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**STRATEGY AND RESOURCES COMMITTEE
16 MARCH 1998**

**A meeting of the Strategy and Resources Committee
was held on Monday 16 March 1998 at 4.00 pm**

PRESENT: Councillor David Close (Chairman),
Councillors Oscar Alpers, Carole Evans,
Pat Harrow, Ian Howell, Alister James,
Garry Moore, Margaret Murray, Denis O'Rourke
and Ron Wright.

APOLOGIES: An apology for absence was received and accepted
from Councillor Gordon Freeman

An apology for lateness was received and accepted
from Councillor Garry Moore.

Councillor Murray arrived at 4.25 pm, retired at
6.00 pm and was present for clauses 1-7, 10(b) and 11.

Councillor Alpers arrived at 4.30 pm, retired at
7.10 pm during the discussion on clause 12 and was
present for clauses 10 and 13.

Councillor Moore arrived at 4.30 pm, retired at
6.00 pm and was present for clauses 1-7 and 11.

Councillor Evans and Councillor O'Rourke retired at
7.25 pm during the discussion on the six monthly
monitoring reports and were present for all other
clauses.

The Committee reports that:

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. NUCLEAR FREE RESOLUTION FOR MUNICIPALITIES

RR 7228

Officer responsible City Manager	Author Jennifer Pitcher, Senior Policy Analyst
Corporate Plan Output: 4.1.16 Policy Advice	

The purpose of this report is to present a request by the NZ Nuclear-Free Peacemaking Association (NFPA), for the CCC to support the 'Abolition 2000' resolution calling for all nuclear weapon states to eliminate nuclear weapons. (Copy of resolution attached.)

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Mr Larry Ross, Secretary of the NZ NFPA, wrote to the Mayor advising that there has been great international progress in the Abolition 2000 campaign to have local authorities pass resolutions calling for all nuclear weapon states to eliminate nuclear weapons. The resolution includes indications that:

1. Nuclear weapons pose a continuing threat.
2. Cities have been primary targets of nuclear weapons and remain vulnerable.
3. The development and maintenance of nuclear arsenals are still costing billions of dollars per year, and these resources could be far better utilised.
4. The declared nuclear weapon states (US, Russia, UK, France and China) promised to pursue "systematic and progressive efforts to reduce nuclear weapons globally, with the ultimate goal of eliminating these weapons".
5. The end of the Cold War has provided an unparalleled opportunity to end the nuclear weapons era.

In NZ, Wellington, Dunedin, Nelson, Porirua, Tasman and Manukau City have passed this resolution. It was noted by Mr Ross that Christchurch has always been at the forefront of nuclear disarmament initiatives. The CCC adopted a Policy on Nuclear Weapons and Nuclear Propelled Ships in 1989 as follows: "That the CCC confirm Christchurch as a nuclear weapon free zone to symbolise the earnest desire of our citizens for peace and nuclear disarmament". In 1991 the Council re-affirmed its opposition to nuclear weapons.

Mr Ross's request is regarded as particularly relevant at this time when some MPs are working to repeal NZ's nuclear free law. The NZ NFPA is concerned that nuclear risks continue and may be getting worse. They quote the Canberra Commission for the Elimination of Nuclear Weapons (1996) which documents the continuation of a severe nuclear threat to the world: "Nuclear weapons pose an intolerable threat to all humanity and its habitat, yet tens of thousands remain in arsenals ... (they are) ... a constant stimulus to other states to acquire them. The world faces threats of nuclear proliferation and terrorism. These threats are growing ... nuclear weapons diminish the security of all states".

The Abolition 2000 Resolution for Municipalities asks that Municipalities resolve to:

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1. Declare themselves a Nuclear Free Zone and support the further development of Nuclear Free Zones throughout the world.
2. Call for all nuclear weapons to be taken off alert status, for all nuclear warheads to be separated from their delivery vehicles, and for the nuclear weapon states to agree to unconditional no first use of these weapons.
3. Call for the governments of all nuclear weapons states to begin negotiations immediately on a Nuclear Weapons Convention to prohibit and eliminate all nuclear weapons early in the next century, and to complete these negotiations by the year 2000.
4. Order that copies of the resolution be sent to elected representatives including the US Representative(s), US Senators and the President

The Chairman commented:

The “Abolition 2000 Resolution” is entirely consistent with the Council’s existing nuclear-free policy. It is a moderate resolution, calling upon states which possess nuclear weapons to take practical steps to implement the commitment made at the Non-Proliferation Treaty Review and Extension Conference in May 1995 to pursue “systematic and progressive efforts to reduce nuclear weapons globally, with the ultimate goal of eliminating these weapons”.

