
MINUTES

WEDNESDAY 1 MARCH 2006

(Reconvened Thursday 2 March and Friday 3 March 2006)

9.20AM

**Committee Room 1,
Ground Floor, Council Offices,
101 Wakefield Street
Wellington**

PRESENT:

Mayor Prendergast
Councillor Armstrong (Chair)
Councillor Ahipene-Mercer
Councillor Cook
Councillor Foster
Councillor Gill (9.20 – 10.27am, 10.58 – 11.03am)
Councillor Goulden (9.20 – 10.27am)
Councillor McKinnon
Councillor Morrison
Councillor Pepperell
Councillor Ruben (9.20 – 10.24am)
Councillor Shaw
Councillor Wade-Brown
Councillor Wain

APOLOGIES:

Councillor Gill (for an early departure on Thursday 2 March 2006)
Councillor Goulden (for lateness on Thursday)
Councillor McKinnon (for early departure on Wednesday afternoon)

LEAVE OF ABSENCE:

Councillor Ritchie

021/06P **APOLOGIES**
(1215/52/IM)

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Accept apologies for an early departure from Councillor Gill for Thursday afternoon, Councillor McKinnon on Wednesday afternoon.*
2. *Accept apologies for lateness from Councillor Goulden for Thursday.*
3. *Note Councillor Ritchie's leave of absence.*

022/06P **CONFLICT OF INTEREST DECLARATIONS**
(1215/52/IM)

NOTED:

1. Councillor Goulden advised the meeting of the following conflicts of interest. He would not take part in voting on the matters.
 - Report 5.1, recommendation 6, item CX358 Branch Library Upgrades on page 193, and CX445 Safer Roads project on page 200
 - Report 5.2 on page 353, recommendation 1, item Landfill Operations and Maintenance, Street Cleaning Contract, Swimming Pools Operation, Housing Operations and Maintenance
 - Report 5.2 on page 353, recommendation 2, item parking Services and Enforcement, and Burials and Cremations
 - Report 7 "Business as Usual" Financial Forecasts and Funding Impact Statements, relating to recommendations 2 and 3, and in particular line items:

Annual Plan Project	Project Name
A468	Community Properties Programmed Maintenance
C007	Burials and Cremation Services
C034	Swimming Pools Operation
C037	Recreation Centre Operations
C050	Central Library and Library Network-Wide Operations
C076	Landfill Operations and Maintenance

C078B	Inner City Refuse Collection
C101	Wellington Convention Centre Operation
C125	Housing Operations and Maintenance
C130K	Community Arts Programme
C289	Street Cleaning Contract
C290	Parking Services and Enforcement
C334	City Service Centre
C373	Archives
C467	Branch Libraries Operations and Maintenance
C518	Parks Buildings and Infrastructure Maintenance
C540	Emergency Management Operations
C556	Quarry Operations
C560	Botanic Gardens Services
C562	Environmental Grants Pool
P169	Safe City Project Operations
ZOO	Wellington Zoo Trust Funding
CAPEX	
CX353	Traffic Signal Renewals
CX358_CF	Branch Libraries Upgrades
CX445	Safer Roads Project

2. Councillor McKinnon advised that he had a conflict of interest in relation to business case 28 – New Zealand Portrait Gallery. He did not take part in voting on the matter.

023/06P **DEPUTATIONS**
(1215/52/IM)

NOTED:

1. Phil Lewin Chief Executive of Positively Wellington Business addressed the meeting in support of their funding application.
2. Stuart Grant representing Wellington Museums Trust addressed the meeting seeking support for more funding for Capital E.
3. Alison Lash and Neale Pitches representing Wellington Zoo Trust addressed the meeting seeking support for funding for the Zoo Trust.
4. Paul Collins and Ross Graham representing the Indoor Stadium Working Group addressed the meeting

5. Paul Cameron representing Sport Wellington addressed the meeting in support of the proposal for an Indoor Community Sport Centre.
6. Justin Toebes representing Basketball Wellington addressed the meeting in support of the proposal for an Indoor Community Sport Centre.
7. Paulette O'Reilly representing Netball Wellington addressed the meeting in support of the proposal for an Indoor Community Sport Centre.
8. Shelly Addison representing Volleyball Wellington addressed the meeting in support of the proposal for an Indoor Community Sport Centre.

(Councillor Ruben left the meeting at 10.24am.)

(Councillor Goulden left the meeting at 10.27am.)

The meeting adjourned for morning tea at 10.27am and reconvened at 10.49am.)

024/06P **PUBLIC PARTICIPATION**
(1215/52/IM)

NOTED:

1. Avenal McKinnon of the New Zealand Portrait Gallery addressed the Committee in support of the business case for the New Zealand Portrait Gallery.
2. David Langman of the New Zealand Centre for Photography addressed the Committee in support of the business case for the New Zealand Portrait Galley.
3. Stephanie Macintyre of the Downtown Community Ministry addressed the meeting in relation to Project Margin.

(Councillor Gill returned to the meeting at 10.58am.)

(The meeting adjourned at 11.03am on Tuesday 1 March 2006.)

(The meeting reconvened at 9.22am on Wednesday 2 March 2006.)

PRESENT:

Mayor Prendergast (9.22 – 11.52am)

Councillor Ahipene-Mercer

Councillor Armstrong

Councillor Cook (9.22am – 12.10pm, 12.17 – 4.50pm)

Councillor Foster

Councillor Gill (9.22am – 12.29pm)
Councillor Goulden (2.12 – 4.50pm)
Councillor McKinnon (9.22am – 12.29pm, 1.24 – 2.51pm, 3.04 – 4.50pm)
Councillor Morrison (9.22 – 10.38am, 10.56 – 4.50pm)
Councillor Pepperell
Councillor Ruben (9.22am – 2.30pm, 2.31 – 4.50pm)
Councillor Shaw (9.22 – 10.38am, 10.56 – 12.29pm, 1.15 – 2.51pm, 3.08 – 4.50pm)
Councillor Wade-Brown (9.22 – 10.38am, 10.55 – 4.50pm)
Councillor Wain

APOLOGIES:

Councillor Goulden (for lateness)

LEAVE OF ABSENCE:

Councillor Ritchie (leave of absence)

025/06P

SIGNIFICANCE POLICY

Report of Amarjit Younger – Manager, Planning Performance and Research.

