

Report 14.103
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File E/12/01/04

Committee Council
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Special general meeting of the New Zealand Local Government Association Inc. (LGNZ)

1. Purpose

To seek approval for Council attendance at the Special General Meeting of the National Council of LGNZ (the National Council), to be held on 13 March 2014.

2. Background and comment

The National Council has resolved to call a Special General Meeting (SGM) on 13 March 2014 in Wellington.

The purpose of the SGM is to vote on proposed amendments to the rules of LGNZ. The nature of the proposed rule changes is outlined below.

2.1 Nature of the proposed rule changes

In 2013, the National Council agreed to revise the governance of LGNZ both to include senior management in LGNZ's governance structure and to ensure that the structure and governance of LGNZ was fit for purpose in terms of ensuring that LGNZ's Business Plan could be properly executed in the coming years.

Much of the proposed governance changes can be achieved without a need for any amendment to the rules. However, amendments to the rules are required to alter the composition of National Council and to introduce a new category of non-voting members.

Suggested rule change 1 – National Council composition

National Council considers that, as it is a body representing the interests of New Zealand's local authorities, membership should be open to both elected members and senior management.

It is proposed that four additional members, selected by each of the four sectors of LGNZ (Metropolitan Sector, Provincial Sector, Regional Sector and Rural Sector) will join National Council.

Each of these additional members will be required to be either a chief executive or hold an office of similar seniority in a local authority (the example stated in the commentary on the proposal is a chief of staff to a mayor).

While an increase in membership would result in National Council being larger than most boards of similar organisations, it is considered that the advantages of a broader membership outweigh any possible disadvantages of a larger board structure.

Suggested rule change 2 – Non-voting associate members

In order to facilitate greater stakeholder engagement, and to develop a further source of revenue to offset membership fees, National Council is proposing that a new category of membership be created. These would be termed associate members and might include both businesses and non-governmental organisations.

Associate members would not hold voting rights, nor would local authorities be required to confer any advantage on associate members when discharging regulatory functions. Sector and Zone meetings would remain the preserve of full members unless an associate member was invited to attend or present to such meetings.

Suggested rule change 3 – Presidential term

Currently, the President of LGNZ may not serve for more than two three-year terms. National Council is proposing that the limitation on the number of terms served be removed.

Reasoning for this is that the current restriction creates a barrier to the continued service of a person who might retain the confidence of his members. If a serving President retains the confidence of his members and wishes to serve then the National Council believes he or she should be able to, as is the case for members of local authorities.

Secondly, the two term requirement creates a degree of expectation that a newly elected member will serve for six rather than three years. National Council is of the view that a President's mandate should be renewed every three years without an expectation of tenure underpinning an election.

Suggested rule change 4 – Miscellaneous corrections to the rules

There are a number of proposed minor corrections to the rules.

3.2 Greater Wellington Regional Council's attendance at the SGM

Greater Wellington Regional Council is entitled to have up to four delegates at the SGM (including officers) and must nominate:

- the Presiding Delegate (the person responsible for voting on behalf of the Council at the SGM)
- up to three Delegates (the person(s) responsible for voting on behalf of the Council if the Presiding Delegate is absent from the SGM).

It is proposed that Councillor Wilde attend the SGM as the Presiding Delegate and that the Chief Executive fill the role of Delegate.

3. Communication

The Council's decision will be communicated to LGNZ.

4. The decision-making process and significance

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

4.1 Significance of the decision

Officers have considered the significance of the matter, taking into account the Council's significance policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

5. Recommendations

That the Council:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Nominates Councillor Wilde as the Presiding Delegate for voting on behalf of the Council at the LGNZ Special General Meeting to be held on 13 March 2014.*
4. *Nominates David Benham, Chief Executive, as Delegate for voting on behalf of the Council at the LGNZ Special General Meeting to be held on 13 March 2014.*

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