

Absolutely Positively
Wellington City Council

Me Heke Ki Pōneke

Ordinary Meeting of Te Kaunihera o Pōneke | Council

Rārangi Take | Agenda

9:30 am Rāapa Wednesday, 25 Whiringa ā-nuku October 2023
Ngake (16.09), Level 16, Tahiwī
113 The Terrace
Pōneke | Wellington



MEMBERSHIP

Mayor Whanau (Chair)
Deputy Mayor Foon (Deputy Chair)
Councillor Abdurahman
Councillor Apanowicz
Councillor Brown
Councillor Calvert
Councillor Chung
Councillor Free
Councillor Matthews
Councillor McNulty
Councillor O'Neill
Councillor Pannett
Councillor Paul
Councillor Randle
Councillor Wi Neera
Councillor Young

Have your say!

You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-499-4444, emailing public.participation@wcc.govt.nz, or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the hui with a karakia.

**Whakataka te hau ki te uru,
Whakataka te hau ki te tonga.
Kia mākinakina ki uta,
Kia mātaratara ki tai.
E hī ake ana te atākura.
He tio, he huka, he hauhū.
Tihei Mauri Ora!**

Cease oh winds of the west
and of the south
Let the bracing breezes flow,
over the land and the sea.
Let the red-tipped dawn come
with a sharpened edge, a touch of frost,
a promise of a glorious day

At the appropriate time, the following karakia will be read to close the hui.

**Unuhia, unuhia, unuhia ki te uru tapu nui
Kia wātea, kia māmā, te ngākau, te tinana,
te wairua
I te ara takatū
Koia rā e Rongo, whakairia ake ki runga
Kia wātea, kia wātea
Āe rā, kua wātea!**

Draw on, draw on
Draw on the supreme sacredness
To clear, to free the heart, the body
and the spirit of mankind
Oh Rongo, above (symbol of peace)
Let this all be done in unity

1.2 Apologies

The Chairperson invites notice from members of:

1. Leave of absence for future hui of the Wellington City Council; or
2. Apologies, including apologies for lateness and early departure from the hui, where leave of absence has not previously been granted.

1.3 Announcements by the Mayor

1.4 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.5 Confirmation of Minutes

The minutes of the meeting held on 19 October 2023 will be put to the Te Kaunihera o Pōneke | Council for confirmation.

1.6 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of the Wellington City Council

The Chairperson shall state to the hui.

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent hui.

The item may be allowed onto the agenda by resolution of the Wellington City Council.

Minor Matters relating to the General Business of the Wellington City Council

The Chairperson shall state to the hui that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent hui of the Wellington City Council for further discussion.

1. 7 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any hui of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the hui setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the hui concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to public.participation@wcc.govt.nz, by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 499 4444 and asking to speak to Democracy Services.

2. General Business

STRATEGY AND POLICY PRIORITIES

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Te Kaunihera o Pōneke | Council sets out the strategy and policy work programme priorities and asks for the Council to approve the work programme for 2023 – 2025. An outline of the programme of work for strategies, policies, bylaws, reports and plans for the period is attached.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|--|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input checked="" type="checkbox"/> Sustainable, natural eco city |
| | <input checked="" type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input checked="" type="checkbox"/> Innovative, inclusive and creative city |
| | <input checked="" type="checkbox"/> Dynamic and sustainable economy |
| | <input checked="" type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input checked="" type="checkbox"/> Affordable, resilient and safe place to live |
| | <input checked="" type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input checked="" type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| <input checked="" type="checkbox"/> Strong partnerships with mana whenua | |

Relevant Previous decisions

This work programme was previously agreed with the Council in August 2021. Since then, a number of the strategies, policies and bylaws on that programme have been completed and where required adopted by the Council.

Significance

The decision is **rated low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Nil | <input checked="" type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|---|---|

2. The financial considerations will be addressed in each piece of work and will need to take into account any financial planning guidance included in the Council's planning processes.

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

3. At this point the overall risk is low. Ensuring legislative compliance is the primary risk that needs to be managed.

Authors	Geoff Lawson, Team Lead, Policy Kerryn Merriman, Team Lead, Strategy
Authoriser	Baz Kaufman, Manager Strategy and Research Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) Agree the strategy and policy work programme for 2023-25 as outlined in Attachment 1.
- 3) Note that the strategy and policy work programme is a live programme. As committee decisions are made or needs are identified, timing or priority of the programme contents will need to be reviewed and the updated overall programme will be reported periodically to the Council.

Whakarāpopoto | Executive Summary

4. The Council has a range of policies, strategies, bylaws, plans and reports to guide the direction of the city, set budgets and rules, and ensure the Council is tracking against targets through regular reports.
5. There is a separate work programme to improve strategic clarity, alignment, and consistency in accordance with the new strategic framework.
6. The draft work programme (attached) reflects the range of work for the period 2023-2025.
 - A considerable amount of the work is required because of legislative compliance,
 - Some is necessary to help achieve strategic priorities or alignment,
 - There is also a range of operational policy work, and
 - There is a range of report backs requested by Committees.
7. It is important to note that while the attached programme sets out the scope of the strategy and policy work programme for 2023-25, this is not the full committee work programme as it does not include capital projects and other programmes of work that will occupy committee time.
8. The draft work programme does not include work arising from central government reform, regional work programmes and regulatory changes that the Council will need to engage with and respond to. This often cannot be forecast and often must be completed alongside the existing work programme.
9. While it is always a full programme, officers are comfortable with the draft programme and will prioritise the timing of this work within available resources dependent on regulatory compliance, strategic and operational importance. Any additional work requested by the Councillors will most likely require reprioritisation of the programme or additional resources.

Takenga mai | Background

10. Councillors previously agreed the policy and strategy work programme priorities in August 2021 and since that time a broad range of policies, plans, bylaws, reports and strategies have been progressed or completed.
11. By agreeing a clear prioritised programme of work, the organisation can align resourcing to the work programme in the most efficient way and support effective engagement with the community.

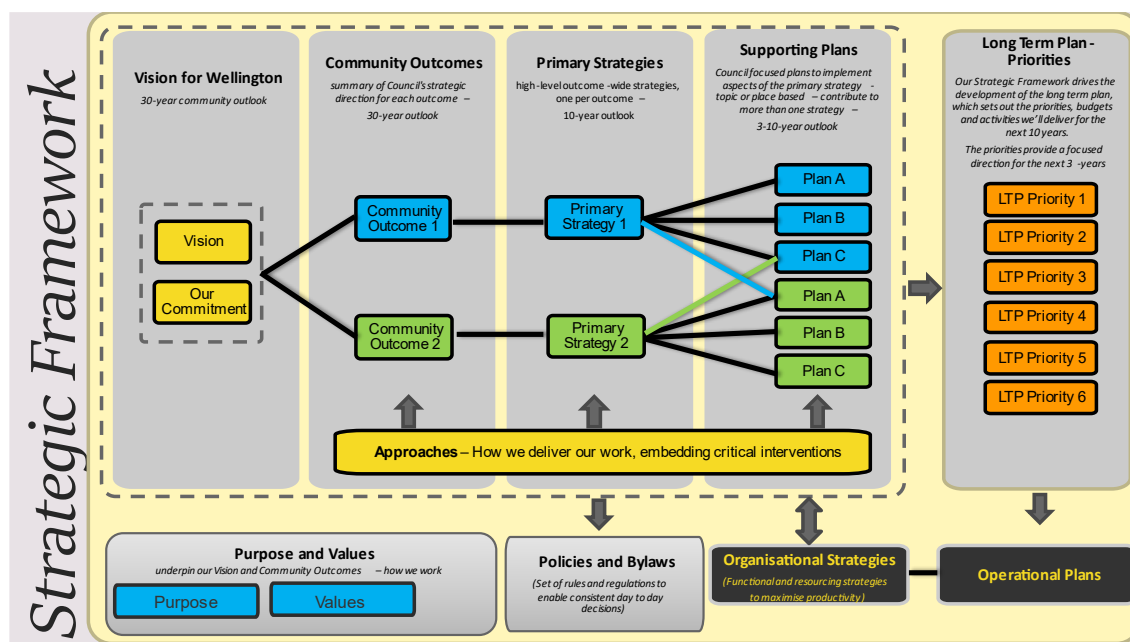
Kōrerorero | Discussion

The role of strategies, policies and plans

12. Wellington city council delivers around 400 different services across the city. These are guided by 113 strategies, policies, plans and bylaws. Some of these are legislatively required, some provide a big picture city-wide focus, while others are very topic or place specific.
13. These are all reviewed and updated regularly. Collectively, they provide clarity about the Council's intent for future action, set rules and local laws, set levels of service, and provide operating guidelines to staff for the delivery of their work.
14. There are two key issues that need to be addressed when building the programme:
 - Challenge One: Strategic Framework
 - Challenge Two: Set a manageable programme

Challenge One: Strategic Framework

15. Over many years, as new strategies, policies and plans have been created and reviewed to manage issues of the day. However, how they talk to each other and "fit" in together has become increasingly convoluted. This makes line of sight from strategy to delivery not as clear as it could be.
16. We have set a new vision, community outcomes, strategic approaches, and strategic priorities for the 2024 LTP. We've also developed a theoretical strategic framework to enable hierarchical management of the strategies, policies and plans. This is illustrated below:



17. Primary strategies should guide each community outcomes. Strategies should also guide the strategic approaches. However, not all community outcomes and strategic approaches have a clear and dedicated strategy.
18. We recommend a tidy up, resolve hierarchy issues, focus on where the gaps are to resolve the strategic framework, and retire or archive old work that has been superseded.

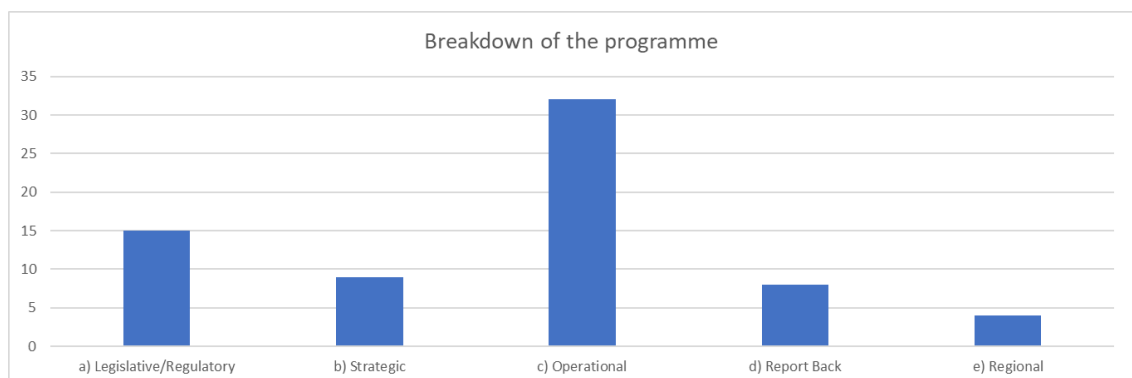
Challenge Two: Set a manageable programme

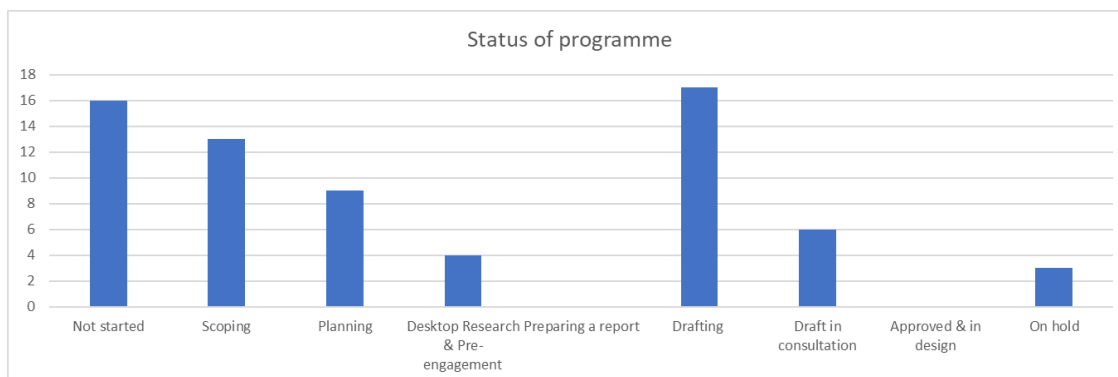
19. **Substantial workload:** The workload required to review and deliver new strategies, policies and plans, including report backs is substantial. There has also been a huge increase in central government and regional government reforms and changes that we have responded to and will need to continue to engage with.
20. **Work is taking longer:** Good consultation that builds a deep understanding of community views and proactively takes these into account in developing these documents takes longer. It means using multiple stages of engagement to incorporate and check with communities before publishing a final draft for consultation. While this takes longer, the result is better community support and over time a more engaged community through better council processes will support building back trust between the council and community.
21. **Deliverable work programme:** We need a programme of work that balances the need to set and review strategies, policies and plans with organisational, committee and community capacity. We can only engage with the community on a certain amount before there is consultation fatigue. Therefore, any amendments to the draft programme that results in items being added, it is recommended that something be removed or pushed out to later years.

The proposed strategy and policy work programme

22. There are 68 items on the programme. 12 items are new: 1 is legislatively required, 5 are strategic – including 3 filling gaps in primary strategy and strategic approach, 4 are regionally driven, the rest are operational, addressing various issues.

23. With regards to the primary strategies and strategic approaches, we have identified the following gaps:
- A welcoming, diverse and creative city (cultural wellbeing) – *Gap*
We have *Aho Tini Arts Cultural and Creativity Strategy*, but this is very arts focused, and does not capture the aspiration, role and intentions for cultural heritage in the past present and future. This gap is making it difficult for the cultural heritage team to develop a clear plan of action for their work, and makes it difficult to influence other parts of the organisation.
 - A city restoring and protecting nature (environmental wellbeing) – *Gap*
We have many environmental strategies that focus on specific parts, such as biodiversity, or carbon emissions. There is nothing that sets our overarching direction, defines our role and supports ability to make decisions about whether we should or should not be involved in particular activities.
24. Note, there are no gaps for the following outcomes areas:
- A city of healthy and thriving whanau and communities (social wellbeing) – *Social Wellbeing Framework*
 - An innovative business friendly city (economic wellbeing) – *Economic Wellbeing Strategy*
 - A liveable and accessible, compact city (urban form) – *Spatial Plan*.
25. Most of the strategic approaches have an existing guiding document to support decision-making and work. This includes:
- Integrating te ao Māori – *Tūpiki Ora Māori Wellbeing Strategy*
 - Engaging the community – *Significance and Engagement policy*
 - Value for money – *Financial Strategy*
 - Embedding climate action – *Te Atakura First to Zero*
26. There is one gap in terms of one of the strategic approaches - *Making our city accessible and inclusive for all*. We do not have a strategic level approach to guiding our activities to achieve accessibility outcomes. A strategic document that provides clarity is required. To figure out what is required, we will work closely with affected communities.
27. Once we have filled these gaps, it will become easier to see how strategies policies and plans fit together, as well as identify where there are opportunities for tidy up.
28. Most of the programme is operational. A programme breakdown and status is highlighted in the graphs below.





29. A proposed programme of work for 2023-25 is included as Attachment 1 to this report including the scale of the work and the priority rating of each project as a result of assessment against community outcomes, strategic priorities, and level of urgency / importance. This also lists the planning, reporting and Long-term Plan (LTP) requirements which will occur during the next year. The focus this year is on the 2024/34 Long-term Plan and the supporting financial policies.
30. Note that this paper and attached table is not the full committee work programme, which includes other business of Council (CCO governance, grants, traffic resolutions, land acquisitions or disposals, naming, audit and risk etc), and also project work that are already in underway (Let's Get Wellington Moving, the Town Hall Upgrade, Te Matapihi ki te Ao Nui – the Central Library, Te Ngākau Civic Square Precinct etc).
31. The attachment lists both active work and other work that is on the horizon under the following headings.
- Legislative or regulatory programmes
 - Strategic
 - Operational
 - Reports requested

Central Government settings

32. There is a considerable wider work programme generated by the changes or proposals for change in central government settings. These reforms will continue to require responses from the Council and timeframes will be driven by Central Government consultation timeframes. These include areas such as local government reform, urban planning and resource management reform, and water infrastructure and governance and wider infrastructure planning.

Regional strategies

33. There are a number of regional strategies and policy statements that the Council needs to contribute to, give effect to, or consider. Strategy and policy related work continues under the Wellington Regional Leadership Committee as well as regional policy processes that impact on the Council. The Council needs to be an active participant in these regional processes ensuring that the Wellington City views are represented. Similar to the central government initiatives, responding to these initiatives are often over and above existing priorities but are important for the Council's strategic direction.

Kōwhiringa | Options

34. The Council may agree to the work programme or it may choose to amend the programme by adding or removing items from this list. It is noted that any additional items will need to be prioritised within available resource. This may result in being prioritised ahead of other work and that work not proceeding or being delayed.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

35. This work programme is aligned to the Council's strategic priorities, regulatory requirements or supports existing business processes. The work programme has been set out under the 2024 LTP Outcome areas as adopted 17 August 2023.

Engagement and Consultation

36. The appropriate level of engagement and consultation will occur on each part of the programme as it is developed.

Implications for Māori

37. There are many items on the work programme that mana whenua and Māori will be interested in. The implications for Māori and alignment with Tā kai Here and Tūpiki Ora will be considered as each strategy, policy, plan and bylaw is developed.

Financial implications

38. The strategy and policy work programme considers the resourcing available. Additional items will result in additional funding requirements or removing items or deferring items on the work programme to later years.
39. Financial implications of each item on the work programme will be considered as part of the investigation, analysis and recommendations within each item of work, and these will need to be integrated into the Councils financial planning processes.

Legal considerations

40. The major legal consideration is to ensure that the Council meets its legal requirements for the review of policies and bylaws. Legislative requirements have been indicated in the work programme tables.

Risks and mitigations

41. The programme is quite broad and may change as the legislative environment changes and national political priorities change or where Councillors request additional advice. The work programme will be reprioritised over time so that it can be delivered to meet any change in priorities.

Disability and accessibility impact

42. The impact on disability and accessibility will be considered in individual pieces of advice.

Climate Change impact and considerations

43. The climate change impact is considered in individual pieces of advice.

Communications Plan

44. NA


Health and Safety Impact considered

45. NA

Ngā mahinga e whai ake nei | Next actions

46. If this programme is agreed, including any amendments, officers will work to schedule and complete the work programme.

Attachments

Attachment 1. Strategy and Policy Work Programme [↓](#) 

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Strategy & Policy Work Programme

2023-2025



Legislative / Regulatory requirement – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Governance and Finance	Long Term Plan 2024-34	LTP that sets outcomes, priorities, levels of service and budget for the next 10 years. Will be followed by two annual plans	1/07/2022	1/07/2023	30/06/2024	Very Large	1
Governance and Finance	Revenue and Financing Policy	This policy illustrates which parts of the community benefits from Council activities, and who pays for them. Identifying this provides the first step in the rate-setting process. Includes report backs.	1/07/2022	1/07/2023	30/06/2024	Large	1
Governance and Finance	Financial Strategy	Describes the financial direction and settings governing the Council's financial decisions	1/07/2022	1/07/2023	30/06/2024	Large	1
Governance and Finance	Infrastructure Strategy	Split out from the existing Finance and Infrastructure Strategy. Setting the strategy and principles for infrastructure planning and investment.	1/07/2022	1/07/2023	30/06/2024	Large	1
Governance and Finance	Annual Report	Reporting processes involving external audit. There are also three quarterly reports done throughout the year that provide the basis for the Annual Report			Q4 every year	Large	1

Legislative / Regulatory requirement – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Economic Wellbeing	Alcohol Fees Bylaw	Continued refinement of licensing fees to better reflect operational costs and ensure cost recovery. Due for review.	1/06/2023	TBC	30/06/2024	Small	1
Environmental Wellbeing	Regional Waste Management and Minimisation Plan	Planning the future strategy for waste management for Wellington region	1/07/2022	1/03/2023	22/12/2023	Large	1
Environmental Wellbeing	Pt 9 – Water Services Bylaw	Regulates water services and responsibilities of property owners. Must be reviewed/replaced by August 2024 as the WSE does not come into effect until October 2024. Scope depends on water reforms.	1/10/2023	1/01/2024	30/06/2024	Medium	1
Social Wellbeing	Public Places Bylaw Update	Update to reflect legislative changes to Freedom Camping legislation	1/01/2023	1/06/2023	22/12/2023	Small	1
Urban Form	Wellington City District Plan	Consultation following notification of the District Plan. There will be two papers – one in Sept/October with the recommendations on the ISPP (fast track) for adoption by the Council, the Second in May/June 2024 with the Schedule 1.	1/07/2019		30/06/2024	Very Large	1

Legislative / Regulatory requirement – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Environmental Wellbeing	Collection and Transportation of Trade Waste Bylaw 2014	Regulates the transport licencing of trade waste – contingent on water reform . Bylaw reinstated in 2014; due for review in 2024.	TBC	TBC	30/11/2024	Small	1
Environmental Wellbeing	Solid Waste Mgt and Minimisation Bylaw 2020	Regulates Solid Waste Management - Sits alongside other waste reviews. Legislated review time frame.	TBC	TBC	30/11/2025	Medium	1
Environmental Wellbeing	Fire and Smoke Nuisance Bylaw	Regulates fire and smoke nuisance alongside FENZ regulation. Legislated Review time frame	TBC	TBC	22/12/2025	Small	1
Environmental Wellbeing	Trade Waste Bylaw 2016	Regulates trade waste activities - to be revoked contingent on water reform If not revoked due for review in 2026.	TBC	TBC	30/05/2026	Small	1
Environmental Wellbeing	Assessment of Water services	Water needs assessments are now required (s 125 – 127 LGA). Every territorial authority must complete an assessment of drinking water services by 1 July 2026.	1/07/2024	1/07/2025	30/06/2026	Large	1
Social Wellbeing	Gambling Venues Policy	Legislated review time frame.	TBC	TBC	TBC	TBC	1

Strategic – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Cultural Wellbeing	Venues Reviews	Three part review including: investment programme for venues for LTP; access to Community Venues by community/creative organisations and access to our key commercial venues by community arts organisations. To inform the 2024 LTP	1/07/2023		30/06/2024	Medium	2
Social Wellbeing	Community Facilities Plan	Understanding what type of community facility investment is needed to meet the needs and aspirations of Wellingtonians now and as the city grows and changes. Strategic review of community facilities to ensure we meet future needs of Wellington community. Required to inform the community facility investment priorities of the 24 LTP.	1/07/2022	1/11/2022	30/11/2023	Very Large	3
Social Wellbeing	Accessibility & Inclusion Strategic Approach	In alignment with the strategic approach - "Making our city accessible and inclusive for all" - a document that captures our strategic approach to accessibility and inclusion.	1/06/2023	TBC	TBC	Large	3
Urban Form	Climate Change Adaptation Roadmap	Development of the options and community engagement on adaptation. Will be ongoing work as adaptation planning will need to flow into AMPs in the future.	1/07/2022	1/01/2023	TBC	Large	4
Governance and Finance	Future for Local Government	Contribution to the post review working group.	1/01/2022	2/11/2023	TBC	Medium	4
Social Wellbeing	Rainbow Strategy	This strategy will be developed with the Rainbow community to identify how the council can enable Rainbow inclusion.	TBC	TBC	TBC	Medium	5

Strategic – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Cultural Wellbeing	Cultural Wellbeing Strategy	This strategy will provide a broad understanding of things relating to cultural wellbeing and set the overarching direction.	1/01/2023	TBC	30/06/2025	Large	4
Environmental Wellbeing	Environmental Wellbeing Strategy	This strategy will provide a holistic view of the environment to set the overarching direction and will guide decisions and actions impact on the natural environment. Will be progressed alongside the Biodiversity Plan.	1/08/2023	TBC	TBC	Large	4

Operational – Governance & Finance – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Governance and Finance	Development Contributions Policy	Update of the DC policy for the 2024 LTP; contingent on 3 waters reform and LGWM. This is primarily driven by an update of capital planning and growth assumptions as the policy itself was reviewed in 2021/22.	1/01/2023	TBC	30/06/2024	Large	4
Governance and Finance	Quarterly Reports x3	Quarterly reports to track progress against work programme and milestones set through the long-term plan.			Quarterly	Medium	7
Governance and Finance	Rates Postponement Policy (2015)	The Council may help ratepayers by postponing their rates payments in cases of financial vulnerability. The rates postponement policy sets out the criteria for ratepayer eligibility for rates postponement. Reviewed at LTP in 2018.	1/07/2022	1/07/2023	30/06/2024	Small	8
Governance and Finance	Rates Remission Policy (2017)	s85 of the Local Government (Rating) Act 2002 allows the Council to remit all or part of the rates on a rating unit (including penalties for unpaid rates). Reviewed at LTP in 2018.	1/07/2022	1/07/2023	30/06/2024	Small	8

Operational – Governance & Finance – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Governance and Finance	Carbon Management Policy	Existing Carbon Management Policy (2011). There is continuing change with the Emissions Trading Scheme that needs to be integrated and wider Carbon Mgt/Climate change climate implications are integrated in decision making/planning	TBC	TBC	TBC	Medium	6

Operational – Environmental – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Environmental Wellbeing	Open Space Access Plan	Framework on how to improve the city's open space areas and to regulate what is allowed on them. Completed in 2016 but a review is required to respond to requests for new trails, access by e-bikes and addressing accessibility.	1/07/2023	TBC	TBC	Large	6
Environmental Wellbeing	Coastal Management Plan	Review of existing coastal management plans and amalgamating several into one. Integrating the South Coast Mgt Plan into a single Coastal Mgt Plan.	1/10/2023	TBC	TBC	Medium	7
Environmental Wellbeing	Car Share Guidelines	Approval of the guidelines and integration with parking designations.	1/11/2023	TBC	TBC	Small	7

Operational – Environmental – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Environmental Wellbeing	Our Natural Capital: Biodiversity Strategy & Action Plan (June 2015)	To protect what we have, to restore what is degraded, to research the requirements of our biodiversity to connect people to it. Alignment with regulatory change and regional strategies	1/07/2022	1/01/2023	TBC	Large	6

Operational – Social – current

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Social Wellbeing	Leases Policy for Community and Recreation Groups	Action from Community Facilities Plan; The current leases policy needs to be reviewed to align with the direction and priorities of the Community Facilities Plan (once adopted).	1/10/2023	TBC	TBC	Large	6
Social Wellbeing	Dog Policy / Domestic Animal Policy/Bylaw updates	Operational update to reflect current feedback, rapid growth in dog numbers, and the experience of the Animal Liaison Officer employed following the last review. (RDO criteria, Exercise areas, Bees, Cat management). Includes report backs.	1/07/2022	1/11/2022	30/11/2023	Medium	7
Social Wellbeing	Early Childhood Centres Policy	Action from Community Facilities Plan. The current policy needs to be reviewed to align with the direction and priorities of the Community Facilities Plan (once adopted). It needs to consider the Councils role in the this space.	1/10/2023	TBC	TBC	Medium	7
Social Wellbeing	Commemorative Policy (and Waterfront Commemorative Guidelines)	Operational update, dated policies and needs clarity both for the public and also for business units. A key aspect is cultural expectations and integration of Te Ao Māori aspects that apply to the scattering of ashes within the city; alongside operational management of commemorative programmes.	1/01/2023	1/07/2023	22/12/2023	Small	7

Operational – Social – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Social Wellbeing	Smokefree Wellington Action Plan (2016–2017)	Refresh to reflect legislative changes, progress in the Action Plan and developing a consistent regional approach. Needs to reflect changes to smokefree outdoor dining, incorporating vaping and any new designated smokefree areas.	1/07/2023	TBC	30/06/2024	Small	6
Social Wellbeing	Wellington Town Belt licence approval framework	A three year review of this is required in 2025; agreed by Committee in 2022 approval of the Trading in Public Places Policy.	1/01/2024	1/07/2024	30/06/2025	Medium	6
Social Wellbeing	Development of a Local Alcohol Policy	With the potential changes to Alcohol regulation, there may be an opportunity to revisit the development of a Local Alcohol Policy. This would allow the Council to provide a consistent regulatory framework for licencing decisions by the DLC. Potential focus off-licences.	1/07/2023	TBC	TBC	Large	7
Social Wellbeing	Grant Funds – Strategic Review	Action from the Community Facilities Plan. Review and update of Council grant funding priorities and process; initial request is for Social and Recreation Grant Fund Review.	1/07/2023	TBC	TBC	Medium	8
Social Wellbeing	Grant Funds – Strategic Review	Action from the Community Facilities Plan. Review and update of Council grant funding priorities and process; initial request is for Social and Recreation Grant Fund Review.	1/07/2023	TBC	TBC	Medium	8

Operational – Cultural & Economic – current

Outcome	Title	Description	Product		Expected completion	Scale	Priority Ranking
			Investigation Start	development start			
Cultural Wellbeing	Bilingual Language Policy	In line with the strategic direction and expectations of the Te Reo Māori strategy - develop a bilingual policy that supports our progress towards becoming a bilingual city - agreed in Tūpiki Ora Action Plan. This would also have in scope Te Tauihu – te reo Māori Policy and any regional te reo Māori approaches.	1/01/2023	TBC	TBC	Small	6
Cultural Wellbeing	Public Art, Art Collection Policies	Operational Policies to be updated following the agreement on Aho Tini Arts Culture & Creativity Strategy.	1/01/2023	1/07/2023	TBC	Small	7
Cultural Wellbeing	Naming Policy – Te Māpihi Maurea	Guidelines on our approach to naming – Refresh agreed in Tūpiki Ora Action Plan.	1/01/2023	TBC	TBC	Small	7
Economic Wellbeing	BID Policy	This guides the Council's role and the process for establishing and working alongside Business Improvement Districts within Wellington. This is an operational refresh based on the current status of the BID programme and lessons learnt over the last decade. Legislative changes to incorporated societies and audit requirements.	1/10/2023	TBC	TBC	Small	5
Economic Wellbeing	City Logistics – decision framework	This guides the Council's role and the process for establishing and working alongside Business Improvement Districts within Wellington. This is an operational refresh based on the current status of the BID programme and lessons learnt over the last decade. Legislative changes to incorporated societies and audit requirements.	1/06/2023	TBC	TBC	Large	6

Operational – Cultural & Economic – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Cultural Wellbeing	Cultural Heritage Plan	Building an understanding of what contributes to cultural heritage and what we can do to make improvements.	1/06/2019	1/06/2022	TBC	Large	7
Economic Wellbeing	International Relations Policy (August 2013)	A review of the overall strategy for the international relations role with the Council and Wellington City.	1/07/2022	TBC	TBC	Medium	7
Economic Wellbeing	Events Policy	To set the Council direction and priorities for events in Wellington. Existing policy is dated and out of step with the current strategic environment. The work will inform the direction of Council and WellingtonNZ events. Links with the Venues review and policies.	TBC	TBC	TBC	TBC	8

Operational – Urban Form – current

Outcome	Title	Description	Product			Scale	Priority Ranking
			Investigation Start	development start	Expected completion		
Urban Form	Housing Action Plan Updates	The Strategy was agreed in 2018 and the Action Plan has been updated every triennium to reflect the latest environment and priorities. The last update in March 2020 set the priorities for the following three years for the Council's work programme delivering on the long-term outcomes set by the Housing Strategy. This updates the Action Plan for 2023. (A rolling review and update)			Ongoing	Medium	5
Urban Form	Half Costs Paths Policy	Clarifies responsibilities for Council and Owners of access paths which is a longstanding Council commitment to some residents. It is an ongoing business issue that needs to be updated for the current environment, and to clarify responsibilities.	1/07/2022	1/07/2023	31/03/2024	Small	5
Urban Form	Parking Management Plans (various)	Parking Management Plans are being developed to support the prioritising of street space in a range of city centres and neighbourhoods such as the Newtown/Berhampore area. Integration and implementation of the Parking Policy alongside road space changes with roll out of the cycleway and other road space improvements. A policy review is required to clarify the Council's rights, obligations, and ensure alignment with relevant legislation given the recent increase in slip activity in the City. Operational Policy update to clarify responsibilities.			Ongoing	Large	6
Urban Form	Management of Slips	Reviewing the pricing of road reserve encroachments as agreed in Annual Plan process 2022.	1/01/2023	1/06/2023	22/12/2023	Small	8
Urban Form	Report back on Road Encroachment Policy	We have about 6,000 encroachments (where people are allowed to use our road space for parking, carport etc), a nominal rent is charged - want to shift to a market rent	1/01/2022	1/07/2022	30/06/2024	Medium	8

Operational – Urban Form – on the horizon

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Urban Form	Transport Network Plan	The broader strategy for transport is driven from the Spatial Plan setting our strategic view on growth and the shape of the future city. Aims to provide an integrated view of the Wellington transport network, (rail, bus, freight, logistics, parking, LGWM, cycle networks, walking networks) how it works together and delivers on the Council outcomes. The network plan will provide more detailed / operational guidance for effective planning and delivery.	TBC	TBC	TBC	TBC	5
Urban Form	Verges Policy – Management of trees on Road Reserve	To provide a framework on the management of trees on road reserve. The existing policy is dated and it needs to be updated to align with the Green Network Plan priorities and any wider policy positions on Significant Natural Areas, Biodiversity etc.	TBC	TBC	TBC	Small	8
Urban Form	Wellington Waterfront Management Plan	Guidance for future investment and management planning for the Wellington Waterfront. The Wellington Waterfront Framework was developed to guide the redevelopment and that process has effectively been completed.	TBC	TBC	TBC	TBC	8

Report backs

Outcome	Title	Description	Product		Expected completion	Scale	Priority Ranking
			Investigation Start	development start			
Social Wellbeing	Affordable Sports Field review	Review and report back on Affordable access to sports fields and facilities as required following the Councillors notice of motion.	1/06/2023		30/06/2024	Medium	3
Urban Form	Homelessness	Develop a new strategy to end homelessness by the beginning of 2024 for approval by Kōrau Mātinitini Social, Cultural and Economic Committee. This work would be undertaken in part to enable the development of business cases for new initiatives to end homelessness in time for the Long Term Plan that do not duplicate any work currently being undertaken	1/07/2023	15/11/2023	30/06/2024	Medium	5
Urban Form	Support the construction and improvements to social purpose buildings	Request officers to report back by the end of 2023 on options to support the construction and improvements to social purpose buildings such as Te Pā Maru to meet Council's equity and homelessness goals	1/07/2023		22/12/2023	Medium	5
Environmental Wellbeing	Te Whanganui-ā-Tara Whaitua Implementation Plan	Note that officers will continue to work with Greater Wellington Regional Council to understand the impact of the Te Whanganui-ā-Tara Whaitua Implementation Plan and will report back on implementation to the Committee.	1/10/2023	TBC	31/03/2024	Small	6
Urban Form	Grey water reuse incentives programme	Report back following decisions from the District Plan Agree that a 'grey water reuse incentives programme' be considered as part of the 2024-2034 Long Term Plan, to assist affected landowners with the retention and reuse of grey water. This will be done with Wellington Water and Greater Wellington Regional Council and give particular emphasis to Mana Whenua with respect to water reuse.	1/10/2022	TBC	30/06/2024	Medium	7

Report backs cont.

Outcome	Title	Description	Investigation Start	Product development start	Expected completion	Scale	Priority Ranking
Urban Form	Significant Natural Area Incentives programme	Report back following decisions from the District Plan Committee agreed that a 'significant natural areas incentives programme' be considered as part of the 2023/24 Annual Plan, to assist affected landowners with the protection of these ecologically important areas. Through the Annual Plan process it has been agreed that this be considered as part of the 2024 LTP process	2/10/2022	TBC	30/06/2024	Medium	7
Urban Form	Advocacy to central govt on housing issues	Scope and cost for Council approval an advocacy programme to the Government with technical support from officers on the following matters relating to the Building Act and Code.	1/10/2023	TBC	TBC	Medium	7
Urban Form	Stocktake of standards for renting	Direct officers to provide a stocktake of legislation and standards pertaining to renting that need to be amended and advocated for by elected members, for example reform of the Residential Tenancies Act, Income Related Rent Subsidies and the Health Act that will improve the quality of life for renters.	TBC	TBC	TBC	Medium	8

TOWN HALL UPDATE AND FUNDING APPROVAL

Kōrero taunaki | Summary of considerations

Purpose

1. This report updates the Council on the Town Hall's redevelopment and seeks approval to increase funding to enable the completion of the project.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|---|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input type="checkbox"/> Sustainable, natural eco city
<input type="checkbox"/> People friendly, compact, safe and accessible capital city
<input checked="" type="checkbox"/> Innovative, inclusive and creative city
<input checked="" type="checkbox"/> Dynamic and sustainable economy |
| | <input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure
<input type="checkbox"/> Affordable, resilient and safe place to live
<input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network
<input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces
<input type="checkbox"/> Accelerating zero-carbon and waste-free transition
<input type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

- In February 2019, the Council approved a contract with Naylor Love to undertake the redevelopment of the Town Hall and approved a project budget of \$112.4m with an additional contingency of \$24.3m.
- In June 2022, the Annual Plan/LTP Committee approved an increase in the project's budget to \$182.4m in response to escalating costs from COVID disruptions and ground conditions.

Significance

The decision is **rated high significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy. The proposal meets the following criteria: community interest, and impact on Council's capacity and capability.

