

**MINUTES OF A MEETING OF THE CHRISTCHURCH CITY COUNCIL
HELD AT 9AM ON THURSDAY 6 JULY 2000**

PRESENT: The Mayor, Garry Moore (Chairperson).
Councillors Carole Anderton, Paddy Austin, Erin Baker, Robin Booth, Sally Buck, David Buist, David Close, Graham Condon, Barry Corbett, Carole Evans, Ishwar Ganda, Ian Howell, Alister James, Lesley Keast, Charles Manning, Denis O'Rourke, Gail Sheriff, Barbara Stewart, Ingrid Stonhill, Sally Thompson, Sue Wells and Ron Wright.

APOLOGIES: Apologies for absence were received and accepted from Councillors Anna Crighton and Pat Harrow.

Apologies for lateness were received and accepted from Councillors Robin Booth and Sue Wells.

1. TEMPORARY SUSPENSION OF STANDING ORDERS

It was **resolved** to temporarily suspend the following Standing Orders for the duration of the present Council meeting:

- Standing Order 2.19.7 (time limits on speaking)
- Standing Order 2.19.8 (member may not speak more than once to a motion)

2. REPORT OF THE STRATEGY AND RESOURCES ANNUAL PLAN WORKING PARTY

Councillor David Close made the following statement:

In recommending the draft plan to the Council at the end of March, I characterised it as responsive, responsible and fair. Three months later, after consideration has been given to 284 written submissions, 90 oral submissions heard over four days, a City Scene questionnaire returned by 1,484 residents, the Annual Citizen Survey, and a considerable body of new information, I am pleased to say that the plan remains responsible and fair and is more responsive than it was.

Both the Annual Citizen Survey and the City Scene questionnaire indicate the Council has clear majority support for most of its spending allocations, and in some cases, such as job creation, the dissatisfaction expressed is that the Council is not spending enough. In other cases, a minority is expressing a strong view that less should be spent. The Annual Plan Working Party endeavoured to keep in mind the full range of views as it responded to numerous requests for additional spending. All the requests had merit, but many of them were declined because the Working Party considered that, in relation to the Council's policy objectives, they did not have sufficient priority to justify additional spending by ratepayers this year. Some have been recommended for reconsideration in future years.

However, a positive response has been made, inter alia, to requests for better maintenance in the central city, an annual grant to Carols by Candlelight, new toilets on a key tourist route, and increased support for a number of community groups with a good track record in community service. The larger increases in spending however, have been to fund initiatives which the Council has approved in recent months, I refer to the provision of an interim capital sum of \$2m for the Central City Board, an operating budget for the Mayoral Forum on the central city, and a number of economic development initiatives, several of which attract funds from central government or the private sector. As noted above, there is strong support from the people of Christchurch for the Council to help businesses create new jobs.

Another initiative is a state-of-the-art real time information system for city buses to complement the airport-lounge style new bus exchange. Would-be passengers waiting at major stops in the suburbs will have up-to-the-minute information about the approach of the bus they want to catch.

Some inescapable increases in expenditure, such as the 40% increase in the price of bitumen, have been accommodated. There have also been numerous minor adjustments in revenue and expenditure as staff have refined earlier estimates.

Despite the increases in expenditure outlined above, the projected rates increase is at the level projected in March, and about 0.35% below the projection in last year's plan. This has been achieved by reductions in some new projects, savings in some units, increased revenue in others, reductions in ACC costs, and increased dividends of \$2.8m over the next three years from City Holdings and our fledgling LATE, City Care.

It will be noted that although the overall rate increase remains at the March level, the residential increase has edged up and the commercial increase edged down. This is because new expenditure has related more to the residential sector, and the increased dividend income has been allocated to sectors on the basis of capital value.

It will also be noted that capital expenditure is forecast to be higher over the next few years because of the incorporation within the capital projections of \$40m for the development of Jade Stadium, which the Council is to fund through its 100%-owned company Jade Stadium Ltd. However, because of the Council's new policy to fund 60% of capital from revenue, not borrowing, the Council's net debt in 2008-09 is projected to be \$191.38m, compared with \$214.59 in last year's plan.

As a result of the concurrence in Years 4 and 5 of major expenditure on the new art gallery and wastewater treatment, and greatly increased operating costs of the new regional landfill, rate increases in those years are projected to be over 5%. Whilst this may not be unreasonable in view of the much higher standard of service to be provided, I am sure the Council will wish to mitigate the increases. This should not be difficult to achieve, if, as is likely, the Council chooses to use a proportion of the proceeds from Orion's sale of the North Island gas networks to reduce debt.

Finally, I should like to thank elected members, our City Council staff, the staff and directors of our trading enterprises, and thousands of Christchurch people for their creative input into this year's plan. I have pleasure in moving the adoption of the Financial Plan and Programme: Edition 2000, and the recommendations of the Strategy & Resources Annual Plan Working Party."

Moved Councillor Close, seconded Councillor Buist *"That the report of the Strategy and Resources Annual Plan Working Party and recommendations be adopted"*.

