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**ORDINARY MEETING**

**OF**

**GOVERNANCE, FINANCE AND PLANNING COMMITTEE**

**AGENDA**

Time: 9.15am  
Date: Thursday, 11 June 2015  
Venue: Committee Room 1  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington

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**MEMBERSHIP**

Mayor Wade-Brown

Councillor Ahipene-Mercer  
Councillor Coughlan  
Councillor Eagle  
Councillor Foster  
Councillor Free  
Councillor Lee  
Councillor Lester (Chair)

Councillor Marsh  
Councillor Pannett  
Councillor Peck  
Councillor Ritchie  
Councillor Sparrow  
Councillor Woolf  
Councillor Young

**Have your say!**

*You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 803-8334, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democratic Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number and the issue you would like to talk about.*

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## **AREA OF FOCUS**

The Governance, Finance and Planning Committee is responsible for long-term planning, setting the strategic direction for the city, agreeing outcomes, priorities, performance frameworks and annual budgets. The Committee is responsible for the long-term plan, annual plan, annual report, and quarterly reports. The Committee also makes sure residents are kept informed about what the Council is doing, are able to have their say, and feel confident that their views count.

**Quorum:** 8 members

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## 1 Meeting Conduct

### 1.1 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

### 1.2 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.

### 1.3 Confirmation of Minutes

The minutes of the meeting held on 26 May 2015 will be put to the Governance, Finance and Planning Committee for confirmation.

### 1.4 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 3.23.3 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

### 1.5 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 Governance, Finance and Planning Committee.***

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 meeting.

***Minor Matters relating to the General Business of the Governance, Finance and Planning Committee.***

No resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Governance, Finance and Planning Committee for further discussion.



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## 2. General Business

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# WELLINGTON CITY COUNCIL RULES REDUCTION TASKFORCE SUBMISSION

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### Purpose

1. This report seeks Committee approval of the Council's Rules Reduction Taskforce submission.

### Summary

2. The Rules Reduction Taskforce is producing a report for the Minister of Local Government advising on high-value opportunities to address the regulatory frustrations of property owners.
3. The Taskforce's stated interest is housing and property rules and this is a 'wide net'. However local government administers a swathe of rules and regulations mandated by Central Government.
4. In addition to providing specific examples where we think we could improve the level of service provided to the public, our proposed submission also highlights opportunities for the Government to work more closely with Wellington City Council, and to work with us to put customers and frontline staff first.
5. Many of the points made in our proposed submission are echoed in the submission made by Local Government New Zealand.

### Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Approve the Council's submission (Attachment 1) to the Rules Reduction Taskforce.
3. Agree to delegate to the Chair of the Governance, Finance and Planning Committee, the authority to amend the submission to include any amendments agreed by the Committee and any associated minor consequential edits.

### Next Actions

6. When approved, we will send the submission to the Taskforce.
7. Officers are meeting with the Taskforce to discuss the submission's key points and have requested from them any questions that they wish to raise with the Council.

### Attachments

Attachment 1. Proposed Submission to the Rules Reduction Taskforce

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Item 2.1

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Authors	Gunther Wild, Manager Policy and Reporting Geoff Lawson, Principal Programme Adv, Policy Nigel Taptiklis, Senior Policy Advisor
Authoriser	John McGrath, Acting Director Strategy and External Relations



1 June 2015

Jacqui Dean MP and Michael Barnett  
Rules Reduction Taskforce  
The Department of Internal Affairs  
P O Box 805, Wellington 6011

Dear Ms Dean and Mr Barnett

Wellington City Council welcomes this investigation by the Rules Reduction Taskforce, and we thank you for the opportunity to have our say. The Council wants Wellington and its citizens to thrive and is keen to help fix overly onerous rules and regulations.

As the Capital City, we're well placed to work with the Government in the interests of Wellington and New Zealand. We also have projects underway that will significantly lower the transaction costs to the public, better integrate our processes to administer rules and regulation, and make these processes more efficient.

Local government is often the frontline for a swathe of regulatory compliance that has been mandated by the Government. Rules and regulation are an integral part of governance and at some point, all of what we administer has been deemed necessary by our respective elected representatives. As we are the frontline of administering these regulations, Wellington City Council would like to request that the Taskforce also address (or to include in its recommendations in its report to the Minister) the following questions:

- How can the Government and local government better work together to ensure regulatory processes are as user-friendly as possible by engaging as early as possible in the development or amendment of any legislation or regulation?
- Where do opportunities exist for the Government and local government to work together to better coordinate and streamline services?
- As service providers, how can the Government and local government implement direct feedback loops so that any problems that arise with specific rules are promptly investigated and remedied?
- More broadly, what is the role of the Government in informing the public about the role and value of sensible regulation, the processes involved, and assisting the public to access the information they need to be better informed and prepared before they engage any regulatory process?

We have not addressed issues within the Resource Management Act 1991 as we understand that this is under its own review process. It would also be beneficial if all the operating provisions of the Local Government Act 1974 were reviewed and included in the Local Government Act 2002 to avoid confusion and simplify the legislative framework that local government operates within. This would help make local government more accessible to the community.

Thanks again for this opportunity. We look forward to hearing the recommendations of the Taskforce.

Yours sincerely

Celia Wade-Brown  
Mayor of Wellington

Kevin Lavery  
Chief Executive Officer  
Wellington City Council

### Submission to the Rules Reduction Taskforce

#### 1. Introduction

- 1.1 Wellington City Council (the Council) welcomes this investigation by the Rules Reduction Taskforce (the Taskforce). As the Capital City, we're well placed to work collaboratively with the Government in the interests of Wellington and New Zealand.
- 1.2 Council officers deal with the public on a day to day basis and are here to help navigate the processes we administer as effectively and efficiently as possible. The process works best when both parties are clear as to why the rule exists and where both parties have done their homework, and the transaction is done once.
- 1.3 Some rules administered by local government that are perceived as too complex will never make the Government's priority list for review. There will still be rules and regulations to administer after the Taskforce has done its work, and local government will still have to help people through the processes as best we can.
- 1.4 It is also very common for applications to be incomplete (eg building consent applications), or for unclear expectations and information to increase transaction costs. These things compound delays and increase frustration and cost for all.
- 1.5 As outlined in the covering letter, the Council's view is that great potential lies in adopting a more integrated customer service focus across both central and local government. For this reason we're putting our frontline staff and customers first, and looking critically at how we deliver services, and the experiences our customers have when they engage with us.
- 1.6 A customer service approach requires us to look beyond the 'noise' and interrogate underlying causes of issues as they arise. From here we can start from sound first-principles, with the confidence that we will fix real pain points and will deliver services with greater efficiency and customer satisfaction.
- 1.7 The Government's Better Public Services work on improving interaction with government and greater coordination between agencies may be relevant, especially where local government is the legally mandated delivery agency.
- 1.8 Many of the points made in this submission and covering letter, as well as the examples of onerous rules and regulation given in section 3 are echoed in the submission by Local Government New Zealand and the Society of Local Government Managers (SOLGM). The Council wishes to express its support for these submissions, and concerns with the lack of rigor applied to the Government's policy-making. SOLGM's submission highlights a particularly concerning situation where local government is directly impacted by nationally set legislation, to which insufficient analytical rigour is applied, and scarce attention is paid to real-world implementation by the Government.
- 1.9 We have not addressed the Resource Management Act (1991) as this is under its own review process. We also consider that the operating provisions of the Local Government Act 1974 should be reviewed and included in the Local Government

Act 2002 to avoid confusion and simplify the legislative framework that local government operates within. This would help make local government more accessible to the community.

**2. Seeking Best Practice**

- 2.1 We would like the Taskforce to consider how it could identify and support areas of best practice which drive a customer centric and Better Public Services position.
- 2.2 We are concerned that the current process will not be able to establish whether frustration with a rule or its administration is systemic, or whether frustration varies across the country. We think that the Task Force should also identify where local authorities are doing well. The work in these areas should be acknowledged and mechanisms resourced to share best practice between councils and other government agencies. Greater use could also be made of National Policy Statements and National Environmental Standards to provide consistency across local authority boundaries.
- 2.3 We are concerned that the survey only asks for negative experiences so it is not possible to know what positive or neutral experiences would have been reported had the option been available. Without this context it is difficult to judge whether or not on balance a rule is overly onerous or not fit for purpose.
- 2.4 The survey as it is currently structured appears not to adequately differentiate between the content of the rule and its application. If the issue is misapplication or a misunderstanding of a rule then changing the rule may not fix the underlying problem.
- 2.5 Any particular rule does not exist in a vacuum and thought must be given to the impact of amending or removing a rule on other pieces of regulation.

**3. Opportunities to address overly onerous rules**

- 3.1 The following section identifies some examples where we think we could improve the level of service provided to the public. This includes where current legislation prescribes processes that are sometimes unnecessary or onerous. These examples are just a small selection of a wide range of opportunities to improve how we deliver services to the public.

***Lease or disposal of road reserve to and adjoining land owner***

- 3.2 The power to stop roads (commonly referred to as road stopping) is an important authority and a rigorous process that is rightly applied for the stopping of a legal road.
- 3.3 Both the Local Government Act 1974 (LGA 1974) and Public Works Act 1981 (PWA) road-stopping provisions are designed for the significance and potential issues of stopping a legal road in a way that stops the right to access or pass over the land.

However it is also the only process available to Councils to dispose of smaller land parcels of unformed road<sup>1</sup> that have been identified as surplus to the local authorities roading purposes or to use when an adjoining land owner wishes to acquire small parcels of this land.

- 3.4 In these cases what should be a simple process to dispose of this land becomes increasingly process and cost prohibitive and in cases of dispute can only be resolved in the Environment Court.
- 3.5 Proposed solution: What is needed by the Council and adjoining landowners alike is a clear process for these situations, with upfront criteria to help determine the likelihood of success and with more tailored consultation processes. In addition, a similar clear process is needed to facilitate the medium-term lease of adjoining unformed legal road.

#### **Reserve Management**

- 3.6 Most Council reserve land is managed under the Reserves Act 1977 (RA). In 1998 a working party with Local Government New Zealand (LGNZ) and the Department of Conservation (DoC) produced a report "*Improving Administration and Understanding of the Reserves Act 1977*". This identified several technical amendments that would improve the efficiency of the RA and streamline processes for the administering authority. To the best of our knowledge none of these have been implemented.
- 3.7 Proposed solution: We would recommend that the task force review this report and the proposed amendments. We indicate below some of the key changes proposed we think would be of benefit.

#### **Automatic vesting and classification of reserves under the Resource Management Act (RMA)**

- 3.8 It is common for subdivision consents to require the vesting of land in a local authority for reserve purposes. The RMA enables the vesting to take place but a separate process is required under section 16 (2A) of the Reserves Act (RA) to give the land its reserve classification. The purpose of the reserve should be determined at the time the subdivision consent is granted without the need for the administering authority to run another process under the RA.
- 3.9 Proposed solution: An amendment to section 16 of the RA, and consequential amendments to the RMA.

#### **Extend concession granting criteria of Part 111B of the Conservation Act (CA) 1987 to cover all reserves administered under the Reserves Act**

- 3.10 Management issues surrounding the granting of concessions are usually the same regardless of who owns or manages the reserve. The effects based approach of the CA rather than the activity based approach of the RA will provide a more consistent and flexible framework for managing activities.

<sup>1</sup> Part of the legal road that is not carriage way or footpath.

- 3.11 Proposed solution: It is recommended that the approach of Part 111B of the CA be extended to cover reserves vested in all administered bodies under the RA. It is recognised that some amendments may be required to Part 111B as part of this change. This would also recognise that a concession based on one reserve may have a role and value in the wider reserve network. For instance where a bike hire business is based on one reserve but use occurs on the wider reserve network.

***Reserves management planning***

- 3.12 The reserve planning provisions under section 41 of the RA are onerous and dated. The working party identified several areas where this could be improved. The modern approach adopted by local authorities is to develop overall open space strategies that take a holistic approach to the management of their open space framework and do not focus on individual reserves where many have similar roles and values. These strategies often do not comply with the provisions in the RA yet have similar outcomes in terms of the use, protection and enjoyment of the network. The RA needs to be changed to recognise this.
- 3.13 Proposed solution: Amend section 41 to make it clear that multi reserve plans and two tier (strategy/plan) frameworks are allowed. In addition amend clause 4 to make it clear that continuous review enables new lands to be brought under existing multi reserve plans without the need to comply with subsections 5 and 6.

***Reserve reclassification***

- 3.14 There are sometimes requirements under the RA to have split classification requirements within land titles. For instance where a childcare centre is on Recreation Reserve and the classification needs to be changed to Local Purpose Reserve. In the past the preparation of a Graphic Description Plan was enough to identify the classification as a change in land status by Land Information New Zealand (LINZ). This changed several years ago when LINZ required full survey and issuing of new titles. This put additional costs on local authorities who often had to expend several thousand dollars to survey off parcels prior to registration of the changed classification. More recently LINZ has advised that they see reclassification of a reserve requiring a new title as a subdivision. The consequence being that many local authorities will simply gazette the reclassification but not register it on the title because of the cost and complexity of doing so. This was certainly not the intent of the RA. We have advised DoC and LINZ of this issue and hope it can be resolved.
- 3.15 Proposed solution: LINZ change their policy to enable graphic description plans to satisfy requirements for split classifications within existing titles.

***Naming of roads***

- 3.16 The road naming process was changed in 2004 and now requires a "resolution" of council which means that the decision cannot be delegated and must be made by Council or its committees. Councils should be allowed to have policies to describe how it selects under the policy names for roads and should be allowed to delegate

the authority under the policy. Minor privately owned access strips, should not need a Council or committee resolution.

- 3.17 Proposed solution: Amend section 319A LGA 1974 to enable these decisions to be delegated under a Council policy.

***Road Markings for Parking***

- 3.18 The Land Transport Rule: Traffic Control Devices 2004 (the TCD) requires parking spaces to be:
- a) marked if they are angle parks (Clause 12.4(1)), and
  - b) marked in white [or yellow] if they are marked, this applies to angle and other types of marked parking (Clause 12.7), unless the road surface makes it impracticable to do so.
- 3.19 The Wellington City Council Traffic Bylaw (the Bylaw) requires parking spaces to be marked out in metered areas (Clause 2.2(a)).
- 3.20 The Council has used bricks (and other similar materials) to mark parking places in some areas and would like to use brick, as an aesthetic alternative to white paint. The Council is reviewing the Bylaw in 2015 as a requirement of the Local Government Act 2002, and may include a proposal to amend the Bylaw to remove requirements to mark spaces in Clause 2.2. However, under the TCD Council would still have to mark out angle parks in all circumstances and parallel parks, if it wants to define the actual parking spaces. The bylaw amendment would provide the Council with some flexibility to not mark parallel parking spaces on the road in white in areas where bricking or other methods are used. In these areas, the Council would not be able to enforce parking space infringements for parking over the physical limits of a parking space, but this is relatively rare regardless of road marking type (some 200 infringements per year in total, mainly in white marked areas). Changes to the Bylaw would only affect parallel parking because the TCD specifies (Clauses 12.4) that angle parking must be marked. If only the Bylaw is changed, the Council will not be able to treat the marking of parallel and angle parking in the same way.
- 3.21 Proposed solution: The Council propose the New Zealand Transport Agency amend the Land Transport Rule: Traffic Control Devices 2004 (Clause 12.7) to enable road markings for parking to be made using other methods, not exclusively white [or yellow], or enable these decisions to be delegated under a Council policy.

***Allocation of property numbers***

- 3.22 Section 319B(2) of the LGA 1974 states "The council shall comply with any request from a Chief Surveyor to allocate a number to or change the number of any area of land or building or part of a building in its district". Having to change addresses can be very time consuming, expensive, distressing for the property owners and tenants, and achieve no practical benefit if a Chief Surveyor's request is not reasonable. It is very important to have addresses following logical sequences and the Australian/New Zealand Standard for Rural and Urban Addressing (AS/NZS 4819:2011) is an excellent guide. However, following it in every situation should not be mandatory. Councils should have discretion to allow

exceptions, provided they still consider the impact, especially for emergency services. Examples of unreasonable change requests can be supplied if required.

- 3.23 Proposed solution: Removing the Chief Surveyors right to make changes, would solve the problem, but it could lead to inappropriate addresses and a reduction in the quality of addresses, so a solution would be to just ask Chief Surveyors to allow Councils some discretion when allocating property numbers, provided there is no adverse impact for emergency services.

***Local Electoral Act 2001(LEA) and Local Government Act 2002 (LGA 2002)***

- 3.24 Representation Reviews (sections 19H, 19I and 19J LEA) and Reorganisation Proposals (Part 32 Schedule 3 LGA 2002): Local authorities are required to review their representation arrangements at least every six years but with the option of reviewing after three years. There is no option to defer a review if the local authority could be affected by a reorganisation proposal under consideration by the Local Government Commission (LGC). This means that there is real potential of confusing the local authority electorate where LGC and the local authority are covering similar ground in public consultation. It also means, that should the LGC make a final a determination that affects the local authority, the resources expended by the local authority on the representation review are essentially wasted.
- 3.25 The Council undertook its last representation review in 2012 as it was required to do (having last reviewed representation prior to the 2009 election) in order to confirm its representation arrangements for the 2013 election. The Council was concerned at the time that its mandatory representation review would cause confusion. At the same time the local authorities in the region were actively considering potential reorganisation and were consulting on potential options prior to lodging proposals with the LGC. As a result it has been labelled "forced consultation" and identified as a waste of resources.
- 3.26 Proposed solution: Amend the LEA and or the LGA 2002 to permit a local authority to seek a Ministerial decision to defer a representation review in circumstances where there is likely change which would impact on the review, for instance if the LGC was also consulting on a reorganisation proposal at that same time.



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## 2015/16 FORWARD WORK PROGRAMME

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### Purpose

1. This report seeks the Committee's agreement to the proposed 2015/16 Committee Forward Work Programme.

### Summary

2. The Council requires a draft policy programme to give certainty and transparency to policy delivery to committees and to enable resource allocation and policy planning amongst Council officers.
3. The proposed forward work programme covers a full range of policy related work from across the Council while also allowing for the capacity to respond to any threats and opportunities and deal with statutory and regulatory obligations imposed by Central Government over the course of the year.

### Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Agree to the 2015/16 Forward Work Programme (Attachment One).
3. Agree to delegate to the Chair of the Governance, Finance and Planning Committee, the authority to amend the forward work programme to include any amendments agreed by the Committee and any associated minor consequential edits.
4. Note that given resourcing constraints, significant changes to the work programme would almost certainly require removing or reprioritising other items.

### Discussion

4. The proposed 2015/16 Forward Work Programme (see Attachment One) covers a large number of matters for elected members' consideration.
5. It contains a number of major focus areas for 2015/16 which generally reflect the key themes established in the draft 2015-25 Long-term Plan. The major focus areas are:
  - Implementing the Long-term Plan
  - Governance of the Council's economic development agenda (including advancing the 8 Big ideas)
  - Advancing major transport initiatives/investments
  - Improving the City's resilience, especially economic resilience, and responding to climate-driven change
6. In addition, there are important and substantive areas of on-going work, including:
  - Social Housing
  - Housing and land supply
  - Community related matters
  - Environment, open space and recreation related matters
  - Heritage and location specific improvement matters

- Scheduled reviews and matters that must be addressed as they are legal requirements or agreed areas of work.
  - Submissions on notable issues
7. Many of the matters identified in the programme will require decisions. There are also a number of governance/oversight matters identified that may not necessarily require a decision to be made by the Committee.
  8. Once agreed, it is expected that the Work Programme, along with “business-as-usual” matters (for example traffic resolutions and property matters), will set Committees’ agendas over the coming year.
  9. An important additional function that the policy and reporting team provides is to forward scan for upcoming policy opportunities and issues and report them back to relevant Committees and/or Council, along with proposed solutions, as appropriate.
  10. To this end the programme presented in Attachment One is not ‘set in stone’. It is a dynamic and ‘living’ programme that must have the flexibility to respond to any opportunity and/or obligation that arises during the course of the year. Given resourcing constraints, significant changes to the work programme would almost certainly require removing or reprioritising other items.
  11. Where the policy and reporting team is not leading a specific project, policy and reporting team support will be made available for peer review, quality assurance and general policy advice expertise, as requested.

## Attachments

Attachment 1. Proposed Committee Work Programme (from 1 July 2015 to 30 June 2016) Page 19

Author	Gunther Wild, Manager Policy and Reporting
Authoriser	John McGrath, Acting Director Strategy and External Relations

**Proposed Committee Work Programme (from 1 July 2015 to 30 June 2016)**

Notes:

1. The Committee identified in the table below will consider the matter. Where new or amended policies, bylaws or strategies are proposed, the Committee considering the matter has delegation to make recommendations to Council, which must then decide whether to adopt a policy, bylaw or strategy as the case may be.
2. The priority values assigned to items mean:
  1. Must be delivered / advanced
  2. High priority to be delivered / advanced
  3. Will be delivered / advanced if resources allow

<b>Project</b>	<b>Committee</b>
<b>Developing and adopting the 2016 Annual Plan</b>	
Annual Plan	Governance, Finance and Planning
<b>Governance of the Economic Development Agenda</b>	
Oversight and updates on economic initiatives as set out in the draft Long-Term Plan	Economic Growth and Arts
Regular updates on WREDAs economic development initiatives / work programme	Economic Growth and Arts
Report on the Civic Precinct project and make implementation decisions, as required	Transport and Urban Development
Options for establishing a Council "Land assembly and/or development" function	Transport and Urban Development

**Item 2.2 Attachment 1**

<b>Advancing major transport initiatives and investments</b>	
Review of the on-street parking policy	Transport and Urban Development
Agree cycling framework and master plan	Council
Cycling framework and master plan work programme and implementation plan	Transport and Urban Development
Development of a framework to facilitate the major new transport investments / initiatives. Possible submissions from Council, Council priorities and commitments, and related issues	Transport and Urban Development
Report on a Port Precinct Access Plan – already underway and on-going	Transport and Urban Development
<b>Resilience and climate change adaptation related papers</b>	
Scoping of a comprehensive resilience strategy for the City's economy, infrastructure, build environment and communities	Environment
Report on an assessment of options to increase resilience in the water system – including a possible under harbour pipeline or additional reservoir.	Environment
Adapting to climate driven change – toward a framework and approach for making long-term decisions (such as locating, upgrading or moving key infrastructure and defending or abandoning assets) that will be affected by future climate change effects	Environment
Review Climate Change Action Plan	Environment
Developing a resilience strategy for the South Coast (this work may incorporate a review of the South Coast Management Plan 2002), Report back on next steps for Island Bay Seawall & The Esplanade	Environment
Progress reporting as required on development of the Regional Natural Hazards Strategy (GWRC lead)	Environment

Built structures in public spaces – Requirements for maintaining verandahs in good order and associated new Bylaw	Transport and Urban Development
Building Act legislative change (Earthquake Prone Buildings) update	Transport and Urban Development
<b>Social Housing</b>	
Social Housing – review of Council’s policy on the provision of social housing: including: future demand for social housing in Wellington City and region; options for clients to access IRRS; targeting the council’s efforts and coordination with HNZZC; enhancing the role of CHPs; community and individual support services; rental rates; review of tenancies.	Community, Sport and Recreation
Social Housing Business Model Review	Community, Sport and Recreation
Arlington Site 1 Redevelopment	Community, Sport and Recreation
<b>Housing and land supply</b>	
Karori and Tawa town centre plans and medium density residential zones	Transport and Urban Development
Report on development of plans for the east Te Aro regeneration area	Transport and Urban Development
Report(s) on the implementation of the Housing Accord	Transport and Urban Development
Report back on Housing Warrant of Fitness initiative and next steps	Environment
<b>Social and Community related papers</b>	
Report back on the potential to increase the number of smoke free areas in the city	Community, Sport and Recreation
Toward a Social Strategy / Framework to define and establish priorities for the Council in its role of supporting social development (alongside many other agencies)	Community, Sport and Recreation
Consideration of a bylaw to create full cost recovery regime for alcohol licensing	Community, Sport and Recreation

**Item 2.2 Attachment 1**

Review of Dog Policy (which will be required by virtue of the review of the Animal Control Bylaw)	Environment
Provisional Local Alcohol Policy: Next steps following decision from the Alcohol Regulatory and Licensing Authority	Community, Sport and Recreation
Safe city programme: <ul style="list-style-type: none"> <li>• Accreditation of WCC as an international safe city – scoping for next accreditation</li> <li>• Reducing Graffiti – update on implementation and identified of issues</li> </ul>	Community, Sport and Recreation
Updates/renewals of existing plans/initiatives: <ul style="list-style-type: none"> <li>• Community gardens/urban agriculture programme – update on implementation and options for the future</li> <li>• Accessible Wellington Action Plan – three yearly review of plan</li> </ul>	Community, Sport and Recreation
<b>Environment, open space and recreation related papers</b>	
Report on the development of Watts Peninsula – This work will include future master planning including the development of a heritage park	Environment
Confirm a reserve management plan for the Basin Reserve	Environment
Emissions reduction progress report – report on City’s emissions profile and new initiatives to reduce emissions and support innovation in sustainability	Environment
Report on opportunities and recommended initiatives to encourage green standards for new builds and incentivise green standards and adaptive reuse of redeveloped existing buildings.	Environment
Consideration and possible endorsement of Regional Sport and Recreation Strategy. Sport Wellington is coordinating the development of a regional strategy (funded by Sport New Zealand) with support from territorial authorities	Community, Sport and Recreation
Minor review of the Open Space Access plan	Environment

Options for improved management of closed landfill sites	Environment
Development of Water Sensitive Urban Design guidelines	Environment
Report back on implementation of the Whaitua Committee & development of Whaitua Implementation Programme for the Porirua and Wellington catchments	Environment
Playgrounds Policy review – including skate parks and outdoor youth recreation facilities	Community, Sport and Recreation
Wellington's Outer Green Belt Management Plan review – scoping	Environment
Decision on Ngauranga Gorge Quarry Development	Environment
Revisit Spicer Landfill Joint Venture	Environment
<b>Heritage and location specific improvement papers</b>	
District Plan - Heritage Chapter and list review, including heritage policy review	Transport and Urban Development
<b>Scheduled reviews and legislatively driven papers</b>	
Quarterly Report	Governance, Finance and Planning
Annual Report	Governance, Finance and Planning
Gambling policy review	Community, Sport and Recreation
Traffic Bylaw (statutory obligation as current bylaw expires Feb 2016)	Transport and Urban Development
Fire Prevention Bylaw (statutory obligation as current bylaw expires December 2015)	Environment
Trade Waste Bylaw (statutory obligation as current bylaw expires July 2016)	Environment

**Item 2.2 Attachment 1**

Public Health Bylaw (will likely need to be reviewed as a consequence of the Food Act 2014 and associated regulations – by March 2016)	Community, Sport and Recreation
Animal Control Bylaw (current bylaw expires Aug 2016), including Dog Policy Review	Community, Sport and Recreation
Freedom Camping Bylaw amendments post 2014/15 summer evaluation	Environment
Toi Pōneke – report back on: options for new objectives and monitoring, more effective options for location of some services, changing services to improve effectiveness, refurbishing of building to improve service delivery	Economic Growth and Arts
Minor District Plan changes	Transport and Urban Development
District Plan: Tangata whenua Chapter review	Transport and Urban Development
Council Controlled Organisations - Recommend final Statements of Intent to Council	Committee depends on CCO
<b>Submissions on notable issues</b>	
Submission to Local Government Commission on Wellington Regional Governance	Governance, Finance and Planning
Submission on possible reform of the Resource Management Act	Transport and Urban Development
Effectiveness of Social Services - submission to the Productivity Commission – May 2015	Community, Sport and Recreation



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## **REPORT BACK ON MAYORAL TRAVEL TO HANOI, XIAMEN AND TAIPEI AND REPORT ON MAYORAL TRAVEL TO SAN FRANCISCO AND THE NEW YORK TIMES CITIES FOR TOMORROW CONFERENCE AND NEW ZEALAND CHINA MAYORAL FORUM IN CHINA**

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### **Purpose**

1. This paper provides a report back to the Governance Finance and Planning Committee on Mayor Celia Wade-Brown's visit to Hanoi, Xiamen and Taipei in February 2015.
2. This paper seeks approval for Mayor Celia Wade-Brown to attend the New York Times Cities for Tomorrow Conference and visit San Francisco in July 2015.
3. This paper seeks approval for Mayor Celia Wade-Brown to attend New Zealand China Mayoral Forum in China in September 2015.

### **Summary**

4. From 3 February to 14 February 2015 Mayor Celia Wade-Brown led a delegation of 15 business and education leaders to Hanoi (Vietnam), Xiamen (China) and Taipei (Taiwan).
5. In Hanoi, the Wellington Mayoral delegation supported the renewal of the Memorandum of Understanding between Victoria University and the University of Social Sciences and Humanities Hanoi. To further develop a closer city-to-city relationship, the Council will sign a MOU on Wellington providing English courses for Hanoi officials.
6. The delegation strengthened our sister city relationship with Xiamen in China. The Council signed a Wellington Chinese Garden Meetings Record of Discussions and Agreement with Xiamen Municipal Bureau of Public Facilities and Landscape. The Seashine Group, a state-owned large supermarket chain company in Xiamen, agreed to set up a New Zealand section in their supermarkets, which will bring about opportunities for the food producers in our region.
7. In Taiwan, the Wellington Mayor signed a Partner City Relationship Agreement with the Mayor of Taipei. And attended the Taipei International Book Exhibition as the Guest of Honour. The visit raised Wellington's profile in Taiwan.
8. Mayor Wade-Brown is travelling to the US on personal business and proposes to attend the Rockefeller Cities for Tomorrow Conference in New York. Mayor also proposes to be at the inaugural meeting of the San Francisco Wellington Society.
9. The Chinese People's Association for Friendship with Foreign Countries (CPAFFC) and Local Government New Zealand (LGNZ) invite mayors of New Zealand to attend the inaugural Forum which will be held in Xiamen City, Wellington Sister City in China, in September 2015.

## Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Note that the Mayor led a successful delegation of business and education sector leaders to Vietnam, China and Taiwan in February 2015.
3. Note that the Mayor will undertake a private visit to the USA in July 2015
4. Agree for Mayor Celia Wade-Brown to visit San Francisco to progress the potential sister city relationship. Note that domestic flights and accommodation for the visit will be met by the Council (International Relations budget COCM08).
5. Agree for Mayor Celia Wade-Brown to represent the Wellington City Council at the Cities for Tomorrow Conference in New York City. Note that domestic flights and accommodation for the Conference will be met by the Council (International Relations budget COCM08).
6. Agree for Mayor Celia Wade-Brown to represent the Wellington City Council at the New Zealand China Mayoral Forum in Xiamen and will undertake an official visit to Beijing. Note that the costs of travel will be met by the Council (International Relations budget COCM08). Xiamen and Beijing will cover accommodation and transportation during the visit.