- Recommendation:**
1. That the Council adopt the Abolition 2000 Resolution for Municipalities (attached).
 2. That the Council write to the Prime Minister ascertaining the progress being made by the United Nations in eliminating nuclear weapons globally as well as the support the Government would like local government to provide.

2. REVIEW OF THE RATING POWERS ACT

RR 7254

Officer responsible Financial Policy and Systems Manager	Author Geoff Barnes
Corporate Plan Output: Rating Services : Volume 1. 5.2.Text 6	

The purpose of this report is to seek the Committee’s approval to make a submission to the Local Government Association (LGA) on their recommendations for reform of the Rating Powers Act (the Act).

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INTRODUCTION

The Government has announced its review of the Act and it is important this Council join with others to ensure our needs and that of the community we represent are met. Recent changes to the funding provisions of the Local Government Act require that the Rating Powers Act is brought into alignment. The Act is prescriptive, complex and in some areas outdated. Also there are a number of policy issues which need resolution.

To this end the LGA formed a working party to review the Act. Their report (60 pages) is tabled for Councillors. The Council has been asked to give support to this report and its recommendations. In the main the officers agree with the report, the underlying principles and the recommendations.

Detailed below is a summary of the recommendations. Those recommendations not supported are noted with reasons. If the Council were to adopt all the recommendations of the working party its ability to treat ratepayers fairly would be limited.

THE PRINCIPLES FOR REVIEW

One of the Working Party's first acts was to develop a set of principles to guide the review. These principles are:

1. Local government must have access to a sufficiently flexible and wide range of funding instruments to enable the sector to fulfil the purposes of local government described in Section 37K of the Local Government Act and, in particular, the financial management requirements specified in Part VIIA of that Act.
2. A mix of funding tools is required, reflecting the varied nature of the services provided by local government. These include taxation mechanisms (such as the general rate), charging mechanisms (such as water by meter), and "proxies" for charging mechanisms.
3. It is the responsibility of each local authority to make decisions as to exactly what mix of funding sources to use. This responsibility is a crucial part of the governance role filled by local authorities.
4. It is central government's responsibility to fully fund services provided by local government on its behalf or to ensure that local government has adequate charging powers to recover the costs of providing these services.

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5. The legislation governing local authority funding powers should be available to all local authorities.
6. The legislation governing local authority funding powers must be understandable by the general public.
7. Rates will continue as a major source for funding local government services.
8. Property rates are a mechanism which contain tax elements. Rates are not a userpays mechanism.

In addition the levying of rates should follow good taxation principles.

The underlying thrust of the review should be about providing adequate tools for Councils to fund by property taxes their operation in an equitable manner. The scope of the review does not include funding sources beyond property based taxes.

THE KEY LGA WORKING PARTY RECOMMENDATIONS.

Set out below are some of the key recommendations. The full list of the recommendations is tabled.

The Working Party recommends that:

- The cap on general rates be deleted.
The limit is 1.25 cents in the dollar of capital value. This limit has no impact on this Council but may be of value to some.
- The choice of annual, capital or land value rating be retained.
- There be a single generic provision authorising all separate rates with these changes applying to separate uniform annual charges.
Separate rates are for works or services benefiting all or part of a district. There can be a concern determining that all properties within an area benefit from a service.
- Differential powers be retained.
They should be expanded by allowing property values as a differential factor as between properties. There is a possible conflict with the wording of the funding provisions in the Local Government Amendment Act No 3 1996 in that it refers to categories of persons. The Rating Powers Act has rates being a tax on properties. It is recommended there be no change to the rating provisions.

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- Regional Councils be given the same rating powers as territorials.
- Regional rates be collected as made.

It is possible for TLAs to change the collection process of regional council rates by treating them as levies.

- The 30% cap on uniform charges be deleted or failing that the level of the cap be reviewed.
Some TLAs make extensive use of Uniform Annual Charges. Greater flexibility is sought.
- The powers to levy UACs be extended to a “per dwelling” basis.
Some of the service rates could be levied on units of consumption. This is currently limited to water charges per water closet or pan charge.

Separate uniform annual charges can be levied on every separately used or inhabited portion of a property for waste and water collection. The term “inhabited portion” is not clearly defined and can cause confusion.

