

**MINUTES**

**MONDAY 23 APRIL 2012**

**1.06PM - 2.52PM  
3.04PM – 3.51PM**

**Committee Room One  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington**

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**PRESENT:**

Mayor Wade-Brown	(1.06pm - 2.52pm)
Denise Church	(1.06pm - 2.52pm, 3.04pm – 3.51pm)
Councillor Coughlan	(1.06pm - 2.52pm, 3.04pm – 3.51pm)
Alan Isaac (Chair)	(1.06pm - 2.52pm, 3.04pm – 3.51pm)
Councillor Marsh	(1.06pm - 2.52pm, 3.04pm – 3.51pm)
Councillor Ritchie	(1.06pm - 2.52pm, 3.04pm – 3.51pm)

**DEMOCRATIC SERVICES OFFICER IN ATTENDANCE:**

Sophie Rapson - Committee Advisor

**COUNCILLORS IN ATTENDANCE:**

Councillor Gill  
Councillor Morrison

**MANAGEMENT BOARD IN ATTENDANCE**

Garry Poole – Chief Executive Officer

011/12FM **APOLOGIES**  
(1215/52/02/IM)

**NOTED:**

There were no apologies.

012/12FM **MINUTES FOR CONFIRMATION**  
(1215/52/02/IM)

**Moved Alan Isaac, seconded Denise Church, the motion that the Council Controlled Organisation Performance Subcommittee approve the minutes of the ordinary meeting held on Monday 12 March 2012, having been circulated, be taken as an accurate record of that meeting.**

**The motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Council Controlled Organisation Performance Subcommittee:*

- 1. Approve the minutes of the ordinary meeting held on Monday 12 March 2012, having been circulated, be taken as an accurate record of this meetings.*

013/12FM **CONFLICT OF INTEREST DECLARATIONS**  
(1215/52/02/IM)

**NOTED:**

There were no conflicts of interest.

014/12FM **PUBLIC PARTICIPATION**  
(1215/52/02/IM)

**NOTED:**

There was no public participation.

015/12FM **COUNCIL CONTROLLED ORGANISATIONS PERFORMANCE PRESENTATIONS**

**Wellington Waterfront Ltd and Positively Wellington Venues**

(1215/52/02/IM)

(REPORT 1)

**NOTED:**

1. Representatives from Wellington Waterfront Ltd (Ian Pike and Robert Gray) and Positively Wellington Venues (Glennys Coughlan, Chris Parkin, and Kelvin Wong) were in attendance. They updated the Subcommittee on the 2012/2013 Statements of Intent.

(The meeting adjourned for afternoon tea at 2.52pm and reconvened at 3.04pm.)

(Mayor Wade-Brown left the meeting at 2.52pm.)

(Denise Church, Councillor Coughlan, Alan Isaac, Councillor Marsh and Councillor Ritchie were present when the meeting reconvened.)

016/12FM **REVIEW OF DRAFT STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS FOR THE YEAR 2012/13**

Report of Richard Hardie, Portfolio Manager, Council Controlled Organisations, Maree Henwood, Portfolio Manager, Council Controlled Organisations and Natasha Petkovic-Jeremic, Portfolio Manager, Council Controlled Organisations.

(1215/52/02/IM)

(REPORT 2)

**Moved Alan Isaac, seconded Councillor Coughlan, the substantive motion with changes to the recommendations in the officer's report as follows (in bold and with strikethrough):**

THAT the Council Controlled Organisations Performance Subcommittee:

1. Receive the information
2. Recommend that the Strategy and Policy Committee notes that
  - (a) the Chair will write to each organisation, on the basis of the officer assessment provided in this cover report and as detailed below, requesting changes for final 2012/13 Statements of Intent for presentation to this Subcommittee at its meeting of 8 June 2012:

Basin Reserve Trust

- Discuss in depth the implications of having to operate within the current grant level of \$180k, along with details

on the Trust's management duties that will not proceed as a result of pressure on the budget;

- Investigate having a relationship with Positively Wellington Venues in order to consider new opportunities to market the Basin Reserve further as an events space (without sacrificing its role as a first-class cricket venue);
- Outline the reasons for the increase in the annual management fee with Cricket Wellington and note the mechanism in place for negotiating and approving any changes;
- Confirm that the Trust has appropriate health and safety policies in place to meet its responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures;
- Recognising that the Trust manages contractors with funding provided by Wellington City Council, confirm that it has an active process for considering health and safety issues at each stage of: pre-qualification of contractors, engagement of contractors, induction and monitoring of contractors, and a post project review of the contractor's performance;
- Address the timing of work programmes required to complete the maintenance and renewal work identified in the Shand Shelton report, along with a detailed cost profile;
- If agreed, outline a procedure and time frame to work with officers on passing the deferred maintenance project to the Council's Project Management Office to manage the outstanding work programme and budgets in-house;
- Provide more detail on the development and implementation of an Asset Management Plan that the Statement of Intent notes is a 'matter of urgency', including a timeline for completion by the end of 2012/13; and
- Note preparations for the Cricket World Cup and other major events anticipated for 2013/14 and 2014/15, with high-level details on the nature of these opportunities and what work needs to be done in order to secure these events.
- Include in the final Statement of Intent a summary of the night time ground closure trial, including the process followed and evidence of the success of the trial, along with an appropriate recommendation.

