
ORDINARY MEETING

OF

LONG-TERM AND ANNUAL PLAN COMMITTEE

MINUTES

Time: 9:30am
Date: Thursday, 6 June 2019
Venue: Ngake (16.09)
Level 16, Tahiwī
113 The Terrace
Wellington

PRESENT

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Woolf
Councillor Young

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1. Meeting Conduct

The Chairperson opened the meeting at 9:31 am and acknowledged the observation of Eid.

1.1 Apologies

Moved Councillor Day, seconded Councillor Calvi-Freeman

Resolved

That the Long-term and Annual Plan Committee:

1. Accept the apologies received from Councillor Sparrow for lateness.

Carried

1.2 Conflict of Interest Declarations

No conflicts of interest were declared.

1.3 Confirmation of Minutes

Moved Councillor Day, seconded Councillor Fitzsimons

Resolved

That the Long-term and Annual Plan Committee:

1. Approve the minutes of the Long-term and Annual Plan Committee Meeting held on 4 June 2019, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

1.4 Items not on the Agenda

There were no items not on the agenda.

1.5 Public Participation

No requests for public participation were received.

1.6 Questions

Officers and portfolio leaders responded to questions from Committee members in relation to the items on the meeting agenda.

(Councillor Sparrow arrived at the meeting at 9:36 am.)

2. General Business

2.1 2019/20 Annual Plan - Results of engagement

Moved Mayor Lester, seconded Councillor Day

Resolved

That the Long-term and Annual Plan Committee:

1. Receives submissions on the 2019/20 Annual Plan consultation, as previously circulated.
2. Notes the engagement report, summarising the process and tools used the feedback received for the 2019/20 Annual Plan, attached as Appendix 1 of the Committee report.
3. Notes the summary of submissions received on the parking traffic resolutions in Appendix 3 of the Committee report.

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Woolf
Councillor Young

Against:

Majority Vote: 15:0

Carried

2.2 2019/20 Annual Plan - Recommend Adoption to Council

Moved Mayor Lester (pro-forma), seconded Councillor Day

Recommendation/s

That the Long-term and Annual Plan Committee:

1. Receives the information.
2. Receives the draft 2019/20 Annual Plan (Attachment 1 of the Committee Report), noting that some areas are still to be completed following decisions from this meeting of the Long-term and Annual Plan Committee.
3. Agrees that officers prepare the 2019/20 Annual Plan based on the 2019/20 Annual Plan consultation document and reflect any changes agreed at this meeting of the Long-term Plan and Annual Plan Committee.
4. Agrees the projects and programmes budgets (Attachments 2 and 3 of the Committee Report), noting that any changes arising as part of these deliberations will be incorporated into the final statements presented to Council.
5. Agrees to the Fees and Charges schedule included in the 2019/20 Annual Plan (Attachment 1 of the Committee Report).
6. Notes that the annual plan budget, as outlined in this paper, results in an overall net rates increase of 3.9 percent from 2018/19, subject to confirmation of the growth in the ratepayer base.
7. Agrees the following project and budget changes from the consultation budget, for inclusion in the final 2019/20 Annual Plan (as outlined in paragraph 12 of the Committee Report):
 - a. WREMO funding – increase the budget as requested by WREMO by \$140k, being the relevant share for Wellington City Council.
 - b. Increase personnel costs by \$1.2m as outlined in paragraph 19 of the Committee Report).
8. Agrees to allocate funds from the City Growth Fund (outlined in paragraph 21 of the Committee Report) as follows:
 - a. City Mission – a one-off \$500k grant, through the City Growth Fund, to the City Mission to support the development of additional housing that will assist individuals and families who are at risk of remaining in, or falling back into, homelessness.
 - b. NZ Festival –\$750k of grant funding to support the NZ Festival in 2019/20 to maintain the quality of the festival while both the Town Hall and St James Theatre are closed for strengthening.
9. Notes that an additional \$4m opex and \$5.9m capex is required in 2019/20 to provide temporary library and associated services while options for a permanent solution for the Central Library are investigated. These options were accepted by the City Strategy Committee and aim to meet the gap in community services since the decision to close the Central Library.
10. Agrees that the temporary library services expenditure outlined above be debt funded in 2019/20. This is due to the timing of the closure in relation to the annual plan, options for ongoing funding will be considered through the next annual and long-term plans.

