
MINUTES

THURSDAY 11 APRIL 2013

9.15AM – 10.08AM

10.17AM – 11.42PM

1.00PM – 2.21PM

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

PRESENT:

Mayor Wade-Brown	(10.35am – 11.42am, 1.00pm – 2.21pm.)
Councillor Best (Deputy Chair)	(9.43am – 9.51am, 9.59am – 10.08am, 10.17am – 11.42am, 1.00pm – 2.21pm.)
Councillor Cook	(9.15am – 10.08am, 10.21am – 10.34am, 10.35am – 11.42am, 1.00pm – 2.21pm.)
Councillor Eagle	(9.19am – 9.51am, 10.00am – 10.08am, 10.21am – 11.42am.)
Councillor Foster (Chair)	(9.15am – 10.08am, 10.17am – 11.42am, 1.00pm -2.21pm.)
Councillor Gill	(9.15am – 10.08am, 10.17am – 10.53am, 11.08am – 11.42am, 1.00pm -2.21pm.)
Councillor Lester	(9.15am – 10.08am, 10.17am – 11.42am, 1.00pm -2.21pm.)
Councillor McKinnon	(9.15am – 9.43am, 9.44am – 10.08am, 10.17am – 11.42am, 1.00pm – 1.29pm.)
Councillor Marsh	(9.15am – 10.08am, 10.17am – 10.24am, 10.25am – 10.42am, 10.45am – 10.53am, 11.07am – 11.28am, 11.31am – 11.42am, 1.13pm -2.21pm.)
Councillor Morrison	(10.17am – 11.42am, 1.00pm – 1.39pm, 1.45pm – 2.21pm.)
Councillor Pannett	(9.15am – 9.34am, 9.35am – 9.58am, 9.59am - 10.08am, 10.17am – 11.16am, 11.18am – 11.42am, 1.00pm – 2.21pm.)
Councillor Pepperell	(9.15am – 10.08am, 10.17am – 10.38am, 10.40am – 11.24am, 11.26am – 11.42am, 1.00pm – 1.28pm, 1.31pm – 2.21pm.)
Councillor Ritchie	(9.15am – 10.08am, 10.17am – 11.18am, 11.23am – 11.42am, 1.00pm – 1.20pm, 1.23pm – 2.21pm.)

DEMOCRATIC SERVICES OFFICERS IN ATTENDANCE:

Antoinette Bliss - Committee Advisor

APOLOGIES:

Councillor Ahipene-Mercer
Councillor Coughlan
Mayor Wade-Brown (lateness)
Councillor Morrison (lateness)

091/13P **APOLOGIES**
(1215/52/IM)

NOTED:

Moved Councillor Foster, seconded Councillor Pepperell the motion that the Strategy and Policy Committee accept apologies for absence from Councillors Ahipene-Mercer and Coughlan and accept apologies for lateness from Mayor Wade-Brown and Councillor Morrison .

The motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

- 1. Accept apologies for absence from Councillors Ahipene-Mercer and Coughlan and accept apologies for lateness from Mayor Wade-Brown and Councillor Morrison.*

092/13P **CONFLICT OF INTEREST DECLARATIONS**
(1215/52/IM)

NOTED:

There were no conflict of interest declarations.

093/13P **DEPUTATIONS**
(1215/52/IM)

NOTED:

There were no deputations.

094/12P **PUBLIC PARTICIPATION**

(1215/52/IM)

NOTED:

There was no public participation.

095/13P **ORAL HEARINGS – SAFER SPEED LIMIT PROPOSED FOR
HATAITAI SHOPPING AREA (9.17AM – 10.25AM)**
Schedule of Oral Submitters
(1215/52/IM) (REPORT 1)

NOTED:

1. Paul Clutterbuck, Submission number 67 spoke in support of his submission.

(Councillor Eagle arrived at the meeting at 9.19am.)

2. Barbara Benson, Submission number 81 spoke in support of her submission.

TABLED INFORMATION: Speaking notes reference 095/12P(A).

3. Jeff McDonald, Submission number 40 spoke in support of his submission.

(Councillor Pannett left the meeting at 9.34am.)

(Councillor Pannett returned to the meeting at 9.35am.)