## Background

10. Mayor Celia Wade-Brown has been invited by Mayors of Hanoi, Xiamen and Taipei to visit their cities and explore closer civic and business relationship. Governance, Finance and Planning Committee approved the Mayor's trip on 10 December 2014.
11. Wellington has been successful in its application to join the 100 Resilient Cities organisation.
12. Mayor Celia Wade-Brown received an invitation to attend the Cities for Tomorrow Conference as Mayor of one of the Rockefeller Foundation's 100 Resilient Cities.
13. Over the past 6 months Wellington has established a Wellington San Francisco Society (WSFS) and the Wellington San Francisco Sister City Initiative is progressing well with a detailed Sister City proposal being developed. Mayor Wade-Brown and one of the co-chairs of WSFS propose to hold the inaugural meeting of the San Francisco Wellington Society, which is a critical step in the sister city initiative programme.

## Discussion

### Hanoi, Vietnam

14. We were warmly welcomed by people at all levels of the Vietnamese Government and were very well supported by the NZ Ambassador Haike Manning, and the staff members of MFAT and NZTE in Hanoi. We had the opportunity to meet with many VUW alumni who all hold favourable and positive memory about Wellington and are keen to work with the Council to promote the City. There is a universal goodwill towards NZ, Wellington and VUW, because a number of senior government officials have attended either English language or School of Government courses.
15. We see the following opportunities to build on the existing relationships:

- Wider education opportunities and delivery both in Wellington and Hanoi

VUW signed a renewed cooperation MOU with the University of Social Sciences and Humanities Hanoi during the visit. The universities agreed to their cooperation on academic staff exchange, student exchange, academic information and materials exchange, and joint research, etc.

Mayor Wade-Brown promoted Wellington education opportunities in Films, IT, Design and Victoria University's School of Government when she met Mr Pham Quang Nghi, Secretary of Hanoi Party Committee and Mayor of Hanoi Nguyen The Thao. The Council received a message from Hanoi Government after the trip. They would like to invite Wellington to provide English courses for Hanoi officials.

A group of education providers from the Wellington region will visit Vietnam in October 2015 to continue the growing education cooperation.

- Support in the bilateral relationship and collaboration at both central and local levels

The NZ Inc ASEAN Strategy outlines how NZ and ASEAN, including Vietnam, will become better connected, better integrated, and how we will boost investment and trade. Mayor Wade-Brown's visit came as the two countries celebrate the 40<sup>th</sup> anniversary of the establishment of diplomatic relations. In meetings with senior officials from the central and local governments, the Mayor stressed the country-to-country relationship. A "sister city" type link between Wellington and Hanoi has been mentioned by Hanoi Government and NZ Embassy. Some Hanoi residents expressed their interest in setting up a Friends of Wellington group.

Existing Wellington businesses trading in Vietnam include Metra and Damwatch (a Meridian Subsidiary) working to reduce the risk of dam failure and slips.

Wellington has an active and world-leading ecosystem of interconnected organisations working on resilience. The Mayor visited the Vietnam Climate Change Resilience Centre (CCRC), which is a Vietnamese NGO, and shared ideas for knowledge transfer on resilience. The Mayor will make connections with Wellington based organisations such as 350.org. An article on the Mayor's visit is on CCRC's website and their Facebook page (<http://www.climate.vn/major-of-wellington-city-visiting-climate-change-resilience-centre.html> and <https://www.facebook.com/www.climate.vn>).

Department of Foreign Affairs of Hanoi will draft a MOU in order to seize the opportunities for future cooperation between Hanoi and Wellington. Mayor Wade-Brown invited Mayor of Hanoi Thao to Wellington.

### **Xiamen, China**

16. The Wellington Mayoral delegation strengthened our longstanding sister city relationship with Xiamen. Mayor Wade-Brown met the new Xiamen Mayor Pei and the Mayors expressed commitment to continuing co-operation, projects and a fruitful sister city relationship. Rebecca Needham, Consul-General of NZ Consulate-General in Guangzhou, accompanied Mayor Wade-Brown in Xiamen.
17. Very productive discussions were held about the Wellington Chinese Garden project, which will be an integral part of the redevelopment proposed for Frank Kitts Park. The discussion included
  - landscape design, construction materials and examples of ancient and modern Chinese landscape architecture

- the commitment from the Xiamen Municipal Government and two Xiamen companies (the ITG Group and Seashine Group) to support the garden project by supplying materials and Chinese artists.

A Memorandum of Understanding was signed about the Chinese Garden by two city mayors in November 2014 and this was reconfirmed and further details agreed regarding the details for bringing this project to fruition, noting the New Zealand requirements for consultation and budget decisions.

18. Very effective discussions were held with the Seashine Group about Xiamen importing NZ food products. The Xiamen Seashine Group is a significant food trader in the Fujian Province, owning about 100 supermarkets and stores. The Seashine Group is establishing a network of stores for imported food, and proposes to have a New Zealand section in each. The New Zealand section will showcase premium imported food and beverages from New Zealand to Xiamen consumers. The first New Zealand Section will be opened by New Zealand Mayors during New Zealand China Mayoral Forum in Xiamen in September 2015.
19. The delegation also met with the Xiamen University and explored further prospects for developing the already existing links that VUW has in the areas such as English language literature, English language training, architecture and vocational training.
20. Mayor Wade-Brown and Sam Elworthy, President of NZ Publishers Association, donated 50 books to the Wellington Corner in the Xiamen Library. A Wellington seminar was held in the Xiamen Library and was attended by hundreds of Xiamen local citizens. Mayor Wade-Brown presented Hobbit books with Richard Taylor's signature to people who answered questions and the event was well covered by the local media.
21. Business members in the Mayoral delegation achieved the goals of making new contacts and strengthening existing relationships. The feedback received from them has been unanimously positive.

#### **Taipei, Taiwan**

22. The visit to Taiwan was to renew our relationship with Taipei City and explore opportunities for working together. The Mayor signed a Partnership City Relationship Agreement with the Mayor of Taipei Wen-Je Ke. The Partnership Agreement will focus on the creative industries, culture, education, tourism and trade. A copy of the Agreement is in attachment 1.
23. Taipei is an attractive, safe and sophisticated city and the Wellington Mayoral delegation were warmly welcomed by the Taiwan Ministry of Foreign Affairs, the cities of Taipei and New Taipei.
24. Mayor Wade-Brown met with the Minister of Culture and the Minister of the Council of Indigenous Peoples to learn more about the Taiwanese indigenous peoples and links with Maori. There are opportunities for cultural exchanges with an emphasis on contemporary indigenous art and culture.
25. Mayor Wade-Brown's visit was planned to coincide with the annual Taipei International Book Exhibition where New Zealand is the guest country of honour and the theme country. There was an 80-people New Zealand delegation at the Exhibition, including Witi Ihimaera, Eleanor Catton, Jeannette Bornholdt, Fergus Barrowman and many other significant figures in New Zealand literature and publishing. As the Guest of Honour, the opportunity to raise the profile of New Zealand was optimised by a number of showcase events, including the New Zealand gala event where the Mayor was a guest speaker and profiled Wellington the creative capital.

26. Despite differences in scale there are a number of further areas identified where we can learn from Taipei and co-operation and collaboration opportunities exist at a city to city level and for businesses:
- the successful implementation of Youbike which is a bike sharing system with easy to use technology and the integration with the public transport network.
  - the development of international mountain biking and walking trail tourism
  - animation and co-production. Mayor Wade-Brown met CGCG, an animation studio that is currently working with Pukeko Pictures LP based in Miramar.
27. Mayor Wade-Brown gave speeches on the Australia NZ Chamber of Commerce Business Breakfast and the Opening of NZ Contemporary Art Exhibition.
28. The Wellington Mayoral delegation was well supported and hosted by Si'alei van Toor, the Director of New Zealand Commerce and Industry Office and Dean Prebble, Director of New Zealand Trade Development Centre.

### **Travel to New York and San Francisco**

29. Cities for Tomorrow Conference
- this conference is closely connected with the 100 Resilient Cities and the Rockefeller Foundation. Wellington is a member of 100 Resilient Cities.
  - second annual industry conference exploring the cutting-edge innovations reshaping the world's urban areas. Attendees will explore the challenges facing infrastructure and transportation systems, as well as the intersection of the arts and economic development, new tech businesses, income and inequality, education and health.  
<http://www.nytcitiesfortomorrow.com/>
  - the conference will provide a dynamic environment for collaboration among industry decision makers who are working to create the future of our cities, including developers, architects, venture capitalists, city officials, government and urban policy professionals.
30. Council approved Mayor Wade-Brown to embark upon creation of a sister city relationship with San Francisco. This body of work has been underway for the past 8 months, with the next step of the programme being the inaugural meeting of the San Francisco Wellington Society in San Francisco in July.
- Mayor will also meet with Leslie Katz from Port of San Francisco, as CentrePort and Ports of San Francisco are in discussions on becoming sister ports. Furthering a sister port relationship is another step in binding the two cities closer together and the connection for this relationship came about through the formation of the Wellington San Francisco Society.

### **New Zealand China Mayoral Forum**

31. Local Government New Zealand (LGNZ) has signed an agreement with the Chinese People's Association for Friendship with Foreign Countries (CPAFFC) in November 2014 during China President Xi's visit. This agreement establishes a mechanism of exchange and cooperation between mayors of New Zealand and China through a NZ-China Mayoral Forum to be held alternatively in China or New Zealand. The aim is to build a platform of peer-to-peer exchanges for mayors to discuss issues, strengthen cooperation, economic growth and enhance friendship.

32. The Forum was launched in November 2014 with the attendance of eight NZ Mayors and seven Chinese Mayors. The inaugural Forum will be held in Xiamen from 7 to 8 September 2015.
33. The Mayoral Forum provides a structured opportunity for Council to be involved in international relationships of economic benefit to the city. This year's Forum will focus on education, tourism and primary industries. Mayor Wade-Brown has been invited to give a speech on behalf of all NZ Mayors at the opening of the Forum on 7 September and attend an Opening Ceremony of China International Fair for Investment and Trade on 8 September.
34. Mayor Wade-Brown will join with other NZ Mayors to open a New Zealand section at Seashine Supermarket. Food products from Wellington will be included in the NZ section.
35. Mayor Wade-Brown will visit Beijing, Wellington's sister city, for two days after Xiamen to further promote education, international links, economic opportunity and to strengthen the sister city relationship.

### Next Actions

### Attachments

Attachment 1. Memorandum of Understanding of The Partnership City Relationship

Page 32

Author	Tom Yuan, International Relations Manager
Authoriser	Sally Dossor, Director Governance

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

There are no significant consultation and engagement considerations associated with accepting the recommendations in the report.

### **Treaty of Waitangi considerations**

There are no significant Treaty of Waitangi considerations associated with accepting the recommendations in the report.

### **Financial implications**

There are no significant financial implications associated with accepting the recommendations in the report. The travel and accommodation has not yet booked and is estimated to cost no more than NZ \$10,000.

### **Policy and legislative implications**

There are no significant policy and legislative implications associated with accepting the recommendations in the report.

### **Risks / legal**

There are no significant risks / legal considerations associated with accepting the recommendations in the report.

### **Climate Change impact and considerations**

There is no significant climate change impact considerations associated with accepting the recommendations in the report.

### **Communications Plan**

A communications plan is not required.

**MEMORANDUM OF UNDERSTANDING OF  
THE PARTNERSHIP CITY RELATIONSHIP BETWEEN  
THE CITY OF WELLINGTON AND THE CITY OF TAIPEI**

Building upon the relationship established in 1997, the City of Wellington and the City of Taipei agree to become "PARTNERSHIP CITIES". In the interests of furthering economic development, understanding and co-operation between the cities of Wellington and Taipei, both cities agree to identify the following areas of co-operation for mutual benefit from the partnership city relationship:

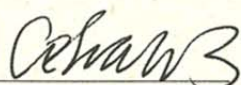
- (i) The promotion of goodwill and understanding
- (ii) The advancement of knowledge in the area of local government through the exchange of ideas and experience
- (iii) The exchange in relation to the cultural and creative industries
- (iv) Youth provision and educational development
- (v) The promotion of trade and tourism

Both cities would like to establish a plan of action for the enhancement and realization of these activities and the enhancement of mutual benefits so as to ensure the continuity of our close cooperation and understanding.

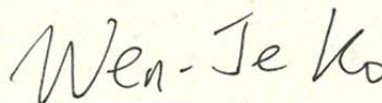
The two cities hereby mutually agree that, on the date hereof, the City of Wellington and the City of Taipei shall become "PARTNERSHIP CITIES", with a view to achieving the above mentioned objectives.

Both participants mutually agree that the international relations divisions of Wellington City Council and Taipei City Government will serve as the coordinator for the two sides. The two divisions will keep in close contact to ensure friendly cooperation and exchanges between Wellington and Taipei.

This Memorandum of Understanding will come into effect upon signature. Signed in duplicate at Taipei on the twelfth day of February, 2015 in the English language.



Celia Wade-Brown  
Mayor of Wellington



Wen-Je Ko  
Mayor of Taipei



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## PACIFIC ADVISORY GROUP 2014/15 ANNUAL REPORT

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### Purpose

1. To report on the work and achievements of the Wellington City Council Pacific Advisory Group (PAG) for the 2014 - 2015 year and to state the intentions of the group for 2015 - 2016.

### Summary

2. Under the Terms of Reference PAG is required to publically report to a Council Committee within the last four months of each financial year The Pacific Advisory Group has produced their Annual Report covering the period May 2014 to May 2015 (see Attachment 1).

### Recommendations

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Note the achievements and upcoming aspirations and challenges for the Pacific Advisory Group for the period May 2014 to May 2015.

### Background

3. The Wellington City Council Pacific Advisory Group (PAG) was established in 2003 to strengthen the relationship between the Council and Pacific people from Wellington's seven main Pacific nations (Samoa, Cook Islands, Tonga, Fiji, Niue, Tokelau and Tuvalu).
4. A review of the Terms of Reference was carried out in 2014 and along with a raft of changes the representation of Micronesia and Melonesia was included to reflect the diversity of Pacific nations.
5. The purpose of PAG was also updated:
  - Advise Council on how to help grow a great City, where Pasifika peoples thrive and contribute to Council's priorities.
  - Bring knowledge and extra insight into Council about how the different needs of Wellington's Pasifika communities can be addressed in the context of Council's roles and priorities.

### Discussion

6. The Annual Report is attached as Attachment 1. It contains details of the achievements for the period of May 2014 to May 2015 and the challenges for PAG in the year ahead.
7. The Annual Report also includes the approved 2014 - 2015 work programme, the Pasifika Action Plan and the meeting attendance statistics for the year.

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## Next Steps

8. PAG will now be developing the work programme for 2015 - 2016 with assistance from Council officers and has begun preparation for the Pacific Forum.

## Attachments

Attachment 1. PAG Annual Report

Page 36

Authors	Sophie Rapson, Policy Advisor Nicci Wood, Senior Policy Advisor
Authoriser	John McGrath, Acting Director Strategy and External Relations

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

No consultation has been undertaken for this report.

### **Treaty of Waitangi considerations**

There are no Treaty of Waitangi implications for this report.

### **Financial implications**

The Pacific Advisory Group is managed within existing budgets.

### **Policy and legislative implications**

The activities of the Pacific Advisory Group are consistent with existing policy and support ongoing policy development.

### **Risks / legal**

There are no legal implications from this report.

### **Climate Change impact and considerations**

There are no climate change impacts or considerations for this report.

### **Communications Plan**

No communications plan is required for this report.

# **PACIFIC ADVISORY GROUP**

## 2014-2015 Annual Report

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***Tālofa lava, Taloha ni, Bula Vinaka, Kia Orana,  
Mālo e lelei, Fakalofa lahi atu and Warm Pacific  
Greetings from the Pacific Advisory Group.***

**Purpose**

The purpose of the Pacific Advisory Group is to:

- Advise Council on how to help grow a great City, where Pasifika peoples thrive and contribute to Council's priorities.
- Bring knowledge and extra insight into Council about how the different needs of Wellington's Pasifika communities can be addressed in the context of Council's roles and priorities.

**Group Composition**

The Pacific Advisory Group (PAG) consists of 15 members from 8 Pacific Island communities. Membership demonstrates the diversity of Pacific peoples as a multi ethnic group residing in Wellington.

**PAG Members as at May 2015**

**Samoa**

Anthony Leaupepe  
Ida Faiumu-Isa'ako (Deputy Chair)  
Meremine Auelua

**Fiji**

Ledua Taucilagi  
Sai Lealea (Chair)

**Cook Islands**

Kimi Higginson  
Merio Marsters

**Tuvalu**

Silika Kofe-Pouofenua  
[vacancy]

**Tonga**

Alapeta Faletau  
Rev. Siofilisi Latu Ta'ufo'ou

**Melanesia**

Leina Isno

**Niue**

Dr Alvin Mitikulena  
Nicole Rex

**Micronesia**

[vacancy]

**Tokelau**

Herbert Bartley  
Sharon Samasoni

**Council appointed members**

Councillor Paul Eagle  
Councillor Sarah Free

### **Membership and Meetings**

The Pacific Advisory Group is currently carrying vacancies for a Tuvalu, and Micronesian representative on PAG.

Under the Terms of Reference review in 2014 positions for a Melanesian and Micronesian representative were added. The aim of this was to provide a Melanesian and Micronesian voice to the diversity of PAG. PAG invited Leina Isno from the Vanuatu community to represent the Melanesian community.

The Pacific Advisory Group met 12 times in 2014/15. The agendas and minutes of these meetings have been uploaded to the Wellington City Council's website.

The meetings have been well attended and member's contributions have been valuable.

### **Terms of Reference Review**

The review of the terms of reference was carried out in 2014. This was to more clearly reflect Council's expectations of how advisory groups will work. This included outlining the process to finalise annual work programmes. The new terms of reference includes clarification of expectations of officers, Advisory group members and councillors.

PAG was pleased to be a part of this review. The updated terms allowed the PAG to add valuable contribution to the Council procedures and to assist with advice to both Councillors and Council officers in the early development of work at Council.

### **Annual Work Programme**

The Annual Work Programme sets out the priority work areas for the year that Council seeks involvement and early engagement from PAG.

As part of the 2014 Terms of Reference Review, a new process of agreeing a work programme between officers and the Pacific Advisory Group was instituted (see Appendix One).

PAG has contributed to those key priority areas as well as assisting Council on other policies and projects as they have arisen. PAG are pleased with this new process which has given good direction to the work of PAG and we look forward to reviewing and setting the new priority areas for the next year of work.

### **Pasifika Action Plan**

One extensive piece of work that was carried out this year was the Pasifika Action Plan (see attachment two). This document will guide the Council when engaging with the Pacific community and help the Council understand the needs of Pacific communities and ensure they are represented in policy development and planning.

The Action Plan is a living document that will guide the future work of both the Council and PAG. A key element of the Action Plan is alignment with the strategic priorities of the Council as set out in its planning documents such as the Long Term Plan.

It is proposed that the Action Plan is reviewed annually with input from members of Pasifika communities

### **Activity**

As well as the regular monthly meetings, PAG activity from May 2014 to May 2015 has varied from the public events, community initiatives, to contributions to Council consultations.

PAG also provides the opportunity to discuss issues and topics relevant to Pacific communities. The meetings also allow members to receive presentations from outside groups keen to engage PAG and their communities. Major events and activities in Pacific communities are also able to be tabled and shared by members during the meetings.

### **Events**

#### *Pasifika Forum*

The Pasifika Forum is scheduled for the next financial year. PAG are working to finalise key topics and the details for when the forum will be held.

#### *Pasifika Festival*

Attendance at the Festival was around 10,000 people and feedback on the day was very positive from both participants and visitors. PAG took the opportunity during the Festival to promote the new members as well as other Pacific communities from Melanesia and Micronesia.

PAG has set up a Pasifika Festival Subcommittee to start the discussion around the 2016 Festival and identify lessons from last year and previous year's festivals. PAG would like to ensure:

- there is a good balance between cultural activities;
- an ability to showcase Pacific identity; and
- the promotion of those elements in today's contemporary and diverse environment.

More input by PAG into the organisation and planning of the Festival is also to be explored as part of the discussion.

### **Submissions and Advice**

During the year PAG has been providing advice and input into a number of areas that included:

- 2015-2025 Long-term Plan
- Gambling Venues Policy
- Pacific Community Policing
- Wellington Regional Governance Proposal
- Living Wage
- Council Housing
- New Zealand Flag Consideration Project

### **Community Support and Initiatives**

PAG members have also been involved in community activities that included:

- Cyclone Pam Relief Effort.
- WWI Commemoration held at Parliament.
- Pasifika Language Weeks. PAG members are keen to actively promote their language weeks to the Council.
- Participating in Art events around Wellington.
- Tasty Thursday at Te Papa.
- Power Up – enabling Pasifika students through Education.
- Siapo.

### **Aspirations and challenges for the year ahead**

#### **Pasifika Fale**

PAG continues to advocate and explore how this dream can be realised in partnership with the Council.

#### **Pacific Councillor**

PAG identifies that Pasifika representation on Council is of great importance; a Pacific Councillor is a long term goal for PAG.

#### **Executive Leadership Team (ELT) Member attending PAG meetings**

To work more effectively with Council PAG would like the opportunity to engage directly with senior executives of the Council during its meetings especially over key topics of interest to them.

#### **Remuneration**

PAG are seeking an increase in the meeting fees to be on par with other Pacific advisory groups around the country.

#### **Council Support to Advisory Groups**

There is a need for a more stable and longer term advisory support for PAG from Council to ensure continuity and close ongoing engagement.

#### **Pacific Forum**

Engagement with our Pacific communities is key in the work that PAG produces. PAG members are disappointed there has been no opportunity for Council to engage directly with their communities to provide two way feedback on work by Council in promoting Pacific communities. It is hoped there will be opportunity for this in the new financial year.



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### **Acknowledgements**

The PAG has valued the continued contribution of Councillors Eagle and Free to its work and deliberations. Both have been strong advocates and allies over a number of issues considered by PAG during the year.

The PAG has valued the continued support and services provided by Council Officers in the past year. In this regard, we wish to acknowledge the service and contribution of Martin Rodgers, who has since left the Council.

The PAG would also like to acknowledge those Councillors and Council Officers who seek to encourage greater participation of the Pacific Advisory Group, and Pasifika people in the decision making process of Council. Our work would not have been possible without their support and commitment in the last year.

**Appendix One: Annual Work Programme 2014-2015**

October 2014

Chair – Pacific Advisory Group  
Wellington City Council  
101 Wakefield Street, PO Box 2199  
WELLINGTON 6140

Dear Chair

**Re: Letter setting the Work Programme for the Pacific Advisory Group (PAG)**  
**Purpose of this letter**

I am writing to you as the Chair to clarify the Council’s priorities and outline my expectations for your Reference Group over the next 12 months.

PAG is part of Council and I know that your group wants to contribute in the best possible way to our City. This letter will help focus the work of the group early so that you can add greatest value and that Council officers can engage with you at an early stage and in an effective way.

**PAG’s work over the next 12 months**

The City Council has recently finalised our Annual Plan (AP) and is working on drafting the Long Term Plan (LTP). It is important that the work of PAG align with the priorities of the AP and LTP. We want you to bring your experience to the group to help solve problems and find solutions for the work streams below. This is consistent with your group having deeper and more-ongoing involvement with the work-streams of greatest priority to the City.

<b>Key priorities</b>	<b>Expected PAG input</b>
<b>Strengthening connections between Wellington’s Pasifika communities and Council</b>	Deepening and expanding your group’s networks to increase Pasifika people’s understanding of and ability to participate in Council’s processes and decision-making. Specific focus areas will include increasing links with Church congregations (through Ministers) and increasing links with Pasifika youth.
<b>Advising Council on how to better engage Pasifika Communities</b>	Help officers develop engaging events, activities and communications material to engage Pasifika communities on key priorities for Council, including how Pasifika communities can contribute to growing the economy, affordable housing, health and environmental challenges facing the City.

<p><b>Home Energy Saver Programme –</b> A programme to help home owners and residents save on power bills through reducing energy consumption.</p>	<p>Help identify how to effectively deliver this programme to customers (particularly Pasifika communities), including how far this programme should reach. For example, what are some practical options for households reducing costs and energy consumption? How far should the programme go (mainly focus on advice or also on repair)?</p>
<p><b>Eight Big Ideas for Economic Growth - Ideas</b> to help boost Wellington’s economy and make it more diverse. These projects are at early stages and include a film museum, International air connections, a technology precinct (a project to grow high-tech industries in the CBD), conference and concert venues, a Miramar framework, better transport, being open for business and a liveable city. More information can be found at: <a href="http://wellington.govt.nz/your-council/structure-and-vision/vision-2040/big-ideas-for-economic-growth">http://wellington.govt.nz/your-council/structure-and-vision/vision-2040/big-ideas-for-economic-growth</a></p>	<p>Generate practical ideas for actions and projects around how WCC and our City can achieve the visions of the Big Ideas – “Better transport” and “Liveable City”.</p>

As part of Council’s wider engagement, Council will also consult with other groups issues relating to Wellington’s Pacific communities. Further information on how we see PAG operating is set out in the Terms of Reference.

**Meeting to discuss and agree the work programme**

Once you have discussed the priorities and suggested work-streams outlined in this letter with the other members of your group, officers will meet with you to jointly agree the PAG’s work programme. This could include discussing other projects. You would need to demonstrate how other projects could contribute to Council and City priorities in order for them to be considered as part of your work programme.

I look forward to hearing from you.

Yours sincerely

**Kevin Lavery**  
CHIEF EXECUTIVE

## Appendix Two: Pasifika Action Plan

# PASIFIKA ACTION PLAN

DRAFT DATED: 21 MAY 2014

### Purpose of the plan:

Through its annual report to the Wellington City Council (Council) on 12 September 2013, the Pacific Advisory Group (PAG) proposed “developing a Pacific Action Plan/Cultural responsiveness guide that will guide the Council when engaging with the Pacific community and help the Council understand the needs of Pacific communities and ensure they are represented in policy development and planning”.

### Nature of the plan:

The Pasifika Action Plan is a living document that will guide the future work of both the Council and PAG.

It is proposed that the Action Plan is reviewed annually with input from members of Pasifika communities, most likely through the Pacific Forum.

After it is updated, it will be presented by PAG to the Council through the Governance, Finance and Planning Committee. Each year, the Committee will be asked to endorse the Plan and agree to Council undertaking a set of actions (which will contribute to achieving the plan) over the following 12 months.

The Action Plan will also inform PAG's Annual Work Programme by identifying the issues that it should focus on in its interactions with Council. It will assist PAG to identify which strategies, policies and programmes to give most input into.

Council and PAG will report back to Pacific communities on progress with the actions at least annually, through the Pacific Forum.

### Connections between the Pasifika Action Plan and Wellington's strategic direction.

*Wellington Towards 2040: Smart Capital* was developed by the Wellington City Council in 2011. It is a statement of the future that we all want for Wellington and how this can best be achieved. It contains four goals that describe a different way of working - focusing on collaboration, not competition - to build Wellington's resilience in the face of future environmental, economic, and social challenges.

The Pasifika Action Plan connects to these four goals in a number of ways.

#### Goal 1. People-centred city

Wellington's people are the city's greatest asset. Wellington's shape and character will continue to reflect the people who live in, work in, and visit the city.

The Action Plan contributes to Wellington becoming a more open and welcoming city by identifying how the Council can support the social and economic aspirations of Pasifika communities in the city. It promotes access to public transport, affordable housing, recreation activities and new technology as ways of ensuring Pasifika communities can

thrive and make their unique contribution to Wellington's future. It also enables Pasifika communities to become more active in the development of the city by enabling greater participation in city-level decision-making.

Goal 2. Connected city

As a connected city, Wellington's people, places and ideas access networks - regionally, nationally and globally.

The Action Plan encourages collaboration and partnerships in the city and region by identifying actions that will respond to the needs of Pasifika communities across the region and actions that will require collaboration between local authorities, central government and non-government bodies. It also contributes to Wellington's arts and events successes to increase the city's profile and reach to international audiences.

Goal 3. Eco-city

Developing Wellington as an eco-city involves a proactive response to environmental challenges. It recognises the importance of Wellington taking an environmental leadership role as the capital city of clean and green New Zealand.

The Action Plan contributes to the city's eco-friendly goals through its health and wellbeing strategy. It promotes the importance of sustainable and healthy lifestyles, such as access to affordable healthy food, community gardens, and accessible public transport options. The plan recognises that healthy environments contribute to healthy Pasifika communities.

Goal 4. Dynamic central city

As a city with a dynamic centre, Wellington will be a place of creativity, exploration and innovation.

The Action Plan supports the growth of economic activity in the central city for the benefit of the wider city and region. It also plays a significant role in reflecting the diversity of cultures that are part of the city's history.

