

20 April 2007

WELLINGTON REGIONAL SECTION 16 - MEDIATION AGREEMENT

WELLINGTON REGIONAL COUNCIL

HUTT CITY COUNCIL

UPPER HUTT CITY COUNCIL



Simpson Grierson

Barristers & Solicitors
Auckland & Wellington, New Zealand
www.simpsongrierson.com

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be written in a cursive or semi-cursive script.

PARTIES

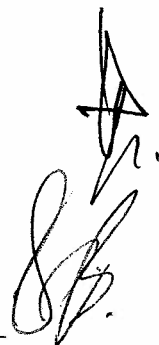
1. WELLINGTON REGIONAL COUNCIL (**GW**)
2. HUTT CITY COUNCIL (**HCC**)
3. UPPER HUTT CITY COUNCIL (**UHCC**)

BACKGROUND

- A. This agreement records the agreements reached in the mediation under section 16 of the Local Government Act 2002 (**LGA 2002**) on 20 April 2007.

THE PARTIES AGREE AS FOLLOWS:

- 1 The Chair of GW agrees to recommend to the Wellington Regional Strategy Committee (**WRS Committee**) that the following changes are made to the proposal:
 - 1.1 By 30 June 2011, a full and independent review of the effectiveness of the entire Wellington Regional Strategy be completed and reported to the WRS Committee. The WRS Committee must recommend whether or not GW will continue to carry out the function of regional economic development in accordance with clause 1.2.
 - 1.2 That GW will cease to carry out the function of regional economic development on 30 June 2012. Prior to 30 June 2012, if GW wishes to carry out the function of regional economic development after 30 June 2012, it must undertake the process set out in section 16 of the LGA 2002 or such other process that applies at that time.
 - 1.3 That the WRS Committee will require that the statement of corporate intent for the Regional Economic Development Agency (**EDA**) will include an explicit statement to record that capital or operational expenditure of community facilities or events are not activities that can be funded by the EDA.
 - 1.4 That the terms of reference for the WRS committee (and any consequential changes required for the standing orders) will be amended so that the voting provisions for the following decisions will change from a simple majority to a 75% majority:
 - 1.4.1 Any decision resulting in a statutory consultation process under the LGA 2002 (such as establishing a new CCO).
 - 1.4.2 Adoption of the statement of corporate intent for the EDA.
 - 1.4.3 Appointment of directors of the EDA.



- 1.4.4 The following decisions relating to the review referred to in clause 1.1 above:
- (a) Agreeing the terms of reference; and
 - (b) Selecting the independent reviewer ;and
 - (c) Decisions made on the recommendations following the review.
- 1.4.5 Any significant amendments to the WRS.
- 2 GW will ensure the inclusion of provisions in the multi-lateral agreement for agreement by the parties that:
- 2.1 Caps the amount sought by GW rates for economic development for the WRS at \$5 million plus GST subject to CPI adjustments until 30 June 2012; and
 - 2.2 The WRS contains guidelines to promote good Regional form. These will not override local communities' ability to influence outcomes important to their communities.
- 3 GW will include a review of the funding allocation for the economic development rate under section 101(3) of the LGA 2002 (or subsequent equivalent provision) as part of its review of its Revenue and Financing Policy for its 2009/10 LTCCP.

Process

- 4 The agreements in paragraph 1 will be referred by the Chair of GW to the WRS committee at its meeting on 2 May 2007.
- 5 The agreements in paragraphs 2 and 3 will be included by GW in the draft of the multi-lateral agreement.
- 6 If the WRS committee agrees to the agreements in paragraph 1, the parties agree as follows:
- 6.1 That for the purposes of section 16(6) of the LGA 2002 that the mediation is successful; and
 - 6.2 No party will ask the Minister to make a binding decision on the proposal.
- 7 If the WRS Committee does not agree to the matters in paragraph 1, and some alternative agreement is not reached within two working days:
- 7.1 Any reference to the Minister must be made by any party by 9 May 2007; and
 - 7.2 All parties commit to work in good faith to take all necessary steps to secure a decision from the Minister by 15 June 2007.
- 8 If clause 7 applies, and the proposal is not referred to the Minister by the close of 9 May 2007, GW may adopt the proposal as amended by its decision on 22 February 2007.




Confidentiality

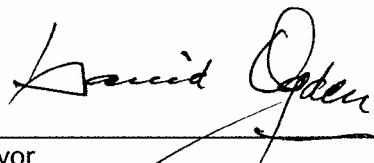
- 9 The parties agree to continue to be bound by the confidentiality clauses in the mediation agreement subject to an acknowledgement that:
 - 9.1 There is a requirement to brief the WRS Committee and this will be managed jointly by the CEO's in the week of 23 April 2007; and
 - 9.2 The respective Mayors and Chair will brief their own Councils; and
 - 9.3 The papers to the WRS Committee will be available under the Local Government Official Information and Meetings Act 1987.

Signatures

Signed by
Wellington Regional Council

) 
) _____
Chair

Signed by
Hutt City Council

) 
) _____
Mayor

Signed by
Upper Hutt City Council

) 
) _____
Mayor