4. Senior Sergeant, Richard Hocken representing New Zealand Police, Submission number 87 spoke in support of their submission.

(Councillor Best arrived at the meeting at 9.43am.)

(Councillor McKinnon left the meeting at 9.43am.)

(Councillor McKinnon returned to the meeting at 9.44am.)

(Councillor Best left the meeting at 9.51am.)

(Councillor Eagle left the meeting at 9.51am.)

5. Pamela McKirdy, Submission number 75 spoke in support of her submission.

TABLED INFORMATION: Speaking notes reference 095/12P(B).

(Councillor Pannett left the meeting at 9.58am.)

(Councillor Best returned to the meeting at 9.59am.)

(Councillor Pannett returned to the meeting at 9.59am.)

(Councillor Eagle returned to the meeting at 10.00am.)

6. Patrick Morgan representing Cycling Advocates Network, Submission number 23 spoke in support of their submission.

(The meeting adjourned at 10.08am and reconvened at 10.17am.)

(Councillors Best, Foster, Gill, Lester, McKinnon, Marsh, Morrison, Pannett, Pepperell and Ritchie were present when the meeting reconvened.)

(Councillor Cook returned to the meeting at 10.21am.)

(Councillor Eagle returned to the meeting at 10.21am.)

(Councillor Marsh left the meeting at 10.24am.)

(Councillor Marsh returned to the meeting at 10.25am.)

096/13P **REPORT OF COUNCIL CONTROLLED ORGANISATION
PERFORMANCE SUBCOMMITTEE
MEETING OF MONDAY 8 APRIL 2013 (10.26AM – 11.42AM)
(1215/52/IM) (REPORT 2)**

Moved Councillor McKinnon, seconded Mayor Wade-Brown, the substantive motion.

(Councillor Cook left the meeting at 10.34am.)

(Mayor Wade-Brown arrived at the meeting at 10.35am.)

(Councillor Cook returned to the meeting at 10.35am.)

(Councillor Pepperell left the meeting at 10.38am.)

(Councillor Pepperell returned to the meeting at 10.40am.)

(Councillor Marsh left the meeting at 10.42am.)

(Councillor Marsh returned to the meeting at 10.45am.)

(Councillor Marsh left the meeting at 10.53am.)

(Councillor Gill left the meeting at 10.53am.)

(Councillor Marsh returned to the meeting at 11.07am.)

(Councillor Gill returned to the meeting at 11.08am.)

(Councillor Pannett left the meeting at 11.16am.)

(Councillor Ritchie left the meeting at 11.18am.)

(Councillor Pannett returned to the meeting at 11.18am.)

(Councillor Ritchie returned to the meeting at 11.23am.)

(Councillor Pepperell left the meeting at 11.24am.)

(Councillor Pepperell returned to the meeting at 11.26am.)

(Councillor Marsh left the meeting at 11.28am.)

(Councillor Marsh returned to the meeting at 11.31am.)

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Note that 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 the final 2013/14 Statements of Intent for presentation to this Subcommittee at its meeting of 5 June 2013:*

General

- *In general, the Council Controlled Organisations have addressed the requests set out in the Letters of Expectation, including outlining how their activities align with Council strategies, committing to holding a public meeting, and understanding the challenging economic environment for the Council. Where relevant, an extra comment should be added confirming the entity's commitment to the Accessibility Action Plan and reminding them of a need to report under this Plan;*
- *The format of the draft Statements of Intent have been aligned to a standard template as recommended in the 2012 Plimmer Review of Council Controlled Organisations.*

Basin Reserve Trust

- *Reflect a proactive approach to engaging with the Economic Development and Events teams to undertake preparatory work should Wellington win the hosting of a cricket test for the upcoming Indian tour, including liaising with New Zealand Cricket to secure a test match against India at the Basin and for other sporting and non sporting events*
- *Provide more detail of planning to increase ground utilisation to reach the target requested in the Letter of Expectation of a 10% increase by 2014/15;*
- *Provide an explicit key performance indicator and timeline for the completion of an Asset Management Plan, along with appropriate indicators by which progress can be measured;*
- *Provide financials that are consistent with the presentation of the annual audited financial statements*
- *Provide more detail about the Trust's involvement in the Museum Stand's future and the NZTA Flyover, noting that for both projects Council approval is required.*