- There be a review of fee setting powers with the aim of replacing fees set by prescription, with the power to charge actual and reasonable costs.
- There be a similar review of all functional legislation to amend statutory maxima for fines, and that statutory provision be made for regular reviews of each piece of legislation.
- Amendments be made to the Local Government Act, and an additional section be added to the Rating Powers Act to allow charging for membership of libraries.
- An amendment be made to Section 27 of the Rating Powers Act to extend metering powers to wastewater, and to allow for metering of wastewater by water consumption.
The Council should have the capacity to charge for services by unit of consumption, the same as for water.
- All land be rateable with the decision to remit rates being the local authority's, with those decisions documented and explained in a remissions policy
The logic of exemption has been lost over time. TLAs should have the authority to remit rates but only after full disclosure and accountability. Likewise the Crown should be fully rateable to avoid cross subsidies from the ratepayer to the taxpayer.

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- The Rates Rebate Act be repealed and appropriate assistance be channelled through Income Support or the Accommodation Supplement. The benefits under the Act have been eroded to the point of virtual non existence. There are other more effective targeting of benefits.
- There be a first principle review of the rating of Maori land which takes the wider constitutional and cultural issues into account.

The following are not recommended for support as this Council makes use of provisions which are opposed by the working party.

- Deletion of Sections 25A to 25G of the Valuation of Land Act 1951.
- Deletion of Sections 158-169 (dealing with rates postponement).

This section gives flexibility to Council allowing special treatment of, for example, land used for agricultural purposes within residential zoned areas or residential land in commercial or industrial zoned areas.

- Amendment of Section 120 1(b) so that valuations are applicable immediately. After 1(b) "... *purpose of this Act*", delete balance and insert "*Rates so levied shall be the rates payable. Such rates shall be adjusted when valuations made under the Valuation of Land Act 1951 come into force.*" Delete sub-clause (3) (rather than the current process of freezing the values until the following 1 July)

Valuations for rating are frozen as at 30 June notwithstanding changes to land parcels by way of subdivision and improvements. The amendment would introduce uncertainty to the rating value base. The system works well for us now. The changes would introduce unnecessary uncertainty and risk of dispute. This is especially so with the restructuring of VNZ.

It is recommended that this Council support the recommendations of the Local Government New Zealand Working Party except for those relating to the postponement of rates, special rateable values and closure of the rating roll as at 30 June.

The Chairman commented:

"The objective of legislation on rating should be to ensure that the rates are a broadly progressive tax and as fair and as free of anomalies as possible.

Rates based on capital value are progressive in that the rates are in direct proportion to the value of the property, and there is usually a fair degree of correspondence between the value of the property and the wealth and income of the owner.

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Uniform charges, however, are regressive, as they do not bear any relationship to the value of the property or the wealth or income of the owner. Therefore there is a strong case for reducing the proportion of income achievable from uniform charges from 30% to 20% or 10%. The cap should certainly not be abolished or raised.

It is acknowledged that capital value rating is not without anomalies. Elderly householders, for example, may find that the increase in valuation of their long-term property results in a steep rates rise when their income is static.

To mitigate such anomalies, a provision to rebate a proportion of rates for low income ratepayers should be retained. However, the Act should set the rebate at a realistic level and stipulate that it should be adjusted annually for inflation. The accommodation supplement and income support would not mitigate anomalies except for those on the very lowest incomes.

I accept that it is desirable for the legislation not to be excessively prescriptive to allow a large degree of discretion for local authorities, but it is appropriate for parliament to provide guidelines for rates remissions to ensure that the same charities, for example, are not handled differently in different local authorities.”

During consideration of the above report, the Committee endorsed the following suggestions by Councillor Alpers:

1. That in addition to retaining the choice of annual, capital or land value rating, “Improvements” only as a value base be added and, as well, a mix of any of these value bases be permitted.
2. That, in Section 27 relating to water billing, additional flexibility be introduced by allowing for a metered part year consumption to be used as an approximation for the full year’s consumption for wastewater discharged.

It is recognised that, internationally, winter consumption of fresh water is a reasonable proxy for the rate of wastewater discharged for a full year.

Councillor Alpers also suggested that random sampling be used as a means of measuring consumption of services including fresh water usage.

The Committee did not, however, support the staff recommendation relating to the closure of the rating roll. It was considered that the advantages of being able to levy rates at the correct level as charges to land parcels and development took place outweighed the disadvantages identified in the above report.

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- Recommendation:**
1. That the recommendations of the Local Government New Zealand Working Party be supported, especially the principle of increased flexibility except for those recommendations relating to:
 - The removal of the provisions in the Rating Powers Act relating to the postponement of rates and special rateable values.
 - The removal of the cap on the uniform annual general charge.
 - The repeal of the Rates Rebate Act.
 - The removal of the prescribed rates remissions from the Act.
 2. That the Council also recommend to the Local Government New Zealand Working Party that the Rating Powers Act be amended to permit:
 - “Improvements” to be an acceptable value base for rating.
 - The use of any mix (annual, capital, land or improvements) of the value base for rating.
 - Part year metering of water as a proxy for measuring annual consumption of wastewater services.