(1215/52/IM)

(REPORT 1)

Moved Councillor Armstrong, seconded Councillor Ruben the substantive motion recommendations 1 – 7 with an amendment to recommendation 6.

Moved Councillor Wade-Brown, seconded Councillor McKinnon, the following amendment to the significance policy.

“Reinsert Council Core Data set to list of Strategic Assets.”

The amendment was put and declared CARRIED.

The substantive motion recommendations 1 – 7 as amended was put and declared CARRIED.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the Local Government Act 2002 requires that the LTCCP includes a summary of the Council's Significance Policy.*
3. *Note that the Local Government Act 2002 requires that the adoption of a Significance Policy, or any amendment, is consulted on using the special consultative procedure, but that there is no provision for the Significance Policy to be adopted or amended as part of the LTCCP.*

4. *Note that Council's Significance Policy was consulted on and adopted by Council following completion of a special consultative procedure, conducted at the same time as the 2003/04 LTCCP consultation and adoption.*
5. *Agree that it is appropriate to consult on the Significance Policy at the same time as consulting on the 2006/07 LTCCP.*
6. *Recommend to Council that it agrees the attached draft Significance Policy (as amended) and initiates the special consultative procedure to be undertaken at the same time as consultation on the draft 2006/07 LTCCP.*
7. *Recommend that Council delegates the Chief Executive Officer the authority to:*
 - a. *make any minor editorial changes to the draft Significance Policy prior to publication of the statement of proposal (which comprises the draft Policy); and*
 - b. *decide the form and appropriate summary of the Significance Policy in the summary of information required under s89 of the Local Government Act 2002, and determine the appropriate distribution of the summary of information.*

026/06P **REVENUE AND FINANCING POLICY: REPORT OF THE WORKING PARTY**

Report prepared by Andy Matthews - Funds Management Special Projects Officer.

(1215/52/IM)

(REPORT 2)

Moved Councillor Shaw, seconded Councillor Ahipene-Mercer, the substantive motion recommendations 1 – 8.

The meeting accepted a new clause 8(c) to the recommendations.

Moved Councillor Foster, seconded Councillor Armstrong, the following amendment.

“THAT the residential fixed targeted rate for water and sewage be changed to \$200 + GST for each service, and that the level of capital value based residential rates be adjusted downwards to compensate.”

(The meeting adjourned for morning tea at 10.38am and reconvened at 10.54am.)

(Councillor Wade-Brown returned to the meeting at 10.55am.)

(Councillor Morrison returned to the meeting at 10.56am.)

(Councillor Shaw returned to the meeting at 10.56am.)

The amendment was put and a DIVISION called.

Voting for: Mayor Prendergast, Councillors Armstrong, Foster, McKinnon, Shaw and Wain.

Voting against: Councillors Ahipene-Mercer, Cook, Gill, Morrison, Pepperell, Ruben and Wade-Brown.

Majority vote: 6:7

The amendment was declared LOST.

The substantive motion clauses 1 – 3, 5 – 7 and 8 as amended were put and declared CARRIED.

The substantive motion clause 4 was put and declared CARRIED.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Adopt the “Guiding Principles” as contained in Appendix 2 as the fundamental principles on which the Revenue and Financing Policy be based.*
3. *Note that adopting these guiding principles results in two changes to the ‘business as usual budgets’ to be presented in Report 7 of the agenda. These changes (which have no effect on total rates) are:*
 - i) *An increase in the cost of the CBD weekend parking project(C105B) to reflect the true value of the free weekend parking subsidy from \$0.45 million to \$1.21million,(offset by an increase in Parking project revenue).*
 - ii) *The inclusion of a cost of capital charge on the City Housing project to reflect the true cost of the activity (offset by notional income in the Other Income section of the Council operating statement).*
4. (a) *Resolve that the General Rate differential to be reached by 2009/10 remains at 2.8:1, noting that the impact of the move from a differential of 4.9:1 to 4.4:1 for 2006/07 is likely to be offset by the greater proportional increase in the value of the commercial sector over the residential sector.*
 (b) *Affirm that the shift to this target should be managed to ensure that a smooth transition is achieved.*
5. *Adopt the activity funding changes incorporated in section 4.2 C of this report.*

6. *Note that changes to fees and charges resulting from Revenue and Financing Policy decisions will be addressed in Report 5.2 of the agenda.*
7. *Recommend to Council that it revise the minimum qualifying criterion for its Open Space Rates Remission Policy from 40 hectares to 30 hectares.*
8. (a) *Recommend to Council that the Draft Revenue and Financing Policy, attached as Appendix 3 be adopted as part of the Draft Long Term Council Community Plan 2006 -16; and*
 (b) *Authorises the Chief Executive to make any minor editorial changes that are required as part of the preparation of the publication.*
 (c) *Authorise the Chair of the Working Party to make any necessary/minor amendments to the policy including any required consequential changes prior to being reported to Council on 8 March 2006.*

NOTED:

The resolution differs to the recommendations contained in the officer's report as follows:

The Committee added the text in **bold**.

(Mayor Prendergast left the meeting at 11.52am.)

027/06P **DEVELOPMENT CONTRIBUTIONS POLICY**
Report of the Subcommittee, Meeting of Monday 20 February 2006
 (1215/52/IM) (REPORT 3)

Moved Councillor Foster, seconded Councillor Armstrong the substantive motion clauses 1 – 6.