Capacity Infrastructure Services Limited

- *Ideally add reference to the work of the Local Government Infrastructure Efficiency Expert Advisory Group and the development of regional technical standards;*
- *Include reference to the work being undertaken as part of the asset management improvement plan and establishing a framework to support a standard approach for asset*

management plans across client councils, as a priority for Capacity;

- *Clarify that the Company will focus on asset prioritisation work programmes and on working with the Council to ensure that information flows on asset data are robust;*
- *Confirm Capacity's commitment to the Council's Living City programme and consider how it can show innovation in order to move beyond legislative requirements to leadership (in conjunction with its shareholder councils) on education and action, particularly in the areas of water management conservation, resilience, emergency preparedness, and integrated stormwater catchment work;*
- *Note that the Company will report on the progress of the further development of an organisation-wide risk management framework as part of the standard reporting framework;*
- *Discuss how Capacity can take a more pro-active role in its relationship with Tangata Whenua;*
- *Reflect the performance measures for the outcomes based model once the new Service Level Agreement is finalised;*
- *Include three years worth of performance targets once the outcomes based model key performance indicators are agreed. The wording for Schedule 2 should also be updated to reflect that "these projects are the agreed work programmes with client councils and underpin the key performance indicator on delivering capital projects within budget and timeframes". Schedule 2 should present three years worth of projects.*

Positively Wellington Tourism

- *Provide a more detailed presentation of financials (specifically the revenue and expense lines) consistent with the presentation of the annual audited financial statements;*
- *Identify key performance indicators which are measured annually and those which are measured quarterly;*
- *Clarify definitions and identify sources for key performance indicator measures;*
- *Finalise key performance indicators which are incomplete or work in progress;*
- *Include detail to explain proposed reductions in the Trust's key performance indicators.*
- *Provide a clearer picture of the funding and expenditure of PWT, to outline the relationship between the Council downtown levy and the allocation of funding to PWT.*

Positively Wellington Venues Limited

- *Confirm key performance indicators for assessing venue occupancy rates and deliver baseline measures so that growth*

and progress can be measured across this key area of the business;

- *Set an explicit goal in relation to working with the Events team, along with supporting commentary, around what is to be achieved through this relationship, particularly in relation to increasing the economic returns of World of Wearable Arts and the New Zealand International Festival of the Arts;*
- *Provide more detail concerning strategies for increasing and improving exposure to the Arts for children and young people;*
- *Explain or remove in Section 3 references to running a design competition to develop concepts for the external refit of TSB Arena/Shed 6;*
- *Identify the timeframe for completing the assessment of Performing Arts Foundation and other Venues subsidies, and commit to establishing a reporting framework to give the Council a clear understanding of how community organisations are utilising opportunities for Venues access support.*
- *Work in conjunction with Wellington Waterfront Limited on options for an external refit of the TSB Arena and Shed 6*
- *Provide more detail around the Capital Expenditure items currently being considered for inclusion in the 2013/2014 budget, prior to their inclusion in the 2013/2014 statement of intent*

Wellington Cable Car Limited

- *Provide a greater level of detail on the Company's contribution to the relevant strategies of the Council, particularly the Economic Development Strategy, the Living City programme and the Accessibility Wellington Action Plan;*
- *Provide detail around the Company's planned strategies to: address the medium term reduction in passenger numbers using the Cable Car, improve the attractiveness of the cable car offering to passengers, and better promote and integrate with the full range of tourist and visitor experiences at the top of the Cable Car;*
- *Identify any opportunities for further efficiency gains, revenue growth and low priority service-level reductions to improve overall returns;*
- *Include an update on the progression of the Kelburn terminal project, particularly plans to mitigate any construction-related impacts on tourists and commuters;*
- *Reinstate the key performance indicator around Qualmark endorsement;*
- *Outline the reasoning behind the Company's proposed 60% dividend payout ratio for 2013/14;*
- *Include an updated forecast for 2012/13.*

