
ORDINARY MEETING

OF

GOVERNANCE, FINANCE AND PLANNING COMMITTEE

MINUTES

Time: 9.15 am
Date: Wednesday, 1 June 2016
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

PRESENT

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Eagle
Councillor Foster
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Marsh
Councillor Pannett
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Councillor Woolf
Councillor Young

TABLE OF CONTENTS
1 JUNE 2016

Business	Page No.
1. Meeting Conduct	5
1.1 Apologies	5
1.2 Conflict of Interest Declarations	5
1.3 Confirmation of Minutes	5
1.4 Public Participation	5
1.5 Items not on the Agenda	5
2. General Business	6
2.1 Report on Annual Plan 2016/17 Consultation Process	6
2.2 2016/17 Annual Plan: Fees and Charges and Other Funding Considerations	7
2.3 Mayor's Proposal for the 2016-17 Annual Plan	9
2.4 Mayoral delegation to Singapore, China and South Korea	23
2.5 Submission to the Local Government Commission	25

1 Meeting Conduct

1.1 Apologies

No apologies were received.

(Councillor Pannett joined the meeting at 9:16 am.)

1.2 Conflict of Interest Declarations

There were no conflicts of interest declared.

1.3 Confirmation of Minutes

Moved Councillor Lester, seconded Councillor Ahipene-Mercer

Resolved

That the Governance, Finance and Planning Committee:

Approve the minutes of the Governance, Finance and Planning Committee Meeting held on 9 May 2016, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

1.4 Public Participation

1.4.1 Bruce White from Vibrant Tawa

Bruce White from Vibrant Tawa addressed the Committee regarding proposed funding for Tawa's Town Centre upgrade.

(Councillor Foster left the meeting at 9:23 am.)

1.4.2 Bev Abbott from Wellington Botanical Society

Bev Abbott addressed the Committee regarding the points made in her written submission to Council's Draft 2016-17 Annual Plan.

(Councillor Foster returned to the meeting at 9:29 am.)

1.4.3 Jeremy Harding from WREDA

Jeremy Harding addressed the Committee regarding the Urban Development Agency.

1.5 Items not on the Agenda

There were no items not on the agenda

2. General Business

2.1 Report on Annual Plan 2016/17 Consultation Process

(Councillor Ahipene-Mercer left the meeting at 9:53 am.)

(Councillor Ahipene-Mercer returned to the meeting at 9:57 am.)

Moved Councillor Woolf, seconded Councillor Lester

Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Receive the submissions that were lodged as part of the consultation process for the 2016/17 Annual Plan.
3. Note that the Mayor's recommendations in response to the submissions are contained in the accompanying paper *Mayor's proposals for the Annual Plan*.

Moved Councillor Eagle, seconded Mayor Wade-Brown, the following amendment with the leave of the meeting:

That the Governance, Finance and Planning Committee:

4. **Consider including special interest forums for the 'Social' and 'Sport and Recreation' sectors as part of the 2017/18 Annual Plan consultation process.**

Carried

Resolved

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Receive the submissions that were lodged as part of the consultation process for the 2016/17 Annual Plan.
3. Note that the Mayor's recommendations in response to the submissions are contained in the accompanying paper *Mayor's proposals for the Annual Plan*.
4. Consider including special interest forums for the 'Social' and 'Sport and Recreation' sectors as part of the 2017/18 Annual Plan consultation process.

Carried

The meeting adjourned for morning tea at 10.27am.

The meeting re-convened at 10.45am.

Present: Mayor Wade-Brown, Councillors Ahipene-Mercer, Coughlan, Free, Lee, Lester, Marsh, Pannett, Peck, Ritchie, Sparrow, Woolf and Young.

2.2 2016/17 Annual Plan: Fees and Charges and Other Funding Considerations

(Councillor Eagle returned to the meeting at 10:55 am.)
(Councillor Foster returned to the meeting at 11:00 am.)

Moved Councillor Lester, seconded Councillor Ahipene-Mercer

Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Recommend to Council to adopt the fees and charges (including Food Act Fees) in attachment 1.
3. Recommend to Council to include in the 2016/17 Annual Plan, a targeted rate totalling \$80,000 (excluding GST) to be applied to the commercial rated properties in the Kilbirnie Business Improvement District Area.
4. Recommend to Council to maintain the general rate differential at 2.8:1 (Commercial:Base) for the 2016/17 Annual Plan.
5. Note that the existing Development Contributions Policy adopted by Council on 24 June 2015, effective from 1 July 2015, will apply until it is reviewed again within the three-year statutory time limit.