11. Agrees to fund the development contribution of \$60k associated with a Dwell Housing Trust development from prior year surpluses, so as not to impact on rates.
12. Agrees to a fee increase, above the value already consulted on, for Special Waste – Type A as outlined in the below table:

| 2018/19 Fee | Consultation Fee | Proposed Fee |
|------------------------|-----------------------------|-------------------------|
| \$148.60 | \$163.50 | \$203.60 |

The increase is necessary to mitigate increased costs as a result of new health and safety requirements for dealing with asbestos, as detailed in paragraphs 24-25 of the Committee Report.

13. Agrees to change the general rates differential from 2.8:1, (whereby the *commercial, Industrial and Business* sector pays 2.8 times the general rate per dollar of capital value paid by the *Base* (residential) sector) to 3.25:1, as consulted on in the CD.
14. Agrees not to fund the community funding requests but to work with the following community groups, as per the officer recommendations, outlined in Attachment 4;
 - a. Karori Events Centre
 - b. Glenside Progressive Association – track development
 - c. Council Advisory Group fund – Wellington Youth Council
15. Recommends to Council to adopt the final 2019/20 Annual Plan based on the:
 - a. Draft 2019/20 Annual Plan, and
 - b. Any changes agreed at this meeting of the Long-Term Plan and Annual Plan Committee
16. Delegates to the Chief Executive Officer the authority to make editorial changes that may arise as part of preparing the 2019/20 Annual Plan for Council adoption.

Moved Mayor Lester, seconded Councillor Free the following amendment

Resolved

That the Long-term and Annual Plan Committee:

- A. Removes \$511k Project 2037 (Indoor Arena) from the Annual Plan 2019/20.

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow

Against:

Councillor Woolf
Councillor Young

Majority Vote: 15:0

Carried

Moved Councillor Foster, seconded Councillor Young, the following amendment:
That the Long-Term and Annual Plan Committee:

B. Agrees to:

- a. Amend the 2018-2028 Long-Term Plan by removing the following: Marine Education Centre, Frank Kitts Park upgrade (excluding the playground), zoo upgrade (snow leopards and lions), and the Museum of Conflict;
- b. Instruct officers to investigate and report to Council by June 26 the following projects or workstreams to ensure value for money & efficacy: Museum of Wellington upgrade, WREDA, venues review, Walk Wise, Free-Under-Fives (pools), communications & marketing, all economic support funding streams, GWRC's bulk water charge, library materials (Capex & Opex), democratic services, waterfront insurance, Council's organisational costs, playground renewals, and a review of the expected level of capex spending & consequent debt levels and associated costs
- c. Update the development contribution policy to reflect growth-related capital expenditure in the 2018-2028 Long-Term Plan (reporting to CSC, with a deadline of August 31);
- d. The development of a coherent, city-wide strategy for investment in community and recreational facilities;
- e. Instruct officers to provide information to Council by August 31 on underperforming or surplus land;
- f. Request the Finance, Audit and Risk Management Subcommittee to investigate means of reducing Council's ongoing rates liabilities for leaky buildings.

Note: The meeting adjourned at 10:34am for morning tea and reconvened at 10:51am. When the meeting reconvened, the following members were present: Councillor Day, Councillor Gilberd, Councillor Free, Councillor Fitzsimons, Councillor Woolf, Mayor Lester, Councillor Pannett, Councillor Dawson, Councillor Foster, Councillor Marsh, Councillor Young and Councillor Calvi-Freeman.

(Councillor Calvert, Councillor Sparrow, and Councillor Lee returned to the meeting at 10:52am.)

(Councillor Fitzsimons left the meeting at 11:10am and returned to the meeting at 11:11am.)

Note: Once moved, Amendment B was further amended following officer advice and the leave of the meeting. The amendment which was put is shown below.

Moved Councillor Foster, seconded Councillor Young, the following amendment:

That the Long-Term and Annual Plan Committee:

B. Agrees to:

- a. Amend the 2018-2028 Long-Term Plan by removing the following: Marine Education Centre, Frank Kitts Park upgrade (excluding the playground), zoo upgrade (snow leopards and lions), and the Museum of Conflict;
- b. Instruct officers to investigate and report to Council the following projects or workstreams to ensure value for money & efficacy: Museum of Wellington upgrade, WREDA, venues review, Walk Wise, Free-Under-Fives (pools), communications & marketing, all economic support funding streams, GWRC's bulk water charge, library materials (Capex & Opex), democratic services, waterfront insurance, Council's organisational costs, playground renewals, and a review of the expected level of capex spending & consequent debt levels and associated costs
- c. Update the development contribution policy to reflect growth-related capital expenditure in the 2018-2028 Long-Term Plan (reporting to CSC);
- d. The development of a coherent, city-wide strategy for investment in community and recreational facilities;
- e. Instruct officers to provide information to Council on underperforming or surplus land;
- f. Request the Finance, Audit and Risk Management Subcommittee to investigate means of reducing Council's ongoing rates liabilities for leaky buildings.