Financial considerations

- | | | |
|------------------------------|--|--|
| <input type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input checked="" type="checkbox"/> Unbudgeted \$X |
|------------------------------|--|--|

Risk

- | | | | |
|------------------------------|---------------------------------|--|----------------------------------|
| <input type="checkbox"/> Low | <input type="checkbox"/> Medium | <input checked="" type="checkbox"/> High | <input type="checkbox"/> Extreme |
|------------------------------|---------------------------------|--|----------------------------------|

Authors	Katherine Meerman, Chief Advisor Beth Keightley, General Counsel
Authoriser	James Roberts, Chief Operating Officer

Taunakitanga | Officers' Recommendations

Officers recommend that Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) Note the forecast cost to the Council to complete the Town Hall redevelopment has increased from its current budget of \$182.4m to between \$252m to \$329m, an increase of \$70m to \$147m.
- 3) Note the cost range reflects a number of risk scenarios that could still eventuate on the project and a set of choices about scope and timing that are available to the Council.
- 4) Note, in response to escalating costs, officers initiated an independent review of the project from RCP, a nationwide project management and construction consultancy with experience in heritage projects, and has accepted the review's recommendations.
- 5) Note officers have considered the following options to respond to increasing costs:
 - a. Option 1 (recommended and reasonably practicable): Increase funding and complete the project, and seek to offset costs through development on the Municipal Office Building (MOB) site
 - b. Option 2 (not recommended and not reasonably practicable): Close-up the project, completing works to bring the building up to 34% NBS and restoring the external heritage façade, and either:
 - i. Do nothing else; or
 - ii. Explore demolition, noting legal and regulatory advice that this is highly unlikely to be feasible; or
 - iii. Seek central government funding support
- 6) Agree to increase the budget for the Town Hall by \$14m for the current 2023/24 year.
- 7) Agree to include provision in the Long-Term Plan (LTP) for up to \$133m additional budget for the Town Hall across the following financial years:
 - a. \$50m 2024/25
 - b. \$48m 2025/26
 - c. \$30m 2026/27
 - d. \$5m 2027/28
- 8) Note these costs have been developed by officers and the project's quantity surveyor (RLB) and subject to internal peer review by RLB and external review by RCP.
- 9) Note officers strongly recommend against delaying the decision and/or approving part of the required funding for the following reasons:
 - a. It would impact the construction programme's critical path with immediate consequences for time and cost over and above the numbers in this report;
 - b. Recent engagement from the LTP's Citizens' Assembly provides evidence of support for continuing with in-flight projects, including the Town Hall;
 - c. Providing certainty about the way forward is a critical recommendation of the RCP review in order to manage the project; and
 - d. The Council has all the necessary information to make the required decision
- 10) Note that, with respect to the 2024/34 LTP:

- a. There is current sufficient capacity in the Council's debt-to-revenue ratio for this funding to be approved; and
 - b. Approving this funding will have an impact on other capital programme decisions available to the Council
- 11) Agree that the Council seeks to offset the additional cost by:
 - a. Partnering with a private developer to complete the Town Hall project via a redevelopment on the MOB site which delivers the Town Hall's front-of-house requirements and meets the objectives of the Te Ngākau framework; and
 - b. If necessary, delay the opening of the Town Hall until the MOB development is complete to avoid the cost of temporary front-of-house works
- 12) Note, in addition to these cost offsets, officers are taking the following management actions to manage the project going forward:
 - a. Implementing the recommendations of the RCP review, which include exploring opportunities for fixed price contract portions, reallocation of risk, and lump sum settlement of past contract instructions; and
 - b. Implementing increased reporting for the Environment and Infrastructure Committee on the Te Ngākau programme
- 13) Agree the following changes to the Town Hall's design to improve its utilisation for a range of functions and performances, and reduce the building's early reliance on the Michael Fowler Centre (MFC):
 - a. Repurpose Mayoral suite to three rooms for security operations and Venues Wellington staff room, and two additional events and VIP spaces (which could be used for the Council's civic events, citizenship ceremonies and functions); and
 - b. Assign the space currently allocated for dual use as a performance venue and Council debating chamber to a sole purpose smaller performance venue
- 14) Note the Council will receive further advice on options for future Council accommodation in November 2023
- 15) Note a successful market soundings process has been completed by PwC to test developer interest in funding the redevelopment of MOB and the Civic Administration Building (CAB)
- 16) Note officers are initiating a formal tender process for the CAB and MOB buildings, running between November 2023 and March 2024, seeking proposals that:
 - a. Redevelop CAB;
 - b. Redevelop or strengthen MOB, and include delivery of the Council's Town Hall requirements;
 - c. As far as possible, deliver both buildings in a way that minimises impact on the Town Hall's construction timetable and seeks to align the delivery of MOB with the completion of the Town Hall to minimise costs to the Council; and
 - d. Meet the vision and objectives of the Te Ngākau Civic Precinct Framework
- 17) Note the Council will be updated on the Te Ngākau programme:
 - a. At the completion of the tender process for MOB/CAB sites, with a recommended development option (March/April 2024); and
 - b. Regularly via new four-monthly programme briefings to the Environment and Infrastructure Committee

- 18) Note the completion of a development plan for the wider Te Ngākau precinct is a Chief Executive KPI and will be provided to the Council by June 2024, following the completion of a tender process which will go to market in early November.

Whakarāpopoto | Executive Summary

2. This report provides the Council with an update on the Town Hall redevelopment and requests an additional \$14m funding for the current 2023/24 year and an additional \$133m provision in the 2024/34 LTP to complete the project. This increased budget would be funded by debt and can be accommodated within the Council's debt-to-revenue ratio.
3. Officers' advice is that increasing funding and completing the project is the only 'reasonably practicable' option available to the Council, given the Council's objectives for the Town Hall project and wider Te Ngākau precinct. These include the vision in the 2021 Te Ngākau Civic Precinct Framework to 'create a beating heart of the capital city, a thriving neighbourhood of creativity, culture, democracy, and arts experiences', and the specific objectives of the project that give effect to the Te Ngākau vision, to develop a National Music Centre operating across buildings in the precinct, including the Town Hall, MFC and MOB, in the 2015/25 and 2018/28 LTPs.
4. The additional costs to complete the project are forecast to be between \$70m to \$147m and these have been externally peer reviewed by RCP, a project management and construction consultancy with experience in heritage projects. The paper requests the Council approves the upper end of the cost range, noting that the final cost of the project is dependent on:
 - Council decisions in this paper and subsequently on the development of MOB and timing of the Town Hall opening and
 - A range of project risk scenarios.
5. The Town Hall is an important Wellington civic and community asset. Over its history, it has hosted boxing matches, fashion shows, concerts (including, most famously, The Beatles), balls, orchestral performances, political rallies, protest meetings, flower shows, polling stations, and university degree conferrals.
6. The Council consulted with the community in the 2015/25 LTP on a proposal to strengthen the Town Hall as part of a development of a National Music Centre with Victoria University School of Music (NZSM) and the New Zealand Symphony Orchestra (NZSO) to develop an important creative sector hub that would benefit the city creatively and economically. Redevelopment of the Town Hall will also restore an important performance and events venue for the city, reactivate Te Ngākau, retain a standout building showcasing Wellington's heritage with a 100% NBS rating.
7. The Town Hall redevelopment is an exceptionally complex and risky project (i.e. a category 1 heritage redevelopment on reclaimed land). Most of the project's risks are held by the Council, not the contractors, and all risks anticipated are progressively being realised. As the Council was advised at the project's outset, risks will be "live" for the project's duration.
8. Project costs have continued to increase since the Council increased the project's budget in 2022 due to ongoing difficulty with ground conditions, complexity of

temporary works, piling in the auditorium, dewatering the auditorium basement, existing building fabric condition, and multiple other construction and design challenges.

9. Recently assessed seismic issues with related elements of the project (i.e., MOB, Te Ngākau basement, MFC) have added to the project's difficulty. This paper proposes some reconfiguration of the Town Hall space and an approach to the development of the adjacent MOB building to respond to these challenges and ensure the Town will deliver on intended outcomes for key tenants, all wider future users of the venue, and the city.
10. A successful market soundings process has shown strong interest from private developers in developing the MOB and CAB sites which would support the Town Hall's successful completion, as well as provide opportunities for future Council accommodation and activate the Te Ngākau precinct. This paper notes the process officers will now follow to move to formal tender and seeks the Council's endorsement of the approach.
11. This paper also discusses the options to close-up the project, bringing the building up to 34% NBS and restoring the external heritage façade, exploring demolition, seeking other funding sources, or simply leaving the building closed and reinitiating works at a later date.
12. Officers strongly advise against these options. They are not considered to be 'reasonably practicable' on the basis that they do not contribute to achieving the Council's objectives for Te Ngākau or the objectives set for the Town Hall project, and they come with serious risk and consequences for the Council and the project.
13. There are major disadvantages to closing-up the building – including a sunk cost to Council of at least \$204m, reputational impacts of a 'failed' major project, loss of confidence in the city and ability to attract investment, a derelict building that creates poor on-street outcomes, loss of use of a Council strategic asset, and, combined with eventual need to close the MFC, a significant change in a level of service, leaving the city with no significant concert music venue. Delaying the project to consider alternative funding options will simply result in higher costs-to-complete if/when the project is reinitiated, with no certainty about other funding sources in the meantime, and legal and regulatory advice is that demolition has a low probability of success in light of the heritage protections and provisions in the Resource Management Act (RMA) and the District Plan.
14. Officers strongly advise against delaying the decision or approving only a part of the required funding – the Council has all the information necessary to make a decision, including recent and relevant evidence of support for continuing the project from the 2024/34LTP Citizens' Assembly, providing certainty about the way forward is a critical recommendation of the external review completed by RCP, and funding is needed this financial year in order for the project to avoid being in breach of its financial delegations.

Takenga mai | Background

15. The Town Hall is an important Wellington civic and community asset. It has been identified as having "outstanding historical and cultural heritage significance" by Heritage New Zealand and is a listed building in the Council's District Plan. Over its history, the Town Hall auditorium has hosted boxing matches, fashion shows, concerts (including, most famously, The Beatles), balls, orchestral performances, political rallies, protest meetings, flower shows, polling stations, and university degree conferrals.

16. The Town Hall was declared earthquake prone in 2009 and closed in 2013 following the Seddon earthquake. The Council considered a range of options following the building's closure. The Council consulted with the community in the 2015 LTP on a proposal to strengthen the building as part of a development of a National Music Centre which would both support the project through the generation of new lease revenue and develop an important creative sector hub that would benefit the city creatively and economically.
17. The National Music Centre will be delivered through two key tenancies (the NZSO and the NZSM) and a specific allocation of performance space time during the year. There are also associated sponsorship agreements. The Town Hall will continue to be used for a range of other events and performances as it has been through its history.
18. Following consultation, the Council decided the National Music Centre would operate across the Town Hall, MFC and MOB and was dependent on fundraising by NZSM and NZSO to help manage the cost, and a Council decision about the demolition and rebuild or strengthening of MOB. The multi-building concept determined key visitor experience and front-of-house elements would be delivered through MOB. Since the concept was agreed, NZSM and the NZSO have secured the necessary funding but uncertainty about MOB is having a major impact on progress.
19. In October 2021, the Council released its Te Ngākau Civic Precinct Framework following engagement with the community including mana whenua representatives, sustainability, architectural and engineering experts, resident groups and events and arts organisations. The Framework sets out the Council's vision for the Te Ngākau area which is that the precinct is the 'beating heart of the capital city: a thriving neighbourhood with creativity, culture, democracy, discovery and arts experiences'. Sitting underneath that vision are a number of supporting objectives, including the following that are particularly relevant to the Town Hall project:
 - Te Ngākau is a place that respects and incorporates experiences of architecture, design and heritage, balanced with ensuring its functional role for the city;
 - Te Ngākau is a place that is vibrant, welcoming and supports a range of uses to locate alongside its core civic role; and
 - Te Ngākau is a place that is resilient, sustainable and enduring.
20. The Council's specific objectives in undertaking the Town Hall project are to:
 - Reactivate Te Ngākau and restore the civic heart of the city;
 - Facilitate the creation of a National Music Centre within the Town Hall and other buildings that supports the creative sector locally and nationally;
 - Restore an important performance and events venue for the city for multiple users and their audiences;
 - Retain a standout building showcasing Wellington's heritage history; and
21. As such, this has been a long-running project which has required decisions from several different Councils, based on the best information available to them at the time. Table 1 below sets out the key dates and decision points on the project to date.

Table 1: Town Hall key dates and decisions

2009	<ul style="list-style-type: none"> Town Hall was declared earthquake prone.
2013	<ul style="list-style-type: none"> Building was closed to the public following the Seddon earthquake.
2015	<ul style="list-style-type: none"> Council consulted on a proposal to strengthen the Town Hall and develop a national music centre which was supported by the community. At this time, \$58.5m was provisioned in the LTP for the project. Developing a national music centre as part of the project was intended to help manage the costs via contributions by VUW and NZSO to costs and securing long-term lease revenue on the finished building.
2017	<ul style="list-style-type: none"> Council selected a base isolated strengthening option that increased the expected cost to \$89.9m and approved partnership with VUW and NZSO.
2019	<ul style="list-style-type: none"> Council appointed Naylor Love as the lead contractor on the project and increased the budget to \$112.4m in response to information provided through the tender process. A contingency of \$24.3m was also approved in recognition of the project uncertainty and information on this contingency was withheld from the contractor to maintain pressure on the contractor to manage costs. In approving the contract, the Council acknowledged it would carry significant risks. PwC provided an independent assurance review of the project's procurement and contracting processes which was provided to the Council and confirmed an appropriately robust approach had been followed.
2022	<ul style="list-style-type: none"> Council approved a budget increase to \$182.4m in response to the impacts of COVID and the information available about ground conditions and the state of the building. This advice was supported by independent advice from PwC and the project's QS.

Kōrerorero | Discussion

Project overview and risk

22. The Town Hall is a category 1 heritage restoration project on reclaimed land. This makes it an extremely complex project with high degrees of uncertainty and risk – in particular, the geotechnical risk associated with the ground conditions and risks associated with the state of the building, neither of which could be fully understood prior to the project getting underway despite relevant investigatory work being undertaken.
23. In a practical sense, completing the project requires:
 - Deconstructing the existing building to understand current state and prepare for ground works;
 - Large scale temporary works to protect the building before substantive redevelopment work begins;
 - Lifting and propping building to install base isolators;
 - Extensive deep piling;
 - Securing the basement from water ingress;
 - Lowering and reconstructing the building on new foundations;
 - Reinstatement of the building envelope;
 - Installation of building services; and

-
- Heritage restoration of the building, visitor experience elements, and final architectural fit out.
24. Given the risks associated with a project like this, the contract tendering process was difficult and many contractors either declined to participate in the tender process or declined to enter into a contract where they carried these risks. As a result, the contract the Council has entered into means the Council carries the majority of the project's geotechnical and heritage risks, not the contractor. These risks include:
- Ground works, including ground condition, piling requirements, ground floor slab, and dealing with in-ground obstructions;
 - Temporary works requirements;
 - Existing conditions of building;
 - Contamination e.g., asbestos in ground or building;
 - Dewatering and securing the building from water ingress when working below water table;
 - Heritage restoration costs and requirements; and
 - Cost escalation.
25. The nature of the contract means when issues arise that result in time and cost changes, the Council bears this increased cost, rather than the contractor absorbing the cost. This is different to the situation with Te Matapihi where the contractor was more easily able to ascertain necessary information about the site, and therefore the risks of the project and, as a result, entered into a fixed price contracting arrangement.
26. In agreeing to the contract in 2019, the Council noted that risks will remain live for most of the project's duration and one form of risk will be replaced with another as the project progresses (e.g., ground risk will be replaced by heritage risk once the building is out of the ground and work to restore the structure begins). The paper to the Council in June last year, which sought an increase in the budget above the initial contract amount, confirms that the risk to the project would remain for some time.
27. The key reason for the funding increases requested in this paper is that all the risks anticipated at the outset of the project are being realised in ways that are more costly than the project's upper-end budget allowances for risk. On top of this, the impact of COVID disruptions, labour shortages and supply chain constraints continue to flow through the project's time and cost estimates. Table 2 sets out some key facts that demonstrate the impact of these factors on the project.
28. It is important to note however, that the *scale* of risk does reduce over time, meaning the potential cost and time consequences of a ground risk materialising are much greater than the potential impacts of a risk associated with an aspect of heritage restoration. In this sense, the Council can take some confidence that once the project has completed the basement structure and envelope, the project will become somewhat more predictable and less likely to produce unwelcome surprises.

Table 2: Impact of project risks

Below ground	<ul style="list-style-type: none"> • Pile depths 2m deeper than anticipated • Screw pile testing required changes in pile type, depth, top hat shape • Ongoing difficulty keeping ground water out of auditorium • Inground obstructions required additional excavation and revised configuration of structural elements
Above ground	<ul style="list-style-type: none"> • Extent of temporary propping required was extensive, limiting the amount of parallel work that could be initiated • Previous repairs on the building required major remediation before work could begin • Asbestos discovered in difficult to reach ceiling spaces
Time and cost	<ul style="list-style-type: none"> • Key price increases – tubular steel increase from \$1,800/tonne (tender) to \$3,000/tonne (today), 40ft container from \$1,000/journey (tender) to \$9,000/journey (2022) to \$4,000/journey (today) • Time impacts – COVID +6 months, piling and temporary works +7 months, other building factors +5 months • 1,000 new contract instructions added since April 2022 (70% cost related) due to evolving understanding of the building conditions

Town Hall/Te Ngākau integration

29. From its inception, the Town Hall project was always intended to operate as part of an integrated set of buildings – including the Town Hall, MOB, MFC and Te Ngākau basement). The Town Hall design was predicated on occupying space in MOB for front-of-house facilities (e.g., hospitality space, connection to breakout/circulation space) with MFC providing operational space for Venues Wellington and rehearsal space for NZSO. This integrated concept was necessary for the Town Hall to operate as a functional venue for all its range of potential users and audiences, as well as the National Music Centre.
30. Recently assessed seismic issues with related elements of the project (i.e., MOB, Te Ngākau basement, and MFC) have created challenges with this integrated intent and added to the difficulty delivering a functional Town Hall. This places pressure on the Town Hall to deliver more of the requirements of the overall project to ensure the desired customer experience outcomes are met.
31. The project has been working through design changes within the Town Hall footprint to deliver on the necessary Venues Wellington and operational requirements. A lot can be achieved by making some key changes to the basement layout and to some aspects of the Council's use of the building. This effectively reduces the reliance on MFC and maximises the ability for the Town Hall to be used for a greater range of events and community purposes.
32. However, integration with MOB remains critical and needs to be progressed alongside Town Hall footprint changes to deliver a successful venue for the city. There are opportunities to deliver on the Town Hall's full front-of-house and venues requirements via a privately funded redevelopment of MOB. This should be considered as a matter of priority and a proposed approach is discussed below (paragraph 61).
33. The Te Ngākau basement is currently undergoing seismic assessment (along with all other aspects of the Te Ngākau precinct) in order to inform decisions about available strengthening options. Structural engineers are considering options for the basement and are focused on ensuring that strengthening work does not impact on the Town Hall's delivery or scope requirements and consider that this is achievable.

Project review

34. Recognising the project's risks, at the time the Council approved the contract, it was provided with an assurance review from PwC that confirmed an appropriate procurement process had been followed and the project team had completed thorough work to understand the nature of the risks in the project. Following this review, PwC have remained advisors to the project via membership of the project board, along with an independent Engineer to Contract and Quantity Surveyor.
35. When costs began to escalate earlier this year, officers took a number of steps to investigate these in order to be able to provide this advice to the Council and to ensure the project was appropriately set up to manage risk and deliver going forward. These steps included:
- reassigning SRO responsibility within ELT to enable the SRO to provide greater attention to the project;
 - initiating an internally-led review of the operational and venues aspects of the project to ensure needs of the venue's users and audiences were well understood and factored into the project;
 - initiating an external review of the programme and costs from RCP and a legal review of the contract implementation, both of which are summarised below; and
 - accelerating DSAs for other parts of the Te Ngākau precinct to help inform Town Hall decision making in a wider context.
36. The purpose of the RCP review was to consider the project's costs and completion date and make recommendations about improvements to provide greater reassurance about costs going forward. The review is attached as Appendix 1. At a high level, the review drew the following conclusions:
- In order to bring as much certainty as possible to time and cost, it is necessary to agree all remaining scope and design details and agree what a completed Town Hall will look like. The project is still in the process of reconfiguring space and considering how the building will or won't rely on peripheral buildings, and it is necessary to have certainty on all these aspects in order to finalise the delivery programme and provide a firm basis to manage costs. A temporary structure that provides functional requirements will be required in order to open within current timeframes. Any changes beyond those identified in the review should not be considered and would have a further impact on time and costs.
 - Scope of heritage workstream needs reassessment and confirmation. The large amount of temporary works required will mean the extent of make-good and reinstatement work will be greater than anticipated.
 - The project has generated a very significant number of contract instructions (CIs) and requests for information (RFIs) which are the processes to make changes to designs, plans, and construction approach etc. While large numbers are expected on a complex project, resolution of these takes time, disrupts construction workflow, and adds cost to the process. The project team and contractor have been actively working on resolving these more quickly and have made significant recent improvements, but there is a backlog that now need closing out.

- The construction programme has appropriate allowances for activities on the critical path and the contractor is on track relative to the current programme. Timely decisions on remaining scope are important to ensure current programme timings remain appropriate.
 - More detailed planning is needed on post-construction completion activities e.g., organ installation, fixtures, furniture and equipment, tenant installation, training etc, and this should be developed and included in the master programme. These offer the best opportunity for time savings.
 - The programme and costs still have a level of uncertainty to them based on risks that are still live, in particular basement piling and waterproofing, basement fit out, organ installation and other heritage reinstatement, and RFI performance. A general contingency to cover unknown risks is still recommended.
 - Mid-range cost and timing estimates should be achievable. Low end cost and timing estimates may be realised if all opportunities for improvement are adopted and key remaining risks do not eventuate or are very tightly managed. Upper end cost and timing estimates are still a possible outcome and cannot be ruled out if all project risks continue to be realised.
37. The review identified a number of specific actions to manage project costs going forward, all of which are being adopted by the project board and team:
- Initiating a process to close out past contract variations and instructions that have not yet been costed – this would enable both project team and contractor to focus on the work ahead
 - Exploring the possibility of some fixed-price portions with the contractor where risks were now better understood, and other approaches to a reallocation of some contract risk
 - Focus on unlocking construction workflow, resolving items and decisions that are ‘on hold’ to enable the contractor and subtrades to open up multiple work fronts on site
 - Bring organ installation into the contractor’s scope, rather than contracting separately at the end of the construction contract, which will have a significant impact on timeframes
 - Introduce a ‘Town Hall first’ focus, prioritising the completion of the Town Hall above other progress in the precinct that might negatively impact the Town Hall’s delivery
 - Finalise all remaining design changes (including those discussed in this paper) to enable final pricing by the end of this year
 - Improve the escalation process to the project Board to resolve construction issues quickly, including simplifying overall Board reporting
 - Focus stakeholder engagement on minimising further changes and ensuring continuing alignment on scope and timing of delivery.
38. Officers also commissioned a legal review of the contract implementation which concluded that the project was taking an appropriately balanced approach to contract management, focusing on value-for-money for the Council as well as best-for-project outcomes. This report is attached as Appendix 2.

39. In order to more effectively draw lessons from the Town Hall and Te Matapihi for the wider Te Ngākau development plan and implement the findings of the RCP review, officers are establishing a new project board that will oversee the Te Ngākau programme. The Te Ngākau management board will draw common membership from Te Matapihi and Town Hall boards and add new external members to bring additional construction and commercial expertise. RCP will also be brought in to the Town Hall project team to ensure the findings of their review are delivered and to bring an additional independent perspective on risk management and project delivery.

Kōwhiringa | Options

40. Officers have considered the following options with respect to the Town Hall:
- Option 1: Increase the funding to complete the project, and seek to offset costs through development on the MOB site, or
 - Option 2: Close-up the building, complete necessary work to bring the building up to 34% and restore exterior heritage, and then consider next steps, which could include:
 - Do nothing else; or
 - Explore demolition, noting legal and regulatory advice is that this is highly unlikely to be feasible; or
 - Seek central government (or other) funding support.
41. Officers' advice is that increasing funding and completing the project is the only 'reasonably practicable' option available to the Council, given the Council's objectives for the Town Hall project and Te Ngākau precinct. These include the vision in the 2021 Te Ngākau Civic Precinct Framework to 'create a beating heart of the capital city, a thriving neighbourhood of creativity, culture, democracy, and arts experiences', and the specific project objectives in the 2015/25 and 2018/28 LTPs to develop a National Music Centre operating across buildings in the precinct, including the Town Hall, MFC and MOB.
42. The other options including closing up the building, demolition or seeking other funding are not considered to be 'reasonably practicable' on the basis that they do not contribute to achieving the Council's objectives for Te Ngākau or the objectives of the Town Hall project, and they come with serious risk and consequences for the Council and the project, which are discussed further below.
43. If the Council agreed with this paper's recommendation to proceed and increase the funding, officers' advice is that it can, and should, do so without consulting further with the public for the following reasons:
- Completing the project has previously been confirmed as the Council's preferred option through community LTP consultation;
 - The Council's subsequent engagement and consultation in 2020 and 2021 on the Te Ngākau Civic Precinct Framework showed continued community support for a reactivated civic precinct that supported the arts and creative sectors;
 - As part of the 2024/34 LTP engagement, feedback from the Citizens' Assembly also provides evidence of continuing community support for the project. The Citizens' Assembly's advice on the Council's capital programme prioritised the

completion of in-flight projects, including the Town Hall, and looking after and maintaining existing assets; and

- The project's current situation is well publicised, and the range of public views can be seen through media commentary and informal channels; formal consultation or engagement does not add to the Council's understanding of the range of perspectives on the costs of the project.
44. Officers strongly advise against delaying the decision (or approving only a part of the required funding) – the Council has all the information necessary to make a decision, providing certainty about the way forward is a critical recommendation of the external review completed by RCP, and funding is needed this financial year in order for the project to avoid being in breach of its financial delegations. Additionally, a delay in the decision would immediately impact the construction programme's critical path with consequences for time and cost over and above the numbers in this report.
 45. If the Council resolved to change its preferred option from completing the project to closing-up the building, it would need to consult with the community and would need to do this through the LTP process, or Special Consultative Procedure. This is because the Town Hall is listed as a strategic asset in the Council's Significance and Engagement Policy and any decision to close the building, particularly in light of the likely future closure of MFC, would have significant levels of service implications. If consultation was undertaken through the LTP, it would take place in April/May next year and a Council decision taken in June. If the decision was then subsequently taken to proceed with the project, the Council would need to accept that the cost would have significantly escalated by that point due to a nine-month delay in decision making.
 46. The costs below have been developed by officers and the project's quantity surveyor (RLB) and subject to internal peer review by RLB and external peer review by RCP.

Table 3: Options summary

Option	Reasonably practicable?	Consult?	Cost
Complete project	Yes	No	\$264.2-\$288.6m
Close building	No	Yes	\$204m
Demolish	No	N/A	\$243.35m
Seek funding	No	N/A	\$204m plus escalation for delay

Option 1 (recommended): increase funding and complete project

47. Under this option, the Council increases funding for the project by between \$70m and \$147m to a total cost of \$252m to \$329m and completes the project according to its full scope. The range in costs reflects a number of possible risk scenarios that still may eventuate and decisions on MOB redevelopment.
48. In order to develop the risk ranges, each non-fixed price element of the project and every item in the project risk register has a value range assigned to it by the quantity surveyor, according to a set of assumptions. Added to that is a further range for a contingency to cover unknown unknowns (i.e., those things that are unable to be

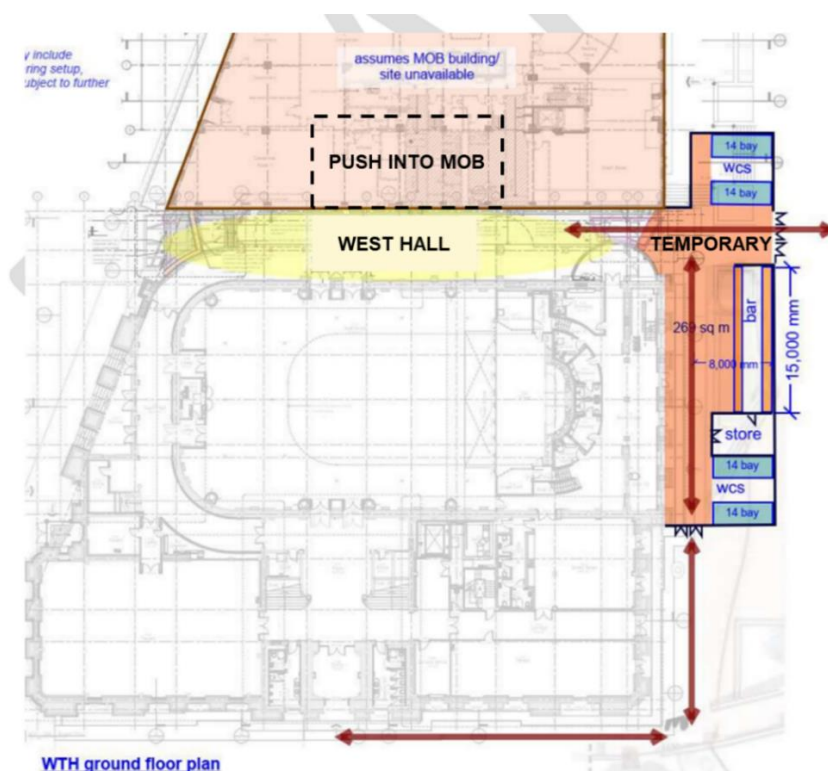
anticipated so cannot be included in the risk register). This process generates a 'low', 'medium' and 'high' scenario for overall project cost and these values are included in Table 4 below.

49. There are two ways in which the Council could offset the full costs of the project and officers recommend both are pursued:
 - The Council could seek to partner with a private developer who would fund the MOB redevelopment, which would be scoped to include the Town Hall's front-of-house requirements. This would mean the equivalent of the 'dotted line box' in Figure 1 could be offset against the full cost, saving the Council \$28m-\$52.9m, depending on whether a medium or high risk scenario eventuates.
 - If the Council was prepared to align the opening of the Town Hall with the completion of the MOB development, the Council could avoid constructing the temporary structure on the north side of the building (i.e., the shaded red area in Figure 1) and make further savings. This would save the Council between \$40.5m and \$64.9m off the full cost option.
50. There is strong developer interest in the MOB and CAB sites, with a range of ideas for the sites that would enable the Town Hall's successful completion, as well as provide opportunities for future Council accommodation and re-activate the Te Ngākau precinct. On this basis, officers recommend the Council proceeds to a formal tender process, and partner with the successful tenderer on the completion of the Town Hall.
51. Through the tender process, officers will explore development timeframes with interested parties to see whether aligning the completion of MOB and Town Hall projects is possible without undesirable delay in the Town Hall's opening and report back to the Council at the completion of the tender process. If alignment is not possible, our view at this stage is that the Town Hall opening should be delayed until MOB completion in order to maximise cost savings for the Council. Note that the project would still be progressed on current timeframes and VUW and NZSO would be able to move in and take up their tenancies, but the venue would not be able to open as a functioning venue until the front-of-house facilities are built.
52. The Council should note that the decision to delay the Town Hall opening would impact decisions on the closure of the MFC which could not be closed until the Town Hall is open. This would likely mean we would not meet the regulatory deadline for MFC strengthening (September 2029).
53. Given the project uncertainties, officers recommend the Council takes a relatively conservative approach and approves the upper-limit estimate (additional \$147m) – which is based on the 'high' risk scenario and assumes Council funds all necessary works to deliver the project. This would enable the project to move ahead with confidence while other procurement processes are in train.
54. Based on the adoption of the offset opportunities which appear eminently viable and recommended cost management actions from the RCP review (paragraph 35), the Council could expect the project to be delivered for \$264.2m-\$288.6m – a cost increase of \$81.8m-\$106.2m – and, should this option be approved, the project team will focus on managing the project within this range. An attached report from RLB (Appendix 3) has also informed these costings.

Table 4: Cost ranges for project completion

Option	Costs to Council					
	Low total	Low increase	Medium total	Medium increase	High total	High increase
Council funds full project	\$289.5m	\$107.1m	\$303.2m	\$120.8m	\$329.1m	\$146.7m
Developer funds MOB annex/extension, with Council funding temporary structure until MOB complete	\$263.5m	\$81.1m	\$276.2m	\$93.8m	\$301.1m	\$118.7m
Developer funds MOB annex/extension and Council avoids temporary works costs by aligning Town Hall/MOB dates	\$252.0m	\$69.6m	\$264.2m	\$81.8m	\$288.6m	\$106.2m

Figure 1: Town Hall, MOB and temporary works footprint



55. Based on the construction programme and forecast costs, the expected cost increase would be broken down across the five financial years in Table 5 below. Currently the project is projected to exceed the currently approved budget this financial year, so this paper seeks both an increase in the budget available for this financial year and an increase in the LTP funding for future years.
56. The increased budget requested would be funded by debt and can currently be accommodated within the Council's 225% debt-to-revenue ratio and is being factored into the early-stage financial modelling being done to support the LTP process. If this funding is approved by the Council, it will decrease the Council's debt headroom which is then available for other capital projects in the LTP. This however is consistent with

the LTP priorities the Council has adopted to prioritise the maintenance of existing assets and completion of existing projects.

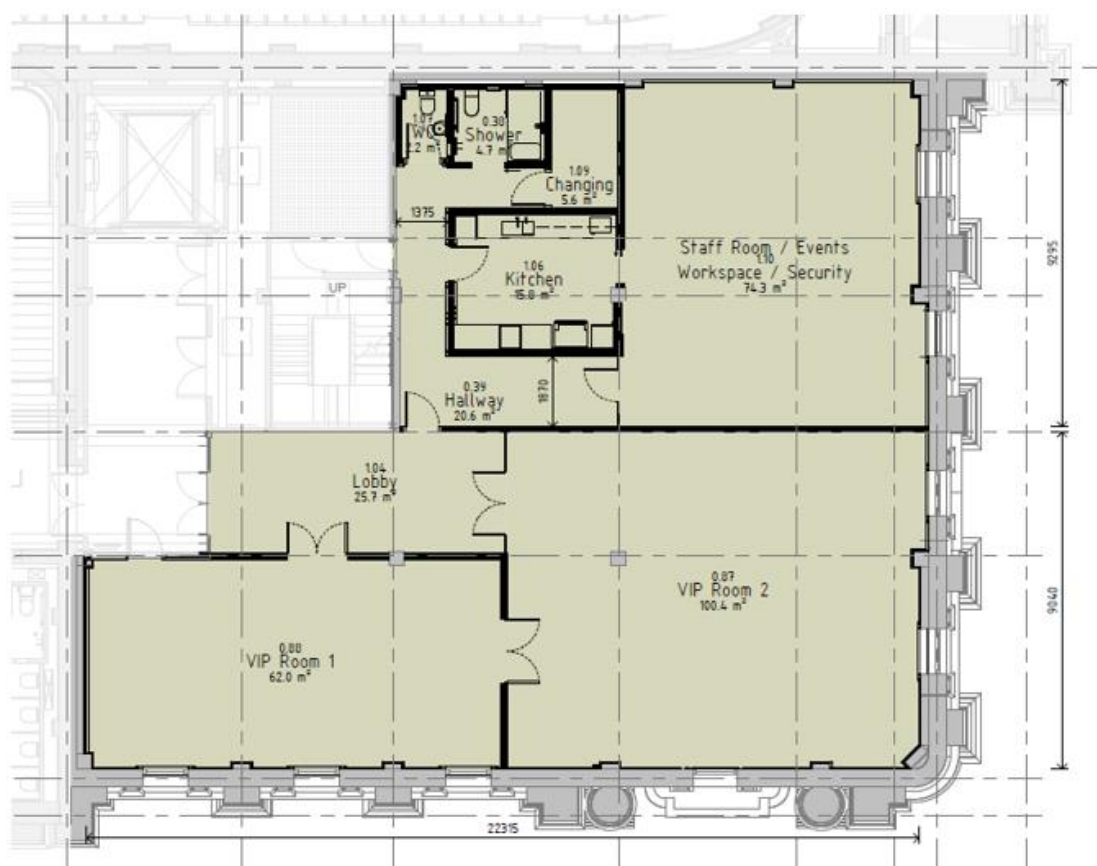
Table 5: Funding allocation across financial years

Financial year	Additional funding requirement (recommended provision)
2023/24	\$14m
2024/25	\$50m
2025/26	\$48m
2026/27	\$30m
2027/28	\$5m

Town Hall footprint changes affecting Council usage

57. As discussed above (paragraphs 29-33), some changes to the use of space within the Town Hall's footprint are required in order to reduce the reliance on other buildings, namely MFC, and successfully deliver the venues and operational outcomes needed from the Town Hall. Repurposing some of the space also provides greater flexibility for the building to be used for a greater range of events and functions.
58. Currently on level 1, there is space assigned for a Mayoral suite of offices and a second space (the Ilot Theatre) which is intended to be used as the Council debating chamber for a set number of days a month and as a small performance venue for the remainder of the time. The dual use of the Ilot theatre creates operational and storage challenges as key heritage items like the Council meeting table which would need to be moved in and out of the space to set up for meetings and stored when not in use.
59. On this basis, officers recommend the Council agrees to two key changes to the Town Hall's design (the first of which is shown in Figure 2):
 - Repurpose Mayoral suite into three separate rooms for security operations and Venues Wellington staff room, and two additional adjoining events and VIP spaces. These events spaces would be appropriate for events of up to 160 people (or 80 people per room) and can be hired by a full range of community, business, and creative sector groups. While no longer the home of the Mayor's office, they would still play a key role in the civic life of the city being used for civic events, citizenship ceremonies and functions, and hosting delegations.
 - Assign the space currently allocated for dual use as a performance venue and Council debating chamber to a sole purpose smaller performance venue to avoid the operational and logistical cost of resetting the space each month.
60. There are other options that can be considered to provide space in Te Ngākau for the Mayor's offices and Council debating chamber, including in redeveloped MOB and CAB. Should the Council choose, these could be included as an option in the requirements documentation for MOB/CAB redevelopment (discussed below). The Council will receive a paper with further advice on accommodation options in November 2023.