USE OF BITUMEN AS A ROADING MATERIAL

It was **resolved** on the motion of Councillor O'Rourke, seconded by Councillor Sheriff that Council officers investigate the use of alternative material or materials in substitution for bitumen for roading purposes.

POST HEARING DELIBERATIONS

Funding of promotions and other events

The recommendation contained in clause 5 of the Working Party's report was adopted.

(Note: Councillor Condon retired from consideration of this item and took no part in the discussion or voting thereon).

(9.32am Councillors Booth and Wells arrived).

UNDERGROUND CONVERSION OF OVERHEAD SERVICES

Councillor Sheriff moved by way of amendment

"That the provision for the underground conversion of overhead services be increased by \$1,000,000 this financial year and the provision of \$2,000,000 for Central City capital investment be deleted."

The amendment was seconded by Councillor Evans and when put to the meeting was declared **lost**.

Councillor O'Rourke moved by way of further amendment:

"That urgent investigations be conducted to determine ways by which funding of undergrounding of all overhead cables (electrical and telecommunications) can be required compulsorily of the companies concerned by way of user charges."

The amendment was seconded by Councillor James and when put to the meeting was declared **carried**.

Councillor Manning moved by way of further amendment:

“That the Environment Committee investigate this proposal along with other environmental initiatives.”

The amendment was seconded by Councillor Wells and when put to the meeting was declared **carried**.

The recommendations made by the Working Party were then adopted, subject to the inclusion of the two adopted amendments set out above.

CAPITAL PROVISION FOR SUNBED REPLACEMENTS

Councillor Thompson moved by way of amendment:

“That the draft capital provision for sunbed replacement be deleted, and that the existing sunbeds be phased out as they reach the end of their useful life.”

The amendment was seconded by Councillor Evans and when put to the meeting was declared **carried** as the substantive motion on division 1 by 15 votes to 8, the voting being as follows:

For (15): Councillors Austin, Baker, Booth, Buck, Close, Evans, Howell, Manning, O’Rourke, Sheriff, Stewart, Stonhill, Thompson, Wright, and the Mayor.

Against (8): Councillors Anderton, Buist, Condon, Corbett, Ganda, James, Keast and Wells.

PROPOSAL TO SET UP AN EVENTS INVESTMENT FUND

Councillor Wells moved by way of amendment:

“That the Council contribute a one-off payment of \$150,000 in 2000/2001 subject to confirmation of the additional funding from the other parties involved.”

The amendment was seconded by Councillor Anderton and when put to the meeting was declared **carried** as the substantive motion on division 2 by 13 votes to 9, the voting being as follows:

For (13): Councillors Anderton, Austin, Baker, Buist, Condon, Corbett, Ganda, James, Keast, O'Rourke, Thompson, Wells and the Mayor.

Against (9): Councillors Booth, Buck, Close, Evans, Howell, Manning, Sheriff, Stewart and Wright.

(Councillor Stonhill retired from consideration of this item, and took no part in the discussion or voting thereon.)

SISTER CITIES COMMITTEES - FUNDING

Councillor Anderton moved by way of amendment:

"That additional funding of \$20,000 be provided for new Sister City initiatives in the 2000/2001 financial year, to be shared amongst the four Sister City Committees listed."

The amendment was seconded by the Mayor and when put to the meeting was declared **carried** as the substantive motion on division 3 by 15 votes to 7, the voting being as follows:

For (15): Councillors Anderton, Buck, Buist, Close, Condon, Corbett, Evans, Ganda, Howell, Keast, Manning, Stonhill, Thompson, Wells and the Mayor.

Against (7): Councillors Austin, Baker, Booth, James, Sheriff, Stewart and Wright.

Abstain (1): Councillor O'Rourke

Councillor O'Rourke moved by way of further amendment:

"That an international relations policy be developed to provide a framework for the city's international links, with particular reference to fostering links which contribute to economic development, immigration, environmental and social sustainability."

The amendment was seconded by Councillor Wells and when put to the meeting was declared **carried**.

CENTRAL CITY BOARD - INTERIM CAPITAL INVESTMENT FUNDS

On being put to the meeting the recommendation contained in clause 18 of the report was declared **carried** on division 4 by 15 votes to 7, the voting being as follows:

For (15): Councillors Anderton, Austin, Baker, Buck, Close, Condon, Ganda, Howell, James, Keast, Manning, O'Rourke, Stewart, Thompson and the Mayor

Against (7): Councillors Booth, Buist, Corbett, Evans, Sheriff, Wells, Wright

(Note: Councillor Stonhill retired from this item and took no part in the discussion or voting thereon.)

CELL PHONE FACILITIES - COMMUNICATION TO RESIDENTS AND RESOURCES FOR PROCESSING ADDITIONAL APPLICATIONS

The recommendations contained in clause 20 of the report were adopted without amendment.

(Note: Councillor Anderton recorded her vote against the adoption of this clause.)

SEPARATE RATE FOR CAR PARKING IN THE CENTRAL CITY

Councillor O'Rourke moved by way of amendment:

"That the proposal to provide free inner city parking in car parking buildings by a separate rate or other means be further investigated."