3. **RATING INSERT - ATTRACTIONS PASSPORT**

RR 7253

Officer responsible Funds and Planning Manager	Author Wayne Hann
Corporate Plan Output: Rating Services : Volume 1. 5.2.Text 6	

The purpose of this report is to seek Council approval to allow the inclusion of a promotional leaflet with this Council’s rate accounts due to be issued in the April/May (Instalment 4) and October/November (Instalment 2) period.

The promotion is supported by the Mayor of the Hurunui District and is a joint venture between the International Antarctic Centre, the Hanmer Springs Thermal Reserve, Willowbank Wildlife Park and another Hanmer Springs operator. The proposal is to create a “Passport” to the above

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attractions to be mailed out with the rate demands to Christchurch, Waimakariri and Hurunui Districts.

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This passport is a gift to all our ratepayers. On visiting the above attractions the passport bearer receives a stamp and when all four stamps are collected the passport is sent in for a competition. They hope to have three draws of a family holiday to Rotorua with passes to the resort's top attractions. They propose to do two mail-outs this year with each passport life being three months.

The Waimakariri and Hurunui District Councils have given the green light to include the passport with their rate demands.

While this Council has no formal policy relating to the inclusion of promotional material with its rate accounts, it has, as a result of the Privacy Act, to ensure no unfair advantage is provided to any private business house, established a set of guidelines.

These are:

1. The organisation on whose behalf the insert is made must either:
 - be a unit of the Christchurch City Council
 - be a recipient of the Council grant
 - be a local authority which is in direct receipt of rate funds
2. The organisation must have a significant community welfare function
3. No mention of any other organisation, individual or entity by way of promotion is to be made unless it is of the form "sponsored by (name of entity)". Such wording not to be prominent on the insert or to give the reader the impression it is a major reason for the insert.
4. The wording and size of the insert may be changed by the Funds Manager at his absolute discretion. Any costs of such changes to be borne by the organisation supplying the insert.
5. All inserts without exception, must be sighted in final draft form by the Funds Manager prior to print run. Three copies of the finished insert must be delivered to the Funds Manager at least one week prior to inserting.
6. The costs of insertion are to be met by the organisation supplying the inserts.
7. The Funds Manager will instruct the insertion contractor in writing that the insertions are acceptable. No inserts are to be made unless such instructions are received by the insertion contractor.

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The difficulty with this promotion is that it involves organisations outside of this Council's rating area. Had it just involved the Antarctic Centre and/or Willowbank (which has received Council grants) then approval would have been granted. However due to the inclusion of the Hammer organisations, being situated in the Hurunui District, the application was initially declined.

Mayor John Chaffey in his letter to the Mayor has requested "that as individual operators are not able to offer ratepayers this kind of free gift due to the costs incurred you give favourable consideration to your Council agreeing to include the passport in the April/May and October/November rate demands".

The Chairman commented:

I have reservations about the mix of attractions to be promoted, in particular, the fact that two appear to be private businesses. The precedent effect is a concern.

Recommendation: That the above proposal be declined.

4. TELECOM CALL CHARGES

RR 7185

Officer responsible MIS Manager	Author Dennis Morgan
Corporate Plan Output: Telephone Services	

The purpose of this report is to advise of a request from the Waimakariri District Council to support a submission to Telecom and to advise the Council of the recent effects of the increase in Telecom call charges.

Telecom has recently changed its charges for toll calls having the effect of reducing the charges for longer distance calls but increasing charges for shorter distances. This has had a significant adverse effect on residential calls to and from areas immediately adjacent to Christchurch but outside the free calling area eg:

To Rangiora, there were 4 rates:

Morning	7c/min
Afternoon	5c/min
Economy	4c/min
Night	2c/min

This has changed to 2 rates:

Day	20c/min
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Night

11c/min

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To Darfield, there were 4 rates:

Morning	13c/min
Afternoon	11c/min
Economy	9c/min
Night	4c/min

This has changed to 2 rates:

Day	20c/min
Night	11c/min

Residents of Darfield and Rangiora telephoning Christchurch pay the increase charges also but alternative charging rates are available. A fixed monthly rate of \$12.50 is available for Rangiora residents providing free dialling to Christchurch at any time. The fixed charge for Darfield residents is \$19.95 for free dialling between 6.00 pm and 8.00 am. These options have increased residential charges also.

The Mayors of Waimakariri District Council and Selwyn District Council have sought this Council's support in their approaches to Telecom to review the decision to increase charges for short distance calls.