The substantive motion was put and declared CARRIED.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *That, after taking into consideration the community outcomes, that development contributions are confirmed as being the primary funding tool to be used for funding capital expenditure resulting from growth for water, wastewater, stormwater, roads, transport and reserves.*

2. *Recommend to Council that the Development Contributions Policy is amended (as shown in Appendix 1 of the Subcommittees report) to address the implementation issues in the paper to the Development Contributions Subcommittee of 20 February 2006 regarding:*
 - a. *Greenfields development/ subdivision*
 - b. *The transitional provision dealing with proposals for which the application for resource consent was lodged prior to 1 July 2005 (including the provision dealing with amendments)*
 - c. *The exercise of the power to require and assess the development contribution payable*
 - d. *Application of the financial contribution regime*
 - e. *The definition of equivalent household unit ('EHU') as it applies to residential or non-residential development*
 - f. *Minor typographical errors.*

3. *Note that the draft Development Contributions Policy, including the minor mapping improvements, will not be finalised until the Council has agreed the capital expenditure budgets to be included in the draft 2006/07 LTCCP, when the actual schedules of development contributions payable and maps will be amended to incorporate the relevant capital expenditure.*

4. *Note that the Development Contributions Policy will be included in the draft 2006/07 LTCCP, but that the Development Contributions Subcommittee will hear submissions on the Development Contributions Policy and report its deliberations and recommendations to the Strategy and Policy Committee.*

5. *Recommend to Council that it delegates the Chief Executive Officer, in consultation with the Chair of the Development Contributions Subcommittee, the authority to:*
 - a. *make any minor editorial changes that may be required to the draft policy in the LTCCP; and*
 - b. *reflect the Development Contributions Policy in the summary of information for the LTCCP.*

6. *Note that the activity review will provide the basis for further work to be undertaken on identifying the growth related capital expenditure for community infrastructure (e.g. libraries, recreational centres, community centres, etc), local purpose reserves and that as part of the activity review officers will report on the appropriate funding options and choices for those activities.*

028/06P

FUNDING AND FINANCIAL POLICIES

Report of Helen Rogers – Manager Financial Accounting and Paul Desborough – Principal Advisor.
(1215/52/IM)

(REPORT 4)

Moved Councillor Armstrong, seconded Councillor McKinnon the substantive motion.

(Councillor Cook left the meeting at 12.10pm.)

(Councillor Cook returned to the meeting at 12.17pm.)

The substantive motion was put and declared CARRIED.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information*
2. *Agree that the Investment and Liability Management Policies, as detailed in Appendix 1 (of the officers report), be included in the draft 2006/07 – 2015/16 LTCCP.*
3. *Note that the Treasury Management Policy and Guidelines will be updated to reflect the approved Investment and Liability Management Policies, and presented to the Strategy and Policy Committee at a later date.*
4. *Agree that the Rates Postponement Policy, as detailed in Appendix 2 (of the officers report), be included in the draft 2006/07- 2015/16 LTCCP.*
5. *Agree that the Rates Remission Policy, as detailed in Appendix 3 (of the officers report), be included in the draft 2006/07- 2015/16 LTCCP.*
6. *Agree that the Policy on Partnerships with the Private Sector, as detailed in Appendix 4 (of the officers report), be included in the draft 2006/07- 2015/16 LTCCP.*
7. *Agree that the Summary of Significant Accounting Policies, as detailed in Appendix 5, be included in the draft 2006/07 – 2015/16 LTCCP*

029/06P **DRAFT LONG TERM COUNCIL COMMUNITY PLAN 2006/2016:
PROCESS OUTLINE**

Report of Baz Kaufman – Corporate Planning Adviser.

(1215/52/IM)

(REPORT 5)

Moved Councillor Armstrong, seconded Councillor Ahipene-Mercer, the substantive motion.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information*

030/06P **DRAFT LTCCP 2006/2016 STRATEGIC PRIORITY RESPONSES**

- **Urban Development**
- **Transport**
- **Economic Development**
- **Environment**
- **Cultural Wellbeing**
- **Social and Recreation**
- **Governance**

Report of Baz Kaufman – Corporate Planning Adviser.
(1215/52/IM)

(REPORT 5A)

Moved Councillor Armstrong, seconded Councillor Shaw the substantive motion recommendation 1.

The substantive motion recommendation 1 was put and declared CARRIED.

(Councillor Gill left the meeting at 12.29pm.)

(Councillor McKinnon left the meeting at 12.29pm.)

(The meeting for lunch at 12.29pm and reconvened at 1.12pm.)

Moved Councillor Foster, seconded Mayor Prendergast the substantive motion recommendation 2.

The substantive motion recommendation 2 was put and declared CARRIED.

(Councillor Shaw returned to the meeting at 1.15pm.)

Moved Mayor Prendergast, seconded Councillor Wade-Brown the substantive motion recommendation 3.

The substantive motion recommendation 3 was put and declared CARRIED.

Moved Councillor Morrison, seconded Councillor Ahipene-Mercer, the substantive motion recommendation 4 business cases 10, 11 and 13.

(Councillor McKinnon returned to the meeting at 1.24pm.)

The substantive motion recommendation 4 business cases 10, 11 and 13 were put and declared CARRIED.

The substantive motion recommendation 4 business case 12 (Carter Observatory) was put and declared CARRIED.

Moved Councillor Wade-Brown, seconded Councillor Ruben, the substantive motion recommendation 5 business cases 14, 16, 17, 19, 20, 21 and 23.

The substantive motion recommendation 5 business cases 14, 16, 17, 19, 20, 21 and 23 were put and declared CARRIED.

The substantive motion recommendation 5 business case 15 was put and declared CARRIED.

The substantive motion recommendation 5 business case 23 was put and declared LOST on the Chairs casting vote.

The substantive motion recommendation 5 business case 18 was put and declared CARRIED.

Moved Councillor Ahipene-Mercer, seconded Councillor Wain the substantive motion recommendation 6.

(Councillor Goulden joined the meeting at 2.12pm.)

The substantive motion recommendation 6 business cases 24, 26, 27, 29 and 31 were put and declared CARRIED.

The substantive motion recommendation 6 business cases 25 (Cable Car precinct) was put and declared CARRIED.

(Councillor McKinnon withdrew from the table for voting on business case 28 due to a conflict of interest.)

The substantive motion recommendation 6 business cases 28 (New Zealand Portrait Gallery) was put and declared CARRIED.

(Councillor McKinnon returned to the table.)

(Councillor Ruben left the meeting at 2.30pm.)

The substantive motion recommendation 6 business cases 30 (Revitalising Wellington's Waitangi Day) was put and declared CARRIED.

