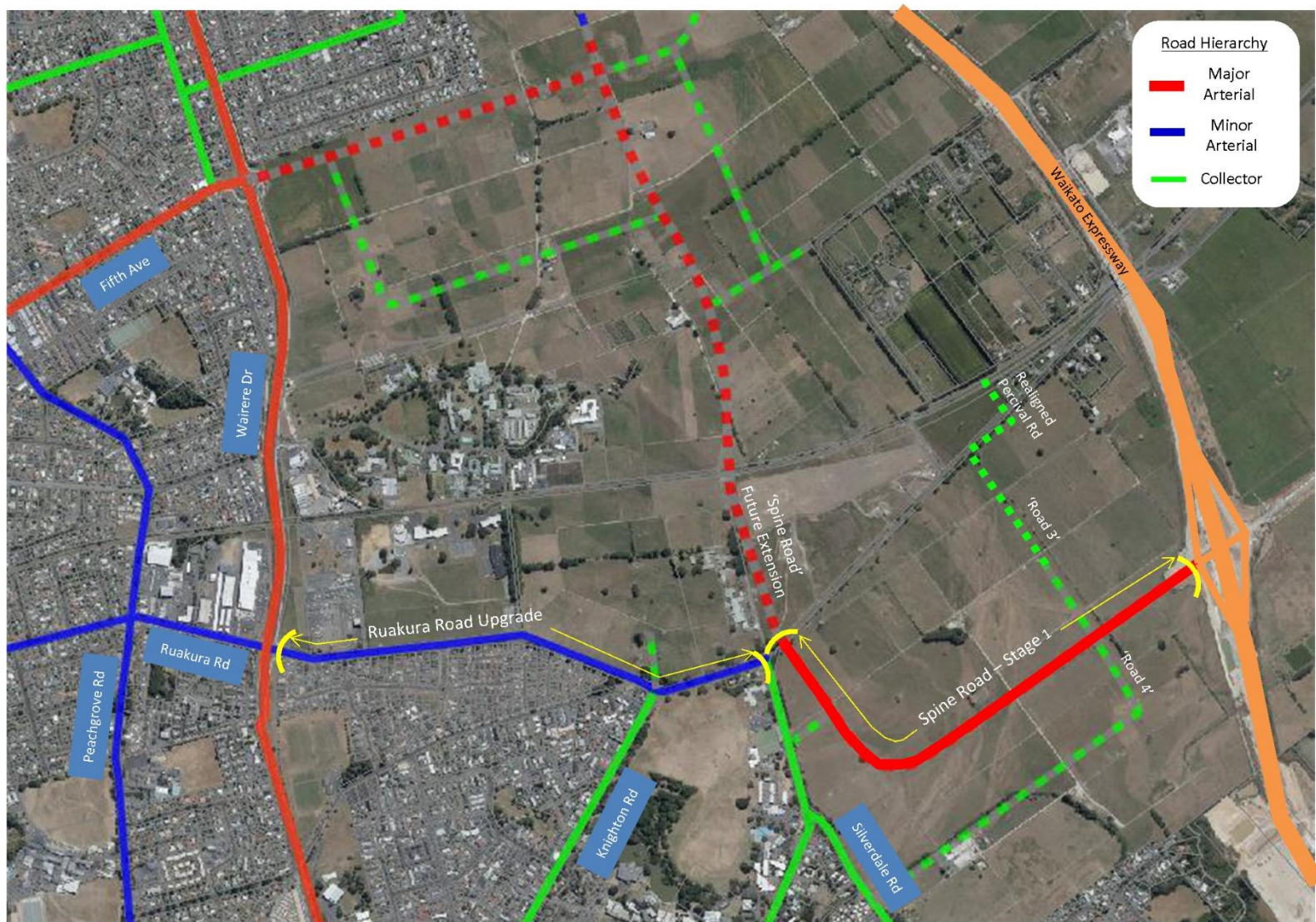
Attachment 2 - Ruakura Transport Network Plan