The effect of the new charging regime on the Council has been researched and whilst an analysis of calls to areas adjacent to Christchurch indicated an estimated additional cost of \$100 per month the savings on longer distance calls will outweigh this increase. Of far greater significance to the Council is the increase in the charge for local calls by commercial subscribers from 4c to 5c per minute. This is estimated to add a further \$1,000 per month to the Council's call charges.

However the issue raised specifically by the Waimakariri District Council is the additional costs incurred by residents who are regularly calling friends and service organisations in Christchurch. At a meeting of representatives of the Waimakariri District Council and City Council on 24 February this Council's support was sought for the Waimakariri District Council's submission to Telecom.

- Recommendation:**
1. That the Council support the Waimakariri District Council in its submission to Telecom noting the significant increases in call charges incurred by residents of both Councils' areas.
 2. That the submission to Telecom note that residents of the Waimakariri District Council regularly commute to Christchurch for employment and services that are not available in their district.

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**5. 1998 CHRISTCHURCH CITY ELECTIONS:
PROGRESSIVE PROCESSING**

RR 7225

Officer responsible Returning Officer	Author Max Robertson
Corporate Plan Output: Public Accountability: Elections	

1. INTRODUCTION

The purpose of this report is to seek the Christchurch City Council’s support for the use of progressive processing of the voting papers at the 1998 Christchurch City Elections.

2. BACKGROUND

Local Government Returning Officers are keen to develop new and/or improved ways of conducting elections which will provide greater efficiencies and reduce election costs. Such benefits can be achieved through the introduction of new technology or improved electoral procedures, or a mixture of both.

The 1997 nationwide superannuation referendum was conducted using progressive processing (ie where the voting papers were progressively counted as they were returned) thus providing much improved efficiencies and cost savings for the taxpayer.

Local Government returning officers would like the law covering local elections amended to allow, as an option, the use of progressive processing for the 1998 local authority elections, so that the same efficiencies and cost savings can be achieved for the ratepayer.

3. CURRENT SITUATION

Under the present provisions governing postal voting for local government elections, each elector receives a voting paper in the mail and has about two weeks in which to complete it and return it to the returning officer.

Once received, the sealed voting paper is sorted into the correct ward, batched and the elector’s name “marked off” the electoral roll (done electronically through a window envelope). The sealed voting paper is then stored in a fireproof room until after the close of voting.

Once voting has closed (12 noon for a Saturday election) the voting paper is opened and the votes are counted. Some councils (including

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the Christchurch City Council) count the votes electronically by using bar codes and reading wands, and other councils still count manually.

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The short time allowed for the counting of the votes means considerable resources are needed to deliver the preliminary results in a reasonable period. In the case of Christchurch City, over 400 staff are employed, using 120 terminals and wands.

4. PROGRESSIVE PROCESSING

Progressive processing would allow each voting paper to be opened and the votes recorded (**but not totalled**) as the envelopes are returned over the two week voting period.

The physical processes would involve:

- Opening the envelope and extracting the voting paper.
- Scanning the voting paper so that data on it is recorded electronically.
- Storing the voting paper in a fireproof room.

The electronic processes would take the recorded data and:

- Mark off the elector's name on the electoral roll.
- Verify that the recorded votes are valid and readable.
- Store the recorded votes ready for totalling when voting closes.

As each elector's voting paper is opened and scanned, the votes cast would then be known. In order that voting trends are not released while voting is still in progress, candidate scrutineers would need to be replaced with Justices of the Peace (appointed by the District Court). In addition, heavy penalties would apply to anyone (including the Returning Officer) disclosing the state of the election prior to the required time.

5. SUPERANNUATION REFERENDUM

The superannuation referendum was conducted by the Chief Electoral Officer in September 1997. Special legislation was drafted and passed in early 1997 to provide for the referendum to be conducted by postal voting, using the progressive processing of returned voting papers over a three week voting period.

Some 2.5 million voting papers were issued and just under 2 million were returned (80.3%).

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With the progressive processing of returned voting papers over three weeks, the only opening and recording of votes on election day was that day's mail. The preliminary result was able to be announced at 7.30 pm, 30 minutes after the close of voting.

Initially the referendum was to be conducted by the traditional ballot box method with polling booths spread nationwide. The cost for the ballot box method was estimated at \$12.3 million. When the concept of conducting the referendum by postal voting using progressive processing was costed, it was \$6 million. The actual cost was just under \$4 million, one third the cost of the traditional method. To safeguard against the release of any voting trends, a High Court Judge and appointed Justices of the Peace were in attendance while the voting papers were being processed. Substantial penalties were provided for anyone caught releasing early trends.