Figure 2: Town Hall level 1 proposed floor plan



MOB site development to deliver Town Hall requirements

61. As well as changes within the building's footprint, an extension of the Town Hall's footprint into the MOB site is necessary to deliver on the required front-of-house and venues requirements (e.g., hospitality space, connection to breakout/circulation space, bathrooms, bar facilities).
62. Officers recently commissioned PwC to complete an informal market soundings process to gauge developer interest in funding and delivering a MOB replacement that will deliver on these requirements. This process will include CAB as well. The process targeted eight companies (including one international) from which we received five strong indications of interest – three proposing MOB demolition and two proposing strengthening. On this basis, we expect much wider interest from the tender process, including from both local, national and international developers.
63. We are currently preparing the tender documentation and will be using the information and insights gained through the market soundings process to inform the process and expect to open the tender process in November, subject to the Council's endorsement of this approach. It is important to move quickly given the interest in the opportunity and because we need to bring certainty to the Town Hall completion.
64. The tender process would run between November 2023 and March 2024 and seek proposals that:
 - Redevelop CAB

- Redevelop or strengthen MOB, and include delivery of the Council's Town Hall requirements in the proposal
- As far as possible, deliver both buildings in a way that minimises impact on the Town Hall's construction timetable and seek to align the delivery of MOB with the completion of the Town Hall to minimise costs to the Council
- Meets the vision and objectives of the Te Ngākau Civic Precinct Framework agreed by the Council in September 2021.

65. The Council has previously indicated through the 2021/31 LTP that its preferred option is to demolish and redevelop, rather than strengthen, MOB, although this was on the basis of the Council incurring the costs of redevelopment with strengthening considered to be uneconomic. Updated QS strengthening cost estimates of between \$279m (34% NBS) and \$360m (100% NBS) still suggest this is likely to be the case. On the basis, however, that full costs of redevelopment are borne by a developer, we propose the tender process include requests for proposals to strengthen to give the Council options to consider, providing that any proposal critically meets the Town Hall's requirements within reasonable timeframes.

Option 2 (not recommended): close-up building

66. Under this option, the Council could close down the project, complete necessary safety works to close-up the building and then could consider next steps – these may include seeking to initiate demolition, seeking external funding to enable completion, or simply leaving the building closed with the option to reinitiate work at a later date.
67. It would take at least until 12 months to do the necessary work to close up the building which would include completing the basement envelope and inground works to prevent flooding, forming a temporary envelope to the western façade, completing critical structural works, reinstatement of external heritage fabric that has been removed, removal of all construction plant and equipment, and making the site safe. In doing this, the building would reach the required 34% NBS, meeting the EQP building notice requirements.
68. As noted above, these options are not considered to be 'reasonably practicable' on the basis that they do not contribute to achieving the Council's objectives for Te Ngākau or the objectives set for the Town Hall project, and they come with serious risk and consequences for the Council.
69. Closing up the building is not recommended because:
- the Council will incur significant sunk costs (\$204m) with nothing to show for it. Despite meeting its 34% NBS requirement, it would be completely unusable for any purpose;
 - there will be significant uncertainty over the building's future due to regulatory and funding processes that the Council cannot control;
 - there are reputational impacts of a 'failed' project and of Council's ability to deliver future projects that are important to the city;
 - if the decision to restart was subsequently taken, it may be difficult to find contractors who are willing to enter into a new contract with the Council;

- confidence in the city may be undermined and the city may struggle to attract events, investment, students, and creative sector work and workers, and may struggle to keep important creative institutions like the NZSO based here;
- a closed building (along with closed buildings across the wider Te Ngākau precinct) may generate poor social and on-street outcomes;
- the building may fall below its 34% NBS compliance rating in the future, requiring further work;
- closing up creates contractual risk for the Council with the lead contractor and with key tenants (NZSO and NZSM) under the Collaboration and Relationship Agreement;
- in addition to contractual implications, the NZSO, NZSM and other parties have successfully fundraised for the national music centre and significant financial commitments have been made and would need to be returned;
- the Council would lose the use of an identified strategic asset; and
- combined with the need to close the MFC at some future point to meet regulatory deadlines, the city would be left with no significant operative concert music venue.

Process and costs to close-up

70. If the Council chooses to change its preferred option from completing the project to closing-up the building, it would need to consult with the community and would need to do this through the LTP process so that the community could be provided with sufficient information to make an informed decision.
71. Following consultation and consideration of community feedback, if the decision was taken to close up the building, the Council would need to apply for a variation to its resource consent. As the consent is currently a “start to finish” consent, a variation would enable necessary safety works to be completed before the building was closed up and would amend other relevant aspects of the consent, which assumes the project will be completed as currently planned.
72. Under the consent, there is a condition around changes to external appearance of the building. This means a variation would be needed in order to not complete the West Hall new build elements which connect the Town Hall to MOB. The building’s exterior fabric is also protected under the consent and any amendment would likely require the completion of work to reinstate the exterior more-or-less in line with what is required under the current approved consent i.e., the Council would be required to complete the exterior restoration in the same way it would do if it decided to progress with the project.
73. The interior of the building is not listed on the consent. This means the interiors are not required to be reinstated as part of the current resource consent and so would not be subject to the variation process. However, there are likely to be expected scope that would need to be considered and potentially managed, irrespective of regulatory conditions.
74. A variation may need to be publicly notified, although this would depend on the exact changes sought. If the changes to the consent were considered to be “more than minor” the Council should expect the application to be notified. The variation process

could be expected to take around one month *if* it is straightforward. If notification is required then the likely time to process an application would exceed three months.

75. Across all variations of the close-up option, the Council incurs significant base cost (\$204m), in excess of the currently approved budget. Table 6 below shows the base costs to close up the building. It also shows, for completeness, the anticipated costs associated with demolition or delaying to seek other funding sources. In some cases, costs are estimated as they are subject to a negotiated process. Appendix 3 has more information on these costings.

Table 6: Costs of close-up

Cost category	Costs incurred
Construction contract costs already spent	\$139.35m
Construction contract commitments	\$9.35m
Safety and other works (incl. completing exterior heritage) to close up the building	\$33.42m
Outstanding professional fees and fees to support building closure	\$9m
Process to vary existing resource consent, including public notification	\$0.2m
Estimated contractual damages	\$12.67m
Base costs across all options	\$204m
Additional costs of demolition	
Demolition application and Environment Court process, including: <ul style="list-style-type: none"> • preparation of the application e.g., legal, technical, heritage expertise • costs incurred by the regulatory arm of Council in considering the application • Environment Court costs (depend on number of days the application takes and number of submitters) • costs associated with presentation of case at Environment Court e.g., legal, technical, heritage expertise 	\$1-1.15m including: <ul style="list-style-type: none"> - \$0.25m legal - \$0.15m heritage evidence - \$0.3m other technical evidence - \$0.15m planner - \$0.2m Env Court - \$0.1m for appeal (if needed)
Demolition planning and works (if application successful)	\$26.65m
Professional fees/other costs	\$7.95m
Contingency	\$3.6m
Total additional costs of demolition	\$39.35m

Additional costs of seeking government funding or pause/restart	
Future cost escalation of project when restarted (per year delay)	4% p.a. of remaining construction costs

Option 2(a): Demolition

76. Officers do not consider demolition to be a reasonably practicable option due to the significant regulatory constraints that would need to be overcome in order for demolition to occur. However, the process that would be involved and implications are discussed below for completeness and for the Council's information. Specifically, these constraints are: the requirement in the RMA to recognise and provide for matters of national importance, the objectives and policies of the Operative District Plan (and the Proposed District Plan) and the Town Hall's inclusion in the District Plan's heritage list. Officers have considered three potential pathways to demolition which are discussed below.
77. Considering all the steps involved in pursuing demolition, it is likely the Council would spend at least three years working through the process with a high degree of uncertainty about the outcome, and may then need to effectively restart construction at a point where costs will be even greater than currently forecast.
78. As well as the low probability of success and the costs involved in the process, the Council would need to consider the precedent it would be setting for other heritage building owners with strengthening obligations. If the Council is prepared to consider demolition of the Town Hall, there are arguably few, if any, other heritage buildings that owners could not argue should also be considered for demolition.

Public consultation

79. As a first step in the process, the Council would need to publicly consult, through the LTP, on its change of preferred option from redevelopment to demolition. In order to prepare for consultation and the subsequent steps that may follow, the Council would need to be satisfied that there was a good prospect of success for a resource consent application. This would mean the Council would need to do preparatory work on heritage loss, construction issues, geotechnical stability, future costs and other issues in order to demonstrate it is a viable option – in particular that the District Plan's "*no reasonable alternatives*" test could be met.

Pathway 1: resource consent for demolition

80. Under the first potential pathway, the Council could apply for a resource consent to demolish the building. Table 7 summarises the likely steps in this process.

Table 7: demolition process timeframes

Process	Indicative timeframe
LTP/public consultation	June 2024
Preparing to lodge resource consent application	3-6 months (by December 2024)
Environment Court process (assuming successful direct referral)	18 months (by June 2026)

Process	Indicative timeframe
Possible appeals process (to High Court)	Plus 6-12 months, if req.
Demolition planning and procurement	Plus 18 months
Contractor procurement and consenting	Plus 12 months
Demolition work	Plus 2 years

81. Following consultation, the Council would need to prepare an application for resource consent to demolish the building, requesting its public notification. After submissions have closed, and given the strong public interest and significance of the building, the Council in its capacity as the applicant could request the application be directly referred to the Environment Court, which is a pathway available for complex applications. Advice from Council's regulatory team is that the request would be accepted. The Council would then need to make an application to the Environment Court for direct referral which would also need to be accepted.
82. Officers have considered, at a high level, the likelihood of success under both the current Operative District Plan and the Proposed District Plan. There is a high level of uncertainty about whether the application would succeed under either plan – although the Proposed District Plan does have some differences to the current plan which are relevant. Based on timing, any application would be made under the new/Proposed Plan, subject to its consideration and adoption by Council in March 2024.
83. Given the objectives and policies in the current Operative District Plan, as well as provisions in the RMA, it will be extremely difficult to obtain consent to demolish for the following reasons:
- Under section 6(f) of the RMA, any person considering a resource consent application to demolish the Town Hall would be required to recognise and provide for *“the protection of historic heritage from inappropriate subdivision, use and development”*. Even if the Town Hall was not listed as a heritage building in the District Plan, this provision of the RMA would still apply to any consent application, given the Town Hall's recognised historic heritage value.
 - The Operative District Plan includes an objective to *“discourage demolition, partial demolition and relocation of listed buildings and objects while:*
 - *acknowledging that the demolition or relocation of some parts of buildings and objects may be appropriate to provide for modifications that will result in no more than an insignificant loss of heritage values; and*
 - *giving consideration to total demolition or relocation only where the Council is convinced that there is no reasonable alternative”*.
84. The heritage objectives and policies in the Proposed District Plan allow more flexibility than the Operative District Plan but still provides a very high threshold for its total demolition. Compared to the Operative District Plan, the PDP takes a more considered view of the costs and economics of retaining heritage buildings. It requires decision makers to determine whether it is reasonable to require an owner to absorb the cost of strengthening and retaining a heritage building, considering the value of that building

after works are completed. The Operative District Plan assessment is more constrained to the effects of demolition on heritage values.

85. The proposed Plan includes the following objectives:

- *HH-O2 Historic heritage is retained and protected from inappropriate use, subdivision and development;*
- *HH-O3 Built heritage is well-maintained, resilient and kept in sustainable long-term use;*
- *HH-P10 Avoid the total demolition of heritage buildings ... unless it can be demonstrated that there are no reasonable alternatives ..., including...(2) Seismic strengthening; (3) Additions, alterations or partial demolition, including to enable reuse.*

86. Importantly however, the Proposed District Plan has the same test of “*no reasonable alternatives*” as the Operative District Plan with respect to total demolition. It is highly unlikely that the high costs to strengthen the Town Hall will meet the threshold of “no reasonable alternatives”, given the Town Hall’s historical significance and cultural value. For the application to successfully progress through the resource consent and Courts process, the Council would need to successfully demonstrate that there was no reasonable alternative to demolition, including the options discussed in this paper.

87. The costs the Council would likely incur in relation to demolition are set out in Table 6. They include:

- all the costs of preparing the application, including the legal, heritage, planning and other technical expertise that would be needed;
- meeting the costs of the Council’s regulatory arm (likely to be an external expert who would provide a report to the Environment Court);
- the costs of the Environment Court process, which are dependent on the length of time the case takes and the number of submitters who want to be heard; and
- the costs of any appeals that take place after the Environment Court decision (whichever way that decision goes).

88. It is difficult to estimate the cost given the lack of comparable cases, but officers estimate it would be approximately \$1-1.15m to proceed through the application and Courts process. If the application was ultimately successful, the cost of demolition would be at least \$39.95m, in today’s dollars, including the costs for legal processes and approximately \$26.65m to carry out demolition work. If the application was ultimately unsuccessful (the more likely outcome), the Council could likely incur escalation costs when restarting the project which are estimated to 4% per year of the value of the outstanding construction work.

Pathway 2: District Plan change to delist the Town Hall from the heritage schedule

89. Officers have also considered whether it would be possible for the Council to remove the Town Hall from the District Plan’s heritage schedule through the current Proposed District Plan process in order to enable demolition. Given the advanced stage of this process and the fact that the Town Hall’s heritage listing has not been raised in submissions or hearings, it would not be lawful for the Council to seek now to delist the Town Hall as part of the current process.

90. If Council did want to delist or remove the heritage status of the Town Hall in the District Plan, this would need to be done through a plan change following the usual process under Schedule 1 of the RMA.
91. The plan change would need to be supported by historic heritage, economic and other expert evidence, similar to the resource consent process, which would take several months to prepare. It would also need to demonstrate why a plan change was necessary and why the resource consent process is not the most efficient and effective way to determine the appropriateness of demolition. This process would also be subject to the requirement in section 6(f) of the RMA to recognise and provide for protection of historic heritage.
92. Table 8 sets out the process and expected timings, which are similar to those for the resource consent process – the plan change would be publicly notified and, if made, is highly likely to be appealed to the Environment Court and potentially beyond.

Table 8: District Plan change timeframes

Process	Indicative timeframe
LTP/public consultation	June 2024
Preparing the plan change, including necessary evidence	12 months (by June 2025)
Public submissions	
Environment Court process	18 months (by December 2026)
Possible appeals process (to High Court)	Plus 6-12 months, if req.
Demolition planning and procurement	Plus 18 months
Contractor procurement and consenting	Plus 12 months
Demolition work	Plus 2 years

93. Any attempt to delist the Town Hall in the District Plan is almost certain to be challenged and is unlikely to succeed particularly given the Town Hall's Historic Place Category 1 listing on the New Zealand Heritage List. In 2017, a proposed plan change to delist the Gordon Wilson Flats from the District Plan Heritage List was rejected by the Environment Court following an appeal by The Architectural Centre. Unlike the Town Hall, the Gordon Wilson Flats was not included in the New Zealand Heritage List at the time (although it has since been classified as a Category 1 building) but was still found by the Court to have "significant heritage value and therefore should not be delisted".¹
94. Costs associated with this option could be similar to the resource consent option as similar public and court processes would apply. There may be some savings on the need for geotechnical advice, but many of the other requirements for heritage, legal, and planning advice would remain.

¹ The Architectural Centre v Wellington City Council [2017] NZEnvC 116, para 54.

Pathway 3: Local Bill

95. Aside from a successful plan change, the only other path to demolition is to seek to pass a Local Bill specifically for this purpose. This would then override the District Plan and general RMA provisions.
96. A Council decision to demolish the building under an enabling Act could still be subject to judicial review challenging the lawfulness of demolition. Any Bill would need to be drafted in such a way as to leave no room for ambiguity in interpretation on this point. As with the other pathways discussed, the Council would need to consider the significant precedent effects in pursuing this option, including that, in practice, a Local Bill is an option available to the Council but, unlike a resource consent, not necessarily one that could be pursued by other building owners.
97. Pursuing a Local Bill would be subject to similarly high levels of uncertainty as a resource consent and/or plan change process. The local MP would be required to manage the Bill through Parliament and Council would be required to draft the Bill and meet all associated legal costs. The Bill would need support from a majority of MPs to be passed and it may take several years from introduction of the Bill before it is passed into law. It would also be subject to public debate through that process. As an example, the Girl Guides Association (New Zealand Branch) Incorporation Bill is a private bill that was introduced in February 2021, and has still not had its second reading two-and-a-half years later.

Option 2(b): Seek central government funding

98. Under this option, the Council would take the decision to close up the building and then seek to access alternative funding, potentially from central government, to help meet the costs of completing the project. This option has all the general disadvantages of closing up the building plus an additional high degree of uncertainty about whether any funding agreement could be reached with the government, given this issue has not been raised with them to date. Because of the uncertainty and the fact that there is no current active discussion underway, officers do not consider this to be a reasonably practicable option.
99. Taking time to explore this option with no guaranteed outcome may only leave the Council with a higher future cost-to-complete for the project if negotiations were unsuccessful. Escalation on the near horizon is expected to be approximately 4-5% annual uplift which would apply to incomplete work and a contribution to the escalation costs for the NZSO fit-out (assuming the Council may be obligated to meet that cost).
100. Rather than seeking to engage with the government specifically seeking funding for this project, the Council could use it as a compelling case study to explore wider legislative or policy change, or new funding tools, that resolves the tension and complexity between protecting local and national heritage and addressing the problems of earthquake prone buildings.

Option 2(c): Pause and restart

101. In practice, a pause and restart option where Council decided simply to delay the completion of the building would have the same implications and requirements and option 2(b) above, with the additional disadvantage of no prospect of cost offset from another party. Through the life of the project to date, the impact of cost escalation is clear – and any decision to delay the completion of the building will only result in a higher, avoidable, cost.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

102. The recommendations in this paper are consistent with the priorities in the LTP – particularly the 'fit-for-purpose community, creative and cultural spaces'. The proposals are also consistent with the Council's 'innovative, inclusive and creative city' and 'dynamic and sustainable economy' strategic priorities.

Engagement and Consultation

103. There is no need to consult on the recommended and preferred option (as set out further below).
104. If the Council resolved to change its preferred option from completing the project (option 1) to closing-up the building (option 2), it would need to consult with the community through the LTP process or Special Consultative Procedure. This is because the Town Hall is listed as a strategic asset in the Council's Significance and Engagement Policy and any decision to close the building indefinitely or with no plans to reopen, particularly in light of the likely future closure of MFC, would have significant levels of service implications. Consultation would take place in April/May next year and a Council decision taken in June. The Council would not be able to take any further substantive steps until this process was complete.
105. Given that consultation on this option is legally required through the LTP, no other form of shorter engagement or consultation is sufficient.

Previous consultations

106. The Town Hall strengthening project has already been the subject of consultation. First, strengthening of the Town Hall and development of the National Music Centre was consulted on through the 2015/25 LTP consultation document, at a cost of \$58 million. Additional consultation occurred through the 2018-28 LTP, with an increased cost of \$88.7m. In this consultation 82% of the 1776 respondents supported strengthening Council's cultural facilities (including the Town Hall) and 75% supported providing additional support for the arts. Submitters were asked to provide their preferred order of tackling of the priorities, with arts and culture ranked 4th equal (out of five priorities).
107. The 2024/34 LTP Citizens' Assembly engagement is also relevant. The Citizens' Assembly's advice on the Council's capital programme prioritised the completion of in-flight projects, (expressly mentioning the Town Hall), and looking after and maintaining existing assets.
108. Consultation was also undertaken in 2021 on the Te Ngākau Civic Precinct Framework (which can be found here [Agenda of Ordinary Council Meeting - Thursday, 30 September 2021 \(wellington.govt.nz\)](https://www.wellington.govt.nz/agenda/ordinary-council-meeting-thursday-30-september-2021)). In that consultation, 68% of respondents agreed that Te Ngākau should be a place that respects and incorporates experiences of architecture, design and heritage balanced with ensuring its functional role for the city. 86.3% of respondents agreed that Te Ngākau should be safe, inclusive, comfortable, and green, and 66.6% of respondents agreed that Te Ngākau is a place that is resilient, sustainable, and enduring.
109. The summaries from the 2018 consultation and Citizens' Assembly are attached as Appendix 4.

Council has discretion as to whether it consults

110. Because strengthening the Town Hall is already provided for in the LTP, there is no statutory obligation to consult further before deciding to proceed. The Council has a discretion as to whether it consults further because of the increased costs. In forming a judgment about whether to exercise that discretion there are a few matters Councillors must consider.

Matter one – significance of the decision

111. The first is the significance of the decision. The project has been treated as a decision of high significance under the Council's Significance and Engagement Policy because of the community interest, and impact on Council's capacity and capability.

Matter two – accordance with principles of Local Government Act

112. The second matter the Council must consider is acting consistently with the principles set out under section 14 of the Act. Councillors can consider all principles, but the following are most relevant:

- The Council should make itself aware of, and should have regard to, the views of all its communities. The Council already has a good idea of the views and preferences of its communities relating to the Town Hall Project from previous LTP and Te Ngākau consultations.

The purpose of considering the views of communities is not to take a poll or referendum. A council is not obliged to make any decision in accordance with a majority opinion, or even an overwhelming majority opinion. It is probable that some of those who, in previous consultations preferred the Town Hall project to be undertaken may reconsider that preference considering the increased cost. The Council is able to assume that this position is correct for the purposes of this decision without needing to check that by undertaking further consultation.

- The Council should undertake any commercial transactions in accordance with sound business practices. Given Council has contractually committed to the scope of the strengthening works and there is no opportunity in the contract for Council to unilaterally descope the project, a decision to halt or cancel the project could expose Council to damages for breach of contract, unless agreed otherwise with the contractor. Halting an in-flight project at this point, with the inevitable delays, increased cost and contractual complexities that flow, for the primary purpose of consulting further with the community, is unlikely to be seen to be in accordance with sound business practice.
- In taking a sustainable development approach, the Council should take into account the social, economic, and cultural well-being of people and communities, the need to maintain and enhance the quality of the environment, and the reasonably foreseeable needs of future generations. In addition to the economic costs of the project, Council can consider the cultural importance of this building. The Town Hall is recognised by Heritage New Zealand as having outstanding historical and cultural heritage significance, its auditorium is reputed to be in the world's Top 10 venues for symphonic performances because of its acoustic qualities, it will be a base for civic and community events and be part of a centre of music excellence for NZSO and NZSM.

Matter three – extent of Council’s resources

113. The third matter that the Council must consider is the extent of the Council’s resources. This consideration includes the increased cost of the project, whether the Council has the resources available to undertake further consultation, and the implications of the increased cost in relation to other projects and priorities but also the extent to which delay will impact on the cost of the Town Hall Project.
114. The increased cost to the Project may reasonably have an impact on Council’s ability to undertake other projects. Any impact would likely be understood through the LTP process and may mean that some projects may not be undertaken or may be phased to a later period.
115. While the cost of consultation is not likely to be significant compared to the increase in project cost, an extended delay caused unilaterally by Council may reasonably lead to increased costs and damages payable to the contractor and VUW/NZSO, which could be significant. It would also lead to higher costs to complete the project if the decision was taken to proceed after consultation was completed.

Matter four – scope or opportunity to consider a range of views or preferences

116. The fourth matter is the extent to which the nature of the decision, or the circumstances in which it is taken, allows the Council opportunity to consider a range of options or the views and preferences of other persons.
117. While no formal consultation has been undertaken in relation to the most recent cost increases, these increases are widely known by the general public who have had opportunity to comment through informal forums such as social media.
118. Given the lack of ‘reasonably practicable’ options, it is unlikely that anything substantive can be gained by further consultation. It is reasonable to assume that there will members of the community both who do and do not consider the increased cost of the project justified given Council’s other obligations and priorities.
119. If no further consultation is undertaken, there is likely to be a loss of a formal opportunity to consider views and preferences informed by the increased cost, but in these circumstances, officers do not consider this to be controlling or decisive.

Conclusion

120. Having regard to all these matters, officers do not believe that further consultation is appropriate or legally required, and therefore recommend that the decision on the Town Hall Project is made now, without further delay to consult further.

Implications for Māori

121. The Te Ngākau Civic Precinct Framework which guides the preparation of the development plan for the precinct was developed in partnership with mana whenua, Councillors, Council staff and advisors, existing users of the precinct and local community. Through the development of the Framework one (of several) issues identified was that Te Ngākau does not reflect Wellington’s unique culture and identity, specifically, it does not reflect mana whenua and te ao Māori.
122. One of the key objectives in the Framework therefore is Te Ngākau is a place that welcomes and expresses our diverse culture and integrates Mana Whenua values into design and delivery processes. This will include reconnecting the precinct with Te

Whānganui-a-Tara and the foreshore as a matter of importance, ensuring the precinct references the origins of the place for mana whenua, and embedding mana whenua values into its design and delivery.

Financial implications

123. If the recommendations in this paper are accepted, the Council's 2023/24 budget would increase by \$14m and the Council would include \$133m additional funding in the LTP budget for the 2024/25-2027/28 years.

Legal considerations

124. The advice in this paper has been subject to legal review across the range of regulatory, commercial and consultation issues. An analysis of the key legal risks on consultation have been included in the section above.
125. If a decision other than the preferred option is determined, the Council would need to attempt to renegotiate its agreements with Naylor Love and NZSM/NZSO. If that was not successful, the Council may be subject to contractual claims and damages under these agreements.

Risks and mitigations

126. The Town Hall is a complex and risky construction project. Many risks relating to ground work and building condition will remain for the duration of the project. The project and construction team have a well-developed risk register that is regularly reviewed and updated and this is used as the basis for project costing by the project's quantity surveyor.
127. Project risk is regularly monitored by the Town Hall project Board, which includes external commercial, construction and quantity surveyor expertise. The project's programme and costs, including approach to risk management, has recently been independently reviewed by RCP and their recommendations, which are discussed in this report, have been accepted.

Disability and accessibility impact

128. Not applicable.

Climate Change impact and considerations

129. Climate change risk and impact has been considered and incorporated into the Town Hall's design and construction.

Communications Plan

130. Following the Council's decision, officers will prepare a press release outlining the decision and next steps. Any media enquiries will be responded to by the Media Team. Other engagement activity is discussed under Engagement and Consultation.

Health and Safety Impact considered





131. Not applicable.

Ngā mahinga e whai ake nei | Next actions

132. If the Council agrees to the recommendations in this paper, the next steps are to:

- Include and confirm relevant funding for the project in the LTP budget under development
- Confirm the outcome of the decision with key stakeholders and contractors
- Initiate the procurement process for MOB and CAB redevelopment, and
- Progress with the establishment of the Te Ngākau programme board.

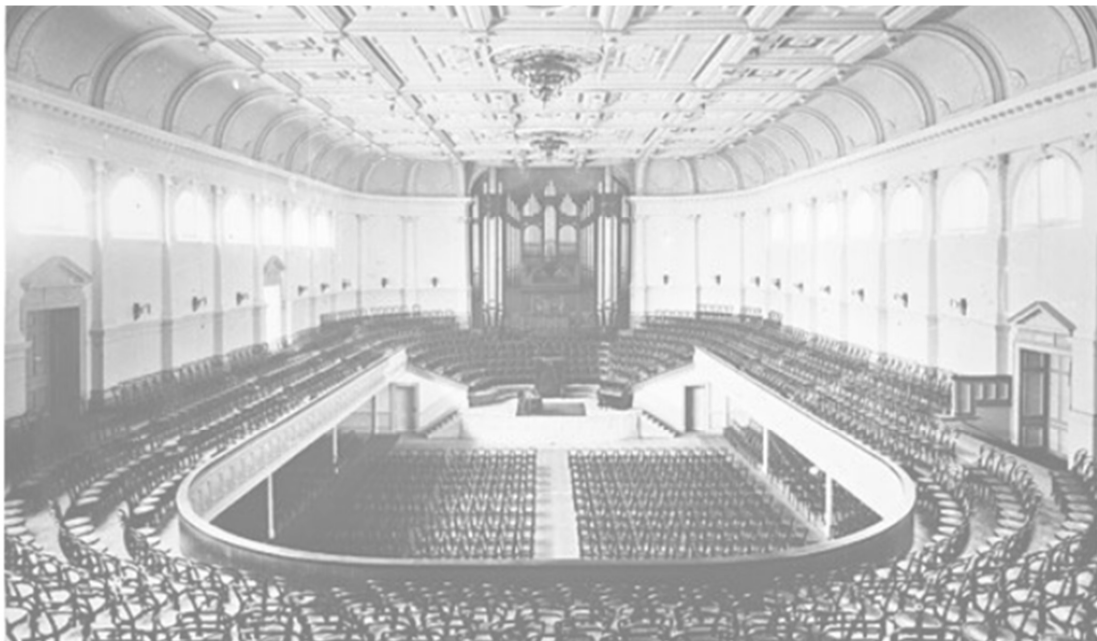
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Project Review

Wellington Town Hall



Prepared For:
Wellington City Council

Prepared By:
RCP

Date:
October 2023

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1 Executive Summary

Wellington Town Hall closed in 2013 when it was deemed earthquake prone. Wellington City Council (WCC) subsequently initiated a project to strengthen and redevelop the building which included base isolating the existing structure and reinstating its heritage value as a Category 1 listed building. The building was intended to form part of a new national music hub with the New Zealand Symphony Orchestra and Victoria University as key tenants.

The project is currently taking significantly longer, and costing much more than was originally anticipated, and for a second time, the project is seeking acceptance of a later completion date and additional funding. The primary goal of the project review is to provide an independent review of the potential overall project costs and estimated completion date.

Key to confirming when the project will complete, and how much it could cost, is getting clarity and acceptance of what completion includes. For a functioning venue the West Hall toilets and food and beverage offerings would be external to the Town Hall footprint as outlined in section 3. At the time this report was drafted, the project team were developing a detailed scope, cost and programme impacts for these elements. While we have provided input to WCC to estimate these costs, we have not yet been able to complete a full review of the time and cost impacts.

Forecast Programme

Based on our review of the master programme, we estimate the final completion date to be between October 2026 and March 2027 for all areas within the current project scope (specifically excluding the annex, extended west hall, or activities on the MOB site). There remain several key project risks to be closed out, including basement construction, heritage reinstatement and organ incorporation into the contract programme (refer section 5). We have included an assessment of these risks in the summary programme included in appendix A.

Further the expected completion date is dependent on the project performance going forward and we note:

- The low end of the completion date (i.e. October 2026) would require the project to incorporate the opportunities as outlined in section 7 (e.g. incorporating the organ in the construction programme) and for key risks to be managed.
- We note that the October 2026 completion date is a viable target and could be used by WCC Executive Leadership Team (ELT)/Project board by which to drive the project. We note however that an earlier target date (excluding contingency) could be used as a motivating tool for the wider project team.
- The October 2026 date is extremely close to Christmas and a small delay, likely pushes opening events to early 2027. Therefore, we recommend for the purposes of public communication, early 2027 is a more reliable date.
- The mid-range estimate (i.e. end of 2026) reflects our view of the expected completion based on the current project trajectory.
- The upper end range is a potential outcome if key project risks are realised and/or the project relationships deteriorate, or contractual disputes arise over the next 12- 24 months.

Forecast programme completion for the overall project scope (inclusive of annex/extended west hall, or activities on MOB site) is subject to several separate decisions and commercial engagements, as such time associated is yet to be evaluated.

Forecast overall project cost

We understand the total project cost being reported by WCC at the councillor briefing in October 2023 is in the range of \$289M to \$329M. This overall cost forecast is based on the current project brief (ie the primary focus of this review) and additional elements to meet the overall requirements of the Town Hall.

Forecast costs for existing project brief.

Our assessment indicates a cost to complete the existing project brief could be between \$250M-\$285M based on the current scope of works in the project brief. Exactly where the final costs land is dependent on the project performance and delivery environment going forward.

- The low end of the range should be the target and may be able to be achieved if improvements are made to the project. Refer section 7 for specifics.
- Mid-range (circa \$265M) reflects the risk and cost uplift environment the project has been navigating to date. We expect this mid-range value could well be a potential final cost if the project continues its current trajectory.
- High end. Is a potential outcome if all risks are realised, the project relationships deteriorate, or contractual disputes arise over the next 12- 24 months.

Going forward the expectation is that the cost of the works to complete should be managed within the low end of the range, however if the workflow cannot be unlocked to increase momentum, other sources of cost pressure are likely to be introduced.

Forecast costs for additional elements to achieve functional requirements.

Through the process of our review, additional elements were identified as requiring consideration as part of the project scope, to meet the functional requirements of the building. These include:

- Changes to the building layout to meet the requirements of the function review (ie basement, toilets, West Hall),
- Additional WCC Post-Practical completion costs as we recommend are considered in section 6.
- Interconnecting components which are proposed for the MOB footprint. This primarily relates to the MOB annex which is intended to provide the complete bathroom and F&B function along with NZSO spaces.

As part of establishing the costs of these additional elements RLB has provided an estimate for the above additional construction costs in their report dated 13th of October, which has also been internally peer reviewed by RLB. Due to the available time, we have not been able to complete a full review of the cost of these additional elements so refer to RLB report for this assessment.

Project opportunities

We have identified proposed project opportunities in section 7 which we consider are required to improve the overall project performance and mitigate ongoing risk. Of these we believe the following items are considered the most important to be implemented immediately:

1. Introducing and reinforcing a Town Hall first mentality,
2. Reinforcing and simplify the escalation process to the project board and SRO to resolve issues quickly. This should include more robust and concise reporting to communicate key issues to the board and SRO,
3. Integrating the organ into the construction contract and reconsidering if the rising stage should be removed from the project,

4. Focusing on design changes and ensuring they are fully detailed ready for pricing as soon as possible and preferably prior to the end of 2023 noting the potential impact to the construction delivery.
5. Initiate a process to resolve and close out outstanding variations that have not been estimated by Naylor Love,
6. Focusing on unlocking construction workflow, including removing items from 'on hold' where possible,
7. Improve stakeholder engagement on key issues and future planning,
8. Not making any further changes (beyond changes identified in the functional review). WCC could operate the Town Hall for a year and implement a change log in the first year if any changes are required, they can be implemented after this time.

2 Introduction

2.1 Background

Wellington Town Hall was closed in 2013 when it was deemed earthquake prone. WCC subsequently initiated a project to strengthen and redevelop the building which included base isolating the existing structure and reinstating its heritage value as a Category 1 listed building. The building was intended to form part of a new national music hub with the New Zealand Symphony Orchestra and Victoria University as key tenants.

The original project scope broadly included:

- Base isolation and seismic strengthening of a heritage building,
- Construction and fitout of the basement to create high performing recording spaces,
- Reinstatement, repair, and replacement of heritage interiors,
- Repair and make good to the exterior heritage façade.

Construction works started in 2019 with a total budget of \$145M and a planned completion date of May 2023. The project is currently taking significantly longer, and costing much more than was originally anticipated. This is the primary driver of this project review.

Since Main Contract execution there has been a large number of changes that were not anticipated in the original scoping of the project. Key examples include:

- Significant increase to temporary works, and associated increase in interior heritage repair, to realign construction methodology with structural constraints,
- Introduction of a more complex basement requiring complex dewatering, piling, and waterproofing,
- Loss of MOB as an integral part of the finished building operations. The original project relied on MOB to provide some of the services (e.g. bathrooms) and tenancy functions (e.g. NZSM offices) and when this project was not continued this caused significant disruption to the Town Hall design,
- Reconfiguration of basement fitout and tenancy footprints to upper levels,
- Rising stage which was introduced with significant additional cost.

In May 2022 the Project team sought additional project funding and gained acceptance of a later completion date, in part associated with the above scope increases, COVID related costs, impacts to labour and material supply and unexpected discoveries and conditions encountered as the project progressed. The revised project budget was set at \$182.4M and the Practical Completion (PC) date extended to September 2024.

At the time RCP commenced this review both the programme and cost extensions previously accepted were expected to be exceeded, by some margin, and the project team need to seek acceptance for additional time and money. This review was commissioned to provide an understanding of the time and cost to complete, assist WCC in key decisions, and identify improvement opportunities for supporting and aiding delivery.

2.2 Review Objectives

The primary goal of the project review was to provide an independent review of the potential overall project costs and estimated completion date. This independent assessment is intended to assist WCC with requesting additional funding and programme extension from Councillors in late 2023.

The objectives of the review are to:

- a) **Provide Confidence** - to the ELT regarding the estimated final costs and completion date as part of their additional funding request from Councillors. Previous time and costs estimates provided to Councillors have been exceeded several times and an independent review is required to provide confidence in this funding request.
- b) **Assist WCC key decision making for unresolved workstreams**. There are several key design issues with the current Town Hall design which does not allow it to be a fully functioning venue.
- c) **Supporting and aiding delivery**. Recommendations regarding aspects that could be adjusted, supplemented, or supported to assist with making the project as successful as possible.

2.3 Review Approach

This review considered previous work by WCC, which was used as part of the evaluation. The previous works included reviews of stakeholder/tenant additional requirements (noted as “operation review” in this report) and technical reviews including procurement and legal etc.

In addition to the above RCP have engaged with key members of the project team, reviewed key project collateral, and tracked on site progress, to establish a picture of the cost and time pressures to complete the project.

The review was broken into the following 5 categories:

- Current state of project programme,
- Current state of project costs,
- Unresolved workstreams,
- Expected project costs,
- Master programme to the completion of the project,

Where, through this engagement key gaps or critical decisions were identified these were shared with the WCC project team to help firm up the scope for which time and cost needed to be evaluated. At the time of drafting some of these decisions were under review, as such assumptions have been made around the outcome of those decisions to establish a delivery scope. The time and cost associated with these decisions is yet to be evaluated.

3 Key Decisions

3.1 Agreeing the finish line

Following initial evaluation and engagement with key members of the project team, it was clear that the “finish line” was not well defined. A critical difference was identified around what individual parties understood the project scope to entail, or what the gap was between Practical completion* (PC) and an operational venue.

Clearly defining what the building looks like at PC, and outlining the time and activities required to get to Opening Day is a key priority. Without doing so WCC cannot manage expectations or have any certainty around what the project budget and timelines deliver.