Moved Councillor Pannett, seconded Councillor Ritchie, the following amendment:

That the Governance, Finance and Planning Committee:

- 2a) Recommend to Council to remove the swimming pool fees (page 49 of the agenda, in attachment A) that are being applied for under 5's**

A division was called for, voting on which was as follows:

For:

Councillor Coughlan
Councillor Eagle
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Pannett
Councillor Ritchie
Councillor Woolf

Against:

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Foster
Councillor Marsh
Councillor Peck
Councillor Sparrow
Councillor Young

Majority Vote: 8:7

Carried

- 2b) Recommend to Council to remove the late burial charge (page 46 of the agenda, in attachment A).**

A division was called for, voting on which was as follows:

For:

Councillor Coughlan
Councillor Eagle
Councillor Foster
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Marsh
Councillor Pannett
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Mayor Wade-Brown
Councillor Woolf
Councillor Young

Against:

Councillor Ahipene-Mercer

Majority Vote: 14:1

Carried

Moved Councillor Eagle, seconded Councillor Free, the following amendment:

That the Governance, Finance and Planning Committee:

2c) Recommend to Council to remove all increases in fees for swimming pools and recreation centres being applied to Leisure card holders

A division was called for, voting on which was as follows:

For:

Councillor Eagle
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Pannett
Councillor Ritchie

Against:

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Foster
Councillor Marsh
Councillor Peck
Councillor Sparrow
Councillor Woolf
Councillor Young

Majority Vote: 6:9

Lost

Resolved

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Recommend to Council to adopt the fees and charges (including Food Act Fees) in attachment 1 **amended as follows:**
 - 2a) Recommend to Council to remove the swimming pool fees (page 49 of the agenda, in attachment A) that are being applied for under 5's
 - 2b) Recommend to Council to remove the late burial charge (page 46 of the agenda, in

attachment A).

3. Recommend to Council to include in the 2016/17 Annual Plan, a targeted rate totalling \$80,000 (excluding GST) to be applied to the commercial rated properties in the Kilbirnie Business Improvement District Area.
4. Recommend to Council to maintain the general rate differential at 2.8:1 (Commercial:Base) for the 2016/17 Annual Plan.
5. Note that the existing Development Contributions Policy adopted by Council on 24 June 2015, effective from 1 July 2015, will apply until it is reviewed again within the three-year statutory time limit.

Carried

2.3 Mayor's Proposal for the 2016-17 Annual Plan

Council officers made a presentation to the Councillors.

(Councillor Eagle left the meeting at 12:11 pm.)

(Councillor Eagle returned to the meeting at 12:15 pm.)

(Councillor Foster left the meeting at 12:18 pm.)

(Councillor Ahipene-Mercer left the meeting at 12:26 pm.)

(Councillor Ahipene-Mercer returned to the meeting at 12:27 pm.)

(Councillor Marsh left the meeting at 12:37 pm.)

The meeting adjourned for lunch at 12:37 pm.)

The meeting re-convened at 1:29 pm.

Present: Mayor Wade-Brown, Councillors Ahipene-Mercer, Eagle, Lester, Pannett, Peck, Ritchie, Sparrow and Young.

(Councillor Foster returned to the meeting at 1:30 pm.)

(Councillor Marsh returned to the meeting at 1:32 pm.)

(Councillor Lee returned to the meeting at 1:36 pm.)

(Councillor Coughlan returned to the meeting at 1:36 pm.)

Moved Councillor Lester, seconded Mayor Wade-Brown

Resolved

That the Governance, Finance and Planning Committee:

1. Temporarily suspend standing order 3.12.1, 3.12.4, 3.12.5, 3.12.8, 3.12.10, 3.12.11, 3.12. and 3.12.13 to enable members to speak to and move amendments freely for this item:

A division was called for, voting on which was as follows:

For:

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Eagle

Against:

Councillor Foster
Councillor Lee
Councillor Lester (Chair)
Councillor Marsh
Councillor Pannett
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Councillor Young

Majority Vote: 13:0

Carried

(Councillor Woolf returned to the meeting at 1:50 pm.)

Meeting adjourned at 1:52 pm.

The meeting re-convened at 1:57 pm.

(Councillor Free returned to the meeting at 1:59 pm.)

Moved Mayor Wade-Brown, seconded Councillor Lester,

Recommendations

That the Governance, Finance and Planning Committee:

