

# GOVERNANCE AND MANAGEMENT

**The Council is elected to represent the interests of the city's people.**

**Our governance and management processes reflect our commitment to achieving the best results for Wellington.**

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## Governance

### OUR ROLE

#### **We guide Wellington's development in line with the needs and aspirations of its people.**

The Council is made up of 14 elected councillors and a mayor. They're supported by a chief executive and more than 1500 staff. Under the Local Government Act 2002, our statutory roles are:

- to enable democratic local decision-making and action by, and on behalf of, the people of Wellington
- to promote the social, economic, environmental, and cultural well-being of the people of Wellington, in the present and for the future.

#### **There are several different ways we can work to promote community wellbeing.**

We provide a wide range of services to promote community wellbeing – such as water supply, drainage, and transport networks. We also provide facilities such as pools, libraries, recreation centres, community halls and social housing. In addition, under various laws, we're responsible for controlling and regulating activities such as building, land use, noise, food preparation, liquor sales, and ownership of dogs and other animals.

We take different approaches to promoting community wellbeing depending on the circumstances. Often, instead of providing a service ourselves, we work with others to achieve common aspirations. This may involve funding or contracting other organisations that are better placed to deliver a service than we are. Or it may involve work by councillors and staff to bring people together and facilitate projects, or to advocate on behalf of the city.

#### **Councillors set the city's overall direction and priorities and monitor the organisation's performance.**

'Governance' is about setting direction and priorities, and about providing oversight. This is the essence of the role played by elected councillors. The Council's chief executive is appointed to deliver the services needed to fulfil the direction the elected Council has set.

Under the Local Government Act 2002, certain powers are reserved for the elected Council. They include setting bylaws and rates, setting the city's overall direction and budget through long-term and annual plans, setting policies required under the Act, appointing the chief executive, making decisions about borrowing money and buying or selling assets, setting up and giving powers to Council committees or joint committees with other organisations, determining how council meetings will be run, setting a Council code of conduct, and adopting annual reports.

In addition, the elected Council has kept certain other powers, such as setting strategies, setting the content of the District Plan which guides development in the city, approving our triennial agreement with other Wellington local authorities on how we'll work together, promoting legislation or changes to legislation, making recommendations to the Remuneration Authority about councillors' pay, and certain financial decisions including approval for financial guarantees or compensation claims over \$1 million.

Subject to these powers, day-to-day management of Council services and operations is delegated to the chief executive, with councillors monitoring progress.

### **Councillors also spend time with their communities and advocate on behalf of community interests.**

Councillors are elected from areas of the city known as wards, and the councillors' duties include meeting people and organisations from their wards and advocating on their behalf or addressing any issues they may face.

However, when councillors come together to make decisions in the Council or a council committee or subcommittee, they are required to put aside local interests and exercise their powers in the best interests of the city as a whole.

#### **PANEL: RESOURCE CONSENTS**

### **We have processes to ensure that resource consent decisions are considered independently and conflicts of interest are avoided.**

The Resource Management Act requires us to regulate land use in the city to minimise environmental harm from such things as noise, earthworks, new subdivisions and land developments, plans to clear native bush, changes to historic buildings, and other rules set out in the District Plan.

A resource consent is required for any proposal that is not permitted as of right under the District Plan. If a consent is required, the process varies depending on how much environmental impact a proposal has and who is affected. Where the effects are not minor the consent is publicly notified, which allows affected parties and members of the public to have their say.

Decisions about publicly notified resource consents are made by a panel of commissioners, which may include elected members. The hearing of resource consents is a quasi-judicial process and extensive training is provided before appointments are made to a hearings panel.

If we are a party in the resource consent proceedings, if particular skills or expertise are required, or if there is any possibility of a conflict of interest, we appoint independent commissioners to these hearings panels. Our *Guidelines for the Appointment of Hearing Panels* sets down the specific criteria for determining whether independent commissioners are needed.

#### **SETTING OUR PRIORITIES**

### **Democratic decision-making means the Council represents the people of Wellington.**

In a community of over 190,000 people, decisions can't be made by consensus. Councillors are elected to represent the people of Wellington, acting and making decisions on their behalf.

In this role, councillors often have to weigh up competing views and interests. This might include balancing the interests of one part of the community against another, or balancing community aspirations against financial constraints.

As an example, in managing the transport network, the Council has to balance the requirements of different types of road user – buses, cycles, pedestrians, people in cars, and businesses moving goods. In balancing these requirements, it has to consider environmental concerns, safety, impacts on lifestyle choices (for example, whether people walk or take the car) and on where people will choose to live, limits imposed by the city's hilly landforms and the existing road structure, and costs to ratepayers.

Another example is our Urban Development Strategy, which seeks to focus future urban growth around key transport networks and town centres. Focusing growth in these areas creates areas for integrated living, working and leisure, and makes greater use of existing infrastructure and transport networks, while reducing the need for urban sprawl.

### **Councillors also have to balance short-term and long-term interests.**

Decisions made today can have implications immediately or sometime in the future. Often, councillors will have to decide whether to take action now in order to provide future benefits or prevent future harm.

For example, councillors frequently have to consider the short-term cost to ratepayers of repairing or replacing an asset alongside the potentially greater future costs if that asset fails. Often, this will result in a decision to spread the costs of replacing an asset over its expected life. This ensures that all those that benefit from the asset contribute a proportion of its cost.

### **We know we can't keep everyone happy all the time...**

Whatever decisions councillors make, some people will like it better than others – that's the nature of representative democracy. In addition, Council decisions are made in an environment where public organisations are scrutinised more than ever before, and trust in public organisations is generally declining.

### **...but we can make sure our decision-making processes are worthy of your trust and confidence.**

Before councillors make any decision, they – with advice from council staff – examine it from every angle. Uppermost in their minds is the wellbeing and collective needs and aspirations of Wellington's people.

In addition, they have to consider legal requirements and contractual obligations. And, before they commit to spending ratepayers' money, they'll consider how the proposal fits in with the Council's strategic direction and policies, and whether it's a prudent use of ratepayer funding. They'll ask themselves questions such as: how much will it cost? how can it be funded? will someone else do the work if we don't? will the benefits be significantly less or the costs significantly greater if we wait? And are there any risks involved?

Altogether, we believe our decision-making processes are fair, transparent and robust.