<b>Governance</b>		<b>Measures / Indicators</b>
What do we want to see? (Key outcomes)	Pasifika peoples have opportunities to present their views to decision-makers	Number of persons who identify themselves as of Pacific decent that participate in formal Council consultation processes
	Pasifika issues are taken into account in decision making	Level of agreement by PAG members that Pasifika issues have been taken into account in decision-making
	Pasifika peoples influence civic decision making	
What goals we will focus on? (Strategic objectives)	Increase the number of Pasifika peoples in Wellington that enrol and vote	
	Pasifika communities have access to Councillors and other decision makers	

	Strengthen Pasifika representation a. On Community Boards b. On Council c. On other Council bodies d. At senior management levels within Council	Number of Pacific people represented on these bodies
	Include PAG in very early formative discussions on policies of importance to /impact on Pasifika peoples	Level of agreement by PAG members that they are involved in formative discussions on policies of importance to /impact on Pasifika peoples
	Encourage greater partnerships between Council, Pasifika communities and other organisations	Number of partnerships facilitated between Council, Pasifika communities and other organisations

<b>Actions</b>		<b>Lead</b>
What Council is doing or will do over the following 12 months to contribute to the goals	Work with PAG to increase Pasifika people's understanding of, and ability to participate in, Council's processes and decision-making	Research, Consultation & Planning and Democratic Services teams with PAG
	Create opportunities for Councillors to meet with different Pasifika communities	Research, Consultation & Planning and Democratic Services teams
	Inform former PAG members of other governance opportunities and the process for appointment (eg. for Council boards, District Licensing Committees)	Research, Consultation & Planning and Democratic Services teams
	Invite young people to attend forums and other Pacific events	Research, Consultation & Planning team with PAG
	Share success stories at the Pacific Forum as a way of role modelling	Research, Consultation & Planning team with PAG
Other potential actions	Educate people on the value of voting Visit secondary schools to encourage youth voting before they turn 18yrs old Support Pasifika user-friendly voting systems and processes	Democratic Services team for local authority elections Electoral Commission for other elections

<b>Communication</b>		<b>Measures / Indicators</b>
What do we want to see?	Pasifika peoples are able to easily make contact with Council and confidently express their views	
(Key outcomes)	Pasifika peoples are informed about all Council activities or decisions that may affect their lives	
What goals we will focus on?	Strengthen communication between Council and Pasifika communities on	Pasifika residents' agreement that Council information is easy

(Strategic objectives)	issues of importance to them in a transparent and timely way	to access
	Utilise a range of proven and culturally appropriate methods when communicating with Pasifika communities	

<b>Actions</b>		<b>Lead</b>
What Council is doing or will do over the following 12 months to contribute to the goals	Include all Council related Pasifika events in news updates	External Relations team
	Promote council entitlements more widely e.g. rates rebates and concession cards	Community Services team
	Support community outreach by City Councillors using Pacific interpreters	Democratic Services team
	Increase use of Pasifika faces/images in council publications, posters and online promotional material where appropriate	External Relations team
	Engage with PAG to understand current processes and appropriate responses to issues that may arise for Pasifika people in Council housing properties.	City Housing team and PAG
	Develop and implement a communications plan for Pasifika Festival.	City Events and External Relations teams
	Develop and maintain a database of Pacific contacts including service providers, churches, businesses, and general Pacific networks	Research, Consultation & Planning team with input from PAG
	Ensure all communication on issues affecting Pacific communities are provided in a timely way	External Relations team and PAG

<b>Workforce Development</b>		<b>Measures / Indicators</b>
What do we want to see?	Pasifika peoples across the Wellington region have proportionately higher rates of participation in the workforce	Pasifika workforce participation rates and unemployment rates.
(Key outcomes)	Pasifika businesses are supported to thrive in the Wellington region	
	Local and regional economic development strategies reflect the employment needs of a growing Pacific population	
What goals we will focus on?  (Strategic objectives)	Strengthen Pasifika youth participation in training/employment opportunities	Pasifika young people who are not engaged in education, employment or training (NEET).
	Ensure Council's workforce better reflects Wellington's Pasifika communities	

	Support the range of employment opportunities available and accessible to Pasifika peoples across Wellington	
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<b>Actions</b>		<b>Lead</b>
What Council is doing or will do over the following 12 months to contribute to the goals	Encourage up-skilling of Pasifika staff for management positions in Council	Human Resources team
	Introduce training internships or placement opportunities to attract Pacific people into careers at Council and other agencies	Human Resources and City Communities teams with Mayor's Taskforce for Jobs

<b>Health and Wellbeing</b>		<b>Measures / Indicators</b>
What do we want to see?  (Key outcomes)	Pasifika peoples in Wellington lead healthy lifestyles, that embrace holistic values including spirituality	
	Pasifika peoples feel safe in their homes, neighbourhoods and local centre	Pasifika peoples feel safe in the neighbourhoods and local centres
	Pasifika peoples in Wellington experience improved health outcomes across a range of measures	Range of health measures including chronic disease rates
	Needs of elderly Pasifika people are understood and addressed	
What goals we will focus on?  (Strategic objectives)	Encourage Pasifika communities to participate in physical activity	
	Promote Pasifika people's choice to access affordable healthy food	
	Involve Pasifika peoples in city and community safety and resilience initiatives	
	Ensure Council processes and policies positively impact on the wellbeing of Pasifika peoples	
	Facilitate increased access to affordable and healthy homes	
	Facilitate access to affordable & accessible public transport options	
	Recognise importance of spiritual well-being	

<b>Actions</b>		
What Council is doing or will	Involve Pasifika communities in Neighbours Day	City Communities team



do over the following 12 months to contribute to the goals	Target resources to Pasifika communities as part of World Health Organisation Safer Cities status	City Communities team
	Implement current thinking around healthy food from garden to kitchen	City Communities team
	Work with NZ Police to trial Pasifika Warden programme in the Eastern Suburbs	City Communities team
	Provide Pasifika communities with access to education resources for people with impairments	City Communities team with PAG
	Advocate for a review of public transport fares and concessions for families	
	Promote and support Pasifika communities' participation in and utilisation of community gardens	City Communities team
Other potential actions	Explore opportunities to increase home ownership within Pasifika communities	
	Promote and support Pasifika participation in existing health related services and events	
	Provide more free drinking fountains around Wellington	
	Provide more education around water safety and swimming	
	Add a Pasifika sports event to the annual calendar of Council events	
<b>Education</b>		<b>Measures / Indicators</b>
What do we want to see?	Pasifika peoples in Wellington achieve their educational potential	Education qualifications amongst Pasifika communities
(Key outcomes)	Pasifika languages, stories and history of settlement within Wellington are captured and preserved	
	Wellingtonians are able to access Pasifika stories and learn Pasifika languages readily	
What goals we will focus on?	Increase access to quality educational resources and services for Pasifika communities	
(Strategic objectives)	Increase opportunities for people to learn Pasifika stories and languages	Number of people who can speak Pasifika languages
	Explore opportunities to support improved educational outcomes for Pasifika peoples across the Wellington region	
<b>Actions</b>		<b>Lead</b>
What Council is doing or will do over the	Continue to support literacy initiatives in Newtown to Aoga Amata, St Anne's School and Newtown School	Libraries & Community Spaces team

following 12 months to contribute to the goals	Continue to host homework groups in libraries	Libraries & Community Spaces team with PAG
	Continue to provide free wifi in libraries and move to provide access through community centres	Libraries & Community Spaces team
	Promote Pasifika books, music and film through Council libraries	Libraries & Community Spaces team with PAG
	Support more Pacific resources that promote Pacific languages & cultures in public libraries where possible	Libraries & Community Spaces team
Other actions	Provide incentives to encourage more Pacific teachers to opt for teaching positions in Wellington schools	
	Support a Pacific education and careers expo	

<b>Arts and Culture</b>		<b>Measures / Indicators</b>
What do we want to see?	Wellington is a centre for world class Pasifika arts and cultural performances	
(Key outcomes)	Traditional Pasifika art forms & cultural activities are preserved and protected	
	Contemporary Pasifika art forms & cultural activities are developed and supported	
What goals we will focus on?	Increase the number of Pasifika cultural performances within Wellington	Number of Pasifika cultural performances within Wellington
(Strategic objectives)	Celebrate all things Pasifika amongst all Wellingtonians	
	Increase visibility of Pasifika art forms and cultural activities in Wellington	

<b>Actions</b>		<b>Lead</b>
What Council is doing or will do over the following 12 months to contribute to the goals	Increase local business sponsorship and government agency participation at Pasifika Festival	City Events team
	Run workshops for Pasifika Festival participants and others on administration and funding /sponsorship related skills	City Events team with PAG
	Be open to and encourage new activities being associated with the Pasifika Festival as part of a regional festival programme	City Events team
	Run workshops and provide support for Pasifika artists and community groups on application process for public art projects, exhibitions and Culture Grants	City Arts and Grants teams with PAG

	Continue to host exhibitions (e.g. Te Vaevae exhibition at Toi Pōneke), support public art projects (e.g. mural by Shane Tuffery) and other Pasifika art projects where they meet criteria for funding / support.	City Arts team & Grants team
	Look at how to support Pacific Language Weeks	Libraries & Community Spaces team
	Continue to include Pasifika artists and art forms in mainstream events	City Events team
Other actions	Investigate and assess feasibility of potential partnerships for a Pacific Fale (eg. with Victoria University)	
	Provide resources to record and preserve stories about Pacific elders, their settlement history and experiences	

**Appendix Three: Individual Meeting Attendance**

<b>Name</b>	<b>Number of Meetings</b>	<b>Attended</b>	<b>% Attendance</b>
Alapeta Faletau	12	11	92
Alvin Mitikulena	12	10	82
Anthony Leaupepe	12	11	92
Herbert Bartley	12	10	83
Ida Faiumu-Isa'ako	12	11	92
Kimi Higginson	12	9	83
Ledua Taucilagi	12	7	58
Leina Isno	6	4	67
Meremine Auelua	12	8	67
Merio Marsters	12	11	92
Nicole Rex	12	11	92
Sai Lealea (Chair)	12	12	100
Sharon Samasoni	12	8	67
Silika Kofe-Pouofenua	12	4	33
Siofilisi Taifo'ou	12	11	92

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## **ELECTED MEMBER ATTENDANCE TO THE NATIONAL HOUSING CONFERENCE, 28-30 OCTOBER 2015, PERTH, AUSTRALIA**

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### **Purpose**

1. This paper seeks the approval of the Governance, Finance and Planning Committee for an elected member to be nominated to attend the National Housing Conference on 28-30 October, Perth, Australia.
2. The nominated elected member will accompany attending Council Officers who will also be attending this conference to represent the Wellington City Council.

### **Summary**

3. The biennial National Housing Conference is the largest cross-sectoral housing meeting in Australasia. The Conference provides an opportunity for professionals to come together in October 2015 for the National Housing Conference in Perth.
4. Attendance at the 2015 National Housing Conference ensures that the Wellington City Council continues to be in a position to successfully share ideas and create policies to deliver affordable housing.

### **Recommendations**

That the Governance, Finance and Planning Committee:

1. Receive the information.
2. Agree an Elected Member to attend the 2015 National Housing Conference on 28-30 October in Perth, Australia at an estimated cost of \$5,590.00 to be met by the Elected Members Conference Budget.

### **Background**

5. The conference programme is attached. The programme is designed to enable the participant choice and maximise participation. It explores how leadership, partnerships and innovation can improve housing supply and affordability and strengthen service delivery by government and the community sector. It is a program that will stimulate discussion, open doors to new ideas and engagement.
6. There will also be an opportunity for the conference attendees to network with colleagues and peers during the conference.

### **Next Actions**

7. The estimated cost of attendance is \$5,590.00, including flights and accommodation. This table below provides more details on the estimated costs. If the travel is approved, the costs will be met by the Elected Members Conference Budget.

Item 2.5

1. Item	2. Description	3. Estimated Total (\$NZD) (as at 2 June 2015)
4. <b>Conference</b>	5. Full Conference Registration	6. \$1,600.00
7. <b>Additional Conference Costs</b>	8. Official Welcome Function	10. \$85.00
	9. Royal Perth Yatch Club Dinner	11. \$155.00
12. <b>Flights</b>	13. Wellington to Perth, Australia (premium economy flights) – 27 October to 31 October	14. \$2,000.00
15. <b>Taxi Fares</b>	16. Travel costs incurred during travel period	17. \$300.00
18. <b>Accommodation</b>	19. Four nights' accommodation (Superior room, subject to availability)	20. \$1,200.00
21. <b>Miscellaneous</b>	22. Costs incurred during attendance to Conference (ie meals not included in conference costs)	23. \$250.00
24.	25.	26. <b>\$5,590.00</b>

8. In line with Council policy, Carbon credits will be purchased to reduce the carbon footprint of these flights.

### Attachments

Attachment 1. National Housing Conference 2015

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Attachment 2. Conference Programme

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Author	Talava Sene, Councillor Support Advisor
Authoriser	Sally Dossor, Director Governance

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## **SUPPORTING INFORMATION**

Consultation and Engagement  
Not applicable

Treaty of Waitangi considerations  
Not applicable

Financial implications  
Not applicable

Policy and legislative implications  
The recommended attendance is consistent with Council representation at key conferences.

Risks / legal  
Not applicable

Climate Change impact and considerations  
Carbon Credits for International flights will be purchased in line with Council Policy

Communications Plan  
Not applicable

## Registration

Opening the door to your conference participation

Early bird registration for the National Housing Conference 2015 is now open.

[Register now](#)

Registration fees

	<b>Super saver now closed (ends Tue 31 Mar 2015)</b>	<b>Early bird (ends Tue 30 Jun 2015)</b>	<b>Standard</b>
<b>Full</b>	\$1070	\$1250	\$1450
<b>Day</b>	\$680	\$725	\$790
<b>Full-time students*</b>	\$460	\$460	\$460
<b>Sponsored tenants**</b>	\$545	\$545	\$545

\* A specially subsidised fee for full-time students. Delegates must hold a student concession card.

\*\* A specially subsidised fee for public or social housing tenants who are being funded to attend by a community housing organisation or other funding body, or who are funding themselves to attend. Delegates must be holders of a Commonwealth Government concession or healthcare card.

All fees are quoted in Australian dollars (AUD \$) and are inclusive of the Goods and Services Tax (GST).

Early bird registration closes Tuesday 30 June 2015!

### Full registration

- access to all conference sessions and exhibition
- morning and afternoon teas and lunches
- one ticket to the welcome reception on Wednesday
- name-badge and printed pocket program

### Day registration

#### Wednesday 28 October 2015:

- registration for Wednesday only
- access to conference sessions and exhibition on Wednesday afternoon

<http://www.nhc.edu.au/registration/>

2/06/2015



- one ticket to the official welcome function on Wednesday
- name badge and printed pocket program

**Thursday 29 October 2015 or Friday 30 October 2015:**

- registration for Thursday or Friday only
- access to conference sessions and exhibition on day of registration
- morning and afternoon tea and lunch on day of registration
- name badge and printed pocket program

In addition, all registered delegates will be invited to download the conference app to access the full conference program and other details.

Please note: For day registrations on Thursday or Friday, tickets to the official welcome function can be purchased separately.

Booking optional activities

The following optional activities can be booked via the online registration form. If you have already registered for the conference, you can book tickets by logging into your registration via the link on your confirmation email.

**Official welcome function**

**Wednesday 28 October 2015**

5.15pm – 7.00pm

NHC 2015 Exhibition Precinct, Riverside Theatre Foyer, PCEC

**Cost:** Included in full and Wednesday registrations

**Additional tickets:** \$77 per ticket including GST

**Royal Perth Yacht Club dinner**

**Thursday 29 October 2015**

6.30pm – 11.00pm

Royal Perth Yacht Club, Australia II Drive, Crawley

**Cost:** \$144 per ticket including GST

**Cancellation and refund policy**

Cancellation of a registration must be advised via email to the conference secretariat. Verbal changes or cancellation cannot be accepted.

The following refunds will apply from the date of receipt of notification:

- On or before Tuesday 28 July 2015 100% refund less an administration fee of \$110 including GST
- On or before Friday 28 August 2015 75% refund less an administration fee of \$110 including GST
- On or before Monday 28 September 2015 50% refund less an administration fee of \$110 including GST
- After Tuesday 29 September 2015 no refund available

The refund will be returned via the same payment method as the original receipt of funds.

No refund will be made after Tuesday 29 September 2015. However, an alternative delegate name may be provided in writing and the booking and funds will be allocated accordingly.

Please note no refund or discount will be made if an inclusive function or event within the registration fee is not taken up or is subsequently cancelled.

Optional functions or events may be cancelled before or on Monday 28 September 2015 and will be refunded in full via the same payment method as the original receipt of funds. After Tuesday 29 September 2015, no refunds will be made. However, an alternative delegate name may be provided via email and the booking and funds will be allocated accordingly.

For all registration enquiries please contact the conference secretariat.

[Register now](#)

National Housing Conference 2015  
28 – 30 Oct 2015  
Perth Convention and Exhibition Centre  
*opening doors...*





Pre-conference program – Tuesday 27 October 2015	
Various	To include pre-conference satellite events, study and recreational tours ( <i>details to be released soon</i> )
Conference commences – Day one – Wednesday 28 October 2015	
10.00am – 12.30pm	<b>Site tours</b> ( <i>optional tours with separate registration fees, details to be released soon</i> )
1.00pm – 7.00pm	<b>Registration</b> and exhibition precinct open <span style="float: right;">Location: Central and Riverside Theatre Foyers</span>
2.00pm	<b>Opening the door to the National Housing Conference 2015 – Official opening</b> Welcome from hosts and Welcome to Country Official welcome – <b>Hon Colin Holt MLC</b> , Minister for Housing, Western Australia <span style="float: right;">Location: Riverside Theatre</span>
2.45pm	<b>Opening plenary session, including international keynote address</b> <span style="float: right;">Location: Riverside Theatre</span>
3.45pm	<b>Afternoon tea and exhibition precinct open</b> <span style="float: right;">Location: Riverside Theatre Foyer</span>
4.15pm	<b>Plenary session, including keynote address</b> <span style="float: right;">Location: Riverside Theatre</span>
5.15pm – 7.00pm	<b>Welcome reception</b> <span style="float: right;">Location: Riverside Theatre Foyer</span> Visit the exhibition precinct, renew old friendships, make new acquaintances, enjoy local food and wine, discuss challenges and celebrate achievements made over the past year
Satellite event	
7.15pm – 10.00pm	<b>Australasian Housing Institute (AHI) Awards Dinner</b> <span style="float: right;">Location: River View Room 4</span> ( <i>Separate event with separate registration fee</i> )

This is a **draft** program and subject to change

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**National Housing Conference 2015, Perth Convention and Exhibition Centre, 28–30 October 2015**

Day two – Thursday 29 October 2015							
7.30am – 5.00pm	<b>Registration</b> desk and exhibition precinct open						Location: Central and Riverside Theatre Foyers
9.00am	<b>Plenary session, including keynote addresses</b> Keynote speaker to be announced soon						Location: Riverside Theatre
10.30am	Morning tea and exhibition precinct open						Location: Riverside Theatre Foyer
11.00am	<b>What's different? Innovation in delivery</b>		<b>What's new? Leadership in ideas</b>		<b>What's changing? Strategies for transformation</b>		<b>Think Tank 1</b>
	<p>Attend one of six sessions or visit the <i>Think Tank</i></p> <p><b>Workshop 1</b> Lessons from site tour 1 – Innovation in affordable housing supply: Inner city</p> <p><b>Facilitator:</b> <b>Mr Ian Carter</b> Anglicare WA</p> <p><b>Presenters:</b> <b>Ms Tania Loosley-Smith</b> WA Department of Housing</p> <p><i>Participation on site tour is not a pre-requisite for workshop attendance</i></p>	<p><b>Workshop 2</b> Lessons from site tour 2 – Innovation in affordable housing supply: Modular, sustainable and transit oriented</p> <p><b>Facilitator:</b> <b>Ms Jemma Green</b> Curtin University</p> <p><b>Presenters:</b> <b>Mr Ian McGivern</b> Goodland Building Company</p> <p><i>Participation on site tour is not a pre-requisite for workshop attendance</i></p>	<p><b>Leadership 1</b> Fixing tax, fixing housing</p> <p>Proudly sponsored by: </p>	<p><b>Leadership 2</b> What does a future Australian city look like?</p>	<p><b>Strategies 1</b> Is housing the secret to urban productivity growth?</p> <p><b>Presenters:</b> <b>Prof Duncan Maclellan</b> University of St. Andrews</p>	<p><b>Strategies 2</b> State(s) of housing policy reform</p> <p><b>Presenters:</b> <b>Mr Phil Fagan-Schmidt</b> Housing SA <b>Mr Peter White</b> Housing Tasmania</p>	<p>Your opportunity to have a conversation with keynote speakers</p> <p>Proudly sponsored by: </p>
12.30pm	Lunch and exhibition precinct open						Location: Riverside Theatre Foyer

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**National Housing Conference 2015, Perth Convention and Exhibition Centre, 28–30 October 2015**

1.30pm	<b>What's different? Innovation in delivery</b>		<b>What's new? Leadership in ideas</b>		<b>What's changing? Strategies for transformation</b>		<b>Think Tank 2</b>
	<b>Workshop 3</b> Lessons from site tour 3 – Innovation in affordable housing supply: Heritage redevelopment <i>Participation on site tour is not a pre-requisite for workshop attendance</i>	<b>Workshop 4</b> Lessons from site tour 4 – Innovation in affordable housing supply: Master planned <i>Participation on site tour is not a pre-requisite for workshop attendance</i>	<b>Leadership 3</b> Federation Futures	<b>Leadership 4</b> The house always wins: investing for financial gain and social return	<b>Strategies 3</b> Housing assistance and unemployment: understanding the connection  <b>Facilitator:</b> <b>Mr Geoff Slack</b> Housing SA <b>Presenters:</b> <b>Mr Peter Harris AO</b> Productivity Commission	<b>Strategies 4</b> Early intervention and prevention in homelessness: What's working?  <b>Facilitator:</b> <b>Ms Liz Forsyth</b> KPMG	Your opportunity to have a conversation with keynote speakers  Proudly sponsored by: 
3.00pm	Afternoon tea and exhibition precinct open						Location: Riverside Theatre Foyer
3.30pm	<b>What's different? Innovation in delivery</b>		<b>What's new? Leadership in ideas</b>		<b>What's changing? Strategies for transformation</b>		<b>Think Tank 3</b>
	<b>Workshop 5</b> Place making – leading practice	<b>Workshop 6</b> TBA	<b>Leadership 5</b> Future housing affordability solutions: Collaborating across the system	<b>Leadership 6</b> Restoring dignity: Aboriginal land tenure reform and home ownership <b>Proudly sponsored by:</b> 	<b>Strategies 5</b> International view of policy reform strategy  <b>Facilitator:</b> <b>Mr Michael Lennon</b> Housing Choices Australia <b>Presenters:</b> <b>Prof Rachel Garshick-Kleit</b> The Ohio State University <b>Dr Julie Lawson</b> AHURI Research Centre—RMIT University <b>Mr Steve Pomeroy</b> Focus Consulting Inc.	<b>Strategies 6</b> Moving from talk to action, institutional investment in affordable housing  Proudly sponsored by: 	Informal open forum
5.00pm	Sessions conclude for the day						

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National Housing Conference 2015, Perth Convention and Exhibition Centre, 28–30 October 2015

6.30pm – 11.00pm	<b>Off-site dinner</b> <i>(separate event with separate registration fee, limited number of places available)</i> Location: Royal Perth Yacht Club, Australia II Drive, Crawley
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This is a **draft** program and subject to change

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**National Housing Conference 2015, Perth Convention and Exhibition Centre, 28–30 October 2015**

<b>Day three – Friday 30 October 2015</b>								
7.30am – 3.45pm	<b>Registration</b> desk and exhibition precinct open						Location: Central and Riverside Theatre Foyers	
8.45am  Attend one of six sessions or visit the <i>Think Tank</i>	<b>What's different? Innovation in delivery</b>		<b>What's new? Leadership in ideas</b>		<b>What's changing? Strategies for transformation</b>		<b>Think Tank 4</b>	
	Workshop 7 TBA	Workshop 8 TBA	Leadership 7 TBA	Leadership 8 Can Airbnb solve the housing crisis?	Strategies 7 Indigenous housing and economic futures  Proudly sponsored by: 	Strategies 8 Why isn't housing on the infrastructure agenda?	Informal open forum  Proudly sponsored by: 	
10.15 am	Morning tea and exhibition precinct open						Location: Riverside Theatre Foyer	
10.45am  Attend one of six sessions or visit the <i>Think Tank</i>	<b>What's different? Innovation in delivery</b>		<b>What's new? Leadership in ideas</b>		<b>What's changing? Strategies for transformation</b>		<b>Think Tank 5</b>	
	Workshop 9 TBA	Workshop 10 TBA	Leadership 9 TBA	Leadership 10 TBA	Strategies 9 NDIS and housing: Delivering housing or delivering choices  Presenters: <b>Dr Ian Wiesel</b> AHURI Research Centre—University of NSW	Strategies 10 Welfare reform and the investment approach to welfare: Implications for housing	Informal open forum  Proudly sponsored by: 	
12.15pm	Lunch and exhibition precinct open						Location: Riverside Theatre Foyer	
1.00pm	<b>Closing plenary session</b> Q&A at NHC 2015 with <b>Tony Jones, ABC Television</b> and panel members						Location: Riverside Theatre	
2.00pm	Official conference close, including handover to host of National Housing Conference 2017						Location: Riverside Theatre	
2.30pm	Conference concludes							

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## PROPOSED DISPOSAL: ST JOHN'S HALL, 237 KARORI ROAD, KARORI

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### Purpose

1. The purpose of this report is to seek a Council resolution declaring the former St John's Church Hall in Karori (called the St John's Hall site) surplus to requirements and authorising its disposal.
2. The St John's Hall site is shown highlighted green in Attachment 1: Location Plan.

### Summary

3. The Council has met to discuss the proposed disposal of the St John's Hall site a number of times throughout the years.
4. A final disposal decision has been delayed pending resolution of funding matters relating to the proposed construction of a nearby events centre.
5. These funding matters are being finalised as part of the Long Term Plan deliberations, underway at the time of writing this report.
6. However, officers understand that the events centre funding discussions and decisions are sufficiently advanced and Council is now in a position to make a property disposal decision independent of these funding decisions.

### Recommendations

That the Governance, Finance and Planning Committee:

1. Receives the information.
2. Recommends to Council that it:
  - a. declares the property at the corner of Campbell Street and Karori Road, Karori being 1,020m<sup>2</sup> (subject to survey) described as *part of* Lot 1 DP 335919 CFR147336 (the St John's Hall site) surplus to requirements;
  - b. authorises the Chief Executive Officer to dispose of the St John's Hall site;
  - c. delegates authority to the Chief Executive Officer to carry out all necessary disposal actions; and
  - d. revokes all earlier resolutions in relation to the disposal of St John's Hall site.
3. Notes that there are no offerback requirements as the St Ninian's Uniting Parish on behalf of the Methodist Church declined an offerback invitation (subject to, among other things, formal Council declaration) in April this year.
4. Notes that the consultation requirements set out in s138 of the Local Government Act 2002 have been achieved via the recent town centre upgrade consultation (2015 and 2006).

### Background

7. The St John's Hall site was acquired in 2000 and the hall used temporarily for storage during while the nearby library was built. No budget was allocated for maintenance and renewals.

8. In 2007, after the new library was completed, Council acknowledged that the building was no longer required but resolved to retain the hall temporarily as a community facility.
9. Subsequently the Karori Community Hall Trust was formed, with the intention of developing an events centre on a nearby area of the Council property (shown highlighted white on Attachment 1).
10. An agreement to lease was signed and various discussions held over the years regarding Council and community funding for the proposed events centre.
11. While these discussions were underway, the hall was retained but continued to suffer a lack of investment.
12. A detailed history of the site, the proposed events centre, and previous funding decisions is provided in a report to the Strategy and Policy Committee dated 19 April 2012. This report is included as Attachment 2.
13. Subsequent reports and minutes on the proposed events centre and its funding are included as Attachments 4-7.

## Discussion

14. Previous disposal decisions have been delayed pending the outcome of a number of actions, including: 1. Karori town centre plan consultation (now completed), and 2. funding discussions regarding a proposed new events centre (via the Karori Community Hall Trust).
15. The Council's long term plan deliberations were underway at the time of writing this report. Officers understand that events centre funding issues would be finalised as part of these deliberations.
16. In any event, disposal of the St John's Hall site is an asset disposal decision in its own right which can be progressed regardless of funding deliberations.
17. The St John's Hall site is situated in a prime corner location in the Karori town centre. However, the building is not fit for purpose, underutilised, dilapidated and earthquake prone.
18. The property forms part of a larger site and an application to subdivide it from the parent title is necessary in order to separately sell the site.
19. The site would ideally be sold to a developer who would demolish the hall and redevelop the site.
20. In the event the property is declared surplus, Officers intend to advertise a request for (redevelopment) proposal.
21. In assessing potential redevelopment proposals, a range of criteria will be taken into consideration, including:
  - purchase price;
  - settlement terms and conditions;
  - amount of investment;
  - ground floor (publicly accessible) uses;
  - mix of uses;
  - how the building addresses Karori Road and Campbell Street;
  - service access and car parking location on the site;
  - the Centres zoning (including 12m permitted building height);

- the Centres Design Guide objectives and guidelines;
- architectural design (in relation to the local context); and
- timeframe for completion.

### Next Actions

22. Assuming a disposal decision is made, the following steps are planned:
- Finalise survey and subdivision, July 2015
  - Advertise property for sale, August 2015
  - Evaluate proposals, September 2015
  - Select and negotiate with preferred parties, October 2015
  - Contract signed, November 2015.
23. There is a possibility that there are not any suitable proposals received. In which case, the property may need to be re-marketed at a later date.

### Attachments

Attachment 1.	Location Plan	Page 69
Attachment 2.	SPC Report 19 April 2012	Page 70
Attachment 3.	SPC Minutes 19 April 2012	Page 87
Attachment 4.	Council Minutes Extract 26 April 2012	Page 103
Attachment 5.	SPC DAP Funding Requests Extract 11 June 2013	Page 105
Attachment 6.	SPC Minutes Extract 11 June 2013	Page 107
Attachment 7.	Council Minutes Extract 27 June 2013	Page 109

Author	Tracy Morrah, Property Services Manager
Authoriser	Greg Orchard, Chief Operating Officer

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## **SUPPORTING INFORMATION**

### **Consultation and Engagement**

Consultation has been undertaken with local residents as part of the town centre upgrade plans. Advice received during the 2006 and 2015 consultation has been fairly consistent – to dispose of the building.

### **Treaty of Waitangi considerations**

There are no known Treaty of Waitangi considerations.

### **Financial implications**

If the building is retained, significant deferred maintenance would need to be addressed. Additionally, a structural upgrade would be needed, in order to remove the earthquake prone building status.

If the site is sold, it is anticipated that the net sale proceeds would be ring-fenced and provided to the Karori Community Hall Trust, provided certain conditions are met.

### **Policy and legislative implications**

The recommendations of this report are consistent with Council's financial principles: assets that are declared surplus to strategic or operational requirements are sold.

### **Risks / legal**

Any issues associated with the site will be fully disclosed at the time of sale, with sale and purchase documentation to be prepared by the Council's Solicitors.

### **Climate Change impact and considerations**

The proposed disposal will have no impacts on any climate change considerations.

### **Communications Plan**

If declared surplus, a communications plan will be prepared.





REPORT 4  
(1215/52/IM)

**KARORI TOWN CENTRE, 237 KARORI ROAD –  
OUTSTANDING ISSUES**

**1. Purpose of Report**

The purpose of this report is to identify the outstanding issues regarding the Karori Town Centre and propose a way forward. In particular, this report seeks that the Committee recommends to Council to approve the extension of the Agreement to Lease with the Karori Community Hall Trust in respect of the Event Centre site until 2 May 2015 and the disposal of approximately 1,020m<sup>2</sup> of land on the corner of Campbell Street and Karori Road comprising the former St John's Church hall.

**2. Executive Summary**

This paper outlines the options available to Council in respect of the following three sites (refer to the aerial plan in Appendix 1):

- the "**Event Centre site**": approximately 823m<sup>2</sup> of land adjacent to the Karori Community Centre currently subject to an Agreement to Lease between Council and the Karori Community Hall Trust (outlined in white on the aerial plan);
- the "**St John's site**": approximately 1,020m<sup>2</sup> of land comprising the former St John's Church hall ("**St John's**") and a rectangular patch of shingle on the corner of Campbell Street and Karori Road (outlined in green on the aerial plan); and
- the "**Accessway**": approximately 583m<sup>2</sup> of land between the St John's site and the Mobil service station (239 Karori Road) that provides pedestrian access to the Event Centre site and the Karori Community Centre from the east (outlined in blue on the aerial plan).

In early 2007, the Karori Town Centre upgrade was nearing completion. A new library, café and community centre had been built along with various roading improvements. The future of the St John's and Event Centre sites and the Accessway remained to be dealt with, as well the issue of whether to provide a community hall as part of the Karori Town Centre. Council had no plans to construct a hall at that time. However, a consultation completed in November 2006 indicated that there was a desire in the Karori community for a new

community hall and a group (now the Karori Community Hall Trust) came forward with a proposal to fundraise for and construct a community hall on the Event Centre site.