1. **Receive** the information.
2. **Low Carbon Capital Plan**
 - a. **agree** that the proposed changes to the Draft Low Carbon Capital Plan (LCCP) resulting from feedback received are made and brought back to Council for adoption in June 2016;
 - b. **note** that key performance indicators (KPIs) for each of the LCCP action area and a reporting framework will be developed and taken to the Environment Committee in August 2016;
 - c. **agree** as a result of the car sharing initiative there is a reduction in car parking revenue for 2016/17 estimated to be \$50,000;
 - d. **agree** to recommend to Council to reprioritise \$65,000 of funding for energy efficiency initiatives from operational expenditure to capital expenditure.
 - e. **note** as part of the fleet review Council will increase its central pool of electric vehicle (EV) light vehicles during 2016/17;
 - f. **agree** that for 2016/17 there is a \$100,000 increase in operating costs from an increase in the value of carbon credits the Council has to purchase to offset landfill emissions;
 - g. **agree** to recommend to Council the increased operational costs associated with participation in the Emissions Trading Scheme.
3. **Urban Development Agency**
 - a. **agree** to recommend to Council that it agree in principle to the establishment of an Urban Development Agency (UDA);
 - b. **agree** that a detailed proposal for the establishment of a UDA be developed, with the following matters to be specifically addressed: The type of entity to be

established;

- i. A draft constitution;
- ii. Accountability, monitoring and review arrangements with Council;
- iii. Focus areas for UDA activity;
- iv. The funding model;
- v. Risk management framework; and
- vi. Project examples, including financial modelling.

4. **Food Act fee Changes**

- a. **note** that recommendations on changes to the Food Act fees as discussed in paragraphs 37 to 41 of this report are included in Agenda Item 2.2 2016/17 *Annual Plan: Fees and Charges and Other Funding Considerations*.

5. **Zealandia governance**

- a. **agree** to recommend to the Council that it agrees amendments to the Karori Sanctuary Trust deed to allow the Guardians of the Sanctuary to provide nominations for future Trust Board members to Council, which will appoint Trust Board members;
- b. **agree** to recommend to Council that given that the Trust Deed changes referred to in recommendation 5a) alter the designation of the Trust, Council resolve to adopt the Karori Sanctuary Trust as a Council Controlled Organisation (CCO);
- c. **agree** to recommend to Council that it purchase the Zealandia Visitor Centre for \$10.34 million in return for the Karori Sanctuary Trust repaying its loan of \$10.34m to Council;

6. **Kilbirnie Business Improvement District (BID)**

- a. **note** the recommendations relating to the Kilbirnie BID targeted rate discussed in paragraphs 41 to 45 of this report are included in Agenda Item 2.2 2016/17 *Annual Plan: Fees and Charges and Other Funding Considerations*.

7. **Private wastewater pipes (laterals)**

- a. **agree** to recommend to Council that it note there is significant support for Council to assume ownership of wastewater laterals in the road reserve and;
- b. **agree** that work be commenced to determine feasibility and identify a potential implementation path including:
 - condition of laterals and associated long-term costs
 - broader consequence of assuming ownership of laterals, especially regarding stormwater laterals, and their likely financial impact; and
 - policy changes and associated consultation required to give effect to any change in responsibility for wastewater laterals in road reserve
- c. **note** that ownership of wastewater laterals can only be consulted on during the development of a long-term plan;
- d. **agree** that Council officers report back to the Environment Committee on the feasibility and implementation path to allow a decision about whether a detailed consultation on the ownership of laterals can be included in the 2018-28 Long-term Plan process.

8. **Other new capex initiatives incorporated in the AP CD**

agree to recommend to Council to include additional/amended capital expenditure as consulted on as part of the 2016/17 Annual Plan :

	Description	Project	2016/17 Capex \$
a)	Lyall Bay Foreshore resilience plan	CX349	\$1.000m
b)	Johnsonville library	CX358	\$0.350m
c)	Placemaking –public space creation	CX446 and CX095	\$0.155m
d)	Ngauranga to airport minor capital projects	CX492	\$0.375m
e)	Bus rapid transport	CX492	(0.375m)
f)	Middleton Road pedestrian and cycling improvements	CX171	\$0.040m

9. **Other new opex initiatives incorporated in the AP CD**

agree to recommend to Council to include additional/amended operating expenditure as consulted on as part of the 2016/17 Annual Plan:

	Description	Project	2016/17 Opex\$
a)	Enhanced implementation of living wage policy	Various	\$0.250m
b)	Community grants	C661, C678 and C662	\$0.255m
c)	New outdoor arts event series	C130E	\$0.200m
d)	Art sector activation programme	C605	\$0.160m
e)	Council art collection management	C670	\$0.0295m
f)	Toitu Poneke Sports Hub grant	C678	\$0.750m
g)	Alex Moore Park development grant (decrease)	C678	(\$0.600m)
h)	Lyall Bay Surf Club development grant	C298	(\$0.150m)

10. **note** that grant funding of \$600,000 for Lyall Bay Surf Club remains budgeted for 2016/17 and that Council officers will make a subsequent recommendation to this Committee, should the project progress to a point where Council's full contribution of \$750,000 as identified in the 2015-25 LTP is required in the 2016/17 year.