#### Positively Wellington Venues Limited

- Include a commitment to provide regular financial and progress updates on the development of temporary

accommodation facilities ahead of the closure of the Town Hall in May 2013 to ensure that the project is running on time and within budget;

- Provide baseline measures for relevant Key Performance Indicators from which officers can assess progress;
- Include a mechanism or Key Performance Indicator for reporting the financial level of their community support and access;
- Reference a commitment to having a Council representative or officer as part of the decision-making and/or oversight process for the Sponsorship Portfolio and the new Performing Arts Foundation, **together with details of the Performing Arts Foundation's Trust Deed, structure and accountabilities**; and
- Include a reference to the relationship with Council as operating on a "no surprises" basis.

#### Wellington Cable Car Limited

- Include three years worth of performance targets;
- Include the matters required in order to meet LGA requirements (e.g. ratio of shareholders funds to assets, company accounting policies);
- Confirm that WCCL has appropriate health and safety policies in place to meet its responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures; and
- Add a timeline for the business continuity planning and documentation.
- It is noted that the draft business plan will be provided to the Council in May and has not been commented on in this report.
- **Outline the Board's specific strategic vision for the Kelburn terminal development, including: how WCCL will benefit, how the community will benefit, and how broader strategic cooperation with the entities in the area has been factored into the proposed design.**

#### Wellington Waterfront Limited

- Re-forecast the budget from the perspective of no increase to the current management fee to bring the budget in line with the \$1.075 million allocation that is in the draft Long Term Plan. Given the request for additional resourcing, the Statement of Intent needs to articulate more clearly how Wellington Waterfront Limited's work programme and budgeted expenditure could be prioritised to work within the current funding arrangements, and the impact both

financial and non-financial of projects that do not come to fruition;

- **Explain the impact, both financial and non financial, of the current proposed development for Site 10 not going ahead within the planned timeframe, or not going ahead at all;**
- Provide relevant milestone dates where necessary for 2012/13 projects presented as Key Performance Indicators;
- Provide more specific detail on how the Company intends to maximise or increase commercial revenues on the waterfront over the next 10 years;
- Give more consideration and detail to the idea of **managing events in** ~~introducing an events focused into~~ the work programme, including an assessment of the **risk management**, resourcing requirements and whether or not such a focus is desirable and/or achievable for Wellington Waterfront Limited; and
- Confirm that Wellington Waterfront Limited has appropriate health and safety policies in place to meet its legal responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures.

#### Wellington Regional Stadium Trust

- Confirm that hazard management is included in the Stadium's Health and Safety policies.
- It is noted that the draft business plan will be provided to the Council in May and has not been commented on in this report.

- (b) The draft Statements of Intent for the other Council Controlled Organisations were considered by the Council Controlled Organisation Performance Subcommittee at its meeting on 12 March 2012.

**The substantive motion with changes was put and declared CARRIED.**

#### **RESOLVED:**

*THAT the Council Controlled Organisations Performance Subcommittee:*

1. *Receive the information*
2. *Recommend that the Strategy and Policy Committee notes that*

- (a) *the Chair will write to each organisation, on the basis of the officer assessment provided in this cover report and as detailed below, requesting changes for final 2012/13 Statements of Intent for presentation to this Subcommittee at its meeting of 8 June 2012:*

*Basin Reserve Trust*

- *Discuss in depth the implications of having to operate within the current grant level of \$180k, along with details on the Trust's management duties that will not proceed as a result of pressure on the budget;*
- *Investigate having a relationship with Positively Wellington Venues in order to consider new opportunities to market the Basin Reserve further as an events space (without sacrificing its role as a first-class cricket venue);*
- *Outline the reasons for the increase in the annual management fee with Cricket Wellington and note the mechanism in place for negotiating and approving any changes;*
- *Confirm that the Trust has appropriate health and safety policies in place to meet its responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures;*
- *Recognising that the Trust manages contractors with funding provided by Wellington City Council, confirm that it has an active process for considering health and safety issues at each stage of: pre-qualification of contractors, engagement of contractors, induction and monitoring of contractors, and a post project review of the contractor's performance;*
- *Address the timing of work programmes required to complete the maintenance and renewal work identified in the Shand Shelton report, along with a detailed cost profile;*
- *If agreed, outline a procedure and time frame to work with officers on passing the deferred maintenance project to the Council's Project Management Office to manage the outstanding work programme and budgets in-house;*
- *Provide more detail on the development and implementation of an Asset Management Plan that the Statement of Intent notes is a 'matter of urgency', including a timeline for completion by the end of 2012/13; and*
- *Note preparations for the Cricket World Cup and other major events anticipated for 2013/14 and 2014/15, with high-level details on the nature of these opportunities and*