Key considerations for defining and agreeing the finish line include:

- A) **Opening Day** – PC is not an open venue. Critical works and activities follow on from PC to enable the venue to open. Some of the key considerations will be organ install/commissioning, FF&E install, staff training, load in for fitouts, test events etc. These all need to be planned and managed to ensure that the building can open as soon as practical after the construction works are complete.
- B) **Functioning venue** - Some key changes to the building are required to operate for events and day to day functions – Basement reconfiguration, West Hall footprint and function, storage & operational use of spaces and construction of temporary structure for west food and beverage until MOB is complete.

The Town Hall footprint is limited, and the vision for the precinct demands more space than Town Hall alone could ever facilitate. The discovery that the ancillary/complimentary facilities at MOB, CAB, & MFC are now at risk due to their earthquake prone status, means that some of the Town Hall functional requirements need to be prioritised and addressed in temporary ways to enable completion. It is therefore important to understand and to communicate to key stakeholders that there will be a staged completion of the Town hall and surrounding facilities.

C) Staged Completion

Our understanding of the future stages that effect the Town hall are:

- Stage 1 Opening Day. Noting that temporary bathrooms will be provided and potentially that the MFC will be closed.
- Stage 2 Final WCs & F&B (potentially located on the MOB site). Noting that there is a long-term plan to provide the full bathroom and F&B offer required for a fully functioning venue.
- Stage 3 wider Te Ngakau redevelopment.

In regard to stage 2 and 3, we understand that the current plans and timelines are not yet defined, and further decisions need to be made, in consultation with key stakeholders. Engaging early and regularly with stakeholders will support understanding and help to set and manage expectations.

*(date the building owner takes possession of the building following completion of the construction contract)

3.2 Design Changes required to create a functioning venue

An internal functional review completed by WCC highlighted several specific aspects of the Town Hall design that required change to provide a functioning venue.

- The public bathrooms located in the basement are not acceptable for a functioning venue. The vertical circulation is via a stairwell only (i.e. no lift) and the travel distance and number of flights are not compatible with the quality of experience, or likely patrons.
- Public access to the west side of the building is required to have a fully functional venue. In addition, the building requires circulation, congregation and a food and beverage offer which would logically be in the West Hall. The current space does not allow for the requirements to be fully accommodated.
- There is not sufficient priority access and Back of House (BOH) in the basement to maximise the potential of the venue (outside NZSM/NZSO). The space allocations and locations hinder the ability of the venue to be transitioned in a timely manner.
- A venue staff room and VIP function space would logically be more functional and valuable to the building than a mayoral suite. The venue staff room can also no longer be supported by either MOB or MFC.

The following sections summarise the problems that have been identified during the course of the review; the proposed solution that has been developed by the project team. Our assumptions are that these changes have been adopted and will be included in the Project.

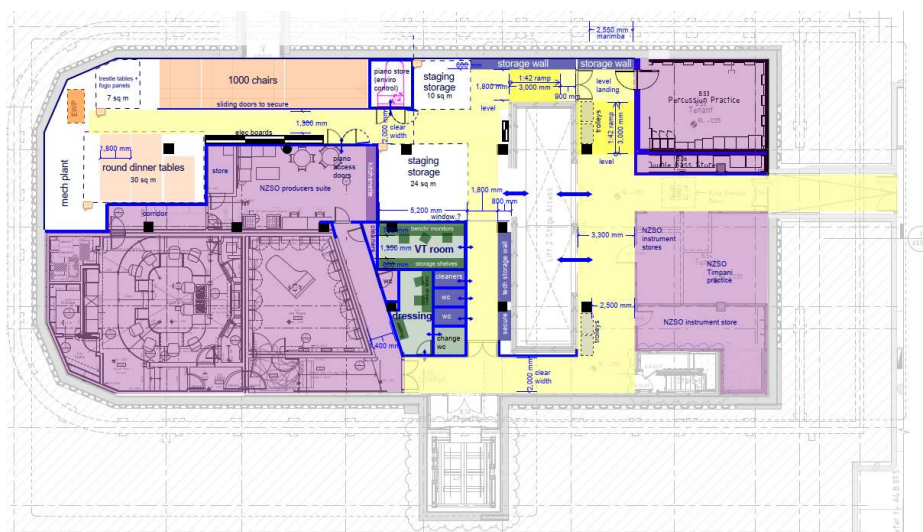
3.2.1 Basement

Problem

Basement needs more space and priority access to the stage lift to allow venues to maximise events.

Solution

The solution is to make more spaces available for venue storage and circulation. This has been balanced with the minimum viable changes to reduce the impact to NZSO and the quantum of change required of Naylor Love. Further the bathrooms have been relocated to a temporary location on ground floor as they do not serve their intended purpose in the basement.



3.2.2 West Hall

Problem

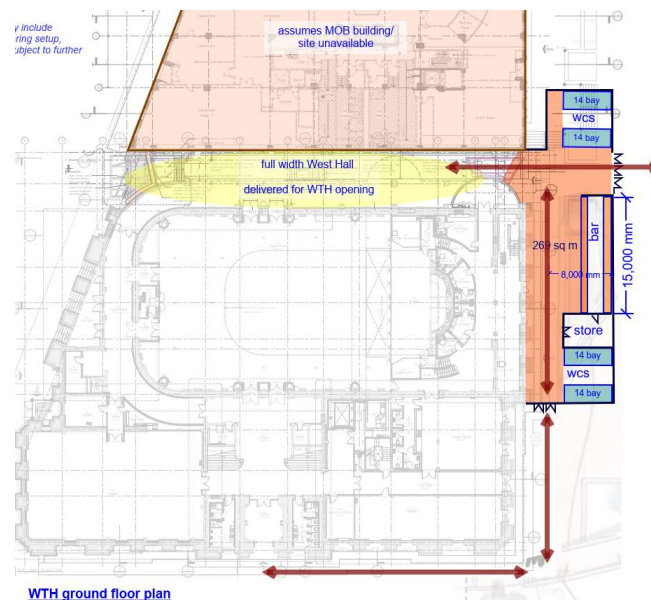
Issues identified in the West Hall include:

- The West Hall provides the principle access and egress route for Events in the auditorium. As such returning to complete construction of the West Hall at some stage in the future would likely require closure of the venue, or complex temporary staged construction to avoid the closure of the venue.
- The current West Hall is too narrow (it was previously reduced to clearly detach WTH from MOB) and too short to accommodate a Food and Beverage offer for events, which the operator has indicated is critical for a successful venue.
- Future MOB development options are uncertain. Not only in terms of development form, but also timeframes. The MOB footprint has been identified as an option for permanent bathrooms and could offer a Food and Beverage footprint to support the venue. These however will not be available at the opening of the Town hall.

Solution

The proposed solution for the West Hall is:

- Reinstate West Hall to the width originally proposed. Provide simple modifications to steel wall and roof elements that permit temporary external protection to be deployed to provide extra protection during potential MOB construction activities, to enable the venue to continue to operate. The design would also be completely independent of MOB options to avoid redesign if any MOB options are confirmed at a later stage.
- Until the MOB building solution is available, use temporary bathrooms in the square. Ensure that any development of the MOB site includes a clear requirement for accommodating the permanent WC and Food and Beverage solution. Also necessitate a responsibility for the MOB project to provide a construction methodology that enables Town Hall operations to proceed unhindered.



- The above plan developed by Athfields includes bathrooms and a full bar offering which would reflect a full Town Hall offering. Noting the time and cost pressures on the project, we recommend a more modest offering is considered for the temporary case.

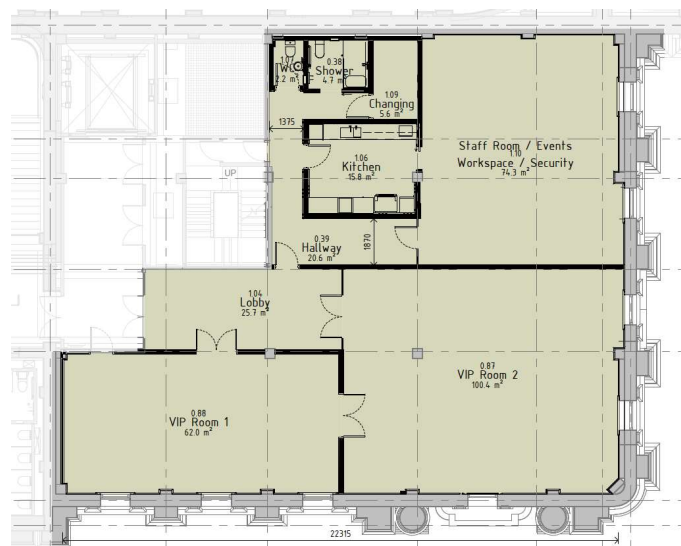
3.2.3 Mayoral Suite

Problem

Venues require a staff room to support their event operations and manage security operations. To meet market expectations for events, venues also need further space to accommodate a VIP contingent for events, and offer some flexible and bookable event space to complement the existing offers.

Solution

Convert the mayoral suite that is currently under-utilised into three separate spaces. The Staff room would be completely independent, but the VIP and event space could be interjoining to enable the two to be used separately or as a single larger volume. This space could be used by council for civic functions and events including citizenship ceremonies and VIP hosting.



3.2.4 Additional Area and Operational Demands for Tenants

Problem

The concept of the music hub relied on an integrated facility approach combining footprints and operations at the Town Hall, MFC, and MOB. The recent discovery that much of the surrounding precinct is earthquake prone has led to the Town Hall being the only venue that is likely to be operational in the foreseeable future. This reality has put pressure on space in the Town Hall, and effects how tenants and stakeholders will operate in the future.

Solution

WCC need to consider how other spaces in the short-term and long-term plans are scoped and how they are identified to support the National Music Centre aspirations, particularly MOB. This will help to provide some certainty and assurance to stakeholders that their requirements can be considered and where possible integrated into the redevelopment of the Precinct. We recommend a strategy is developed as soon as practical and well before the Town Hall opens.

We understand that as part of this funding application, WCC is proposing a new annex on the MOB site to support some of the National Music centre functions. This would establish the first step along this path and additional considerations such as the future of MFC will need to be considered as part of this overall strategy.

4 Design Workstreams

4.1 Consultant Scope Gap Items

The project team have completed a Gap Analysis of the design documentation. This has identified a list of key design items that have not been fully documented. The team have developed a separate programme of works, and a separate delivery team to design and document these items so as not to distract the incumbent delivery team. These items have largely been resolved by the design team at the time of this review. From our review we believe this was a valuable exercise and has assisted in limiting RFI's and improving contractor workflow.

4.2 Construction RFI related design workstreams

The Town Hall project has traditionally generated complex and large numbers of RFI's. These have been related to many different issues including temporary works, constructability, existing site conditions and co-ordination. The resolution of these RFI's has taken a large amount of time and has resulted in significant design changes.

The impact of the large number of design changes has resulted in a very large number of variations from the Contractor. Naylor Love have noted that approximate 30-40% of each progress claim is related to variation activities. This is an extremely large proportion and has put significant pressure on the Contractor and associated subcontractors to be able to accommodate these changes. In addition, the slow resolution of RFI's has disrupted the construction workflow adding additional time and cost to the process.

Recently WCC and the Contractor have been working together to reduce the quantum of RFIs and the response time. There has been a significant improvement with the response time for these RFI's, however there remains a significant backlog of RFI's to resolve. Efforts must be focused on maintaining the quality of responses to the Contractor as gaps or part responses will cause more delays.

A further point is that historically, a large portion of the complex, and expensive RFI responses have related to structural trades. The project is nearing the end of the structural package and the impact of large structural related changes are expected to decrease.

4.3 Future Design workstreams

4.3.1 Changes to the Town Hall

Adopting the changes to the Town Hall to reflect the outcomes of the functional review will require significant redesign. At this stage there are a few critical construction activities that should be placed on hold and quickly re-documented to enable the Contractor to continue with the revised details – e.g. stair access to the basement from the West Hall and the associated adjustment to the waterproofing detail. A key focus should be to ensure the designs are fully documented, co-ordinated, consented and issued for pricing as soon as possible and preferably prior to the end of 2023 to ensure the Contractor has the best chance of incorporating these changes.

We also understand there are some other small changes that have been considered by WCC (e.g. flood modelling and larger gutters) and while these have not resulted in changes, they have created some uncertainty for the team. We strongly recommend against any further changes to the Town Hall design (other than those identified in the functional review) and it should be communicated to the team that no changes are proposed and design changes are no longer being considered. The project is in the final stages of construction and further design changes or the potential for design changes are an unnecessary distraction.

While necessary, these changes will have a significant impact to the Contractor. Given the project duration and journey to date the Contractor is weary and frustrated with change. It needs to be made clear to the Stakeholders, wider delivery team, and Contractor that these are the last changes that will be made on the project and that no further design changes will be made going forward.

4.3.2 Heritage documentation

Due to the significant increase in temporary works required to facilitate the strengthening work, the scope of Heritage makegood and reinstatement is far greater than originally allowed for in the contract.

Some Heritage elements were carefully removed and stored for the strengthening works, these need to be assessed for current condition, to understand if the elements can be reused, and if so, how much work and cost is required to reinstate. If these elements cannot be reused, moulds for new elements or orders for replacement of “like for like”, or new sympathetic materials will be required.

Establishing the scope, and the methodology required to meet Heritage expectations for this workstream is critical to enable robust pricing and programme implications for the project.

Scoping, and the completion of the Heritage work is not a small task, and in terms of trades, some aspects will have very limited resource capacity, which removes the ability to flood the workfaces to accelerate. Given works are often at height this also restricts workflow and workfaces due to need for scaffold access.

We have discussed the above specifically with the WCC project management team, and they have assured us that this area is being closely managed and is working to budget. We believe this is a key risk area and continued diligence in this space will be key to mitigating time and cost risk.

5 Programme Evaluation

5.1 Evaluation of the Current Construction Programme

5.1.1 Critical path

We have completed a review of the current construction programme and the potential programme risks. As part of this review, we have focussed on the critical path and near critical path activities in the Contractors programme, which are summarised in the detailed graphic in appendix A.

Key points to note as part of our review:

- The current critical path for the project runs through basement structural activities and into basement fitout.
- We understand that the Organ is currently outside Naylor Love's construction programme and cannot start installation until PC is achieved. The Organ install is expected to take 6 months.
- Naylor Love generally appear to be on track relative to their current programme. We are however aware of delays to piling which have a direct impact on the critical path.

We have completed a high-level review of the Naylor Love programme primarily along the critical path. This included reviewing the sequencing of works and indicative review of duration and productivity. Based on this we generally consider that appropriate allowances have been made for key activities. These durations however are likely to be affected by known and unknown risks summarised later.

We have not completed a full review of the construction programme (e.g. reviewing programme logic, linkages, completeness etc) and have not provided any commentary on areas for improvement as this was previously addressed.

5.1.2 Near Critical path

Naylor Love provided the table below of near critical path activities. Key points to note:

- Generally, all major areas have a reasonable amount of float in the Naylor Love programme.
- Notably the basement base build fitout is completed around the same time as the basement tenant fitout.
- While the West-hall has some float. This will be largely eroded by the changes that are required to this area. This reinforces the importance of a quick turn around on a decision for this space.

BASEBUILD	COMPLETION DATE (Rev 27)	FLOAT (Wks)
Auditorium Basement - Fitout	12-Sep-25	10
Auditorium GF to L2 - Fitout	8-May-25	32
West Hall - Fitout (Current Design)	22-May-25	34
East Hall - Fitout	26-Jun-24	56
South Hall - Fitout	3-Oct-24	60
External Works	12-Dec-24	54

TENANCY FITOUT	COMPLETION DATE (Rev 27)	FLOAT (Wks)
NZSM - East Hall	24-Feb-25	38
NZSO - Aud. Basement	26-Nov-25	0

ORGAN - NOT IN PROGRAMME	COMPLETION DATE (Rev 27)	FLOAT (Wks)
Organ Installation (6 months)	26-Feb-26	0

The above table excludes programme impacts of functional review design changes.

5.2 Post PC Activities

The following post Practical Completion activities have been identified:

- Defecting - Naylor Love will need time for defecting, setting up the defecting process early and having a robust process (Takina is a good example) will ensure these are closed out quickly.
- Organ - Organ installation is the single largest post PC activity and programmed to take 6 months.
- FF&E - Base build FF&E appears to be limited and AV/IT has been integrated into the Naylor Love contract. While the scope is small, a delivery plan and programme should be developed for this workstream including auditorium seating, signage (over and above contract), artwork, ticket counter etc.
- Tenant install and load in (e.g. recording equipment). There is a significant amount of FF&E and technical equipment that needs to be installed in tenancy spaces. A clear plan for access should be established as early as possible.
- Training and test events - There will be some 'teething' issues, orientation, training for venue and FM staff etc that needs to occur for the venue to be fully functional. A specific person should be responsible for this process to ensure the venue can open as soon as possible after construction.
- Opening Day - A target opening date will help the team focus on the 'finish line' for the project.

The current programme does not have sufficient detail on the post PC activities, and it is not clear who is responsible for managing and co-ordinating them. We recommend that a lead is appointed for delivering and co-ordinating post PC activities. As part of this a more detailed programme should be included in the master programme.

In regard to the overall duration, the organ installation is programmed to take 6 months and expect all other post PC activities can be completed in this period. We however note that the PC activities offer the best opportunity for programme savings. If these are well planned, then opening of the building could occur sooner after Construction Contract completion.

5.3 Programme for Functional review design changes

We understand that the project team are currently working through the impact of the proposed functional review design changes to the basement, West Hall and Mayoral suite at the time of this report. We are therefore not able to provide a detailed review of the programme but provide the following comments:

- The basement changes are the most likely to impact the overall programme as these activities are on the critical path. We however note that the proposed changes likely make the basement fitout less complicated and at this stage we do not expect the basement fitout durations to increase. Further, the basement fitout works are anticipated to start onsite in early 2025 (therefore material ordering mid 2024) and provided designs are completed by the end of 2023 then we expect a limited impact to programme.
- The West Hall has a significant (refer 5.1.2) float of circa 8 months. It is expected that the proposed changes could be completed in that time. This assumes design to be completed and priced in a timely manner.
- The changes to the Mayoral suite are minor regarding overall programme.

At this stage, we do not expect the design changes to impact the overall programme, however this can be reviewed once a detailed programme is developed by the project team.

5.4 Programme Contingency (known risk)

We have reviewed programme contingency and related this to the critical path activities. This is summarised in the detailed graphic in appendix A.

The following risks have been identified that could affect programme:

- **Basement piles** taking longer than expected due to ground conditions (currently being realised).
- **Basement waterproofing** delays. Note waterproofing requires very dry conditions and small leaks can affect the process.
- **Ground floor choir stalls and heritage reinstatement**. This is a complex activity and based on the performance of other complex structural and heritage areas delays are likely due to unforeseen conditions, slow consultant responses, heritage scope etc.
- **Gallery North and back of stage reconstruction**. This area has a large amount of carpentry and heritage details. Similar risk of delay as noted for Choir stalls.
- **Stage lift and rising install** - Note rising stage contractor recently went into receivership so a new supplier is being sort. Further note the consultants have not fully detailed this area as it requires co-ordination during the shop drawing process. Additional complexity with complex heritage works will likely result in delays.
- **Organ install** - The Organ is extremely complex and could take longer for than 6 months due to the complexity and limited capacity of the supplier (we understand the technical lead is in his 80s). Further it needs to be co-ordinated with other activities and requires complex access arrangements (ie scaffold).
- **Complex basement fitout** – The basement fitout is extremely complex and requires an extremely high quality. This will likely take longer to construct, will require more consultant input, and require more robust defecting than originally anticipated.
- **Consultant team performance and capacity** - The Town hall is an extremely complex project and has required a lot of input from the consultant team. Changes have been required along the process and this should be expected to continue.
- **Response times for RFIs** - Previously this has been a challenge and while this has improved continued focus needs to remain in this area.
- **Acoustic performance of the Auditorium**.
- **General contingency** - The town hall is a long and complex project additional general contingency to cover unknown risks is recommended.

5.5 Programme Risks and Opportunities

5.5.1 Parallel organs install

Overlapping the Organ installation with the contract works is the single biggest opportunity for programme savings and could also mitigate an extended organ install programme. If this option was progressed, the organ install could start early in the auditorium and run in parallel with basement fitout. An example of the potential parallel organ programme is shown in 5.4 above.

We also understand initial discussions have been raised with Naylor Love and they are willing and have already started to investigate this option with the supplier. We strongly recommend this option is progresses as a priority and regular visibility is provided at a board level.

5.5.2 Workflow of non-critical path activities and unlocking scope

The above programme review is primarily based on a review of the critical path. While non-critical path activities have sufficient float, there is a risk that non-critical path activities are allowed to drift or are not prioritised. If this occurs, key finishing trades could be pushed later into the programme, which forces them to work in close proximity and increase their resources to work in the reduced timeframe. Many of the finishing trades (notably heritage) have a limited skilled resource and they may not have extra people to add to the job.

An indicating metric on the above issue is the expected cashflow. Traditionally we would expect the cashflow to decrease toward the end of the project as expensive trades (e.g. structural) have been completed and the focus moves to high labour- low cost trades (e.g. painting). As such it is important to ensure that large scope areas (e.g. façade plaster and paint) is unlocked early in the programme to improve workflow and mitigate the risk of many trades working in the same space at the end of the project.

Further we note that subcontractors have significant project fatigue as a result of consistent changes and repricing. In addition, the subcontractor market has changed recently, with slightly less work in the market and they are no longer easily able to redeploy resources to other projects when changes occur. There is a risk that if continuity of work cannot be provided there may be costs incurred, or delays around when they are able to return. We recommend that the project team focus on what can be done to assist subcontractor workflow as this will help mitigate this risk.

5.5.3 Other programme opportunities

Discussed in section 7.

5.6 Forecast Completion Range

Based on our review, we estimate the final completion date for the existing project brief to be between October 2026 and March 2027. There remain several key project risks to be closed out, including basement construction, heritage reinstatement and organ incorporation into the contract programme to enable an earlier start (refer discussion above). These have been included in our estimate.

Further the expected completion date within this range, is dependent on the project performance going forward and we note:

- The low end of the completion date (i.e. October 2026) would require the project to incorporate the changes as outlined in section 7 (e.g. incorporating the organ in the construction programme) and for key risks to be managed very closely.
- We note that the October 2026 completion date is a viable target and could be used by WCC ELT/board by which to drive the project. We note however that an earlier target date (excluding contingency) should be used as a motivating tool for the wider project team.
- The October date is extremely close to Christmas and a small delay, likely pushes opening events to early 2027. Therefore, we recommend that any public reporting references a date in early 2027.
- The mid-range estimate (i.e. end of 2026) reflects our view of the expected completion based on the current project trajectory.
- The upper end range is a potential outcome if key project risks are realised and/or the project relationships deteriorate, or contractual disputes arise over the next 12- 24 months.

As noted once a programme for the functional changes has been developed by the project team, we will complete a detailed review around the impact on the completion range.

6 Cost Evaluation

6.1 Project team current reporting

In addition to the cost report, we have reviewed comparative cost build ups from the Contractor and the Project Quantity Surveyor for representative variations. We have also reviewed the existing risk register with the project team, and met with the project Quantity surveyor, the WCC Project management team, and the Contractor and their Quantity Surveyor.

The table below provides an extract from cost report no 47, with the current forecast Final Cost indicated as \$247,426,453.

Naylor Love (NL) Construction Contract

Construction Tender Value -	\$87,819,999
Contingency -	<u>\$66,300,000</u>
Approved Construction Budget -	\$154,119,999
Current Forecast Final NL Cost -	\$197,823,900
Approved Overall Project Budget -	\$182,400,000
Current Forecast Final Cost -	\$247,426,453
Current Spend to Date -	\$130,291,669
Forecast Spend to Date -	\$137,000,000

The above figures are exclusive of Tenancy Fitout works, which are covered by alternative funding by the tenants. For the cost element of the review, we have used cost report number 47 dated 21 September as the basis for evaluation.

At the commencement of our review the project forecasts excluded any cost or risk associated with the changes arising from the functional review, Post PC costs (other than the installation of the Organ) and Facilities management or Venue operational costs. We understand that RLB has now provided an estimate for the above additional construction costs in their report dated 13th of October which has also been internally peer reviewed by RLB. Due to the available time, we have not been able to complete a full review of the cost of these additional elements so refer to RLB report for this assessment.

6.2 Outstanding Variations

Due to the large volume of design changes and responses to RFI's there is a significant backlog of variations which have not been priced by Naylor Love. There are currently approximately 400 variations that have not been submitted or assessed and this represents a significant risk to the project. In regard to these variations, we note:

- RLB have made allowances for these variations, but previous experience suggests these allowances have not been sufficient. Some of the initial indications for comparative Variations shared by Naylor Love appeared much higher than the allowances currently carried by RLB.
- We have reviewed a sample of the information that has been issued for pricing and agree for the samples we were shown, that there were a number of significant gaps that prevented the Contractor from fixing a price. Adding pressure to timeframes, and frustration for all parties.

- Naylor Love are receiving circa 50 CI's with cost every month (note last month was higher with circa 80).
- Naylor Love have 8 QS resources and are only able to close roughly 50 CI's. At this rate they will not be able to catch up during the construction.
- Some of these requests include options. There appears to be pricing fatigue for both Naylor Love and their subcontractors. All efforts to minimise this burden should be investigated.
- We do not believe this is a failing of the Contractor and do not believe that further pressure or additional QS resources would dramatically improve this situation.
- There are a large number of open Variations that could be reviewed formally agreed and closed. Focus from RLB, WCC and to a lesser extent NL to close these out should remain a priority. As part of this WCC should consider separate resources to manage this process to avoid the current team being distracted from their Business-as-usual duties.
- We consider this a key project risk and focus needs to be put into this area to improve cost certainty. Closing the commercial opportunities associated with historic variations would help reduce exposure to further cost changes.
- One approach to resolve historical costs is to lump the remaining CI's together and negotiate a lump sum close out (rather than pricing each CI individually). This would significantly reduce the administrative burden but would also allow the QS and wider Contractor team to focus on looking forward (rather than focusing on issues that are behind them). We have used this approach with Naylor Love in the past and suggest that high level discussions are initiated between WCC and Naylor Love.

6.3 Current Risk Management Process

Known Risks

The Town hall team have in the last 9 months established a good framework for identifying, tracking, and reviewing risk. The register is regularly reviewed and updated with the latest information, which leads to adjustments in time and cost implications to the project.

Over the period of the review, we have not had sufficient direct engagement with the team to confirm how effective the framework has been in mitigating or closing out the risk, but the practice and habit of evaluating has been consistent. The risk registers link directly into the project teams master programme and the cost reporting providing adjustments to forecast cost and time to completion.

For the purposes of the reporting portion of the review we have evaluated the risk register contained in latest cost report, making use of earlier reports to evaluate change and trends. We note the following key issues:

- Temporary works. Temporary works is generally decreasing as major structural works near completion. There however is a risk that previous works against this prov. sum are not sufficiently covered by RLB outstanding variation allowances.
- Heritage. Multiple risk items included for this scope. We currently lack confidence in the overall heritage scope. Walking around site there is a huge amount of make good to do and this work has not really started. The vast increase in scope arising from the intrusive and extensive temporary works, as well as lost material due to poor condition introduces a significant cost, and programme risk for this trade. The potential for time to put pressure on this trade, requiring longer working hours and higher rates, is also a real risk.
- Consultant elongation. Directly related to extended construction programme. Note we are already aware of delays in piling and time contingency has been allocated. Appears reasonable based on current burn rate.

- Cost Fluctuations. An agreed process for measuring escalation has been agreed. This is related to the sum of the remaining contract works + variations.
- Contractor variations and final values much higher than provisional sums, or project QS estimates.

Unknown Risks

The unknown risk allowance, essentially the general project contingency, originally included (ie previous RLB report) in the risk register appeared to consider some existing known but not well understood risks. As such, the contingency sum, to cover the truly unknown risk allowance is somewhat reduced. This feedback was shared with the WCC team through our review and a more comprehensive assessment of risk has been incorporated in latest financial report.

6.4 Forecast cost of function review

Through the process of our review, it was clear that additional elements would be need to be considered as part of the project scope to meet the functional requirements of the building. These include:

- Changes to the building layout to meet the requirements of the function review (ie basement, toilets, West Hall),
- Additional WCC Post-Practical completion costs as we recommend are considered in section 6.
- Interconnecting components which are proposed for the MOB footprint. This primarily relates to the MOB annex which is intended to provide the complete bathroom and F&B function along with NZSO spaces.

As part of establishing the costs of these additional elements RLB has provided an estimate for the above additional construction costs in their report dated 13th of October. This report has been internally peer reviewed by RLB. Due to the available time, we have not been able to complete a full review of the cost of these additional elements so refer to RLB report for this assessment.

6.5 Other Cost Centres

The project team are currently tracking other cost centres under section D of the RLB financial report. Our initial investigation of this area highlights that allowance have been made for key requirements such as consultant fees, WCC costs, organ refurbishment, insurance etc. We however were not able to verify all these costs and we recommend the WCC team complete a review (which we understand is already underway) of these to ensure the allowance are appropriate. A notable example is construction works insurance and the additional cost that may be required for any programme extensions, noting the challenging insurance market and escalating insurance costs.

We however note that this is a small proportion of the overall project costs and overruns in the currently identified items are likely to be small in the scale of the project. Specifically, we note that a risk allowance has been identified for consultant fees to reflect the expected programme increase.

These are therefore not considered in our assessment of the overall project cost. We understand that WCC has completed a review of the above elements and has included this within their overall project costs as summarised in RLB report date 13 October.

6.6 Total forecast cost to completion

We understand the total project cost being reported by WCC at the councillor briefing in October 2023 is in the range of \$289M to \$329M. This overall cost forecast is based on the current project brief (ie the primary focus of this review) and additional elements to meet the overall requirements of the Town Hall.

6.7 Forecast cost to completion (current project brief)

Based on the above summary, our view is that the project costs could exceed the currently reported figure of \$247M. We note that there are some risks that are potentially under reported (refer 6.3) and the costs associated with the changes of the functional review have not yet been incorporated. We also note that historically the project cost forecasts have continued to rise over time and noting that this reporting is being used to request an additional budget uplift for the last time, we recommend a higher total project cost range is identified for the purposes of a funding request.

We have completed some alternative high-level assessments, for example comparing burn rates and the proportion of total variations in historical claims. These high-level reviews indicate a cost more than \$250M.

Based on the above we estimate a cost to complete between \$250M-\$285M. Where this may land in the range is dependent on the project performance going forward and we note:

- The low end of the range should be the target and can be achieved if improvements are made to the project, refer section 7.
- Mid-range (circa \$265M) reflects our current view of risk considering the estimates provided and the additional information we have reviewed. We expect this mid-range value could well be a potential final cost if the project continues its current trajectory.
- High end. Is a potential outcome if all risks are realised, the project relationships deteriorate or contractual disputes arise over the next 12- 24 months.

Going forward the expectation is that the cost of the works to complete should be managed within the low end of the range. However if the workflow cannot be unlocked and momentum increased, other sources of cost pressure are likely to be introduced. These include, Extension of time and associated P&G uplift, rate increases for out of hours works and acceleration, extensions of time and renegotiation of trades to align with revised timelines or scope changes, abortive works if documentation is not current, and pricing fatigue leading to increased cost of variations.

7 Project Opportunities

7.1 Programme & Cost Opportunities

Summarised below are some key options for mitigating risk or improving cost and programme outcomes for the Town Hall.

- **Organ** - Overlapping the organ installation with the back end of the Construction Contract activities would significantly reduce the time between PC and Opening. (This assumes that the other post PC activities could be completed in less time than the organ installation).
- **Heritage scope** – Survey and clearly document heritage scope, agree a process for finish quality to ensure resourcing, time, and cost consequences are clearly established. Complete sample work areas to ensure buy in from all key stakeholders.

(Based on some late engagement with the Contractor it appears a detailed scope package has been developed. However to fix a price and potentially lock in some savings and cost mitigation, the heritage team may need to commit to certain quality expectations, and collectively agree responsibility for finishes, which could mean some additional review time to reduce build costs, or to avoid risk money being locked into the fixed price.)

- **Water proofing.** Water proofing below the water table is always a challenge and recent project experience has reinforced the challenges associated with this area. Time delays resulting from waterproofing installation are likely. Consider if 'on call' specialist input (e.g. Kaizon) to resolve issues would be valuable. If there are any opportunities to simplify details and specification, these should also be considered.
- **Rising stage** - The rising stage is an expensive and risky scope of works and we therefore recommend it is removed from scope. Further we note:
 - o Currently no sub-contractor is appointed due to liquidation of the previous supplier,
 - o Installation is completed late in the project and therefore any delays have direct impact on completion date,
 - o It is extremely complicated and needs design co-ordination during shop drawings. This has the potential for significant delays and additional cost,
 - o It appears to have limited value to the users and alternative options such as a temporary plywood system appear to be viable alternatives,
 - o The benefit includes the removal of the cost of the trade itself, and the risk reduction in programme and extra excavations in the basement.
- **Complex basement fitout.** The basement fitout is complex, requires a high quality finish and is on the project critical path. Suggest early buildability and sample sections of Contract works are planned to ensure the Contractor and consultant team are aligned before too much work progresses. Early defecting should also be structured and well documented for this area.
- **Consultant responses** - The Town hall is an extremely complex project and has required a lot of input from the consultant team. Changes have been required along the process and this should be expected to continue. Quick response to these issues remains a key issue. Previously this has been a challenge and while this has improved (e.g. answering RFI's) continued focus needs to remain in this area.
- **On Hold items** - several key areas remain 'on hold' or cannot be progressed. This is a major impediment to construction progress and every effort should be made to resolve these. Examples include:
 - o Lift and lift shaft steel which has been delayed due to acoustic issues. This has recently been resolved.

- Chandelier upgrades were 'on hold' as they are waiting on pricing from Naylor Love to complete VE. VE has now been instructed.
- Gallery plenum vents. These are extremely complex and a simpler solution should be prioritised.
- **Maintaining and unlocking scope/cashflow** – The Contractor has struggled to achieve the required workflow to expend the cashflow required each month (circa \$3-4M) and this will be more difficult as we transition into the lower value finishing trades at the end of the programme. Unlocking as much construction scope as possible is key to improving workflow (and therefore cashflow). Examples include external plaster, services scope, and paint, starting key heritage areas e.g. debating chamber etc. Note if large scope areas can't be unlocked then key trades (notably heritage trades) will be pushed later into the programme and subcontractor resources will be extremely challenging to find and co-ordinate.
- **Pricing larger packages, allocating risk, and fixing prices** – Given the scope that was assumed for many of the provisional sums, and fixed sums under the contract is now vastly different, repricing and fixing certain trades with clear delineation of risk, may help mitigate future variations. Trades for this could be applied may be limited, but would be worth evaluating.
- **Programme extensions (EOT + Escalation)**. This is the single largest area for increases in project cost. All efforts to mitigate programme delays should be undertaken to minimise final project cost. Key actions we recommend:
 - Focus on **unlocking workflow and scope**.
 - **Focus on the critical path** and maintaining actions for these areas.
 - **No further changes**.
 - **Quality**. There are several quality drivers in the project (notably heritage and acoustic). These are driving (or likely to drive) cost during the next phase. WCC should consider if it wants to compromise on the Town Hall finish quality, if a reduced final cost is required.
 - **Freeing up the Cost teams** to focus on getting value for money going forward rather than auditing the cost build up of completed or priced works. Finding a middle ground around the variation buildups may help reduce the backlog by increasing the pace.
 - The **subcontractor market has changed** recently, with less work in the market, there is a risk that if continuity of work cannot be provided there may be costs incurred, or delays around when they are able to return. Anything we can do to improve workflow will help mitigate this risk.

7.2 Project ways of working

Below are some project value changes that could help provide more certainty on the time and costs associated with completion of the project.

- **Town Hall first mentality**. There are several interdependencies in the square (MFC strengthening, MOB options). In order to maintain programme and limit additional costs we recommend that priority should be given to the town hall's completion. Examples include:
 - Relocating the Town hall and Naylor Love site office which are potentially being relocated for MOB demolition. This would be a significant disruption and loss of momentum to the team beyond the direct costs of relocation. Careful consideration should be taken before impacting the Town Hall team.
 - Removing storage in capital E. We understand this could be vacated to allow demolition, forcing double handling of the organ.
 - Loss of storage space at the Landfill. WCC should review if this is absolutely necessary as its introducing additional storage costs and double handling.

- **Decisions should not be delayed**, and focus should be on what is best for the town hall (e.g. other Te Ngakau activities should not be a distraction).
- **No further changes.**
- Focus on unlocking workflow and scope. This includes focusing on resolving issues so that the Contractor can be as successful as possible, noting that the project will win if the Contractor can progress uninhibited.
- - When decisions, or changes are made (e.g. Basement, mayoral suite, west hall), these need to be full and final. No further modifications can be made to the building after this decision process.
- **Ownership** - All wider project team members and Stakeholders take ownership of the outcomes and the overall goal of completing the project limiting the additional time and cost.
- **Redefine the finish line.** The project is now at a point where the finish line can be defined. If this can effectively communicate to the entire team (including stakeholders), all parties focus on this outcome. This will provide a lot of motivation to the team which is currently lacking due to project fatigue. A further option is to identify a target open date. While this cannot be identified now, once the finish line is understood a project goal will be a further motivation to the wider team.
- Reintroduce project wide interactions such as a toolbox BBQ's to rest the team and focus on the finish line.
- **Reinforce a Value Management mindset** with the consultant team.
- This job is over budget and programme and this should be on everyone's mind.
- It is too late to investigate options. The cheapest and most practical solutions should be proposed.
- RFIs environment – change from design opportunity to problem solving.
- Moving focus from historical pricing and look forward.

7.3 Project Frameworks changes

To help promote the change outlined in section 7.2, and support the project team and Contractor to be successful in completing this very long and complex and project there are a number of framework changes that we believe should be implemented.