(Councillor Ruben returned to the meeting at 2.31pm.)

Moved Councillor Cook, seconded Councillor Morrison, the substantive motion recommendation 7.

The substantive motion recommendation 7 business cases 32 and 33 were put and declared CARRIED.

The substantive motion recommendation 7 business case 34 (e-Community Initiatives was put and declared CARRIED.

Moved Councillor Shaw, seconded Councillor Armstrong, the substantive motion recommendation 8.

The substantive motion recommendation 8 was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Agree subject to decisions and subsequent reports in the agenda to the following Urban Development strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officer's report) for inclusion in the draft 2006/16 LTCCP for consultation.*

Business case	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
1	Improving management of residential infill development	95	95	95			
2	Delivering high quality urban design	390	450	430			
3	UDS implementation plan for the "growth spine"	125	125	125			
4	Localised earthquake assessment study	100	100	100			
5	Assessment of earthquake prone buildings	333	333	333			
Subtotal		1,043	1,103	1,083	0	0	0

3. *Agree subject to decisions and subsequent reports in the agenda to the following Transport strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officers report) for inclusion in the draft 2006/16 LTCCP for consultation.*

Business case	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
6	Develop a Travel Demand Management (TDM) plan and initiatives	70	170	260			
7	State Highway Investment	50					
8	Bus Priority	100	75	75	100	1,150	1,700
9	Port and ferry access	50	50		600	700	3,150
	Subtotal	270	295	330	700	1,850	4,850

4. Agree subject to decisions and subsequent reports in the agenda to the following Economic Development strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officer's report) for inclusion in the draft 2006/16 LTCCP for consultation.
5. Agree subject to decisions and subsequent reports in the agenda to the following Environment strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officer's report) for inclusion in the draft 2006/16 LTCCP for consultation.

Business case	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
14	Sustainable building guidelines	10					
15	Energy management plan (EMP)	9	19	47	50	100	100
16	Water management plan						
17	Stream protection programme		25	45			20
18	Biodiversity action plan						
19	Environmental grants expansion						
20	South Coast facilities upgrade	31	51	51	700		
21	Enviroschools sponsorship	4	4	4			
22	Community Planting	38	42	48			
23	Environmental Educator	66	70	70			
	Subtotal	92	103	100	750	100	120

6. Agree subject to decisions and subsequent reports in the agenda to the following Cultural Wellbeing strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officer's report) for inclusion in the draft 2006/16 LTCCP for consultation.

Business case	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
24	Sense of Place (Phase 2)						
25	Cable Car Precinct – business case				100	400	400
26	Update (Public Art terms of Reference – to ensure best use of existing infrastructure						
27	Extension of the Maori Heritage Trail – Te Are o Nga Tupuna	4	4		68	68	
28	NZ Portrait Gallery	75	88	88			
29	Investigate Art Gallery project	20	30	40			
30	Revitalising Wellington's Waitangi Day Celebrations	30	10	10			
31	Review further Arts Centre opportunities						
Subtotal		129	132	138	168	468	400

7. Agree subject to decisions and subsequent reports in the agenda to the following Social and Recreation strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officers report) for inclusion in the draft 2006/16 LTCCP for consultation.

Strategic priority (primary)	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
32	Project Margin	130	130	130			
33	Inner-city accommodation for community groups	100					
34	e-Community initiatives	150	135	211	45		
Subtotal		380	265	341	45		

8. Agree subject to decisions and subsequent reports in the agenda to the following Governance strategic priority responses at the level indicated within each business case (attached in appendix 2 of the officer's report) for inclusion in the draft 2006/16 LTCCP for consultation.

Strategic priority (primary)	Project title	OPEX \$000			CAPEX \$000		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
35	Engagement in decision-making	50	30	30			
36	Consultation and participation project						
37	Increase in participation in democratic processes						
38	e-Democracy initiatives	55	55	5			
38	Web assistant (Web Centre)	42	43	45			
40	Improve communication						
	<i>Subtotal</i>	147	128	80			

NOTED:

The resolution differs from the recommendations in the officers report as follows:

The Committee deleted business case 23 – Environmental Educator.

031/06P **ORDER OF BUSINESS**
(1215/52/IM)

RESOLVED:

THAT the Strategy and Policy Committee:

1. Consider Report 5E “Wellington Museums Trust 2006/07 Funding Request” next.

032/06P **WELLINGTON MUSEUMS TRUST 2006/07 FUNDING REQUEST**
Report of Lisa Clarke-Watson, Portfolio Manager, Council Controlled Organisations.
(1215/52/IM) (REPORT 5E)

Moved Councillor Ahipene-Mercer, seconded Mayor Prendergast the substantive motion with the following amendment to recommendation 2.

- “2. Agree to the funding request for \$60,000 for 2007 for the Capital E National Arts Festival.”

(The meeting adjourned for afternoon tea at 2.51pm and reconvened at 3.02pm.)

(Councillor McKinnon returned to the meeting at 3.04pm.)

(Councillor Shaw returned to the meeting at 3.08pm.)

The substantive motion recommendation 1 was put and declared CARRIED.

The substantive motion recommendation 2 as amended by the meeting was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Agree to the funding request for \$60,000 for 2007 for the Capital E National Arts Festival.*

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The Committee amended clause 2.

033/06P **INDOOR COMMUNITY SPORTS CENTRE PROPOSAL**
Report of Glenn McGovern - Recreation Projects Manager.
(1215/52/IM) (REPORT 5B)

Moved Mayor Prendergast, seconded Councillor Morrison the substantive motion recommendations 1 - 14.