#### **PANEL: GOVERNANCE PRINCIPLES**

The principles under which councillors exercise their powers and perform any duties are set down under legislation and include:

- conducting council business in an open, transparent and democratically accountable manner
- conducting council business in an efficient and effective manner

- making themselves aware of, and having regard to, the views of all of the city's communities
- recognising community diversity when making decisions
- taking account of the interests of future generations
- taking account of the impact of any decision on current and future well-being of communities in all aspects – social, environmental, economic and cultural
- involving Maori in decision-making
- cooperating and collaborating with other agencies to advance the wellbeing of the city's communities
- undertaking all business transactions in accordance with sound business practice
- ensuring the prudent stewardship and the efficient and effective use of resources in the interests of the city.

## LISTENING TO YOUR VIEWS

### **To help us make sound decisions, we seek input and advice from the city's communities.**

We can only make sound decisions if we have a good understanding of the needs and wishes of the people affected by those decisions. We seek input from anyone interested or affected – whether that's an individual, a group, a neighbourhood or the entire city.

One of the more common ways you help with our decision-making is when you have your say on a proposal we are consulting on. This year, we consulted formally on more than 20 proposals, including our long term plan, town centre plans, Adelaide Road Framework, changes to traffic rules, and changes to policies and bylaws. Altogether, we heard from more than 3000 people through formal submissions. There has been improvement in recent years in resident satisfaction with the Council's consultation processes.

We also heard from people through forums and reference groups, through electronic petitions, calls to our Call Centre, letters, emails and meetings. We also seek public input through surveys and focus groups.

### **The type of consultation depends on the decision being made.**

All Wellingtonians can have input on our overall direction, our budgets and priorities for each year, decisions about bylaws, and any other significant decisions affecting the city and its people.

On decisions that affect specific locations or groups of people, all stakeholders can have a say. The stage at which we ask for input from different people and groups depends on the extent to which they are affected by or interested in the issue we're considering.

Decisions on consultation are determined by: the requirements of the Local Government Act 2002; our consultation policy; the significance and nature of the decision to be made; the level of public interest in the matter; the potential impact on affected and interested parties; the urgency of the matter; and the extent to which the views of the community are already known to the Council.

## **We act on the feedback we receive – we don't just file it away.**

When we consult on an issue, we consider each submission carefully – the arguments in the submissions influence our views. After submissions were received on our 2008/09 annual plan, we made changes to our proposals. For example: we committed funding to bring high speed broadband internet to the city; we decided to hold marina fees at current levels; and we decided not to go ahead with a feasibility study for an orchestral scoring stage in the city.

Everyone who submits on any of our consultations is responded to with a letter outlining the decisions made in relation to the issues they'd raised.

### **CASE STUDY: INDOOR COMMUNITY SPORTS CENTRE**

#### **The Council's decision to proceed with the planned Indoor Community Sports Centre followed extensive consultation and independent reviews.**

A final decision to proceed with the community sports centre in Kilbirnie was made in June 2009. The history of this proposal highlights the extensive checks and balances Council decisions are subject to, ranging from consultation with sports groups and the community to formal budgeting and planning to the resource consent process.

The Indoor Community Sports Centre at Cobham Park will provide 12 courts and seating for up to 1000 spectators, providing a venue for indoor sports such as volleyball, basketball, netball, handball, and athletics, as well as school sports and recreation events.

Initial discussions with sports groups over the centre had begun as far back as 1999, when indoor sports groups started advocating for an indoor facility to meet rapidly growing demand for court space and to encourage fitness and recreation. In 2001, the Council provided a grant to the Wellington Recreation Trust for a study to determine whether a sports centre was needed.

Residents have been asked for views on the proposal as part of the annual planning process each year since 2004, with initial consultation focused on the need for a sports centre and more recent feedback sought on its location, size and budget.

In early 2006, the Council proposed and budgeted for an eight-court centre at Cobham Park. While residents strongly supported the proposal, many wanted a larger facility. The Council decided to proceed, but to increase the size to 12 courts. An option on CentrePort land was subsequently considered but ruled out on the basis of cost, proximity to schools (which will be among the main users) and relationship fit with other sports facilities.

In public consultation as part of the Council's annual planning process in 2007, Wellingtonians again supported a 12-court Cobham Park proposal, and in June of that year a final decision was made to proceed. After an independent peer review concluded that Cobham Drive was superior to an alternative on the Stadium Concourse, public meetings were held to discuss preliminary designs and traffic management, and 26 submissions were received. Sports groups and local residents were kept informed of developments as designs were completed and a resource consent sought.

Three independent commissioners (with expertise in planning/resource management, and traffic engineering) heard the resource consent application. The consent was granted in January 2009, with some conditions including controls on noise and traffic, and limits on the number of large events (2600+ people) that can be held each year.

Two appeals to the Environment Court were subsequently lodged but later withdrawn or resolved after an independent review, led by Sir John Anderson, confirmed the Cobham Park option as the "obvious" choice with the alternative option - of building the indoor community sports centre on top of the Stadium Concourse - as "completely unsuitable" on the basis of cost, poor car parking, potential clashes with stadium events, and issues with fire egress.

After almost a decade of discussion, consultation and review, the way was cleared for construction of the indoor community sports centre to begin.

Panel (with 'setting our priorities' section)

#### **CONSULTATION PRINCIPLES**

The Local Government Act outlines 'consultation principles' that must be followed if the Council decides to consult. These principles are included in the commitment the Council makes to do the following:

- encourage early involvement in a decision
- ensure the process is clear and open
- encourage input and information from a diversity of views
- give people enough time to provide comments
- provide all relevant information
- ensure all information is accessible
- acknowledge all responses and providing feedback.

#### **Forums and advisory groups help specific sectors of the community to have their say and guide us in our work.**

Our advisory groups consist of members of the community with specialist knowledge in a specific area of council responsibility. Their role is to help their communities to understand Council processes and participate in the Council's decision-making processes, and to help the Council understand the needs of their particular communities and how those needs may be addressed.

The advisory groups are: the Pacific Advisory Group; Disability Reference Group; Safe and Sustainable Transport Reference Group; Environmental Reference Group; and the Youth Council.

We also work closely with the Moa Point Wastewater Treatment Plant and Southern landfill Community Liaison Groups which were established through the resource management approach for the landfill and the treatment plant.