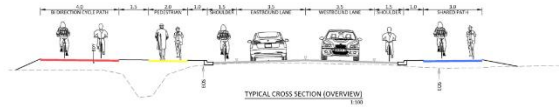
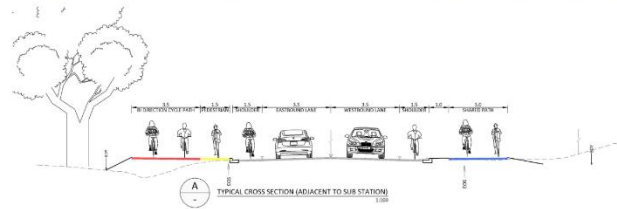
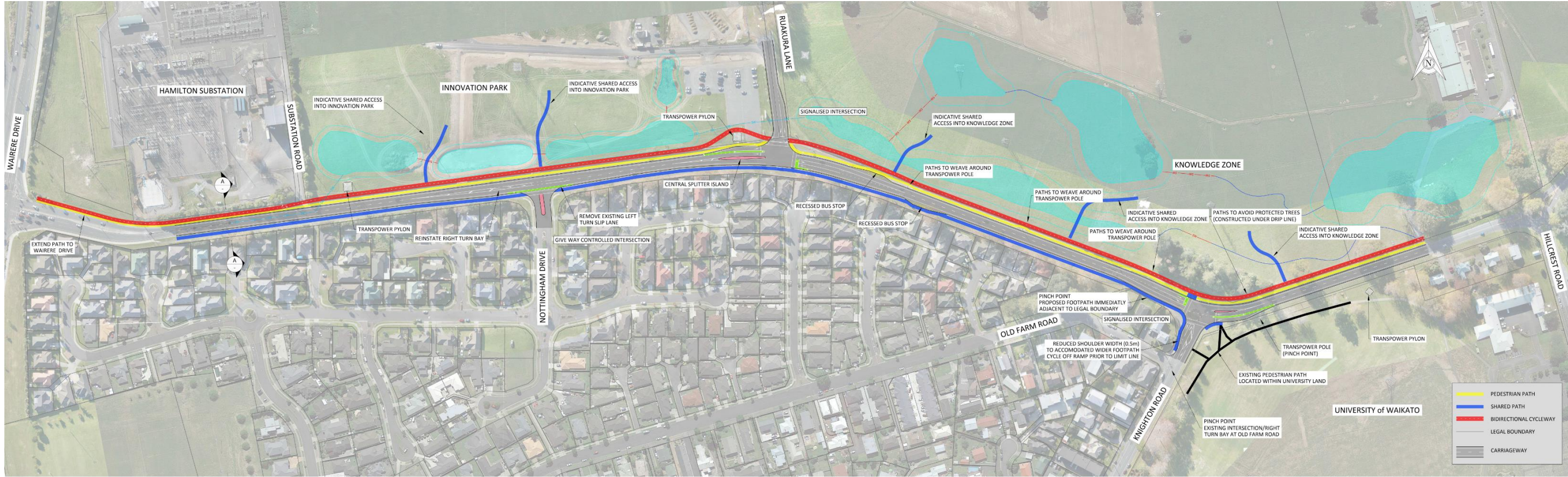
Attachment 3 - Ruakura Road Urban Upgrade - Wairere Drive to Silverdale Road

