

Council Briefing Agenda

Date: Wednesday, 30 November, 2022

Time: 9:00 am

Location: Council Chamber
Forum North, Rust Avenue
Whangarei

Elected Members: His Worship the Mayor Vince Cocurullo
Cr Gavin Benney
Cr Nicholas Connop
Cr Ken Couper
Cr Jayne Golightly
Cr Phil Halse
Cr Deborah Harding
Cr Patrick Holmes
Cr Scott McKenzie
Cr Marie Olsen
Cr Carol Peters
Cr Simon Reid
Cr Phoenix Ruka
Cr Paul Yovich

For any queries regarding this meeting please contact the Whangarei District Council on (09) 430-4200.

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2.1 Pecuniary Interests Declarations – new statutory requirements

Meeting:	Council Briefing
Date of meeting:	30 November 2022
Reporting officer:	Rebecca Rowsell

1 Purpose / Te Kaupapa

To provide elected members with an overview of recent amendments to the Local Government Act 2022 regarding the mandatory declaration of pecuniary interests.

2 Background / Horopaki

The Local Government (Pecuniary Interests Register) Amendment Bill 2021, which came into force on 20 November 2022, amends the Local Government Act 2002 and requires Councils to maintain a register of the pecuniary interests which records members' interests and makes it mandatory for elected members to submit an annual interests return.

The overarching purpose of the register is to enhance transparency and strengthen public trust and confidence in local government processes and decision-making. It also provides for a consistent approach to the declaration of interests across all councils

3 Discussion / Whakawhiti kōrero

Under the new requirements elected members will be required to make pecuniary interests declarations in February each year as well as updating declarations as appropriate during the year. A summary of those declarations must then be made publicly available.

The new obligations under this Amendment Act are in addition to (and do not affect) existing obligations under the Local Authority (Member's Interests) Act 1968, with the result that there may be a degree of overlap between the respective statutory requirements.

Summary of key changes introduced by the amendment

- 3.1 Council must keep a Register of the pecuniary interests (the "Register") of its elected members. The Amendment Act will not apply to "appointed" members of a committee such as the independent Chair of the Audit and Risk Committee.
- 3.2 'Pecuniary Interest' is defined under the Act as "*in relation to a member, means a matter or activity of financial benefit to the member.*"
- 3.3 The Register will include the annual pecuniary interest declarations made by elected members, as well as any changes, updates that may need to be made during the year.

- 3.4 Council must make a summary of the information contained in the Register publicly available (but is not required to make the entire Register available). Information contained in the Register must be retained for seven years.
- 3.5 In each triennium, the due dates for declarations by elected members will be:
- a. Year 1: 120 days after the date on which the member comes into office under section 115 of the Local Electoral Act 2001.
 - b. Year 2: the last day of February in the second year of the triennium; and
 - c. Year 3: the last day of February in the third year of the triennium.
- 3.6 The due date for the first annual return for this term of Council will be **11 February 2023**.
- 3.7 Declarations cover a 12-month period, being the 12-month period that ended on the day that is one month before the due date of the declaration. The dates covered by next year's declarations will therefore be for the 12-month period from **11 January 2022 to 11 January 2023**.
- 3.8 Staff will prepare a template for the declarations returns, based on the requirements of the legislation which will likely cover both the requirements of the Amendment Act and the broader interest declaration requirements encompassed by the existing requirements on interest declarations. However, only pecuniary interests will be included in the summary of the Register information.
- 3.9 Information that must be included in a member's declaration includes:
- a. The name of any company of which a member is a director, or holds or controls more than 10% of the voting rights, along with a description of the main business activities of that company.
 - b. The name of any other company or business entity in which a member has a pecuniary interest, along with a description of the main business activities of that company or entity.
 - c. If a member is employed, the name of the employer along with a description of employer's main business activity.
 - d. The name of any trust in which a member has a beneficial interest.
 - e. The name/description of any organisation or trust where a member is a member of the organisation, a member of the governing body of the organisation or a trustee of the trust, where that organisation or trust receives funding or has applied to receive funding from Council.
 - f. The name/description of any organisation to which a member has been appointed as an elected member.
 - g. The location of any property in which a member has a legal interest, other than as a trustee, and a description of the nature of that property.
 - h. The location of any property held by a trust of which a member is a beneficiary, and a description of the nature of that property.