We also hold a number of forums each year: a hui, Pacific Island forums, ethnic forums, retailers forum and a sports forum. These forums, which are always well attended, allow elected members and staff to hear directly from specific sectors of the community.

## **Community boards help us understand the needs of local areas.**

Our two community boards – Tawa and Makara/Ohariu – consist of elected community representatives, and in the case of Tawa two councillors, who are appointed. The boards reflect the unique history and requirements of their areas and help the Council to understand and meet the communities' needs. The boards advise the Council and have limited decision-making functions.

## **Treaty partnerships ensure tangata whenua have a voice.**

The Council's treaty partners provide advice on matters relating to Maori. They are non-voting members of the Strategy and Policy Committee where they can contribute to the discussion on any item they have an interest in. (See the Engagement chapter for more about these partnerships.)

### **PANEL: HOW WE DID**

A majority of residents are happy, both with the services and facilities the Council provides and with the way the Council consults. In our May 2009 Resident Satisfaction Survey:

58% said they were satisfied that the Council consults them the right amount

64% considered the extent of their influence on Council decision-making 'about right'

39% were satisfied with the way the Council involves people in decision-making

73% felt the Council's performance was good or very good.

The Council has made efforts to improve engagement with residents, through online initiatives such as ePetitions and through regular forums for sector and interest groups. See the Engagement/Governance section for more detail.

### **CHECKS AND BALANCES**

## **Our structure ensures that every proposal gets thorough scrutiny.**

Before a proposal gets to the Council, it will first have been thoroughly considered by Council management and staff. In their roles as advisers to the Council, they prepare reports explaining the costs, options, and implications of any proposal. They also seek community input as appropriate, and take account of all other relevant factors.

The preferred option will then be considered and agreed by a committee or subcommittee, who will also weigh-up the need for consultation. If they agree to consult, a proposal will be published and made available for submissions. These will in turn be reviewed and heard by a committee or panel of councillors. Final decisions are either made by the full Council or the Strategy and Policy Committee by simple majority.

## **Some committees consider the broad issues facing the city, while others cover specialist areas.**

The Council has three committees and six subcommittees. All councillors are members of the Strategy and Policy Committee, which meets regularly and considers most key decisions relating to the Council's



direction and activities. The other committees are: the Regulatory Processes Committee and the Performance Review Committee (to oversee the chief executive's performance).

There are subcommittees on Grants, Performance of Council Controlled Organisations, Development Contributions, Temporary Road Closures, Annual Plan/Long-term Plan Hearings, and Audit and Risk Management.

These committees and subcommittees all report directly to the Council and/or to the Strategy and Policy Committee.

Their main purposes are to discuss and set policy, and to monitor management activity to ensure the affairs of the Council and related organisations are being conducted in accordance with legislation and the Council's strategic objectives.

### **The Council's committee structure ensures that all decisions take account of the wider issues facing the city.**

All services are linked, so it makes good sense to consider them all together. Urban development decisions, for example, affect the transport network and the environment. Our decision-making structure – with the Strategy and Policy Committee playing a lead role – ensures that all councillors are aware of the full range of issues facing the city.

The beginning of each meeting is set aside for members of the public to have their say.

### **Some subcommittees have professional experts to help guide their work.**

From time to time, the Council appoints external members to its subcommittees. These external members are often professional experts or people who represent particular sectors of the community. They bring a unique perspective to the meetings and help elected members with their decision-making. Appointed members of Council subcommittees receive pay reflecting their responsibilities.

### **Strong communication links are maintained between the mayor, councillors and management.**

The mayor and councillors meet with Council officers regularly to be briefed about upcoming agendas and reports. This provides an opportunity to ask questions and seek clarification before decisions are made.

Councillors who are responsible for particular portfolios – such as the environment, culture or urban development and transport – have regular meetings with relevant managers and staff to discuss progress on work programmes and any other matters relating to their portfolio. Work programmes for each portfolio area are agreed collectively by the mayor and all councillors.

## **COUNCILLORS' CONDUCT**

### **Councillors have to meet standards of behaviour in relation to each other and the wider community.**

The Council's Code of Conduct provides guidance on the standards of behaviour that are expected from elected members. It applies to their dealings with each other, the Council's chief executive and staff, the media, and the wider public. The code describes the roles and responsibilities of elected members

generally and those of the mayor and deputy mayor. It also sets out the steps to be taken when the code is breached. There were no formal censures by the Council during 2008/09.

### **Elected members may not vote or take part in Council discussions on issues where they might be influenced by financial or other personal interests.**

Legislation sets out members' responsibilities in relation to financial conflicts of interest and the sanctions for failing to comply, which can include financial penalties and removal from office. In addition, elected members must meet the obligations of common law to identify and declare non-financial conflicts. The Council has established the following practices:

- We maintain a conflict of interest register to help members monitor potential conflicts of interest.
- We prompt members at the beginning of every meeting to declare any conflicts in relation to the items on the agenda.
- We provide members with a conflict of interest guidebook.
- We hold workshops to keep members up to speed with requirements.

These steps guard against members directly or inadvertently abusing the advantages of their public office for personal gain. When a conflict is declared, this is noted in the minutes of the meeting.

### **Elected members also register any gifts they receive.**

Elected members may not abuse the advantages of their official position for personal gain, or solicit or accept gifts, entertainment, rewards or benefits that might compromise their integrity.

The exchange of gifts during official international or inter-council visits is an accepted practice. These gifts are generally regarded as being to the office rather than the individual elected member. Any gifts that are received are entered in the elected members' gift register.

## **MAKING OURSELVES ACCOUNTABLE**

### **Our decision-making is open and transparent.**

We comply with the Local Government Official Information and Meetings Act 1987 to make sure our work is transparent and open for public and media scrutiny.

All meeting agendas and reports are publicly available two days before meetings in any of our 12 libraries, at our service centre, and online at [www.Wellington.govt.nz](http://www.Wellington.govt.nz).

While the provisions of the Local Government Official Information and Meetings Act allows us to exclude the public from meetings on special grounds (e.g. commercial sensitivity) we seek to make use of these provisions as infrequently as possible.

Minutes of meetings are made publicly available on our website.