On 23 May 2007, Council resolved to retain the vacant Event Centre site for a period of five years to allow the Karori Community Hall Trust time to raise the funds required to construct a community hall. At the same time, as an interim measure until interest in the proposed new hall could be assessed, the Council agreed to make St John's available to the Community Centre to lease out to members of the public. The Council also agreed to retain the Accessway (to be landscaped into a pedestrian walkway) for future possible community facilities.

The end of the five year period agreed to in May 2007 has almost expired. Council therefore needs to make a decision with regard to the future of each of these sites.

The Karori Community Hall Trust has not raised the money required to construct the event centre and has requested the Event Centre site be made available for a further three years to enable it to do so.

In summary, Officers recommend that:

- The Event Centre site be made available for a further three years to enable the Karori Community Hall Trust to raise the remaining amounts necessary to construct the proposed event centre on that site.
- The Accessway be retained to provide access to the new event centre, once constructed.
- The St John's site be declared surplus and public consultation on its disposal commenced. Disposal of the St John's site will require subdivision of this site from the rest of the Karori Town Centre as these areas are all currently on the same title.

### **3. Recommendations**

It is recommended that the Committee:

1. *Receives the information.*
2. *Recommends that Council agrees:*
  - (a) *pursuant to clause 3.2 of the Agreement to Lease with the Karori Community Hall Trust in respect of the Council-owned land (the Event Centre site) at 237 Karori Road, Karori, being 823m<sup>2</sup> adjacent to the Karori Community Centre, to extend the deadline in clauses 3.1(b) and 3.1(c) in that agreement by three years to 2 May 2015.*
  - (b) *to retain the Council-owned land at 237 Karori Road, Karori being 583m<sup>2</sup> adjacent to the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the Accessway) for future potential community facilities.*

- (c) *if, in officers' view, significant progress towards fundraising for the event centre has not been made by 2 May 2015, to cancel the Agreement to Lease and commence consultation on the future of the Event Centre site and the Accessway.*
  - (d) *that the Council-owned land at 237 Karori Road, Karori being 1,020m<sup>2</sup> (subject to final survey) comprising the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the St John's site) is not required for a Public Work and agrees it is surplus to requirements subject to public consultation.*
3. **Recommends that Council:**
- (a) *Authorises Council officers to make all necessary amendments to the Agreement to Lease to give effect to the resolutions in (a) and (c) above.*
  - (b) *Authorises Council officers to commission a Section 40 report from a suitably qualified consultant to identify whether the St John's site must be offered back to the former owner or their successor in title, or whether an exemption from offer back applies (if needed).*
  - (c) *Notes that if a Section 40 report in respect of the St John's site is required, this will be provided to the Chief Executive Officer, under delegated authority, for approval to either offer the land back to the former owner or their successors in title, or to approve the exemption from offer back.*
  - (d) *Delegates to the Chief Executive Officer the power to carry out all further steps required to enable the disposal of the St John's site, subject to public consultation, either by way of offer back or sale on the open market, including negotiating and completing the terms of sale.*
  - (e) *Notes that if objections are received to the public consultation and the Council wishes to continue with the disposal of the St John's site, a further report will be presented to the Committee for consideration.*
  - (f) *Notes that officers will assist current users of the former St John's Church hall to relocate.*

#### **4. The Event Centre site**

##### **4.1 Acquisition history**

The Event Centre site was acquired in two separate transactions at or above market value. The western half of the land was purchased by Council from a private owner in 1989 and accommodated the Karori Childcare Centre until this was removed in 2006. The eastern half (formerly 4 Campbell Street) was



purchased from the Methodist Church in 2003 as part of the Karori Town Centre upgrade project. A rental property was on the site until 2006, when it was removed. The entire Event Centre site is now vacant.

#### **4.2 Property details**

Refer to the area outlined in white on the aerial plan in Appendix 1.

Area (subject to final survey)	823m <sup>2</sup>
Legal Description	Part Lot 1 DP 335919 on Registered Freehold Title WN147/336
Zoning	Outer Residential and Suburban Centre. When District Plan Change 73 becomes operative later this year, all of the land will be zoned Suburban Centre
Rating valuation (entire site)	\$7,925,000*
Rates (entire site)	\$3,132.60 (2011/12 year)*
Book value (entire site)	\$700,000**
Purchase price	\$295,000 in 2003 for the eastern half of the land. The western half of the land was purchased in 1989 for \$160,000

\* Comprises entire Karori Town Centre (including Karori Library, Community and Recreation Centres and St John's). No individual rating value available for the Event Centre site.

\*\* Comprises larger Karori Town Centre site (including Karori Library, Community and Recreation Centres). No individual book value available for the Event Centre site.

The site is at the back of the Karori Town Centre precinct, well away from Karori Road. Access to the site is available either directly from Karori Road along the Accessway, or through the Karori Town Centre with access from both Beauchamp Street and Karori Road (by the Karori Library). The Karori Community and Recreation Centres and Library are to the west and there are residential properties to the south. To the east the area is predominately residential and schools.

There is some parking available adjacent to the site (outside the Karori Community Centre).

#### **4.3 Current usage**

The Event Centre site was recently landscaped and there is now an asphalt path and trees surrounding a rectangular lawn, with some seating around the lawn.

#### **4.4 Background**

The Karori Town Centre upgrade plan had provided for the original wooden-floored hall (adjacent to the former St John's Church) to be relocated to the Event Centre site and upgraded for use as a community hall. However, soundproofing the hall to requisite levels would have been very expensive. Therefore in 2006, Officers carried out a needs assessment and it was determined that there was no demonstrated need for a hall.

Despite this, public consultation on the future of St John's in November 2006 indicated that Karori residents desired a community hall. The newly formed Karori Hall Replacement Committee approached the Council with a proposal to construct a new community funded hall on the Event Centre site.

At its meeting of 23 May 2007, the Council abandoned its plan to relocate and upgrade the old wooden community hall adjacent to St John's on the basis that it would be too costly to soundproof the hall. Instead, Council resolved to demolish the old wooden hall and retain the Event Centre site for a period of 5 years so that the Karori Hall Replacement Committee (or a trust to be established) could raise the funds to build the new hall (then estimated at \$1.5 million).

*Agreement to Lease to Karori Community Hall Trust (the "Trust")*

The Trust was subsequently incorporated as the vehicle for fundraising for the new hall. In October 2008, the Council approved setting aside the Event Centre site and agreeing to lease it to the Trust if the following conditions were met by 3 May 2012:

- the Trust obtaining all resource consents and funding necessary for the construction of the new hall; and
- the Council being satisfied that the Trust had access to all of the funds necessary to complete construction of the hall.

In June 2009, Council entered into an Agreement to Lease with the Trust that included the above conditions.

The Trust has since obtained resource consent to construct a \$3.8 million event centre on the Event Centre site.

*Fundraising to date*

To date, the Trust has raised \$219,618 for the new event centre. This amount includes the following large grants:

- \$100,000 (split over three years) from Gary Parsons, a retired businessman; and
- \$50,000 from the Trusts Community Foundation.

Another donation of \$4,000 was provided by the Lion Foundation. The Trust provides annual updates on fundraising progress. The most recent of these explains that 2011 proved a difficult fundraising year following the Canterbury earthquakes and that it plans to re-launch its fundraising campaign later this year.

*Extension to Agreement to Lease*

On 17 October 2011, the Trust wrote to the Council requesting an extension of three years in which to raise the necessary funds to make up the shortfall. Clause 3.2 of the Agreement to Lease provides that an extension may be requested and that the Council will consider such request though is under no obligation to agree to extend the agreement beyond 2 May 2012. As a review of the use of the St John's site was then underway, with the possibility of

divestment, Officers considered it best to deal with that review and the decision on an extension at the same time, given the proximity of the sites and options for combining these for future development.

In response to a request from Officers, the Trust outlined its plans for fundraising over the three year extension. The Trust plans to approach individual donors connected to the project, public and private trusts, and suppliers within the Karori community during the next 12 months. It expects to complete a formal assessment of prospective donors and funders within four weeks of gaining the extension and firm commitments for the next \$1 million secured within the following six months. After the majority of funds have been raised, the Trust has indicated it would then seek donations from the wider Karori community, directly and through events with a fundraising component. Mr Simmers for the Trust indicated that there were substantial donors awaiting confirmation from the Council that the extension had been granted before committing their donations.

## **5. The St John's site**

### **5.1 Acquisition history**

The Council purchased the St John's site from the Methodist Church of New Zealand in February 2000 as part of the Karori Town Centre upgrade project. The 1399m<sup>2</sup> site then comprised St John's, the Lighthouse Centre, an old wooden community hall, opportunity shop and garage (these last three occupied the land that now forms part of the Accessway). The whole site was later amalgamated with the Karori town centre title (on Lot 1 DP 335919 on Registered Freehold Title WN147/336).

### **5.2 Property details**

Refer to the area outlined in green on the aerial plan in Appendix 1.

Area (subject to final survey)	1,020m <sup>2</sup>
Area of St John's	365m <sup>2</sup>
Construction date	1958
Legal Description	Part Lot 1 DP 335919 on Registered Freehold Title WN147/336
Zoning	Outer Residential. Under District Plan Change 73, it is to be re-zoned Suburban Centre
Rating valuation (entire site)	\$7,925,000*
Rates (entire site)	\$3,132.60 (2011/12 year)*
Book Value	St John's and associated land - \$996,000 (St John's - \$376,000; Land - \$620,000)

Purchase price	\$500,000 (paid in two instalments: \$340,000 in the 1999/2000 financial year and \$160,000 in the 2000/2001 financial year). This was slightly below market value and the Methodist Church indicated at the time that the difference was a gift to the Council on the basis the land would continue to be used for a community purpose.
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\* Comprises entire Karori Town Centre (including Karori Library, Community and Recreation Centres and St John's). No individual rating value available for St John's.

All of the buildings other than St John's have since been demolished or removed.

St John's site occupies a prominent place on the corner of Campbell Street and Karori Road, sloping towards the west. The site fronts Karori Road and is bounded by the Accessway and the Mobil site to the west and residential properties to the south. To the east the area is predominately residential and schools. Facing the site is the Karori Mall.

Access to the site is currently from both Campbell Street and Karori Road. There is some parking available on site.

St John's hall is constructed of a wood / brick mix, with steel window frames and an aluminium pitched tile roof. It is in average condition and only essential maintenance on the building has been carried out since 2000.

Officers commissioned an Initial Evaluation Procedure (IEP) assessment in respect of St John's earthquake resilience. This concluded that the hall should be considered earthquake prone. The IEP is a tool used to identify buildings which are potentially earthquake prone. It is carried out by contracted engineers who visit the site to observe the outside of the building and its context and review drawings held on file. It does not constitute a detailed structural assessment of the building but is a tool to identify buildings that require further investigation. A detailed seismic assessment has been arranged by Officers and is expected to be available in late April.

### **5.3 Background**

St John's hall was acquired for temporary use during the Karori Town Centre upgrade project to provide suitable storage while the library was built. No budget was allocated for maintenance and renewals.

With the co-location of the new library, community centre and the recreation centre, the hall was no longer needed for the original (temporary) purpose. However, in 2007 Council resolved to retain St John's for the interim and for it to be managed through the Karori Community Centre. This was seen as a temporary arrangement to be reviewed at the end of 2008 and was to allow time to assess the community's interest in building a new hall (the event centre).

The Council agreed in the 2011/12 Annual Plan to explore divestment opportunities, as part of its policy to deliver affordable rates.

#### **5.4 Current usage**

St John's hall is managed by the Karori Community Centre as a community hall. Its current usage is approximately 38 hours per week (43% occupancy).

#### **5.5 Offer back to Methodist Church**

When the Council purchased the St John's site from the Methodist Church in 2000, it granted the Methodist Church the right to purchase it back within three years from the date of sale. This period has long since expired.

A preliminary Section 40 report by The Property Group nonetheless recommended that the Council should offer to sell the St John's site back to the Methodist Church at current value on the basis that there was an element of gifting for a specified community purpose by the Methodist Church in the transaction.

## **6. The Accessway**

### **6.1 Acquisition history**

The Accessway is made up of part of the St John's site purchased in 2000 (the land purchased comprised 1399m<sup>2</sup> – the St John's site now proposed for disposal is somewhat smaller as it does not include the Accessway), along with a small sliver of land that provided access from Karori Road to the land at 4 Campbell Street (now part of the Event Centre site).

### **6.2 Property details**

Refer to the area outlined in blue on the aerial plan in Appendix 1.

The Accessway comprises 583m<sup>2</sup> (subject to final survey). The Legal Description for the site is Part Lot 1 DP 335919 on Registered Freehold Title WN147/336. It is currently zoned Outer Residential but will soon be re-zoned to Suburban Centre under District Plan Change 73. The Accessway has recently been laid with asphalt and planted with trees down both sides and gives pedestrian access from Karori Road to the Event Centre site and Karori Community Centre, connecting the St John's site with the Karori Town Centre.

### **6.3 Background**

In May 2007, the Council resolved to retain the Accessway for "future potential community facilities". This referred to the community hall proposed for the Event Centre site.

## **7. Discussion**

### **7.1 Issues**

The Strategy and Policy Committee needs to decide the best way forward now that the five year period agreed on in May 2007 is coming to an end. This requires deciding:

- whether the Event Centre site should be retained and the Agreement to Lease with the Trust be extended, allowing the Trust a further three years to raise the funds necessary to build the event centre;
- whether the Accessway should be retained in the interim until the future of the Event Centre site is determined; and
- whether the St John's site is no longer required for a public work and therefore whether disposal of this site, subject to public consultation, should be supported.

### **7.2 The event centre**

As the five year period agreed in May 2007 is now expiring, Council needs to make a decision on the future of the Event Centre site. It is clear that the Trust will not satisfy the conditions of the Agreement to Lease by 2 May 2012. If the Agreement to Lease is cancelled, this site will be released for Council's use or, if found to be surplus to Council requirements, for disposal.

The five year period granted by the Council in 2007 was considered to be a sufficient period of time to raise the money necessary for the event centre or to make significant progress towards the total. However, a number of factors have contributed to the Trust being so far off its target. The original proposal was for a \$1.5 million hall. However, the planned event centre is set to cost around \$3.8 million to construct. The Trust's initial costings were based on a single-use space but it now plans to build a multi-purpose event centre and costs have increased significantly. The event centre will now have an auditorium with backstage and storage space, a glass-walled foyer, meeting room, kitchen, and toilets.

The economic uncertainty that has prevailed for the past four years and various other unanticipated events, including the Canterbury earthquakes, have had a significant and detrimental impact on fundraising for the event centre. The Trust has also expressed concern over the time taken to finalise the Agreement to Lease, following the Council's resolutions in May 2007.

The Trust remains committed to the project with a re-launch planned for later this year. In the circumstances, although there is no demonstrated need for a hall on the site (as to which see more below), Officers believe that the Trust should be granted the requested additional three year period to try to raise the money to build the event centre. Considerable community interest in the project persists and it is important that Council supports community-driven projects such as this one. For this reason, Officers recommend the extension of the deadline for satisfaction of the fundraising conditions in the Agreement to Lease with the Trust until 2 May 2015. Officers believe, however, that in providing a further three years for the Trust to reach its fundraising target, the Council will have sufficiently recognised the community's aspirations for a new hall. Accordingly, if the total has not been raised or, in Officers' view, significant progress towards reaching it has not been made by 2 May 2015, the Agreement to Lease should be cancelled and consultation commenced on the future of the Event Centre site and its possible disposal.

### **7.3 Disposal of St John's Hall**

The Karori Town Centre redevelopment included a new library, café and a new purpose-built community centre. These facilities are co-located with a recreation centre which also provides hall space and meeting rooms.

A needs assessment undertaken in 2006 concluded there was a surplus of community space in Karori – although it did note that there may be limited wooden floor hall space available.

While the Council agreed in 2007 to allow temporary use of St John's, to allow time to assess the community's interest in building a new hall, the report also noted that continued use after 2008 would require substantial investment. Disposal of this site has been considered on more than one occasion since 2008, but while Council did not proceed with disposal in those instances and the building continues to be used, there is no Asset Management Plan (and no budget for renewals or maintenance). It is currently in average condition.

The Community Facilities Policy 2010 established standards for facility provision based on a number of factors including geographic catchments. The Policy also established space requirements for community facilities as a set of standards, expressed as a space per person ratio. These standards were derived for a strategic viewpoint envisaging a world where the lines between libraries, community centres, and recreation centres were blurred if not indistinguishable. Investment in community facilities in recent years means that the Karori catchment is over-supplied on community centre space and St John's remains surplus to requirements. In Officers' view there are alternative options to accommodate many of the current users of St John's. A list of alternative hall spaces available in Karori can be found in Appendix 2.

Officers note that Council agreed in the 2011/12 Annual Plan to explore divestment opportunities for the St John's site. As the retention of St John's hall was always seen as temporary, no budget was allocated for programmed maintenance or renewals. If the hall is retained (either temporarily or with a longer term view) an Asset Management Plan will need to be developed. In addition and in light of the IEP assessment that the building is earthquake prone, St John's Hall is likely to require substantial upgrade work if the community is to continue to use it.

#### *Internal consultation*

Internal Business Units have been consulted and all support the disposal. The only comments / conditions were a requirement by Council's Transport Network team to provide adequate car parking and servicing on-site to meet the requirements of future site development and by Council's Infrastructure team that potential buyers of the St John's site be informed of the sewer pipe running underneath the land and that Council may need access to this for maintenance in the future.

Council's Urban Design team noted that the site is an important gateway site and is currently underutilised, with the St John's building underperforming along both street edges. Officers believe that best future use of this site would

involve a commercial development that complements the existing Karori Town Centre facilities.

As the St John's site is on the same title as the rest of the Karori Town Centre, disposal would require subdivision.

Officers therefore recommend the disposal of the St John's site.

#### **7.4 The Accessway**

Although the Accessway provides pedestrian access to the Karori Town Centre, and in particular to the Community Centre, Officers consider such access is unnecessary, given the two other existing (and more popular) access points: the Beauchamp Street entry (pedestrian and vehicular) and the main pedestrian entrance leading to the new library and café, 50 metres or so further down Karori Road (next to the south-west corner of the Mobil Station, by a controlled pedestrian crossing to the Karori Mall on the other side of Karori Road). For this reason, officers consider the Accessway is not essential for access to the existing Karori Town Centre.

However, if the Event Centre site is retained by Council to allow the Trust a further three years to fundraise to build the event centre, then it may be desirable to retain the Accessway to enable an alternative access point to this. For this reason, Officers recommend its retention until at least 2 May 2015, at which time (if the money for the event centre has not been raised or substantial progress has not been made towards the target) Officers propose to commence consultation on the future of the Accessway and its possible disposal.

Officers note that selling the St John's site now, and perhaps then selling the Event Centre site and the Accessway in three years' time (if the event centre does not go ahead) will mean the value on sale of each of the sites could be lower than had they been sold together. It may also mean the opportunity for a cohesive development incorporating all three sites will be lost.

#### **7.5 Consultation and engagement**

The Strategy and Policy Committee recommended in May 2007 that the future ownership and development of the St John's site should be discussed with affected and interested parties. Officers are aware that there will be considerable public interest in each of these sites. Officers therefore propose to carry out extensive consultation as part of any disposal process.

Iwi have been consulted regarding the possible disposal. In the event that Council agrees to dispose of one or more of the sites, Officers will keep Iwi informed during the process.

#### **7.6 Financial considerations**

There is no Asset Management Plan for St John's and retaining it would have implications in the Long Term Plan as there is currently no projected budget or spend allocated to it. In light of the IEP indication that the building is earthquake prone, St John's hall is likely to require substantial upgrade work if the community is to continue to use it.



Any sale proceeds will be used to offset Council borrowing and all costs in relation to the disposal of the property would be deducted from the final settlement price.

**7.7 Climate Change impacts and considerations**

There are no climate change impacts as a result of this project and proposed acquisition.

**7.8 Long-Term Council Community Plan considerations**

St Johns Hall was always considered a short term, temporary addition to Council's assets thus there is no budget allocated for management of this asset. If divestment of the property does not proceed, an Asset Management Plan will need to be developed and associated budget will be included in the Draft Long Term Plan for 2012/13.

**8. Conclusion**

In Officers' view, the Event Centre and the Accessway should be retained and the Agreement to Lease with the Trust amended to extend the deadline for meeting fundraising targets to 2 May 2015. Officers should, however, be authorised to commence consultation with a view to divestment in respect of both of these sites if significant progress towards raising the necessary money for the proposed event centre has not been made by 2 May 2015.

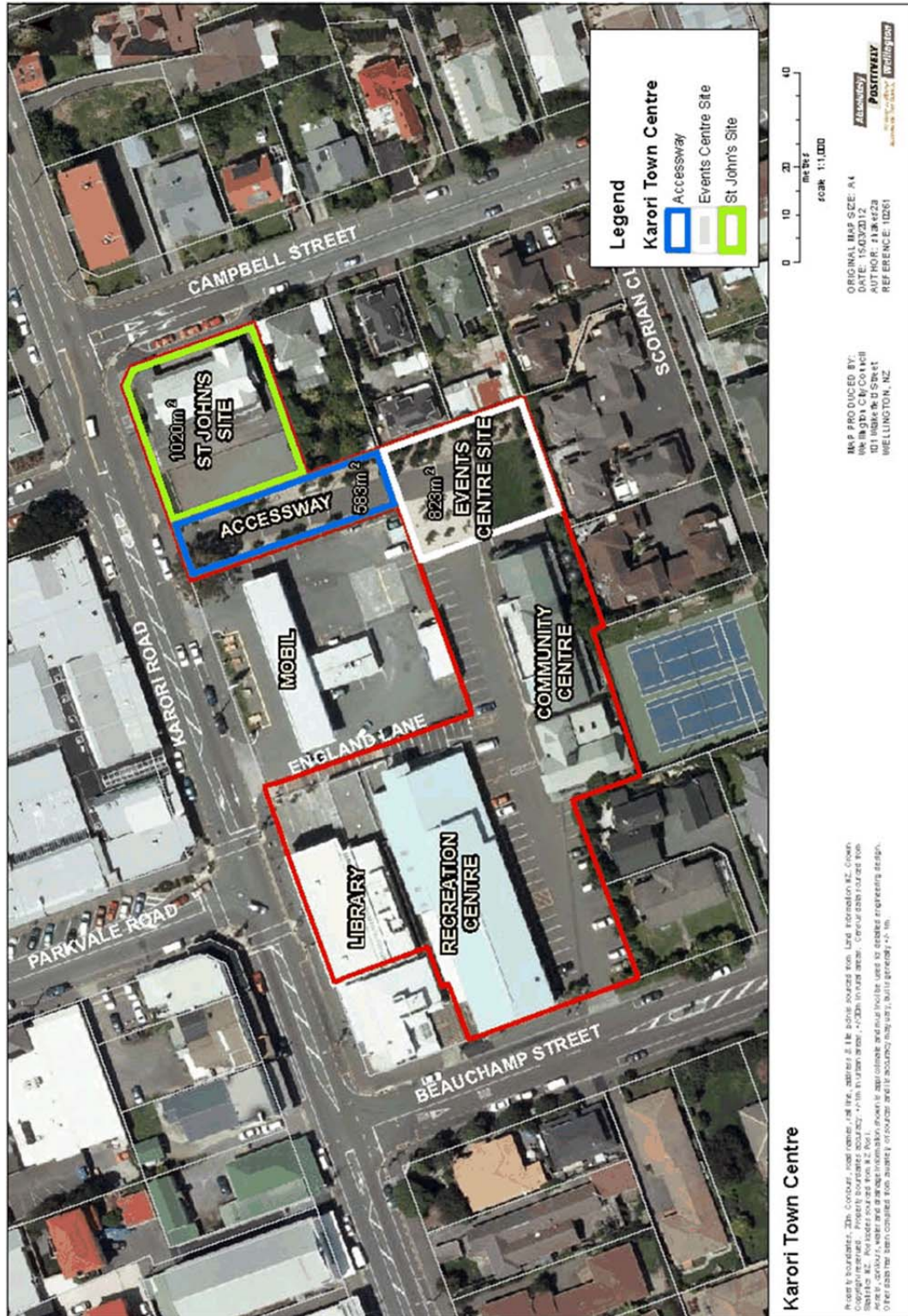
Officers consider that St John's is not required for community purposes in the Karori Town Centre and is surplus to requirements. A better and more appropriate use of the St John's site and return for ratepayers would be achieved if it were sold into private ownership so as to facilitate a redevelopment complementing the existing Karori Town Centre facilities. Officers therefore recommend commencing public consultation on its proposed disposal.

Contact Officers: *Rosalind Luxford, Property Advisor, Property Projects*  
*Jennifer Rains, Manager, City Communities*

<b>Supporting Information</b>
<p><b>1) Strategic Fit / Strategic Outcome</b> <i>It is inline with the Council's financial principals that assets which are declared surplus to strategic or operational requirements are sold.</i></p>
<p><b>2) LTCCP/Annual Plan reference and long term financial impact</b> <i>The proposed disposal is approved in the Council's 2011/12 Annual Plan. If the disposal does not proceed, an Asset Management Plan will need to be developed and associated budget will be included in the Draft Long Term Plan.</i></p> <p><i>Any sale proceeds will be used to offset Council borrowing and all costs in relation to the disposal of the property would be deducted from the final settlement price.</i></p>
<p><b>3) Treaty of Waitangi considerations</b> <i>Local Iwi have been approached about any possible Treaty of Waitangi implications and have indicated no objection to the proposed disposal.</i></p>
<p><b>4) Decision-Making</b> <i>This is not a significant decision. The report sets out the options available and reflects the views and preferences of those with an interest in this matter who have been consulted with.</i></p>
<p><b>5) Consultation</b></p> <p><b>a) General Consultation</b> <i>Relevant Council business units have been consulted with, and have no objection to the intention to dispose of this land.</i></p> <p><i>Council is not required under legislation to consult publicly on this matter however public consultation will be carried out in light of the significance of the site within the Karori Town Centre.</i></p> <p><b>b) Consultation with Maori</b> <i>Both Port Nicholson Block Settlement Trust and Ngati Toa have no objections to the intention to dispose of the land.</i></p>
<p><b>6) Legal Implications</b> <i>Any Sale and Purchase Agreements will be prepared by the Council's solicitors. A solicitor's certificate will be obtained before any documentation is executed.</i></p>
<p><b>7) Consistency with existing policy</b> <i>This report recommends measures which are consistent with existing Wellington City Council policy for the disposal of surplus property.</i></p>

**APPENDIX 1**

Appendix 1



**APPENDIX 2: SURVEY OF HALLS AND MEETING ROOMS AVAILABLE IN KARORI**

Organisation and location	Contact	Type and size	Cost to hire	Floor covering	Facilities	Restrictions on use.	Current use	Available times
<b>Karori Normal School</b> Donald Street	Brendan Henderson, DP 476 7209	Hall 18x14m Seat 280 Portable Stage 6x4m	\$30 an hour	Chipboard	Kitchen Toilets 240v Audio visual (AV) equipment	No smoking, no alcohol,	School + one offs + regular: Tai qwon-do, church group, Karori netball club, soccer and hockey teams	Available Mon evening. Some Fri evenings Sat afternoon, evening Some Sundays
<b>Karori West School</b>	Barbara 476 8707	Hall Seat 100	\$15.00 +GST an hour – regular uses, \$17 an hour casual users	Wood	Kitchen, Toilets, 240v and 400w AV	No alcohol or smoking	School + one offs = regular: dance, martial arts, after school programme.	Tuesday and Wednesday evenings, Saturday evening
<b>Marsden School</b> Karori Road/ Marsden Avenue	Jo Sherlock 476 8707	Marsden House complex including hall 120.	\$1500 + GST for weekend (example price, based on wedding)	Wood	Kitchen Toilets,  240v AV and speaker system, Data projector	No Smoking	Mainly weddings (of Marsden Old Girls)	Weekend and weekday evenings
<b>St Teresa's Parish</b> Karori Road (close to centre)	Mira 476 2851	Parish Hall 11x 13m Seat 80-90 Stage 3x8m	\$20 casual bookings, \$15 regular users (at least twice a month)	Wood	Kitchen Toilets	No 21st parties	Parish & school exercise groups use during two mornings. Indoor bowls and exercise group in 2 evenings.	Parish and school priority. Hall is available for hire Tuesday, Wednesday and Friday weekdays (not afternoons) and Saturday mornings
<b>Victoria University</b> Karori Campus Donald St	Rainsforth Dix, GM Student Union 463 6713	Hall seat 400 22x17m stage 17x12 with curtains	100 / hour. 600 per day Community groups 45 an hour	Wood	Kitchen toilets 240v and 400w and full lighting system All AV	Parties, student union members only	Students Karori Normal school Occasional one-off use	In holidays and 3 <sup>rd</sup> trimester. Available some evenings and weekends during term time. Underused
		Gym for sports use. 15x24m	100 an hour and 600 a day. Community rate 45 an hour	Wood	Toilets 240v Can provide AV	No food University is licensed for liquor	Students only to date	Non term time and 3 <sup>rd</sup> trimester Term time Sundays and in evenings Friday and Saturday.