11. **Additional capital expenditure initiatives arising from the consultation process**

agree to recommend to Council to include additional/amended capital expenditure

arising from consultation:

	Description	Project	2016/17 Capex \$
a)	Terawhiti artificial surface – additional funding	CX507	\$0.390m
b)	Commonwealth walkway roundel installation	CX406	\$0.045m

12. **Additional operating expenditure initiatives arising from the consultation process**

agree to recommend to Council to include additional/amended operational expenditure arising from consultation:

	Description	Project	2016/17 Opex \$
a)	Smokefree Draft Action Plan	C532	\$0.047m

13. **Other operating expenditure and budget phasing adjustments**

agree to recommend to Council additional operating expenditure adjustments for inclusion in the 2016/17 Annual Plan:

	Description	Project	2016/17 Opex \$
a)	Increased operations cost for parking officer hours	C290	\$0.722m
b)	Councillor remuneration adjustment	C534	\$0.030m
c)	Reduction in City Growth Fund funding requirement	C696	(\$0.600m)
d)	Reduction for policy	C532	(\$0.75k)

14. **Other capital expenditure and budget phasing adjustments**

agree to recommend to Council additional capital expenditure adjustments for inclusion in the 2016/17 Annual Plan:

	Description	Project	2016/17 Capex \$
a)	Bring forward of Tawa Town Centre upgrade from 2019/20	CX446	\$1.000m
b)	CBD drinking water fountains	CX552	\$0.021m
c)	Rephasing of cycleway capex from 2016/17 to subsequent years	CX112	(\$4.158m)

d)	Rephasing of Movie Museum and Convention Centre project to subsequent years	CX536 and CX535	(\$39.400m)
e)	Rephasing of Civic Campus refresh project	CX528 and CX529	(\$12.600m)
f)	Rephasing of Frank Kitts Park upgrade	CX131	(\$1.000m)
g)	Basin Reserve precinct rephasing	CX503	(1.490m)
h)	Earthquake resilience – non Town Hall	CX505	(\$3.370m)

15. **note** that negotiations are underway with the New Zealand Transport Authority (NZTA) around the potential to carry forward any unspent Crown cycleways funding from June 2018;
16. **note** that the funding for the Movie Museum and Wellington Convention Centre project is contingent on Council approving the project on 29 June 2016; and that until this project is approved the Long-Term Plan comparative information for the 2016/17 Annual Plan remains as per the 2015-2025 Long-term Plan.
17. **note** the 2016/17 Annual Plan includes in excess of 10% funding on resilience projects.
18. **note** any funding requirements that result in a breach of any of the Financial Strategy limits agreed within the 2015-25 Long-term Plan will be reported on as part of the Pre-election report.
19. **agree** to recommend to Council that it is prudent to forecast a surplus in 2016/17 of \$12.8 million as detailed in Attachment 2
20. **agree** to recommend to Council the projects and programmes, as attached to this report in Attachment 1.
21. **note** any changes arising from this meeting will be reflected in the projects and programmes for adoption by Council;
22. **agree** to delegate the Chief Executive to prepare the final Annual Plan 2016/17 document for approval.

Moved Councillor Pannett, seconded Councillor Lee, the following amendment, **new 2h**:

That the Governance, Finance and Planning Committee:

- 2.h **Agree that Council will continue to advocate for a fully electric public transport fleet.**

Carried

Moved Councillor Peck, seconded Councillor Sparrow, the following amendment to 3a:

That the Governance, Finance and Planning Committee:

- 3.a **agree to recommend to Council that it agree in principle to the establishment of an Urban Development Agency (UDA) considering all possible future governance options.**

Carried

Moved Councillor Ritchie, seconded Councillor Pannett, the following amendments to 3.a and 3.b:

That the Governance, Finance and Planning Committee:

3.a. Agree to recommend to Council that it agree in principle to the establishment of a UDA in house.

And remove recommendation 3.b

3.b. agree that a detailed proposal for the establishment of a UDA be developed, with the following matters to be specifically addressed: The type of entity to be established;

- i. **A draft constitution;**
- ii. **Accountability, monitoring and review arrangements with Council;**
- iii. **Focus areas for UDA activity;**
- iv. **The funding model;**
- v. **Risk management framework; and**
- vi. **Project examples, including financial modelling.**

Withdrawn

Moved Councillor Foster, seconded Councillor Lester, the following amendment:., **new 3c:**

That the Governance, Finance and Planning Committee:

3.c. agree to recommend to council that it agree to the establishment of an Urban Development Agency (UDA) subject to the further work set out in (b) being completed.

The proposed amendment 3.c. was incorporated into the new substantive 3.a. as follows:

3.a agree to recommend to Council that it agree to the establishment of an Urban Development Agency (UDA) considering all possible future governance options, subject to the further work set out in (b) being completed.

Carried

Councillors Free, Pannett and Ritchie wished their dissenting votes to be recorded.