- **Reinforce and simplify the escalation process** for key RFI's and issues. If there are issues that are adding significant cost, are delaying the contractor or unable to be quickly resolved due to conflicting opinions (e.g. heritage vs cost) there should be a direct line to escalate these issues to board/SRO. We have seen some effective changes already in this area of the period of this review.
- Any issues which are a risk of extensions or delays should be included in **escalation process**.
- **Delegated Authority** (for example to the project director and delivery team) to enable ownership of decisions at the project coal-face.
- **Simplifying reporting** mechanisms and ensure these are **clear and as transparent** as possible.
- The 'Gap' analysis and parallel design workstream has been valuable as part of resolving issues and getting ahead of construction workflow. This approach may need to continue to ensure that the project team are able to stay ahead of any future RFIs based on the revised documentation being developed.
- **Forward work/buildability assessment** – Setting up a team of Contractors, PMs, and relevant consultants to workshop critical elements of workflow ahead of time to ensure any information gaps or clarifications can be resolved before they restrict progress.
- Consider introducing **risk and responsibility allocations** for packages of work to ensure there is no doubt around the responsibilities and expectations for consultants and contractors.

- **Stakeholder engagement** structured to ensure change minimised but project engagement maintained to reduce risk of misalignment.
- **QA frameworks:**
 - o Review QA process for document issue to ensure completeness of information to remove delays in pricing activities and subcontractor frustration.
 - o Review management of drawing updates to ensure the latest issued sets pick up changes issued under CANs, or identify relevant CANs so the requirements are not lost. This may require evaluation and variation to consultant scope but would alleviate confusion and risk of abortive works. Consider simple administrative aids such as drawing registers.
 - o Complete a consent review to ensure that all for construction information has relevant consents in place to avoid potential delay to progress.

8 Limitations of our review

Scope - Given the time constraints to align as much as possible with critical reporting and funding forums several elements of the review were pushed into a second stage. As such we have not considered for example specific project structures, and or commercial opportunities within this initial stage 1 report.

Engagement – Due to parallel reviews, and time constraints all stakeholder engagement with WCC, and Tenants, has been carried out by others. As such our review is based on feedback from WCC staff, the consultant team, and reports provided by others.

Functional review changes – At the time the report was drafted, the project team are developing scope, cost and programme impacts for these elements. While we have been involved and provided input on these parameters, we have not included the West Hall changes, basement changes, or any Annexe construction in our review of cost or time to complete.

9 Next steps

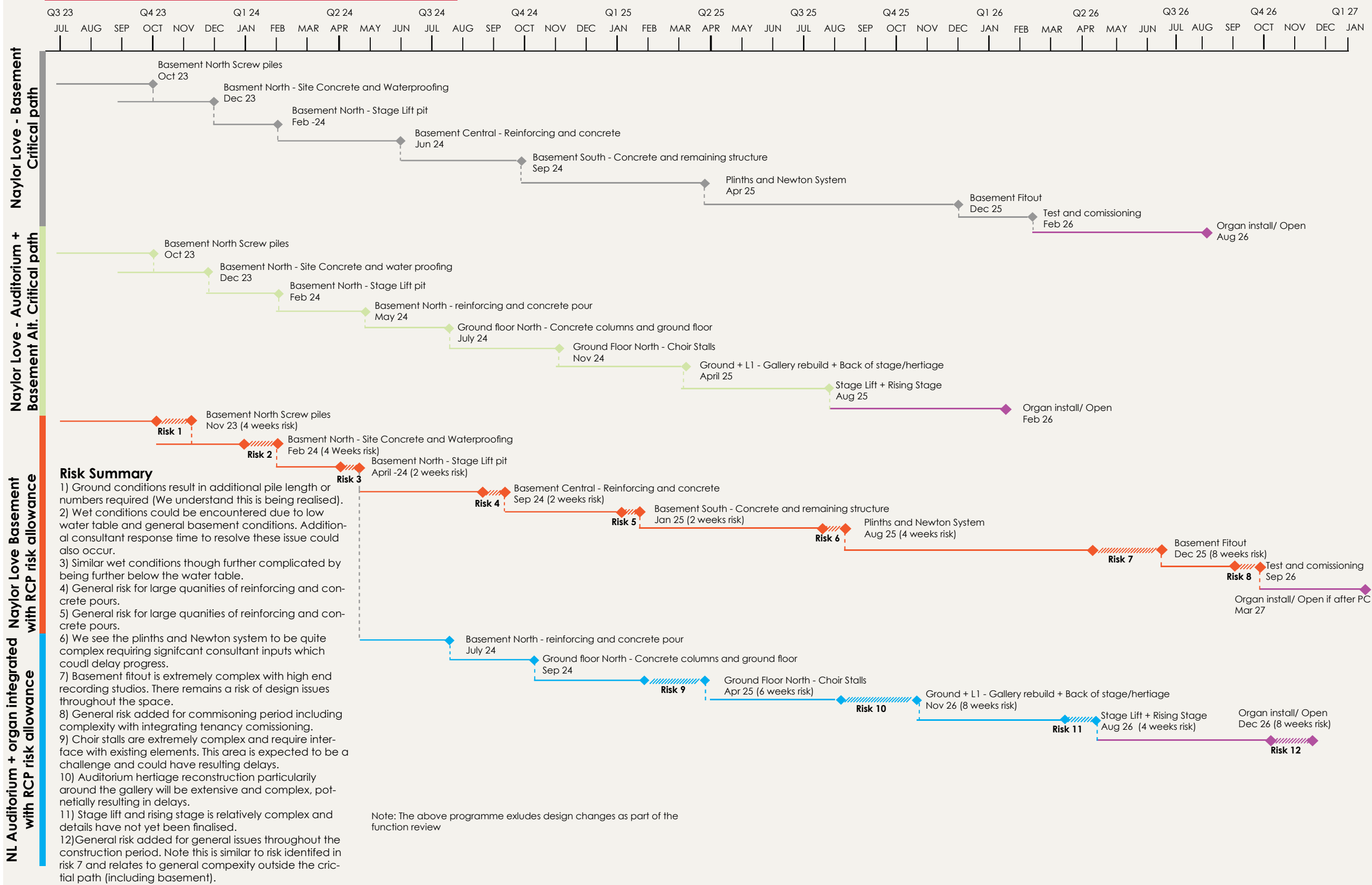
Cost evaluation – Given the importance of the cost evaluation in informing the additional funding, we have recommended requesting a memo, from RLB providing an internal evaluation of the cost to completion forecast. This has now been completed which generally reinforces their position on the overall cost to complete the project.

Share the report with the project team . We believe it would be beneficial to walk the key project leads through the report and develop with them the key next steps to ensure there is cohesion, buy in, and transparency. We need to maintain and support the team culture and momentum rather than provide obstacles and confusion.

Review commercial opportunities available to incentivise the project completion and manage the escalation and cost balloon experienced to date on the projects.

Ensure all **changes** arising out of the recent project reviews are **quickly identified, validated, and implemented**, in particular any design changes.

Town Hall Contractor Programme Critical Path Review



Private and confidential. Legally privileged.

1 August 2023

Project Board – Wellington Town Hall

Wellington City Council
113 The Terrace
Wellington

Wellington Town Hall – review of construction and consultant contracts

1. Introduction

- 1.1 As requested, I have assisted Council with a review of the Wellington Town Hall team's application of:
 - (a) the head construction contract with Naylor Love; and
 - (b) certain key consultant contracts (between Council and its own advisory team) These focused on Athfields Architects, Holmes (Structural engineers) and Beca.
- 1.2 The purpose of the review was not to review or critique the terms of the contracts on a standalone basis; it was to ascertain whether the contracts are being appropriately managed.
- 1.3 The methodology I adopted was interviews with key personnel, with reference back to the contracts that they are responsible for managing. I used a standardised set of questions during these interviews, adapted as necessary to reflect the different nature of specific contracts.
- 1.4 The standardised set of questions is set out in the Appendix to this letter.

2. Findings – general

- 2.1 The questions I asked were designed to draw out information on the following key issues, with respect to each key contract:
 - (a) how had that contract been managed (on a spectrum between 'leave it in the drawer' and 'apply the black letter without exception'), by both Council and its counterparts;
 - (b) more specifically, how disputes, variations and mistakes have been managed; and
 - (c) what learnings were there in terms of how the contracts, or relationship management, could be improved.
- 2.2 This information, in turn, fed in to my consideration of whether the Council team were taking an appropriately balanced approach to contract management, taking into account the approach of their counterparts.

- 2.3 In my experience of providing legal advice on major construction projects (from planning and procurement, through to disputes), my observation is that principal teams have a difficult line to walk - between relationship-driven behaviour and straight contractual enforcement - in maximising the value for money delivered under their contracts. Where parties are focused on relationships to the exclusion of the agreed contract terms, there is a risk of 'soft' decision making and loss of value as a result. At the other end of the spectrum, straight black-letter enforcement without consideration of the broader context also tends to be value destructive, leading to more disputes and less opportunities for the parties to recognise 'unders and overs'.
- 2.4 Based on my interviews with key personnel, my view is that the Te Toka team is taking an appropriately balanced approach to contract management with a view to delivering value for money for Council, and 'best for project' outcomes.
- 2.5 The reasons for this conclusion are as follow:
- (a) the project has been undertaken in a highly pressurised setting – against the backdrop of COVID-19 and its impacts on human resources and supply chains, higher than projected construction sector inflation, supplier insolvency (Stevensons) and a constrained brownfields site with complex temporary works requirements. Against this background, under the head contract with Naylor Love in particular, there has clearly been pressure applied by both sides to seek to achieve their respective preferred outcomes. To date this has been managed at a project level through negotiation, rather than through legal escalation, which tends to drive quicker and more balanced outcomes;
 - (b) the Te Toka team are focused on relationship management, but not to the exclusion of the contract terms. They see strong and collaborative relationships management as a tool to deliver contract value and use this tactically rather than as a default setting. They have recognised concessions made by Naylor Love in not (for example) claiming all possible extensions of time, and the value of these concessions, while holding Naylor Love to account in circumstances where they are seen to have made unsubstantiated claims in other areas;
 - (c) the Te Toka team have not shied away from having difficult conversations with the head contractor or consultants – demanding improved performance in areas of under-performance, including requiring the replacement of personnel where individuals have not delivered to the required level; and
 - (d) the Te Toka team clearly have a detailed understanding of the contractual matrix in which they are working and the balance between the consultancy and construction contracts. For example, providing additional consultancy resource, taking into account the attendant costs, should drive quicker and ultimately cheaper delivery under the head contract and is considered value for money on this basis.
- 2.6 I did not see any evidence of the Te Toka team over-paying or under-substantiating claims or variations. They appear to have carefully considered all claims and variations and their implications for the project. From my perspective the team is highly professional and takes their roles very seriously – this includes applying an appropriately critical eye to payment and variation claims and only accepting these where they represent a contractual entitlement or provide an opportunity to drive an overall quicker or more cost-effective outcome.

3. Findings – specific

3.1 Observations in relation to the Naylor Love contract and relationship were:

- (a) no regrets in engaging Naylor Love for the project – they are the right team with the right specialist expertise and experience, and the right attitude, for a complex project. Their team are focused on money but not just this – professional pride and satisfaction is a material motivator for them;
- (b) there have been some attempts to over-claim of extensions of time; however, they have also underclaimed on other claimable impacts, and on balance have claimed less time (2 to 3 months) than they would potentially have been entitled to;
- (c) they have typically ‘owned’ their mistakes and supply chain issues that have impacted on the project – for example, they managed the impact of the insolvency of Stevensons (steel fabricators) and have sought to generally mitigate losses and delays;
- (d) with the benefit of hindsight:
 - (i) more time spent on tag resolution prior to signing could have clarified responsibilities in the early stages of the project in particular; and
 - (ii) the complexity of the temporary works would have made an ECI process, focussed on temporary works, a useful stage of the overall project (in that it would have given earlier visibility of some of the likely issues and could have driven a more tailored contracting model for this element of the project).

3.2 Observations in relation to the consultancy contracts are as follow (with feedback being broadly consistent across Beca, Holmes and Athfields):

- (a) the Te Toka team has had hard conversations with the consultants when they have considered that either the resource levels are less than required, or individual performance is unacceptable in the context of the project;
- (b) each of the consultants has provided their ‘A Team’ which is critical for the success of a project of this nature;
- (c) the Holmes co-location, in particular, has been an important success factor and has made integration with the Naylor Love and Te Toka teams much easier;
- (d) there has been a degree of tension between Holmes and Naylor Love at times (Holmes coming from the starting point of engineering standards and Naylor Love focused on building-specific solutions) which has been beneficial in keeping temporary works delivery at a consistently high standard;
- (e) there have been no formal disputes, but have been robust discussions regarding variations;
- (f) all the consultants are aligned that ‘time is money’ on this project – and of the benefit of front-ending work to reduce delays and the associated costs; and
- (g) contract management practices have varied across the consultant group but all of them have been acceptable.

4. Cost fluctuations/escalation

- 4.1 The Project Board has asked for specific views on how cost fluctuations and escalation are being dealt with.
- 4.2 From discussions with the Te Toka team and RLB there are two interrelated areas that are being addressed. These are:
- (a) The escalation factor to be applied. The initial contracted position was that this was to be based on movements in the Rider's Digest Tender Price Index from the 30 June 2019 quarter. This digest is no longer published. An alternative methodology is being developed (which is anticipated by the contract in circumstances where measurement of an index changes or ceases). This methodology has not yet been finalized; and
 - (b) Application of the cost fluctuation provisions of the contract (clause 12.8.1 and 12.8.2 of the standard NZS3910 contract, and clauses 12.8.3 to 12.8.8 of the Special Conditions).
- 4.3 I understand that the work to establish the alternative index methodology is ongoing, but has not yet been completed. This will need to be completed before fluctuation claims can be closed out.
- 4.4 From discussions with RLB it is clear that fluctuation claims have been actively managed to date, but what is less clear is whether this management has aligned with the relevant provisions of the construction contract. In particular, the contract anticipated that the parties would establish an identified 'Fixed Component', to which fluctuation claims would not apply. RLB has been asked to undertake a mapping exercise to show whether their practical management of fluctuation claims has aligned with the contract, or whether there are any material gaps or differences.
- 4.5 As at the date of this letter both areas above remain open and will require further work before I can provide a view on their linkage to the contract and on any broader implications for the project.

Yours sincerely



Hugh Kettle
Commercial Barrister

Appendix – interview questions

1. Have there been any informal or formal differences of opinion between you and [counterparty] on the scope or interpretations of the relevant contract? *If so – dig in to details – what are they, how material, how have they been resolved? Is there anything unresolved or where people have 'agreed to disagree'?*
2. Has there been any formal dispute, or threats of a formal dispute? Have any disputes been avoided by de-escalation measures?
3. How would you rate [counterpart's] approach to managing the contract? There is a spectrum here – from solution focussed without regularly referring to the contract, through to regular reference to the contract, through to counterparts taking strained interpretations to try and minimise their scope/maximise their variations.
4. Does the other party to the contract seem well organised in its contract management practices?
5. Have variations been raised on a timely basis and with a clear linkage to the contract, or are they being used to try and make up for cost/scope overrun? Do you think there is a risk that there are material variations outstanding that have not been communicated?
6. Have there been any material 'mistakes' (either design, construction or methodology issues) on the project? *If so - Is it clear that they were mistakes for which the contractor was responsible? How have they reacted – have they owned the issue or tried to blame others?*
7. Temporary works have been a major part of this project. With the benefit of hindsight is there anything you would do differently around how these have been contracted/staged?
8. Are there any elements of the contract that you think haven't worked well, for either party? *If so - dig in to this further – does this result from contract uncertainty/a possible mistake/unintended consequences?*
9. If there was one thing you could change in the contract, what would it be?



QSR 01

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Quantity Surveyors Report

From:- Bevan Hartley

Date:- 13/10/23

Project Name:- Wellington Town Hall

Job No:- 4496

Attention:- Peter Mora

Company:- WCC

Email:- peter.mora@wcc.govt.nz

QUANTITY SURVEYORS REPORT WELLINGTON TOWN HALL – ESTIMATED FINAL CONSTRUCTION COSTS

Dear Peter,

As requested, I have reviewed all of the information provided regarding the estimated final construction cost for the Wellington Town Hall Redevelopment ("WTHR") and report as follows.

Information Provided

The information provided is as follows:

- 1) RLB – Wellington Town Hall – Financial Report No. 47 dated 21 September 2023
- 2) WCC Estimated Cost Summary including out of scope items *not* included in RLB – Wellington Town Hall – Financial Report No. 47 ("RLB Report").

Please note all of the amounts included herein are subject to the addition of plus GST.

Options for Consideration

There are four options for consideration by The Council for the WTHR. These are:

1. Current Scope plus Additional Works to the Basement, West Hall, etc
2. Mothball Option
3. Mothball and Restart Option
4. Demolition Option

Option 1 - Current Scope plus Additional Works

This option is the completion of the current scope of the construction plus additional items not included in the current scope.

There are also additional items not captured in the RLB Report that need to be included within this option as follows:

- a. Novate the reassembly of the organ
- b. Branding, signage, etc
- c. Decanting the MOB
- d. Revised design (extending paving) to the MFC Lane
- e. Provision of building spares
- f. Training staff on new systems
- g. Additional Contract Works Insurance extension premium
- h. Capital E relocation
- i. NZSO storage relocation
- j. WCC Venues furniture, fittings & equipment (noted that this is a separate LTP item)

O:\Jobs\4400-4499\4496 Welly Town Hall\Bevan - Cost to Complete QS Report\W001 QS Report No.01 - Wgtn Town Hall - Updating Construction Costs AMENDED.doc

DIRECTORS: TL Sutherland, GD Watkins. PRINCIPALS: BL Hartley, VG Plant, CR Whyte, HSA McCulloch, HJ Nightingale

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The additional works items to be included in the current scope are as follows:

- a. The West Hall Extension
- b. Changes to the Basement
- c. West Hall Annex works
- d. Temporary Works for the above additional works.
- e. Furniture, fittings & equipment / bar fitout works

The estimated costs for the above are summarised from an Optimistic Allowance to a Pessimistic Allowance is as follows:

	Optimistic	Medium	Pessimistic
Forecast to Complete as per the RLB Report incl. Risk	\$ 237,000,000	\$ 247,426,453	\$ 270,000,000
<u>Additional Items Not Included in RLB Report</u>			
Novate organ	\$ 150,000	\$ 150,000	\$ 150,000
Branding, signage, design	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Decanting MOB	\$ 500,000	\$ 600,000	\$ 700,000
MFC Lane Revised Design	\$ 250,000	\$ 250,000	\$ 250,000
Building Spares	\$ 150,000	\$ 150,000	\$ 150,000
Training staff on systems	\$ 10,000	\$ 10,000	\$ 10,000
Contract Works Insurance extension	\$ 600,000	\$ 800,000	\$ 1,000,000
Capital E Relocation Works	\$ 300,000	\$ 300,000	\$ 300,000
NZSO Storage Relocation	\$ 50,000	\$ 50,000	\$ 50,000
Current Scope + Additional Items + Risk	\$ 241,010,000	\$ 251,736,453	\$ 274,610,000
Venues FFE (separate LTP)	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Current Scope + Additional Items + Risk + Venues FFE	\$ 242,810,000	\$ 253,536,453	\$ 276,410,000
<u>Additional Works Not Included in RLB Report</u>			
West Hall Extension	\$ 8,000,000	\$ 9,000,000	\$ 10,000,000
Basement changes	\$ 1,000,000	\$ 1,500,000	\$ 2,000,000
Temporary Works	\$ 11,500,000	\$ 12,000,000	\$ 12,500,000
West Hall Annex	\$ 26,000,000	\$ 27,000,000	\$ 28,000,000
FF&E/Bar fitout works	\$ 200,000	\$ 200,000	\$ 200,000.00
Sub-Total Additional Works	\$ 46,700,000	\$ 49,700,000	\$ 52,700,000
Current Scope + Additional Items + Risk + Venues FFE + Additional Works	\$ 289,510,000	\$ 303,236,453	\$ 329,110,000

We have reviewed all of the above amounts and sufficient allowance appears to have been made for the items as described.



Option 2 – Mothball Option

This option assumes that the project completes works to satisfy the earthquake prone requirements (i.e. building works completed to 34%NBS +), building & resource consent requirements are completed, and is generally left safe and secure.

To meet resource consent requirements it is assumed that the basement works would need to be completed and the façade reinstated (inclusive to any reinstatement of heritage elements removed to facilitate construction).

There will also be damages payments required to Naylor Love under the construction contract and to VUW/NZSO under the Collaboration Agreement.

The estimated cost for the mothball option is as follows:

Project costs already spent	\$139,351,526
Construction contract commitments	\$9,351,526
Safety works to building closure to 34% NBS	\$33,421,144
Outstanding professional fees and fees to support building closure	\$9,000,000
Process to vary existing resource consent, including public notification	\$200,000
Estimated Contractual damages	\$12,671,500
<hr/>	
Total	\$203,995,696

We have reviewed all of the above amounts and sufficient allowance appears to have been made for the items as described.

Option 3 – Mothball and Restart Option

This option assumes that Council goes to the Environment Court to seek demolition and fails. Council is then carries the costs of Option 2 – Mothball Option, then restarts the project to complete the project scope in accordance with Option 1 - Current Scope plus Additional Work.

An initial programme for this option indicates a optimistic completion date at the end of 2031 as follows.

- i. 2 years to prepare and progress through Environment Court (2024 – 2026)
- ii. 1 year to re-mobilise a client side team to update documentation to re-procure / re-consent the works (2026 – 2027).
- iii. 1 year to re-procure a contractor (2027 – 2028)
- iv. 6 months to mobilise on-site (during 2028),
- v. 2.5 years of construction.

The estimated cost for the mothball and then restart option is as follows:

Spend to date	\$139,351,526
Construction contract commitments	\$9,351,526
Safety works to building closure to 34% NBS	\$33,421,144
Outstanding professional fees and fees to support building closure	\$9,000,000
Estimated Contractual damages	\$12,671,500
Process to vary existing resource consent, including public notification	\$200,000
Professional Fees / Other Costs	\$55,578,000
Environment Court	\$1,500,000

Costs to finish project	\$129,682,000
Added complexity / risk (15% of Costs to finish project)	\$27,789,000
Escalation through to 2031 at average 4% per annum	\$59,350,000
Total	\$477,894,696

We have reviewed all of the above amounts and sufficient allowance appears to have been made for the items as described.

Option 4 – Demolition Option

This option assumes that Council goes to the Environment Court to seek demolition and wins and demolition is approved.

An initial programme for this option indicates a optimistic completion date at the end of 2031 as follows.

- i. 2 years to prepare and progress through Environment Court (2024 – 2026)
- ii. 1 year to re-mobilise a client side team to update documentation to re-procure / re-consent the works (2026 – 2027).
- iii. 1 year to re-procure a contractor (2027 – 2028)
- iv. 6 months to mobilise on-site (during 2028),
- v. 2.5 years of construction.

The estimated cost for the demolition option is as follows.

Spend to date	\$139,351,526
Construction contract commitments	\$9,351,526
Safety works to building closure to 34% NBS	\$33,421,144
Outstanding professional fees and fees to support building closure	\$9,000,000
Estimated Contractual damages	\$12,671,500
Process to vary existing resource consent, including public notification	\$200,000
Professional Fees / Other Costs	\$7,950,000
Environment Court	\$1,500,000
Costs to finish project	\$24,000,000
Added complexity / risk (15% of Costs to finish project)	\$3,600,000
Escalation through to 2031 at average 4% per annum	\$2,650,000
Total	\$243,695,696

We have reviewed all the above amounts and sufficient allowance appears to have been made for the items as described.

Summary



Based on what has occurred to date with regards to the construction process and the challenges this has presented, I do not believe the 'Optimistic Allowance' for Option 1 should be considered.

Therefore, the estimated costs for the options are as summarised:

1. Current Scope plus Additional Works to the Basement, West Hall, etc - **\$303.3mil to \$329.1mil**
2. Mothball Option - **\$204mil**
3. Mothball and Restart Option - **\$477.9mil**
4. Demolition Option - **\$243.7mil**

Conclusion

Based to the above, I believe only Option 1 will be acceptable to The Council.

Therefore, The Council should approve total funding between \$303.3mil and \$329.1mil

We would be happy to discuss any queries and provide any further information as required.

Yours sincerely
Rider Levett Bucknall

A handwritten signature in blue ink, appearing to read 'BH', is positioned above the printed name of Bevan Hartley.

Bevan Hartley
Principal
Rider Levett Bucknall
bevan.hartley@nz.rlb.com

Appendix 4: Town Hall consultation summaries

Consultation Summary – 2024/34 LTP Citizens' Assembly



Capital expenditure

Article 1: We advise that the Council review capital expenditure programme by prioritising spend and spreading the capital expenditure over a longer period based on availability of funds

Considerations

In forming this advice, we considered the following:

- Create a capital expenditure programme for a 10-year period
 - What is committed to continue eg Town Hall
 - Prioritised based on utility (usage/volume of people), safety, access
 - Cost/benefits realisation
 - Looking at existing assets and reallocating across the asset portfolio

How?

This advice could be implemented through the following ideas

- Identify assets which can be excluded from the 10-year plan
- Identify assets that have similar use and prioritise one and defer others.

Consultation Summary – 2018 /28 LTP

Arts and Culture – Te Kauneke Tauwhiro consultation results

a. Consultation proposal(s)

What we proposed:

Strengthening cultural facilities:

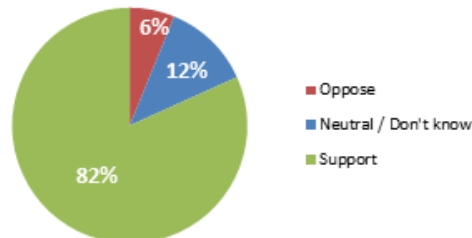
- St James Theatre: \$11.5 million of capital expenditure in years 1 and 2
- Town Hall: \$88.7 million of capital expenditure
- Wellington Museum: Strengthening and upgrade in years 3 and 4, at an estimated cost of \$10 million of capital expenditure; and
- Other venues: \$7.5 million of capital expenditure for minor strengthening works for Wellington Zoo, pools and libraries

What submitters said:

How many responded to questions:

Total answering the question: 1,751 - Individuals 1,699; Organisations 52

Support for Strengthening cultural facilities:



How submitters commented:

Number of submitters commenting: Individuals 76 (67%); Organisations 37(33%)

Comments:

Illustrative comments:

Favourable:

I believe that the strengthening of our heritage buildings is a crucial part of our city's resilience and our city's culture. The Town Hall, St James and Wellington Museum are also 'iconic' Wellington historic buildings that need strengthening, as well as cultural venues bringing in revenue. I strongly support these projects.

Favourable but with some changes:

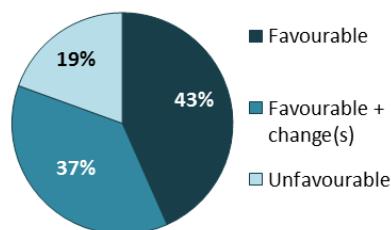
Under the heading "strengthening cultural facilities" a number of different facilities are bundled together. I am in favour of strengthening, as necessary, facilities such as the museum and libraries, but oppose the vast expenditure on the old Town Hall.

I support investing in EQ strengthening of the town hall, St James and Wgtn museum provided that they are made accessible to the public, at times without cost and to community groups etc. at low cost. So that they do not become the venue for only the wealthy.

Unfavourable:

Town Hall strengthening costs are absorbent and must be reviewed or tendered. Putting building strengthening under this heading is deceptive. What happened to the idea that the MFC was supposed to replace the Town Hall. Demolish the Town Hall and St James and build the arena in its place.

Strengthening cultural facilities



What we proposed:

Additional support for the arts:

This option would see the Council invest \$16 million over 10 years to support a coordinated programme of events, activities, theatre and public art to position the city as a global cultural destination. It also involves growing key festivals like Matariki into large-scale national festivals.

What submitters said:

How many responded to questions:

Total answering the question: 1,740 Individuals 1,691; Organisations 49

Support for additional support for the arts:

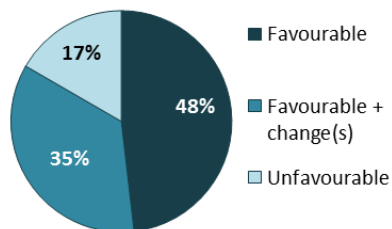


How submitters commented:

Number of submitters commenting: Individuals 26 (48%); Organisations 28(52%)

Comments:

Additional support for the arts



Illustrative comments:

Favourable:

We are fully supportive of a coordinated program of events, activities, theatre and public art to position Wellington as a globally competitive cultural destination. Additional support for the arts - We strongly support this proposal. The vibrant arts, events and festivals in our city are essential to the essence of Wellington, a city we can all be proud to belong to.

Favourable but with some changes:

We note that this is redirected funding from elsewhere. Our Association would like to strongly advocate for the concept of free public art, and would like to see this initiative used to draw visitors and residents to other parts of the city to stimulate those communities culturally and economically.

Additional support for the arts - so long as this doesn't take priority over other important but less glamorous initiatives, such as fixing our storm water systems.

Unfavourable:

Additional support for the arts of \$16 million - We oppose this proposed expenditure, which is supposed to improve Wellington's global cultural competitiveness. International studies show that expenditure of this sort seldom achieves its stated objectives.

b. Other supporting projects feedback

Continued investment in community arts and cultural projects

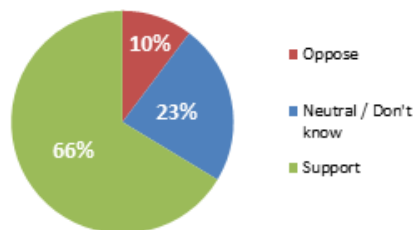
- **Te Whare Hēra:** This is an international artist residency programme that brings artists to live, work and exhibit in Wellington for 3 to 6 months at a time. It has been carried out in collaboration with Te Whiti o Rehua (Massey University School of Art) since 2014. It is proposed that this programme continue to be delivered at a cost of \$45,000 per year.
- **Arts and Culture Fund:** As previously agreed, we would add \$195,000 to the Arts and Culture Fund over the next 10 years. This would maintain our support for important arts organisations with 3-year funding contracts. This fund currently supports Orchestra Wellington, Circa Theatre, Kia Mau Festival and others.

What submitters said:

How many responded to questions:

Total answering the question: 1,730 - Individuals 1681; Organisations 49

Support for continued investment in community arts and cultural projects:



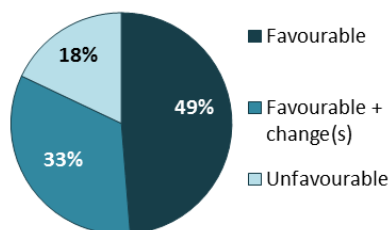
How submitters commented:

Number of submitters commenting: Individuals 19(49%); Organisations 20(51%)

Comments:

Illustrative comments:

Investment in arts and cultural projects



Favourable:

I fully support investment in arts and cultural projects its vital to our city and keep up with Auckland

Favourable but with some changes:

Investment in arts and cultural projects - I support initiatives that will benefit many groups and Wellingtonians, not just a select few. The arts and cultural scene is part of what I love about Wellington, but I think these activities continue due to business support, volunteers and kiwi ingenuity, even without lots of Council support. But essentials like public transport, waste services etc. need everything the council can give.

I fully support investment in arts and cultural projects. I would, however, like to see 'culture' defined. There seems to be a trend towards 'nostalgia' falling under the arts and culture banner.

Unfavourable:

If we did not have so many pressing concerns, this would be a fine area to invest in. However when there are pressing real needs in basic infrastructure, expanding the WCC investment in arts seems wrong.

SUBMISSION ON THE INQUIRY ON CLIMATE ADAPTATION (COMMUNITY-LED RETREAT AND ADAPTATION FUNDING: ISSUES AND OPTIONS PAPER)

Kōrero taunaki | Summary of considerations

Purpose

1. To seek the Committee's approval of the submission on Ministry for Environment's Inquiry on Climate Adaptation - Community-Led Retreat and Adaptation Funding: Issues and Options Paper.
2. Submissions close 1 November 2023.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|--|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input checked="" type="checkbox"/> Sustainable, natural eco city |
| | <input type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input type="checkbox"/> Innovative, inclusive and creative city |
| | <input checked="" type="checkbox"/> Dynamic and sustainable economy |
| | <input checked="" type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input checked="" type="checkbox"/> Affordable, resilient and safe place to live |
| | <input checked="" type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input checked="" type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

Financial considerations

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

3. No funding implications associated with the submission itself.

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|
4. This submission poses minimal risk to Council.

Author	Jamuna Rotstein, Principal Advisor, Climate Change Adaptation
Authoriser	Liam Hodgetts, Chief Planning Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

That Te Kaunihera o Pōneke | Council:

1. Receive the information.
2. Approve the submission, as set out in Attachment One: Wellington City Council's submission on the Inquiry on Climate Adaptation (Community-Led Retreat and Adaptation Funding: Issues and Options paper).
3. Agree to delegate authority to the Chair and Deputy Chair of the Te Kaunihera o Pōneke | Council and the Chief Executive to finalise the submission, including any amendments agreed by the Te Kaunihera o Pōneke | Council and any minor consequential edits.

Whakarāpopoto | Executive Summary

5. The purpose of Ministry for Environment's (MFE) consultation is to get public feedback on the Inquiry on Climate Adaptation - Community-Led Retreat and Adaptation Funding: Issues and Options to inform the development of the Climate Adaptation Act. The consultation document is available at:
<https://environment.govt.nz/publications/community-led-retreat-and-adaptation-funding-issues-and-options/>
6. MFE aim to use the submission findings to introduce a bill of the Climate Adaptation Act by end of 2024, however the recent change in Government introduces new uncertainty regarding the next steps.
7. MFE's consultation document has 43 questions covering 8 topics:
 - Context
 - The need for change
 - Te Tiriti-based adaptation
 - Risk assessment
 - Local Adaptation Planning
 - Community-led retreat
 - Funding and financing
 - Adapting through recovery
8. The overview of the submission is outlined in the Cover Letter of the submission in appendix 1.

Takenga mai | Background

9. The Parliamentary Environment Committee has opened an Inquiry into Climate Adaptation, which is considering options for community-led retreat and adaptation funding. The consultation paper was published by the Ministry for the Environment in anticipation of the inquiry and is intended to support and inform submissions. The paper looks at the current system and what new powers, roles and responsibilities might be needed to support community-led retreat, as well as how the costs of adaptation could be met.

10. The consultation paper also considers how a Te Tiriti-based adaptation system could work for iwi, hapū and Māori communities, and how lessons learned from past severe weather events and natural disasters might be considered for recoveries in the future.
11. The inquiry is open for submissions until 01 November 2023 – and all submissions will be publicly released and published to the Parliament website.
12. The consultation document was written by the Ministry for the Environment (MFE) to provide the inquiry with information about relevant issues and options with community-led managed retreat and funding adaptation, drawing on the report of the [Expert Working Group on Managed Retreat](#) that is also available as part of the inquiry process.
13. MFE aim to use the submission findings to introduce a bill of the Climate Adaptation Act by end of 2024, however the recent change in Government introduces new uncertainty regarding the next steps.
14. The consultation document has 43 questions covering 8 topics:
 - Context
 - The need for change
 - Te Tiriti-based adaptation
 - Risk assessment
 - Local Adaptation Planning
 - Community-led retreat
 - Funding and financing
 - Adapting through recovery.
15. The overview of the submission is outlined in the Cover Letter of the submission.
16. This submission has also been internally aligned with the submission on the National Policy Statement on Natural Hazard Decision-Making consultation that is also open for submissions and due on November 20th. The submission is also aligned to others including the Aotearoa Climate Adaptation Network and Taituarā.

Kōrerorero | Discussion

17. As outlined in appendix 1, the Cover Letter outlines the key feedback, and the submission has answers to each of the 43 questions of the inquiry.

Ngā mahinga e whai ake nei | Next actions

1. The Chair and Deputy Chair of the Te Kaunihera o Pōneke | Council and the Chief Executive will finalise the submission, including any amendments agreed by the Te Kaunihera o Pōneke | Council and any minor consequential edits.
2. The submission will be submitted online by 1 November.
3. Officers will share our submission with, Iwi, other Councils and Taituarā.

Attachments

- Attachment 1. WCC Submission - Inquiry into Climate Adaptation
(Community-led Managed Retreat & Funding) [↓](#) 

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1 November 2023

Attn: Environment Committee Staff
Parliament Buildings
Wellington

Submission on the Community-Led Retreat and Adaptation Funding: Issues and Options paper

The Wellington City Council (WCC) welcomes the opportunity to submit on the Inquiry into Climate Adaptation and we commend the comprehensive research undertaken by the Expert Working Group on Managed Retreat to inform the Inquiry.

This inquiry is timely, and will give the incoming government the opportunity to examine the work that has been done to date on this topic. We note that there is cross-party support for a consistent, long-term approach to climate change adaptation, and hope that this will lead as quickly as possible to certainty and clarity on managed retreat and adaptation planning for local communities and councils.

The extreme weather events experienced in Aotearoa in 2023 are a recent reminder of the urgency to plan ahead for increasing climate risks. Here in Wellington, supporting communities to adapt to climate change is a big priority for our Council which is already feeling immense pressure to respond to the possible impacts of climate change and support our communities to adapt to climate change impacts. However in the absence of clear national policy direction on who pays and who decides we often feel we are not well set up to provide adequate responses to communities.

Background

Wellington is a city highly exposed to a range of natural hazards including sea level rise, increased storms, flooding of inland areas and around streams, and slips that pose significant and growing risks across the city. As we move into a period of climate instability and impact, we are already seeing the effects of more frequent damaging storms in the city's most vulnerable environments. In less than 20 years, parts of Wellington will see sea level rise reach 30 cm – enough to shift a current 1-in-100-year storm event to an annual event. As a steep coastal city with many of our lifelines and other critical assets situated at or near sea level, the functioning of our city depends on adapting and building resilience to climate change. As local government we plan and invest in the city for the long term, meaning the impacts and uncertainties of climate change are already having to be factored into decision making on the city's future.