**APPENDIX 2**

Organisation and location	Contact	Type and size	Cost to hire	Floor covering	Facilities	Restrictions on use.	Current use	Available times
		Lecture rooms Seat 90-230	100 an hour	Tiered	Toilets AV	As above	Students only to date	Non term time and 3 <sup>rd</sup> trimester
		Seminar rooms, seat 30	60-80 an hour	carpet	Toilets, AV	As above	Students only to date	Non term time and 3 <sup>rd</sup> trimester. Term time Sundays and in evenings Frid & Sat
		Dance studio				As above	Students only to date	Non term time and 3 <sup>rd</sup> trimester. Underused
		Sound recording suite				As above	Students only to date.	Underused. Bookings may be taken
		Common rooms Seat 100 and 200 8x10/15 & 19x 9m				As Above	Lions club Karori Wild Life	
<b>St Ninian's Karori Road</b>	Lynley Wilson  476 7137	Meeting room / Hall 7x13m stage 3.5x7m Seat 80	\$45 an hour	Wood	Kitchen, toilets,	no parties  noise restrictions	Youth/children's activities, exercise/ dance, meetings and seminars, funerals and birthday parties, performances, educational activities, clubs & associations, events for the elderly	Available some Wed evenings; Sat afternoon occasionally; Sunday afternoon.
		St Johns Lounge 7.5x7.5 seat 45	\$15 an hour	Carpet	Kitchen, toilets,	no parties  noise restrictions	Meetings, church uses, exercise classes, community support groups, education activities	Occasional gaps
		Common Room 8x11m seat 55	\$15 an hour	Carpet	Kitchen, Toilets,	no parties  noise restrictions	Same uses as hall – often combining two spaces	Some mornings and till 3.00pm casual only
		Sunday school rooms; 3 rooms Seat 15-20.	\$13-20 an hour	lino	Toile,	no parties  noise restrictions	Support groups, education (languages/tutoring) Civil Defence (free of charge)	Available morning and some afternoons Mon-Fri. available Sat/Sun afternoons

**APPENDIX 2**

**Item 2.6 Attachment 2**

Organisation and location	Contact	Type and size	Cost to hire	Floor covering	Facilities	Restrictions on use.	Current use	Available times
		2 rooms can be joined					Sunday school	
<b>St Anselm's Makara Road</b>	Joe Anderson 476 6208	Hall 16x9m Stage 5x1.5m Seat 80-90	By negotiation – regular users less (not exorbitant)	wood	Kitchen, Toilets, 240 v AV	No 21 <sup>st</sup> .parties No alcohol (xpt wine for weddings)	Ballet, girl guides During day Church functions Weddings	Available Sat afternoon and evening. Also Sunday after midday.
<b>Karori Baptist Church Karori Road</b>	Rachel Tipping 476 9697	Auditorium 17x18m Seat 250	\$30 an hour	Carpet	Kitchen, Toilets,	No alcohol	Creche (daily) pre-school music, drama classes, Pilates, church youth group, Girl's Brigade,	Monday afternoon, Thursday afternoon, Saturday morning after 1030, Saturday evening if seating arrangements aren't disturbed.
		Hall 10x24m Seat 100	\$15 an hour	Carpet	Kitchen, Toilets,	No alcohol	Session for Intermediate age groups etc.	Same as above, no restrictions for Saturday evenings
<b>St Philips Anglican church</b>	Margaret Ann Mc Nish 476 8978	Meeting Room, Seats35 - 40	\$15.00	Carpeted	Kitchen and toilet	No alcohol	Mostly by church – not advertised	Only available for Casual uses
<b>Karori Bowling Club Lower Street</b>	Edna Collingwood 938 49986	Lounge 14x 6.5 70 max.	\$100	carpet and lino	Kitchen, toilets 240v	No parties	Afternoon use by club.	Available most mornings. April to September available in the evenings
<b>Karori Bridge Club Karori Road</b>	Mary Weatherley 476 6179	Hall 2 levels 14x7, 14x17m seat 180 whole area 60 for raised area. Lift	Charity rate \$150 Commercial \$80 per hour and \$60 for raised area	carpet	Kitchen, Toilets, 240v	No parties Cleared by midnight	Use by Bridge Club 3 nights and 2 afternoons a week (regular).10 events during year. Schools mainly for fundraisers Fund-raising quiz evenings for NGOs, only once a year Old films – as fundraiser	Free mainly except when The Bridge club using. Capacity for more community use
<b>Karori Park Sports Club</b>  <b>416 Karori Road</b>	934 7269	Large area Holds 150	\$125 Daytime (more in evenings)					

**APPENDIX 2**



**STRATEGY AND POLICY  
COMMITTEE**

**MINUTES**

**THURSDAY 19 APRIL 2012**

**9.18AM – 10.32AM  
10.56AM – 11.04AM  
11.20AM – 12.45PM**

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

**PRESENT:**

Mayor Wade-Brown	9.26am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Ahipene-Mercer	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Best (Deputy Chair)	9.19am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Cook	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Coughlan	9.45am – 10.32am, 10.56am – 11.04am, 11.20am – 12.04pm, 12.08pm – 12.45pm.
Councillor Eagle	9.21am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Foster (Chair)	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Gill	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Lester	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor McKinnon	9.18am – 10.32am, 10.58am – 11.04am, 11.20am – 12.45pm.
Councillor Marsh	9.18am – 10.32am, 10.58am – 11.04am, 11.20am – 12.45pm.
Councillor Morrison	9.18am – 10.32am.
Councillor Pannett	9.18am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.
Councillor Pepperell	9.21am – 10.08am, 10.10am – 10.32am, 10.57am – 11.04am, 11.20am – 12.13pm, 12.17pm – 12.45pm.
Councillor Ritchie	9.33am – 10.08am, 10.10am – 10.32am, 10.56am – 11.04am, 11.20am – 12.45pm.

**DEMOCRATIC SERVICES OFFICER IN ATTENDANCE:**

Sophie Rapson - Committee Advisor

098/12P **APOLOGIES**  
(1215/52/IM)

**Moved Councillor Foster, seconded Councillor Lester, the motion that the Strategy and Policy Committee accept apologies for lateness from Mayor Wade-Brown and Councillor Coughlan.**

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

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Accept apologies for lateness from Mayor Wade-Brown and Councillor Coughlan.*

(Councillor Cook joined the meeting at 9.18am.)

(Councillor Best joined the meeting at 9.19am.)

099/12P **CONFLICT OF INTEREST DECLARATIONS**  
(1215/52/IM)

**NOTED:**

There were no conflicts of interest declared.

100/12P **ORDER OF BUSINESS**  
(1215/52/IM)

**NOTED:**

The Chair advised that the agenda would be taken as follows:

Deputations

e-Petitions

Report 4 – Karori Town Centre, 237 Karori Road – Outstanding Issues

Report 1 – Proposed Wellington City Council Consolidated Bylaw 2012

Part 8 Water Services – Oral Submissions

Report 2 – Accessible Wellington Action Plan

Report 3 – Annual Report of the Accessibility Advisory Group

Report 5 – Elected Members' Remuneration: 2012/2013 Financial Year

Report 6 – Strategy and Policy Committee Forward Programme

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*



101/12P **DEPUTATIONS**  
(1215/52/IM)

**NOTED:**

1. Bernie Harris and Tom Law representing the Federation of Wellington Progressive and Residents Association addressed the Committee in regards Report 5 – Elected Members’ Remuneration: 2012/2013 Financial Year. They had concerns about whether a conflict of interest existed with Elected Members making decisions on their own remuneration.

(Councillor Eagle joined the meeting at 9.21am.)

(Councillor Pepperell joined the meeting at 9.21am.)

(Mayor Wade-Brown joined the meeting at 9.26am.)

(Councillor Ritchie joined the meeting at 9.33am.)

2. Anne Dunlop representing Karori Community Centre Management Committee addressed the Committee in regards to Report 4 – Karori Town Centre, 237 Karori Road – Outstanding Issues. Ms Dunlop did not support the paper’s proposal to sell St Johns Hall at this time. She noted that it is a well-used venue and is meeting the Community’s needs by supporting a wide range of activities.

**TABLED INFORMATION:** Speaking notes reference 100/12P(A).

3. Sapani Leota representing ALG Church addressed the Committee in regards to Report 4 – Karori Town Centre, 237 Karori Road – Outstanding Issues. Mr Leota did not support the paper’s proposal to sell St Johns Hall at this time. He noted that the ALG Church has been worshipping at St Johns Hall for 15 years, and the Church would like to remain at this location.

(Councillor Coughlan joined the meeting at 9.45am.)

4. Wallace Simmers representing Karori Community Hall Trust addressed the Committee in regards to Report 4 – Karori Town Centre, 237 Karori Road – Outstanding Issues. Mr Simmers supported recommendation 2(a) – extending the lease for three years. Mr Simmers also addressed the Committee regarding the Karori Event Centre Project.

**TABLED INFORMATION:** Speaking notes reference 100/12P(B).

102/12P **E-PETITIONS**  
(1215/52/IM)  
**COROMANDEL STREET TRAFFIC CHANGES FOR NEW GIVE  
WAY 2012 RULE CHANGES**  
(1215/52/IM)

**NOTED:**

The Committee received an E-Petition from Marcus Simons regarding Coromandel Street traffic changes for new Give Way 2012 rule changes.

(Councillor Ritchie left the meeting at 10.08am.)  
(Councillor Pepperell left the meeting at 10.08am.)  
(Councillor Ritchie returned to the meeting at 10.10am)  
(Councillor Pepperell returned to the meeting at 10.10am)

**Moved Councillor Foster, seconded Mayor Wade-Brown, the motion that the Strategy and Policy Committee receive the petition.**

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

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Receive the petition.*

**PROHIBIT THE SMOKING OF CIGARETTES IN WELLINGTON  
CENTRAL CITY**  
(1215/52/IM)

**NOTED:**

The Committee received an E-Petition from Hiroshi Yoshikawa regarding the Prohibition of smoking of cigarettes in Wellington Central City.

**Moved Councillor Foster, seconded Councillor Best, the recommendations contained in the officer's response.**

**Moved Mayor Wade-Brown, seconded Councillor Lester, the following amendment:**

New recommendation 3:

3. Direct officers to investigate options for Smokefree playgrounds, parks and reserves, and report back to SPC in time for any funding implications to be considered as part of the LTP deliberations in June 2012.

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

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

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Receive the petition.*
2. *Note that health promoters recommend an educational approach for reducing smoking in outdoor areas rather than a ban.*
3. ***Direct officers to investigate options for Smokefree playgrounds, parks and reserves, and report back to SPC in time for any funding implications to be considered as part of the LTP deliberations in June 2012.***

**NOTED:**

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

The Committee added the text in **bold**

103/12P **PUBLIC PARTICIPATION**  
(1215/52/IM)

**NOTED:**

There was no public participation.

104/12P **KARORI TOWN CENTRE, 237 KARORI ROAD – OUTSTANDING  
ISSUES (10.20AM – 10.32AM; 10.56AM – 11.04AM; 11.20AM –12.04PM)**  
Report of Rosalind Luxford, Property Advisor, Property Projects and  
Jennifer Rains, Manager, City Communities.  
(1215/52/IM) (REPORT 4)

(The meeting adjourned at 10.32am for morning tea and reconvened at 10.56am.)

(Mayor Wade-Brown, Councillors Ahipene-Mercer, Best, Cook, Coughlan, Eagle, Foster, Gill, Lester, Pannett, and Ritchie were present when the meeting reconvened.)

(Councillor Pepperell returned to the meeting at 10.57am.)  
(Councillor McKinnon returned to the meeting at 10.58am.)  
(Councillor Marsh returned to the meeting at 10.58am.)

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

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

THAT the Strategy and Policy Committee:

1. Receive the information.
2. Recommend that Council agrees:
  - (a) pursuant to clause 3.2 of the Agreement to Lease with the Karori Community Hall Trust in respect of the Council-owned land (the Event Centre site) at 237 Karori Road, Karori, being 823m<sup>2</sup> adjacent to the Karori Community Centre, to extend the deadline in clauses 3.1(b) and 3.1(c) in that agreement by three years to 2 may 2015.
  - (b) to retain the Council-owned land at 237 Karori Road, Karori being 583m<sup>2</sup> adjacent to the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the Accessway) for future potential community facilities.
  - (c) if, in ~~officers'~~ **the Council's** view, significant progress towards fundraising for the event centre has not been made by 2 May 2015, to ~~cancel~~ **review** the Agreement to Lease and commence consultation on the future of the Event Centre site and the Accessway **and how these sites could contribute to the vitality of the Karori Town Centre.**
  - (d) that the Council-owned land at 237 Karori Road, Karori being 1,020m<sup>2</sup> (subject to final survey) comprising the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the St John's site) is not required for a Public Work and agrees it is surplus to requirements subject to public consultation.
3. Recommend that Council:
  - (a) Authorise Council officers to make all necessary amendments to the Agreement to Lease to give effect to the resolutions in (a) and (c) above.
  - (b) Authorise Council officers to commission a Section 40 report from a suitably qualified consultant to identify whether the St John's site must be offered back to the former owner or their successor in title, or whether an exemption from offer back applies (if needed).
  - (c) Note that if a Section 40 report in respect of the St John's site is required, this will be provided to the Chief Executive Officer, under delegated authority, for approval to either offer the land back to the former owner or their successors in title, or to approve the exemption from offer back.

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

- (d) **Instruct officers to work with ward councillors and relevant portfolio leaders to undertake public consultation, including consultation on:**
  - (i) **current community use of the hall and relocation of current users; and**
  - (ii) **how the site might best contribute to the form and function of the Karori Town Centre.**
- (c) **Note that the results of the consultation will be presented to the Strategy and Policy Committee for its consideration.**
- ~~(d) Delegate to the Chief Executive Officer the power to carry out all further steps required to enable the disposal of the St John's site, subject to public consultation, either by way of offer back or sale on the open market, including negotiating and completing the terms of sale.~~
- ~~(e) Note that if objections are received to the public consultation and the Council wishes to continue with the disposal of the St John's site, a further report will be presented to the Committee for consideration.~~
- ~~(f) Note that officers will assist current users of the former St John's Church hall to relocate.~~

(The meeting adjourned at 11.04am and reconvened at 11.20am.)

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

**Moved Councillor Coughlan, seconded Councillor Cook, the following amendment:**

New recommendations 3 (b), (c), and (d), deletion of 2(d), 3(b), (c), (d)(i), (d)(ii), and (e).

THAT the Strategy and Policy Committee:

2. Recommend that Council agree:

- ~~(d) that the Council owned land at 237 Karori Road, Karori being 1,020m<sup>2</sup> (subject to final survey) comprising the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the St John's site) is not required for a Public Work and agrees it is surplus to requirements subject to public consultation.~~

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

3. Recommend that Council:
- (a) Authorise Council officers to make all necessary amendments to the Agreement to Lease to give effect to the resolutions in (a) and (c) above.
  - (b) **Agree to review whether the St Johns site is surplus to requirements no later than 2015.**
  - (c) **Note that there is no funding for major building maintenance and Council has no intention to spend significant further funds on the building.**
  - (d) **Agree that officers report to Strategy and Policy Committee should any major works be required.**
  - ~~(b) Authorise Council officers to commission a Section 40 report from a suitably qualified consultant to identify whether the St John's site must be offered back to the former owner or their successor in title, or whether an exemption from offer back applies (if needed).~~
  - ~~(c) Note that if a Section 40 report in respect of the St John's site is required, this will be provided to the Chief Executive Officer, under delegated authority, for approval to either offer the land back to the former owner or their successors in title, or to approve the exemption from offer back.~~
  - ~~(d) Instruct officers to work with ward councillors and relevant portfolio leaders to undertake public consultation, including consultation on:
    - ~~(i) current community use of the hall and relocation of current users; and~~
    - ~~(ii) how the site might best contribute to the form and function of the Karori Town Centre.~~~~
  - ~~(e) Note that the results of the consultation will be presented to the Strategy and Policy Committee for its consideration.~~

The amendment new recommendations 3 (b), (c), and (d), deletion of 2(d), 3(b), (c), (d)(i), (d)(ii), and (e) was put and declared CARRIED.

The substantive motion as amended was put and declared CARRIED.

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

1. *Receive the information.*
2. *Recommend that Council agrees:*
  - (a) *pursuant to clause 3.2 of the Agreement to Lease with the Karori Community Hall Trust in respect of the Council-owned land (the Event Centre site) at 237 Karori Road, Karori, being 823m<sup>2</sup> adjacent to the Karori Community Centre, to extend the deadline in clauses 3.1(b) and 3.1(c) in that agreement by three years to 2 May 2015.*
  - (b) *to retain the Council-owned land at 237 Karori Road, Karori being 583m<sup>2</sup> adjacent to the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the Accessway) for future potential community facilities.*
  - (c) *if, in ~~officers'~~ **the Council's** view, significant progress towards fundraising for the event centre has not been made by 2 May 2015, to ~~cancel~~ **review** the Agreement to Lease and commence consultation on the future of the Event Centre site and the Accessway **and how these sites could contribute to the vitality of the Karori Town Centre.***
  - (d) ~~*that the Council-owned land at 237 Karori Road, Karori being 1,020m<sup>2</sup> (subject to final survey) comprising the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the St John's site) is not required for a Public Work and agrees it is surplus to requirements subject to public consultation.*~~
3. *Recommend that Council:*
  - (a) *Authorise Council officers to make all necessary amendments to the Agreement to Lease to give effect to the resolutions in (a) and (c) above.*
  - (b) *Agree to review whether the St Johns site is surplus to requirements no later than 2015.*
  - (c) *Note that there is no funding for major building maintenance and Council has no intention to spend significant further funds on the building.*
  - (d) *Agree that officers report to Strategy and Policy Committee should any major works be required.*
  - (b) ~~*Authorise Council officers to commission a Section 40 report from a suitably qualified consultant to identify whether the St*~~

~~John's site must be offered back to the former owner or their successor in title, or whether an exemption from offer back applies (if needed).~~

- ~~(e) Note that if a Section 40 report in respect of the St John's site is required, this will be provided to the Chief Executive Officer, under delegated authority, for approval to either offer the land back to the former owner or their successors in title, or to approve the exemption from offer back.~~
- ~~(d) Instruct officers to work with ward councillors and relevant portfolio leaders to undertake public consultation, including consultation on:~~
- ~~(i) current community use of the hall and relocation of current users; and~~
  - ~~(ii) how the site might best contribute to the form and function of the Karori Town Centre.~~
- ~~(e) Note that the results of the consultation will be presented to the Strategy and Policy Committee for its consideration.~~

**NOTED:**

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

The Committee added the text in **bold** and removed the text with strikethrough.

(Councillor Coughlan left the meeting at 12.04pm.)

105/12P **PROPOSED WELLINGTON CITY COUNCIL CONSOLIDATED  
BYLAW 2012 PART 8 WATER SERVICES – ORAL  
SUBMISSIONS (12.04PM –12.12PM)**  
Report of Paul Glennie, Analyst, Asset Planning, Capacity and Haydn Read,  
Infrastructure Strategic Planning Manager.  
(1215/52/IM) (REPORT 1)

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

THAT the Strategy and Policy Committee:

1. Receive the information.

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*



2. Note that the draft Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services and Statement of Proposal ~~has been~~ ~~is being~~ consulted on in accordance with section 86 of the LGA 2002.
3. Note that the draft Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services is being recommended as the appropriate mechanism to deal with the following problems with the current arrangements for water services:
  - a) Inability to require commercial premises to be metered
  - b) Inability to charge commercial customers for consumption
  - c) Inability to enforce water restrictions
  - d) Difficulty in dealing with wastage
  - e) Difficulty in dealing with private leaks
  - f) Difficulty in enforcing Council policies (e.g. establishing water connection, working around buried assets, invoking standards).
4. **Reaffirm that the position of Council is that the compulsory use of water meters for ORDINARY DOMESTIC USE shall not be required outside of the circumstances described in the bylaw.**
- ~~4. Note that the officers are not advocating the use of universal water metering on residential properties or proposing any deviation from Council's position on residential metering.~~
5. Recommend that Council adopt the Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services as attached as appendix 1.

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

(Councillor Coughlan returned to the meeting at 12.08pm.)

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Receive the information.*
2. *Note that the draft Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services and Statement of Proposal ~~has been~~ ~~is being~~ consulted on in accordance with section 86 of the LGA 2002.*
3. *Note that the draft Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services is being recommended as the appropriate mechanism to deal with the following problems with the current arrangements for water services:*

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

- a) *Inability to require commercial premises to be metered*
  - b) *Inability to charge commercial customers for consumption*
  - c) *Inability to enforce water restrictions*
  - d) *Difficulty in dealing with wastage*
  - e) *Difficulty in dealing with private leaks*
  - f) *Difficulty in enforcing Council policies (e.g. establishing water connection, working around buried assets, invoking standards).*
4. **Reaffirm that the position of Council is that the compulsory use of water meters for *ORDINARY DOMESTIC USE* shall not be required outside of the circumstances described in the bylaw.**
- ~~4. Note that the officers are not advocating the use of universal water metering on residential properties or proposing any deviation from Council's position on residential metering.~~
5. *Recommend that Council adopt the Wellington City Council Consolidated Bylaw 2012 Part 8: Water Services as attached as appendix 1 (to the officer's report).*

**NOTED:**

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

The Committee added the text in **bold** and removed the text with strikethrough.

106/12P **ACCESSIBLE WELLINGTON ACTION PLAN (12.12PM – 12.33PM)**  
Report of Jennifer Rains, Manager City Communities.  
(1215/52/IM) (REPORT 2)

**Moved Councillor Cook, seconded Councillor Pannett, the substantive motion.**

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

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Receive the information.*
2. *Note the feedback from the consultation process outlined in Section 5.1 (of the officer's report).*

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

3. *Agree to adopt the Accessible Wellington Action Plan (see Appendix 1 of the officer's report).*

(Councillor Pepperell left the meeting at 12.13pm.)

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

- 107/12P **ANNUAL REPORT OF THE ACCESSIBILITY ADVISORY GROUP** (12.33PM – 12.35PM)  
Report of Lisa Matthews, Senior Advisor, Consultation and Engagement.  
(1215/52/IM) (REPORT 3)

**Moved Councillor Eagle, seconded Councillor Cook, the substantive motion.**

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

**RESOLVED:**

*THAT the Strategy and Policy Committee:*

1. *Receive the information.*
2. *Note the work and achievements of the Accessibility Advisory Group in 2011.*
3. *Note the issues highlighted in the report.*

- 108/12P **ELECTED MEMBERS' REMUNERATION: 2012/2013 FINANCIAL YEAR** (12.35PM – 12.41PM)  
Report of Ross Bly, Special Projects and Electoral Officer.  
(1215/52/IM) (REPORT 5)

**Moved Councillor McKinnon, seconded Mayor Wade-Brown, 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 review that the Remuneration Authority has been undertaking on the process it currently uses for setting levels of remuneration of elected members will not be completed before 1 July 2012. The remuneration for the 2012/2013 financial year has*

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*therefore been determined under the existing mechanisms with a view to implementing any new process in time for the 2013/2014 review.*

3. *Agree to recommend to Council that the salary only model be confirmed as the basis of remuneration for the elected members of the Wellington City Council for the 2012/2013 financial year.*
4. *Note that the remuneration framework requires all community board members to be paid an annual salary (i.e. there is no provision for the payment of meeting fees to community board members).*
5. *Agree to recommend to Council that the following salaries be paid to the elected members of the Wellington City Council and the Tawa and Makara/Ohariu Community Boards for the 2012/2013 financial year and that the Council's proposal be referred to the Remuneration Authority for its approval:*

<i>Mayor</i>	<i>\$161,600 pa</i>
<i>Deputy Mayor</i>	<i>\$97,430 pa</i>
<i>Chair, Strategy &amp; Policy Committee and Portfolio Leader</i>	<i>\$90,325 pa</i>
<i>Chair, Regulatory Processes Committee</i>	<i>\$85,220 pa</i>
<i>Chair, Grants Subcommittee</i>	<i>\$85,220 pa</i>
<i>Portfolio Leader (x 9)</i>	<i>\$80,300 pa</i>
<i>Councillor (x 1)</i>	<i>\$65,926 pa</i>
<i>Chair, Tawa Community Board</i>	<i>\$21,165 pa</i>
<i>Elected Member (x 5)</i>	<i>\$8,465 pa</i>
<i>Chair, Makara/Ohariu Community Board</i>	<i>\$13,550 pa</i>
<i>Elected Member (x 5)</i>	<i>\$5,295 pa</i>

Note:

- (a) *The Mayor's salary is set by the Remuneration Authority.*
  - (b) *The level of community board members' remuneration met from the pool has been retained at 100%.*
  - (c) *The new salary rates will come into effect on 1 July 2012.*
  - (d) *The remuneration proposal will be considered by the Tawa and Makara/Ohariu Community Boards at their meetings on 12<sup>th</sup> and 19<sup>th</sup> April 2012 respectively.*
6. *Note that the Remuneration Authority must be advised of any dissent expressed by members of the Council or its community boards in relation to the Council's final remuneration proposal.*
  7. *Note that the Mayor has confirmed that she will not require a dedicated council vehicle to undertake her official mayoral duties and that the Remuneration Authority will be advised of this decision.*
  8. *Agree to recommend to Council that the rules and policies for the reimbursement of expenses and the payment of allowances to elected members for the 2012/2013 financial year, as contained in **Appendix***

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*2 of this report, are confirmed and that they be submitted to the Remuneration Authority for its approval.*

109/12P **STRATEGY AND POLICY COMMITTEE FORWARD PROGRAMME** (12.41PM – 12.45PM)  
Report of Luka Dujmovic, Committee Advisor, Democratic Services.  
(1215/52/IM) (REPORT 6)

**Moved Councillor Foster, seconded Councillor McKinnon, the substantive motion with changes to the recommendations in the officer's report as follows (in bold):**

THAT the Strategy and Policy Committee:

1. Receive the information.
2. Agree to the Forward Programme for the Strategy and Policy Committee, attached as Appendix 1 to this report, **amended as follows:**
  - (a) **10 May 2012**
    - **Add Approval for an Electricity Easement**
    - **Acquisition of Land for Road**
    - **Acquisition of Land for Road - 355 Main Road, Tawa**
    - **Disposal of Properties - 106 - 114 Glanmire Road, Newlands**
  - (b) **21 June 2012**
    - **Add Grants - 3 Year Contract Funding**
  - (c) **2 August 2012**
    - **Add Annual report for Pacific Advisory Group – moved from 3 May 2012**
  - (d) **To Be Scheduled**
    - **Add Earthquake Prone Building Policy Review**

The substantive motion recommendations 1, 2(a), (b), and (c) were **put** and declared **CARRIED**.

The substantive motion recommendation 2(d) was **put** and declared **CARRIED**. (Councillor Pannett requested that her dissenting vote be recorded.)

**RESOLVED:**

*THAT Strategy and Policy Committee:*

1. *Receive the information.*

*Strategy and Policy Committee - Meeting of Thursday 19 April 2012*

2. *Agree to the Forward Programme for the Strategy and Policy Committee, attached as Appendix 1 to this report, **amended as follows:***
- (a) *10 May 2012*
- *Add Approval for an Electricity Easement*
  - *Acquisition of Land for Road*
  - *Acquisition of Land for Road - 355 Main Road, Tawa*
  - *Disposal of Properties - 106 - 114 Glanmire Road, Newlands*
- (b) *21 June 2012*
- *Add Grants - 3 Year Contract Funding*
- (c) *2 August 2012*
- *Add Annual report for Pacific Advisory Group – moved from 3 May 2012*
- (d) *To Be Scheduled*
- *Add Earthquake Prone Building Policy Review*

**NOTED:**

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

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

The meeting concluded at 12.45pm.

Confirmed: \_\_\_\_\_  
Chair  
/ /

*with the additional demands of its wider responsibilities, the Company can meet the requirements of an outcomes-based business model.*

9. *Delegate to the Chief Executive responsibility for approving changes to Capacity's constitution and any other consequential documentation on behalf of Wellington City Council to put these proposals into effect.*
10. *Agree that this proposal will result in an additional capital investment of \$24k in Capacity in 2012/13 to reflect Wellington City Council's 50% income shareholding.*

040/12C **STRATEGY AND POLICY COMMITTEE**

**Meeting of Thursday 19 April 2012**

(1215/11/IM)

(REPORT 3)

1. **ITEM 102/12P KARORI TOWN CENTRE, 237 KARORI ROAD – OUTSTANDING ISSUES**  
(1215/52/IM) (REPORT 4)

**Moved Councillor Lester, seconded Councillor Foster, the substantive motion.**

**The substantive motion was put:**

Voting for: Mayor Wade-Brown, Councillors Ahipene-Mercer, Best, Coughlan, Eagle, Foster, Gill, Lester, McKinnon, Marsh, Pannett, Pepperell and Ritchie.

Voting against: Nil.

Majority Vote: 13:0

**The substantive motion was declared CARRIED.**

**RESOLVED:**

*THAT Council:*

1. *Agree:*
  - (a) *Pursuant to clause 3.2 of the Agreement to Lease with the Karori Community Hall Trust in respect of the Council-owned land (the Event Centre site) at 237 Karori Road, Karori, being 823m<sup>2</sup> adjacent to the Karori Community Centre, to extend the deadline in clauses 3.1(b) and 3.1(c) in that agreement by three years to 2 May 2015.*

- (b) *To retain the Council-owned land at 237 Karori Road, Karori being 583m<sup>2</sup> adjacent to the former St John's Church hall and described as part Lot 1 DP 335919 held within Computer Freehold Register WN147/336 (the Accessway) for future potential community facilities.*
  - (c) *If, in the Council's view, significant progress towards fundraising for the event centre has not been made by 2 May 2015, to review the Agreement to Lease and commence consultation on the future of the Event Centre site and the Accessway and how these sites could contribute to the vitality of the Karori Town Centre.*
2. (a) *Authorises Council officers to make all necessary amendments to the Agreement to Lease to give effect to the resolutions in (a) and (c) above.*
- (b) *Agrees to review whether the St Johns site is surplus to requirements no later than 2015.*
- (c) *Notes that there is no funding for major building maintenance and Council has no intention to spend significant further funds on the building.*
- (d) *Agrees that officers report to Strategy and Policy Committee*

2. **ITEM 103/12P PROPOSED WELLINGTON CITY COUNCIL  
CONSOLIDATED BYLAW 2012 PART 8 WATER SERVICES –  
ORAL SUBMISSIONS AND APPROVAL OF BYLAW  
(1215/52/IM) (REPORT 1)**

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



## APPENDIX 4

At this stage the budget for 2013/14 of \$158,000 will be allocated as follows:

Project management costs \$16,596  
Community and special projects \$34,000  
Skyline Makara Peak / Wrights Hill \$25,000  
Piwakawaka \$50,000  
Southern Walkway Truby King \$32,751

### **Officer recommendation**

That this budget is reassessed in future years as part of the work being undertaken to allocate the unfunded depreciation reduction.

### **Contact officers**

Myfanwy Emeny, Manager Community Engagement and Reserves  
Paul Andrews, Manager, Parks, Sport and Recreation  
Derek Fry, Chief Operating Officer

### **vii) Karori Events Centre**

#### **Submission request**

The Community Hall Trust is asking Council to pledge \$2 million over the next two years towards the Karori Event Centre project. These funds would only be called on once the Trust has raised a further \$1 million through third-party funders. The Council's formal commitment is needed to facilitate further fundraising, and will give confidence throughout the community that the project can be delivered.

Furthermore, the Trust is asking the Council to carefully consider the proposed disposal of the St Johns site, and how both the site and any proceeds could contribute to the future of the Karori Town Centre.

#### **Background**

The Karori Community Hall Trust is leading the campaign to build, equip and manage a purpose-built event centre that will be situated in Karori town centre, alongside the library, the community and youth centres, the recreation centre and the Arts and Crafts Centre.

The Trust contends that Karori has one community hall - St Johns Hall. Two other halls that previously serviced the community were lost in recent years due to being earthquake prone. It states that the St Johns Hall and its facilities are out-dated and is also considered to be too earthquake-prone to warrant investment in any major repair work.

Council has made the land for the proposed event centre available, as long as the project begins by May 2015. The total budget to build and equip the Event Centre is \$4 million. Through an ongoing campaign, the Trust has raised more than \$350,000 from private individuals, public appeals and community grants. These funds have allowed progress plans and preparation.

#### **Officers recommendation**

Officers do not recommend supporting the request for \$2 million towards the capital costs of the Karori Event Centre at this time. In April 2012, Council agreed to extend the lease agreement with the Karori Community Hall Trust in respect of the 'events centre site' to enable the Trust to raise funds for the redevelopment. It also plans to

*This report is officer advice only. Refer to minutes of the meeting for decision.*

## **APPENDIX 4**

undertake further work in regard to the Karori Town Centre Plan to address outstanding issues, including the future of underutilised sites that Council owns.

Officers recommend that no decision is made on further Council support for this proposal until the Trust has undertaken further fundraising and the Council has undertaken its review of the Town Centre Plan.