The substantive motion recommendations 1 – 14 were put and CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that Council agreed to consult on a proposal for an indoor sports stadium in the draft 2005/06 Annual Plan.*
3. *Recommend to Council that Cobham Drive Park is selected as the preferred site for an Indoor Community Sport Centre.*
4. *Recommend to Council that it determines that the proposal involves a decision to commence a "significant activity" and a decision to construct a strategic asset under the Local Government Act 2002.*

5. *Note that because the proposal involves a decision to commence a "significant activity" and a decision to construct a strategic asset, the Local Government Act 2002 requires that the proposal must be explicitly provided for in the LTCCP which involves the following steps:*
 - a) *Council approval of the statement of proposal on 8 March 2006*
 - b) *Inclusion of the statement of proposal in the draft LTCCP*
 - c) *Consultation on the statement of proposal as part of the special consultative procedure undertaken for the draft LTCCP*
 - d) *A decision on whether to proceed with the proposal as part of the decisions on the final LTCCP.*
6. *Recommend to Council that the proposal to establish an Indoor Community Sport Centre is included in the Draft 2006/07 LTCCP.*
7. *Agree that the final statement of proposal will be presented to Council for approval prior to initiation of the special consultative procedure on the draft LTCCP.*
8. *Note that following completion of the special consultative procedure, if a decision is made to proceed with the proposal, Council officers will progress the detailed design and regulatory consent process.*
9. *Note that it is proposed to sell land at the northern end of Cobham Drive Park following agreement on the detailed design.*
10. *Note that it is intended that Council builds, owns and manages the proposed Indoor Community Sport Centre.*
11. *Note that Council officers will continue to engage with sports codes in relation to the design and planning of the proposed Indoor Community Sport Centre.*
12. *Note that Council officers will continue to liaise with affected Cobham Drive Park sportsfield users.*
13. *Note that the estimated capital cost of constructing the proposed sport facility at Cobham Drive Park is approximately \$29 million.*
14. *Note that the average net operating cost of the proposed 8 court facility over 60 years, is estimated to be \$1,843 million per annum including depreciation and interest costs).*

(The meeting adjourned at 4.50pm on Thursday 2 March 2006.)

(The meeting reconvened at 9.20am on Friday 3 March 2006.)

PRESENT:

Mayor Prendergast
Councillor Ahipene-Mercer (9.20 – 10.35am, 11.15am – 12.34pm)
Councillor Armstrong
Councillor Cook
Councillor Foster
Councillor Gill
Councillor Goulden (9.48am – 12.34pm)
Councillor McKinnon (9.20am – 12.34pm)
Councillor Morrison
Councillor Pepperell
Councillor Ruben
Councillor Shaw (9.20 – 11.57am, 12.05 – 2.47pm)
Councillor Wade-Brown (9.20am – 12.34pm, 1.08 – 2.47pm)
Councillor Wain (10.08am – 2.47pm)

APOLOGIES:

Councillor Wain (for lateness)

LEAVE OF ABSENCE:

Councillor Ritchie (leave of absence)

034/06P **WELLINGTON ZOO TRUST 2006/07 FUNDING REQUEST**
Report of Ian Clements, Portfolio Manager, Council Controlled
Organisations.
(1215/52/IM) (REPORT 5C)

Moved Councillor Morrison, seconded Councillor Gill, the substantive motion.

Moved Councillor Wade-Brown, seconded Councillor , the following amendment.

“2. Agree to provide the Wellington Zoo Trust with an additional **\$92,000** in OPEX funding in 2005/06 (from savings to be found by the Chief Executive from within the 2005/06 Annual Plan budget) to assist with the preparation of the final business case for the Zoo Capital Plan **and planning for site access circulation and civil works.**”

The amendment was put and a DIVISION called.

Voting for: Councillors Ahipene-Mercer, Cook, Gill, Morrison, Ruben and Wade-Brown

Voting against: Mayor Prendergast, Councillors Armstrong, Foster, McKinnon, Pepperell and Shaw

Majority vote: 6:6

The amendment was declared LOST on the Chairs casting vote.

(Councillor Goulden joined the meeting at 9.48am.)

(Councillor Goulden left the table as he had a conflict of interest)

The substantive motion recommendation 1 was put and declared CARRIED.

The substantive motion recommendation 2 was put and declared CARRIED.

The substantive motion recommendation 3 was put and declared CARRIED.

The substantive motion recommendation 4 was put and declared CARRIED.

The substantive motion recommendation 5 was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Agree to provide the Wellington Zoo Trust with an additional \$40,000 in OPEX funding in 2005/06 (from savings to be found by the Chief Executive from within the 2005/06 Annual Plan budget) to assist with the preparation of the final business case for the Zoo Capital Plan.*
3. *Agree to 2006/07 OPEX funding of \$2,687,500 comprising the LTCCP base figure of \$2,428,500 plus increases of \$190,000 and \$69,000 relating to staff salaries and depreciation respectively.*
4. *Agree to phase the Zoo Capital Plan Year 1 CAPEX funding requirement over 2006/07 and 2007/08.*

5. *Note that the full business case for the Zoo Capital Plan will be presented to the Strategy and Policy Committee in June 2006.*

NOTED:

1. Councillor Foster requested that his dissenting vote be recorded against for recommendations 2, 3 and 4.

(Councillor Goulden returned to the table.)

035/06P **POSITIVELY WELLINGTON BUSINESS 2006/07 FUNDING REQUEST**
Report of Lisa Clarke-Watson, Portfolio Manager, Council Controlled Organisations.
(1215/52/IM) (REPORT 5D)

Moved Councillor Morrison, seconded Mayor Prendergast, the substantive motion.

(Councillor Wain joined the meeting at 10.08am.)

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Agree to provide Positively Wellington Business with an additional \$201,000 per annum for project C434 Positively Wellington Business funding; subject to officers receiving further information by May 2006.*

036/06P **CAPEX PROGRAMME REVIEW**
Report of Neil Cherry – Chief Financial Officer
(1215/52/IM) (REPORT 5.1)

Moved Councillor Armstrong, seconded Mayor Prendergast, the substantive motion.

(Councillor Ahipene-Mercer left the meeting at 10.35am.)
(The meeting adjourned for morning tea at 10.35am and reconvened at 10.52am.)

CX033 – RESERVES PROPERTY PURCHASE

Moved Councillor Foster, seconded Councillor Ruben the following amendment.

“Agree that the budget for Reserves Property Purchases (CX033) be set at \$500,000 for each of the 10 years of the LTCCP.”

(Councillor Ahipene-Mercer returned to the meeting at 11.15am.)