Moved Councillor Eagle, the following amendment:

That the Governance, Finance and Planning Committee:

8a) Note that the funding for placemaking be allocated to the council's community services team.

Withdrawn

Moved Councillor Eagle, seconded Councillor Lee, the following amendments, new 10.2, 10.3 and 10.4:

That the Governance, Finance and Planning Committee:

10.2 Note that neither the Alex Moore Park or Lyall Bay Surf Club projects were anticipated to meet the conditions to draw on the funding allocated in the Long-term Plan in 2016/17; and that re-establishment of these grant funding allocations will need to be considered as part of the 2017/18 Annual Plan.

10.3 Agree that release of the \$750,000 OPEX funding is subject to:

- (a) Complying with the funding criteria that is outlined in the Council Sportsville Partnership Fund**
- (b) Signing an MOU or constitution to formalise the establishment of the Toitu Poneke community and sports hub with other partners**
- (c) A Ground Lease being approved and signed**
- (d) Toitu Poneke and/or a wider group raising the balance of the required funding for the community and sports hub building**
- (e) Toitu Poneke securing additional tenants/partners for the community and sports hub building**
- (f) Allowing other clubs based at Kilbirnie Park the opportunity to be based or use the redeveloped community and sports hub building**
- (g) Allowing other community, sport/recreation groups, and schools the opportunity to be based or use the redeveloped community and sports hub building**
- (h) Funding Agreement with Council**

10.4 Note that officers will continue to facilitate the formation of a Kilbirnie Park community and sports hub entity. Council Officers have been working with the wider Kilbirnie sporting clubs (including St Patricks College) and have formed a working group. The working group's focus is to ensure a park wide hub to help grow leadership, participation and offer a range of sporting opportunities. To this end a number of appropriate partners/groups will need to work together.

Carried

Moved Councillor Coughlan, seconded Councillor Foster, the following amendment, 10.3b:

That the Governance, Finance and Planning Committee:

10.3.b. agree that the MOU or constitution to formalise the establishment of the Kilbirnie Park sports and community hub, agreed as a condition to the release of funds at the 9th of March 2016 Governance Finance and Policy Committee, includes as a minimum Poneke Rugby Club, St Patrick College Wellington, Eastern Suburbs Cricket Club, St Pats Rugby Football club, Wellington Darts Association, Poneke Kilbirnie Softball Club.

Lost

Moved Councillor Foster, seconded Councillor Young, the following amendment, **new 11c**:

That the Governance, Finance and Planning Committee:

11.c Recommend to Council to remove the \$15,000 capital funding from Project CX406 for Tinakori Road plaques stage 2

Carried

Councillor Ritchie wished her dissenting vote to be recorded.

Moved Councillor Pannett, seconded Councillor Lee, the following amendment, **new 13e**:

That the Governance, Finance and Planning Committee:

13e. Increase in the Environmental Grants Pool by \$20,000.

Withdrawn

Moved Councillor Eagle, seconded Councillor Lee, the following amendment, **new 13f**:

That the Governance, Finance and Planning Committee:

f) Agree that \$100k be included for project management support to support our preferred approach to begging-

Withdrawn

13.e Agree that \$20k operational funding from project C130B be included to meet the developed design phase for the Vogelmorn precinct.

Carried

Moved Councillor Ahipene-Mercer, seconded Councillor Marsh, the following amendment:, **new 17**:

That the Governance, Finance and Planning Committee:

17. Note that ongoing funding for Arts initiative for identified in recommendation 9(c), 9 d and 9 e will be considered as part of the 2017/18 Annual Plan and /or subsequent Long Term Plan processes.

Carried

The meeting adjourned at 2:58 pm.
The meeting re-convened at 3:04 pm

Resolved

That the Governance, Finance and Planning Committee:

1. **Receive** the information.
2. **Low Carbon Capital Plan**
 - a. **agree** that the proposed changes to the Draft Low Carbon Capital Plan (LCCP) resulting from feedback received are made and brought back to Council for adoption in June 2016;
 - b. **note** that key performance indicators (KPIs) for each of the LCCP action area and a reporting framework will be developed and taken to the Environment Committee in August 2016;
 - c. **agree** as a result of the car sharing initiative there is an reduction in car parking revenue for 2016/17 estimated to be \$50,000;
 - d. **agree** to recommend to Council to reprioritise \$65,000 of funding for energy efficiency initiatives from operational expenditure to capital expenditure.
 - e. **note** as part of the fleet review Council will increase its central pool of electric vehicle (EV) light vehicles during 2016/17;
 - f. **agree** that for 2016/17 there is a \$100,000 increase in operating costs from an increase in the value of carbon credits the Council has to purchase to offset landfill emissions;
 - g. **agree** to recommend to Council the increased operational costs associated with participation in the Emissions Trading Scheme.
 - h. **agree** that Council will continue to advocate for a fully electric public transport fleet
3. **Urban Development Agency**
 - a. **agree to recommend to Council that it agree to the establishment of an Urban Development Agency (UDA) considering all possible future governance options, subject to the further work set out in (b) being completed.**
 - b. **agree** that a detailed proposal for the establishment of a UDA be developed, with the following matters to be specifically addressed: The type of entity to be established;
 - i. A draft constitution;
 - ii. Accountability, monitoring and review arrangements with Council;
 - iii. Focus areas for UDA activity;
 - iv. The funding model;
 - v. Risk management framework; and
 - vi. Project examples, including financial modelling.
4. **Food Act fee Changes**
 - a. **note** that recommendations on changes to the Food Act fees as discussed in paragraphs 37 to 41 of this report are included in Agenda Item 2.2 2016/17 *Annual Plan: Fees and Charges and Other Funding Considerations.*