### **Contact officers**

Jenny Rains, Community Services Manager  
Jane Hill, Community Networks  
Derek Fry, Chief Operating Officer

### **viii) Increased funding to Orchestra Wellington**

#### **Submission request**

Wellington Regional Orchestra Foundation Inc has requested that Council increased its funding to Orchestra Wellington to be more step with the funding other local authorities in New Zealand metropolitan centres provide to their City Orchestras. The Foundation states that this would require an immediate rise in funding from Council to at least \$192,000 per annum (up from \$80,000 currently). Parity based on audience numbers would look like funding of \$420,000. However, taking into account the financial pressures that Council is experiencing, the Foundation proposes a figure closer to \$250-\$300,000 per annum.

#### **Background**

Orchestra Wellington received annual funding of \$80,000 through a three-year funding contract. It receives the highest level of funding of any arts organisation on such a contract. The contract is due for renewal in 2015/16. This funding is allocated from the Grants pool by Council's Grants Sub-committee.

#### **Officers recommendation**

In recent times, Council has not increased the funding for one entity on a three-year funding through the Cultural Grants pool through the annual plan process. Rather, Council has increased the total Grants pool and this has been allocated through a contestable process by the Grants Subcommittee. This occurred as part of the 2012-22 Long-Term Plan and Orchestra Wellington became a beneficiary of this increase. Officers recommend that any funding increases to cultural entities, on such three-year grant contracts, are made through this process.

Officers note that Orchestra Wellington does make a strong regional contribution and recommend that officers work with the Foundation to submit a proposal for the Regional Amenities Fund.

### **Contact officers**

Jenny Rains, Community Services Manager  
Jane Hill, Community Networks  
Derek Fry, Chief Operating Officer

*This report is officer advice only. Refer to minutes of the meeting for decision.*

Moved Councillor Ahipene-Mercer, seconded Councillor McKinnon, the following amendment:

THAT the Strategy and Policy Committee:

- 8B. Agree to increase the Cultural Grant pool by \$112,000 per annum, and agree to grant this funding to Orchestra Wellington in 2013/14 and 2014/15, after which its three year contract with Council will be reviewed.

(Councillor Gill returned to the meeting at 2.32pm.)

The amendment new recommendation 8B was put and declared **CARRIED**.

(Councillor Cook left the meeting at 2.34pm.)

Moved Councillor Marsh, seconded Councillor Gill, the following amendment:

THAT the Strategy and Policy Committee:

21. That the future of the Council owned buildings at Shelly Bay is considered in accordance with the Miramar Peninsula Framework.
22. Note that any assessment of Council's ownership of Shelly Bay should take cognisance of:
- (a) Any heritage values the buildings may have;
  - (b) Appropriate economic returns for the site; and
  - (c) Good urban planning and design outcomes.

The amendment new recommendations 21 and 22 were put and declared **CARRIED**.

Moved Councillor Foster, seconded Councillor Morrison, the following amendment:

THAT the Strategy and Policy Committee:

23. Recommend to Council that it agrees in principle subject to consultation in the 2014/15 Draft Annual Plan to include:
- \$1 million opex in the 2014/15 Draft Annual Plan
  - \$1 million opex in the 2015/16 Draft Long-Term Plan
- to grant to the Karori Community Events Trust provided that:

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- **The Event Centre Trust achieves the milestone of raising \$1.4 million towards the project before 30 June 2014.**

**Council's contribution would be met in part from the sale of the St Johns site (note that Council has not made a decision on whether the site is surplus and has previously agreed to review whether the site is surplus to requirements no later than 2015).**

(Councillor McKinnon left the meeting at 2.39pm.)

(Councillor Pepperell left the meeting at 2.40pm.)

(Councillor McKinnon returned to the meeting at 2.43pm.)

(Councillor Ahipene-Mercer left the meeting at 2.45pm.)

(Councillor Ahipene-Mercer returned to the meeting at 2.47pm.)

(The meeting adjourned for afternoon tea at 2.52pm, and reconvened at 3.08pm.)

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

(Councillor Pannett left the meeting at 3.10pm.)

(Councillor Pannett returned to the meeting at 3.12pm.)

(Councillor Ritchie left the meeting at 3.14pm.)

(Councillor Best left the meeting at 3.15pm.)

(Councillor Best returned to the meeting at 3.16pm.)

(Councillor Ritchie returned to the meeting at 3.17pm.)

(Councillor Marsh left the meeting at 3.17pm.)

(Councillor Gill left the meeting at 3.23pm.)

(The meeting adjourned at 3.24pm, and reconvened at 3.34pm.)

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

**The Chair, Mayor Wade-Brown ruled that Councillor Foster's amendment new recommendation 23 was out of order.**

(Councillor Ritchie left the meeting at 3.39pm.)

(Councillor Ritchie returned to the meeting at 3.40pm.)

**Moved Councillor Foster, seconded Councillor Morrison, the following amendment:**

- 8C. a. Agree that officers will continue to work with the developer of the properties adjacent to Lombard Lane to leverage good outcomes for the city.**

*Strategy and Policy Committee – Meeting of Tuesday 11 June 2013 (Reconvening on Wednesday 12 June 2013 and Thursday 13 June 2013).*

**and 2014/15 financial years with Kent and Cambridge Terraces occurring in the 2014/15 and 2015/16 years.**

- 14.43. Delegate to the Chief Executive and the Mayor the authority to make any editorial changes that may arise as part of the publication process, and any changes that occur as a result of decisions made at this Council meeting of 27 June 2013.

(Councillor Ritchie left the meeting at 12.03pm.)  
(Councillor Foster left the meeting at 12.04pm.)  
(Councillor Ritchie returned to the meeting at 12.05pm.)  
(Councillor Cook left the meeting at 12.07pm.)  
(Councillor Foster returned to the meeting at 12.07pm.)  
(Councillor Cook returned to the meeting at 12.07pm.)

**Moved Councillor Morrison, Councillor Coughlan, the following amendment as a new 6 (and renumber all other recommendations):**

THAT Council:

6. Agree that in response to issues raised during consultation that Council:
- (a) Note that Council approved \$188,000 in 2001-02 as part of the Karori Town Centre budget for moving a then existing wooden hall to the proposed Community Hall-Events Centre site.
  - (b) Note that in today's dollar terms this equates to approximately \$260,000.
  - (c) Note that this component of the project was never completed because of concerns about required acoustic treatment required to mitigate effects on neighbouring residents.
  - (d) Note that the project was replaced by the proposed community driven Karori Community Hall-Events Centre proposal.
  - (e) Agree to recommend to the incoming Council that it include the sum of \$260,000 (opex) for the Karori Community Hall-Events Centre in the 2014-15 Draft Annual Plan for consultation.
  - (f) Agree in principle that should the St Johns site be declared surplus and sold that the proceeds would be allocated to the Karori Community Hall- Events Centre, probably in the 2015-16 year.
  - (g) Agree that (e) and (f) will only happen if the Trust raises at least \$1 million from non-Council sources in addition to the approximately \$350,000 raised to date.

(Councillor Pepperell left the meeting at 12.24pm.)  
(Councillor Pepperell returned to the meeting at 12.26pm.)



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## **CHAIR'S REVIEW - COMMUNITY, SPORT AND RECREATION COMMITTEE**

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### **Purpose**

1. This report provides the Chair's review of the Community, Sport and Recreation Committee work against its purpose and responsibilities to May 2015.

### **Recommendation**

That the Governance, Finance and Planning Committee:

1. Receive the information.

### **The Purpose of the Committee**

2. The purpose of this Committee is to build strong, safe and healthy communities that improve the quality of life for Wellingtonians. The Committee is responsible for social infrastructure (including social housing) social cohesion, encouraging healthy lifestyles, supporting local community events, protecting public safety; and the provision of a wide range of recreation and sporting facilities such as marinas, libraries, sports fields and the golf course for residents and visitors to use and enjoy.

### **The Committee's focus to May 2015**

3. The focus of the Committee continues to be to understand the issues and opportunities that rest within its areas of responsibility. We have received briefings – both formal and informal – on a wide range of issues which will inform part of the Committee's ongoing work programme.

Updates were provided on:

- Social Housing – progress against recommendations
- Playground Policy
- Regional Sports Strategy
- the Suburban Reserves Management Plan

Policies being undertaken include:

- Provisional Local Alcohol Policy (report back to the Committee in February 2016)
- Gambling Venues Policy (report back to the Committee in August 2015)

Policies recommended for adoption

- Local Approved Products Policy (restricting where any legal psychoactive products may be sold in future).

4. Three meetings have been held:

#### **February 2015**

- New Lease and Licence Under the Reserves Act 1977: the committee approved a lease to Victoria University of Wellington for the purposes of a tennis club and a licence to Ngaio Rifle Club for the purposes of an outdoor air rifle target range.

- Sportsville Partnership Funding: the committee recommended to the Governance, Finance and Planning Committee that the Social and Recreation Fund be increased by \$40,000 per annum, in the Draft 2015-2025 Long Term Plan, to fund feasibility studies for 'sportsville' partnerships; that a 'Facilities Partnership Fund' of \$500,000 per annum be established to fund feasibility studies, design and construction (Option Two) for 'sportsville' partnerships and included in the Draft 2015-2025 Long Term Plan with funding to commence in the 2018/2019 financial year; and, that assessment criteria for 'sportsville' partnership projects set out in "Attachment 1" to the officer's report be adopted

#### **March 2015**

- Provisional Local Alcohol Policy Appeals – the committee agreed that officers report to the February 2016 meeting of the Community, Sport, and Recreation Committee on the opportunities to resubmit an amended Provisional Local Alcohol Policy taking into account updated local data and the parameters for local alcohol policies arising from the decision on appeals.
- Local Approved Products Policy. Report Back Following Consultation and Proposed Final Policy: the committee agreed to recommend to Council that the Local Approved Products Policy on psychoactive substances be adopted.
- Review of the Gambling Venues Policy 2010: the committee agreed to consult on recommended changes to the Gambling Venues Policy, to adopt the Statement of Proposal relating to a proposed 2015 Gambling Venues Policy, and to initiate the special consultative procedure under Section 83 of the Local Government Act 2002.

#### **April 2015**

- Suburban Liquor Ban needed urgently – an e-petition, asking for a suburban liquor ban, was presented to the committee.
- Social Strategy - Scoping Paper – the committee agreed to initiate the development of a Wellington City Council social strategy.
- Social and Recreation Fund (March 2015), the C.H. Izard Bequest (2015) and Contract Funding - the committee agreed to the allocation of funding for the Social and Recreation Fund, the C.H. Izard Bequest and for three year contracts as listed below:
  - Social and Recreation Total \$109,718
  - C H Izard Bequest Total: \$18,600
  - Requests for Contracts 2015-2018 Total: \$1,097,302.

### **The Committee's focus for the next six months**

5. A Social Strategy: The development of an overarching social strategy will be an important focus for the remainder of the year. The primary aim is to ensure the City has a sharper focus on the social issues impacting on Wellingtonians. There is also a desire to better understand the work of other social agencies so Council can support and contribute to the work they do in the City. Relationships with the social sectors also need to be built and a Social Issues Forum is proposed. A scoping paper on the work was presented to the committee in April and initial work has commenced.
6. Housing: The work on social housing continues. We are currently reviewing Council's Housing Policy including the rental policy for our social housing stock and the Business Model for our housing operations. These are related projects. They are important due to changes in social housing frameworks by the Government and to ensure the



Council's housing portfolio is both sustainable and continues to provide high quality social housing that is affordable for the tenant. The Committee also called for a piece of work to be developed in anticipation that the Government would announce the sale and transfer of its state housing stock. This has come to fruition and a plan will be presented to the Committee.

7. The Gambling Venues Policy review: In March the committee agreed to consult on a number of recommended changes to the Gambling Venues Policy. Consultation ran from 20 April to 22 May 2015. The committee will hear from those who wish to make an oral submission in June. The report on the final policy is expected to come to the committee in August.

## Portfolio Updates

### Community Resilience

8. Neighbours' Day is always a good initiative across the city in terms of people getting together with their immediate neighbours for a barbecue or similar during the month of March. 45-50 barbecues or afternoon teas were held in Tawa in conjunction with Neighbours' Day 2015, with similar events being held in the Northern Ward suburbs of Churton Park, Glenside, Johnsonville and Newlands. Other suburbs across the city were also involved.
9. Last October community groups were given the opportunity to apply for up to \$500 each for neighbourhood initiatives such as a Neighbours' Day event. Many did apply and received a grant to help cover expenses. Assurance has been given that Neighbours Day will continue to be funded from the Mayoral Grants Fund.
10. Community emergency response plans are being put together in various suburbs across the city as a joint effort between WREMO and local stakeholders. Councillors often have a part to play in these in their own wards.
11. 'Neighbourly' is continuing to grow as an online neighbourhood forum in individual Wellington suburbs, and is producing effective discussion about various community matters. The website has experienced significant membership growth in the likes of Tawa (with the biggest membership in the country), Karori, Miramar and Johnsonville, etc. Positive outcomes like the birth of a community garden, neighbourhood groups being formed, roading issues being resolved, and neighbours generally helping each other out, have resulted from community interaction on the site.
12. Council is continuing to be proactive in the installation of 10,000 and 25,000 emergency water tanks in schools or council-owned sites across the city, the target being 50 in total. Another ongoing initiative is the "Everybody needs good neighbours" cards for people to keep in their back pocket completed with details of their immediate neighbours, as a contact point in the event of any emergency. Very useful for giving to people and encouraging them to fill in for themselves.

### Community Facilities

#### Libraries:

13. Many thanks to the Libraries and Community Spaces Team for continuing to work hard to make the library service an outstanding success. There were over 2,283,000 library visits and 2,284,000 website visits last year to the branch network. The Facebook page has 2100 likes and is an important way of getting information out to residents, for example, in the recent storms. The trial "Cans for Fines" swap in December saw 5000 cans collected for food banks, and some good progress made on collecting fines.

14. New Johnsonville Library: Support for this project was evident in public consultation on the LTP. A project management team from TBIG has been engaged to begin the planning process and organisation of the tender for architectural services.
15. Karori and Newtown Library Upgrades: Karori Library will be closed in May for around 2 weeks for painting and other minor maintenance. Newtown Library will be closed in May for around six weeks for more major maintenance and upgrades, including new skylights, heating and ventilation.

**Community Centres:**

16. Again, thanks to the Community Services team for liaising with the community and ensuring high quality, much needed services are delivered at our community centres.
17. Kaka Project: "Village planning" work has been underway with the Brooklyn Community for around a year now. It looks likely that there will be two hubs, one at Brooklyn and one at Mornington. Further funding has been sought in the LTP to get to the concept plan stage for an enhanced community hub at the Brooklyn Community Centre, and to continue consultation work on other developments.
18. Karori Events Centre: We are continuing to work with the Karori community, who have succeeded in much of their fundraising.
19. Other Centres: Funding is still in the LTP for upgrades to Newtown, Aro Valley and Strathmore Base community Centres. There are also some exciting developments in the pipeline, and we continue to look for gaps in the current offering, either in the provision of community space or in the services offered.

**Attachments**

Nil

Author	Paul Eagle, Councillor
Authoriser	Anusha Guler, Manager Democratic Services

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## **CHAIR'S REVIEW – ECONOMIC GROWTH AND ARTS COMMITTEE**

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### **Purpose**

1. This report outlines the Economic Growth and Arts Committee programme to June 2015.

### **Recommendation**

That the Governance, Finance and Planning Committee:

1. Receive the information.

### **Purpose of the Committee**

2. The focus of the Committee is on sustainable long-term economic growth, increased employment, promoting the city's visitor attractions, delivering high-quality major events and supporting the development of smart businesses in the city. The Committee will also work to build Wellington's unique identity, bolster business confidence, raise the city's international profile, and ensure Wellington continues to be New Zealand's arts and culture capital by supporting a range of opportunities for entertainment and expression. There is a continuing focus on the ICT and Digital sector.
3. As well as its general areas of responsibility, the Committee has specific responsibility for:
  - arts partnership (Toi Pōneke)
  - community arts and cultural support
  - city promotion, major events, and attractions
  - business support
  - galleries and museums
  - the following council controlled organisations/other organisations:
    - Basin Reserve Trust (BRT)
    - Wellington Museums Trust (WMT)
    - Wellington Regional Stadium Trust
    - Wellington International Airport Ltd (WIAL)
  - The following council grants:
    - Business Improvement District Development Fund
    - Arts and Culture Fund
4. A key function of the Committee is to oversee the progress of the 2011 Economic Development Strategy (EDS). The EDS was developed with considerable input from business, Crown agencies, and community interests. When it was adopted in December 2011 the EDS had overwhelming support from the commercial sector and councillors.
5. The EDS has four key platforms that lay out a vision for a vibrant city and provide a roadmap of tangible initiatives and projects to achieve the EDS's objectives. These key platforms are:

- **Destination Wellington** – developing and promoting the City to attract the visitors, skilled people, business and investment needed to achieve greater prosperity including through events, amenities and promotional activities
- **Smart capital** – generating a significant proportion of future economic growth from smart, innovative, knowledge-intensive businesses
- **Connected capital** – increasing physical and virtual connectivity within the region, with other parts of New Zealand and internationally
- **Open for business** – delivering the Council’s services with a “can do” attitude, providing a quality built and business environment where it is easy, efficient and affordable to invest and do business.

### **Committee’s work January 2015 to June 2015**

6. During the five months covered by this report major work completed by the Committee includes:
  - Monitoring progress of major project proposals and initiatives (including the 8 big ideas).
  - Reviewing and endorsing the Basin Reserve Trust’s Masterplan and recommending to Council that funding be approved.
  - Agreeing to support the Wellington Tech Hub proposal.
  - Receiving and considering the 2015/16 Statements of Intent for the Basin Reserve Trust, the Wellington Regional Stadium Trust, and the Wellington Museums Trust, and recommending their approval by Council.
  - Reviewing quarterly reports for the December 2014 and March 2015 quarters from the organisations for which it is responsible.
7. In addition the Committee has agreed funding allocations for the Arts and Culture Fund and three-year contract funding, received an update on the World War One 1915 Centennial Programme of Events, and was briefed on the Public Art Panel’s response to the Wellington Sculptural Highway proposal. Funding was also agreed towards the development of a Business Improvement District in Kilbirnie.

### **Focus over the next six months**

8. Council’s key focus on economic development (growth and diversification) is ongoing. The Committee has played an important role in the oversight and governance of Council’s economic development agenda and will continue to do so.
9. The Committee will continue to monitor and champion major projects as they progress through the business case process and ultimately to implementation.
10. With respect to the convention centre Wellington property development company Willis Bond & Co has secured the rights to the favoured site on Cable Street and is currently considering the development.
11. The Wellington Regional Economic Development Agency (WREDA) is now up-and-running and its inaugural Chief Executive – Chris Whelan – has been appointed. The challenge now for the Committee is to ensure a seamless transition to the new structure and to capture the best possible advantage.

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**Attachments**

Nil

Author	Jo Coughlan, Councillor
Authoriser	Anusha Guler, Manager Democratic Services



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## **CHAIR'S REVIEW - TRANSPORT AND URBAN DEVELOPMENT COMMITTEE**

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### **Purpose**

1. This report outlines the progress of the Transport and Urban Development Committee in the 4 month period to June 2015, against the Council work programme approved in February 2014 by Governance Finance and Planning Committee (GFP), noting that that GFP agreed that report "is not comprehensive in terms of work programmes before committees which will include other items." It follows the report to GFP's 17 February 2015 meeting. I have set out the programme agreed by GFP as Attachment 1 at the end of the report. Clearly there has been a lot of work beyond that as would be expected and that is detailed in the report.

### **Recommendations**

That the Governance, Finance and Planning Committee:

1. Receive the information.

### **Purpose of the Committee**

2. The focus of the Committee is:
  - (a) To direct growth to where the benefits are greatest and where adverse effects are minimised, and to deliver a quality compact urban environment.
  - (b) To lead and monitor a safe, efficient and sustainable transport system that supports Wellington's economy and adds to residents' quality of life with a strong focus on improving cycling and public transport and enhancing Wellington's walkability.
3. The Committee has responsibility for:
  - Urban planning and development
  - Transport
  - Waterfront
  - Resource Management Act issues including District Plan (including Resolution of Appeals)
  - Heritage
  - Earthquake strengthening
  - Housing affordability / Housing Accord
  - Building control
  - Development control
  - Public spaces (urban)
  - Parking
  - Capital Precinct Project
  - Wellington Waterfront Limited (WWL)
  - Wellington Cable Car Limited (WCCL).

#### **Advisory groups**

- Safe and Sustainable Transport Advisory Group

- Waterfront Technical Advisory Group.

## Discussion

4. The Committee has had a very busy and challenging last 4 months, and several contentious issues have needed to be addressed. I wish first to thank my colleagues (Mayor Wade-Brown and Councillors Coughlan, Lee, Lester, Pannett, Woolf and Young) on the Committee for their work over the four months since the last Chairs' reports.
5. I also want to thank the Transport, Urban Planning and Urban Design staff for their ongoing professionalism and hard work, often in very challenging circumstances. They have to display enormous fortitude at times.
6. To make any progress in Transport and Urban Development there are always going to be challenges and diverse views held.

## Committee's work January 2015 to June 2015

7. Some Significant Milestones over the past 4 months:
  - The Regional Transport Plan has been approved by the Regional Land Transport Committee and Greater Wellington Regional Council. I was on the Hearings Panel.
  - Wellington Urban Growth Plan (Transport and Urban Development Strategy) – Has been consulted on alongside the Long Term Plan. A special consultation meeting was held in early April. It was recommended by GFP for approval by Council on the 24th of this month.
  - The Action Plan to deliver the first three years of the WUGP is being integrated into the LTP.
  - Johnsonville's roading project continues on timetable. Stephen Harte is doing an exceptional job in communicating with residents and businesses, and has done so during both the design and construction process. There has been inclusion of some modest cycling improvements in the town centre and a connection from Broderick Road to Onslow College.
  - Trials are underway of parking sensor technology in Blair and Allen streets.
  - Tinakori Road works were completed.
  - The first Bikes in Schools facility was opened at Holy Cross, Miramar, at the end of March. West Park, Johnsonville is now also open, and Karori West will be completed soon.
  - The Leonie Gill shared pathway was opened in April.
  - 3 successful Ciclovía events were held around the Watts peninsula.
  - A successful Walk to work day was held in March.
  - Work on Pukeahu Memorial Park was completed by the Memorial Park Alliance ahead of schedule. Council was a contributing partner in the project.
  - The Cenotaph officially reopened on 17 April in time for ANZAC centenary commemorations.
  - NZTA/WCC/GWRC Governance Group has continued meeting to progress BRT, Basin Reserve, Kent-Cambridge and Adelaide Boulevards, and Mt Victoria to Cobham Drive.
  - City Cycling Framework: Councillors (Foster, Eagle, Lee, and also Free and Ahipene Mercer) participated in 2 ILM workshops in February and March with NZTA and other stakeholders, leading to Workshops for all councillors in March and April and Council approval of a draft City Cycling Framework at the end of



- April. Officers agreed a proposal for Urban Cycleway Fund support and revised the NLTP funding bid. The draft City Cycleway Framework was approved by Council for consultation and will be reported back to Council on 24 June.
- Island Bay Cycleway – Council agreed to establish a small working party of councillors, officers, and community members to work through the traffic resolutions. This is to be reported back to Council on 24 June.
  - Cycle cordon counts showing increase in commuting of 21% 2015 over 2014 and over 200% over the last 10 years.
  - NZTA continued work on Ngauranga to Aotea project.
  - Council has determined its position on Petone Grenada and against any additional roading capacity north of Grenada. This followed a workshop with NZTA and considerable and very constructive engagement with residents.
  - Following the Harcourts building appeal determination last period – the owner has arranged a process to strengthen the building.
  - The Victoria Street development continues, and will be complete in July. The kerbside cycling lane is expected to be open this coming week.
  - There was initial consultation with the Tawa and Karori communities on medium density housing and town centre opportunities.
  - Urban Design Pop Up Development – following the success of the Bond Street project another project is about to proceed in Lower Cuba Street.
8. Other areas of Work over the last 4 months:
- Road Safety Action Committee meeting.
  - Safe and Sustainable Transport Reference Group meeting.
  - LGNZ Environmental Policy Advisory Group .
  - Some initial community engagement on the northern cycleway (Thorndon /Aotea Quay).
  - Discussions with various transport providers, including public transport, car share, electric vehicle and taxi/Uber, and with the Automobile Association, Living Streets and Cycle Aware Wellington and Karori by Bike.
  - Delivering some low impact cycle safety works at Chaytor St, Karori. Officers will continue to monitor these to see if they are effective.
  - Visit of Donovan Rypkema, US heritage economist.
  - Meetings regarding Erskine College.
  - MOT Transport Futures scenario planning workshop.
  - Attending NZTA Safer Journeys mid-term review.
  - Presentation at University on Wellington Urban Growth Plan.
  - Representing Council at GWRC cross council session on Petone – Grenada.
  - Attending Active Transport meeting with GWRC and other stakeholders.
  - Consultation on inner city cycle stands with Cr Peck.
  - Discussion with NZ Post regarding postal delivery vehicles.
  - Media coverage of a wide range of issues, mostly covered above, with a rather heavy recent media focus on parking issues.
9. Matters Considered by Committee Meetings:
- a. March 12 2015
    - Housing Accord proposed SHAs
    - Verandahs bylaw preliminary paper
    - Quarterly report.
  - b. April 16 2015

- Received Cable Car Company draft Statement of Intent and Quarter Two Report.
  - Decided grants from Built Heritage Incentive Fund
  - Amended BHIF eligibility criteria
  - Approved Statement of Proposal for consultation on Verandah bylaw
  - Traffic Resolutions.
- c. 21 May 2015
- Monitoring report on housing consents (Housing Accord requirement)
  - Quarterly report
  - Report requesting officers to undertake work on Car Share schemes
  - Traffic Resolution Coutts St cycle improvements
  - Traffic Resolution Ngauranga Gorge cycle improvements.
10. Council and GFP consideration of Transport and Urban Development Issues:
- At its 8 April meeting Council made decisions to approve 13 new Special Housing Areas, and rejected 3 others.
  - At its 8 April meeting Council supported the Petone – Grenada road, and decided its position on NZTA's suggested options for increased capacity to the north of Grenada.
  - At its 30 April meeting Council approved a Citywide Cycling Framework for consultation.
  - At its 26-28 May meeting Governance, Finance and Planning recommended the Wellington Urban Growth Plan (Transport and Urban Development Strategy) to Council for final approval following consultation.

#### **CCO Monitoring Programme**

11. Transport and Urban Development is responsible for monitoring the Wellington Cable Car Company. We considered the Second Quarter report from the Cable Car Company and had a presentation to the committee from Chief Executive Simon Fleischer. We considered the draft Statement of Intent for the Cable Car Company in April.

#### **Relationships**

12. In addition to the above issues at committee I have had a large number of meetings as Chair. In addition to meetings with Council officers and relevant CCOs. these have included regular meetings with key partner organisations notably MoT, NZTA and GWRC, Centreport, transport advocacy groups, heritage and property organisations, transport providers, heritage building owners, retailers, developers, community groups. I have attended a number of professional and advocacy forums to explain Council's plans.
13. There are two portfolio leaders on the Committee: Cr Pannett (Portfolio, Buildings) and Cr Young (Central City Projects).
14. Cr Pannett (Portfolio Leader, Buildings) and I meet regularly with Property Council and Heritage New Zealand with the major focus being on facilitating building strengthening, particularly heritage buildings. We have also worked together with officers in trying to assist owners of some of the more challenging buildings, and it is really positive to see more heritage buildings being strengthened. This challenge is an ongoing one. A particular focus in the next few months will be on trying to achieve some shared solutions in Cuba Street, and on continuing working with apartment owners in the

Central City. An important focus has been on initiatives in the Long Term Plan most notably on rates relief and increasing the grant fund and the criteria around that. Advocacy on Earthquake strengthening legislation and the desirability of funding or tax support continues. We also maintain a watching brief on Resource Management legislation.

15. A list of heritage buildings which have been strengthened since August 2012 is attached to this paper as Attachment 2.

**Focus over the next six months**

16. 2015 is clearly a pivotal year for making some really significant decisions, through the approval of the Wellington Urban Growth Plan (Transport and Urban Development Strategy), Long Term Plan, and agreements on the policy forward programme. Activities within the ambit of Transport and Urban Development include:
  - We will continue to work with NZTA and GWRC on achieving solutions for the Basin Reserve, and then the associated Mt Victoria tunnel duplication and Wellington Road-Ruahine St work.
  - NZTA's Basin Reserve Appeal will be heard in July.
  - Work will continue on high level planning around Adelaide Road (reviewing the 2008 Adelaide Road Framework Plan) and Kent and Cambridge Terrace boulevards.
  - We will continue to work with GWRC and NZTA on the implementation of Bus Rapid Transit. WCC's key role will be in allocating road space and addressing any physical constraints. In some cases this will incorporate cycleway opportunities.
  - Prime Minister and Minister's announcement on Urban Cycleway Funding.
  - Approving the City Cycling Framework.
  - Agreement on Implementing the outcome of Council's decision on the Island Bay cycleway.
  - Continuing Engagement on other cycleways.
  - Work will continue with building owners to address earthquake resilience and heritage building strengthening.
  - There is policy work regarding heritage buildings planned. This will include a possible prioritisation process.
  - We will continue to engage with the communities of Karori and Tawa on medium density and Town Centre opportunities. In the case of Karori this needs to be integrated with planning for transport improvements and the disposal of the St Johns site.
  - We will continue to work with NZTA and other authorities on progressing the Great Harbour Way.
  - With the District Plan now operative we will progress further refinements of the District Plan.
  - We will need to monitor and respond to changes in legislation; particularly RMA reform and Earthquake resilience law.
  - There will be an Environment Court hearing on Curtis Street Plan Change.
  - Completing monitoring of the parking sensor trial, and subsequent decisions on further roll out.
  - Work will continue on other Urban Development projects – finishing Victoria St, Eva – Leeds Street, and other CBD laneways and greening opportunities and pop up opportunities.

- Work will continue on Civic Square planning.
- Work will continue on Frank Kitts Park/Chinese Garden.
- Progress on strengthening Council's building portfolio.
- We plan to undertake an RFP for an increased Car Share scheme.
- Work with CBD apartment owners and Cuba Street building owners on earthquake strengthening.