The postal voting coupled with the progressive processing of the returned voting papers worked extremely well, with the efficiencies evidenced in the very quick result and the substantial savings to the taxpayer.

6. SOCIETY OF LOCAL GOVERNMENT MANAGERS

The Society of Local Government Managers supports the need for continual improvement and efficiencies in local government elections, and to this end has established a SOLGM working party chaired by its Vice President, Mr Warwick Bennett. One of the tasks of the working party is to promote and obtain legislative change to permit councils to use progressive processing for the 1998 local government elections. The Minister of Local Government has been approached and supports the concept of progressive processing as an option for local government elections. He has advised SOLGM that if it can obtain support in principle for this from the five other political parties, he will actively seek the passing of legislation in time for the October elections. If support in principle cannot be achieved from all parties, Parliament's existing legislative workload for 1998 will prohibit the passage of this legislation this year.

Securing support from the other political parties is currently being pursued by SOLGM. In addition SOLGM has written to each Chief Executive requesting contact be made with all local MPs to gain support for the legislative change required. Draft amendments to the Local Elections and Polls Act 1976 have been circulated (copy tabled).

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7. **ADVANTAGES AND DISADVANTAGES**

Advantages

Some advantages of the progressive processing of returned voting papers are:

- Electoral efficiencies by handling the voting paper only once (to open and scan) compared to currently having to handle it three times (to sort/batch, open and count).
- Significant cost savings (estimated to be \$120,000 for Christchurch City's 1998 elections [or 20% of the election cost] and \$3-4m nationally).
- A more accurate preliminary result using optical scanning technology.
- 100% preliminary result available at 7.00 pm.

Disadvantages

Some disadvantages of progressive processing are:

- Risk of early release of trends during voting period.
- Loss of candidate scrutineers.

8. **SUMMARY**

It is essential for local government to adopt better and less expensive ways of doing things. Greater use of improved technology and methodology can produce significant benefits for local government. The electoral area is no different, and a projected 20% reduction in cost is considerable.

Should the progressive processing of returned voting papers be permitted as an option, there are issues that will need to be addressed, and the Council can rest assured that the Returning Officer will not pursue any method of processing unless he is confident of its security and integrity. The technology and methodology was proven to work for the superannuation referendum. The advantages appear to outweigh any disadvantages.

Accordingly, I recommend that the Christchurch City Council supports the SOLGM sponsored effort to obtain legislative change to

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permit the progressive processing of returned voting papers as an option to be adopted at the discretion of individual councils.

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- Recommendation:**
1. That the Christchurch City Council seek the support of all local Members of Parliament for the introduction of progressive processing for local body elections, to be adopted at the discretion of individual Councils.
 2. That the Council also advise Local Government New Zealand of its support for the introduction of progressive processing for local body elections.

6. COMMITTEE CHAIRPERSONS: SUPPLY OF CELL PHONES RR 7232

Officer responsible Council Secretary	Author Max Robertson
Corporate Plan Output: Public Accountability: Councillors	

1. INTRODUCTION

The purpose of this report is to seek approval for Council subsidised cell phones to be made available for the use of Committee Chairpersons and the Chairperson of CCHL.

2. BACKGROUND

At present, most Committee Chairpersons have their own personal cell phones, which they use for both private and Council calls, the only exceptions being the Chairpersons of the Strategy and Resources Committee, Environmental Committee and City Plan Hearings Committee plus the Chairperson of CCHL.

While not all Committee Chairpersons will necessarily want a cell phone, some particular communication difficulties which have been experienced in recent times would not have occurred had the Committee Chairperson concerned been more easily contacted. In those cases where a Committee Chairperson already has a cell phone the recommendation which follows will go some way towards meeting the calling charges which they already incur on the Council's behalf.

3. ESTIMATED COST

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The cost of purchasing a cell phone under the economy plan available to the Council from Telecom amounts to approximately \$150 upwards, depending on the model selected.

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Presuming the Council meets the monthly basic rental (as distinct from the call charges) for the Chairpersons of all eight Standing Committees plus the Chairman of CCHL, then the total monthly rental is estimated at \$252, or \$3,020 per annum. This charge would be debited to the provision for telephones in the Councillors section of the public accountability budget, as would the cost of purchasing any additional cell phones required.

Officer's

Recommendation: That the Council adopt a policy providing for:

- (a) The supply, on request, of cell phones to Committee Chairpersons and the Chairperson of CCHL, with the purchase price being met by the Council where the Councillor concerned does not already have a cell phone.
- (b) The payment to Committee Chairpersons and the Chairperson of CCHL of the applicable monthly line rental, excluding individual calling charges, irrespective of whether the cell phone is privately owned or supplied by the Council.