Wellington Museums Trust

- *Commit the Trust to holding at least one meeting in a public forum;*
- *Provide a more detailed presentation of financials (specifically the revenue and expense lines) consistent with the presentation of the annual financial statements;*
- *Provide greater explanation as to forecast visitation at facilities, particularly the rationale for reduced forecast visitation;*
- *Include any new measurement of visitation key performance indicators as a shadow-measure in 2013/14 and also retain the current key performance indicator measure of visitation.*
- *Ensure that the financial statements included in the Trust's final statement of intent, specifically the statement of cash flows, cash flow reconciliation and the balance sheet are corrected in the final statement of intent.*

Wellington Waterfront Limited

- *Discuss the factors that have driven the changes evident in Wellington Waterfront Limited's capital works programme in the current operating environment;*
- *Acknowledge the change in timing on the North Kumutoto and Overseas Passenger Terminal development projects, and provide a key performance indicator around receiving commercial revenues prior to undertaking expenditure on public space;*
- *State explicitly that the three new public space projects will not proceed until the Waterfront Development Plan has been signed off and, if included in the Waterfront Development Plan, that the necessary commercial proceeds have been realised;*
- *Reflect that Wellington Waterfront Limited will contribute to (not lead) a Council-led assessment of creating a public land development agency;*
- *Consider celebrating in more detail work that is being done in the Living City and Accessibility Action Plan space, particularly around collaborating with other stakeholders on initiatives to clean up the harbour and consider the impact of climate change on the waterfront*
- *Work in conjunction with Positively Wellington Venues on options for an external refit of the TSB Arena and Shed 6.*

Wellington Zoo Trust

- *Include quarterly visitor targets;*
- *Include three years of performance targets.*

Wellington Regional Stadium Trust

- *Provide an update on each of the key sporting codes;*
 - *Confirm that the Trust will report on how it is tracking relative to its outlined non-financial performance measures in its regular reporting to the Subcommittee;*
 - *Note that the draft business plan will be provided to the Council in May and has not been commented on in this report*
 - *Note the points around concerts in particular the challenging market and that an update be provided to the Subcommittee at the next meeting.*
2. *Note that the New Zealand Local Government Funding Agency Limited will pay a cash dividend to shareholders for the year to 30 June 2012, which is ahead of its 2012 Statement of Intent targets and will continue to pay a dividend in 2013/14. The Chair of the Shareholders' Council will meet with the New Zealand Local Government Funding Agency Limited to discuss its strategy of building up retained earnings versus providing lower borrowing costs to shareholders in the short term, while noting this represents a healthy financial position.*
3. *Note that the Karori Sanctuary Trust's draft Statement of Intent will be received by the end of April and will be presented to the Council Controlled Organisations Performance Subcommittee meeting on 5 June 2013.*

(Councillor Eagle left the meeting at 11.42am.)

(The meeting adjourned at 11.42am for the Port Nicholson briefing to Councillors on shared District Plan Change Work with Wellington City, Hutt and Upper Hutt Councils and reconvened at 1.00pm.)

(Mayor Wade-Brown, Councillors Best, Cook, Foster, Gill, Lester, McKinnon, Morrison, Pannett, Pepperell and Ritchie were present when the meeting reconvened.)

097/13P **ANNUAL REPORT FOR THE ENVIRONMENTAL REFERENCE GROUP** (1.00PM – 1.17PM)
 Report of Sandra Crews, Advisor, Consultation and Engagement.
 (1215/52/IM) (REPORT 3)

Moved Councillor McKinnon, seconded Councillor Cook, the substantive motion.

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

THAT the Strategy and Policy Committee:

- 4. Request that the Environmental Reference Group discusses, and feeds back to Council, ways to maximise the contribution it can make to Council's decision making processes.**
- 5. The Chair and Members of the Strategy and Policy Committee would like to thank the Environmental Reference Group for their ongoing work.**

(Councillor Marsh returned to the meeting at 1.13pm.)

The amendment moved by Councillor Foster was put and declared CARRIED.