We also ensure any decisions are communicated effectively to the community – through media releases, web alerts, the 'Our Wellington' page in the Dominion Post, and our website – with explanations of what decision was made and why.

## **We provide information so that residents can hold us to account for our actions.**

We make ourselves accountable in many ways. This annual report is one. It explains what we did during 2008/09, how our work contributed to the city, what it cost, and whether our performance met the expectations we set ourselves. Its contents have been thoroughly scrutinised by Audit New Zealand to ensure they fairly reflect our financial performance and position, and the services we've provided. We also produce quarterly reports which are available to members of the public and media.

In addition, we're held to account through complaints to our Issues Resolution Office and by simply being available to answer your questions.

And, every three years, elected members are held to account during local elections.

### **PANEL: ELECTING THE COUNCIL**

Council elections are held every three years. Wellington city residents and non-resident ratepayers aged 18 and over are entitled to vote. Elections are run in line with legislation by an independent, statutorily-appointed electoral officer.

The current Council was elected on 13 October 2007 under the single transferable vote system (STV).

The mayor is elected by voters from across the city. The 14 councillors are elected from five geographical areas called wards. Community representatives to the Tawa and Makara/Ohariu community boards were also elected at the same time.

Election turnout in 2007 was 40% – down from 42% in 2004 and 49% in 2001.

The next election will be held in October 2010.

### **Electoral system**

The STV system has been used for two elections. Wellington voters were polled during 2008/09 to determine whether they wanted to retain the system or make a change for the next elections in 2010.

A total of 132,762 voting papers were mailed out to registered voters on 5 September 2009. Some 44,024 were returned, reflecting a turnout of 33.16%. Of those, 22,209 supported the STV system, marginally ahead of the 21,733 voters who supported a return to first past the post.

The referendum was binding on the Council, meaning that STV will be used for at least the 2010 and 2013 Wellington City Council elections.

### **PANEL: SETTING COUNCILLORS' PAY**

The Remuneration Authority determines the 'remuneration pool' for each Council – that is, the total amount that each Council can spend on salaries for its mayor, councillors and community board members. The size of the pool depends on the city's population, and council's operational spending, and gross value of its assets.

The Council then determines how that pool is divided up among councillors based on their roles and responsibilities. The Remuneration Authority sets the salary for the mayor.

The authority's determination takes effect on 1 July each year. For details of elected members' remuneration, see the notes to the financial statements on page XX.

#### PANEL: COUNCIL CONTROLLED ORGANISATIONS

In order to achieve our objectives for Wellington, we have established several council controlled organisations – Wellington Zoo Trust, Positively Wellington Tourism, St James Theatre Charitable Trust, Wellington Museums Trust, Basin Reserve Trust, Wellington Cable Car Ltd, Capacity, Wellington Stadium Trust, and Wellington Waterfront Ltd. These organisations were set up to independently manage council facilities, deliver significant services or oversee developments.

Council-controlled organisations can provide a range of benefits including focus and expertise in particular areas such as water management or tourism, and ability to attract external funding.

Their objectives are outlined in statements of corporate intent and their performance is monitored quarterly by our Council Controlled Organisation Performance Subcommittee. Performance results for each organisation are set out on pages XX to XX. More detailed results for each organisation are contained in their own annual reports.

#### PANEL: MEETING ATTENDANCE

There were 106 formal Council, committee and subcommittee meetings in the 2008/09 financial year. The table below shows councillors' attendance at these meetings and at the Strategy and Policy Committee pre-meeting session (which is used to brief councillors about items on the meeting's agenda).

Councillors provide apologies for meetings they cannot attend in their entirety, or in part, and these are recorded in the minutes. From time to time apologies are given because a councillor is attending another event at the request of the council.

All councillors are members of the Strategy and Policy Committee and up to three other decision-making bodies. The number of times a committee or subcommittee meets during a year varies and for elected members this means a small variance in the total number of meetings they can attend as a member.

Committee meetings are only one of the duties of elected members. They are also appointed to council controlled organisations, community boards, advisory groups and other external bodies. A number of these bodies meet on a monthly basis. In the course of their work, they may also attend workshops, briefings and meetings within the community, and sit on District Plan or resource consent hearings.

COUNCILLOR	MEETINGS HELD OF WHICH THE COUNCILLOR IS A MEMBER	MEETINGS ATTENDED		STRATEGY AND POLICY COMMITTEE PRE-MEETING SESSIONS	PRE-MEETING SESSIONS ATTENDED	
		NUMBER	PERCENTAGE		NUMBER	PERCENTAGE
Ahipene-Mercer	68	60	88%	19	16	84%
Best	72	70	97%	19	19	100%
Cook	68	62	91%	19	16	84%
Coughlan	64	54	84%	19	16	84%
Foster	69	63	91%	19	17	89%
Gill	68	68	100%	19	18	95%
Goulden	77	68	88%	19	15	79%
McKinnon	67	67	100%	19	18	95%
Morrison	77	70	91%	19	13	68%
Pannett	68	64	94%	19	18	95%
Pepperell	62	62	100%	19	19	100%
Ritchie	71	67	94%	19	17	89%
Wade-Brown	70	68	97%	19	13	68%
Wain	68	59	87%	19	12	63%

**Note:**

1 Mayor Prendergast is an ex-officio member of all committees and subcommittees. Although the conduct of her other Mayoral duties does restrict her ability to attend meetings of all these bodies, she attended 71 out of the 106 meetings of which she is an ex-officio member and 12 out of the 19 Strategy and Policy Pre-meeting sessions held during the year.

