



**MINUTES OF A MEETING OF THE CHRISTCHURCH CITY COUNCIL
HELD AT 2PM ON TUESDAY 25 MARCH 2003 AND, MEANTIME HAVING BEEN ADJOURNED,
RECONVENED AT 1PM ON THURSDAY 27 MARCH 2003**

PRESENT: The Mayor, Garry Moore (Chairperson).
(25.3.03) Councillors Oscar Alpers, Carole Anderton, Paddy Austin, Helen Broughton, Sally Buck, Graham Condon, Barry Corbett, David Cox, Anna Crighton, Carole Evans, Ishwar Ganda, Pat Harrow, Alister James, Lesley Keast, Denis O'Rourke, Gail Sheriff, Barbara Stewart, Ingrid Stonhill, Sue Wells, Chrissie Williams, Norm Withers and Ron Wright.

PRESENT: The Mayor, Garry Moore (Chairperson).
(27.3.03) Councillors Carole Anderton, Paddy Austin, Erin Baker, Helen Broughton, Sally Buck, Graham Condon, David Cox, Anna Crighton, Carole Evans, Ishwar Ganda, Pat Harrow, Alister James, Lesley Keast, Gail Sheriff, Barbara Stewart, Ingrid Stonhill, Sue Wells, Chrissie Williams, Norm Withers and Ron Wright.

APOLOGIES: Apologies for absence were received and accepted from Councillors Erin Baker and
(25.3.03) Megan Evans.

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(27.3.03) Barry Corbett, Megan Evans and Denis O'Rourke.

**1. CONSIDERATION AND ADOPTION OF THE DRAFT FINANCIAL PLAN AND PROGRAMME :
2004 EDITION**

Councillor James read the following statement and moved the motion contained in the first paragraph. The motion was seconded by Councillor Stewart.

"On behalf of the Annual Plan Subcommittee, I move the adoption of the draft Financial Plan and Programme : 2004 Edition and including all of the recommendations contained in the Annual Plan agenda.

I thank the members of the Annual Plan Subcommittee for their detailed consideration of the plan and programmes. I am particularly grateful for the assistance and efforts of all staff involved in the annual plan process. It was apparent to me and other members of the Annual Plan Subcommittee that the standing committees exercised restraint in their consideration of unit budgets and in particular, any proposed new initiatives.

As part of the 2002 Annual Plan process, the unspecified sums for 2002/2003 and for the two subsequent years were deleted in order to contain future rate increases. By implication, new initiatives were to be funded by way of substitution or efficiency gain. Furthermore, the Council resolved on the initiative of the Mayor to put in place measures to achieve cost reductions and revenue increases whereby the projected rates budget for 2005/2006 would be reduced by \$10 million. This target has not only been reached but has been exceeded. The process of achieving savings and efficiency gains is ongoing with the reviews of unit budgets.

This has been achieved as the result of hard work by staff and with the support of elected members. Management this year set tough guidelines for preparation of budgets so that increases could be contained. Other factors in minimising increases have included the drawdown of special funds and some smoothing of capital programmes.

But there are a number of unavoidable cost pressures. This assortment of increases include the increased costs of insurance premiums, resource consent requirements for the Burwood Landfill including gas control (\$1.01 million), increase in the costs of combating graffiti, swimming pool inspections, increase in the costs of LPG, asset maintenance of new reserves and wastewater treatment plant monitoring as required by new resource consent conditions. Of particular concern is the additional \$2.17 million increase in the City Streets capital programme arising from bitumen cost increases as well as an increase in construction costs. This does not result in any increase in the programme of work.

New initiatives include the redevelopment of Wainoni Park to be funded over the next three years, a modest increase in funding for the Arts Centre relating to upgrade of its heritage buildings and an increase in funding for transport planning. The later provision signals the need to increase our funding of transport improvements in future years and to the extent possibly of \$3 million annually. It also indicates the strong advocacy needed in concert with other territorial authorities south of the Bombay Hills to ensure we receive our fair share of the cake as regards transit funding.