Note: Once put, and subject to a request in accordance with Standing Order 3.12.7, Amendment B was voted on in parts in the following order:

- Clause a;
- Clause b;
- Clause c;
- Clauses d, e, and f.

Moved Councillor Foster, seconded Councillor Young, the following amendment

Resolved

That the Long-Term and Annual Plan Committee:

B. Agrees to:

- a. Amend the 2018-2028 Long-Term Plan by removing the following: Marine Education Centre, Frank Kitts Park upgrade (excluding the playground), zoo upgrade (snow leopards and lions), and the Museum of Conflict;

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

For:

Councillor Foster
Councillor Young

Against:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman

Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Woolf

Majority Vote: 2:13

Lost

Moved Councillor Foster, seconded Councillor Young, the following amendment

Resolved

That the Long-Term and Annual Plan Committee:

B. Agrees to:

- b. Instruct officers to investigate and report to Council the following projects or workstreams to ensure value for money & efficacy: Museum of Wellington upgrade, WREDA, venues review, Walk Wise, Free-Under-Fives (pools), communications & marketing, all economic support funding streams, GWRC's bulk water charge, library materials (Capex & Opex), democratic services, waterfront insurance, Council's organisational costs, playground renewals, and a review of the expected level of capex spending & consequent debt levels and associated costs

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

For:

Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Foster
Councillor Pannett
Councillor Young

Against:

Mayor Lester
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Sparrow
Councillor Woolf

Majority Vote: 6:9

Lost

Note: The meeting adjourned at 11:41am and 11:45am. All members of the Committee were present when the meeting resumed.

Moved Councillor Foster, seconded Councillor Young, the following amendment

Resolved

That the Long-Term and Annual Plan Committee:

B. Agrees to:

- c. Update the development contribution policy to reflect growth-related capital expenditure in the 2018-2028 Long-Term Plan (reporting to CSC);

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Young

Against:

Councillor Woolf

Majority Vote: 14:1

Carried

Moved Councillor Foster, seconded Councillor Young, the following amendment

Resolved

That the Long-Term and Annual Plan Committee:

B. Agrees to:

- d. The development of a coherent, city-wide strategy for investment in community and recreational facilities;
- e. Instruct officers to provide information to Council on underperforming or surplus land;
- f. Request the Finance, Audit and Risk Management Subcommittee to investigate means of reducing Council's ongoing rates liabilities for leaky buildings.

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)

Against:

Councillor Gilbert
Councillor Woolf

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Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Young

Majority Vote: 13:2

Carried

Moved Councillor Fitzsimons, seconded Councillor Gilberd, the following amendment:

That the Long-term and Annual Plan Committee:

C. Amends the proposed fee change for residents' parking per year to \$140.00.

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

For:

Mayor Lester
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Gilberd
Councillor Lee
Councillor Young

Against:

Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Foster
Councillor Free
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Woolf

Majority Vote: 6:9

Lost

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

That the Long-term and Annual Plan Committee:

D. Agrees to undertake a prioritisation exercise of major Council projects by the end of 2019 with Councillors in anticipation of wider public consultation as part of the next Annual Plan/Long-Term Plan.

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Lee

Against:

Councillor Gilberd
Councillor Marsh
Councillor Woolf

Councillor Pannett
Councillor Sparrow
Councillor Young

Majority Vote: 12:3

Carried

Note: The sequence of clauses in the original motion has been adjusted to reflect the carried amendments which have been incorporated into the substantive motion.

- Amendment A is incorporated into the substantive motion as new clause 15.
- Amendment B is incorporated into the substantive motion as new clause 16. The carried clauses of amendment B (originally c–f) have been renumbered as clauses 16 a–d.
- Amendment D is incorporated into the substantive motion as new clause 17.
- Original clauses 15 and 16 have been renumbered as new clauses 18 and 19.