The above recommendation, when put to the meeting, was **lost** on a show of hands by 6 votes to 4.

7. COMMUNITY TRUST FUNDING - YEAR 2000

RR 7262

Officer responsible Communications and Promotions Manager	Author Kevin Roche
Corporate Plan Output: 7.56 City Promotions	

The purpose of this report is to advise Councillors of the recommendations of the Turning Point 2000 Executive in respect to the funding to be provided to the Council by the Community Trust for the year 2000.

BACKGROUND

At the 22 October 1997 meeting of the Council it was resolved that a Council seminar be held to discuss possible projects for funding from the \$1,848 million allocated to the Christchurch City Council by the Community Trust on a per capita basis for year 2000 projects.

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The criteria advised by the Community Trust at that time were:

- That projects be of a permanent nature and be expected to last for a number of years.
- They be of benefit to the City of Christchurch and to as many people as possible within that area.
- It was expected that a maximum of 3-4 projects would be selected by the Council for approval by the Community Trust in due course. (Note: It was subsequently indicated that a greater number of projects could in fact be submitted by the Council.)

SEMINARS

An initial seminar to discuss this issue was held on 13 November 1997 and it was agreed that the Executive of Turning Point 2000 and unit managers prioritise and examine further the projects discussed at the seminar and report back in 1998.

Following on from this it was subsequently agreed in discussion with the Turning Point 2000 Executive that all projects be considered by them and recommended back to the 5 March 1998 seminar.

Of the total of 21 projects originally identified for consideration in November 1997 the Turning Point 2000 Executive had recommended a total of eight for consideration at that seminar.

It should be noted some of the original projects discussed in November are now intended to be funded without Community Trust funding and some were not supported by the relevant Standing Committees who discussed these in December 1997.

At the seminar meeting on 5 March 1998 it was indicated the previous criteria prescribed by the Community Trust could be somewhat broader in their interpretation than previously considered and encompass a programme when this would make a substantial permanent difference of benefit to the community.

In view of the possible widening of the criteria for project selection the Turning Point 2000 Executive were therefore requested to re-examine their recommendations particularly in respect to those projects which it had previously not recommended as they did not seem to meet the Community Trust criteria.

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RECOMMENDATIONS FROM TURNING POINT 2000 EXECUTIVE

Tabled is a report from Turning Point 2000 which provides details and descriptions of the projects it recommends for consideration by the Council and final submission to the Community Trust for approval. Also detailed are those projects which it has not recommended together with the reasons for this. The report is circulated to all Councillors with the agenda for the March meeting of the Strategy and Resources Committee.

- Recommendation:**
1. That the Council confirm the schedule of projects totalling \$1.848 million for approval by the Council and submission to the Community Trust.
 2. That the Turning Point 2000 Executive be thanked for co-ordinating this project.
 3. That the Community Trust be thanked for their contribution to the Year 2000 projects and for their ongoing support of numerous community projects.

(Note: Councillor Howell abstained from the discussion and voting on the above clause.)

**8. AURORA CENTRE
APPOINTMENT OF TRUSTEES**

RR 7275

Officer responsible Legal Services Manager	Author Peter Mitchell
Corporate Plan Output: Council Representation	

Councillors will recall that there is in the current Annual Plan the sum of \$500,000 to be provided as a grant by the Council for the construction of the Aurora Centre For The Performing Arts to be situated on the grounds at Burnside High School.

At the present time the legal structure for the Centre's occupation of the school land is being finalised between the Ministry of Education, the Burnside High School Board of Trustees and solicitors acting on behalf of the Aurora Centre Trust yet to be formed.

I have also taken a role in those discussions so as to ensure that when the Council grant is paid, difficulties do not arise in the future regarding the occupation of the Centre by the trust. For this reason I will provide a report to a subsequent Council meeting regarding the proposed legal structure.

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At the present time the solicitors acting for the trust to be formed have written to the Council requesting that the Council put a mechanism in place for the appointment of the Council representatives to the trust. They have forwarded a draft deed establishing the trust and key terms of that deed are :

- (a) A charitable trust to be known as the Aurora Centre for the Performing Arts is to be established.
- (b) The trust will hold a lease from the School Board of Trustees for the performing arts centre.
- (c) The control management and conduct of the Aurora Centre will be vested in the trust.
- (d) The trust is to comprise seven persons of whom four shall be appointed by the School Board of Trustees and three by the City Council.
- (e) Each trustee is to hold office for a term of between one and three years as set by the appointing body.
- (f) The chair shall be elected from amongst the trustees and will have a casting as well as a deliberative vote.
- (g) Upon the winding up of the trust, any property remaining after the satisfaction of all debts and liabilities is to be transferred to the Burnside High School Board of Trustees.
- (h) The provisions of the deed of trust can be altered by 75% of the trustees, namely, six trustees.