The substantive motion as amended was put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

- 1. Receive the information.*
- 2. Note the work and achievements of the Environmental Reference Group in 2012.*
- 3. Note the Environmental Reference Group would like some formal feedback from Council regarding the perceived value of its contribution and the continued relevance of its Terms of Reference.*
- 4. Request that the Environmental Reference Group discusses, and feeds back to Council, on ways to maximise the contribution it can make to Council's decision making processes.***
- 5. The Chair and Members of the Strategy and Policy Committee would like to thank the Environmental Reference Group for their ongoing work.***

NOTED:

The Resolution differs from the officer's recommendations as follows:

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

098/13P **PUBLIC SPACE DEVELOPMENT UPDATE** (1.18PM – 2.20PM)
Report of Julia Forsyth, Manager, Urban Design and Heritage.
(1215/52/IM) (REPORT 3)

Moved Councillor Pannett, seconded Mayor Wade-Brown, the substantive motion with changes to the recommendations in the officer's report with a new recommendation 3 as follows (in bold):

THAT the Strategy and Policy Committee:

1. Receive the information.
2. Approve the reprioritisation of funding as detailed in section 5.3 of the officers report.
3. **Instruct officers to develop a concept plan for the Parliamentary Precinct Project and bring it back to Strategy and Policy Committee for approval.**

(Councillor Ritchie left the meeting at 1.20pm.)

(Councillor Ritchie returned to the meeting at 1.23pm.)

(Councillor Pepperell left the meeting at 1.28pm.)

(Councillor McKinnon left the meeting at 1.29pm.)

(Councillor Pepperell returned to the meeting at 1.31pm.)

Moved Councillor Lester, seconded Councillor Best, the following amendment.

THAT the Strategy and Policy Committee:

- New 4. **Agree to retain the \$100,000 savings in the Newlands project budget and request officers to scope options for improvements to the glass canopy in the Newlands Town Centre and then to report back to SPC on the options.**
- New 5. **Approve an overspend of \$100,000 of Capital Expenditure for the Miramar project to be funded from savings to be identified elsewhere in the 2012/13 capital programme, and if savings are not available, from additional borrowings (to be included in the final 2013/14 Annual Plan).**

(Councillor Morrison left the meeting at 1.39pm.)

(Councillor Morrison returned to the meeting at 1.45pm.)

Procedural motion Councillor Lester challenged the chairs ruling. The motion was lost by failing to achieve a three quarter majority.

Moved Councillor Ritchie, seconded Councillor Morrison, the following foreshadowed amendment.

THAT the Strategy and Policy Committee:

- 4. Instruct officers to scope the costs of improvements to the glass canopy in the Newlands Town Centre and to bring back to Strategy and Policy Committee in time for Annual Plan Deliberations.**

The amendment moved by Councillor Lester was put and a DIVISION called:

Voting for: Councillors Best, Cook, Gill, Lester, Marsh, Morrison and Ritchie.

Voting against: Mayor Wade-Brown, Councillors Foster, Pannett and Pepperell.

Vote: 7:4

The amendment moved by Councillor Lester was put and declared CARRIED.

The foreshadowed amendment moved by Councillor Ritchie was deemed redundant.

The substantive motion recommendations 1 and 2 of the officers report with a new recommendation 3 were put and declared CARRIED.

The substantive motion new recommendation 4 and 5 were put and and a DIVISION called:

Voting for: Councillors Best, Cook, Gill, Lester, Marsh, Morrison and Ritchie.

Voting against: Mayor Wade-Brown, Councillors Foster, Pannett and Pepperell.

Vote: 7:4

The substantive motion new recommendation 4 and 5 were put and declared CARRIED.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Approve the reprioritisation of funding as detailed in section 5.3 of the officers report.*
3. *Instruct officers to develop a concept plan for the Parliamentary Precinct Project and bring back to Strategy and Policy Committee for approval.*
4. *Agree to retain the \$100,000 savings in the Newlands project budget and request officers to scope options for improvements to the glass canopy in the Newlands Town Centre and then to report back to SPC on the options.*
5. *Approve an overspend of \$100,000 of Capital Expenditure for the Miramar project to be funded from savings to be identified elsewhere in the 2012/13 capital programme, and if savings are not available, from additional borrowings (to be included in the final 2013/14 Annual Plan).*

NOTED:

The Resolution differs from the officer's recommendations as follows:

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

The meeting concluded at 2.21pm.

Confirmed: _____
Chair
/ /