WCC's submission is reflective of our experience with the impacts of climate change on the region and the interconnected nature of these impacts on the delivery of our transport, urban development, freshwater management, contaminated land, flood management, air quality, biodiversity and biosecurity functions across our diverse and dynamic city. Consequently, our submission focuses on how the strategies, policies and proposed actions in the issues and options paper can enable and support sustainable service delivery across our work.

As one of the first Councils in New Zealand to declare a climate emergency, we understand and acknowledge the urgent need to address climate change for current and future generations. Our feedback is intended to ensure the proposed interventions meet both local and international best practice by providing an evidence-based, coordinated, well-resourced, localised and systematic approach to climate preparedness initiatives in New Zealand.

Summary

A summary of our main points to the paper are provided below:

- **Climate Adaptation Act is urgently needed** – Council strongly suggests that a more coherent national statutory policy framework and funding mechanism are urgently needed to enable proactive locally-led 'managed retreat' where appropriate. Like many places around Aotearoa, the impacts of climate change are already showing in Wellington and Council wants to take a leading role to integrate climate change adaptation planning across our responsibilities, including the support to communities – but it is extremely challenging without clearer policy direction, through legislation, from central government.

- **Council cannot adequately deliver on planned relocation without new powers and clarity** on funding/financing mechanisms. To be equitable and effective, local adaptation work needs to be funded consistently and equitably across the country and across communities, with clear guidance on whether the costs will fall on individuals, communities, or be spread out nationally. Communities and councils need far greater clarifications on the funding and financing of managed retreat (including our roles and responsibilities) and the compensation for communities to incentivise planned relocation adaptation options.
- **Local communities and mana whenua need to be part of creating local solutions.** Central Government needs to recognise that their primary role in climate change adaptation on a local scale is facilitating and supporting (through tools, information, resourcing, and funding) local government and mana whenua to make the right decisions for their local rohe and whenua, bringing communities, activities and values along for the journey that reduces climate change risk whilst building community resilience as much as possible.
- **The language of ‘community-led managed retreat’ isn’t helpful.** The term “managed retreat” is not empowering for communities, and the term “community-led” can be mis-leading as there are some circumstances (for example after a large weather event) where communities are not genuinely empowered to lead and direct the decision-making, especially when there are large government funded costs involved.
- **Climate adaptation planning processes, especially “managed retreat” options, should be fully aligned to a Te Tiriti o Waitangi approach and allow for Māori-led approaches.** Central or local government processes need to be mindful of how climate change adaptation decisions are made to ensure they give effect to Te Tiriti including the provision of resourcing to mana whenua.
- **Council calls for more national standardisation of guidance and practical tools** to support climate change risk (vulnerability and impact) assessments and local adaptation planning - that enabler greater focuses on understanding vulnerabilities and equity considerations. Greater national consistency and provision of data and other tools would greatly improve the efficiency of Councils to work with communities to plan for climate change (e.g. GIS mapping tools, consistent hazard modelling, consistent standards, digital hub of resources) to support Councils, local communities and other stakeholders to collaborate on local adaptation planning in consistent approaches across boundaries.
- **There needs to be greater alignment with the draft National Policy Statement on Natural Hazard Decision-Making,** especially consistency in how climate change risks and intolerable risks are defined for each climate hazard.

We welcome the opportunity to discuss our comments directly with the Committee.

Yours sincerely

Tory Whanau
Mayor of Wellington

Chapter 1 – Context

<p>Question 1 Do you think we should use the term ‘community-led retreat’? If not, what do you think we should use and why?</p>	<p>WCC <u>supports</u> a more coherent national policy framework and funding mechanism to urgently enable proactive locally led climate adaptation planning that is also regionally and nationally aligned.</p> <p>Council advises against the use of the term ‘community-led retreat’. In terms of the phrase “retreat” is not empowering and does not adequately reflect the full range of issues faced by displaced communities in the resettlement process. Council instead suggests the term “planned relocation” or “planned resettlement”.</p> <p>While we <u>support</u> “community-led” approaches and processes generally, we caution the use of “community-led” in the context of local adaptation planning. This position is informed from our prior experience our Mākara Beach Community-Led Adaptation Project. From our experience, framing local adaptation planning as “community-led” can be mis-leading where communities are not genuinely empowered to lead and direct the decision-making. This is especially important regarding the funding and implementation phase of adaptation plans, which is often led by government because of the significant costs required. Whilst we are very supportive of community-led principles in the engagement process, shared responsibilities of government should also be recognised in the framing and language to manage community expectations. Based on NZ and international research, it is also important to recognise that most communities are unlikely to opt to retreat, especially without clear and attractive compensation (instead often preferring short-term hard protections like seawalls), thus making “community-led managed retreat” an unlikely outcome, especially in a pre-disaster context.</p> <p><u>Mākara Beach Community-Led Adaptation Plan Case-Study</u></p> <p>In 2018 Wellington City Council (WCC) facilitated a collaborative community planning process – ‘the Mākara Beach Community-Led Climate Adaptation Project’ – after a storm event in 2018 caused damage to the settlement of Mākara Beach. Mākara Beach comprises of around 100 residents, is bordered by sea to the north and the Mākara Stream to the east so is potentially at risk of both sea level rise and flooding. Over six months WCC along with residents, mana whenua, other stakeholders and technical experts discussed options for climate adaptation with the community. The process was based off the MFE’s Coastal hazards and climate change: Guidance for local government and similar work (on a larger scale) undertaken in Hawke’s Bay. A ‘pathway’ was selected with adaptation strategies over the short, medium, and long term. This included work to the river mouth and bank, as well as beach renourishment and construction of a sea wall, over the next 50-70 years.</p> <p>Implementing the adaptation plan has however stalled largely due to the ambiguity regarding funding policy. Neither the community nor Council are not well positioned to progress funding of any preferred adaptation options identified by the community. There is also ongoing uncertainty regarding when and scope of legislation would potentially signal a national approach to adaptive planning and how funding and responsibility would be split.</p> <p>With no clear direction during this process of how adaptation identified by the project would be funded Council does not have the capacity to enable the implementation of “community-led” plans and the lack of clarity on funding for adaptation has caused ongoing issues to manage community expectations, despite the lack of funding for implementation being communicated from the beginning of the process.</p>
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Chapter 2 – The need for change

<p>Question 2 Are there other barriers to Māori participation in adaptation and upholding Māori rights and interests? How can we better support Māori?</p>	<p>WCC <i>has identified</i> these key barriers:</p> <ul style="list-style-type: none"> • Māori communities often face resource constraints, including limited access to funding, technology, and infrastructure. We propose that the development and implementation of iwi management plans be funded by the Crown and supported by councils. • Understanding the complex challenges climate change poses can be a significant barrier for communities. Capacity-building initiatives, including education, training, and awareness programs, are essential to empower Māori communities and enhance their ability to engage in climate change adaptation. • Māori have historically faced barriers to participation through marginalization, discrimination, and exclusion. Council acknowledges these participation barriers to decision-making processes, and that this may extend to climate change adaptation. • Mana whenua are often faced with having to engage with multiple government concurrently who are not joined up or aligned. <p>WCC <i>suggests</i> specific additions required to improve resilience for Māori communities relevant to local government include:</p> <ul style="list-style-type: none"> • Partnership agreements and shared visions that are co-created with mana whenua and Māori communities. • Incorporating co-governance arrangements that build in representation of Māori across strategic decision-making. • Flexible funding and other resourcing mana whenua and Māori communities to participate and/or build their own capacity within their own timeframes. • Accountability and reporting frameworks to demonstrate how government is enacting the aspirations of mana whenua and Māori communities. • Investment in indigenisation of government processes to holistically improve knowledge and education of how to effectively partner with Māori communities around cultural heritage values to minimise the cultural disconnection of adaptation strategies. • Improved guidance on applying cultural heritage values of a place and how cultural values support community well-being as the “one size fits all” approach will not meet the needs of cultural heritage.
<p>Question 3 Are there other issues that affect the quality of risk assessments and local adaptation planning? How can we strengthen our approach?</p>	<p>From WCC’s experience, climate change risk assessments can be costly and time consuming, therefore the scope and methods need to be tailored to suit the specific purpose of their use in adaptation planning. Conducting comprehensive climate change risk assessments suitable for adaptation planning with communities, especially where managed retreat is an option, requires a robust process, data of localised climate change hazards, range of technical expertise, financial resources, and institutional capacity. Many councils still lack these resources and capacities, limiting their ability to carry out high-quality assessments. There is a need therefore to provide capacity building support to councils to ensure that they have both the capacity to resource these functions and quality and equitable assessments are delivered by service providers to drive fair and robust decision-making for climate adaptation planning.</p> <p>WCC <i>suggests opportunities</i> to strengthen risk assessments and adaptation planning include:</p> <ul style="list-style-type: none"> - Improved guidance on compounding and cascading impact assessments that reflects systems thinking to be more effectively able to assess and understand the consequences of climate change impacts (<i>beyond traditional risk assessment methodologies</i>).

	<ul style="list-style-type: none"> - Fast-track the provision of digital tools and systems that enable cross-agency cooperation and collaboration on climate change risk management – for example Digital Twins provide huge opportunity for infrastructure and asset management planning. - Nationally consistent data climate risk tool(s) that provide a nationally consistent data including local hazard modelling and maps suitable for infrastructure planning. - Increase the incentives/requirements for greater standardization in national and regional cooperation and coordination of risk assessments and adaptation planning.
Question 4. Are there other issues that limit our ability to retreat in advance of a disaster? How can we improve our approach?	<p>It is well-known that Territorial Authorities lack the necessary statutory tools to extinguish existing use rights. The approach to local adaptation planning, including managed retreat/planned relocation must also include the provision of new statutory instruments and funding mechanisms that enable Councils to realistically and effectively lead and support communities through the difficult decision-making process of leaving places and spaces that may be highly valued by communities. The nationally consistent mechanisms should provide local governments and communities with greater clarity on what to expect (e.g., process, timelines, funding sources, compensation etc), and practically how to work together for intergenerational resilience outcomes.</p> <p>Another issue is the lack of national guidelines for anticipatory or preventive resettlement coupled with the lack of trigger points or indicators, at the local levels, to determine when such resettlement might be necessary.</p> <p>The uncertainties concerning the timing and magnitude of climate impacts its often unclear whether residents of a risk-prone area should be moved in advance of potential impacts.</p>
Question 5 Are there other issues with the way we fund adaptation? How can we improve our approach?	<p>Refer to our answers to chapter 7.</p>

Chapter 3 – Te Tiriti-based adaptation

<p>Question 7 What does a te Tiriti-based approach to adaptation mean to you?</p>	<p><u>Wellington City Council's Climate Adaptation Roadmap</u> outlines that our approach will “ensure that from the outset, a structure for the programme will be created which strongly and specifically reflects our partnership agreement, guaranteeing mana whenua decision-making rights throughout. Mana whenua and Māori values will be embedded into the approach, and sufficient time and support (financial if necessary) to mana whenua will be provided to allow for meaningful engagement. This will mitigate any potential limitations in our current consultation framework and ensure that the roadmap removes any barriers to Māori recognising their rights over lands, resources, and taonga.”</p> <p>Wellington City Council's partnership agreement with mana whenua <u>Tākai Here</u> establishes a shared commitment to partnership with mana whenua in Te Whanganui-a-Tara. The partnership is expressed through the narrative and imagery of a waka. The role we all play is like that of a hoe (paddle) propelling the waka forward, creating a partnership that looks ahead and plans for the future of Wellington. It also refers to the binding, lashing, knotting and tying of the waka to ensure it is safe and fit for our combined purposes. This represents the way our shared values and tikanga ensure a strong relationship. The <u>agreement is based on the assumption</u> of “equal representation and value of Te Rangapū Ahikāroa and the Wellington City Council in this partnership - all parties must be present and visible in all decision making.”</p> <p>Wellington City Council's Tūpiki Ora Action Plan sets out the steps for implementing the vision of strategy with mana whenua. The aim is to ensure te ao Māori is embraced and celebrated in Wellington City and that it also fosters whānau wellbeing and nourishes our environment. The plan outlines the way Wellington City Council will support kaupapa Māori initiatives - by Māori, for Māori - developed in partnership with mana whenua.</p> <p>When planning for climate change adaptation, notably, alongside Māori communities, our approach will align to Te Tiriti o Waitangi, Tākai Here, and Tūpiki Ora, to ensure the rights and aspirations of Māori are honoured.</p> <p>Council also <u>supports</u> the recommendations from the Expert Working Group (E19) regarding principles for te Tiriti-based adaptation planning:</p> <ul style="list-style-type: none"> • A partnership approach grounded in the principles of te Tiriti – the Crown and Māori must work together to develop a framework for relocation, with Māori involved in the full variety of capacities, including iwi, hapū, whānau, mātauranga Māori and kaupapa Māori expertise, and as decision-makers. • Recognition of context – the development of an adaptation policy (including planned relocation) must proceed with an understanding and recognition of the historical context of the Crown–Māori relationship; the unique rules that apply to Māori land under Te Ture Whenua Māori Act; the challenges that arise from those rules; and the current challenges that arise because of historical displacement. • Preservation of mana and rangatiratanga – the principle that iwi, hapū and Māori communities make decisions for themselves needs to be embedded within the framework.
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	<ul style="list-style-type: none"> • System flexibility – the diversity of the rights, needs and vulnerabilities of Māori means that the framework must be flexible enough to enable those rights to be upheld and those needs met within the particular context of each Māori community, supporting equitable outcomes. • Holistic – the framework needs to facilitate a holistic approach, that supports all community members (not just landowners), from leaving one area to re-establishing in a new area (communities and community infrastructure) – both financially and socially. • Equitable funding – iwi, hapu and Māori communities will require financial support to participate in adaptation and planned relocation. Public funding options ought to be considered.
<p>Question 8 What does a local mātauranga-based framework for risk assessment look like to you?</p>	<p>Te ao Māori acknowledges the interconnectedness of all living and non-living things, between the environment and people. In te ao Māori, the spheres of health, wellbeing, environment, and community are all interrelated and cannot be separated. This is also true for challenges within these spheres. When applying mātauranga Māori to climate change adaptation planning and risk assessments, risks cannot be viewed in siloes. All climate change risks are interconnected, and therefore require a holistic understanding of the complex drivers of climate change in order to address them.</p> <p><i>WCC's view is that it is not for Crown or Councils to determine what a 'mātauranga-based framework for risk assessment' looks like or how it is applied. Mātauranga Māori can only be provided by Māori. However, <u>we support that</u> Crown and Councils should work to ensure there are processes established for Māori to do this effectively.</i></p> <p>In the context of Wellington, this is knowledge held by our mana whenua partners of Te Whanganui-a-Tara. Through the engagement models established in our partnership agreement, Tākai Here, Council will be guided by mana whenua of the Wellington region on how to incorporate mātauranga Māori into our assessments of risk. It is critical that mana whenua see their interests, concerns and aspirations reflected in any risk assessments developed by Council.</p> <p>We propose the co-development of specific (Iwi Management Plans/Adaptation Plans) with mana whenua of Te Whanganui-a-Tara, tailoring adaptation plans and risk assessments to the needs of Iwi communities. Within the development of these plans, we will engage with mana whenua at the earliest convenience to ensure their aspirations are reflected in the planning process. If desired, mana whenua will have governing positions over these localised plans, as well as governing positions for city-wide adaptation planning.</p>
<p>Question 10 How can we manage overlapping interests during adaptation planning, including where there is a conflict?</p>	<p>To ensure the interests of Māori and mana whenua are not diminished throughout adaptation planning, <u>we propose:</u></p> <ul style="list-style-type: none"> • Establishing a 'co-governance' approach to city-wide adaptation planning, ensuring mana whenua are represented in an 'all of city' approach to climate change adaptation planning, and; • If desired, mana whenua lead the development of their own adaptation plans for their localised areas, with Council supporting the development and execution of these plans. <p>This approach aligns to Councils recent partnership agreement, Tākai Here. When embodying the partnership model of Tākai Here, there is a commitment to work together in the best interest of hapori and communities towards the sustainable prosperity of Wellington. Therefore,</p>

	<p>when considering the balancing of interests in adaptation planning, Council believes a 'co-governance' approach is the most effective way to ensure mana whenua aspirations have equal weight to non-Māori interests.</p> <p>Within Tākai Here, approaches to conflict resolution and overlapping interests are detailed: "<i>The parties to this agreement commit to act to uphold the intent and principles of this agreement while upholding the mana of all involved. Where misunderstandings and disputes arise, the parties commit to working together to resolve these, using culturally appropriate tools and practices, for the mutual benefit of the partners</i>" (Tākai Here, p. 10).</p> <p>We acknowledge that mana whenua capacity and resource constraints may limit participation. The process of governance needs to be designed in a way that is fair and equitable for mana whenua participation. This includes:</p> <ul style="list-style-type: none"> • Resourcing for mana whenua representatives to participate in adaptation planning processes, and for Iwi communities to be informed on agreed processes (including community meetings or wānanga to inform Iwi/Māori communities). • A balance of Council, mana whenua, and other party(-ies) representation on governing authorities, so as to not outnumber Māori representation. • Work to agreed timelines, acknowledging that mana whenua are often asked to input in several kaupapa at the same time. • Work with other interested groups who may be exploring similar kaupapa, so as to limit the burden on mana whenua to engage with multiple groups. <p>We acknowledge that Iwi boundaries and interests will overlap with other Councils and suggest Councils should be encouraged to work proactively with other Councils regionally to ensure mana whenua interests. Wellington City Council has strong relationships with other Councils in the Greater Wellington region on the basis of climate change adaptation planning and believe that developing an approachable process for mana whenua with multiple Councils will be achievable.</p>
<p>Question 11 What is your perspective on the Crown's te Tiriti obligations to support community-led retreat? Are there existing examples of what that should or should not look like?</p>	<p>Wellington City Council is committed to ensuring a partnership approach is applied to community adaptation planning for climate change. This includes ideating solutions for possible relocation of communities, infrastructure, and precious taonga via managed retreat. As mentioned prior, Māori have an intrinsic understanding and deep relationship with the whenua. Hauora for Māori is linked to whenua, therefore the possible relocation of mana whenua from their ahi kā (land by occupation) will require deep wānanga and solutions building to identify the appropriate manner to relocate.</p> <p>Wellington City Council <u>acknowledges</u> that managed retreat has different implications for tangata whenua and mana whenua then it does other populations – therefore <u>our position is that</u> managed retreat should be the last solution actioned for Māori land in adaptation planning.</p> <p>Given the cultural importance of managed retreat for mana whenua from ahi kā, we would expect a co-governance arrangement be in place to grant mana whenua equal decision-making powers when considering managed retreat or other adaptation options. However, if managed retreat were the only viable option for mana whenua, we would endorse mana whenua to lead the advice on appropriate areas and methods of relocation. Given the cultural importance of the issue, we believe it is not appropriate for Council to lead that advice. We would however support mana whenua to identify these options themselves, supported by Council through resourcing and technical expertise.</p>

Chapter 4 – Risk assessment

<p>Question 13 How many stages do you think are needed for risk assessment and what scale is appropriate for each of those stages?</p>	<p>WCC <u>recommend</u> the following steps based on our experience with local and regional scale climate change risk assessments:</p> <p><u>Community-scale climate change risk assessments:</u></p> <p>Stage 1: Local-scale Risk Screening:</p> <ul style="list-style-type: none"> Identify local climate change hazards, such as landslides, coastal inundation, flooding, sea level rise, extreme heat and wind, or coastal erosion, affecting specific communities within the study area. Engage directly with local residents, businesses, and community groups to gather input on vulnerabilities and concerns unique to each community. Assess the impacts of these hazards on community assets such as biodiversity and ecosystem services, health, and wellbeing. <p>Stage 2: Community-scale Risk Analysing:</p> <ul style="list-style-type: none"> Conduct an in-depth risk analysis for each community (where possible), identifying vulnerable populations, critical infrastructure, and key natural resources at risk. Quantify the potential economic, social, and environmental losses at the community level. Consider localised adaptation strategies, such as integrated coastal management or community-based flood defences. <p><u>Regional scale climate change risk assessments:</u></p> <p>Stage 1: Identifying Climate-related hazards:</p> <ul style="list-style-type: none"> Collaborate with neighbouring councils and regional authorities to identify and prioritise regional climate change hazards that affect multiple communities and transcend local boundaries. <p>Stage 2: Analysing Climate Change Impacts:</p> <ul style="list-style-type: none"> Analyse the potential impacts of the identified hazards on critical regional infrastructure, such as transportation networks, water supply systems, and energy grids. Consider the interconnectedness of communities and ecosystems within the region and assess the potential for cascading effects from climate-related disruptions. <p>Stage 3: Climate Change Risk Analysing:</p> <ul style="list-style-type: none"> Conduct a comprehensive risk analysis at the regional level, taking into account data from multiple communities and stakeholders. Quantify the potential economic, social, and environmental losses associated with regional climate risks. This should include estimating costs related to damage to infrastructure, healthcare expenses, and impacts on regional agriculture, tourism and other key industries. Identify hotspots of vulnerability within the region, including communities with high social vulnerability or ecosystems that are particularly at risk. Explore potential synergies and trade-offs between adaptation measures across different communities within the region.
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Question 14 How frequently should a risk assessment be reviewed?	<p>Climate risk assessments should ideally be reviewed on a regular basis to ensure their relevance and effectiveness in addressing evolving climate risks. The frequency of review may depend on various factors including the availability of new data and scientific information, scale, application, cost, time and effort to undertake them.</p> <p>WCC <u>recommends</u> generally to review climate risk assessments at least every three years with a five-year relevance window i.e., each risk assessment reviewed every 3 years should remain relevant or usable for decision making for a maximum period of five years. We note that the frequency of review may vary depending on the scale, scope and sectors involved in question and allowance should be given for such variations. Some organizations or sectors may require more frequent reviews, especially if they operate in highly vulnerable areas or are exposed to rapidly changing climate conditions.</p> <p>In setting the frequency, it is important to also <u>consider</u>:</p> <ul style="list-style-type: none"> • Alignment with both national and global obligations • Cost and time – (cost-benefit) which will differ depending on the sector, scale, use of the risk assessment • Opportunity for central government to strengthen direction/requirements on the integration of climate change risk and adaptation planning into LTP and Infrastructure Strategies would be a key opportunity to leverage a more coordinated and resourced approach to adaptation planning in the local government sector.
Question 15 What do you think makes a risk tolerable or intolerable (i.e., acceptable or unacceptable)?	<p>WCC <u>supports</u> methods that would build greater consistency of defining tolerable and intolerable risks. We note that the EQC Risk Tolerance Methodology is a useful type of approach for some natural hazards but suggest that for climate change risks this would need to be defined for each climate driver for different elements (such as is outlined in the Coastal Hazards Guidelines).</p> <p>The tolerability or intolerability of a climate risk depends on an interplay of several interacting factors occurring over a given time and area that influence the magnitude of the risk and society's ability to cope with its consequences. Tolerability is subjective and can vary across different societies, cultures, and individuals. Therefore, decisions regarding risk tolerance involve complex trade-offs and require considering multiple perspectives, scientific knowledge, ethical considerations, and political priorities.</p> <p>The following are some generic factors to <u>consider</u>:</p> <ul style="list-style-type: none"> • Magnitude of the Risk: The severity and scale of the climate risk play a crucial role in determining its tolerability. • Timeframe: The time horizon over which a climate risk unfolds is also significant. • Vulnerability and Exposure: The vulnerability and exposure of populations and assets to climate risks are crucial considerations. • Adaptive Capacity: The ability of societies to adapt and respond to climate risks is essential in assessing tolerability. • Resilience and Preparedness: The level of preparedness and resilience in the face of climate risks is critical
Question 16 Do you think local risk assessments should be carried out or reviewed	<p>WCC <u>supports</u> the establishment of an expert group at a national and/or regional level comprised of local level experts to support the technical aspects of risk assessments. From our experience undertaking peer reviews of climate change risk assessments using private sector consultants is challenging because of the subjective nature of risk assessments and competing commercial incentives.</p> <p>In our view, the centralised government-coordinated expert peer review process would be most helpful if it includes:</p>

<p>by a centralised agency or a local organisation? Why?</p>	<ul style="list-style-type: none"> - Not all Councils or organisations have the resources to undertake assessments in line with best-practice– therefore it would be most beneficial if Councils were also resourced to take on changes to elevate risk assessments to align with best-practice minimum standards (e.g., national data modelling standards). - Capacity building of councils to undertake assessments in-house requires more technical expertise (human resources) and institutional systems and procedures such as data governance and integrated planning. At present this space is characterised by climate risk assessments undertaken with fragmented data sets, differences in methodologies for hazard modelling, risk identification and prioritization as well as misaligned review periods of risk assessment. - We assert that a peer review mechanism should be established at a district level with the sole purpose of ensuring alignment of both methodology and data quality (source of truth) of all risk assessments undertaken in each and every territorial area. This standardisation of both methodology and data sources will greatly improve the rigour and hence reliability of climate change data in decision making. - Processes for with mana whenua and Māori communities
<p>Question 17 Should risk assessments be carried out only by technical experts or should other people also have a role? What role should other people and organisations have?</p>	<p>WCC's <i>perspective is</i> that risk assessments are technical assessments and should be led by experts to be robust using consistency in the methods, including common definitions of climate change risks and thresholds (e.g. definitions of high/medium/low risk). We note that most Councils (if not all) are dependent on contracting consultants to run and manage climate risk assessments because of the complex nature of these assessments – these are lengthy and costly exercises that often do not provide sufficient information for adaptation planning. Central government support to Councils to access data and undertake climate risk assessments to ensure consistency in methodology, alignment, and cost effectiveness. This should be coupled with the provision of toolkits and digital platforms to standardise both methodology and data governance.</p> <p>WCC <i>supports</i> the need for standardisation of risk assessment methodologies nationally and welcomes the proposal to establish the Natural Hazards Planning Framework. This is in line with international best-practice, and we hope the framework will, help in bridging the gap between the use of expert led and participatory risk assessments.</p> <p>Expert-led approaches provide the scientific legitimacy to data produced and increase its acceptability and incorporation into official governance or economic decision-making process. On the other hand, climate change is a local phenomenon in terms of its impacts and communities are a viable store of experiential knowledge that is essential in ground truthing scientific models through participatory risk assessments.</p>

Chapter 5 – Local adaptation planning

<p>Question 18. Do you think there should be a requirement to undertake local adaptation planning? If so, should the trigger be based on the level of risk or something else?</p>	<p>WCC <u>supports</u> the proposal to make climate action planning a requirement at local government level as long as the key enablers are also provided in statutory policy (including adequate funding and financing, powers and clarity in roles and responsibilities).</p> <p>We <u>recommend</u> that minimum standards need to be set out clearly and funding for undertaking planning and implementation should be clarified. Policy frameworks need to promote certainty as much as possible, including the systems and processes to support long-term nature of climate adaptation planning.</p> <p>WCC <u>supports</u> the proposal to make climate action planning a requirement at local government level. One of the main drivers of lack of traction on climate change mainstreaming at the local government level in Aotearoa is that adaptation planning, and particularly community-based adaptation planning is neither a legislated nor is it a funded mandate. Climate action plans are currently being undertaken on a voluntary basis, mostly driven by national policy imperatives but lacking the regulatory obligation. Consequently, when it comes to resource allocation, other planning instruments such as the district plan and coastal management plans are often prioritized over climate adaptation planning by most councils because of their statutory status.</p> <p>We highlight this lack of explicit mandate under the Local Government Act and the RMA and propose that the current reforms make adaptation planning mandatory at the local government level in Aotearoa. This mandate, however, should come with deliberate capacity building interventions as most municipalities, particularly the rural ones, are unable to attract adequately skilled personnel and often lack the needed competencies.</p> <p>Wellington City Council has also had the experience of working with the Dynamic Adaptive Pathways Process outlined in MfE's <i>Coastal Hazards and Climate Change – Guidance for local government (2017)</i> through community led projects undertaken in Mākara Beach and Ōwhiro Bay. However, this work also identified major barriers to implementation due to the lack of clarity on roles and responsibilities and access to regulatory /funding instruments which are provided in detail in our submission.</p>
<p>Question 19 What direction should central government provide on the local adaptation planning process?</p>	<p>We <u>support</u> the government to promote learning and innovation, through the establishment of multi-stakeholder platforms, intergovernmental working groups, or regional coordination mechanisms on knowledge management. Government should lead the development of knowledge management systems that provide feedback loops from practice to policy and legislation formulation. This will ensure continued learning and innovation within the adaptation planning field.</p> <p>We also would like to <u>encourage</u> central government to consider investments in citizen science as an integral part local adaptation planning. We would like to emphasise that the role of citizen science and its bottom-up contribution to climate data and policy management has not been emphasised enough. One of the main challenges that both local and central government policy makers face is the lack of data on climate impacts and community adaptation initiatives. Meanwhile communities are a treasure trove of climate information and provide a cost-effective source of reliable data.</p>

	<p>Council <u>supports</u> the recent \$24.7m government investment in Climate Data Infrastructure and the collaborative approach to designing tools to support practitioners – we would urge that the work programme timeframes, scope, and deliverables are communicated and fast-tracked to the next 1-2 years to build efficiency and equity into local level adaptation planning around the country.</p> <p>We <u>further encourage</u> central government to provide the following practical data, tools and guidance to operationalise adaptation planning in a standardised manner across councils:</p> <ul style="list-style-type: none"> ○ GIS Tools for climate risk management and adaptation planning ○ Updated climate projection data ○ Collation and maintenance of consistent national open datasets on both climate change hazards, as well as national “elements at risk” ○ National guidelines and templates (e.g., catalogue of adaptation options). ○ Regional resources for engagement with communities on climate impacts ○ Funding to iwi to build their capacity to manage climate change risks and impacts. ○ Updated low-fi tools (e.g., risk assessment workbook) ○ National assets register and digital twin for both below and above ground infrastructure. ○ Guidance on undertaking Climate Risk & Vulnerability Assessments, especially for the more challenging aspects of the process outside of the build environment, with a focus on impacts on people, culture, ecosystems and land-use planning. ○ Funding to run the process ○ Technical advice and support for Councils who are embarking on their climate adaptation planning processes and programmes – inclusive of both Council infrastructure/assets, as well as community-facing adaptation planning. <p>We <u>note</u> there is need for national direction on capacity building for community adaptation planning within councils. We note efforts to standardise processes as outlined in this paper need to take into consideration the disparities in capacity among councils in Aotearoa and suggest that a one blanket fits all approach in any of these standards might widen the current competence gaps.</p> <p>We <u>encourage</u> the development of a national monitoring & evaluation (M&E) system to track the impact of the community adaptation plans with SMART indicators for vulnerability, adaptive capacity, resilience, implementation capacity, and inclusivity.</p>
<p>Question 20 Do you think there should be a requirement to plan for different scenarios, such as changes in</p>	<p>WCC <u>supports</u> the intent to establish requirements to plan for different scenarios as it helps local governments understand and prepare for different possible climate futures and their potential impacts.</p> <p>We however <u>also note</u> that undertaking climate change risk and vulnerability studies can be costly and time-consuming, so we welcome greater national direction on IPCC-aligned and science-based requirements in how to use multiple climate change scenarios throughout the adaptation planning process. It will be crucial to use scenarios as one tool among many and complement them with other approaches, such as vulnerability assessments and local knowledge, particularly indigenous knowledge.</p>

the level of risk or what happens if there is a disaster? Why or why not?	
Question 21 How can we make sure that local adaptation planning is inclusive and draws on community views?	<p>WCC <u>supports</u> the measures outlined in the paper. From our experience inclusive community engagement in community adaptation planning can be challenging to catering for multiple audiences throughout the engagement with limited budgets and complex processes, and many steps in the engagement.</p> <p>We <u>recommend</u> the following opportunities for inclusive approaches to community engagement in adaptation planning:</p> <ul style="list-style-type: none"> • Integration of accessibility needs for diverse communities from the start of the planning process – this includes guidance on scoping up the areas for adaptation planning in larger urban contexts which have diverse populations. • Time: plan the timing of the development and review of adaptation plans in such a way that allows for exhaustive consultations e.g., initiating community engagement process earlier in the preceding planning period. • Cost- How can we overhaul our current budgeting systems to accommodate possible budget rollovers to allow for exhaustive consultations. Furthermore, there is need to find innovative ways of funding community engagement processes to ease the burden on local council fiscus. • Complexity: managing diverse interest and ensuring that all voices are heard equally requires skills in facilitation and conflict resolution.
Question 22 Who do you think should make decisions about the adaptation pathway we choose and why? How should others be involved in the process?	<p>WCC <u>cautions</u> an overly prescriptive approach before more specific guidance on community adaptation planning processes is available and local contexts will vary greatly. It would be more helpful to have guidance and tools for setting up processes for community adaptation planning decision making (e.g., How to set up structures like Governance Groups, Technical Advisory Groups, Community Panels/Advisory Groups).</p> <p>We <u>support</u> mana whenua being given clearer decision-making roles and responsibilities (with funding support) throughout the processes.</p>

Chapter 6 – Community-led retreat

<p>Question 23 What do you think are the most important outcomes and principles for community-led retreat?</p>	<p>WCC <u>supports</u> the move to include guiding principles and desired outcomes as we believe the gravity of the matter in terms of possible loss and damage as well as conflict due to the diversity of vested interests demands rules of engagement to ensure fairness, transparency and consensus in all decisions made.</p> <p>WCC <u>generally supports</u> the guiding principles and desired outcomes, but we also note there are some additions and comments below.</p> <p><u>General considerations</u></p> <ul style="list-style-type: none"> - There should be separate guiding principles for involuntary and voluntary resettlement because of the differences in the circumstances of the subject community. - Mana whenua may need to be consulted specifically. - Specific guidelines for resettlement plans (whether it be voluntary or involuntary) are needed. - Flexibility should be built into these guiding principles to ensure that they can be adjusted to the specific circumstance and requirement of each resettlement. - We support evidence-based approaches, but we need clarity on how uncertainty will be built into these decision processes, including how climate change scenarios can be used. <p><u>Feedback on Principles</u></p> <ul style="list-style-type: none"> • Guiding Principles on Compensation: <ul style="list-style-type: none"> • Define eligibility criteria for compensation. • Decide on whether compensation will be done at replacement cost. • Decide of what authority will be responsible for the compensation. • In the case of Mana Whenua there should be considerations made for compensation for the loss of customary rights • A principle on shared mandate between central and local government: <ul style="list-style-type: none"> • currently the same trend of abdication of responsibility by central government and pushing it to local government as observed in the NAP is continuing here. There is need for a shared mandate approach on this with clear roles and responsibility. • Providing economic opportunities for displaced populations: <ul style="list-style-type: none"> • People decide where to stay mostly for economic reasons-mostly based on their livelihoods, skills and capabilities. Resettlement should there consider the sustenance of such livelihood opportunities. • Viewed as opportunity for sustainable City re-design: <ul style="list-style-type: none"> • The Christchurch earthquake, as tragic as it was, provided the city an opportunity to redesign the city from its old colonial to a more inclusive and sustainable city design. The Christchurch earthquake also resulted in the transformation and expansion of green space in the city, with many benefits including ecosystem services and social and recreational opportunities for the community, when large areas were deemed unsuitable for housing Similarly these planned relocations should be looked at as opportunities for sustainable development. • Principles on independent monitoring and arbitration procedure:
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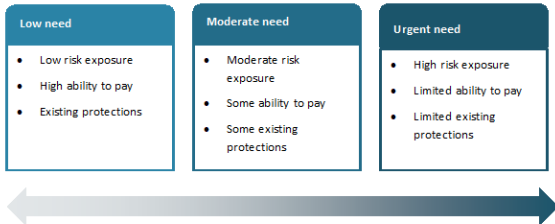
	<ul style="list-style-type: none"> As earlier alluded to resettlement is a contentious undertaking and there will also be disgruntled parties in the process; so, there is need to establish systems and procedure for recourse. There should also be a principle or difference in approach between rural and urban populations because of the differences in land use types and socio-economic circumstances. Last but not least is the issue of free, prior, and informed consent. <ul style="list-style-type: none"> which has to be guaranteed in all circumstances regardless of the situation i.e., each affected person has the right to refuse resettlement without having to fear adverse consequences. <p>Outcomes</p> <p>The overall objective of resettlement should equitably improve the living standards (i.e., productive capacity and income levels) and resilience of the affected people.</p>
<p>Question 24 Do you prefer option 1 (voluntary) or option 2 (a mix of voluntary and mandatory parts)? Are there any other options?</p>	<p>WCC <u>supports option two</u> for the following reasons.</p> <ul style="list-style-type: none"> It helps build in flexibility in the relocation process, on a case-by-case basis, because of varying circumstances and requirements. it provides better opportunities for autonomy to those that can afford self-relocation while ensuring that mass relocations are undertaken by relevant authorities simultaneously for those that cannot afford self-relocation. <p>There is need for clarity on the following:</p> <ul style="list-style-type: none"> While we acknowledge the mention of the use of an equity lens in this process; There is no mention of how compensation or assistance is going to be provided circumspectly between opulent communities that have a safety net i.e., savings, insurance, alternate homes and/or poor communities that can barely afford to start afresh. How can it be called Community-led resettlement if its involuntary: as alluded to earlier there is need for clarity on the principles and guidelines to ensure that it's really "community-led"? Regulations should be included under the adaptation Act to protect the rights of communities, during involuntary relocations, to ensure that authorities do not overstep their mandates or omit important obligations.
<p>Question 25 Do you agree that affected land should no longer be used at the end of a retreat process (with limited exceptions for things like ceremonial</p>	<p><u>Council holds a different view on this.</u> WCC <u>supports</u> the alternative uses of the land post-retreat should be decided upon by local stakeholders (e.g., 'retired' land to be managed as public open space with multiple benefits).</p> <p>We <u>agree</u> that all non-Māori land is not to be used and all applicable land use rights should be extinguished; this includes ownership of the land. Preferably, all land should be returned to its original state to be converted to rewilding and biodiversity restoration.</p> <ul style="list-style-type: none"> Māori Indigenous knowledge should come in handy in these restorative projects. These decisions should be based on a sound evidence base and should involve exhaustive community participation processes. In the case of Māori land all customary land use rights should be returned and so should the ownership of the land. However, all land use rights that would expose Māori to loss and damage should be equally extinguished.

events, recreation, some agricultural or horticultural uses and mahinga kai gathering)? Why or why not?	
Question 27 Do you agree that these powers are needed to ensure land is no longer used once a decision has been made to retreat? What powers do you consider are needed?	WCC <u>supports</u> the need for the powers to extinguish land use rights and those for the mass acquisition of land for the reasons of retreat or relocation. However, checks and balances of these powers should be put in place to ensure that their use is not prejudicial or in infringement of the fundamental rights of affected people. Furthermore, we support the devolution of powers to extinguish user rights to local councils as it is currently a central government and regional council shared mandate and funding to enable implementation.
Question 28 What do you think the threshold or trigger should be for withdrawing services once a decision has been made to retreat?	Withdrawing services will vary from case-to-case depending on the extent of the loss and damage experienced and the future vulnerability of the area, asset type, and other factors. Central Government can support by standardising the methods and clear guidelines for how local-level cost-benefit analysis is applied in decision-making to enable consistent approaches but can be tailored to each circumstance.