This draft plan provides few new thrills or frills and is very much a business as usual plan. However, it does indicate a prioritising of basic services. I have referred to the need for an increase in future budgets for transport improvements. We are all aware of future rating levels increasing and arising from the treated wastewater ocean outfall and the new landfill.

The other issue that will challenge us for the next 18 months relates to solid waste and the current proposal for the elimination of free refuse bags. I support consideration of the introduction of a greenwaste collection and in due course extending to putrescibles. Councillor O'Rourke will move an amendment to the draft plan in this regard. This will of course impact on rating levels but is clearly supported by householders.

Rate projections in the draft plan are below those projected in last year's budget as outlined at page 3. This is a pleasing result but it will become increasingly difficult to maintain modest increases with the pressures that I have outlined. Last year was the first year in which we adopted triple bottom line reporting with environmental, social and economic performance indicators. This next year will see the adoption of a draft long term council community plan in which the triple bottom line approach becomes more significant in its impact and will ensure that Christchurch is at the forefront of sustainable development.

Last year with the completion of our draft annual plan, an editorial in The Press was critical of a "pay more get less budget" complementing a front page headline of "Ratepayers in line for double blow". We were urged to adopt an outside audit of the sort initiated in Auckland by Mayor John Banks and using the services of Sir William Birch and Co. We have been successful in adopting a range of savings and efficiency gains without the expense of highly paid consultants and without compromising services or selling off assets. I want to again express appreciation to the City Manager and his staff for this achievement with the support of elected members and also to express the importance of continuing this process to identify further savings and gains given the pressures as outlined."

AMENDMENTS TO THE STRATEGIC OBJECTIVES (CLAUSE 6)

Councillor Williams moved by way of amendment "*That the words 'and indigenous' be inserted before the word 'trees' in objective C2*". The amendment was seconded by Councillor Harrow and when put to the meeting was declared **carried**.

SPECIAL FUNDS (CLAUSE 10)

Councillor Carole Evans moved by way of amendment "*That the Council give consideration to dividing the Waimairi Community Award Fund of \$68,000 amongst the Community Boards whose areas lie within the former Waimairi District*". The amendment was seconded by Councillor Sheriff and when put to the meeting was declared **carried**.

Councillor Anderton moved by way of further amendment "*That a landscape plan be prepared for the reserve land surrounding the Kate Sheppard memorial for the consideration of the Parks, Gardens and Waterways Committee and the funds held in the Canterbury Women's Heritage Fund be applied to this project*". The amendment was seconded by Councillor Carole Evans and when put to the meeting was declared **carried**.

CAPITAL ENDOWMENT FUND (CLAUSE 11)

Councillor O'Rourke moved by way of amendment:

1. *That the ratio for allocation between economic development and civic and community projects for 2003/04 be 50/50.*
2. *That community projects be identified by Council committees, with the assistance of Community Boards, for the use of civic and community allocation."*

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The amendment was seconded by Councillor Sheriff and when put to the meeting was declared **lost** on division no 1 by 21 votes to 2, the voting being as follows:

Against (21): Councillors Alpers, Anderton, Austin, Broughton, Buck, Condon, Corbett, Cox, Crighton, C Evans, Ganda, Harrow, James, Keast, Stewart, Stonhill, Wells, Williams, Withers, Wright and the Mayor.

For (2): Councillors O'Rourke and Sheriff.

SOLID AND HAZARDOUS WASTE MANAGEMENT PLAN (CLAUSE 13)

(11.42am Councillor O'Rourke retired)

It was **resolved**:

1. That the Council note that:
 - (a) A recent survey indicates that 76% of residents support the 'waster pays' principle as an effective way to reduce waste, but 67% disapprove and 25% approve of direct payment for refuse bags in Christchurch.
 - (b) Many submissions to the current revision of the Solid Waste Plan seek a rates funded kerbside greenwaste collection, and many have suggested that the introduction of 'waster pays' for refuse bags would be more acceptable if staged over two or more years.
2. That the Sustainable Transport and Utilities Committee investigate and report on all aspects of the kerbside collection of refuse based on:
 - (a) A staged introduction of 'waster pays' for refuse bags over two or three years.
 - (b) The introduction of a rates funded wheelie bin for all households, later in 2004, initially for the collection of greenwaste only and later to also include household putrescible waste.
 - (c) Additional ways of dealing with household organic waste (such as enhanced home composting methodologies).
3. That the Council undertake a special consultative procedure from October 2003 on the issue of household waste removal which clearly sets out the costs and benefits of each option.
4. That the Council budget for the provision of 26 rubbish bags in the 2003/04 year.

HOLLISS AVENUE – REPAIR/POSSIBLE ROAD LEGALISATION/TARGETED RATE (CLAUSE 15)

Councillor Corbett abstained from the voting and discussion on this clause.

(12.30pm Councillor Broughton and Councillor Wright retired)

OLDER PERSONS' WELLBEING (CLAUSE 21)

Councillor Ganda moved by way of amendment "*That \$50,000 be provided for the work associated with identifying priorities and planning for the increase in the number of elderly persons in Christchurch*". The amendment was seconded by Councillor Stonhill and when put to the meeting was declared **lost** on division no 2 by 13 votes to 6, the voting being as follows:

Against (13): Councillors Alpers, Anderton, Buck, Condon, Cox, Crighton, Harrow, James, Keast, Sheriff, Stewart, Wells and the Mayor.

For (6): Councillors Austin, C Evans, Ganda, Stonhill, Williams and Withers.

Temporarily Absent: Councillor Corbett

LEISURE REVIEW (CLAUSE 25)

Councillor Williams moved by way of amendment *“That the adjustment to the Leisure Unit budget to reflect the anticipated year 1 savings arising from the review be \$253,000”*. The amendment was seconded by Councillor Stonhill and when put to the meeting was declared **lost** on division no 3 by 12 votes to 8, the voting being as follows:

Against (12): Councillors Buck, Condon, Corbett, Cox, Crighton, C Evans, Harrow, James, Sheriff, Stewart, Withers and the Mayor.

For (8): Councillors Alpers, Anderton, Austin, Ganda, Keast, Stonhill, Wells and Williams.

TRENZ CONFERENCE

It was **resolved** that the provision of \$30,000 in 2005/06, 2006/07, 2009/10 and 2010/11 for the TRENZ Conference be deleted.

(Councillor Austin retired at 2.05pm)

UNDERGROUNDING OF OVERHEAD RETICULATION

Councillor Stewart moved by way of amendment *“That the provision for undergrounding be retained at the current level”*. The amendment was seconded by Councillor Cox and when put to the meeting was declared **lost** on division no 4 by 11 votes to 8, the voting being as follows:

Against (11): Councillors Alpers, Anderton, Condon, Corbett, Crighton, Ganda, James, Keast, Stonhill, Williams and the Mayor.

For (8): Councillors Buck, Cox, C Evans, Harrow, Sheriff, Stewart, Wells and Withers.

STREET CLEANING CONTRACTS

It was **resolved** that the Sustainable Transport and Utilities Committee be requested to undertake a review of the level of service for street cleaning.

ASSET MANAGEMENT PLANS

It was **resolved** that a statement be included in the draft plan noting that work will commence in 2003/04 on the development of asset management plans for the Council's commercial property portfolio and leisure facilities.

NORTH NEW BRIGHTON MEMORIAL HALL

Councillor Carole Evans moved by way of amendment *“That the unspecified community facilities capital provision of \$300,000 be allocated to the North New Brighton Memorial Hall in 2003/04”*. The amendment was seconded by Councillor Sheriff and when put to the meeting was declared **lost**.

(Councillor Carole Evans and Councillor Sheriff requested that their votes in favour of the amendment be recorded.)

(2.30pm The Mayor retired. Councillor Keast assumed the chair.)

STRATEGIC GOALS AND OBJECTIVES

It was **resolved** that the environmental performance indicator on page 16 be expanded to provide for exotic diversity to also be preserved and enhanced.