- i. Details of any overseas travel including, each country travelled to and the name of any person who contributed to travel and/or accommodation costs.
 - j. A description of any gifts received by a member worth more than \$500 and the name of the donor of the gift.
 - k. A description of any payment received by a member other than salary/allowances received as an elected member, payments from employment or interests (i.e., directors fees etc) otherwise declared or payments for activities ceased before becoming a member.
- 3.10 The legislation makes it clear that:
- a. members do not have to disclose the actual address of any property they own; suburb and city is sufficient to identify location.
 - b. travel information does not need to be supplied if travel and accommodation costs are paid for by a member, or the member's family.
 - c. gifts from family members do not need to be declared.
- 3.11 The legislation requires council to appoint a registrar to compile the Register and provide advice and guidance to members on their obligations; this is likely to be a senior member of staff such as the Chief Executive of General Manager of Strategy and Assurance.
- 3.12 Members are solely responsible for fulfilling their obligations under the legislation and so the Registrar must not prepare a declaration on behalf of a member, nor is the Registrar responsible for notifying any member of their failure to make a declaration or of any error in their return.
- 3.13 However, in practice, the Registrar will provide guidance to members on how to make declarations and the deadlines for submissions of such declarations.
- 3.14 The legislation creates offences failure to make a declaration on time, failure to make an accurate declaration and failure to advise the Registrar of any error in a declaration in a timely manner. A fine of up to \$5000 may be imposed.
- 3.15 Prosecution for such offences will follow existing procedures in the Act with the Secretary for Local Government usually being responsible for initiating any prosecution. The legislation does not spell out whether Councils are obliged to report potential offences to the Secretary for Local Government.

Impact of the Local Government Official Information and Meetings Act.

- 3.16 The Register will be "official information" for the purposes of the Local Government Official Information and Meetings Act 1987 ("LGOIMA"). Accordingly, the public will still be able to request information held on the Register but not included in the published summary of interests.
- 3.17 Any LGOIMA requests will be considered on a case-by-case basis, to assess whether the full declaration can be released or whether there are any grounds (including privacy grounds) to withhold information

4 Attachments / Ngā Tāpiritanga

Nil

2.2 2023 – 2024 Annual Plan and the Corporate Planning Cycle

Meeting:	Council Briefing
Date of meeting:	30 November 2022
Reporting officer:	Graham Fox (Project Manager – Corporate Planning)

1 Purpose / Te Kaupapa

The purpose of the briefing is to provide Elected Members with an overview of the 2023–2024 Annual Plan process.

2 Background / Horopaki

The corporate planning cycle is a statutory requirement and revolves around the Long Term Plan (LTP):

- The LTP looks forward with a ten-year timeframe;
- The LTP is reviewed and adopted every three years;
- The Annual Plan (AP) looks forward with a single year timeframe;
- The AP is adopted yearly except every third year when it is replaced by the LTP;
- The Annual Report looks backward over the previous financial year and is adopted every year.

The current 2021-2031 LTP was adopted in June 2021 and it establishes the baseline and benchmarks for the 2023-2024 year, Year 3 of the LTP (1 July 2023 to 30 June 2024).

The AP process provides a framework for reviewing against the LTP to determine if we are meeting our commitments, be they financial, project related or service levels. The review includes assessing against possible changes, which may include:

- New opportunities;
- New information impacting the budget including fluctuating financial influences (e.g. inflation, valuations);
- Changed circumstances or revised priorities;
- Council resolutions that have impacted on the LTP;
- Timing variances of LTP projects that impact the planned budget/work programme, etc.

3 Discussion / Whakawhiti kōrero

The 2023-2024 AP is the final one before the new 2024-2034 LTP. This Annual Plan will set out what the council plans to do in those 12 months to move toward achieving the Year 3 goals that were set in the 2021-2031 LTP.

It is important to remain compliant with the requirements of the Local Government Act 2022 (LGA) and to do so Council must adopt the AP prior to the end of June 2023. This allows the rates to be set for the new financial year.

This briefing will provide an overview of and seek feedback from elected members on a number of matters relating to the preparation of the 2023–2024 Annual Plan. These include:

- The relationship between the AP and the broader corporate planning cycle;
- The proposed timeframe for the preparation and adoption of the AP;
- Key known assumptions underlying the 2023–2024 AP;
- Current financial strategy and financial considerations;
- Key issues to be addressed in Year 3 of the LTP;
- Options for engaging or not with our community.

The LGA requires Council to consult yearly on some of Council's Fees and Charges (F&C). This consultation process will run independently if the decision is made not to consult on the AP, or concurrently with any AP consultation.

Council must also undertake full formal consultation if required by material or significant differences between the AP and Year 3 of the LTP.

Council may choose to consult on matters other than F&C and material or significant differences.

Choosing not to consult on the Annual Plan (Only applicable if material or significant criteria is not met)	
Pros	Cons
<ul style="list-style-type: none"> • Helps reduce confusion with early engagement on the LTP. • Helps reduce consultation fatigue in the community especially if there are no big new issues. • The community is not being asked for feedback on a Plan that is essentially agreed. • Saves resources (Council/financial/staff) and time that could be focused on the LTP. 	<ul style="list-style-type: none"> • Passes up on a potential opportunity for engagement. • Councillors pass up a potential opportunity for new political impact post-election. • Risks associated with non compliance with Local Government Act requirements.

Feedback from elected members will be used to further develop and refine the process going forward.

A presentation will be provided at the Briefing.