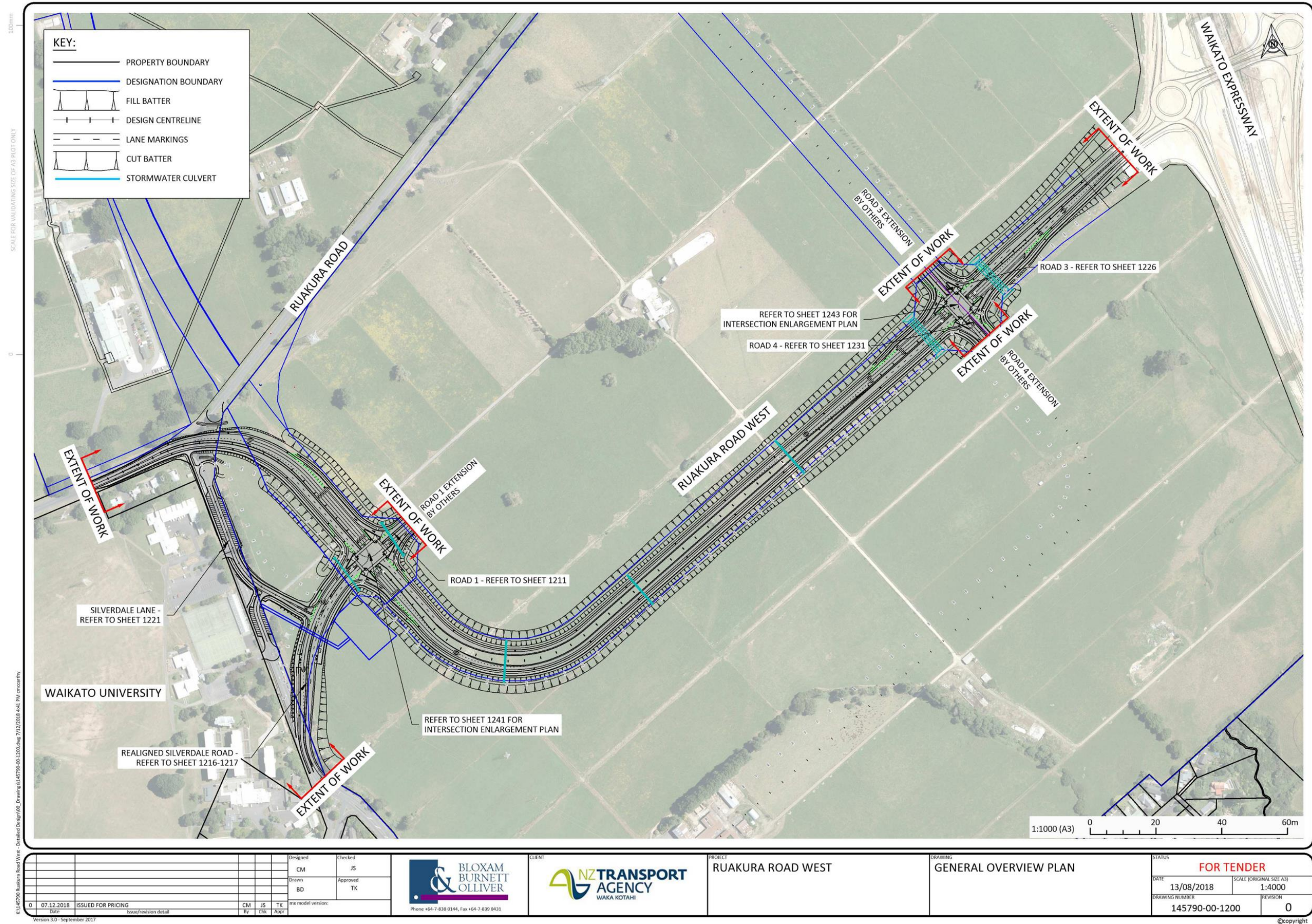
Attachment 4 - Ruakura Spine Road Stage 1 - Expressway to Ruakura Road