Moved Mayor Lester, seconded Councillor Day, the following substantive motion:

That the Long-term and Annual Plan Committee:

1. Receives the information.
2. Receives the draft 2019/20 Annual Plan (Attachment 1 of the Committee Report), noting that some areas are still to be completed following decisions from this meeting of the Long-term and Annual Plan Committee.
3. Agrees that officers prepare the 2019/20 Annual Plan based on the 2019/20 Annual Plan consultation document and reflect any changes agreed at this meeting of the Long-term Plan and Annual Plan Committee.
4. Agrees the projects and programmes budgets (Attachments 2 and 3 of the Committee Report), noting that any changes arising as part of these deliberations will be incorporated into the final statements presented to Council.
5. Agrees to the Fees and Charges schedule included in the 2019/20 Annual Plan (Attachment 1 of the Committee Report).
6. Notes that the annual plan budget, as outlined in this paper, results in an overall net rates increase of 3.9 percent from 2018/19, subject to confirmation of the growth in the ratepayer base.
7. Agrees the following project and budget changes from the consultation budget, for inclusion in the final 2019/20 Annual Plan (as outlined in paragraph 12 of the Committee Report):
 - a. WREMO funding – increase the budget as requested by WREMO by \$140k, being the relevant share for Wellington City Council.
 - b. Increase personnel costs by \$1.2m as outlined in paragraph 19 of the Committee Report).
8. Agrees to allocate funds from the City Growth Fund (outlined in paragraph 21 of the Committee Report) as follows:

- a. City Mission – a one-off \$500k grant, through the City Growth Fund, to the City Mission to support the development of additional housing that will assist individuals and families who are at risk of remaining in, or falling back into, homelessness.
 - b. NZ Festival –\$750k of grant funding to support the NZ Festival in 2019/20 to maintain the quality of the festival while both the Town Hall and St James Theatre are closed for strengthening.
9. Notes that an additional \$4m opex and \$5.9m capex is required in 2019/20 to provide temporary library and associated services while options for a permanent solution for the Central Library are investigated. These options were accepted by the City Strategy Committee and aim to meet the gap in community services since the decision to close the Central Library.
 10. Agrees that the temporary library services expenditure outlined above be debt funded in 2019/20. This is due to the timing of the closure in relation to the annual plan, options for ongoing funding will be considered through the next annual and long-term plans.
 11. Agrees to fund the development contribution of \$60k associated with a Dwell Housing Trust development from prior year surpluses, so as not to impact on rates.
 12. Agrees to a fee increase, above the value already consulted on, for Special Waste – Type A as outlined in the below table:

| 2018/19 Fee | Consultation Fee | Proposed Fee |
|------------------------|-----------------------------|-------------------------|
| \$148.60 | \$163.50 | \$203.60 |

The increase is necessary to mitigate increased costs as a result of new health and safety requirements for dealing with asbestos, as detailed in paragraphs 24-25 of the Committee Report.

13. Agrees to change the general rates differential from 2.8:1, (whereby the *commercial, Industrial and Business* sector pays 2.8 times the general rate per dollar of capital value paid by the *Base* (residential) sector) to 3.25:1, as consulted on in the CD.
14. Agrees not to fund the community funding requests but to work with the following community groups, as per the officer recommendations, outlined in Attachment 4;
 - a. Karori Events Centre
 - b. Glenside Progressive Association – track development
 - c. Council Advisory Group fund – Wellington Youth Council
15. Removes \$511k Project 2037 (Indoor Arena) from the Annual Plan 2019/20.
16. Agrees to:
 - a. Update the development contribution policy to reflect growth-related capital expenditure in the 2018-2028 Long-Term Plan (reporting to CSC);
 - b. The development of a coherent, city-wide strategy for investment in community and recreational facilities;
 - c. Instruct officers to provide information to Council on underperforming or surplus land;
 - d. Request the Finance, Audit and Risk Management Subcommittee to investigate means of reducing Council's ongoing rates liabilities for leaky buildings.

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-
17. Agrees to undertake a prioritisation exercise of major Council projects by the end of 2019 with Councillors in anticipation of wider public consultation as part of the next Annual Plan/Long-Term Plan.
 18. Recommends to Council to adopt the final 2019/20 Annual Plan based on the:
 - a. Draft 2019/20 Annual Plan, and
 - b. Any changes agreed at this meeting of the Long-Term Plan and Annual Plan Committee
 19. Delegates to the Chief Executive Officer the authority to make editorial changes that may arise as part of preparing the 2019/20 Annual Plan for Council adoption.

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

For:

Mayor Lester
Councillor Calvert
Councillor Calvi-Freeman
Councillor Dawson
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foster
Councillor Free
Councillor Gilbert
Councillor Lee
Councillor Marsh
Councillor Pannett
Councillor Sparrow
Councillor Young

Against:

Councillor Woolf

Majority Vote: 14:1

Carried

The meeting concluded at 12:27 pm.

Confirmed: _____
Chair