**Mayor and councillors**

	Name	Ward
[Insert picture]	Kerry Prendergast (Mayor)	City-wide
[Insert picture]	Ray Ahipene-Mercer	Eastern
[Insert picture]	Ngaire Best	Northern
[Insert picture]	Stephanie Cook	Lambton
[Insert picture]	Jo Coughlan	Onslow-Western
[Insert picture]	Andy Foster	Onslow-Western
[Insert picture]	Leonie Gill	Eastern
[Insert picture]	Rob Goulden	Eastern

[Insert picture]	Ian McKinnon (Deputy Mayor)	Lambton
[Insert picture]	John Morrison	Onslow-Western
[Insert picture]	Iona Pannett	Lambton
[Insert picture]	Bryan Pepperell	Southern
[Insert picture]	Helene Ritchie	Northern
[Insert picture]	Celia Wade-Brown	Southern
[Insert picture]	Hayley Wain	Northern

#### Community board members

<b>Tawa Community Board members</b>	<b>Makara/Ohariu Community Board members</b>
Robert Tredger (Chair)	Ruth Paul (Chair)
Graeme Hansen (Deputy Chair)	Gavin Bruce (Deputy Chair)
David Darroch	Christine Grace
Chris Reading	John Hume
Dennis Sharman	Ralph Jorgensen
Graeme Sutton	Craig Shepherd

#### Appointed members of council subcommittees

<b>Appointed members</b>	<b>Decision-making body</b>
John Milne	Audit and Risk Management Subcommittee
David Pilkington	Audit and Risk Management Subcommittee
James Ogden (Chair)	CCO Performance Subcommittee
Alan Isaac	CCO Performance Subcommittee

## Management and Staff

### Our Management structure

#### **The mayor and councillors employ and delegate the management and delivery of Council services to the chief executive.**

The chief executive has the delegated authority to manage Wellington City Council under approved annual and long term plans, legislation, policies and guidelines.

The chief executive is responsible for the efficient and effective implementation of the Council's decisions within agreed parameters. The chief executive employs the Council's 1500+ staff to help with these responsibilities.

The chief executive is responsible for providing the mayor and councillors with independent and impartial advice. All advice is tested amongst council staff and reviewed by management board (see below) to ensure all realistic options have been considered and any risks have been identified and assessed before the advice is presented to the mayor and councillors for further consideration and decision.

The chief executive is also responsible for ensuring the Council has effective systems to monitor financial and service level performance and recommend changes where appropriate.

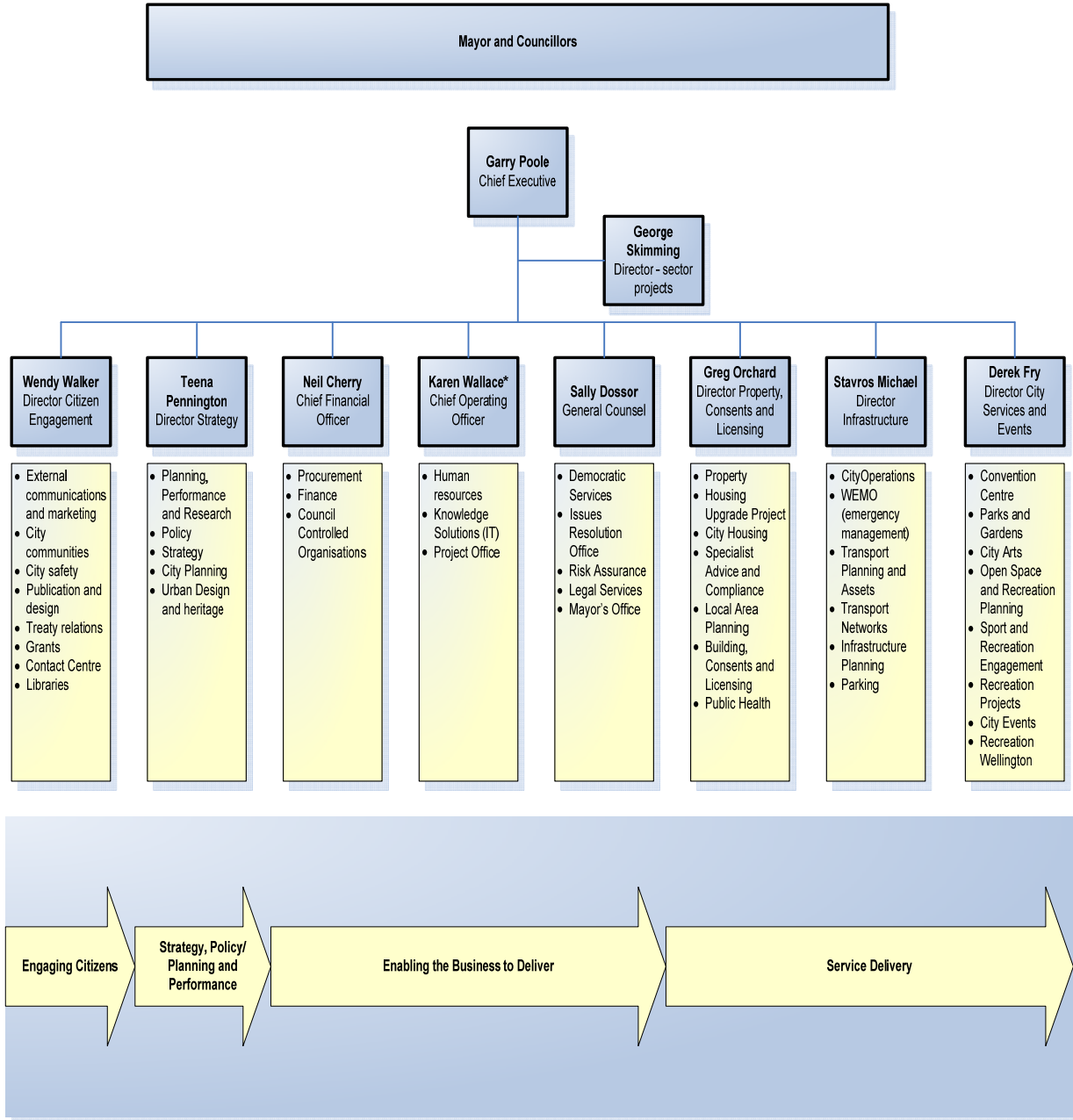
#### **The chief executive's performance is monitored by the Council's Performance Review Committee.**

The committee is chaired by the mayor and includes four councillors. The Committee meets regularly to review the chief executive's performance. Garry Poole is in his 12<sup>th</sup> year as chief executive of Wellington City Council. See the notes to the financial statements on page **XX** for details of the chief executive's remuneration package.

#### **A management board supports the chief executive in leading our staff.**

The management board is made up of the chief executive and nine directors. The board's structure reflects the full breadth of council activities. This ensures that all points of view are considered before advice is given and operational decisions made.

The following table shows the management board structure as at 30 June 2009.



\* David McLachlan became acting Chief Operating Officer on 2 March 2009.