Attachment 5 - Ruakura Walking and Cycling Network Concept Layout



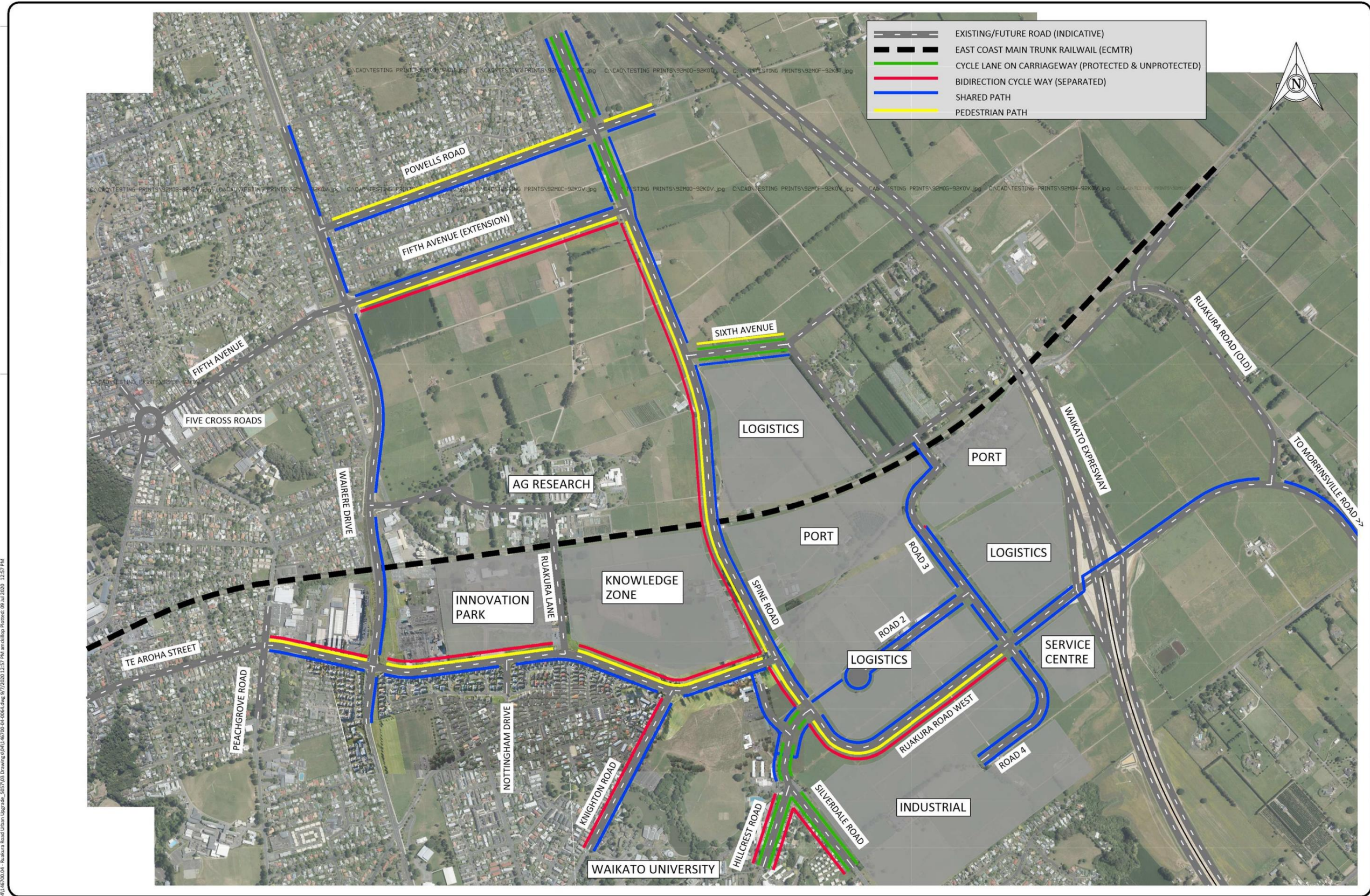






SCALE FOR VALIDATING SIZE OF A3 PLOT ONLY

C:\2\engineering\data\10.7.120.1\1\46700-04 - Ruakura Road Urban Upgrade_5057\03 Drawing\04\1_46700-04-0064.dwg 9/7/2020 12:57 PM mcdillings Printed: 09 Jul 2020 12:57 PM



DESIGNED AM CM MH				CHECKED CM MH				DRAWN AM				APPROVED MH				bbo				Hamilton City Council Te kaunihera o Kiriakiriāroa				PROJECT RUAKURA ROAD URBAN UPGRADE				DRAWING BI DIRECTIONAL CYCLEWAY WITH PATHS OVERVIEW				STATUS PRELIMINARY			
B 09.07.2020 INDUSTRIAL ZONE UPDATE				AM CM MH				A 07.07.2020 INITIAL ISSUE				AM CM MH				Version 4.0 - March 2020				DATE 07.07.2020				SCALE (ORIGINAL SIZE A3) NTS				DRAWING NUMBER 146700-04-0064				REVISION B			
DATE				BY				CHK				APPR																							

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Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Elected Member Closed Briefing Notes - 18 June 2020) Good reason to withhold) information exists under) Section 7 Local Government	Section 48(1)(a)
C2. Confirmation of the Elected Member Closed Briefing Notes - 18 June 2020) Official Information and) Meetings Act 1987)	
C3. Ruakura Transport - Funding Agreement Ruakura Road West		
C4. 2020 LGNZ President and Vice President nominations - For consideration		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)
	to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (f) (ii)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)