### Attachments

Attachment 1.	Work Programme agreed at GFP in February 2014	Page 125
Attachment 2.	Heritage Buildings removed from the list	Page 127

Author	Andy Foster, Councillor
Authoriser	Anusha Guler, Manager Democratic Services

Work Programme agreed at GFP in February 2014

Item	Current Status	Comments
Draft Transport Strategy	TUDC has recommended draft Wellington Urban Growth Plan to be consulted on alongside LTP	
Regional Land Transport Strategy	Draft Strategy approved by RLTC. TUDC agreed submission this month	
Asset Management Plans		
CCO monitoring and setting SOIs	Process underway	
Submission on Earthquake legislation	Submission to Select Committee made by the Chair and Portfolio Leader and Neville Brown	Seemed to be very well received. Awaiting updated legislation
Submission on NZTA FAR review process	Chair participated in LGNZ Forum Submission made. NZTA has made decisions on FAR	
Submission on Govt Policy Statement	Submission made	Pleasing to see refinement in GPS language over last GPS
Public Transport Spine Study briefing and report	Completed. Working with GWRC and NZTA on delivery of BRT	
District Plan review work programme	DPC 78 heard by Chair District Plan appeals all resolved except PC77 (Curtis St).	Plan effectively operative for the first time since 2000.
Draft Housing Action Plan/SHAs	SHA agreement with Govt and first set of SHAs proposed	
Review Development Contributions	2014 Annual Plan decisions	
Review EQP buildings policy	Officers continue to work extensively on this. Briefing for councillors in August.	Waiting legislation (see above)
Heritage options to address resilience following review of heritage list in DP	Officers continue to work extensively on this. Briefing for councillors in August.	Officers continue to progress this work. LTP budget bid
<b>Transport briefings, reports and submissions</b>		
Future of Trolley buses	Workshop on Jacobs SKM report held	
Mitigation package for Basin flyover	BOI rejection of flyover. Working with NZTA and GWRC partners on	

	next steps	
Mt Victoria Tunnel duplication	Delay because of flyover decision	
Petone to Grenada	Progressing. Briefings from officers and NZTA (next one this week)	
Resilience Petone to Ngauranga	Active ongoing work with NZTA, HCC, GWRC, KiwiRail	
Inner City Bypass	Some improvement works underway as part of Victoria St upgrade, some works on Karo Drive. Others held up by Flyover decision	
Memorial Park maintenance implications	Officers to report in due course	
Options for 175 Taranaki St	Officers to report in due course	
Options for Creche (Suzanne Aubert)	MCH appears likely user	
E Plan progress	Work continuing by officers	

**Heritage Buildings removed from the List**

Buildings that have come off the EQP Buildings List since August 2012:

- Post Office Square – Clarrie Gibbons Building
- 30 Arthur Street (Former Boys Institute Building)
- 41 Buckle Street (National War Memorial – Podium)
- 16 Courtenay Place (Bldg B)
- 55 Courtenay Place (Bldg B)
- 60 Courtenay Place (Former Welgas Building)
- 66 Courtenay Place (Victory Buildings)
- 45 Cuba Street (Arco House)
- 161 Cuba Street (Commercial Building)
- 199 Cuba Street (Morgan Building)
- 276 Cuba Street (Commercial Building)
- 293 Cuba Street (Thistle Hall)
- 107 Customhouse Quay (United Building)
- 23 Frederick Street (Chinese Masonic Society Building)
- 62 Ghuznee Street (Left Bank)
- 2 Jervois Quay (Huddart Parker Building)
- 126 Lambton Quay (or 47-57 The Terrace – Massey House)
- 157 Lambton Quay (Former Police Station Waring Taylor St)
- 157 Lambton Quay (Former Police Station Johnston St)
- 179 Lambton Quay (Harbour City Centre) Bldg A
- 179 Lambton Quay (Harbour City Centre) Bldg B
- 54 Northland Road (Old Northland Fire Station)
- 245 Oriental Parade (Band Rotunda)
- 68 Nairn Street (Nairn Street Cottage)
- 39 Pipitea Street (House)
- 130 Riddiford Street (Heritage Area Building)
- 139 Riddiford Street (Castle's The Chemist)
- 34 Salamanca Road (Dominion Observatory)
- 129 The Parade (Heritage Area Building)
- 268 Thorndon Quay (The Woolstore)
- 69 Tio Tio Road (16 Fettes Cres – Star of the Sea Chapel)
- Shed 11, Waterloo Quay
- 50 Willis Street (McCarthy Buildings)
- 128 Willis Street (McDonald Building)





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3. Committee Reports

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**REPORT OF THE AUDIT AND RISK SUBCOMMITTEE MEETING  
OF 18 MAY 2015**

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**Members:** Mayor Wade-Brown, Peter Harris (External), Councillor Marsh, Councillor Peck (Chair), Kevin Simpkins (External), Councillor Woolf.

**The Subcommittee recommends:**

THAT the Governance, Finance and Planning Committee:

1. Agree to recommend to Council to adopt the Insurance Management Strategy, Attachment 1.

**Attachments**

Attachment 1. Insurance Management Strategy

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# Wellington City Council

## Insurance Management Strategy

May 2015



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## Executive Summary

Through its assets, and the services they provide, the Council has responsibility to the community to provide a specified service level in a cost effective manner. We do this by appropriately planning, constructing, maintaining, and insuring these assets.

Wellington's topography, geology and urban layout, as well as natural hazards, such as earthquake, flood and tsunami, pose challenges for public assets, businesses and homes.

The Council's Risk Framework ensures an understanding of the risks the Council is managing and the mechanisms and tools used to establish the optimal balance between externally procured insurance, internal 'self-insurance', and uninsured risk retention. This strategy addresses insurance protection for catastrophe losses for Council owned assets and other risk transfer insurance policies.

The Insurance Management Strategy (IMS) outlines the Council's insurance and risk framework, approach to risk retention and transfer of risk through the procurement of insurance policies and sets out the implementation and monitoring requirements.

It also sets guidelines for material damage and business interruption insurance for asset related risk and liability policies for other risks.

The IMS will:

- help the community and Councillors understand our approach to risk retention and risk transfer through clear objectives;
- increase transparency in the insurable risk process and the potential financial implications of insurance decisions; and
- provide a framework for officers in the procurement of insurance.

An overview of the IMS is shown in the road map below.

### Insurance Management Strategy – An Outline



This strategy addresses risk mitigation for general liability, professional liability, statutory liability, employee liability, trustee liability, motor vehicle and overseas travel insurance and material damage risk (including fire). However, the predominant outcome of the Council's IMS is to mitigate the impact of losses or damage caused by natural hazards such as earthquake, flood and tsunami through the procurement of insurance. The estimated loss due to these natural hazards is not a risk that the Council can adequately self fund. In the case where the level of financial risk is unacceptable, insurance is considered.

The loss modelling assumptions used to derive the Council's exposure is aligned to the earthquake loss return period adopted by the Reserve Bank of New Zealand (RBNZ). The 2011 Insurance Policy paper (amended in 2014) requires insurers and reinsurers to hold adequate capital to manage for a 1 – 1000 year return period event. The RBNZ 2014 amendment was updated to reflect the lessons learned from the Christchurch earthquakes. The Council considers it prudent to adopt the same 1 – 1000 return period to establish its earthquake loss estimate which in turn determines the level of insurance cover it is prudent to acquire.

The modelling of the loss estimates to Council assets in a 1 – 1000 return period was undertaken by GNS Science (a crown research institute). GNS estimated the loss to be \$1.1 billion across the Council assets and is based on the replacement value of the assets. Council's insurance strategy assumes the funding of the estimated loss comprise a mix of externally procured insurance, internal 'self-insurance' and central government funding.

The Council holds a \$20 million maximum excess (risk retention) and settles claims that fall below this level from its own reserves. Claims above this limit will be funded by a mixture of externally procured insurance and by government contributions, up to \$1.1 billion. The \$20 million excess helps reduce the cost of premiums for the externally procured insurance. If the excess limit of \$20 million was reduced this would pass more risk to insurers and have a direct impact on premiums paid by Council. Conversely, higher risk retention becomes a higher risk to Council in the event of more than a single natural disaster occurring. The \$20 million retained excess is at a level that the Council considers optimal.

The Council builds the internal self-insurance reserve fund by an annual rates contribution which it uses to fund day-to-day insurance losses that fall below excess. The internal self-insurance reserves fund will also be used to partially offset higher than budget insurance increases. In addition, where the insurance increases are lower than budget the surplus will be used to top-up the self-insurance reserves. This will help mitigate price fluctuations to ratepayers over time.

In the event that the loss estimate exceeds \$1.1 billion for a 1 - 1 000 year event the Council's financial strategy includes approximately \$200 million borrowing capacity to cope with any outstanding uninsured losses. In addition, Council would continue to qualify for government funding for road networks and underground storm, waste and water assets for losses above the \$1.1 billion loss.

The IMS can adapt to the changing landscape in the event of rising premiums, internal risk retention levels and changing government contribution assumptions. The impact of this may increase our insurance premiums or our appetite to risk retention.

The Council has an on-going resilience work programme through its comprehensive asset management planning framework and an on-going earthquake prone building policy to mitigate and reduce the loss to its assets from natural events.

## Introduction

Council has \$6.6 billion dollars of assets, which includes land under roads, that it uses to provide services to the community.

Through its assets, and the services they provide, the Council has a responsibility to the community to provide a specified service level in a cost effective manner. It does this by appropriately planning, constructing, maintaining and insuring these assets.

Wellington's topography, geology and urban layout, as well as major natural hazards, such as earthquake, flood and tsunami, pose challenges for public assets, businesses and homes.

Following the Christchurch earthquakes, it was clear that many lessons could be learnt to ensure post-event recovery is as efficient and timely as possible.

To recover from a major catastrophe requires access to funds to rebuild the assets that have been damaged or lost. Without financial protection for the assets, we risk creating a significant future burden for ratepayers. If council assets are damaged and unable to provide services to the community any fees derived from these services or investments would also be lost for the duration of the time the asset is out of operation. It is therefore also prudent to have financial protection against this risk.

The Council understands that a risk adverse position needs to be adopted to ensure insurance arrangements are able to fully respond to events so that the Council can maintain and deliver services to businesses and the community.

The Council believes it is prudent to have autonomy and flexibility to use the proceeds of insurance following a major event to provide balance sheet protection to assist a post event recovery.

This IMS is integrated into the Council's Risk Framework. It will ensure an understanding of the risk that Council is managing and the mechanisms and tools used to establish the optimal balance between externally procured insurance, internal 'self-insurance' and uninsured risk retention.

In addition to material damage and business interruption policies, other risk transfer policies exist as part of the IMS. These risk transfer policies are procured where it is prudent and efficient to transfer the risk away from Council and where it is deemed that it is unacceptable for the Council to carry the risk. These are identified in the key risk section of the document and fulfils aspects of the mitigation strategy in the Council's Risk Framework.

## Objective

The IMS will provide the financial resources to recover from catastrophic and non-catastrophic events and fund unforeseen losses to assets and service operations from single events.

## The Risk Management Framework

The Council's Insurance Management Strategy reduces identified risk in the Council's risk management framework to manage and mitigate both financial and non-financial risks. This integration ensures the IMS references and takes into account other council strategies to mitigate risk.

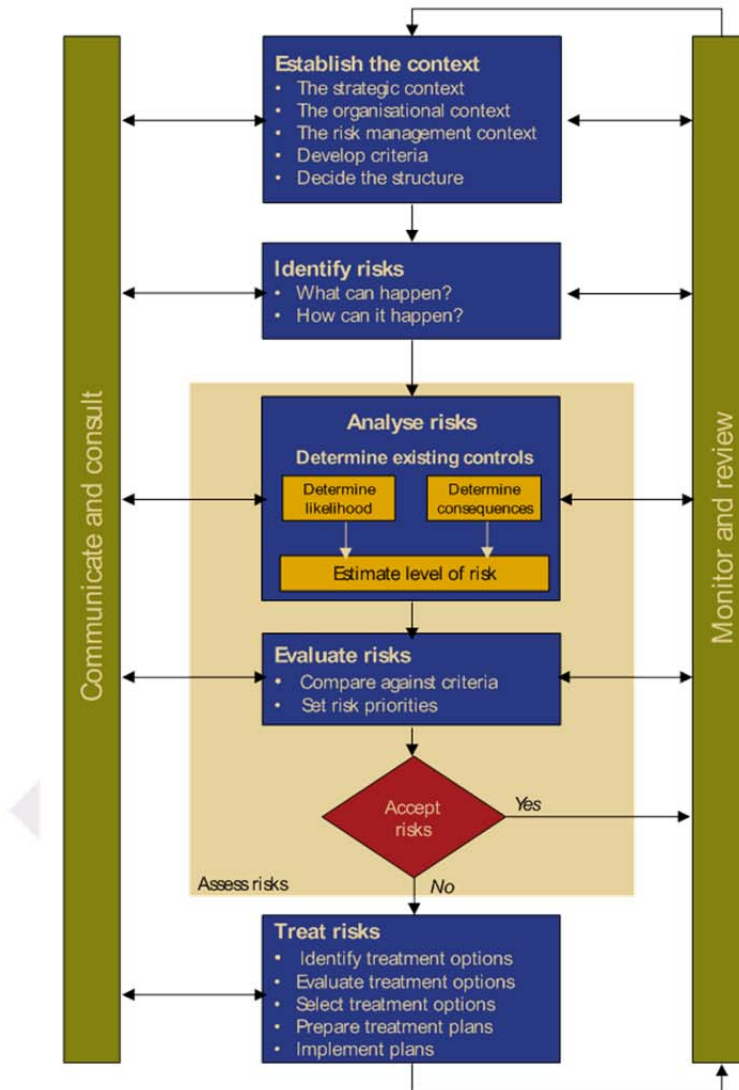


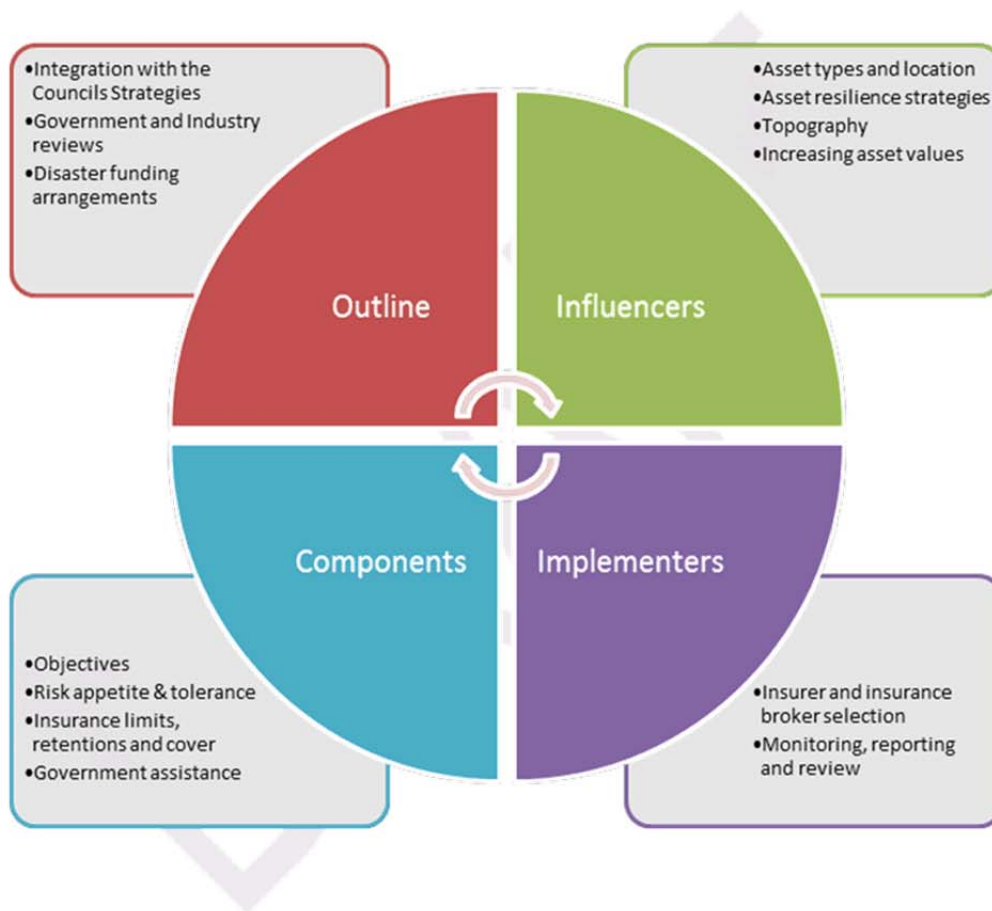
Figure 1: The risk management framework. Based on ISO 31000 Risk Management Principles and Guidelines.

With reference to the above risk management framework, if the residual risk is at a level that is unacceptable and no further mitigation can be implemented to reduce likelihood or consequence, insurance (transfer of risk) is considered.

## Insurance Management Framework

The Council's IMS will ensure insurance proceeds can be used to support a return of Council assets and services to its pre event state.

This is achieved through having access to adequate levels of insurance based on a prudent approach to setting limits and scope of cover. The main attributes of the IMS are summarised as follows:





## Principles, tools and techniques

The Council will implement the intent of the IMS by:

1. Having a robust, well designed insurance programme responding to the Council's insurable risks;
2. Clear risk tolerance and appetite guidelines to ensure retained risk is within the financial capability of the Council;
3. Insurance limits and cover which are cost effective and purchased based on sound advice and knowledge of asset values and their resilience to natural events;
4. Appointment of experienced advisors including an insurance broker to gain access to traditional and non-traditional risk transfer solutions both in New Zealand and overseas;
5. A strong governance regime to report, monitor and review the strategy to ensure it keeps pace with the change in risk profile of the Council asset, investments and business operation risks; and
6. Ensuring claims recoveries are well managed and processes are tested particularly after a major event.

To realise the objective of the IMS we will:

### 1. Balance the Council's risk

Create appropriate relative mechanisms and tools to establish, inform and manage the optimal balance between externally procured insurance, internal "self-insurance" and risk retention as well as any other cost effective alternative risk transfer options to financially protect community assets.

### 2. Safeguard assets

Safeguard Council assets by ensuring appropriate risk management and insurance strategies are in place to protect and minimise losses to Council's assets against future potential liabilities and provide assurance that the Council is well positioned to recover from any loss. The assets have an insured replacement value of \$5.5 billion, excluding land.

### 3. Transfer Risk

Be prudent when setting the Council's risk tolerance and appetite when transferring risk through its insurance arrangements. For any unacceptable risk, where no further risk mitigation strategy can be implemented, insurance cover will be considered.

### 4. Leverage Government funding support

Continue to leverage and include in the Council's risk management assumptions the expected funding support from New Zealand Transport Agency (NZTA) and Central Government. This funding contributes to any loss to the Council's road network and underground assets. It is expected the Council would receive a funding value to 53 percent for road network losses and 60 percent for underground asset losses caused by a major catastrophe. This will be reflected in the levels of insurance cover purchased.

**5. Consider Alternative Risk Transfer options**

Consider the use of Alternative Risk Transfer instruments (ART) such as catastrophe bonds, which allow funds to be provided immediately without the need to prove a loss quantum or incur expense before claims payments can be made. These will be considered if they are efficient and would provide more financial certainty to the balance sheet. Such products are more expensive than traditional insurance. The use of ART instruments will be subject to annual review. The Council does not currently use this product.

**6. Model Losses**

Update the modelling of potential losses to the Councils above and below ground assets on a regular basis, including the earthquake risk assessment on our infrastructure and general buildings. This assists the Council to manage the risk of potential future catastrophes by better understanding how assets will perform in a major loss event. This modelling is used to make informed decisions on the limit of cover and future risk mitigation strategies. The current loss modelling has estimated \$1.1 billion of damage to Council assets at levels representing losses expected for an event occurring in 1 - 1000 year return period.

**7. Analyse Trends**

Proactively manage and investigate trends resulting from both below and above excess claim settlements to improve the Council's overall risk management to reduce or eliminate future losses.

**8. Review the Return Period assumptions**

Procure asset insurance up to levels representing losses expected for an event occurring in 1 - 1000 year return period as prescribed for insurers by the Reserve Bank of New Zealand (RBNZ). This cover will be provided through a combination of directly procured insurance and central government contributions.

**9. Set Risk retention levels**

Set retention limits (commonly referred to as excesses) to levels that are financially sustainable but ensures insurance is purchased only for risks that the Council can prudently retain and fund within the Financial Strategy. These retention levels will be regularly reviewed having regard to improvements in managing risks and insurance market price and coverage conditions.

The Council holds a \$20 million maximum excess (risk retention) and settles claims that fall below this level. The \$20 million excess helps reduce the cost of premiums for the externally procured insurance. The excess limit of \$20 million could be reduced which would have the impact of passing more risk to insurers and thereby having a direct impact on premiums. Conversely, higher risk retention becomes a higher risk to Council in the event of more than a single natural disaster within a short timeframe. The \$20 million retained excess is at a level that the Council considers optimal.

**10. Uninsure losses above a 1 – 1000 year event**

Through the Councils financial strategy maintain approximately \$200 million of borrowing capacity to cope with any outstanding uninsured losses above those expected in a 1 in 1000 year return period. In the event that the loss estimate exceeds a 1 -1 000 year event the Councils financial strategy includes approximately \$200 million borrowing capacity to cope with any outstanding uninsured losses. In addition, Council would continue to qualify for government funding for road networks and underground storm, waste and water assets for losses above the estimated loss.

**11. Secure funds**

Ensure a minimum insurance company credit rating equivalent to a Standard & Poor's rating of A- to reduce risk of default and non-payment of claims particularly after a major event.

**12. Review Business operations**

Structure the strategy to respond to any material future change in the Councils business and strategies. This includes diversification of investments and change in government disaster funding arrangements that require coverage, limit and retention modifications to the insurance programme.

**13. Fund 'self-insurance' for day-to-day losses**

Adequately fund and maintain an insurance reserve "self-insurance" fund to pay for day to day losses that fall below individual insurance policy excesses. The Council builds the internal self-insurance reserve fund from an annual rates contribution. The Council's insurance reserve fund is currently at \$10 million and is expected to increase to \$15 - \$20 million over time. The internal 'self-insurance' reserves fund will also be used to partially offset higher than budget insurance increases. Where the insurance increases are lower than budget the surplus budget savings will be used to top-up the internal 'self-insurance' reserves. This will help mitigate price fluctuations of future insurance premiums for catastrophe exposed assets.

**14. Diversify Assets**

Assess the impact of the diversification of assets and investments outside the Wellington region and how this would reduce the risk retained for these assets and the cost to insurance. The IMS will respond to this through the process of regularly modelling catastrophe exposure and analysing aggregate retained risk and policy limits.

**15. Maintain Good Relationships**

Maintain a long term relationship with both New Zealand and Overseas insurers underpinned by detailed information about the risk environment and ongoing risk reduction strategies undertaken to mitigate loss to Council asset.

**16. Consider other Liability risk transfers**

Consider the appropriate limit of the other insurance risk transfers policies held and ensure that the most efficient and appropriate approach is being undertaken.

**17. Review Related party risk**

Review the insurance programme, if necessary, to accommodate the Council shareholdings in other investments where current arrangements may need to be augmented or replaced.

**18. Review Asset Resilience**

Review the continued investment in our assets informed by Asset Management Plans for each asset class and the impact our work programme has on the continued resilience of the asset performance. By way of comparison the required seismic strength of built structures in Wellington is 33 percent stronger than that of Christchurch and over 200 percent than that of Auckland. This is due to the seismicity of the Wellington area.

**19. Consider Climate Change**

Consider the implications of climate change on the Councils assets.

With these elements present within the IMS, the Council will be able to provide transparency to ratepayers and businesses that the insurance arrangements will respond up to a 1 – 1000 year event to help restore services to the community post such events.

## Risks

The key risks addressed by this strategy are:

### **Asset failure related risks**

The approach to these risks is considered as part of the Material Damage and Business Interruption insurance to mitigate the following:

- Catastrophe losses to assets as a result of earthquake, fire, flood and tsunami;
- Insufficient funding to repair, renew and rebuild the Council assets after a major event;
- Economic uncertainty as a result of insufficient business interruption insurance, including cover for additional increased cost of working, gross profit protection and claims preparation costs.
- Future unaffordable debt and rates level rises through insufficient material damage, and business interruption insurance.

### **Key liability related risks**

The Council has a number of other risks identified through the risk management framework and are addressed as part of this strategy, as listed below. Any unacceptable risk to Council is transferred through insurance.

- General Liability – Sums which Council becomes legally liable to pay in the event of injury to, or damage to the property of, a third party. This includes public liability and goods/products liability.
- Professional Indemnity – Claims which Council is legally liable to pay as damages which arise by reason of any negligent act, error or omission.
- Statutory Liability – Defence costs and liability for financial penalties arising out of alleged unintentional breaches of New Zealand statutes.
- Employers Liability – Liability arising out of claims made by employees for injuries outside the scope of accident compensation legislation. Legal expenses are covered.
- Trustee Liability – Provide protection to Trustees with regard to liability that may arise from their wrongful acts in performing their duties as Trustees of the Trust.
- Crime – Covers Council for direct financial loss sustained through theft, fraud, dishonesty or criminal act(s) of employees and/or third parties.
- Rotation Timber and Carbon – Covers standing timber and collective carbon stock against loss or damage for a defined event at the insured forest location.
- Motor vehicle – Loss or damage to owned and leased vehicles, where declared and only third party liability.
- Overseas travel – Covers baggage, medical costs and other travel related risks, while employees or persons authorised by Council are travelling outside New Zealand on Council business.

## Risk Influencers

### Our Assets and Infrastructure

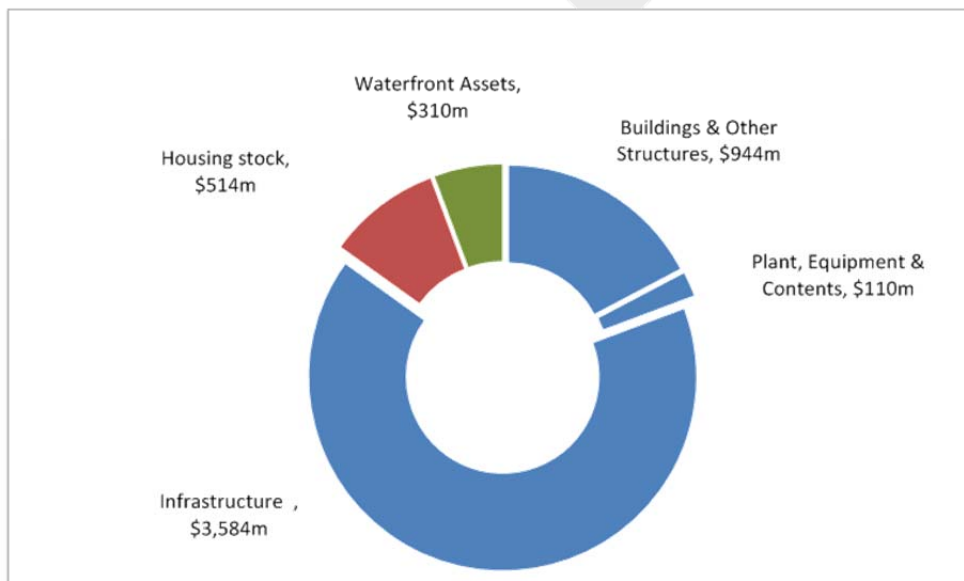
The Council's most significant insurance coverage protects against asset damage caused by various major events including earthquake, fire, flood and tsunami.

### Assets valuation for insurance

For the purposes of insurance it is prudent for the Council to use asset replacement costs instead of the net book value valuation methodology. The total declared replacement cost for the Council's assets is \$5,462 million, excluding land and land under roads (compared to \$3,041 million net book value). In the event of a claim the Council will be in a position to reinstate the asset at its full replacement costs rather than the NBV which would be at a lower value.

The graph below shows the Council asset classes valued at replacement costs.

**Council Asset replacement cost for insurance declaration**



The Council covers its risk exposure on three asset classifications valued at either replacement or indemnity for insurance purposes, as depicted in the graph shown above.

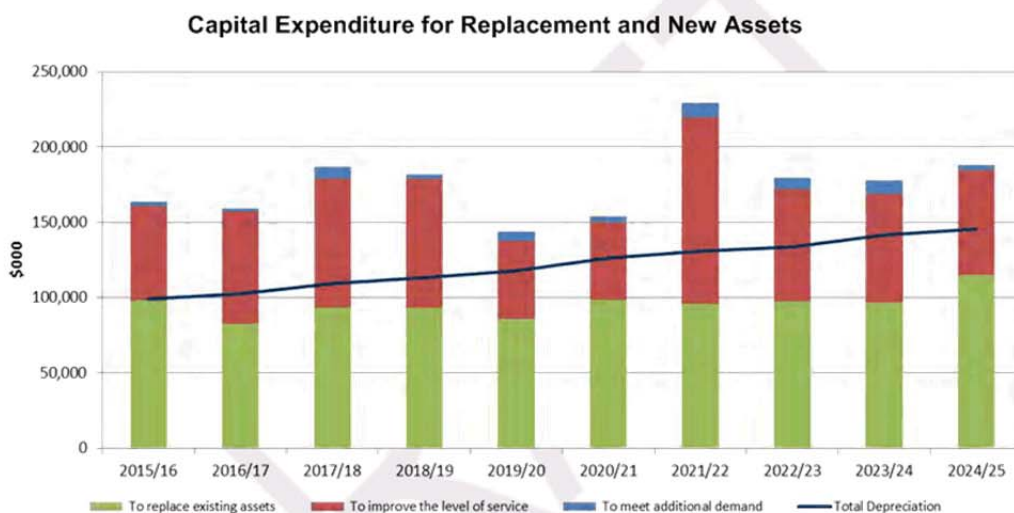
- The Council core assets highlighted in blue valued at \$4,638 million includes the road network, 3-Waters, buildings, other structures, plant and equipment;
- The Council Housing stock is highlighted in red, valued at \$514 million; and
- Waterfront Assets highlighted in green, valued at \$310 million.

It excludes land, which is not insured.

The Council revalues assets on a three yearly rotation. By way of example, the Road and 3-Waters network asset was revalued in 2014 and will be revalued in 2017. The property asset class was revalued in 2013 and will be revalued again in 2016. Any material additions or asset retirements are accounted for each year for the purpose of insurance replacement cost.

### Increasing Asset Values

The rate of asset values increases over time. As the Infrastructure Strategy 2015-2045 shows over the next 30 years there will be significant capital expenditure incurred by the Council for replacement of existing assets and the building of new assets. The diagram below summarises this forecast expenditure.



The IMS will be able to accommodate this increased asset value through the process of modelling catastrophe exposure and to inform risk appetite and tolerance when setting insurance limits and by securing new insurer capacity from both New Zealand and Overseas.

## **Asset resilience**

### **Property assets**

There is a mandatory requirement for local authorities to have an earthquake-prone building policy. The Council has been assessing buildings and requiring building owners to strengthen or demolish buildings for over 25 years, under the provisions granted to it by previous legislation. As a result the Council owned buildings have been on a strengthening programme for over two decades.

As a general guidance, an earthquake-prone building will have strength that is 33 percent or less of the seismic loading standard. The Council looks to ensure that the strengthening undertaken on its buildings and structures is to at least 67 percent. An earthquake strengthening programme is included in the 2015 – 2025 Long-term plan.

The value of the Council's buildings and structures that are no longer earthquake prone is currently 73 percent. The balance of the buildings and structures are either earthquake prone and will be strengthened over time, or are buildings yet to have an initial assessment.

