

6. DELEGATIONS: COUNCIL RECESS

Officer responsible General Manager Regulation & Democracy Services	Author Julie Sadler, DDI 941-8438
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The purpose of this report is to seek approval to delegate the powers currently exercised by Standing Committees to the Recess Special Committee for the remainder of the current term of the Council and to the Chief Executive during the interregnum. Approval is also sought to delegate the power to accept tenders for four contracts to certain staff and the power to approve the documentation associated with the prospectus being prepared by Central Plains Water Ltd to the Director Strategic Investment.

DELEGATION OF POWERS TO RECESS SPECIAL COMMITTEE

As the present Council remains in office until the Electoral Officer makes his declaration in the latter part of October, Council Hearings Panel, the District Licensing Agency, Special Committees or Subcommittees with delegated powers can continue to meet and make decisions up to that time.

Apart from the Council Hearings Panel, no Standing Committee meetings are scheduled after the final Council meeting. It is therefore requested that arrangements be put in place to ensure that tenders for contracts above the officer level delegations can be accepted and other routine business normally subject to Standing Committee approval, can be transacted.

The Council has a special committee, known as the Recess Special Committee, with the following terms of reference:

- 1. To deal with any urgent matters arising between the last ordinary meeting of the Council in each year and the first ordinary meeting of the Council the succeeding year.*
- 2. The Recess Special Committee shall report on any exercise of the delegated powers to the next ordinary meeting of the Council.*

The membership of the Committee is the Chairperson of the relevant Standing Committee and the Mayor (or in their absence their respective deputies). It is suggested that all Standing Committee delegations, apart from the delegations to the Council's Hearings Panel, be transferred to the Recess Special Committee for the remainder of the current term.

DELEGATION OF POWERS TO CHIEF EXECUTIVE

Elected members cannot act in any capacity until they have made their statutory declarations at the inaugural Council meeting, which is expected to be held in late October. Therefore, unless special arrangements are made, it will not be possible for any delegations above the level held by the Chief Executive to be exercised during the period between the current Council going out of office and the inaugural meeting of the incoming Council. In 1998 and 2001 the Council delegated authority to the then City Manager to exercise the delegated powers of Standing Committees during the interregnum, ie the period between the official declaration of the result of the election and the inaugural Council meeting. It is suggested that a similar arrangement be put in place this year.

DELEGATION OF POWERS TO OTHER STAFF

Generally speaking, it is unusual for the Council to delegate powers beyond those held by Standing Committees during a recess. The usual practice has been to call an extraordinary Council meeting to deal with any urgent issues requiring a Council-level decision.

However, as four tenders exceeding \$1M will close in the period between the last Council meeting on 23 September 2004 and the first ordinary meeting of the new Council which could be in late November a delegation will need to be put in place to manage these tenders to avoid unnecessary delays to the projects concerned.

It is suggested that authority be delegated to the General Manager Strategic Development and the General Manager Corporate Services to accept the tenders for the following contracts, subject to the tender prices not exceeding the amount provided for the project in the LTCCP:

- (a) Upper Riccarton Community and School Library: \$4.35M
- (b) Parklands Library: \$1.17M.
- (c) Papanui Cluster (Mary and Frank Streets and Grants Road): \$2.2M
- (d) Opawa Road Stage 2: \$3M

Central Plains Water Ltd (CPWL) is in the latter stages of preparing a prospectus to the public for share capital of up to \$4.7m to fund the next stage of the resource consent process. The City Council, as a co-shareholder with Selwyn District Council in CPWL and as a significant creditor, will be required to grant approvals to various documents in order for the issue to meet all legal requirements.

Delegated authority is requested to allow the Director Strategic Investment to approve on the Council's behalf, both as shareholder and creditor, the documents and actions necessary and as recommended by our legal advisers.

Should any other urgent matters requiring a Council decision arise during the remainder of the current Council term then an extraordinary meeting of the Council will be called.

The exercise of the above delegated powers will be reported to the first ordinary meeting of the incoming Council.

Committee

Recommendation:

1. That the Recess Special Committee be authorised to exercise the delegated powers of Standing Committees (apart from the Council Hearings Panel) for the remainder of the current Council term.
2. That during the interregnum (being the period between the official declaration of the result of the election and the inaugural Council meeting) the Chief Executive be authorised to exercise the powers of the Recess Special Committee.
3. That during the interregnum the Chief Executive, the General Manager Corporate Services or the General Manager Regulation and Democracy Services be authorised to witness the affixing of the Common Seal, in substitution for the Mayor and any other Councillor.
4. That the General Manager Strategic Development and the General Manager Corporate Services be authorised to accept the tenders for the contracts listed below where the tender prices do not exceed the amount provided for the project in the LTCCP:
 - (a) Upper Riccarton Community and School Library: \$4.35M
 - (b) Parklands Library: \$1.17M.
 - (c) Papanui Cluster (Mary and Frank Streets and Grants Road): \$2.2M
 - (d) Opawa Road Stage 2: \$3M
5. That, in accordance with clause 32 of the Seventh Schedule to the Local Government Act 2002, the Council delegate to the Director Strategic Investment:
 - (a) All functions, duties and powers which are exercisable by the Council by virtue of the Council's shareholding in Central Plains Water Ltd (CPWL), including but not limited to:
 - (i) Exercising the voting rights attached to the Council's shares in CPWL including the approval of any matter which requires a special resolution of shareholders;
 - (ii) Appointing directors to the board of CPWL; and
 - (iii) Approving any prospectus, issue of shares or any other document in respect of which CPWL requires shareholder approval.

- (b) All functions, duties and powers which are exercisable by the Council by virtue of the monies advanced by the Council to CPWL, including but not limited to approving any prospectus, issue of shares or any other document in respect of which CPWL requires the Council's approval in its capacity as a creditor of CPWL.
- 6. That the delegation given in recommendation 5 above expire immediately before the first meeting of the Council following the next triennial general election of members.