5. **Zealandia governance**

- a. **agree** to recommend to the Council that it agrees amendments to the Karori Sanctuary Trust deed to allow the Guardians of the Sanctuary to provide nominations for future Trust Board members to Council, which will appoint Trust Board members;
- b. **agree** to recommend to Council that given that the Trust Deed changes referred to in recommendation 5a) alter the designation of the Trust, Council resolve to adopt the Karori Sanctuary Trust as a Council Controlled Organisation (CCO);
- c. **agree** to recommend to Council that it purchase the Zealandia Visitor Centre for \$10.34 million in return for the Karori Sanctuary Trust repaying its loan of \$10.34m to Council;

6. **Kilbirnie Business Improvement District (BID)**

- a. **note** the recommendations relating to the Kilbirnie BID targeted rate discussed in paragraphs 41 to 45 of this report are included in Agenda Item 2.2 2016/17 *Annual Plan: Fees and Charges and Other Funding Considerations*.

7. **Private wastewater pipes (laterals)**

- a. **agree** to recommend to Council that it note there is significant support for Council to assume ownership of wastewater laterals in the road reserve and;
- b. **agree** that work be commenced to determine feasibility and identify a potential implementation path including:
 - condition of laterals and associated long-term costs
 - broader consequence of assuming ownership of laterals, especially regarding stormwater laterals, and their likely financial impact; and
 - policy changes and associated consultation required to give effect to any change in responsibility for wastewater laterals in road reserve
- c. **note** that ownership of wastewater laterals can only be consulted on during the development of a long-term plan;
- d. **agree** that Council officers report back to the Environment Committee on the feasibility and implementation path to allow a decision about whether a detailed consultation on the ownership of laterals can be included in the 2018-28 Long-term Plan process.

8. **Other new capex initiatives incorporated in the AP CD**

agree to recommend to Council to include additional/amended capital expenditure as consulted on as part of the 2016/17 Annual Plan :

	Description	Project	2016/17 Capex \$
a)	Lyllal Bay Foreshore resilience plan	CX349	\$1.000m
b)	Johnsonville library	CX358	\$0.350m
c)	Placemaking –public space creation	CX446 and CX095	\$0.155m
d)	Ngauranga to airport minor capital projects	CX492	\$0.375m

e)	Bus rapid transport	CX492	(0.375m)
f)	Middleton Road pedestrian and cycling improvements	Cx171	\$0.040m

9. **Other new opex initiatives incorporated in the AP CD**

agree to recommend to Council to include additional/amended operating expenditure as consulted on as part of the 2016/17 Annual Plan:

	Description	Project	2016/17 Opex\$
a)	Enhanced implementation of living wage policy	Various	\$0.250m
b)	Community grants	C661, C678 and C662	\$0.255m
c)	New outdoor arts event series	C130E	\$0.200m
d)	Art sector activation programme	C605	\$0.160m
e)	Council art collection management	C670	\$0.0295m
f)	Toitu Poneke Sports Hub grant	C678	\$0.750m
g)	Alex Moore Park development grant (decrease)	C678	(\$0.600m)
h)	Lyll Bay Surf Club development grant	C298	(\$0.150m)

10.1 **note** that grant funding of \$600,000 for Lyall Bay Surf Club remains budgeted for 2016/17 and that Council officers will make a subsequent recommendation to this Committee, should the project progress to a point where Council's full contribution of \$750,000 as identified in the 2015-25 LTP is required in the 2016/17 year.

10.2 **Note** that neither the Alex Moore Park or Lyall Bay Surf Club projects were anticipated to meet the conditions to draw on the funding allocated in the Long-term Plan in 2016/17; and that re-establishment of these grant funding allocations will need to be considered as part of the 2017/18 Annual Plan.