### **Infrastructure assets**

The Council has been making significant investment in the resilience and risk mitigation of its infrastructure assets. The Council has an Infrastructure Strategy which provides an overview of how we plan to manage our assets. The Infrastructure strategy is informed by Asset Management Plans. Asset Management Plans are in place for each major asset class and set out expectations about condition and capacity, how long assets are expected to last, and other factors such as quality standards and continuity of supply to guide decisions about maintenance, upgrades and renewals of assets. The list below provides examples of the impact of the ongoing work programme on the resilience of the assets in the infrastructure network.

- Code of Practice to ensure that the most earthquake resistant pipes are used when installing and replacing old cast iron and fibrous cement pipes with more resilient materials as part of its renewals programme.
- Approximately 45 percent of the underground water network now comprises earthquake resilient pipes;
- 66 percent of the water in the city is now stored in reservoirs that have been seismically strengthened;
- 95 percent of reservoirs have shut-off valves which stop the water reservoir from emptying if the pipe network is damaged;
- All new assets are built to comply with all codes;
- An on-going programme to earthquake strengthen bus and road tunnels;
- An on-going programme to earthquake strengthen bridges informed by schedule of bridge condition assessments;
- Renewals and upgrades of sea walls and retaining walls; and
- The on-going implications of climate change will be considered on our assets.



## Topography

Assets in the Wellington region are exposed to natural hazards that include earthquake, flood and tsunami.

Wellington is on an earthquake fault line, which poses risk to a number of our infrastructure assets. This is based on their location and relative resilience to a major earthquake.

The insurance programme structure and limits have been developed primarily to accommodate the possible catastrophic losses resulting from an earthquake and resultant damage to Council assets.

In particular, underground infrastructure could suffer damage over a wide area. The insurance programme must accommodate potentially significant cumulative losses from such events. This will lessen the Council's financial uncertainty and assist with recovery of assets and services following an event.

Asset susceptibility to damage as a result of earthquake damage is not uniform, as the table below shows. With over 75 percent of assets subjected to average or moderate levels of impact and 17.5 percent of assets with a high susceptibility to liquefaction.

These factors are used in modelling losses from earthquake risk, to better inform the appropriate limit of insurance required based on the probability of loss or damage. In addition, insurance cover is sought for business interruption costs for loss or damage to assets including loss of income and additional costs to return the assets for use after the loss.

### WCC percentage of Assets Impacted by Seismic Hazard based on Ground Classification (2014 Modelling).

Description	Expected Impact	Percentage
Rock	Grouped together, average shaking response, baseline damage level	48.6%
Shallow soil sites		18.2%
Deep or soft soil sites	Moderate amplification of shaking and damage	7.9%
Very soft soil sites	High amplification of shaking and damage	4.1%
High landslide susceptibility	High increase in damage	2.9%
Very high landslide susceptibility	Very High increase in damage	0.5%
High liquefaction susceptibility	High increase in damage	17.5%
Very high liquefaction susceptibility	Very High increase in damage	0.3%

## Risk Appetite and Tolerance

Ensuring appropriate insurance policy limits and self-insured retentions are selected for the various insurances is a key outcome of the IMS. Assessing what level of risk Council is prepared to accept for both single and multiple losses over a typical 12 month insurance policy period is critical to understanding and measuring the Council risk appetite and tolerance.

For the Council, risk from natural hazards to assets is a key consideration in setting appetite and tolerance. It is also influenced by the scope and limits of cover available in the insurance market. In principle, the Council seeks to transfer the majority of the catastrophe risk for assets to the insurance market having regard to the cover and cost of insurance available.

### Insurance Reserves “self insurance”

Risk tolerance is the level of risk Council is prepared to accept. The self-insured excess limit is funded by the Council in the event of a loss. Risk tolerance is also manifested by the risks not insured by council for which insurance is available, but is not cost effective to procure.

The ISO 31000 risk management standard refers to risk appetite as the “*Amount and type of risk that an organization is prepared to pursue, retain or take*”. This represents risks across a range of insurance policies aggregated over a typical 12 month period.

For the Council it means defining how much and what type of risk it is willing to accept based on a risk and reward evaluation.

The amount of risk retained by the Council is determined within the IMS by;

- Reviewing the Council’s risk tolerance and appetite principles on how much self-insured losses the Council is prepared to retain for either a single loss or aggregate losses resulting from one or multiple events over a financial year;
- Analysing historical claims experience (refer to Appendix 2 – Claims History); and
- Reviewing the operational risk profiles of property and third party liability risks.

The setting and funding of self-insured retentions are informed by the Council’s Financial and Infrastructure Strategies. Influences within these strategies determine the level and funding of risk retained by the Council.

## **Insurance Programme Cover, Limits and Self-Insured Retentions**

### **Material Damage – Catastrophic loss (including Earthquake)**

The Council IMS aims to achieve an adequate level of insurance with a balance of insurers from New Zealand and international insurance markets.

The Council purchases insurance cover informed by Geological and Nuclear Sciences (GNS) loss estimate curve for material damage (buildings, infrastructure assets and contents) and Business Interruption, covering an asset portfolio of \$5,462 million (based on 2014/15 replacement values declared to insurers).

The current limits of insurance purchased for material damage is predominately determined by the impact of natural disasters on our assets, particularly an earthquake.

The loss modelling results take into account the Council's risk tolerance and appetite as well as the following factors:

- The estimated return periods for different types of events as an important determinant of the potential impacts of earthquakes. Generally the longer the return period the greater the financial loss impact;
- The basis of valuation of assets that are to be modelled. Replacement and indemnity values are used to ensure sufficient funds are available to replace assets to a utility no worse than what they were prior to the loss;
- Accurate and documented asset construction and location including important geological attributes such as soil, rock and topography conditions that influence the extent and susceptibility of asset damage; and
- Modelling of multiple events within conservative return periods to capture an accurate understanding of financial impact notwithstanding the inherent uncertainties of modelling natural disaster impacts.

To minimise any modelled uncertainties, the Council has taken a conservative approach to setting annual asset insurance limits for the insurance programme:

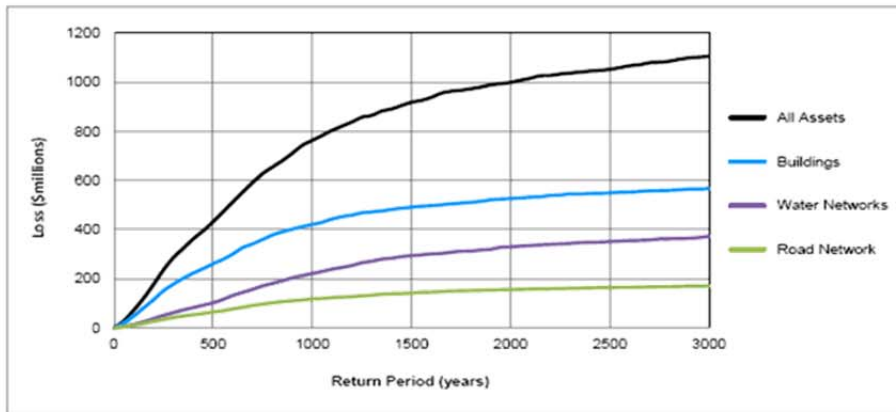
- Modelling is conducted at least every three years to take into account any material changes in values, construction and location of assets that could alter their susceptibility of damage over time.
- The Council has adopted the RBNZ standard prescribed for insurers where they are required, as a minimum, to purchase reinsurance protection (insurance cover for insurers) based on an earthquake event that has a return period of 1 - 1000 years.
- The Council's adoption of this was introduced knowing insurers insure diverse assets throughout New Zealand of varying asset construction, location and susceptibility to damage.

The Council also conducts risk surveys of large single location assets to determine their Possible Maximum Loss (PML) from non-catastrophe hazards such as fire, storm and flood.

The tables below provide a summary of the potential Loss Curve for the core assets of the Council. It provides an estimated loss level and the return period at which the loss is likely to be equalled or exceeded.

The Loss Curve tables are the result of modelling 50,000 events and allowing all of the uncertain parameters, such as the magnitude of the earthquake and the severity of the ground motion, to vary within their respective limits.

**Loss Estimates by Asset Class for core assets (Earthquake Risks)**



The table above includes the impact to Road network, 3-Waters, Buildings, other structures, plant and equipment valued at \$4,638 million.

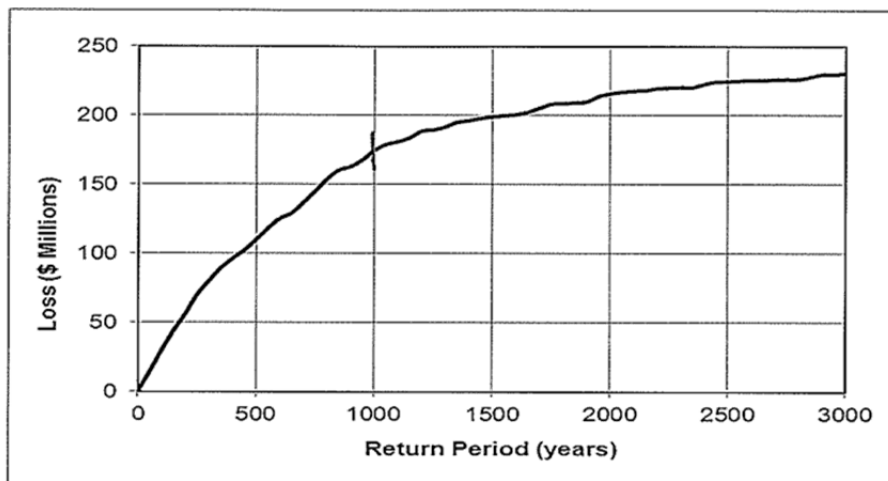
In 1 – 1000 return period event the Councils estimated loss to the above core assets has been estimated to be \$760 million, prior to any third party contributions.

The table inserted below shows the breakdown loss estimates by class of asset, as shown in the graph above for a 1 – 1000 return period event. In addition, it identifies the anticipated funding source in the event of a claim.

**Core Assets funding source for a 1 – 1000 year event**

Asset Class	Millions
Buildings	\$420
Road Network	\$120
Water Network	\$220
<b>Total Loss</b>	<b>\$760</b>
<b>Funding Source</b>	
Insurance	\$500
Central Government – Water Network	\$132
NZTA - Road network	\$65
Council retained excess	\$20
Balance to be funded by debt	\$43
<b>Total funding</b>	<b>\$760</b>

**Loss Estimates for Housing (Earthquake Risks)**



The table above includes the impact to the Housing stock, valued at \$514 million.

In 1 – 1000 return period event the Councils estimated loss to the above Housing assets has been estimated to be \$178 million, prior to any third party contributions.

The table inserted below shows the breakdown loss estimates by class of asset, as shown in the graph above for a 1 – 1000 return period event. In addition, it identifies the anticipated funding source in the event of a claim.

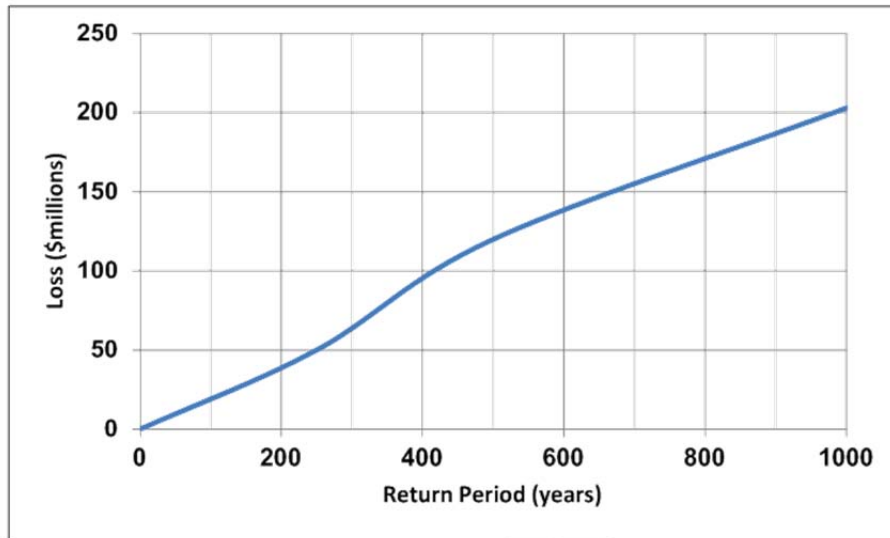
**Housing Assets funding source for a 1 – 1000 year event**

Asset Class	Millions
Buildings	\$178
<b>Total Loss</b>	<b>\$178</b>
<b>Funding Source</b>	
Insurance	
Earthquake commission	\$178
Council retained excess	
<b>Total funding</b>	<b>\$178</b>

The funding source for the Housing portfolio comprises of the following:

- The first \$100,000 of loss / damage from an earthquake is from the Earthquake commission:
- The Council excess is between \$1,000 - \$25,000 per dwelling and dependant on the size of the dwelling i.e. single or multi-unit blocks; and
- The balance payable by our insurers.
- Non-earthquake claims will be funded by Council excess and insurers.

**Loss Estimates for Wellington Waterfront (Earthquake Risks)**



\*Graph above based on Wellington fault scenario

The table above includes the impact to the Waterfront Assets, valued at \$307 million.

In 1 – 1000 return period event the Councils estimated loss to the above Waterfront assets has been estimated to be \$203 million.

The table inserted below shows the breakdown loss estimates and identifies the anticipated funding source in the event of a claim.

**Waterfront Assets funding source**

<b>Asset Class</b>	<b>Millions</b>
Buildings	\$11
Other structures	\$146
Utility and infrastructure	\$46
<b>Total Loss</b>	<b>\$203</b>
<b>Funding Source</b>	
Insurance	\$193
Waterfront retained excess	\$10
<b>Total funding</b>	<b>\$203</b>

## Material Damage - Fire

### Buildings and Other Structures Loss Estimates – Fire Risk Only (Based on 2014 Values)

Building	Value	PML	Percentage
Central Library	\$104.5m	\$59.9m	57%
Town Hall	\$90.1m	\$22.5m	25%
Michael Fowler Centre	\$73.3m	\$37.2m	51%
Regional Aquatic Centre	\$60.4m	\$31.3m	52%
ASB Sports Centre	\$56.6m	\$28.6m	51%
Municipal Office Building	\$50.7m	\$12.8m	25%
Civic Administration Bldg	\$48.9m	\$19.7m	40%
St James Theatre	\$34.4m	\$17.6m	51%
City Gallery	\$28.7m	\$14.5m	51%
Opera House	\$16.9m	\$13.6m	80%

The Council manages and implements the IMS principally through the arrangement of an insurance programme placed on an annual basis. The Council retains the services of an insurance broker and other technical specialists to assist in the implementation the IMS.

When setting or modifying policy limits and retentions the aim is to minimise the long term cost of insurance ensuring adequate insurance is affected to mitigate risks that might impact the achievement of the strategic objectives of the Council's 2015-25 Long-term Plan incorporating the Financial and Infrastructure Strategies.

### Liability risks

In addition to material damage the Council has a number of liability related risk. Any unacceptable risk to Council is transferred through insurance. These insurance policies are subject to different levels of excess and listed below:

Policy	Risk retention (excess)	Limits
• General Liability –	\$5,000	\$50,000,000
• Professional Indemnity –	\$50,000	\$30,000,000
• Statutory Liability –	\$25,000	\$2,000,000
• Employers Liability –	\$25,000	\$1,000,000
• Trustee Liability –	\$5,000	\$10,000,000
• Crime –	\$25,000	\$1,000,000
• Rotation Timber and Carbon –	\$7,500	\$1,000,000
• Motor vehicle –	\$10,000	\$250,000
• Overseas travel –	\$250*	\$500,000*

\*Various excesses and limits apply to overseas travel insurance the amounts shown above are the maximum limits.

## **Insurer and Insurance Broker Selection and Management**

### **Insurers**

The Council's insurance programme aims to respond to loss such as an earthquake and so the credit worthiness of insurers is an important consideration for the IMS.

For that reason the Council will require their insurance broker to take into account the following factors before recommending insurers. The selection criteria ensures that the credit risk is minimized as well as giving assurance that claims proceeds are received as soon as possible after the event. The factors are:

- For insurance policies covering the major natural hazards such as earthquake, tsunami and flood, the insurers will be spread between New Zealand and Overseas insurers with the percentage subject to market conditions;
- To reduce the risk of insurer default that may impair claims recoveries, the Council will prescribe that the insurance broker will only place insurance with insurers that have at the time of acceptance, a minimum insurer credit rating equivalent to a Standard & Poor's rating of A-; and
- The Council will rely on their insurance broker advice regarding the acceptable risk of concentration relating to the involvement of any one participating insurer on the insurance programme having regard to the insurance market conditions, pricing and cover offered by the insurance market.

Additional factors used by the Council to approve insurers so that the most cost effective insurance cover is purchased under the IMS include:

- Terms and conditions that meet the needs required to achieve best value procurement;
- Insurers that have, or seek to provide, long term support are recognised;
- The insurers history of meeting and exceeding claims payment obligations is an important attribute to maintain and extend the partnership with the Council; and
- Insurers demonstrating expertise and specialisation in offering their capacity to meet the changing needs of the Council.

A cancellation clause is to be included in all insurance contracts that provides the right to cancel the insurance without penalty in the event that the insurer's credit rating falls below the minimum rating.

The IMS has an important objective to ensure that when a major claims event occurs all claims collections are made promptly and to the full amount expected by the insurance coverage purchased.

The insurance broker will agree major claim protocols with insurers which will be documented in the Insurance Procedures Manual that will facilitate and streamline claims payments to ensure reinstatement of assets and infrastructure as soon as possible.



### **Insurance Brokers**

The insurance broker is a critical service provider to assist with the implementation of the IMS. The procurement, selection and performance management of the insurance broker will be undertaken within the procurement guidelines of the Council and prescribed by the insurance broking services contract.

The selection criteria will cover areas of expertise and proven performance to manage arrangements that are required under this IMS. Some key selection criteria include:

- Proven expertise and experience placing insurance with New Zealand and overseas insurers especially procurement of the catastrophe insurance cover for events such as earthquakes, tsunami and flood;
- Proven ability for proposed personnel to deliver all the elements of the IMS;
- Understanding of the risks and exposures of the Council and the local government sector in New Zealand having regard to the risks, particularly the natural hazards of the Wellington region.
- Proven record managing and collecting claims, especially property claims resulting from catastrophe events in New Zealand

The insurance broker will be responsible for delivering various services that include developing and executing the insurers marketing and placement strategies. The insurance broker will also provide recommendations on insurer selection and management of above excess claims recoveries. In addition, the insurance broker will also inform the Council of important insurers attributes required including:

- Which local and overseas markets have an appetite for the insurance covers required by the Council;
- Recommending terms from the lead insurers who provide the confidence for following insurers to support the insurance procurement so that the limits can be confidently purchased to 100 percent;
- When and where market briefings are required to inform New Zealand and Overseas insurers to deliver value for money procurement. This includes facilitating access to ART Financial Institutions when and where required to understand the alternative offerings available as part of the annual insurer marketing strategy;
- Ongoing movements in credit ratings of any existing or potential insurers; and
- Availability of insurers that meet the credit rating and other attributes detailed in the IMS to the satisfaction of the Council.

### **Other Advisors**

The Council may appoint other advisors to assist with the implementation of the IMS that have specialist skills including:

- Catastrophe hazard modellers and engineers;
- Claim Adjustors to assist preparation of loss information to support claim recoveries.

## Delegation, Monitoring, Reporting and Review

### Delegation

Delegation to approve or amend the Risk Management Strategy is held by Council, on recommendation from Council's Audit and Risk Sub-Committee.

Through a Council delegation to the Chief Executive Officer (CEO), the CEO is responsible for the implementation of the IMS and approval of the annual insurance premiums.

### Monitoring

The IMS is supported by the following documents:

- The annual Insurance Arrangements Statement (IAS) outlining the insurance programme detailing all coverage, retentions and limits and the basis on which those arrangements were chosen;
- Post Renewal Report prepared by the insurance broker outlining the results of the annual insurance renewal negotiations including insurer terms and recommendations to renew the insurance programme; and
- Insurance Procedures Manual which has been developed to include a summary of insurance and claims processes that include major claims protocols and processes that are documented and agreed by the lead insurers.

To ensure the annual insurance arrangements required by the IMS are met, the appointed insurance broker along with officers will monitor and report on:

- Compliance with the IMS;
- Ongoing claims experience and recoveries under the insurance policies; and
- Insurance premiums paid and how they compare with the budgeted costs.

In addition to minimise any insurer credit risks relating to payment of current or future claims, the broker will monitor the on-going creditworthiness of insurers. Should the broker become aware that any insurer's credit rating falls below the minimum rating required under the IMS, they will immediately inform officers and report on the actions to be taken to reduce any risk of non-payment of claim recoveries.

### Reporting and Claims Management

Officers are responsible for reporting on the implementation of the IMS and the recovery of outstanding claims to the Councils Audit and Risk Subcommittee annually. The annual IAS and Insurance Procedures Manual are key documents that evidence implementation of the IMS. The annual report to Council will summarise the following information:

- Details of all insurance arrangements (premiums, covers, limits and self-insured retentions) and the basis on which those arrangements were decided;
- Evidence that all insurance placement documents and policies are in accordance with

the negotiated terms and conditions of the insurance covers purchased;

- Obtaining placement reports from the insurance broker confirming coverage has been placed in accordance with this IMS;
- Details of all insurers and the basis on which they were chosen; and
- Outstanding claims report detailing amounts outstanding including actions and timetable to settle these amounts.

The IAS will be updated after each insurance renewal or earlier where material changes to operations have occurred or where insurance arrangements have been discontinued or new arrangements entered into.

### **Review**

To ensure the IMS keeps aligned to the Council's strategies, especially the Financial and Infrastructure Strategies and the Long Term Plan, the IMS will be subject to a full review on a triennial basis. Council officers are responsible for the review.

The reviewed IMS and any recommendations will be presented to the Audit and Risk sub-committee for approval and recommendation to Council for adoption.

### **Notifying Council**

The Audit and Risk sub-committee must be notified if an issue arises from the insurance arrangements or claims recovery that may materially and adversely affect the Council's financial position.

## **APPENDIX 1 - Strategic fit**

### **1. Long Term Plan 2015-2025**

Focuses on growing Wellington's economic prosperity through sustainable infrastructure development. The IMS seeks to protect the Council from uncertain financial shocks due to major asset losses by providing funding from insurers to restore damaged assets in a timely manner.

### **2. Infrastructure Strategy 2015-2045**

The IMS addresses a major issue influencing the strategy by improving the resilience and financial protection for WCC for those assets exposed to risks of natural disasters

### **3. Financial Strategy 2015-2025**

The IMS supports the management of financial risks including efficient procurement of insurance and sustainable funding of below excess losses thus reducing the financial uncertainty and impact on future rate increases.

### **4. Government and Industry Reviews**

- The recommendations contained within the "New Zealand Local Government Insurance Market Review"; prepared for Local Government New Zealand by Craig Stobo, December 2013.
- The recommendations contained within the "Insuring Public Assets" audit by the New Zealand Controller and Auditor General, June 2013.

The IMS addresses common themes from recommendations contained in these reports suggesting the implementation of an "earned autonomy" framework by Government. This encourages councils to strengthen their risk profiling, risk mitigation and risk financing to be more self-reliance and resilient to losses from natural disasters.

By implementing a robust IMS, the Council will gain greater independence and certainty to recover losses to assets and infrastructure and provide the New Zealand Government with assurance that the Council's insurance procurement is efficient and cost effective thus making assistance warranted if requested.

### **5. Civil Defence Emergency Management Act 2002**

Current Government disaster funding arrangements with the New Zealand Government is expected to fund approximately 60 percent of the losses incurred to underground assets and 53 percent of roads from natural disasters is taken into account when setting limits and retentions. The IMS is to have flexibility to react to any future change in government policy to fund infrastructure asset losses.

### **6. Reserve Bank of New Zealand Insurance (Prudential Supervision) Act 2010**

The Act prescribes that insurers must purchase property reinsurance limits that take into account losses represented by natural hazards events with a return period of 1 -

1000 years. Notwithstanding, the Council it is not required to comply with this policy, it has been conservative in adopting this standard to determine appropriate maximum limits for its asset material damage insurance programme.

**7. National Civil Defence Emergency Management Plan Order 2005**

The Guide sets out the arrangements and roles and responsibilities of agencies for the national management, or support to local management, of civil defence emergencies. The National CDEM Plan identifies core functions for national management of the consequences of civil defence emergencies. It may also address the management of consequences of other emergencies not otherwise able to be managed by a lead agency.

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## APPENDIX 2 – Claims History

The Council carries significant deductible levels, and internally funds day to day working losses for under deductible incidents from the reserve funds. In addition, Council has made no insurance claims against our material damage policy in over 12 years.

All claims are managed by our broker for both above and below excess claims. The claims are independently assessed by our brokers against strict criteria with valid insurance claims settled. Unsuccessful claims would be covered by the business unit.

The fund enables:

- A means of funding repairs to assets without affecting a Business Unit's operating budget;
- Information on overall loss expenditure trends which includes the claims cause, frequency and severity, allowing for better management of risks;
- Accurate assessment of under-deductible incidents; and
- Limits potential claims made to our insurers for material damage or business interruption.

Summary of the claims experience from 2003 to 28 February 2015

### Policy Year 2003/04

Total paid: \$453,637  
Total number of claims: 277  
Largest claim: Storm - \$61,546

### Policy Year 2004/05

Total paid: \$335,038  
Total number of claims: 220  
Largest claim: Fire at Basin Reserve - \$74,048 (includes recovery of \$35,000 from third party)

### Policy Year 2005/06

Total paid: \$373,279  
Total number of claims: 199  
Largest claim: Accidental damage to stage lift - \$18,043

### Policy Year 2006/07

Total paid: \$360,635  
Total number of claims: 278  
Largest claim: Vehicle impact - \$36,172

### Policy Year 2007/08

Total paid: \$386,312  
Total number of claims: 230  
Largest claim: Theft of Park & Display meters - \$32,624

### Policy Year 2008/09 (from 31 December 2008 to 31 May 2010)

Total paid: \$862,733  
Total number of claims: 632  
Largest paid claim: Arson - \$80,671

### Policy Year 2010/11

Total paid: \$559,513  
Total number of claims: 415  
Largest claim: Arson - \$22,742

#### Policy Year 2011/12

Total paid:	\$721,943
Total number of claims:	527
Largest paid claim:	Arson - \$36,322

#### Policy Year 2012/13

Total paid:	\$445,137
Total number of claims:	383
Largest paid claim:	Water damage - \$9,470

#### Policy Year 2013/14

Total paid:	\$722,017
Total outstanding:	over \$4,500,000
Total number of claims:	428
Largest claim:	Storm damage to various assets mainly roading infrastructure*

#### Policy Year 2014/15 (up to 28 February 2015)

Total paid:	\$91,832
Total outstanding:	\$277,910
Total number of claims:	219
Largest paid claim:	Storm damage - \$3,725
Largest outstanding claim:	Damage to Zephyrometer sculpture - \$150,000

#### Policy year 2013/14

In 2013 the Wellington region experienced a severe storm and three earthquakes. This resulted in claims against the Council's self-insurance reserve with details listed below.

#### Earthquake claims

The impact of the earthquakes in 2013 and 2014 resulted in claims against the insurance reserve of approximately \$350k. The resilience of the Council's buildings is demonstrated by the minimal damage suffered by the buildings during the earthquake events.

- The magnitude 6.5 Cook Strait earthquake, which occurred on 21 July 2013, was centred in Cook Strait about 50km south-west of Wellington. The earthquake resulted in zero to minor damage to the Council's buildings.
- The magnitude 6.6 Lake Grassmere earthquake on 16 August 2013 was centred close to the town of Seddon, and about 70km south-west of Wellington. The earthquake caused moderate to heavy damage to buildings in Seddon, but zero to light damage to the Council's buildings.
- The magnitude 6.2 Eketahuna earthquake which struck on 20 January 2014 was centred 15km east of Eketahuna, Wairarapa and was felt strongly on both islands. The earthquake resulted in zero to minor damage to the Council's buildings.

#### Storm Damage

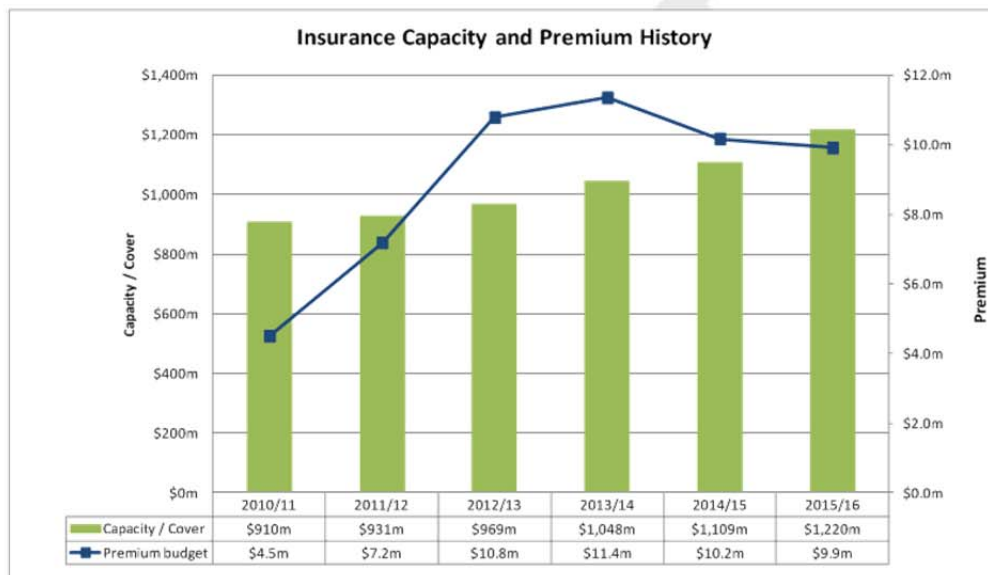
A severe storm affected New Zealand on 20 June 2013. The damage affected seawalls, carriageways, footpaths and support walls, and included the collapse of a large section of the 350-metre seawall in Island Bay.

The total repair cost is estimated at \$5.4 million, and with WCC expecting a subsidy from NZTA towards repair of the roading infrastructure. The net claim is estimated at \$4.3 million. This fell below our insurance excess and was funded from the Council insurance reserves.

## APPENDIX 3 – Insurance history

The Council has over time increased the level of insurance cover held for assets in response to the refinement of the GNS loss and risk assessment.

The graph below depicts the material damage and business interruption cover held in the last six years. The premium budget increases in 2012/13 – 2013/14 reflects the increase in the global insurance market reinsurance. This was in response to significant claims worldwide depleting the capital held by investors and the associated risk appetite changes. The global insurance market conditions have softened in the last two years as a result of a reduction in global catastrophes and an increase in capital investors. This has supported the reduction in budgeted premiums.



**Note:**

1. The above premium budget shown in the above graph includes a mix of insurance premium and the top-up of the insurance reserve.
2. Capacity / cover include risks assumed to be covered by NZTA and the New Zealand Government.
3. Insurance capacity includes Council's general policy and specific policies relating to Wellington Waterfront and the Council's Housing portfolio.