CITY HOUSING

Consideration was given to a memorandum from the Property Manager advising that the Director of Legal and Secretariat Services had confirmed that it was inappropriate to list the proposed City Housing rents in the draft plan on the grounds that rentals are a contractual issue between individual Council tenants and the Council in accordance with the Residential Tenancies Act.

Accordingly, it was **resolved** that the City Housing rentals be deleted from the budget.

(2.45pm Councillors Ganda, Harrow and Stonhill retired)

CHANGES TO LEVELS OF SERVICE

It was **resolved** that the draft plan reflect the changes to service levels for undergrounding and leisure services arising from the decisions made at an earlier stage of the meeting to reduce the provision for underground conversions and to adjust the Leisure Unit's budget.

(2.50pm Councillor Williams and Councillor Wells retired)

2003/04 RATE INCREASE (CLAUSE 29)

The Director of Finance advised that the amendments made at the meeting resulted in an overall rate increase of 3.09% for 2003 and that the different sectors will experience changes to their rates from 2003/04 as follows:

Residential	+3.87%
Commercial/Industrial	+0.44%
Rural	+3.05%
Institutions	+17.56%

The recommendations contained in clause 29 were then adopted, subject to the incorporation of the further adjustments made at the meeting and the alteration of recommendation 2 to refer to an overall rate increase of 3.09%.

(2.50pm Councillor Crighton retired)

2. ADJOURNMENT

As a quorum was not present the meeting was adjourned at 2.50pm and reconvened at 1pm on Thursday 27 March 2003 when the remaining items of business shown below were dealt with.

3. REPORT BY THE CHAIR OF THE ANNUAL PLAN SUBCOMMITTEE

Moved: That the Chair's report be adopted.

(1) Statement of Proposal and Summary of Information in the Proposal

It was **resolved** that the draft Statement of Proposal and Summary of Information in the Proposal be approved.

(2) Restructuring of Christchurch City Holdings Limited Equity

(1.05pm Councillor Stonhill arrived)

(1.06pm Councillor Keast arrived)

(1.07pm Councillor Austin arrived)

Councillor Crighton moved by way of amendment "*That this proposal be deferred, pending further internal consultation within the Council*". The amendment was seconded by Councillor Broughton and when put to the meeting was declared **lost** on division no 1 by 8 votes to 13, the voting being as follows:

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Against (13): Councillors Austin, Condon, Corbett, Ganda, Harrow, James, Keast, Stewart, Wells, Williams, Withers, Wright and the Mayor.

For (8): Councillors Anderton, Broughton, Buck, Cox, Crighton, C Evans, Sheriff and Stonhill.

(1.10pm Councillor Carole Evans arrived)

Councillor Austin moved by way of further amendment "*That the proposed statement referred to in the report be included in the draft Annual Plan, subject to the statement also clearly outlining the proposed restructuring process and the reasons for its incorporation in the draft Annual Plan*". The further amendment was seconded by Councillor Wells and when put to the meeting was declared **carried** on division no 2 by 16 votes to 5, the voting being as follows:

For (16): Councillors Austin, Anderton, Buck, Condon, Corbett, Cox, Ganda, Harrow, James, Keast, Stewart, Wells, Williams, Withers, Wright and the Mayor.

Against (5): Councillors Broughton, Crighton, C Evans, Sheriff and Stonhill.

Report adopted as amended.

4. REPORT OF THE JOINT MEETING OF THE STRATEGY AND FINANCE COMMITTEE AND CONSULTATION AND COMMUNICATION SPECIAL COMMITTEE OF 17 MARCH 2003

Resolved: That the Committee's report be adopted.

5. REPORT OF THE STRATEGY AND FINANCE COMMITTEE MEETING OF 17 MARCH 2003

Resolved: That the Committee's report be adopted.

6. CONCLUSION

The meeting concluded at 1.30pm.

CONFIRMED THIS 24TH DAY OF APRIL 2003

MAYOR