10.3 **Agree** that release of the \$750,000 OPEX funding is subject to:

- (a) Complying with the funding criteria that is outlined in the Council Sportsville Partnership Fund
- (b) Signing an MOU or constitution to formalise the establishment of the Toitu Poneke community and sports hub with other partners
- (c) A Ground Lease being approved and signed
- (d) Toitu Poneke and/or a wider group raising the balance of the required funding for the community and sports hub building
- (e) Toitu Poneke securing additional tenants/partners for the community and sports hub building
- (f) Allowing other clubs based at Kilbirnie Park the opportunity to be based or use

the redeveloped community and sports hub building

(g) Allowing other community, sport/recreation groups, and schools the opportunity to be based or use the redeveloped community and sports hub building

(h) Funding Agreement with Council

10.4 Note that officers will continue to facilitate the formation of a Kilbirnie Park community and sports hub entity. Council Officers have been working with the wider Kilbirnie sporting clubs (including St Patricks College) and have formed a working group. The working group's focus is to ensure a park wide hub to help grow leadership, participation and offer a range of sporting opportunities. To this end a number of appropriate partners/groups will need to work together.

11. Additional capital expenditure initiatives arising from the consultation process

agree to recommend to Council to include additional/amended capital expenditure arising from consultation:

	Description	Project	2016/17 Capex \$
a)	Terawhiti artificial surface – additional funding	CX507	\$0.390m
b)	Commonwealth walkway roundel installation	CX406	\$0.045m

11.c Recommend to Council to remove the \$15,000 capital funding from Project CX406 for Tinakori Road plaques stage 2.

12. Additional operating expenditure initiatives arising from the consultation process

agree to recommend to Council to include additional/amended operational expenditure arising from consultation:

	Description	Project	2016/17 Opex \$
a)	Smokefree Draft Action Plan	C532	\$0.047m

13. Other operating expenditure and budget phasing adjustments

agree to recommend to Council additional operating expenditure adjustments for inclusion in the 2016/17 Annual Plan:

	Description	Project	2016/17 Opex \$
a)	Increased operations cost for parking officer hours	C290	\$0.722m
b)	Councillor remuneration adjustment	C534	\$0.030m

c)	Reduction in City Growth Fund funding requirement	C696	(\$0.600m)
d)	Reduction for policy	C532	(\$0.75k)

13.e **Agree that \$20k operational funding from project C130B be included to meet the developed design phase for the Vogelmorn precinct.**

14. **Other capital expenditure and budget phasing adjustments**

agree to recommend to Council additional capital expenditure adjustments for inclusion in the 2016/17 Annual Plan:

	Description	Project	2016/17 Capex \$
a)	Bring forward of Tawa Town Centre upgrade from 2019/20	CX446	\$1.000m
b)	CBD drinking water fountains	CX552	\$0.021m
c)	Rephasing of cycleway capex from 2016/17 to subsequent years	CX112	(\$4.158m)
d)	Rephasing of Movie Museum and Convention Centre project to subsequent years	CX536 and CX535	(\$39.400m)
e)	Rephasing of Civic Campus refresh project	CX528 and CX529	(\$12.600m)
f)	Rephasing of Frank Kitts Park upgrade	CX131	(\$1.000m)
g)	Basin Reserve precinct rephasing	CX503	(1.490m)
h)	Earthquake resilience – non Town Hall	CX505	(\$3.370m)

15. **note** that negotiations are underway with the New Zealand Transport Authority (NZTA) around the potential to carry forward any unspent Crown cycleways funding from June 2018;
16. **note** that the funding for the Movie Museum and Wellington Convention Centre project is contingent on Council approving the project on 29 June 2016; and that until this project is approved the Long-Term Plan comparative information for the 2016/17 Annual Plan remains as per the 2015-2025 Long-term Plan.
17. Note that ongoing funding for Arts initiative for identified in recommendation 9(c), 9(d) and 9(e) will be considered as part of the 2017/18 Annual Plan and /or subsequent Long Term Plan processes.
18. **note** the 2016/17 Annual Plan includes in excess of 10% funding on resilience projects
19. **note** any funding requirements that result in a breach of any of the Financial Strategy limits agreed within the 2015-25 Long-term Plan will be reported on as part of the Pre-election report.

20. **agree** to recommend to Council that it is prudent to forecast a surplus in 2016/17 of \$12.8 million as detailed in Attachment 2.
21. **agree** to recommend to Council the projects and programmes, as attached to this report in Attachment 1.
22. **note** any changes arising from this meeting will be reflected in the projects and programmes for adoption by Council;
23. **agree** to delegate the Chief Executive to prepare the final Annual Plan 2016/17 document for approval by Council on 29 June 2016 based on the above recommendations.

