

LGNZ Rules Review

Proposed amendments to the Rules

Since late 2018, LGNZ has consulted with members on options for changing the LGNZ Rules, at Zone and Sector meetings.

Attached are a number of proposed substantive and technical changes to the Rules, which are based on feedback from members. These proposed changes have been discussed with, and endorsed by, LGNZ's Governance and Strategy Advisory Group (GSAG) and National Council.

The rationale for each of the proposed changes is set out in further detail below.

These proposed changes to LGNZ's Rules will be discussed and voted on at LGNZ's Annual General Meeting (AGM) on Sunday 7 July 2019. Although LGNZ's Rules provide that LGNZ is only obliged to give members 10 working days' notice of any proposed changes to the Rules, we are providing the proposed changes to councils early so as to allow proper consideration and discussion of the proposed changes by your council, ahead of the AGM.

Proposal One – Amendments to provide Te Maruata representation on National Council (including consequential amendments)

To reflect the increasing diversity of the local government family/whanau it is proposed that the Rules be amended to provide that the Chair of Te Maruata is a member of National Council, with full voting rights.

Te Maruata Roopu Whakahaere (Te Maruata) is a subcommittee of the National Council comprised of Māori elected members. Te Maruata was established in response to a remit passed at the 2008 LGNZ AGM. Its role is to promote increased representation of Māori as elected members of local government; to enhance Māori participation in local government processes; provide support for councils in building strong relationships with iwi, hapu and Māori groups; provide Māori input on development of future policies or legislation relating to local government; and foster and support a network of Māori elected members and staff of local government for the purpose of sharing information, challenges and aspirations relevant to kaupapa Māori.

Given Te Maruata's importance, National Council resolved in 2018 that the Chair of Te Maruata would sit on National Council as a non-voting member. Feedback from members is that the time is now right for Te Maruata's Chair to sit as a full member of National Council.

This proposed amendment to the Rules reflects a drive for greater diversity on National Council, the importance of local government engaging with Māori communities and the obligations that local government has to reflect the obligations of the Treaty of Waitangi.

Proposal 1 (attached) details a number of consequential, technical changes that will need to be made to the Rules if the substantive proposal to provide a seat on National Council for Te Maruata's Chair is adopted.

Proposal Two – Amendments to give effect to Auckland Council representation on National Council (including consequential amendments)

It is proposed that the Rules be amended to provide that Auckland Council has three seats on National Council, to be held by:

- The Mayor of Auckland (or an alternate member of the Auckland Council governing body appointed by the Mayor);
- A member of the Auckland Council governing body; and
- A member of an Auckland Council local board.

These proposed amendments are designed to reflect the scale of Auckland (one-third of New Zealand's population). They are also designed to bring the LGNZ Rules into line with Auckland Council's current unique governance structure (ie a governing body and local boards). The current LGNZ Rules pre-date the establishment of Auckland Council and its current governance structures, which were introduced by legislation in 2010. LGNZ's view is that its Rules should be consistent with those changes.

Local boards are a unique governance structure, providing governance at a local level within Auckland Council and enabling democratic decision-making by and on behalf of communities within the local board area. There are 21 local boards, comprising 149 elected members in total. Local board responsibilities include adopting local board plans, agreeing annual local board agreements that set annual budgets, and agreeing and overseeing annual work programmes. Currently there is no provision for the representation of local board members on National Council. LGNZ's view is that it is important that provision is made for the representation of this group of elected members on National Council.

As a result of these proposed changes to Auckland's representation, Auckland Council would no longer be part of Zone 1; Zone 1 would be comprised of Far North region councils only. Zone 1 would be entitled to one seat on National Council.

To ensure that the representation of metropolitan New Zealand on National Council is not by Auckland Council alone, specific amendments are proposed to make it clear that three seats on National Council will be held by metropolitan councils *other than* Auckland Council.

Based on feedback from Zone meetings, it is also proposed that the Rules be amended to specifically provide that at least one of the three Metropolitan Sector representatives on National Council be from the South Island. This is designed to ensure that there is appropriate representation of metropolitan South Island on National Council.

Proposal 2 (attached) details a number of consequential, technical changes that will need to be made to the Rules if the substantive proposal to change the representation of Auckland Council on National Council is adopted.

Note that Proposals 1 and 2 will result in the membership of National Council increasing from 15 members to 18. Feedback from current National Council members is that a Council of this size for a membership based body is workable, particularly given that the Rules give National Council the power to create an executive committee, or subcommittee structures, where that is considered appropriate.

Proposal Three – Minor (administrative) substantive changes

A number of minor administrative changes to the Rules are proposed, including:

- Inclusion of community board members in the definition of Elected Member;
- The ability for National Council to appoint individuals (with full speaking rights, but no voting rights) to the National Council to provide assistance to National Council because of their training, qualifications or experience; and to ensure diversity of representation;
- Changes to the definition of a quorum for the purpose of National Council meetings; and
- The ability for National Council to pass a resolution without a meeting with the agreement of 75 per cent of all National Council members (as opposed to all National Council members, as currently required).

These proposed amendments are designed to ensure that the Rules provide for all types of elected member, are consistent with the proposed substantive changes to the Rules, and to simplify National Council's processes.

Proposal Four – Minor amendments to modernise and rationalise language

LGNZ is proposing that a number of changes be made to modernise the Rules (eg to make provision for electronic notices and voting), and rationalise the language of the Rules.

These changes are technical in nature, and do not result in any substantive changes to the Rules.

Next steps

As noted above, these proposed changes to the Rules will be discussed and voted on at LGNZ's AGM on Sunday 7 July 2019. Members will receive copies of the proposed changes to the Rules as part of the formal AGM papers.