The amendment was seconded by Councillor Booth and when put to the meeting was declared **carried**.

(Note: Councillor Ganda retired from this item and took no part in the discussion or voting thereon.)

PASSENGER TRANSPORT REAL TIME INFORMATION

Councillor Buist moved by way of amendment:

"That Stage 1 only of this facility proceed."

The amendment was seconded by Councillor Wells and when put to the meeting was declared **lost**.

(Note: 1. Councillors Buist, Corbett and Wells recorded their votes against the adoption of this clause.

2. Councillor Ganda retired from this item and took no part in the discussion or voting thereon.

APPLICATION FOR FUNDING ASSISTANCE FROM COTSWOLD PRESCHOOL AND NURSERY

The reference to \$15,000 in clause 5 (a) of the Working Party's report was amended to \$50,000.

(1pm Councillor Wright retired).

BUSKERS FESTIVAL

Councillor Austin moved by way of amendment:

"That the organisers of the Buskers Festival be advised that the Council will allocate an additional \$20,000 in 2000/2001 and will review future funding following the implementation of the Events Strategy."

The amendment was seconded by Councillor Wells and when put to the meeting was declared **carried** as the substantive motion in substitution for the recommendation contained in clause 34 (11) (a) of the Working Party's report.

Following a request by Councillor Stewart, it was also agreed to include the Arts and Industry Trust in the Events Strategy review.

RICCARTON BUSH TRUST

It was noted that the reference in clause 34 (21) (a) of the Working Party's report to "over \$500,000 in hand" was incorrect, and that it should in fact refer to "\$430,000, either in hand or projected in the Council's capital works programme."

(At 1.15pm Councillor Austin retired.)

ENVIRONMENT CENTRE

Councillor Baker moved by way of amendment:

"That the \$100,000 operating and \$150,000 capital provision for a new Environment Centre be deleted from the annual plan."

The amendment was seconded by Councillor Booth and when put to the meeting was declared **lost**.

The Mayor moved by way of further amendment:

"That, in addition to the three recommendations made by the Working Party, a further recommendation (d) be added providing that before any commitment is made by the Council to a building to house an Environment Centre a full proposal and business plan for such a centre be submitted for approval and adoption by the Council."

The amendment was seconded by Councillor Keast and when put to the meeting was declared **carried**.

The three recommendations made by the Working Party were then adopted subject to the inclusion of the foregoing amendment.

(At 1.30pm Councillors Buck and Ganda retired.)

OUTPUTS AND STANDARDS REVIEW

Councillor Stewart moved:

“That in view of the financial issues facing the Council such as the funding policy and asset management review, no further work be done on the outputs and standards review until these other reviews are finalised, and that the \$155,000 budgeted for outputs and standards in 2000/2001 be used to reduce rates.”

The motion was seconded by Councillor Evans and when put to the meeting was declared **carried** on division 5 by 14 votes to 6, the voting being as follows:

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| For (14): | Councillors Baker, Booth, Buist, Corbett, Evans, Howell, James, Keast, Manning, Stewart, Stonhill, Thompson, Wells and Wright |
| Against (6): | Councillors Anderton, Close, Condon, O’Rourke, Sheriff and the Mayor |

Councillor Close then advised that he proposed to seek the revocation of the foregoing resolution at the 27 July meeting of the Council.

ROAD NETWORK IMPROVEMENTS

Councillor O’Rourke moved:

- “1. That the Council note that its 10 year capital budget does not meet the city’s needs for roading network and transport improvements over that period and that the present regime of Transfund funding will also not meet those needs.*
- 2. That the Council pursue improved Transfund government funding for roading and transport improvements with appropriate government agencies and ministers, and also the question of the operations of Transit NZ within Christchurch.”*

The motion was seconded by Councillor Close and when put to the meeting was declared **carried**.

The report of the Annual Plan Working Party was then **adopted**, as amended.

In addition it was **resolved**:

1. That the Council adopt a 2.35% overall rate increase.

(Note : Councillor Booth recorded his vote against the adoption of the foregoing resolution, and the amount of the rate increase.)

2. That the Christchurch City Council Financial Plan and Programme: 2000 Edition, as amended, be adopted.
3. That the Christchurch City Council Corporate Plan: 2000 Edition, as amended, be adopted.
4. That public notice be given that at its meeting to be held commencing at 1.30pm on Tuesday 12 September 2000 the Council will consider a resolution to make and levy rates in accordance with the approved Christchurch City Council Financial Plan and Programme: 2000 Edition.

3. NOTICES OF MOTION

(1) Differential Rating Resolution 2000/2001

It was **resolved**:

1. That the draft resolution contained in this clause be adopted, subject to the date of the Council meeting being held to confirm the making of the Special Order altering the differential rating system being changed to Tuesday 12 September 2000 commencing at 1.30pm.
2. That the Director of Finance be authorised to make any changes to the figures in the resolution.

4. CONCLUSION

The meeting concluded at 2.15pm.

CONFIRMED THIS 27TH DAY OF JULY 2000

MAYOR