## OUR ROLE

### **The skills required to manage the city are enormously varied.**

The Council is one of the city's largest employers: from policy advisers and planners to park rangers and engineers, map makers and dog handlers, life guards, zookeepers and accountants – the skills required to deliver on our role are many and diverse.

The interests of our staff don't end with their professional role at Council – we're also parents and sportspeople and budding artists. We're all part of the wider community, which keeps us motivated – it makes us work together to improve the quality of life for all Wellingtonians.

### **Our services depend on a wide range of people working together.**

Take the many events that the city offers. Each involves extensive planning and preparation. In addition to bringing the performers and volunteers together, there's a venue, funding and sponsorship to secure. There's advertising, catering contracts, sound and lighting equipment to arrange and many other things that go on behind the scenes. On occasions there are road closures and parking to manage, even building consents to be issued for temporary structures. And there's always the clean-up. All this can't be done by one person – it's often our staff from across the organisation that provide or facilitate these services.

### **This requires a common understanding of what the organisation aims to achieve.**

We aim to build a strong culture in the organisation. Our foundation values of integrity and respect provide the platform on which we conduct our business. They are integral to the way that we interact both internally and in our dealings with the community. We want staff to be respected in the community and proud to work at the Council.

We also encourage our staff to demonstrate the personal values of commitment, competence, and confidence. Our organisational values of working together, aiming high, delivering what's right, encouraging fresh thinking, and acting with integrity and respect, are about us playing our part to deliver the elected Council's vision for the city.

### **We're public servants – we work for the community – as such it's critical that we maintain our integrity and impartiality.**

Our staff commit to a Code of Conduct which describes the standard of behaviour expected of them. It highlights best practices in relation to communications with elected members, participation in public bodies, and handling electronic media and information.

Our staff must also observe the principle of political neutrality and avoid conflicts of interest in all official dealings. The code outlines steps for addressing any potential conflicts before they arise.

## VALUING OUR STAFF

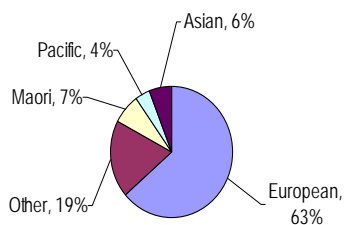
### **To achieve the best results we can for Wellington, we need the best people involved.**

The Council is a large employer, with 1,084 full-time staff and 471 part-time staff. The workforce is multicultural and evenly split between genders.

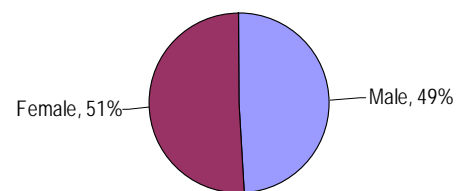
The Wellington City Council has experienced a decrease in staff turnover from 27% in June 2008 to 23% in June 2009. The current climate of economic uncertainty as well as efforts to decrease turnover through workforce initiatives has contributed to this positive trend.

	2004/05	2005/06	2006/07	2007/08	2008/09
New staff	192	204	340	451	612
Resignations	201	273	297	428	622
Total staff numbers	1426	1443	1487	1,558	1,555
Total staff turnover	14%	18%	21%	27%	23%

WORKFORCE COMPOSITION BY ETHNICITY



WORKFORCE COMPOSITION BY GENDER



### Investing in our staff is critical to our success.

To help staff reach their potential we encourage ongoing learning and development. We do this by ensuring training is available for individuals and business units. Learning and development is linked to our goals and priorities and development opportunities are regularly reviewed and improved to meet individual, team and the organisation's needs.

Leadership development is also a key focus. Our practice is not to wait for leaders to appear, but identify leadership potential and develop these individuals.

We are also an accredited member of the Investors in People (IIP) standard – an international standard for people management and development.

### To help staff reach their potential we also encourage balanced, healthy lifestyles.

We support staff leisure and recreational activities such as dragon boating, netball, soccer and basketball. These activities help to promote health and wellbeing, keep morale high, and foster good relationships and communication between Council business units.

We also support staff social groups and activities. These have high levels of participation from across the organisation – more than 500 staff take part in Council social activities every year. These range from

informal social get-togethers to more formal meetings and discussion. Groups include the Maori staff network (whanau group), a dance club, the staff club and a gay and lesbian network.

### **We also provide staff training in Maori language and tikanga (traditions).**

Training is also provided in cultural awareness to enhance our capacity to deliver effective services for Maori and make informed decisions on issues which affect Maori. This includes a customised course for the migrant and refugee work experience group.

### **We provide equal employment opportunities to ensure that everyone has the same chance to share in the success of the organisation.**

Equal employment opportunities ensure that everyone has the same chance to share in the success of the organisation. It ensures that the workforce is diverse, flexible, skilled, in touch with the needs of Wellington's people, and able to provide quality service. In 2008/09 we maintained our membership of the EEO Trust and the Employers Group and participated in the Critical Issues survey – this was in lieu of the bi-annual diversity survey.

### **As part of our commitment, we provided work experience for refugees and migrants who had been unable to find work.**

The Wellington City Council's Migrant and Refugee Work experience programme is in its fourth successful year in 2009, and has resulted in 32 jobs to date. Run in conjunction with Work and Income New Zealand and the Ministry of Social Development, the programme provides work experience for migrants and refugees. The programme has enhanced our organisation by creating a positive work environment, given us greater community engagement and allowed us to better understand and prepare for a more diverse workforce in the future.

## **Health and Safety**

### **HEALTH AND SAFETY**

### **We foster a work culture that is safety-conscious and complies with the Health and Safety in Employment Act.**

We have an occupational health and safety team who work with staff and managers providing advice and guidance on occupational health and safety work-related issues; including workplace hazards, incident and injury management, health monitoring, early intervention and early reporting.

During 2008/09, 40 more staff were trained as health and safety representatives. Health and safety training is tailored according to the type of work undertaken by the individual or business unit. To better prepare frontline staff, we are also delivering an in-house training programme for staff to effectively deal with crisis situations.

We are currently reviewing our health and safety practices throughout the organisation to provide assurance that our practices necessary to prevent injury in the workplace are being applied consistently across the organisation. The review will look at safety risks relating to plant and machinery, the systems we have in place to assess and manage risks, and how we can improve health and safety through leadership, values, culture and behaviour.