Carried

Attachments

- 1 Attachment 1 -2016-17 Annual Plan Projects and Programmes
- 2 Attachment 2 - 2016-17 Annual Plan Balanced Budget

Note: At the conclusion of item 2.3, the temporary suspension of standing order 3.12.1, 3.12.4, 3.12.5, 3.12.8, 3.12.10, 3.12.11, 3.12.and 3.12.13 ended.

The meeting adjourned at 3:15 pm for afternoon tea.

The meeting re-convened at 3:31 pm.

Present: Mayor Wade-Brown, Councillors Coughlan, Foster, Lee, Lester, Marsh, Pannett, Ritchie, Sparrow, Woolf and Young.

2.4 Mayoral delegation to Singapore, China and South Korea

(Councillor Ahipene-Mercer returned to the meeting at 3:32 pm.)

(Councillor Free returned the meeting at 3:34 pm.)

Moved Councillor Lester, seconded Councillor Sparrow

Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Agree that Mayor Celia Wade-Brown lead a delegation travelling to Singapore 8 – 14 July 2016 to attend the World Cities Summit and participate in Wellington International Airport (WIAL) and Wellington Regional Economic Development Agency (WREDA) initiatives. The cost of the Mayor's accommodation and meals will be covered by WIAL and the Summit, and the remaining costs including flights and incidentals will be met by Council (International Relations budget COCM08).
3. Agree that Mayor Celia Wade-Brown undertake official visits to China (Xiamen, Xi'an, Tianjin and Beijing) from 21– 29 of July. Note that international flights, domestic flights in China and costs in Xi'an will be met by the Council (International Relations budget COCM08), and the remainder of the costs while she is in China will be covered by host cities Beijing, Xiamen and Tianjin.

4. Note the potential economic and cultural benefits of establishing a friendly city relationship with Seoul which is outlined in the attached proposal.
5. Agree in principle to the Wellington-Seoul friendly city relationship.
6. Agree in principle the following areas of cooperation between Wellington and Seoul: education, trade, tourism, smart cities technology and cultural exchange.
7. Agree for Mayor Celia Wade-Brown to visit Seoul to formalise the friendly city agreement.
8. Note that carbon credits will be purchased for the Mayor travel to Singapore, South Korea and China, and these have been included in the estimated costs.

The motion was voted on in parts as follows:

- Recommendations 1, 2, 4, 5, 6, 7 and 8 were put.

A division was called for and the voting was as follows:

For:

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Foster
Councillor Marsh
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Pannett
Councillor Sparrow
Councillor Woolf
Councillor Young

Against:

Councillor Ritchie

Majority Vote: 12:1

Carried

Recommendation 3 was taken separately.

A division was called for and the voting was as follows:

For:

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Foster
Councillor Marsh
Councillor Free
Councillor Lee
Councillor Lester (Chair)
Councillor Sparrow
Councillor Woolf
Councillor Young

Against:

Councillor Pannett
Councillor Ritchie

Majority Vote: 11:2

Carried

Resolved

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Agree that Mayor Celia Wade-Brown lead a delegation travelling to Singapore 8 – 14 July 2016 to attend the World Cities Summit and participate in Wellington International Airport (WIAL) and Wellington Regional Economic Development Agency (WREDA) initiatives. The cost of the Mayor's accommodation and meals will be covered by WIAL and the Summit, and the remaining costs including flights and incidentals will be met by Council (International Relations budget COCM08).
3. Agree that Mayor Celia Wade-Brown undertake official visits to China (Xiamen, Xi'an, Tianjin and Beijing) from 21– 29 of July. Note that international flights, domestic flights in China and costs in Xi'an will be met by the Council (International Relations budget COCM08), and the remainder of the costs while she is in China will be covered by host cities Beijing, Xiamen and Tianjin.
4. Note the potential economic and cultural benefits of establishing a friendly city relationship with Seoul which is outlined in the attached proposal.
5. Agree in principle to the Wellington-Seoul friendly city relationship.
6. Agree in principle the following areas of cooperation between Wellington and Seoul: education, trade, tourism, smart cities technology and cultural exchange.
7. Agree for Mayor Celia Wade-Brown to visit Seoul to formalise the friendly city agreement.
8. Note that carbon credits will be purchased for the Mayor travel to Singapore, South Korea and China, and these have been included in the estimated costs.

Carried

2.5 Submission to the Local Government Commission

(Councillor Eagle returned to the meeting at 3:55 pm.)

Moved Mayor Wade-Brown, seconded Councillor Foster

Resolved

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Note the Local Government Commission's report on options for regional spatial planning attached as Attachment 1.
3. Agree Wellington City Council's submission as outlined in Attachment 2.
4. Delegate to the Chief Executive and Mayor the authority to amend the submission to reflect any discussion and formal amendments agreed at this committee meeting and any other minor editorial changes as required.

Carried

The meeting concluded at 3:59 pm.

Confirmed: _____
Chair