The amendment was put and a DIVISION called.

Voting for: Councillors Cook, Foster, Pepperell, Ruben and Wade-Brown.

Voting against: Mayor Prendergast, Councillors Ahipene-Mercer, Armstrong, Gill, Goulden, McKinnon, Morrison, Shaw and Wain.

Majority vote: 5:9

The amendment was declared LOST.

CX446 – SUBURBAN CENTRES UPGRADES

Moved Councillor Cook, seconded Councillor Ruben the following amendment.

“Agree to move the Aro Valley suburban centre upgrade from 2007/08 to 2006/07 (an increase of \$312,000).”

The amendment was put and declared CARRIED.

CX055 – AQUATIC FACILITY UPGRADE

(Councillor Shaw left the meeting at 11.57am.)

Moved Councillor Foster, seconded Councillor Armstrong, the following amendment.

Appendix 2, Page 163

“Agree that the Aquatic Facility Upgrades (CX055) budget be re-spread as follows:

Financial Year	Amount
2006/07	\$2,479,000
2007/08	\$4,037,000
2008/09	\$2,400,000
2009/10	\$4,150,000
2010/11	\$1,650,000
2011/12	\$600,000

2012/13	\$150,000
2013/14	0
2014/15	\$100,000
2015/16	0

Noting this would result in savings of \$1,750,000, a proposed 10 year budget of \$15,566,000 and OPEX savings of \$564,304 over ten years.

Note that there is a \$1,250,000 CAPEX saving and \$1,155,978 OPEX savings over 15 years.”

(Councillor Shaw returned to the meeting at 12.05pm.)

The amendment was put and a DIVISION called.

Voting for: Councillors Armstrong and Foster.

Voting against: Mayor Prendergast, Councillors Ahipene-Mercer, Cook, Gill, Goulden, McKinnon, Morrison, Pepperell, Ruben, Shaw, Wade-Brown and Wain.

Majority vote: 2:12

The amendment was declared LOST.

CX077 – LIBRARY MATERIALS UPGRADES (COLLECTION)

Moved Councillor Cook, seconded Councillor Shaw, the following amendment.

“Agree that the Library Materials Upgrades budget (CX077) be maintained at current budget levels (an increase of \$510,000 over 10 years).”

The amendment was put and a DIVISION called.

Voting for: Councillors Ahipene-Mercer, Cook, Goulden, Pepperell, Ruben, Shaw and Wade-Brown.

Voting against: Mayor Prendergast, Councillor Armstrong, Foster, Gill, McKinnon, Morrison and Wain.

Majority vote 7:7

The amendment was declared LOST on the chairs casting vote.

(Councillor McKinnon left the meeting at 12.34pm.)

(Councillor Ahipene-Mercer left the meeting at 12.34pm.)

(Councillor Goulden left the meeting at 12.34pm.)

(The meeting adjourned for lunch at 12.34pm and reconvened at 1.01pm.)

(Councillor Wade-Brown returned to the meeting at 1.08pm.)

CX435 – WALKWAYS RENEWAL/UPGRADE

Moved Councillor Foster, seconded Councillor Wade-Brown, the following amendment.

“Agree that the budget for Walkways Renewals/Upgrades (CX435) be increased by \$50,000 for the years 2008/09 to 2015/2016 in the 2006/16 LTCCP.”

The amendment was put and a DIVISION called.

Voting for: Councillor Cook, Foster, Pepperell and Wade-Brown.

Voting against: Mayor Prendergast, Councillors Armstrong, Gill, Ruben, Shaw and Wain.

Majority vote: 4:10

The amendment was declared LOST.

The substantive motion as amended with out CX340 and CX348 was put and CARRIED.

The substantive motion CX348 was put and CARRIED.

The substantive motion CX340 was put and CARRIED.

(Councillor Foster advised that he wanted his dissenting vote recorded against CX340.)

The substantive motion recommendations 1 – 5, 6 as amended and 7 – 8 were put and a declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the planned business as usual CAPEX programme for 2006/07 is \$96.835 million.*
3. *Note that the forecasted carry-forward of 2005/06 CAPEX projects now expected to be completed in 2006/07 is \$21.041 million.*
4. *Note that the proposed CAPEX new initiatives for 2006/07, as detailed in report 5, are \$1.663 million*

4. *Note that the business as usual forecast for loans to other organisations is \$9.000 million.*
5. *Note that the effect of introducing a \$20 million cap on new borrowings for 2006/07 is to reduce the maximum allowable CAPEX and external loan programme under this cap to \$101.530 million.*
6. *Agree subject to decisions and subsequent reports in the agenda that the amendments to the business as usual CAPEX programme, as set out in appendix 2 (of the officers report), be incorporated in to the financial forecasts in the LTCCP.*
7. *Note that the OPEX impact of the proposed amendments to the CAPEX programme will be determined once the proposed amendments have been approved and that these OPEX impacts will be incorporated in to the financial forecasts in the LTCCP.*
8. *Note the results and findings from the external review of the Council's asset management plans, included in appendix 3 (of the officer's report).*

037/06P

SAVINGS AND REVENUE GENERATION OPTIONS

Report of Baz Kaufman – Corporate Planning Adviser.

(1215/52/IM)

(REPORT 5.2)

Moved Councillor Armstrong, seconded Mayor Prendergast, the substantive motion recommendation 1.

LANDFILL OPERATIONS AND MAINTENANCE OPEX SAVING

Councillor Wade-Brown moved the following amendment which was accepted by the meeting.

“Agree to adopt the new proposal for Landfill Operations and Maintenance (C076) noting the savings figure of \$500,000 remains the same.”

The substantive motion Landfill Operations and Maintenance OPEX saving as amended was put and declared CARRIED.

STREET CLEANING CONTRACT OPEX SAVING

The substantive motion Street Cleaning Contract OPEX saving was put and declared LOST.

ROAD SAFETY EDUCATION OPEX SAVING

The substantive motion Road Safety Education OPEX saving was put and declared CARRIED.

SWIMMING POOLS OPERATIONS OPEX SAVING

Note: As a correction to the proposed OPEX savings for swimming pool operations the following was deleted from the recommendation “Khandallah Pool to be re-developed as a spray park.”