## **We're an accredited employer under the Accident Compensation Corporation (ACC) Partnership Programme.**

This programme allows eligible employers to take full responsibility for the rehabilitation of any employee who suffers a workplace injury. Employers in the programme are effectively agreeing to act on behalf of ACC in their own workplace. In each of the eight years we have been in the programme we have been able to provide injured employees with a comprehensive rehabilitation programme that meets the requirements of the Partnership Programme. Our workplace safety and injury management systems are audited every year by ACC.

### **PANEL: DELEGATIONS AND CONTROLS**

#### **Authority to act and commit funding is delegated to the most appropriate level in the organisation.**

Each person making a decision or committing funds is accountable for his or her actions.

Our policies governing delegated decision-making are described in a Delegations Manual/Standard.

A Delegations Schedule describes the limits of delegated authority in detail for each of the eight levels of authority in the organisation.

And the Delegations Register – which is required under legislation – lists Council officers and their individual levels of delegated authority. It consists of a file of signed delegation of authority letters and any other signed authorisation to individual officers.

To ensure the details are kept current, the register is reviewed and updated regularly as people join and leave the organisation. Delegations are automatically revoked when people leave or change their position.

#### **A financial management information system is used to monitor spending decisions.**

Under this system, all transactions can be accounted for and allocated to a cost centre. The system automatically refers transactions, i.e. purchase orders, to someone with the appropriate cost centre/delegation level for approval and authorisation.

#### **Council activities are subject to both internal and external audit.**

Our risk assurance team works to ensure that risk management and internal control systems are soundly based and operate effectively. The director of this team reports directly to the chief executive.

The Council's Audit and Risk Management Subcommittee is responsible for reviewing the adequacy of our financial management and reporting, internal control systems, risk management processes and compliance with legislative requirements. The subcommittee is made up of four elected members and two external members. It meets quarterly and receives reports from the risk assurance team and the Council's external auditors. It questions officers about any issues that have been raised in those reports and the measures taken to address them.

## **PANEL: HANDLING COMPLAINTS**

### **We are committed to listening to residents' concerns.**

Complaints are received by staff in our telephone call centre, investigated and then resolved. The majority of enquiries are dealt with this way.

### **If someone is dissatisfied with our response to a complaint, it can be considered by our Issues Resolution Office.**

The office acts as a last port of call for people who feel their enquiry or complaint about Council services has not been resolved to their satisfaction. Although the investigating staff in the Issues Resolutions Office are employees of the Council, their role is independent of any department. This makes the complaint process as objective as it can possibly be.

### **During 2008/09, the office received 120 complaints from the public.**

These complaints covered a range of issues such as building and resource consents, parking tickets, dog control, rates billing, and maintenance of footpaths, streetlights, road signs, drains and other infrastructure. In some cases the complexity of complaints has increased from previous years.

Of the 120 complaints, a number related to insufficient information being provided or inconsistent and delayed communication.

In 2007/08, the office received 98 complaints.

### **The office also dealt with complaints to the Privacy Commissioner and the Ombudsman.**

The Issues Resolution Office received 357 formal requests for information under the Local Government Official Information and Meetings Act and the Privacy Act. A total of ten cases referred to the Office of the Ombudsmen. Eight cases were about the Council withholding official information and two related to process or a decision reached by the Council. Four of these cases have been resolved by providing further information, in two cases it was reasonable to withhold information or the information provided was complete. Four are still awaiting a decision. There was also one case referred to the Privacy Commissioner which found in favour of the Council.

## Our Corporate Environmental Impact

[We have an obligation to act sustainably, both as an organisation and in our role as providing services to the community.](#)

We want to be a leader in both regards and to make Wellington one of the most sustainable cities in the world.

This section focuses on our corporate “environmental footprint” and gives an assessment of our performance in trying to reduce it. Reference to our environmental performance as a provider of services to the community is covered elsewhere in this document by our reporting of activities under the seven areas of strategic focus.

The key corporate sustainability indicators we have used to measure performance follow Global Reporting Initiative Sustainability Reporting Guidelines<sup>1</sup>. The indicators are:

- greenhouse gas emissions
- energy use
- water use
- paper use
- waste produced and recycled.

### [We have improved the way we report on sustainability](#)

For the first time we are reporting the full results of the Council’s corporate greenhouse gas inventory and using this as a basis for measuring performance against the first two indicators. This inventory covers all of the activities of the Council and its Council Controlled Organisations, in line with the reporting requirements of ICLEI’s International Local Government Emissions Analysis Protocol.

This information is more comprehensive than that previously used in this report. For example, it includes emissions arising from electricity used by the pumps and treatment works that form an integral part of the Council’s water supply, storm water and waste water/sewage reticulation networks. It also includes

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<sup>1</sup> See [www.globalreporting.org](http://www.globalreporting.org).

methane emissions generated by the community's waste collected and disposed of in the landfills used by the Council. Neither of these sources was captured by the previous indicators.

Using data derived from the inventory means a comparison with previously reported information is not possible for these two indicators. This is because, apart from the additional energy use data and emission sources included, the inventory is based on calendar year data and not financial year data. However, calendar year inventory data for 2007 and 2008 has been provided to facilitate a year on year comparison.

### Our target is to stabilise our corporate emissions in the coming year and reduce them by 40 percent by 2020.

The emission reduction targets adopted by the Council relate to reductions in *all* corporate emissions, not just those arising from energy use. They are:

CORPORATE EMISSION REDUCTION TARGETS				
	Base Year	2010	2020	2050
Against base year	2003	Stabilise	-40%	-80%

This year we strengthened our stance regarding adaptation and mitigation of greenhouse gas emissions. Carbon neutrality remains an aspirational goal, but achieving this by 2012 is no longer our target. This change is in response to the uncertainty and concern that prevails internationally around what and how carbon neutrality is defined and managed. Our focus will be on emissions, as we think this is where real value can be added in Wellington<sup>2</sup>.

In terms of the other things we measure, we are endeavouring to achieve a year on year reduction in the amount of energy, water and paper that we use and the amount of corporate waste that we produce. An additional aim is to achieve a year on year increase in the amount of corporate waste that we recycle.