<p>Question 29 In what circumstances, if any, do you think decision-makers should be protected from liability? What are your views on option A, option B or any other possible option?</p>	<p>WCC <u>prefers Option B</u> "Exclusion from all liability where decisions-makers act in good faith, except in circumstances of failure to act or misfeasance (the performance of a lawful action in an illegal or improper manner".</p> <p>We believe all decisions that are evidence based and based on the best science available and are made through participatory and transparent systems should exonerate decision makers from litigation. This underlines the need for increased investment in the rigour of climate risk assessments and inclusive participation. In similar light, we believe the rights of communities that refuse to move based on glaring inadequacies in the science or flawed decision-making processes should be protected. The burden of proof in such circumstances should lie with the authorities (in this case crown entities) and that all lawful actions be done in a legal and proper manner.</p>
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Chapter 7 – Funding and financing

<p>Question 30 Which parts of the current system work well, and which do not? Are there any other issues with our current approach to adaptation funding?</p>	<p>WCC <u>agrees</u> with the issues/problems listed in section and as the paper rightly points out a lot of councils in the country are faced with affordability challenges mostly due to low revenue bases and that this problem is foreseen to grow over time. Councils will need a consistent and reliably long-term source of financing to allow for the long-term planning needs of adaptation unlike the current trends marred with short-termism. In our experience (Mākara Beach Community-Led Adaptation Project), facilitating the participatory adaptation planning process alone is a costly exercise, let alone being able to afford the ability to implement adaptation interventions. There is very little acknowledgement of the costs of the planning process in the document – which these costs and the timeframes for facilitation are often higher than needed due to challenges with access to data and climate change risk assessments. Central Government can play a big role in improving the efficiency and equity of local adaptation planning in the delivery of the Climate Adaptation Hub listed in the NAP.</p> <p>WCC <u>suggests</u> that a more coherent national statutory policy framework and funding mechanism is urgently and critically needed (e.g. the Climate Adaptation Act, as well as clear policies to minimise future land-use risks of development in high-risk natural hazard zones) to enable proactive locally-led 'managed retreat'. This must include the provision of new statutory instruments and funding mechanisms that enable Councils to realistically and effectively lead and support communities through the difficult decision-making process of leaving places and spaces that may be highly valued by communities. The nationally consistent mechanisms should provide local governments and communities with greater clarity on what to expect (e.g., process, timelines, funding sources, compensation etc), and practically how to work together for intergenerational resilience outcomes. If local government is to play a bigger role in local adaptation planning, then new funding mechanisms that involves consistent and predictable inter-governmental fiscal transfers must be explored.</p>
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<p>Question 31 What do you think are the most important outcomes and principles for funding adaptation?</p>	<p>Council <u>supports</u> the outcomes and principles for funding outlined in Table 11 that encourages shared responsibilities, equity for communities over generations, and cost-effective solutions long-term.</p> <p>Table 11: Potential outcomes and principles for funding adaptation</p> <table border="1"> <thead> <tr> <th>Outcomes</th><th>Principles</th></tr> </thead> <tbody> <tr> <td>Reduce hardship</td><td>Incentivise better decisions</td></tr> <tr> <td>Ensure equity among communities and across generations</td><td>Minimise perverse incentives (such as the failure to reduce risk due to the likelihood of receiving increased financial assistance)</td></tr> <tr> <td>Reduce long-term costs</td><td>Prioritise supporting vulnerable individuals and groups, when the government intervenes</td></tr> <tr> <td>Shift focus of investment from post-event to pre-event adaptation</td><td>Provide clarity and certainty about how costs, risks and responsibilities will be shared</td></tr> <tr> <td>Give effect to the principles of te Tiriti</td><td>Ensure those who benefit contribute to costs</td></tr> </tbody> </table> <p>We also believe that adaptation funding should:</p> <ol style="list-style-type: none"> 1. Be science/evidence based-adaptation funding decisions should be informed by the best available science and evidence. 2. Have a long-term perspective and predictability- it should support both short-term emergency responses and long-term planning and implementation. 3. Seek to achieve integration and multiple co-benefits such as emission reduction, improved livelihoods, poverty reduction, ecosystems conservation and public health. 	Outcomes	Principles	Reduce hardship	Incentivise better decisions	Ensure equity among communities and across generations	Minimise perverse incentives (such as the failure to reduce risk due to the likelihood of receiving increased financial assistance)	Reduce long-term costs	Prioritise supporting vulnerable individuals and groups, when the government intervenes	Shift focus of investment from post-event to pre-event adaptation	Provide clarity and certainty about how costs, risks and responsibilities will be shared	Give effect to the principles of te Tiriti	Ensure those who benefit contribute to costs
Outcomes	Principles												
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Shift focus of investment from post-event to pre-event adaptation	Provide clarity and certainty about how costs, risks and responsibilities will be shared												
Give effect to the principles of te Tiriti	Ensure those who benefit contribute to costs												
<p>Question 32 In what circumstances (if any) do you think ratepayers and taxpayers should help people pay for the costs of adaptation?</p>	<p>Council <u>supports</u> a shared responsibility approach to adaptation funding that is equitable and sustainable.</p> <p>Council <u>supports</u> the framework outlined in Figure 7 highlighting an equitable approach to the prioritisation of public funding to benefit communities to adapt to climate change.</p> <p>Figure 7: Levels of need</p>  <p>As noted in the paper, it is not always clear how to determine when councils require help and that central government might need to develop methods based on average income, population density, debt levels and risk exposure to determine the levels of fiscal transfers. We therefore proposed a permanent funding mechanism that is not driven by circumstantial approaches but rather a consistent flow of funding for preventative adaptation measures that improve the resilience of communities. A coordinated approach across all relevant funds such as the 1) Climate Emergency Response Fund (CERF), 2) Our Sovereign Green Bond (Green Bond) programme, 3) funding under the National</p>												

	<p>Emergency Management Agency (NEMA) and 4) the role of the insurance sector in incentivising voluntary managed retreat and investments that improve resilience.</p> <p>Below we outline additional factors that can be taken into consideration:</p> <ul style="list-style-type: none"> • Treaty commitments: iwi/hapu need to be compensated financially (and to at times have opportunities to build their own capacities) to participate in partnership approaches that are required at the local level. • Overwhelming scale: improved access to nationally consistent tools, systems, open data and common processes would drastically improve the capacity for sharing and collaboration across agencies and communities.
<p>Question 33 In what circumstances should central government help councils to meet adaptation costs?</p>	<p>WCC <u>supports</u> consistent and predictable shared funding for adaptation and strongly suggests statutory policy framework (Climate Adaptation Act) and consistent funding mechanism are critical to enable proactive locally led adaptation planning and implementation. We support a consistent national cost sharing approach to Councils to provide more certainty and continuity of interventions that is essential in building resilient communities. These consistent contributions will in the long run, if used wisely, should help minimize the severity of impacts in terms of loss and damage as well as avert the need for retreat and its associated costs.</p> <p>WCC would <u>support</u> central government to provide funding when:</p> <ul style="list-style-type: none"> • National and regional efficiency and quality of local adaptation planning delivery (e.g. Climate Adaptation Digital Hub, consistent climate change data and hazard modelling, community education resources on climate change impacts, other planning tools (e.g., National Digital Twin for adaptation planning)) • Incentivise relocation options (e.g., buy-outs for asset owners in a consistent way) • Support Councils to adapt or relocate strategic assets, especially where it is unaffordable locally and of national and/or regional significance.
<p>Question 34 What are the benefits and challenges of providing financial support to people needing to retreat?</p>	<p>The nature of benefits and challenges associated with financing relocation may vary depending on whether its provided pre or post event.</p> <p><u>Benefits of Central Govt providing support to people needing to retreat</u></p> <ul style="list-style-type: none"> • Incentivise relocation as an attractive (pre-disaster and/or post-disaster) option compared to other types of adaptation options – which would likely deliver cost-effective long-term adaptation outcomes for communities, regions and the country. • Plays a huge role in improving the mental health and wellbeing of affected people as forced displacement and resettlement can be a traumatic experience – the predictability and timeliness of a centrally support scheme would greatly support affected communities. • Considering that its usually the most vulnerable groups in any community that are most affected and often don't have any social safety net to fall back on such as insurance, such funding would go a long in ensuring equity. • One of the main characteristics of post disaster recovery periods is the shortage of commodities and other factors of production – this would enable displaced people who receive financial assistance can become active contributors to the local economy. <p><u>Challenges of Central Govt providing support to people needing to retreat</u></p> <ul style="list-style-type: none"> • The main challenge here is affordability – especially where additional revenue raising is needed in both taxes and rates; there is often a scarcity of available financial resources to support the resettlement of families let alone communities. • Costs of relocation and wider resettlement also need to be planned for

Question 35 Are there any other approaches for providing support to people needing to retreat that we should consider?	Proactive action is essential. WCC <u>suggests</u> community relocation planning needs to consider funding and support for the whole resettlement process including achieving resilient, low-carbon, equitable and connected and healthy communities and environments
Question 36 What are the benefits and challenges of providing financial support to businesses needing to retreat?	<p>Council <u>supports</u> the consideration of limited support to small businesses to relocate where they are limited adaptive capacity due to their location.</p> <p>We recognise that like homeowners and other asset owners, businesses exposed to climate change may need to relocate. Relocation is costly, and a decision will need to be made as to whether businesses incurring losses as a result of managed retreat could be eligible for any public compensation. There are many small to medium sized businesses that rely on income from land and/or landscapes that are unique and not easily substitutable. There may simply not be the waterways, landscapes or productive land available to relocate business to. There is also the issue of continued availability of supporting services, capital (human and natural) and infrastructure. Some businesses need an accessible customer base to be profitable such as supermarkets, restaurants, cafes and hotels. It's also important to note that there could be opportunities that come with relocation-in the areas of retreat, and these should be considered in any adaptation plan.</p> <p>We also note that adaptation planning is a shared responsibility – we expect that like Councils and homeowners - a range of incentives to mainstream climate change risk management into business operations is required to avoid government spending on compensation. Government plays important wider role in educating and incentivising the business community to better understand and manage climate change risks.</p>
Question 37 What should central government's initial funding priorities be and why? Which priorities are the most	<p>WCC <u>supports</u> investments to shift from post-disaster recovery to focus on pre-event risk reduction activities.</p> <p>Based on our experience in Wellington, Council suggests that the prioritisation of Central Government investments for adaptation funding should reflect priorities that reflects hierarchy of long-term risk reduction outcomes and the tackling of the biggest costs and challenges of local scale adaptation planning and implementation of the DAPP process.</p> <p>WCC <u>supports the following hierarchy</u> of investments from central government:</p> <ol style="list-style-type: none"> 1. Iwi, hapu, Māori adaptation fund – to reflect the disproportionate impacts. 2. Property level-retreat – incentives for relocation are needed to make it a more attractive long-term solution. 3. Nature-based solutions – widely recognised as no-regret and highly impactful resilient solutions with many co-benefits but are often difficult to implement because of the relatively less evidence base regarding efficacy.

Question 39 Should funding priorities cover councils as well as central government?	WCC <u>supports</u> funding priorities that would cover all budgets across all levels of government (including governance costs, therefore it should be transparent in the support to mana whenua as well).
Question 40 How can the banking and insurance sectors help to drive good adaptation outcomes?	<p>In Wellington the threat of insurance (and banking) retreat is a major concern as a resilience tipping point for the city – especially as retreat is already starting to play out as Insurers are withdrawing insurance companies in Wellington¹². Insurance retreat at the scale that is anticipated in current research has the potential to massively affect the local economy, livelihoods of residents, and the city's long-term future.</p> <p>WCC <u>supports</u> mandatory disclosure of climate change risks under the Climate Change Act. WCC has recently also undertaken our first TCFD assessment and have found it a useful process for assessing our climate change risks to the organisation and a helpful tool for the organisation to mainstream climate change risk management across adaptation planning and emissions reduction.</p> <p>Local adaptation planning extends beyond the responsibilities and roles of councils – public and private insurance and lending organisations play vital roles in supporting community resilience outcomes too.</p> <p>We would also <u>support</u> more partnerships across government, insurance, banking to support implementation of collaborative climate adaptation activities to support local resilience building. The Zurich Flood Resilience Alliance is a good example.</p>
Question 41 What solutions should be explored for funding and financing adaptation?	WCC <u>supports</u> central government to find innovative funding mechanisms.

¹ Feb 2023 [Why 'insurance retreat' will drive our housing market away from flood risk](#)

² National Science Challenge 2020 [Insurance retreat in New Zealand](#)

Chapter 8 – Adapting through recovery

<p>Question 42 Are there any other issues that make it difficult to adapt during a recovery?</p>	<p>WCC <u>agrees</u> with the issues raised.</p> <p>WCC <u>supports</u> a shift in current expenditure patterns on disaster risk management from post-disaster recovery to pre-event risk reduction to support local adaptation planning.</p> <p>Based on our experience, additional issues that need to be raised include:</p> <ul style="list-style-type: none"> • Trauma support: Communities affected by major disasters are often traumatised and their ability to process information and be meaningfully involved is impaired. • Skills required by practitioners – given there is complexity in climate change adaptation planning as well as disaster recovery. • Lack of guidance on how to integrate climate adaptation planning into disaster recovery planning, especially how to incorporate climate change projections into recovery planning. • Competing demands for community and decision-maker attention • Lack of clarity on roles, responsibilities, funding and financing • Lack of information available to integrate climate risk into disaster recovery planning (which has a particular urgency) • Availability of funding to support both short-term recovery goals and long-term climate adaptation planning.
<p>Question 43 Do you think our approach to community-led retreat and adaptation funding should be the same before and after a disaster? Why or why not?</p>	<p>WCC <u>suggests</u> that the approach to managed retreat should not be the same before and after disasters because community needs will be different. The approach needs to be tailored to the needs of communities as the needs will be different depending on whether its pre or post disaster.</p> <p>WCC <u>supports</u> a wholistic long-term funding framework for disaster resilience as a key opportunity to incentivise proactive climate adaptation planning options. As earlier stated in this submission, there is also a need for more national guidelines regarding anticipatory or preventive resettlement that includes trigger points or indicators to determine when such resettlement might be necessary.</p>

WELLINGTON DISTRICT LICENSING COMMITTEE ANNUAL REPORT FOR THE YEAR ENDING 30 JUNE 2023

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Te Kaunihera o Pōneke | Council to accept this report which is a statutory requirement under the Sale and Supply of Alcohol Act 2012.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- ☐ Sustainable, natural eco city
- ☒ People friendly, compact, safe and accessible capital city
- ☐ Innovative, inclusive and creative city
- ☐ Dynamic and sustainable economy
- ☐ Functioning, resilient and reliable three waters infrastructure
- ☒ Affordable, resilient and safe place to live
- ☐ Safe, resilient and reliable core transport infrastructure network
- ☒ Fit-for-purpose community, creative and cultural spaces
- ☐ Accelerating zero-carbon and waste-free transition
- ☐ Strong partnerships with mana whenua

Relevant Previous decisions

N/A

Financial considerations

- ☒ Nil ☐ Budgetary provision in Annual Plan / Long-term Plan ☐ Unbudgeted \$X

2. There are no financial considerations in relation to this report.

Risk

- ☒ Low ☐ Medium ☐ High ☐ Extreme

3. This a historical report of low risk.

Author	Helen Jones, Manager Public Health Group
Authoriser	Mark Pattemore, Manager, Consenting and Compliance Liam Hodgetts, Chief Planning Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) Agree that this Annual Report may be submitted to the Alcohol Regulatory Licensing Authority (ARLA).

Whakarāpopoto | Executive Summary

4. Under the Sale and Supply of Alcohol Act 2012, (the Act) Council is required to submit an annual report for the period 1 July 2022 to 30 June 2023 on the operations of its District Licensing Committee (DLC) to ARLA.

Takenga mai | Background

5. The DLC is appointed by Council under the Act to deal with alcohol licensing matters for the territorial authority district. Each year the DLC must provide an annual report to ARLA detailing its proceedings and operations over the previous year. The reporting period for each year is 1 July to 30 June. ARLA is a specialist tribunal that deals with appeals made against DLC decisions. ARLA specifies the form and content for DLC reports under the Act and this normally takes the form of an online questionnaire. ARLA reports annually to Parliament and considers the contents of the DLC reports when it does so.
6. A copy of the online questionnaire together with responses is attached to this report.

Kōrerorero | Discussion

7. This is a historical report on the volume of alcohol licensing applications dealt with in the previous year.

Ngā mahinga e whai ake nei | Next actions

8. Once formally adopted, the report will be published on the Council's website and a copy will be submitted to ARLA.

Attachments

Attachment 1. DLC Annual Report 2022- 23  

Page 135

**Wellington District Licensing Committee Annual Report to the Alcohol Regulatory
Licensing Authority for the period 1st July 2022 to 30 June 2023**

Please provide the name of your District Licensing Committee, and a generic email address to which general correspondence will be certain of a response:

Wellington District Licensing Committee: secretaryDLC@wcc.govt.nz

Please provide the name, email address and contact phone number of your Committee's secretary:

Amy Liu : amy.liu@wcc.govt.nz

Please name each of your licensing inspectors and provide their email and contact phone number:

Kay Sedcole (Team leader)	Kay.sedcole@wcc.govt.nz	021 247 9732
Jude Austin (Chief Licensing Inspector _)	Jude.Austin@wcc.govt.nz	021 530 942
Joanne Burt	Joanne.burt@wcc.govt.nz	021 227 8272
Gene McCarten	Gene.McCarten@wcc.govt.nz	021 313 673
Gordon Douglas	Gordon.douglas@wcc.govt.nz	021 227 8972

In the 2022-23 year, how many total Applications did your committee grant for New 'on-licences' and to renew existing 'on-licences'?

47 new on licences

182 renewed on licences

In the 2022-2023 year, how many total applications did your committee refuse for New 'on-licences' and to renew existing 'on-licences'?

0 new

0 renewal

In the 2022-23 year, how many total Applications did your committee grant for New 'off licences' and to renew existing 'off licences'?

9 new off licences

45 renewed off licences

In the 2022-2023 year, how many total applications did your committee refuse for New 'off licences' and to renew existing 'off licences'?

0 new

1 renewal

In the 2022-2023 year, how many total Applications did your committee grant for New 'club licences' and to renew existing 'club licences'?

2 new licences

16 renewed licences

In the 2022-2023 year, how many total Applications did your committee refuse for New 'club licences' and to renew existing 'club licences'

0 new

0 renewal

In the 2022-2023 year, how many managers' certificates did your Committee issue?

641 new manager certificates

In the 2022-2023 year, how many applications for managers' certificates did your Committee refuse?

1

In the 2022-2023 year, how many applications for managers' certificates were withdrawn?

56 new

9 renewals

In the 2022-2023 year, how many licence renewals did your Committee issue?

243

In the 2022-2023 year, how many licence renewals did your Committee refuse?

1

In the 2022-2023 year, how many managers' certificate renewals did your committee issue?

775 renewed manager certificates

In the 2022-2023 year, how many managers' certificate renewals did your committee refuse?

0

As at 30 June 2023 what is the total number of On-Licences (new and existing) in your licensing district?

511

As at 30 June 2023 what is the total number of Off-Licences (new and existing) in your licensing district?

106

As at 30 June 2023 what is the total number of Club Licences (new and existing) in your licensing district?

49

Please comment on any changes or trends in the DLC workload in 2022-2023

There has been an increase in DLC hearings. This may be because the reporting agencies have more availability, post Covid-19, to focus on alcohol-related matters in Wellington. However, it should be noted that there have also been delays getting hearing time for opposed applications due to factors such as the availability of parties able to attend hearings and the availability of hearing rooms.

A number of large special events that were postponed due to Covid-19, have been held in 2022 and 2023, which has led to an increase in applications this year. The number of special licence applications appear to be back to post Covid-19 levels.

Please comment on any new initiatives the Committee has developed/adopted in 2022-2023.

The Committee has introduced the ability in some instances to hold hearings remotely. This has been especially useful where hearings have taken longer than anticipated and the Counsel involved were from out of town, so the final (part) day of the hearings were conducted remotely.

The Committee has also reflected and/or refined our practices concerning objector standing and granting waivers pursuant to s 208. Currently, a review of the wording of standard licence conditions is being undertaken.

Has your DLC developed a Local Alcohol Policy? (Yes or No)

No

Please comment on the ways in which you believe the Sale and Supply of Alcohol Act 2012 is, or is not, achieving its object. Note: the object of the Sale and Supply of Alcohol Act 2012 is that: a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and b) the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

Generally, the Act appears to be working well. However, there still appears to be barriers to meaningful community participation. This impacts the evidence the Committee receives on unsafe or irresponsible supply or consumption of alcohol or alcohol-related harm, and evidence available to the Committee. It is therefore vital that the public, who have the local knowledge, are involved in the licensing process.

It is yet to be seen whether the proposed limitations on cross examination in the Sale and Supply of Alcohol (Community Participation) Amendment Bill will achieve the desired effect. The provision of assistance to unrepresented parties from the early stages of an application, via agencies such as Community Law, would be useful.

What changes or trends in licensing have you seen since the Act came into force?

Since the Act came into force, the evidence from the Police and other sources appears in recent years to suggest that there has been an increase in alcohol-related harm issues in and around central Wellington. This is because of a variety of reasons but could be due to factors, such as including emergency type housing in the area, and to societal change over the past few years. There also seems to have been an increase in patrons preloading or side loading before going out.

Covid-19 and the financial downturn appears to have had an impact on the hospitality industry with premises struggling to be viable and more premises are closing or not renewing their licence. Licensees report that it has been hard to get staff and there is a shortage of duty managers available to work at licensed premises.

What changes to practices and procedures under the Act (if any) would you find beneficial?

Given the upcoming changes to the legislation, it will be useful to have standard case management conferences to identify the key issues and address any preliminary matters before the hearing. This will help focus parties' attention on key issues and assist parties to think about the evidence required to address them. It should assist ensuring a sharper focus at the hearing, potentially reducing hearing time, and making the hearing process more efficient. The ability to facilitate mediation could expediate matters in straightforward cases. It could be used when there are parties willing to engage in the process and where the differences are small. However, mediation may not always save time, cost and energy, and has the potential to drag out the process if it is unsuccessful.

PROPOSED ROAD CLOSURE

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Te Kaunihera o Pōneke | Council outlines details of a proposed road closure subject to the conditions listed in the proposed Road Closure Impact Report.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- ☒ Sustainable, natural eco city
- ☐ People friendly, compact, safe and accessible capital city
- ☐ Innovative, inclusive and creative city
- ☐ Dynamic and sustainable economy
- ☐ Functioning, resilient and reliable three waters infrastructure
- ☐ Affordable, resilient and safe place to live
- ☐ Safe, resilient and reliable core transport infrastructure network
- ☒ Fit-for-purpose community, creative and cultural spaces
- ☐ Accelerating zero-carbon and waste-free transition
- ☐ Strong partnerships with mana whenua

Relevant Previous decisions

Outline relevant previous decisions that pertain to the decision being considered in this paper.

Significance

The decision is **rated low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

Author	Maria Taumaa, Street Activities Coordinator
Authoriser	Sean Woodcock, Customer, Compliance and Business Service Manager Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) Agree to close Ganges Road (Agra Street to Dekka Street - one way portion only from number 1 to 19) for the Khandallah Fair on 10th December 2023, from 6.00am to 4.00pm. The road closure will apply to vehicles and cyclists including motorised scooters, and is subject to the conditions listed in the proposed road closure impact report.

Whakarāpopoto | Executive Summary

2. This paper recommends for approval the proposed road closures to facilitate the Khandallah Fair to be held on 10 December 2023.
3. This will involve closing the road listed in the road closure impact report to vehicles and cyclists (including motorised scooters) for the event.

Takenga mai | Background

4. The Council receives numerous requests throughout the year for public roads to be closed for public and private events.
5. In order for road closures to be given effect to under Schedule 10 of the Local Government Act 1974, Council approval is required.
6. The authority to approve requests for road closures is made under Schedule 10, clause 11e, of the Local Government Act 1974 and The Transport Vehicular Traffic road closure regulation 1965. This authority is delegated to the Regulatory Processes Committee.

Kōrerorero | Discussion

7. The report has been prepared in accordance with the procedure that were approved by the Committee on 15 December 2010, In summary these are:

An event organiser applies for a road closure when proposed events require one
Council officers receive proposals and assess the merits and need for a road closure

Together with the event organiser, Council officers ensure consultation with affected stakeholders is carried out and a communication plan is formulated

Any objection are followed up and resolved as far as practical

The event organiser works together with Council officers who notify any plan in response to public submissions and prepare an impact report for Committee

Council officers recommend any conditions that should apply to the approval

The Committee deliberates on the proposed road closure

Council officer notifies the event organiser of the committee's decision

Kōwhiringa | Options

8. Option 1 Agree to the temporary road closure
9. Option 2 do not agree to the temporary road closure
10. Option 3 Agree to the temporary road closures with amendments
11. Options 2 and 3 may require officers to reconsult with affected stakeholders as well as a Council traffic engineer as to the validity of the changes from a safety and movement perspective.
12. Reconsulting and undertaking an assessment of the change by a traffic engineer would also need to take place if amendments are made in these proposed road closures.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

13. The City Events team has assessed the proposed events and confirm that they support the Council's aspiration to maintain "a dynamic city heart and thriving suburban centres" which is an outcome from the Economic Wellbeing Strategy.

Engagement and Consultation

14. Members of the public have been advised of the road closures and informed of their right to object.
15. The public notice advertising that the council is proposing to consider these closures was notified via the following channels:
 - The Post
 - Social Media
 - Facebook
 - Have your Say
 - X (formerly known as Twitter)
16. Details are part of the Impact Reports, members of the public will be advised of the Road Closures prior to the event via
 - Advanced roadside event signage
 - Media releases
 - Council website
 - Council social media channels
17. Event organisers are working with resident groups where applicable; community groups, local retailers, and businesses have been advised of their intention to close the road.
18. Impacted businesses have been advised of their intention to close the road.

Implications for Māori

19. There are no Te Tiriri O Waitand implications

Financial implications

20. Not applicable

Legal considerations

21. The road closures are proposed in accordance with Schedule 10, clause 11e, of the Local Government Act 1974 and the Transport Vehicular Traffic road closure regulation 1965.

Risks and mitigations

22. All safety risks for the road closure are managed by way of the Traffic Management Plan

Disability and accessibility impact

23. Council along with the event organisers do look across the event with a accessibility lens to ensure all can participate. These changes are done by way of a Traffic Management Plan.

Climate Change impact and considerations

24. Each event organiser is required to add their consideration to their road closure impact report.

Communications Plan

25. Residents and businesses affected by the road closures will be notified by letter drop or contacted by event organisers.

Health and Safety Impact considered

26. Health and Safety is covered by the event management plan submitted to council for approval prior to the event. This is assessed together with the Traffic management Plan to ensure the event and associated road closures are managed safely.

Ngā mahinga e whai ake nei | Next actions

27. If the proposed road closures are approved the event organisers will issue further communications advising of the approved closures via social media, implemented the approved Traffic management Plan, run the event, and clean the site. Council officers will monitor the impact of the closures and debrief with the organiser following the conclusion of the event.

Attachments

Attachment 1.	Khandallah Impact 	Page 143
Attachment 2.	Khandallah advert 1 	Page 146
Attachment 3.	Khandallah Advert 	Page 147
Attachment 4.	Khandallah Map 	Page 148

PROPOSED TEMPORARY ROAD CLOSURE – IMPACT REPORT

KHANDALLAH FAIR SUNDAY 10 DECEMBER 2023 6.00AM TO 4.00PM

1. Description of Event

The Khandallah Village Street Fair has been a signature event for the rotary Club of Wellington North and as a local community project, is one of the Club's flagship annual fundraising events. The club is extremely excited to once again be putting this event together for their local community.

**The proposed road closure to vehicles cyclists and motorised scooters, is as follows:
Khandallah Fair: Sunday 10 December 2024 6.00am to 4.00pm**

- **Ganges Road (1-19 Ganges Road, from Agra Crescent to Dekka Street)**

Please refer to the map attachment for further detail.

Pedestrian access will not be restricted, and emergency services will have immediate access to the area if required. Public transport operators have been notified of the proposed closure

Climate Change

The Khandallah Fair is a local community event which has grown in popularity in recent years. The Products on sale are predominantly made in New Zealand which means less transport emissions that would be the case if they were imported. Additionally, the Fair appeals to local people buying local products and involves less travel than the alternative of shopping at other places in Wellington City or in the wider Wellington region.

2. Events Directorate Support

The Events Unit has no objection to this event.

3. Proposal Notice and Consultation

The public notice advertising that the Council is proposing to consider this closure was notified via the following channels:

- The Post, Saturday 7 October 2023
- Social Media, Monday 9 October 2023
- Twitter, Monday 9 October 2023
- Facebook, Monday 9 October 2023
- Have your say, Monday 9 October 2023

This is a regular annual event over the years and there have been no issues.

REGULATORY PROCESSES COMMITTEE

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The New Zealand Police will be advised closer to the event by way of phoning the watch tower at central police station, and Waka Kotahi (NZTA) will be notified by way of traffic management.

4. Objections

There have been no objections to this road closure request.

5. Traffic Impact Assessment

Prior Closures

The road closure is proposed under the powers provided to Council under the Local Government Act 1974, section 342. Stopping and closing of roads, schedule 10: [Local Government Act 1974, Section 342, Schedule 10, clause 11\(e\)](#)

None of the proposed closures for this event will result in a road being closed for an aggregate of more than 31 days in any year.

Traffic Impact

Council officers consider that the proposed closure, if implemented according to an approved Traffic Management Plan (TMP), is not likely to impede traffic unreasonably subject to the conditions listed below.

Conditions:

- The road closure is valid from 6.00am to 4.00pm on Sunday 10 December 2023.
- The event organiser is to notify the public via letter drop to affected parties, advanced signage and media releases.
- The event organiser is responsible for safety (pedestrian and traffic) within the closed area.
- The event organiser is to provide marshals at all road closure ends to ensure that public safety (interaction of traffic and spectators) is not compromised. This is essential where the road closures transitions from partial to full closures and vice versa.
- The event organiser is to ensure emergency services (Police, Fire and Ambulance Services) have been consulted with and the TMP includes all their specific requirements.
- The event organiser is to ensure that the affected property and business owners along the road closures are advised and consulted with.
- The event organiser must have a health and safety plan, which covers how emergency vehicles are required to enter the road closure site if required ten (10) working days before the event.
- The event organiser must have an approved TMP no later than ten (10) working days prior to the event.
- Information signs must be installed ten (10) working days before the event.
- The event organiser must provide Council with an event hazard/risk management plan ten (10) working days prior to the event that describes in full how the event organiser will manage all health and safety risks associated with the event.
- The event organiser is to work with the public transport operators to provide alternative public transport routes and bus stops along the proposed partial and full closures.
- Detour routes are to be provided with adequate signage during the road closure period.
- The event organiser is to provide adequate detour routes to provide access for affected residents and businesses during the event, within the health and safety plan.

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- The event organiser must organise a debrief session (minutes must be taken) as close as possible after the event with all affected parties. These findings must be recorded and distributed to attending parties.

However, the Council reserves the right to modify this opinion at any time. If, in the opinion of the Council, the closure may or does impede traffic unreasonably, any approval granted by the regulatory processes committee may be revoked and the event organiser may be required to open the road at the direction of a suitably qualified Council officer in charge of traffic.

Attachments

- Map of proposed closure
- Copy of Dom Post Public notice

Maria Taumaa

Prepared By
Maria Taumaa
Street Activities Coordinator

THE DOMINION POST
7 Oct 2023

Proposal to Close Roads

The Regulatory Processes Committee will meet on Wednesday 13 December 2023 to consider the following temporary road closure for Events.

Khandallah Fair 2023

Road Closure:

Sunday 10 December 2023 6.00am to 4.00pm

Ganges Road, Agra street to Dekka Street One way portion only 1 to 19.

Any person objecting to a proposed road closure must Contact the City Council in writing before 4pm, Friday 20 October 2023. Please send correspondence to Street Activities at mailing address P O Box 2199 Wellington or by email Street.activities@wcc.govt.nz.

Wellington City Council
PO Box 2199, Wellington 6140
Wellington.govt.nz

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Proposal to Close Roads

The Council Meeting will meet on Wednesday 25 October 2023 to consider the following temporary road closure for Events.

Khandallah Fair 2023

Road Closure:

Sunday 10 December 2023 6.00am to 4.00pm

Ganges Road, Agra street to Dekka Street One way portion only 1 to 19.

Any person objecting to a proposed road closure must Contact the City Council in writing before 4pm, Friday 27 October 2023. Please send correspondence to Street Activities at mailing address P O Box 2199 Wellington or by email Street.activities@wcc.govt.nz. This proposed road closure is subject to the Government Covid-19 guidelines regarding events of this nature.

Wellington City Council
PO Box 2199, Wellington 6140
Wellington.govt.nz

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Event Name: Khandallah Village Fair
Event Type: Road Closure
Event Details:

From: 10/12/2023 6:00:00 am

Until: 10/12/2023 4:00:00 pm

ROAD STOPPING – LAND ADJOINING 3 LIFFEY STREET, ISLAND BAY

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Te Kaunihera o Pōneke | Council asks that Council stop and sell approximately 23 m² (subject to survey) of unformed legal-road land adjoining 3 Liffey Street, Island Bay (the Land). Refer to Attachment 1 for the location plan.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|---|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input type="checkbox"/> Sustainable, natural eco city |
| | <input type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input type="checkbox"/> Innovative, inclusive and creative city |
| | <input type="checkbox"/> Dynamic and sustainable economy |
| | <input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input type="checkbox"/> Affordable, resilient and safe place to live |
| | <input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

N/A

Significance

The decision is **rated low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

- Affects a limited number of individuals, to a low degree
- Has very little public interest.
- Low consequence for Wellington City
- Low impact on the Council being able to perform its role.

Financial considerations

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

2. There is no significant financial consideration related to this proposal. Any costs associated with the disposal of the Land will be recovered from the applicant.

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

3. Overall, the road stopping process is considered to be low risk.

Authors	Seth Bocknek, Property Advisor Sarah-Jane Still, Senior Property Advisor
Authoriser	John Vriens, Property Advisory Manager Brad Singh, Transport and Infrastructure Manager Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) Declare that the approximately 23 m² (subject to survey) of unformed legal-road land (the Land) adjoining 3 Liffey Street (Part Lot 3 DP 1911, held on ROT WNB1/687) is not required for a public work and is surplus to Council's operational requirements.
- 3) Agree to dispose of the Land.
- 4) Delegate to the Chief Executive Officer the power to conclude all matters in relation to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.
- 5) Note that if objections to the road stopping process are received and the applicant wishes to continue, a further report will be presented to the Regulatory Processes Committee and Council for consideration.

Whakarāpopoto | Executive Summary

4. The owner of 3 Liffey Street, Island Bay (the Owner), has applied to purchase legal-road land adjoining their property.
5. The approximately 23 m² of legal-road land (the Land) proposed to be stopped and sold is shown outlined in red on Attachment 2.
6. Relevant Council business units have been consulted. All support the proposal subject to standard conditions (where applicable).
7. Utility plans have been acquired and examined. The utility services shown on these plans do not appear to conflict with the proposed stopping.
8. Initial consultation letters were sent to the adjoining neighbours; and at the time of writing of this report, no responses have been received.
9. If the Council agrees with the recommendations, the road stopping will then be publicly notified. At that time, any neighbours, organisations, or any other members of the public will have the opportunity to make a submission.

Takenga mai | Background

10. 3 Liffey Street, located on the south side of Liffey Street, is the second house in from Melbourne Road to the east. The property is relatively flat and contains a single-story dwelling set back 2.5 metres from the footpath.
11. The legal description for 3 Liffey Street is Part Lot 3 DP 1911, held on Record of Title WNB1/687.
12. The Land is currently used by the Owner under an encroachment licence for fenced land and a car pad. The road stopping will also resolve the need for a building encroachment where the Owner's house has been built slightly over the front boundary.