The substantive motion Swimming Pools Operations OPEX saving as amended was put and declared CARRIED.

GRANTS OPEX SAVING

The substantive motion Grants OPEX saving was put and declared LOST. 4:7

HOUSING OPERATIONS OPEX SAVING

The substantive motion Housing Operations OPEX saving was put and declared CARRIED. 6:5

MASSEY FILM SCHOOL OPEX SAVING

The substantive motion Massey Film School OPEX saving was put and declared CARRIED.

PAYMENT CHANNELS AND SERVICE CENTRES OPEX SAVING

The substantive motion Payment Channels and Service Centres OPEX saving was put and declared CARRIED.

Moved Councillor Armstrong, seconded Mayor Prendergast, the substantive motion recommendation 2.

PARKING SERVICES AND ENFORCEMENT CHANGE TO FEES AND CHARGES

The substantive motion proposed option 1 was put and declared CARRIED.

The substantive motion proposed options 2 and 3 were put and declared CARRIED.

The substantive motion proposed option 4 was put and declared CARRIED.

The substantive motion proposed option 5 was put and declared CARRIED.

The substantive motion proposed option 6 was put and declared CARRIED.

The substantive motion proposed option 7 was put and declared LOST. 4:7

The substantive motion proposed option 9 was put and declared CARRIED.

The substantive motion proposed option 10 was put and declared LOST. 4:7

The substantive motion proposed option 11 was put and declared CARRIED.

DEVELOPMENT CONTROL AND FACILITATION

The substantive motion was put and declared CARRIED.

SPORTS FIELD OPERATIONS

The substantive motion was put and declared CARRIED.

BURIALS AND CREMATIONS

The substantive motion was put and declared CARRIED.

BUILDING CONTROL AND FACILITATION

The substantive motion recommendation 2 was put and declared CARRIED.

The substantive motion recommendation 3 was put and declared CARRIED.

NOTED:

For the final decision on the Savings and Revenue Generation options please see 040/06P.

038/06P **RESOLUTION TO EXCLUDE THE PUBLIC**
(1215/52/IM)

RESOLVED:

THAT 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:*

Report 5 - 5.2. Savings and revenue generation options: Parking Services and Enforcement (option 8)

Grounds: Section 48(1)(a) *Local Government Official Information and Meetings Act – that 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*

Reasons: Section 7(2)(g) *maintain legal professional privilege*
 Section 7(2)(h) *enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.*

The meeting went into public excluded session at 2.14pm.

For item 039/06P, please see the public excluded minutes.

The meeting returned to open session at 2.16pm.

040/06P **SAVINGS AND REVENUE GENERATION OPTIONS (CONTINUED)**

Report of Baz Kaufman – Corporate Planning Adviser.
 (1215/52/IM)

(REPORT 5.2)

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Agree the OPEX savings (as amended) for inclusion in the draft Long Term Council Community Plan 2006 - 16.*

<i>Proposal</i>	<i>Savings 2006/2007 \$000's</i>	<i>Savings 2007/2008 \$000's</i>	<i>Savings 2008/2009 \$000's</i>
<i>Landfill Operations and Maintenance</i>	500	500	500
<i>Street Cleaning Contract</i>	95	100	100
<i>Road Safety Education</i>	50	50	50
<i>Swimming Pools Operation</i>	183	183	183
<i>Grants</i>	200	200	200

<i>Housing Operations and Maintenance</i>	330	330	330
<i>Massey Film School</i>	150	150	150
<i>Payment Channels and Service Centres</i>	210	360	360
Total	1,423	1,573	1,573

2. *Agree to the changes to fees and charges (as amendment) for inclusion in the draft Long Term Council Community Plan 2006 - 16.*

<i>Proposal</i>	<i>Savings/Revenue 2006/2007 \$000's</i>	<i>Savings /Revenue 2007/2008 \$000's</i>	<i>Savings/Revenue 2008/2009 \$000's</i>
<i>Parking Services and Enforcement (deletion of charging for motorbike parking and expired warrant enforcement)</i>	1,077	1,409	1,417
<i>Development Control and Facilitation</i>	300	300	300
<i>Sports field Operations</i>	35	35	35
<i>Burials and Cremations</i>	35	35	35
<i>Building Control and Facilitation</i>	210	210	210
Total	1,647	1,989	1,997

3. *Recommend that Council agree to include the following fees in the Council's schedule of fees and charges for the 2006/07 financial year:*
- (a) *An application fee for new domestic water supply connections of \$60.00 per connection.*
 - (b) *An application deposit for commercial, fire and mains connections of \$200.00 per connection.*

041/06P **ACTIVITY STATEMENTS**

- 1. Urban development**
- 2. Transport**
- 3. Economic development**
- 4. Environmental**
- 5. Cultural**
- 6. Social and recreation**
- 7. Governance**

Report of Mehaka Rountree – Performance Analyst.
(1215/52/IM)

(REPORT 5.3)

Moved Mayor Prendergast, seconded Councillor Shaw the substantive motion.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *(a) Note that the activity statements are subject to change as a result of decisions made on other reports on this agenda; and*
 - (b) Note that the financial tables at the end of each chapter were prepared on a 'business as usual' basis and that the text refers to new initiatives but in all other aspects reflects 'business as usual'; and*
 - (c) Note that changes resulting from decisions on new initiatives and capacity creation will be reflected in the final statements that are presented to Council on 22 March 2006.*
 - (d) Note that Audit NZ will review these statements and (if required) any changes that arise from the audit review will be presented to Council on 22 March 2006.*
2. *Recommend to Council that it agree that the following be included in the draft Long Term Council Community Plan 2006 - 16:*
 - i. Urban development chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - ii. Transport chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - iii. Economic development chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - iv. Environmental chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - v. Cultural wellbeing chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - vi. Social and recreation chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*
 - vii. Governance chapter (including Council outcome indicators, and activity statements made up of performance measures and activity budgets).*