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<sup>2</sup> As part of the Emissions Trading Scheme, the Council received carbon credits from the Central Government for the first time this year in recognition of the carbon absorbed by a portion of our green belt. The Council received 784 credits for the 2008 calendar year.

## Overall we reduced the organisations carbon emissions by 2.5 percent over the last 12 months

The measures of our performance this year, as well as comparative information for the previous two years (one year in the case of greenhouse gas emissions and energy usage), are set out in the panel below.

### *Corporate greenhouse gas emissions have fallen*

Our total corporate emissions have fallen by approximately 1,000 tonnes (2.5%) compared to the same period last year. The major reduction (approx. 2,000 tonnes) has occurred in our waste operations where, despite an increase in the volume of community waste sent to landfill, the amount of methane being released into the atmosphere has fallen. This is due to a combination of a decision to landfill sewage sludge rather than compost it and more efficient gas extraction for electricity generation.

This reduction was offset by an increase in emissions arising from our energy use (approx. 1,000 tonnes), due to an increase in the scale of our operations and to the impact of additional service provision.

Our 2008 inventory is more comprehensive than that we undertook in our base measurement year, 2003, making a direct comparison of emissions levels difficult. However, matching the sources that are common to both years shows that our corporate emissions have fallen by 25% between 2003 (22,959 tonnes) and 2008 (17,246 tonnes). In terms of these sources, the Council's target of stabilising emissions at their 2003 level by 2010 has therefore already been achieved and it appears to be well on the way towards meeting its 2020 40% reduction target.

### *Energy use has risen*

We have undertaken a range of projects aimed at improving the energy efficiency of our operations. However, despite our efforts — our use of electricity and gas has increased.

Weather is a key variable in our "business as usual" electricity and gas usage and is believed to have been a factor behind these increases over the past year. For example, above average rainfall or more episodes of intense rainfall can mean storm water pumps having to operate for longer than is typical. Conversely drier weather in summer can mean having to pump more fresh water to our reservoirs to compensate for increased use (e.g. for watering gardens). Unseasonably cold weather can result in more gas being used to heat swimming pools to an acceptable temperature.



We have also greatly expanded the range of facilities that we operate at the Regional Aquatic Centre, which is a major energy user. This has increased both electricity and gas usage at this location.

There is no clear explanation for the increase in vehicle use that has resulted in the increase in petrol usage. The position will be monitored next year, particularly in light of proposed changes to the size and configuration of the Council's vehicle fleet.

Diesel use continues to decline. This has been helped this year by the introduction of alternative fleet management arrangements, which mean that Council trucks are no longer used for employee home to work travel.

We have made changes to the way we measure data for total waste generated by the organisation. For 2008/09 the organisation produced 263.91 tonnes of waste of which 140.62 tonnes was recycled (53.3%).

### [We have a range of projects in progress that will help us achieve our targets.](#)

#### *New climate change action plan*

It is almost two years since the Council adopted its first climate change action plan and the majority of the actions it contained have been implemented. We are in the process of drafting a new plan that will reflect the next stage in our strategy to mitigate and adapt to the impacts of climate change. A new set of actions will be determined for adoption by the Council later this year to enable us to continue our drive towards achieving our 2020 target of having reduced all corporate emissions by 40%.

To reduce our emissions we have:

- introduced automated lighting systems for office and stairwells in the Civic Building
- created a database to provide real-time record of the Council's energy use to help us isolate problem areas
- upgraded the Central Library boiler system to improve efficiency resulting in reduced gas consumption (15-20% per year)
- upgraded Wellington Town Hall non-event lighting resulting in reduced energy consumption (75,000kWh/year)

- introduced car pool initiative as well as a bicycle pool for staff; and we are looking at reconfiguring the Council's computer servers using newer, more energy efficient technology.

## OUR INDICATORS

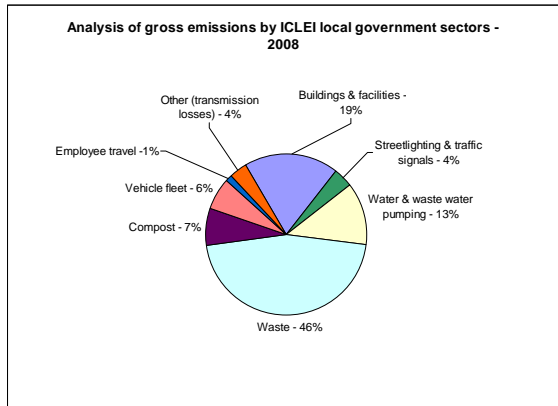
### *Energy use and greenhouse gas emissions*

	ENERGY USE					
	ACTUAL			PER STAFF MEMBER		
	2006	2007	2008	2006	2007	2008
Electricity (kWh)	n/a	58,992,730	61,522,335	n/a	37,864	39,564
Gas (kWh)	n/a	18,905,913	20,024,876	n/a	12,135	12,878
Petrol (litres)	n/a	226,903	299,713	n/a	146	193
Diesel (litres)	n/a	1,079,932	936,633	n/a	693	602

*Source: WCC Climate Change Office*

	TOTAL CARBON DIOXIDE EMISSIONS (tonnes of CO <sub>2</sub> equivalent)					
	ACTUAL			PER STAFF MEMBER		
	2006	2007	2008	2006	2007	2008
Electricity	n/a	10,812	11,288	n/a	6.9	7.3
Gas	n/a	4,207	4,455	n/a	2.7	2.9
Petrol	n/a	505	525	n/a	0.3	0.3
Diesel	n/a	2,268	2,088	n/a	1.5	1.3
ALL EMISSIONS	n/a	41,780	40,747	n/a	26.8	26.2

*Source: WCC Climate Change Office*



2008 greenhouse gas inventory:	
	Tonnes CO <sup>2</sup> equiv
Buildings and facilities	7,738
Street lighting and traffic signals	1,412
Water and waste water pumping etc	5,125
Waste	18,762
Compost	3,032

Source: WCC Climate Change Office

**Resource use**

	ACTUAL			PER STAFF MEMBER		
	2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
Water-use (m <sup>3</sup> )	542,209	520,767	468,859	353.23	334.3	301.5
A4 paper (reams)	19,485	18,659	19,666	13.1	12.2	12.6

Source: Wellington City Council

Note –Analysis by staff member only provides an indication, as water and energy use required for Council services and facilities are principally influenced by resident.