Kōrerorero | Discussion

13. The Land spans the entire width of the 3 Liffey Street frontage. The Land's northern (top) boundary aligns with the existing frontage boundary of 5 Liffey Street to the west, and its side boundaries are an extension of 3 Liffey Street's existing side boundaries.
14. Advisors from Council's Transport Network Team have confirmed the Land is not required for future road widening or public access purposes. They supported the proposal by specifying the exact stopping area. An isolation strip (shown in green on Attachment 2) will be required on the Land's eastern side boundary with 1 Liffey Street.
15. Should the road stopping proposal be successful, the Land will be amalgamated with 3 Liffey Street, with its current use not proposed to change.
16. Road stopping is provided for under Sections 319 and 342 and the Tenth Schedule of the Local Government Act 1974 (LGA).
17. The Council, under Section 40 of the Public Works Act 1981 (PWA), "shall endeavour" to dispose of any land not required for the public work for which it was taken, and which is not required for any public work.
18. Disposal of the Land to any other party but the Owner would result in road access issues for the Owner. Therefore, the Owner is considered to be the only appropriate purchaser of the Land. Section 345 of the LGA provides Council with the statutory power to dispose of stopped road to the adjoining owner. This will be further considered and confirmed as part of the Section 40 PWA offer-back investigation officers will undertake should this proposal be approved (see Next Actions).
19. Relevant Council business units have been consulted, and none wish to retain the Land.
20. Council officers are giving Herenga ā Nuku | Outdoor Access Commission the opportunity to comment on road stopping proposals early in the process. The Commission raised no public-access issues relating to the proposal for this road stopping adjoining 3 Liffey Street, Island Bay.
21. As is normal practice in the early stages of the road stopping process, officers have written to the adjoining property owners to notify them that Council has received the road stopping application. All adjoining owners will be consulted again when formal public consultation is carried out later in the road stopping process.

Kōwhiringa | Options

22. Approve the recommended option.
23. The alternative to the recommended option is to continue with the current situation and manage any appropriate needs through encroachment licence procedures.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

24. The recommendations of this report are consistent with the Council's Road Encroachment and Sale Policy 2011.

Engagement and Consultation

25. Letters were sent to the relevant adjoining property owners, notifying them that Council had received this road stopping application. At the time of preparing this report, no response has been received.
26. These neighbouring owners will be consulted again when the formal public consultation is carried out later in the road stopping process, and they will have an opportunity to enter a written submission if they so choose.

Implications for Māori

27. Due to the legal restrictions on the Land, the adjoining owner is the only possible purchaser. No other parties, including our Tā kai Here partners, are able to purchase the Land.
28. This road stopping proposal was sent to our partners for their information and for comment in July 2023.
29. We note that the Land is not in the Operative or Proposed District Plan as being located on or near any current identified Sites and Areas of Significance to Māori. Should a site or area of significance to Māori be identified in the future, we will re-engage with our partners to ensure that the appropriate tikanga and protocols are upheld.
30. Given the nature of this road stopping proposal and all the information gathered and examined, officers believe that disposal of the Land to the adjoining owner has no known implication for Māori.

Financial implications

31. There are no significant financial considerations related to this recommendation. Any costs associated with the disposal of the Land will be recovered from the applicant, and the proceeds of the sale are directed toward the general fund.

Legal considerations

32. The road stopping process is consistent with both legislative and Council requirements.

Risks and mitigations

33. Overall, this proposal is rated low on Council's risk framework.

Disability and accessibility impact

34. There are no known accessibility impacts for this road stopping.

Climate Change impact and considerations

35. There are no known climate change implications for this road stopping.

Communications Plan

36. Public consultation in accordance with the Tenth Schedule of the LGA will be carried out later in the road stopping process. At this time, we will also advise the local residents association.

Health and Safety Impact considered

37. Officers are not aware of any negative health and safety impacts relating to the proposal.

Ngā mahinga e whai ake nei | Next actions

38. The proposed next steps, subject to the Council's approval of the recommended option, are to:
- a) Conclude a Section 40 PWA investigation.
 - b) Prepare a Survey Office Plan.
 - c) Prepare a Sale and Purchase Agreement.
 - d) Begin the public-notification process.

Attachments

Attachment 1.	Location Plan ↓ 	Page 155
Attachment 2.	Aerial ↓ 	Page 156
Attachment 3.	Street Views ↓ 	Page 157

Local Maps Print



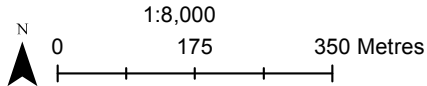
September 22, 2023

Disclaimer:
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Data Statement:
Property boundaries, 20m Contours, road names, rail line, address & title points sourced from Land Information NZ. Assets, contours, water and drainage information shown is approximate and must not be used for detailed engineering design. Other data has been compiled from a variety of sources and its accuracy may vary, but is generally +/- 1m. Crown Copyright reserved.

Property Boundaries Accuracy:
+/-1m in urban areas
+/-30m in rural areas

Data Source:
Census data - Statistics NZ.
Postcodes - NZ Post.



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LocalMaps Print



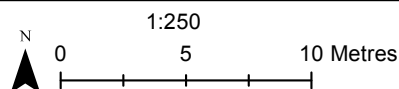
June 30, 2023

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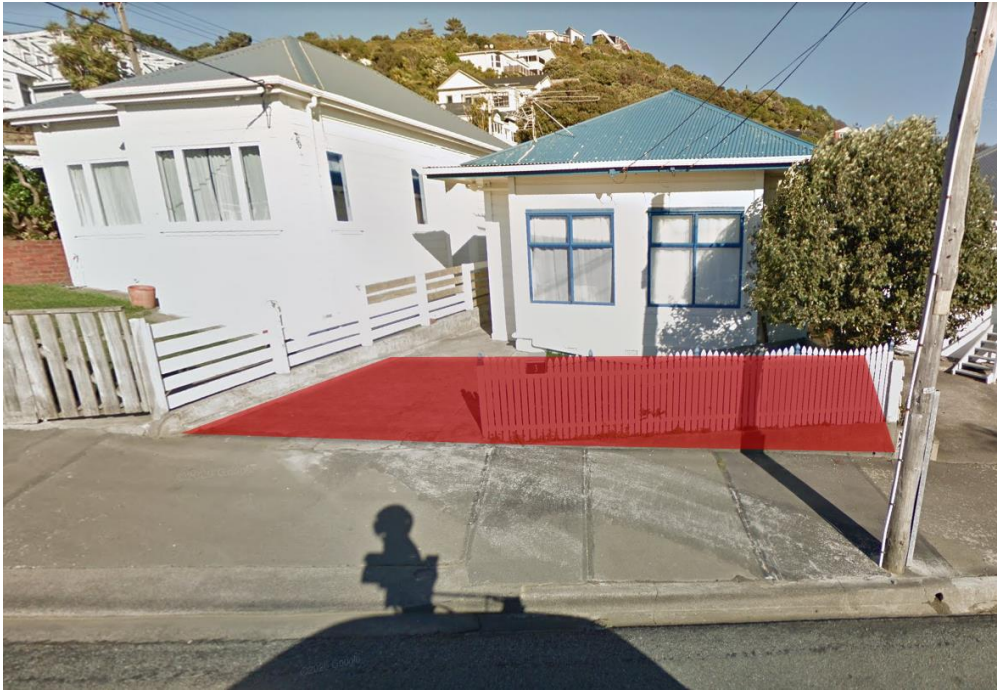
Property Boundaries Accuracy:
+/-1m in urban areas
+/-30m in rural areas

Data Source:
Census data - Statistics NZ.
Postcodes - NZ Post.



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Street views – 3 Liffey Street proposed road stopping



ACTIONS TRACKING AND FORWARD PROGRAMME

Kōrero taunaki | Summary of considerations

Purpose

1. This report provides an update on past actions agreed by Te Kaunihera o Pōneke | Council (Council) at its previous meetings (hui).
2. Additionally, this report provides a list of items that are scheduled to be considered at the next two hui of Council.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- ☐ Sustainable, natural eco city
- ☐ People friendly, compact, safe and accessible capital city
- ☐ Innovative, inclusive and creative city
- ☐ Dynamic and sustainable economy
- ☐ Functioning, resilient and reliable three waters infrastructure
- ☐ Affordable, resilient and safe place to live
- ☐ Safe, resilient and reliable core transport infrastructure network
- ☐ Fit-for-purpose community, creative and cultural spaces
- ☐ Accelerating zero-carbon and waste-free transition
- ☐ Strong partnerships with mana whenua

Relevant Previous decisions

Not applicable.

Financial considerations

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

Author	Alisi Folaumoetu'i, Senior Democracy Advisor
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

That Te Kaunihera o Pōneke | Council:

1. Receive the information.

Whakarāpopoto | Executive Summary

Actions Tracking

3. Since the previous actions tracking reporting to Council, Council passed 28 resolutions at the hui on 7 Mahuru September 2023 and 4 Whiringa-ā-nuku October 2023:
 - 25 are complete and 3 are still in progress.
4. Council had 50 in progress actions carried forward from previous action tracking reports:
 - 4 are now complete and 46 are still in progress.

Forward Programme

5. The following items are scheduled to go to Council's next two hui:

Rāpare Thursday, 14 Hakihea December 2023:

- Newtown Parking Management Plan (Chief Planning Officer)
- Request to appoint additional DLC list member (Chief Planning Officer)
- Seek approval to adopt the Animal Bylaw (Chief Strategy and Governance Officer)

Rāpare Thursday, 7 Poutū-te-rangi March 2024

Takenga mai | Background


Actions Tracking

6. Attachment 1 lists clauses agreed by Council that are still in progress or have been completed since actions were last reported on.
7. For public excluded resolutions, individual clauses will not be reported on in a public hui. An overall status for the item will be given and it will remain in progress until all clauses are complete.
8. Actions will be removed from the list once they have been reported as complete.
9. Where applicable, this report contains actions carried over from the equivalent Council of previous trienniums.
10. The purpose of the actions tracking report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. Council could resolve to receive a full update report on an item, if it wishes.

Forward Programme

11. The forward programme sets out the reports planned for to go to Council for consideration in the next two hui.
12. It is a working document and is subject to change on a regular basis.

Attachments

Attachment 1. Actions Tracking - October [↓](#) 

Page 163

Date	ID	Title	Clause number	Clause	Status	Comment
Wednesday, 30 June 2021	2	2.5 Implementation of Parking Charges	7	Request officers to investigate off-street parking opportunities with both council and privately run public parking buildings for evening and weekend parking throughout the year.	In progress	Under investigation
Thursday, 26 August 2021	3	2.1 Aho Tini 2030 Arts, Culture & Creativity Strategy and Action Plan	6	Agree that officers report back to Council with an update on the timeline and programme for major Council controlled venues reopening including any future planned maintenance and upgrade proposals.	In progress	The St James Theatre has now reopened. The Wellington Town Hall is still under construction and expected to reopen in early 2025. Preliminary work is underway on possible upgrades to a number of venues and will form part of LTP planning. 09/10 No further update.
Thursday, 26 August 2021	6	2.2. Annual Dog Control Report 2020-21	4	Agree that officers report back through the Animal Bylaw/Dog Policy process later this year on metrics for the objectives set out in the Annual Dog Report.	In progress	Review underway
Thursday, 26 August 2021	8	2.2. Annual Dog Control Report 2020-21	6	Request officers bring back options for better resourcing of Animal Control in order to help protect our wildlife. Resourcing could include partnership opportunities, shared resourcing and fee reallocation and/or increase, as well as investigating the provision of off-leash dog facilities.	In progress	Review Underway
Thursday, 26 August 2021	9	2. 6 Strategy and Policy Work Programme	3	Note that once agreed, the programme will be included in the relevant Committee Forward Programmes.	In progress	Paper going to Council in Oct/Nov for endorsement.
Thursday, 28 October 2021	21	2.1 Tākina Operating Arrangements	5	Agree for officers to work with Te Papa Tongarewa on the implementation of Living Wage for staff working within Tākina Events, and to bring this plan and related costs back to Council prior to the opening of Tākina.	Completed	Has been implemented and at this stage at no additional cost to Council. Will need to update Committee if this changes and Takina Events seek to recoup the costs.
Wednesday, 15 December 2021	27	3.1 The Gifting of the name Te Aro Mahana	2	Agree to formally recognise the gift of the name Te Aro Mahana for the new play area within Frank Kitts Park and accordingly name the newly developed play area Te Aro Mahana.	In progress	The name will be formally gifted when the play area is ready to be opened.
Thursday, 24 February 2022	31	3.1 Report of the Pūroro Rangaranga Social, Cultural and Economic Committee Meeting of 3 February 2022 25 Hanson Street	2	Agree to dispose of the Land, in order to give effect to the exchange.	In progress	29/08/2023. The Council land being disposed is one entire isolation strip, and part of another isolation strip. Subdivision resource consent was needed to separate the part strip. That consent was obtained on 10/02/2023. LINZ has now approved the survey plan and Council's lawyers are arranging for new titles which will trigger settlement. (Note I have been seconded to another team, Seth Bocknek taken over project, please refer future update requests to him)
Thursday, 31 March 2022	38	4.2 Report of the Pūroro Waihangā Infrastructure Committee Meeting of 23 March 2022: PROPOSED DISPOSAL - PART OF 39 CHAPMAN STREET, JOHNSONVILLE	2	Agree to dispose of the Land to the adjoining owner at 15 Chesterton Street, Johnsonville.	In progress	06/10/23 - Owner has revised draft sale and purchase to review. Waiting on outcome for rezoning submission for the PDP.
Thursday, 28 April 2022	43	3.2 Report of the Pūroro Waihangā Infrastructure Committee Meeting of 27 April 2022 LAND DISPOSAL (ISOLATION STRIPS) - HANSON STREET SERVICE LANE, MOUNT COOK	2	Agree to dispose of the Land to the adjoining owner of 25 Hanson Street (Lot 1 DP 358660, ROT 238839), for amalgamation with that property.	In progress	29/08/2023. Council's lawyers are arranging for new titles which will trigger settlement. (Note I have been seconded to another team, Seth Bocknek taken over project, please refer future update requests to him)
Thursday, 31 March 2022	44	4.1 Report of the Pūroro Tahua Finance and Performance Committee Meeting of 17 March 2022: DEVELOPMENT CONTRIBUTIONS POLICY REPORT BACK ON CONSULTATION AND FINAL VERSION FOR APPROVAL	3	Note that the Policy will be reviewed in time for the 2024 Long-Term Plan and at that time reserves acquisition will be fully included.	In progress	In Progress - draft due Q3 2023/24.
Thursday, 30 June 2022	54	3.2 Report of the Pūroro Maherehere Annual Plan/Long-Term Plan Committee Meeting of 1 June 2022: Town Hall Development Update	1.a	1. Agree to increase the capex budget for the Town Hall project to \$182.4m through the following detailed budget adjustments: a. Move existing contingency balance of \$10.3m (Activity 2117) in 2022/23 to the Town Hall Project (Activity 2076) in 2023/24,	Completed	This action should be closed. A Councillor briefing was held on 3/10/23 with recommendations for the TH project along with a request for additional budget. A paper is to be presented to Council on 25/10.2023.
Thursday, 30 June 2022	55	3.2 Report of the Pūroro Maherehere Annual Plan/Long-Term Plan Committee Meeting of 1 June 2022: Town Hall Development Update	1.b	1. Agree to increase the capex budget for the Town Hall project to \$182.4m through the following detailed budget adjustments: b. Increase the above by \$1.7m to represent the full balance of the agreed contingency in the budget,	Completed	This action should be closed. A Councillor briefing was held on 3/10/23 with recommendations for the TH project along with a request for additional budget. A paper is to be presented to Council on 25/10.2023.
Thursday, 30 June 2022	56	3.2 Report of the Pūroro Maherehere Annual Plan/Long-Term Plan Committee Meeting of 1 June 2022: Town Hall Development Update	1.c	1. Agree to increase the capex budget for the Town Hall project to \$182.4m through the following detailed budget adjustments: c. Increase the Town Hall project budget by the addition project budget requirement of \$37.1m, \$24m in 2023/24 and \$13.1m in 2024/25.	Completed	This action should be closed. A Councillor briefing was held on 3/10/23 with recommendations for the TH project along with a request for additional budget. A paper is to be presented to Council on 25/10.2023.

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 30 June 2022	67	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	2	Agree to grant stormwater and wastewater easements, pursuant to Section 48 of the Reserves Act 1977, to the owners of 324 and 326 Main Road, Tawa, over Council recreation reserve land at Duncan Park and Play Area, being part of Lot 26 Deposited Plan 15397 and held on ROT WN790/45.	In progress	The Applicant will implement the pipes as part of the building project. The builder will contact Reserves Planner prior to this work to arrange a Temporary Vehicle Access Permit from the Park Ranger team. The easement areas will be surveyed and legalised after the pipes have been laid and the reserve reinstated.
Thursday, 30 June 2022	68	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	3	Delegate to the Chief Executive the power to carry out all steps to effect the easements.	In progress	
Thursday, 30 June 2022	69	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	4	Note that the works within the easement areas will be subject to the relevant bylaw, building and/or resource consent requirements.	In progress	
Thursday, 30 June 2022	70	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	5	Note that the works to install the stormwater and wastewater lateral pipes will proceed in accordance with final Parks, Sport and Recreation agreement to all reserve management, work access and reinstatement plans.	In progress	
Thursday, 30 June 2022	71	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	6	Note that under the Instrument of Delegations for Territorial Authorities dated 12 July 2013, the Minister of Conservation has delegated the authority to grant easements over reserve land under Section 48 of the Reserves Act 1977 to Council.	In progress	
Thursday, 30 June 2022	72	2.1 Reserves Act 1977 : Easements over Duncan Park and Play Area (Tawa)	7	Note that approval to grant these easements will be conditional on: a.The applicant being responsible for all costs associated with the creation of the easements, including any of Council's fair and reasonable costs. b.The requirement for public notice under Section 48(2) of the Reserves Act 1977 being waived as the reserve is not likely to be materially altered or permanently damaged and the rights of the public are not likely to be permanently affected by the granting of these easements.	In progress	
Thursday, 30 June 2022	74	3.4.1 Report of the Pūroro Hātepe Regulatory Processes Committee Meeting of 8 June 2022: Background to Oral Submissions and Decision on Objections to Proposed Road Stopping – 24 Cave Road, Houghton Bay.	2	Delegate to the Chief Executive Officer the power to approve and conclude any action relating to Environment Court proceedings, if required.	In progress	9/10/2023. All objectors have now withdrawn. Still waiting for applicant to decide if they want to continue. (Note I have been seconded to another team, Sarah-Jane Still taken over project, please refer future update requests to her)
Thursday, 30 June 2022	80	2.2 Sludge Minimisation Facility Business Case	4	Request officers bring back to Council options for sludge disposal, in the event that the Sludge Minimisation Facility cannot be built in time to meet the 2026 deadline.	In progress	
Wednesday, 6 July 2022	105	2.2 Let's Get Wellington Moving: MRT/SHI Preferred Programme Option	20	Endorse LGWM on behalf of partners, including mana whenua, preparing a proposal for a Specified Development Project with Kāinga Ora, noting that LGWM will report back to partners with final recommendations on a Specified Development Project proposal.	In progress	Work with Kainga Ora on an Specified Development Project is underway.
Wednesday, 6 July 2022	113	2.2 Let's Get Wellington Moving: MRT/SHI Preferred Programme Option	28	Note that the LGWM will regularly report back to partner shareholding governing bodies against progress milestones in the preparation of the Detailed Business Case	In progress	LGWM will regularly report back to partners.
Thursday, 25 August 2022	648	2.2 Decision on Shelly Bay Road upgrade options following community engagement	8a	Agree that: The Shelly Bay Road upgrade will be comprised of the work undertaken by the Developer to deliver the consented design, followed by any localised upgrades which will be delivered by WCC within the existing road corridor and the current \$2.4m LTP budget. The WCC work will prioritise active transport modes and aim to enhance the recreational value of Shelly Bay Road as part of Te Motu Kairangi.	In progress	

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 25 August 2022	649	2.2 Decision on Shelly Bay Road upgrade options following community engagement	8b	Agree that: Officers will further explore the long-term opportunities to upgrade Shelly Bay Road in such a way that will enable the road to meet Waka Kotahi design guidance (as a minimum) and the Great Harbour Way plan (as an aspiration), noting that: (i) No opex costs have been set aside for this work; (ii) Given lead in times, these opportunities will not be able to be implemented until after their consented design has been delivered; and (iii) As no budget (other than the initial \$2.4m capex) is included for any of these options in the long term plan, all options would be subject to future Council decision making processes. (iv) Request an initial report be undertaken in time for the 2023/4 Draft Annual Plan to request any necessary feasibility funding, noting that, until any funding is provided, there would be no resources to progress this part of the work.	In progress	
Thursday, 25 August 2022	650	2.2 Decision on Shelly Bay Road upgrade options following community engagement	8c	Agree that: Officers to start the process to investigate a 30km/hr speed limit on Shelly Bay Rd between the Miramar cutting and the Shelly Bay development, either through the Speed Management Review process or the standard speed review process, whichever is faster.	In progress	
Thursday, 25 August 2022	651	2.2 Decision on Shelly Bay Road upgrade options following community engagement	9	Note that, given the constraints identified and the levels of community interest in achieving a higher level of service, officers have also investigated how to improve the level of service for active mode users (beyond that provided by the consented design), without delivering a shared path that meets Waka Kotahi design guidance. This has included consideration of the process by which any such change could be delivered. .	In progress	
Thursday, 25 August 2022	653	2.2 Decision on Shelly Bay Road upgrade options following community engagement	10	Agree that officers will progress localised upgrades to the consented design in accordance with the discussion contained below.	In progress	
Thursday, 25 August 2022	670	3.1 Report of the Pūrora Hātepe Regulatory Processes Committee Meeting of 10 August 2022: Proposed Road Stopping - Land Adjoining 28 Hapua Street, Hataitai	2	Agree to dispose of the Land.	In progress	06/10/23 - Settlement scheduled for 18 Oct 2023.
Thursday, 25 August 2022	673	4.1 Sludge Minimisation Facility Project Funding	All Clauses	All clauses - public	In progress	
Thursday, 30 September 2021	692	4.1 Mākara Cemetery - potential land acquisition	All clauses	All clauses - public	In progress	Still in progress, alternatives ruled out. Owner discussions to recommence. 6/10/23
Thursday, 29 September 2022	710	2.4 Development Contributions Remission Request for 4 Oxford Terrace	5	Agree to increase the budget for Social and Recreational Grant Pool (1124) in the year which Development Contribution relating to this development falls due and debt fund this grant at the time.	In progress	Ongoing - the changes will be dealt with through the annual plan.
Thursday, 29 September 2022	711	2.4 Development Contributions Remission Request for 4 Oxford Terrace	6	Agree to reduce the budget for the Environmental and Accessibility Fund (1220) by \$383k in order to fund the above grant.	In progress	Ongoing - the changes will be dealt with through the annual plan.
Thursday, 29 September 2022	755	4.1 Land Acquisition Taranaki Street	All clauses	All clauses	In progress	
Thursday, 15 December 2022	1157	3.3.1 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 14 December 2022: NEW GROUND LEASE FOR VICTORIA BOWLING CLUB	1	Approve a new lease pursuant to the Wellington Town Belt Act 2016 for Victoria Bowling Club Incorporated for a 10-year term with a further renewal term of 10 years.	In progress	Negotiating terms of the lease with club.
Thursday, 15 December 2022	1158	3.3.2 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 14 December 2022: PROPOSED ROAD STOPPING – LAND ADJOINING 76 ADJOINING 76 ORANGI KAUPAPA ROAD, NORTHLAND	2 (c)	c.Delegate to the Chief Executive Officer the power to conclude all matters in relations to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.	In progress	29/08/2023. At Step 6 of the road stopping process. Surveyor now instructed and waiting for WCC Legal team to provide estimate. (Note: this project now transferred to Seth Bocknek to manage. please refer future update requests to him)
Thursday, 15 December 2022	1159	3.3.2 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 14 December 2022: PROPOSED ROAD STOPPING – LAND ADJOINING 76 ADJOINING 76 ORANGI KAUPAPA ROAD, NORTHLAND	2 (c)	c.Delegate to the Chief Executive Officer the power to conclude all matters in relations to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.	In progress	29/08/2023. At Step 6 of the road stopping process. Surveyor now instructed and waiting for WCC Legal team to provide estimate. Note: this project now transferred to another team, Seth Bocknek taken over project, please refer future update requests to him)

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 15 December 2022	1160	3.3.2 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 14 December 2022: PROPOSED ROAD STOPPING – LAND ADJOINING 76 ADJOINING 76 ORANGI KAUPAPA ROAD, NORTHLAND	3	Delegate to the Chief Executive Officer the power to conclude all matters in relations to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.	In progress	29/08/2023. At Step 6 of the road stopping process. Surveyor now instructed and waiting for WCC Legal team to provide estimate. Note: this project now transferred to Seth Bocknek to manage.(Note I have been seconded to another team, Seth Bocknek taken over project, please refer future update requests to him)
Thursday, 15 December 2022	1219	4.4 Land Acquisition - Aotea Quay	All clauses	All clauses	In progress	
Thursday, 20 April 2023	1487	2.1 Election Matters	2	Agree that a representation review be undertaken in the 2025-2028 triennium for the 2028 local election	In progress	
Thursday, 20 April 2023	1489	2.1 Election Matters	4	Agree that Officers will report back to Council when data from Census 2023 is available as information for the 2025-2028 triennium representation review.	In progress	Current indications are that this data is expected in mid-2024.
Thursday, 20 April 2023	1544	4.2 LAND ACQUISITION - OHARIU VALLEY ROAD, OHARIU	All clauses	All clauses.	In progress	
Thursday, 20 April 2023	1558	4.3 Te Kāinga Project Decision	All clauses	All clauses	In progress	
Thursday, 1 June 2023	1605	2.4 Sport Facilities Fees and Charges Review	2	Agree to complete the review into Council’s sport facilities fees and charges	In progress	
Thursday, 1 June 2023	1609	2.4 Sport Facilities Fees and Charges Review	6	Agree to delegate to the Mayor and Chief Executive the appointment of an independent consultant informed by a recommendation from the independent chair and working group.	In progress	Working towards the procurement process for RFQ for the review
Thursday, 29 June 2023	1770	2.1 Notice of Motion Regarding State of Palestine	1	Direct officers to initiate a Friendly City relationship with Ramallah, with the longer-term intent of building a Sister City relationship in line with criteria set by the International Relations Policy once it has been updated in 2024.	In progress	An action plan for engagement with Ramallah is currently being drafted.
Thursday, 29 June 2023	1805	2.4 Golden Mile Traffic Resolution and Detailed Design	13	Establish a Business Advisory Group to engage with members of the Wellington Business Community to inform the design and delivery of LGWM projects.	In progress	
Thursday, 29 June 2023	1806	2.4 Golden Mile Traffic Resolution and Detailed Design	14	Instruct officers to develop clear criteria and rules for the exemption permitting system and report these back to Council to make a final decision.	In progress	
Thursday, 29 June 2023	1808	2.4 Golden Mile Traffic Resolution and Detailed Design	12.a	a) Agree for the Mayor and interested Elected Members to meet with Greater Wellington Regional Council and Waka Kotahi to review the location and design of bus stops along the Golden Mile in the next two months and to report back to Council on any improvements that can be made to the allocation of bus stops to maintain the existing high level of service.	In progress	
Thursday, 7 September 2023	2237	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	1	Receive the information	Completed	
Thursday, 7 September 2023	2239	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	3	Agree that the Wellington Regional Leadership Committee continues as a joint committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002, with the amended terms set out in the attached Joint Committee Agreement (dated 2023), with the amendments in effect from the date the Wellington Regional Leadership Committee Joint Committee Agreement is signed by all local authority parties.	In progress	

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 7 September 2023	2240	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	4	Note the main amendments provide for the Wellington Regional Leadership Committee to: a. undertake the work necessary to inform, prepare and finalise the Future Development Strategy in accordance with the National Policy Statement for Urban Development 2020. b. establish a Joint Committee Subcommittee to hear submissions on the draft Future Development Strategy (and any updates) and make recommendations to the Wellington Regional Leadership Committee on those submissions (which will make the final decision on the Future Development Strategy). c. undertake regular reviews of the Future Development Strategy. d. prepare the implementation plan in support of the Future Development Strategy. e. implement the Future Development Strategy.	Completed	
Thursday, 7 September 2023	2241	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	5	Authorise the Wellington Regional Leadership Committee to appoint a Joint Committee Subcommittee for the Future Development Strategy to hear and make recommendations on submissions received on the draft Future Development Strategy to be developed under the National Policy Statement for Urban Development 2020 (and any updates to that Strategy).	Completed	
Thursday, 7 September 2023	2242	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	6	Approve the amended Wellington Regional Leadership Committee Joint Committee Agreement, including the amended Terms of Reference for the Joint Committee and the new Terms of Reference for the Joint Committee Subcommittee for the Future Development Strategy.	Completed	
Thursday, 7 September 2023	2243	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	7	Delegate all powers and functions to the Wellington Regional Leadership Committee set out in the amended Wellington Regional Leadership Committee Joint Committee Agreement, including the amended Terms of Reference for the Joint Committee and the new Terms of Reference for the Joint Committee Subcommittee for the Future Development Strategy.	Completed	
Thursday, 7 September 2023	2244	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	8	Note that the Wellington Regional Leadership Committee is a joint committee of all local authorities that are parties to the Wellington Regional Leadership Committee Joint Committee Agreement, and it includes members representing iwi and the Crown.	Completed	
Thursday, 7 September 2023	2245	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	9	Authorise the Mayor to a) sign the amended Wellington Regional Leadership Committee Joint Committee Agreement on behalf of the Council. b) to request on behalf of the Council that the Joint Committee gives consideration to revising the Terms of Reference to give the highest priority to responding to the twin challenges of climate change and ecological protection alongside the region's growth needs.	Completed	
Thursday, 7 September 2023	2246	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	10	Appoint Councillor Brown, to be a member of the Joint Committee Subcommittee for the Future Development Strategy for the purposes of hearing submissions on the draft Future Development Strategy (or any updates to it) and making recommendations on those submissions to the Wellington Regional Leadership Committee, with Councillor Matthews as an alternate.	Completed	
Thursday, 7 September 2023	2247	2.2 Annual Dog Report 2022-23	1	Receive the information.	Completed	
Thursday, 7 September 2023	2248	2.2 Annual Dog Report 2022-23	2	Agree the content of the Annual Dog Control Report 2022-23.	Completed	
Thursday, 7 September 2023	2249	2.2 Annual Dog Report 2022-23	3	Adopt the Annual Dog Control Report 2022-23.	Completed	
Thursday, 7 September 2023	2250	2.3 Re-appointment of existing members of the District Licensing Committee	1	Receive the information.	Completed	
Thursday, 7 September 2023	2251	2.3 Re-appointment of existing members of the District Licensing Committee	2	Agree to re-appoint the District Licensing Committee (DLC) members that are subject to the discussion in this paper.	Completed	
Thursday, 7 September 2023	2252	2.4 Annual Report on income received from and costs incurred in alcohol licensing for year 22-23	1	Receive the information.	Completed	
Thursday, 7 September 2023	2253	2.5 Actions Tracking	1	Receive the information.	Completed	
Thursday, 7 September 2023	2254	2.6 Forward Programme	1	Receive the information.	Completed	

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 7 September 2023	2255	3.1 Report of the Kōrau Tōtōpū Long-term Plan, Finance, and Performance Committee Meeting of 23 February 2023	1-3	1) Approve an operational (opex) budget increase of \$3.3m for Wellington Water Limited in the current financial year relating to reactive maintenance (\$2m) and the Karori treatment plant (\$1.3m) 2) Approve a capital (capex) budget increase of \$5.75m for Tākina (Wellington Convention and Exhibition Centre) 3) Approve the following budget changes relating to Better off Funding for the 2022/23 financial year: a. Increase operational (opex) budget relating to the Subsurface Digital Twin project by \$600k; b. Increase capital (capex) budget relation to the Subsurface Digital Twin project by \$73k; c. Increase opex budget relating to Climate action focused community engagement by \$300k; d. Note that a further budget adjustment relating to the Social Housing CHP tenant support fund will be requested through the Quarter 3 report, once the CHP establishment has been finalised	Completed	QUARTER 2 PERFORMANCE REPORT
Thursday, 7 September 2023	2256	3.2 Report of the Kōrau Tōtōpū Long-term Plan, Finance, and Performance Committee Meeting of 31 May 2023		1. Approve an increase to Wellington Water Limited's (WWL) CAPEX budget by \$15m from \$50m to \$65m as a bring forward from the 2023/24 financial year; 2. Approve an increase to the project Capex budget for the Ngaio Gorge project by \$3.1m from \$10.3m to \$13.4m to cater for the total variation costs of contract works, professional services and labour.	Completed	QUARTER 3 PERFORMANCE REPORT
Thursday, 7 September 2023	2257	3.4 Report of the Kōrau Tūāpapa Environment and Infrastructure Committee Meeting of 3 August 2023	1	Agree to acquire approximately 98m2 of land being part of 1 Curnow Way, Kaiwharawhara, legally described at Lot 15 DP 321404 and held on ROT 85348 (the Land).	Completed	PROPOSED LAND ACQUISITION - KAIWHARAWHARA
Thursday, 7 September 2023	2258	3.5 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 22 June 2023	1	Approve new ground leases for Netball Wellington Centre and Kilbirmie Tennis Club, as required under the Wellington Town Belt Act 2016.	Completed	NEW COMMUNITY RECREATION LEASES: NETBALL WELLINGTON CENTRE AND KILBIRNIE TENNIS CLUB
Thursday, 7 September 2023	2259	3.6 Report of the Koata Hātepe Regulatory Processes Committee Meeting of 24 August 2023	1-3	unformed legal-road land in Lemnos Avenue (the Land) adjoining 7 Lemnos Avenue (Lot 13 Deposited Plan 3361, held on ROT WN312/108) is not required for a public work and is surplus to Council's operational requirements. 2) Agree to dispose of the Land. 3) Delegate to the Chief Executive Officer the power to conclude all matters in relation to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary. 1) Declare that the approximately 82 m2(subject to survey) of unformed legal-road land in Happy Valley Road (the Land) adjoining 161 Happy Valley Road (Lot 24 DP 21734, held on CT WN911/43) is not required for a public work and is surplus to Council's operational requirements. 2) Agree to dispose of the Land. 3) Delegate to the Chief Executive Officer the power to conclude all	Completed	PROPOSED ROAD STOPPING – LAND ADJOINING 7 LEMNOS AVENUE, KARORI PROPOSED ROAD STOPPING – LAND ADJOINING 161 HAPPY VALLEY ROAD, ŌWHIRO BAY
Thursday, 7 September 2023	2260	3.5 Report of the Unaunahi Māhirahira Audit and Risk Committee Meeting of 16 August 2023	1	Receive the information.	Completed	HEALTH AND SAFETY PERFORMANCE REPORT

Date	ID	Title	Clause number	Clause	Status	Comment
Thursday, 7 September 2023	2261	4 Public Excluded	1	Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely: 7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. 7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). s48(1)(a)	Completed	
Wednesday, 4 October 2023	2279	2.1 City Activation Project	All clauses	All clauses	In progress	All clauses reporting on public excluded item.
Wednesday, 4 October 2023	2280	2. Public Excluded	1	Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely 2.1 City Activation project	Completed	
Wednesday, 4 October 2023	2281	2. Public Excluded	2	Direct officers to consider the release of the publicly excluded information in this report by 30 November 2023.	In progress	
Thursday, 7 September 2023	2282	2.1 Approval of the Updated Wellington Regional Leadership Committee Agreement and Terms of Reference	2	Note that on 24 February 2021 the Council resolved to establish the Wellington Regional Leadership Committee and for Wellington City Council to become a member of it.	Completed	

3. Committee Reports

REPORT OF THE KōRAU TŌTŌPŪ | LONG-TERM PLAN, FINANCE, AND PERFORMANCE COMMITTEE MEETING OF 25 OCTOBER 2023

Members: Mayor Whanau, Deputy Mayor Foon, Councillor Abdurahman, Councillor Apanowicz (Deputy Chair), Councillor Brown, Councillor Calvert, Councillor Chung, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews (Chair), Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Randle, Councillor Wi Neera, Councillor Young.

The Committee recommends:

The Kōrau Tōtōpū | Long-term Plan, Finance and Performance Committee is expected to make recommendations on the Draft 2022/23 Annual Report and Audit Process at the meeting on 25 October 2023.

As the Kōrau Tōtōpū | Long-term Plan, Finance and Performance Committee meeting had not taken place when the agenda for the Council meeting was published, the recommendations from the Committee are not yet known. The Committee's recommendations will be tabled at the Council meeting.

The recommendations to the Committee may be viewed online at the following address:
[Long-term Plan, Finance, and Performance Committee - 25 October 2023, 9.30AM - Meetings - Wellington City Council](#)

Attachments

Nil

REPORT OF THE KōRAU MĀTINITINI | SOCIAL, CULTURAL, AND ECONOMIC COMMITTEE MEETING OF 12 OCTOBER 2023

Members: Mayor Whanau, Deputy Mayor Foon, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Randle, Councillor Wi Neera, Councillor Young.

2022/23 Capital Carry-Forward and Capital Programme Review

The Kōrau Mātinitini | Social, Cultural, and Economic Committee recommends that Te Kaunihera o Pōneke:

- 1) Agree budget changes as detailed in the “Budget Changes” ledger of appendix 1 – “Recommended Capital Plan, namely the previously agreed Sub-surface Data project spend which is funded via Better Off Funding
- 2) Agree an increase to operational budget for 2023/24 of \$6.7m for Let’s Get Wellington Moving, which is a carry-forward of prior year underspend

The agenda for the Kōrau Mātinitini | Social, Cultural, and Economic Committee hui of 12 October 2023 can be accessed here: [Agenda of Kōrau Mātinitini | Social, Cultural, and Economic Committee - Thursday, 12 October 2023 \(wellington.govt.nz\)](#)

The minutes for the Kōrau Mātinitini | Social, Cultural, and Economic Committee hui of 12 October 2023 can be accessed here: [Minutes of Kōrau Mātinitini | Social, Cultural, and Economic Committee - Thursday, 12 October 2023 \(wellington.govt.nz\)](#)

Attachments

Nil

4. Public Excluded

Recommendation

That the Te Kaunihera o Pōneke | Council:

1. Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 Local Government Funding Agency Annual General Meeting Voting	7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.