042/06P **DRAFT LONG TERM COUNCIL COMMUNITY PLAN 2006/2016:
COUNCIL CONTROLLED ORGANISATIONS**
Report of Wayne Maxwell – Director, Council Controlled Organisations.
(1215/52/IM) (REPORT 6)

Moved Councillor Armstrong, seconded Councillor Shaw the substantive motion.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the final Council Controlled Organisations' Statements of Intent will be signed-off by the Council Controlled Organisations Performance Subcommittee and any recommended changes will be reported to the final LTCCP deliberations in June 2006.*
3. *Agree to the Council Controlled Organisations table for inclusion in the draft LTCCP 2006-16, as detailed in appendix one (of the officers report).*

043/06P **BUSINESS AS USUAL: FINANCIAL FORECASTS AND FUNDING
IMPACT STATEMENT**
Report of Neil Cherry – Chief Financial Officer.
(1215/52/IM) (REPORT 7)

Moved Councillor Armstrong, seconded Councillor Wade-Brown the substantive motion recommendations 1 - 15.

Moved Councillor Shaw, seconded Mayor Prendergast, the following amendment to recommendation 2.

“C050 - Agree to remove the mobile library at a cost of \$59,000 from C050 Central Library and Library network-wide operations.”

The amendment was put and a DIVISION called.

Voting for: Mayor Prendergast, Councillors Armstrong, Foster, Morrison, Shaw and Wade-Brown.

Voting against: Councillor Cook, Gill, Pepperell and Ruben.

Majority vote: 6:4

The amendment was put and declared CARRIED.

Moved Councillor Foster, seconded Mayor Prendergast, the following amendment to new initiative Cable Car Precinct.

“Reduce 2007/2008 CAPEX by \$100,000.”

The amendment was put and declared CARRIED.

Moved Councillor Foster, seconded Councillor Shaw the following amendment to the South coast Facilities Upgrade.

“Reduce 2006/2007 CAPEX by \$400,000 and increase 2007/2008 CAPEX by \$400,000.”

The amendment was put and declared CARRIED.

The substantive motion C426 was put and declared CARRIED.

(Note Councillors Pepperell and Ruben requested that their dissenting votes be recorded against C426.)

The substantive motion C587 was put and declared CARRIED.

The substantive motion C582 was put and declared CARRIED.

(Note: Councillor Foster requested that this dissenting vote be recorded against C582.)

The substantive motion C616 was put and declared CARRIED.

The substantive motion recommendation 1 was put and declared CARRIED.

The substantive motion recommendations 2 and 3 as amended were put and declared CARRIED.

The substantive motion recommendations 4, 5, 6, 7 and 8 were put and declared CARRIED.

The substantive motion recommendations 9 and 10 were put and declared CARRIED.

The substantive motion recommendations 11 to 15 were put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. Receive the information.

2. *Agree that the amended inflation adjusted business as usual OPEX projects and programmes, as detailed in appendix 2 (of the officers report), be included in the draft 2006/07 – 2015/16 Long Term Council Community Plan.*
3. *Agree that the amended inflation adjusted business as usual CAPEX project and programmes, as detailed in appendix 4 (of the officers report), be included in the draft 2006/07 – 2015/16 Long Term Council Community Plan.*
4. *Note that the funding effect of the inflation adjusted business as usual OPEX and CAPEX projects and programmes are reflected in the Funding and Borrowings Statements included in appendix 5 (of the officers report).*
5. *Note that the OPEX and CAPEX projects and programmes detailed in appendices 1 – 4, and the Funding and Borrowing Statements included in appendix 5 (of the officers report), have been prepared on a business as usual basis and do not include the effect of the proposed new initiatives, service level options nor the CAPEX savings options detailed in reports 5, 5.1 and 5.2 of this agenda.*
6. *Note that the Funding and Borrowings Statements included in appendix 5 (of the officer's report) incorporate the proposed change to the Revenue and Financing Policy regarding the application of LTNZ capital subsidies.*
7. *Note that the business as usual “real” rates funding requirement for 2006/07 is 2.53%.*
8. *Note that the impact of the change in the Revenue and Financing Policy regarding the treatment of LTNZ capital subsidies is to increase the business as usual “real” rates funding requirement for 2006/07 to 5.15%.*
9. *Agree that the Budget and Financial Assumptions, as detailed in appendix 6 (of the officers report), be included in the draft 2006/07 – 2015/16 Long Term Council Community Plan.*
10. *Agree that the amended inflation adjusted Funding Impact Statement, as detailed in appendix 8 (of the officers report), be included in the draft 2006/07 – 2015/16 Long Term Council Community Plan.*

11. *Note that any amendments to the OPEX and CAPEX projects and programmes (including, new initiatives, service level changes, adjustments to proposed fees and user charges and changes to the Revenue and Financing Policy) in any other report on this agenda will be incorporated into the final schedules of OPEX and CAPEX projects and programmes, financial statements and Funding Impact Statement to be presented to Council.*
12. *Note that the financial statements approved by Council for incorporation in the draft 2006/07 – 2015/16 Long Term Council Community Plan will be prepared in accordance with the New Zealand equivalents of International Financial Reporting Standards and that the accounting policies and opening balance sheet reconciliations have been reviewed and approved by the Audit and Risk Management Subcommittee.*
13. *Agree that having due regard to the requirements of section 100 of the Local Government Act 2002, the Council's forecasting assumptions and the Revenue and Financing Policy it is financially prudent not to set a level of revenue that meets the projected operating expenses of Council.*
14. *Agree that for 2006/07 it is financially prudent not to fund all, or part, of the depreciation on the following assets:*
- (a) Clearwater Sewerage Treatment plant (\$2.356m)*
 - (b) Living Earth Joint Venture Plant (\$0.755m)*
 - (c) Transport Assets (\$6.720m)*
15. *Agree that it is financially prudent not to apply the following revenue received for capital purposes, but recognised in the Income Statement, to offset the rates funding requirement for 2006/07:*
- (a) LTNZ capital subsidies (\$9.487m)*
 - (b) Development contributions (\$0.610m).*

The meeting concluded at 2.47pm on Friday 3 March 2006.

Confirmed: _____
 Chair
 / /