However, LGNZ is providing copies of the proposed changes in advance so that councils have plenty of time to consider the proposed changes. LGNZ encourages members to now discuss and debate the proposed changes to the Rules, ahead of the AGM.

As per Rule K4(b), each of the four proposed sets of changes to the Rules will require the support of a two-thirds majority of LGNZ's members in order to pass. Therefore your council's vote does matter and can make a difference.

If you would like LGNZ to visit your council to discuss the proposed changes to the Rules ahead of the AGM, please contact Malcolm Alexander or Grace Hall to arrange that – see below for contact details.

For further information on the proposed changes, or if you have any questions, please contact Malcolm Alexander, Chief Executive (malcolm.alexander@lgnz.co.nz) or Grace Hall, Senior Policy Advisor (grace.hall@lgnz.co.nz).

PROPOSED AMENDMENTS TO THE RULES 2019

Proposal 1 - Minor (Administrative) Substantive Changes:

1. Rule A2: - Delete paragraph (b) of the definition of “Elected Member” and substitute:
 - “(b) A person holding office as a member of a local board within the district of a Member Authority; and**
 - (c) A person holding office as a member of a community board within the district of a Member Authority.”**

2. Rule E11A to E11C: Add the following after Rule E11:
 - “E11A From time to time, the National Council may appoint to the National Council any person whom the National Council believes will assist the National Council in its deliberations because of that person’s training, qualifications or experience. Any such person is not required to be qualified to be a National Council member or an Elected Member. The National Council may discharge any such person from the National Council in like manner.**

 - E11B From time to time, the National Council may appoint to the National Council any person whom the National Council believes will ensure diversity of representation on National Council. Any such person must be an Elected Member. The National Council may discharge any such person from the National Council in like manner.**

 - E11C Any person appointed under Rules E11A or E11B shall have full speaking rights but no voting rights at National Council meetings.”**

3. Rule E17: Delete the word “six” in both places it appears and substitute “**a quorum**”.

4. Rule E26: Delete the current wording and substitute:

“At any meeting of the National Council, a quorum consists of:

 - (a) half of the membership (President and members provided for in Rule E1) if the number of such members (including vacancies) is even; or**

 - (b) a majority of members (President and members provided for in Rule E1) if the number of such members (including vacancies) is odd.**

5. Rule E29A: Delete the current wording and substitute:

“The National Council may pass a resolution without a meeting held in accordance with Rules E20-E29, but only if the resolution is assented to by not less than 75% of the members of the National Council then in office and entitled to vote.”

Proposal 2 - Amendments to provide Te Maruata representation on the National Council (including consequential amendments):

Rule A2:

Amend the definition of "NATIONAL COUNCIL MEMBER" by deleting the words "elected or appointed" and substituting "**elected, appointed or assuming office**".

Insert after the definition of "SECTOR GROUP" the following:

"TE MARUATA" means the committee named Te Maruata Roopu Whakahaere established in response to the remit passed at the 2008 Annual Conference and any committee in substitution for that committee."

Rule E1: Delete the opening words and paragraph (a) and substitute the following:

"E1 The National Council of LGNZ consists of the President and:

(a) The person for the time being holding office as the Chair of Te Maruata (or an alternate appointed in writing by that person);"

Rule E10: Delete the current wording and substitute:

"E10 Persons appointed to the National Council or who assume office as a member of National Council under Rules E1 to E9 assume office on the day that is eight weeks after the triennial local government elections are held, except that the person who assumes office as a member of National Council pursuant to Rule E1(a) assumes that office at such time that the Chair of Te Maruata is appointed at a hui organised by LGNZ for the purpose of Te Maruata appointment, and subject to Rules E12 to E16 all such persons serve in office until their successors have assumed office."

Rule E15: After the reference to "the President" add the words "**or the position occupied by the Chair of Te Maruata.**"

Rule E15A: Add the following after Rule E15:

"E15A In the event of the position on National Council occupied by the Chair of Te Maruata becoming vacant, that position will be filled by the Deputy Chair of Te Maruata until such time that a replacement Te Maruata Chair is elected."

Rule E16: Add after the reference to "Rule E15" "**, or who assumes office under Rule E15A,**"

Proposal 3 - Amendments to give effect to Auckland Council representation on the National Council (including consequential amendments):

Rule D1: Delete the second sentence and substitute the words **“Each Member Authority (except Auckland Council) shall belong to one Zone, and no Member Authority shall belong to more than one Zone.”**

Rule D2: Delete from the definition of “Zone One” in paragraph (a) the words **“and the Auckland Council”**.

Rule E1: Delete paragraphs (b) to (e) and substitute the following:

- “(b) One person elected by each of Zones One, Two, Three, Four, Five and Six;**
- (c) Three persons elected by the Metropolitan Group –**
 - (i) at least one of whom is an elected member of a South Island Member Authority; and**
 - (ii) none of whom is an elected member of Auckland Council or any of its local boards;**
- (d) Two persons elected by the Regional Group;**
- (e) One person elected by each of the Provincial and Rural Groups;**
- (f) The Mayor of Auckland (or an alternate member of the Auckland Council governing body appointed in writing by the Mayor); and**
- (g) Two persons to represent Auckland as set out in Rule E1A.”**

Add after Rule E1 the following:

“E1A AUCKLAND REPRESENTATION

The appointments referred to in Rule E1(g) must be:

- (a) one person appointed by the Auckland Council, from members of the governing body (not being the Mayor, or the Mayor’s alternate under Rule E1(f)); and**
- (b) one person appointed by Auckland Council local boards, from elected members of the local boards.”**

Proposal 4 – Minor Amendments to Modernise (e.g. electronic notices and voting) and rationalise language.

Please refer to the attached version of the Rules (Appendix X) with all proposed amendments shown in red.