*what work needs to be done in order to secure these events.*

- *Include in the final Statement of Intent a summary of the night time ground closure trial, including the process followed and evidence of the success of the trial, along with an appropriate recommendation.*

#### *Positively Wellington Venues Limited*

- *Include a commitment to provide regular financial and progress updates on the development of temporary accommodation facilities ahead of the closure of the Town Hall in May 2013 to ensure that the project is running on time and within budget;*
- *Provide baseline measures for relevant Key Performance Indicators from which officers can assess progress;*
- *Include a mechanism or Key Performance Indicator for reporting the financial level of their community support and access;*
- *Reference a commitment to having a Council representative or officer as part of the decision-making and ~~for~~ oversight process for the Sponsorship Portfolio and the new Performing Arts Foundation, **together with details of the Performing Arts Foundation's Trust Deed, structure and accountabilities;** and*
- *Include a reference to the relationship with Council as operating on a "no surprises" basis.*

#### *Wellington Cable Car Limited*

- *Include three years worth of performance targets;*
- *Include the matters required in order to meet LGA requirements (e.g. ratio of shareholders funds to assets, company accounting policies);*
- *Confirm that WCCL has appropriate health and safety policies in place to meet its responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures; and*
- *Add a timeline for the business continuity planning and documentation.*
- *It is noted that the draft business plan will be provided to the Council in May and has not been commented on in this report.*
- ***Outline the Board's specific strategic vision for the Kelburn terminal development, including: how WCCL will benefit, how the community will benefit, and how broader strategic cooperation with the entities in the area has been factored into the proposed design.***



*Wellington Waterfront Limited*

- *Re-forecast the budget from the perspective of no increase to the current management fee to bring the budget in line with the \$1.075 million allocation that is in the draft Long Term Plan. Given the request for additional resourcing, the Statement of Intent needs to articulate more clearly how Wellington Waterfront Limited's work programme and budgeted expenditure could be prioritised to work within the current funding arrangements, and the impact both financial and non-financial of projects that do not come to fruition;*
- ***Explain the impact, both financial and non financial, of the current proposed development for Site 10 not going ahead within the planned timeframe, or not going ahead at all;***
- *Provide relevant milestone dates where necessary for 2012/13 projects presented as Key Performance Indicators;*
- *Provide more specific detail on how the Company intends to maximise or increase commercial revenues on the waterfront over the next 10 years;*
- *Give more consideration and detail to the idea of **managing events in** ~~introducing an events focused into~~ the work programme, including an assessment of the **risk management**, resourcing requirements and whether or not such a focus is desirable and/or achievable for Wellington Waterfront Limited; and*
- *Confirm that Wellington Waterfront Limited has appropriate health and safety policies in place to meet its legal responsibilities covering, as applicable, hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures.*

*Wellington Regional Stadium Trust*

- *Confirm that hazard management is included in the Stadium's Health and Safety policies.*
- *It is noted that the draft business plan will be provided to the Council in May and has not been commented on in this report.*

(b) *The draft Statements of Intent for the other Council Controlled Organisations were considered by the Council Controlled Organisation Performance Subcommittee at its meeting on 12 March 2012.*

**NOTED:**

The resolution differs from the recommendations as follows:

The Subcommittee added the text in bold and deleted the text with strikethrough.

017/12FM **FORWARD PROGRAMME**

Report of Richard Hardie, Portfolio Manager, Council Controlled Organisations, Maree Henwood, Portfolio Manager, Council Controlled Organisations and Natasha Petkovic-Jeremic, Portfolio Manager, Council Controlled Organisations.

(1215/52/02/IM)

(REPORT 3)

**Moved Alan Isaac, seconded Denise Church, the substantive motion.**

**The substantive motion was put and declared CARRIED.**

**RESOLVED:**

*THAT the Council Controlled Organisation Performance Subcommittee:*

1. *Receive the information.*
2. *Agree to the forward programme attached to the officer's report as Appendix A.*

The meeting concluded at 3.51pm.

Confirmed: \_\_\_\_\_

Chair  
/ /