The solicitors have requested the Council to give consideration to the three persons to be appointed by the Council and they have advised that they are instructed to propose Mr Brian Law, Music Director of the Christchurch City Choir, as a potential Council appointment.

Four proposed trustees have already been appointed by the School Board, and in accordance with a request from the Ministry of Education, those proposed nominees are not members of the School Board of Trustees.

With regard to the appointment of the trustees, the Senior Facilities Adviser in LACSU has recommended that that task be given to the Fendalton/Waimairi Community Board to select the Council representatives on behalf of the Council.

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I would comment that the Council may also wish to give consideration to any of its appointments being until after triennial local government elections so that new Council appointments can be made at the first community board meeting after the local government elections.

I would also suggest that the Council reserve to itself the right in the deed of trust to remove any of its appointees at any time and appoint another trustee.

It is recommended:

1. That the Council delegate to the Fendalton/Waimairi Community Board the task of appointing the three Council representatives of the Aurora Centre for the Performing Arts.
2. That Council representatives be appointed for a term expiring at 31 October in the year of local body elections.
3. That the deed of trust be altered so as to provide that the appointing body has the right to remove any of its appointees at any time and appoint another in their place.

The Chairman commented:

As the Aurora Centre will be a metropolitan facility and as most of the Council's contribution to the centre has come from the metropolitan grants budget it is appropriate that the Council itself should appoint the trustees.

- Recommendation:**
1. That the Council appoint three trustees following consultation with the Fendalton/Waimairi Community Board.
 2. That Council representatives be appointed for a term expiring at 31 October in the year of local body elections.
 3. That the deed of trust be altered so as to provide that the appointing body has the right to remove any of its appointees at any time and appoint another in their place.

9. ORDERS FOR SUPPLIES EXCEEDING 50% OF DELEGATED AUTHORITY

RR 7226

A schedule listing the orders for supplies and works approved under delegated authority and exceeding 50% of that authority is tabled.

Recommendation: That the information be received.

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PART B - REPORTS FOR INFORMATION

10. DEPUTATIONS BY APPOINTMENT

(a) ART GALLERY PARKING

Mr Anthony Wright addressed the Committee on behalf of the West on Worcester Group, in support of the development of a 320 space car park on the new Art Gallery site. Mr Wright advised that as market research had identified parking as being a constraint to activities in the cultural precinct any loss of parking capacity would adversely affect this sector of the city. As parking was needed as close as possible to the attractions, the Art Gallery site was considered to be the ideal location for a car park to serve both needs of the new Art Gallery and the cultural precinct.

(b) NUCLEAR FREE RESOLUTION FOR MUNICIPALITIES

Mr Larry Ross of the Abolition 2000 Campaign sought the Committee's support for the above resolution. Mr Ross advised that the resolution seeks to reduce nuclear war risks and abolish nuclear weapons. He advised that by supporting it Christchurch would continue its tradition of concern and response to various nuclear threats. Other New Zealand cities which have endorsed the resolution include Wellington, Dunedin, Nelson, Porirua and Manukau.

11. VALUATION NEW ZEALAND REORGANISATION

RR 7252

The Committee received a report from the Financial Policy and Systems Manager advising of the Government's intention to restructure Valuation New Zealand. At present Valuation New Zealand keep the record and charge this Council \$1.340M per annum or approximately \$11.00 per assessment. In addition, Valuation New Zealand charge the CRC approximately \$350,000 pa for the City Council area. In future, CCC will be responsible for maintaining records and contracting to an external party to do the valuations according to standards set by the Valuer-General.

The impact of the proposals will be assessed as part of the financial management information solution project and once there is clarity on the Council's requirements and the available options have been assessed, a report will be submitted to the Council with recommendations for further action.

25. 3. 98

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**12. 1997/98 CORPORATE PLAN
SIX MONTHLY MONITORING**

The Committee received the six monthly monitoring reports for the units/activities it monitors, together with a schedule detailing staff overseas travel for the six months to December 1997.

13. REPORTS DEFERRED

13.1 Art Gallery Parking

RR 7242

The Committee **decided:**

1. That the above report be considered at the April meeting of the Committee.
2. That the report also be referred to the City Services Committee for consideration and recommendation to this Committee.

The meeting concluded at 7.40 pm

CONSIDERED THIS 25TH DAY OF MARCH 1998

MAYOR