



CHRISTCHURCH CITY COUNCIL AGENDA

FRIDAY 23 MARCH 2007

AT 9.30AM

IN THE COUNCIL CHAMBER, CIVIC OFFICES

Council: The Mayor, Garry Moore (Chairperson),
Councillors Helen Broughton, Sally Buck, Graham Condon, Barry Corbett, David Cox, Anna Crighton,
Carole Evans, Pat Harrow, Bob Parker, Bob Shearing, Gail Sheriff, Sue Wells and Norm Withers.

ITEM NO	DESCRIPTION
1.	APOLOGIES
2.	CONFIRMATION OF MINUTES - COUNCIL MEETING OF 15.3.2007
3.	DEPUTATIONS BY APPOINTMENT
4.	PRESENTATION OF PETITIONS
5.	CORRESPONDENCE
6.	COUNCIL-CONTROLLED TRADING ORGANISATION FOR NEW CIVIC BUILDING
7.	ESTABLISHMENT OF THREE NEW SHELF COMPANIES (COUNCIL-CONTROLLED TRADING ORGANISATIONS)
8.	2007/08 COUNCIL FEES AND CHARGES (To be separately circulated)
9.	2007/08 DRAFT ANNUAL PLAN AND DEVELOPMENT CONTRIBUTIONS POLICY (To be separately circulated)
10.	ELECTED MEMBERS' REMUNERATION 2007/08
11.	FERRYMEAD HERITAGE PARK: FUNDING FROM CAPITAL ENDOWMENT INTEREST FUND
12.	COUNCIL SUBMISSION ON CENTRAL GOVERNMENT ENERGY AND CLIMATE CHANGE POLICY DOCUMENTS
13.	RAWHITI DOMAIN/THOMSON PARK MANAGEMENT PLAN: HEARINGS PANEL DECISION AND ADOPTION OF PLAN
14.	ADAM INTERNATIONAL CELLO FESTIVAL AND COMPETITION
15.	DELEGATION OF DISPENSING POWER FOR THE PURPOSES OF THE FIRES BYLAW 2006
16.	PROPOSED REZONING OF SPECIAL PURPOSE (AWATEA) ZONE (To be separately circulated)
17.	REPORT BY THE CHAIRPERSON OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD
18.	NOTICES OF MOTION
19.	QUESTIONS
20.	RESOLUTION TO EXCLUDE THE PUBLIC

23. 3. 2007

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- 1. APOLOGIES**

- 2. CONFIRMATION OF MINUTES - COUNCIL MEETING OF 15.3.2007**
Attached.

- 3. DEPUTATIONS BY APPOINTMENT**

- 4. PRESENTATION OF PETITIONS**

- 5. CORRESPONDENCE**

6. COUNCIL-CONTROLLED TRADING ORGANISATION FOR NEW CIVIC BUILDING

General Manager responsible:	General Manager Corporate Services, DDI 941-8540
Officer responsible:	General Manager Corporate Services
Author:	Roy Baker

PURPOSE OF REPORT

1. The purpose of this report is to recommend a new Council-Controlled Trading Organisation (CCTO) to construct, own and lease the new civic building.

EXECUTIVE SUMMARY

2. On 8 June 2006 the Council approved Travis Finance Ltd (now Tuam Ltd) as a Council-controlled trading organisation (CCTO) to be the vehicle to construct and own the new civic building and also purchase the current Tuam Street building and the Tuam Street car park.
3. Officers have been working through the various recommendations associated with the Council resolution (refer to background section for details of the 8 June resolution). The appointment of directors for Tuam Ltd is still outstanding.
4. As staff have been working through the various resolutions, it became apparent during discussions with the Chair and some Board members of CCFL, that it was somewhat limiting to have both the current civic building at Tuam Street and the new civic building in the same company. Industry practice for property development/investment companies is that each development/project is undertaken in a separate company structure. Having both the old civic building and new civic building in separate companies would maximise options for the ultimate use of the old civic building.
5. Considering the industry practice described in paragraph 4, it would be logical to establish another company. The establishment of another company would see the creation of a CCTO. Whether it was a company directly owned by the Council or a subsidiary of an existing CCTO, it would by law be a CCTO.
6. Officers have considered the options of whether a new company should be in a subsidiary structure under Tuam Ltd or be a separate CCTO owned directly by the Council. Based upon advice from Deloitte, the direct ownership option provides the most financial flexibility and efficiency.

FINANCIAL AND LEGAL CONSIDERATIONS

7. From a financial perspective, the establishment of a separate company to own the new civic building should not have any financial impact on the Council. There will be some additional costs associated with the creation of a legal structure and some minor administrative-type expenses, although the expectation would be that they would ultimately be more than covered by the returns from any individual developments.
8. Section 56 of the Local Government Act (LGA) 2002 requires that a proposal to establish a CCTO must be adopted in accordance with the special consultative procedure (SCP) before the Council can establish or become a shareholder in that organisation.
9. Section 56(2) allows the consultation required to be undertaken as part of another proposal or as part of a Long Term Council Community Plan (LTCCP).
10. A suggested approach regarding the consultation requirements would be to incorporate the proposal into the 2007/08 Annual Plan/amended LTCCP procedures.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Approve in principle the establishment of a new CCTO (Tuam 2) to construct and own the new civic building.
- (b) Include this proposal in the special consultative procedure adopted for its Annual Plan/amended LTCCP.

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BACKGROUND ON COUNCIL-CONTROLLED TRADING ORGANISATION FOR NEW CIVIC BUILDING

11. At its meeting on 8 June 2006, Council adopted the following resolutions:

13. OWNERSHIP OF NEW CIVIC BUILDING AND SITE

It was **resolved** that the Council:

- (a) *Approve Travis Finance Limited as the council-controlled trading organisation for the purposes of:*
 - (i) *Entering into an Agreement for Sale and Purchase with the Council in respect of the Tuam Street properties, with the exception of Peter Scoular Reserve.*
 - (ii) *Entering into a Deed of Lease with the Council in respect of the Tuam Street properties.*
 - (iii) *Entering into an Agreement for Sale and Purchase in respect of a site for the new civic building once the Council approves the purchase of a site.*
 - (iv) *Subject to prior Council approval of the design of the building, entering into contracts in respect of the design and construction of the new civic building.*
 - (v) *Entering into an Agreement with Christchurch City Facilities Limited for the management of the new civic building project and the lease arrangements for the existing Tuam Street properties and the new civic building.*
 - (vi) *Entering into a Deed of Lease with the Council in respect of the new civic building once it is completed.*
 - (vii) *Borrowing from Christchurch City Holdings Ltd or the Council sufficient finance to complete the purchase of the Tuam Street properties and the site for the new civic building and construction of the building once the Council approves the purchase of a site.*
- (b) *Authorise the General Manager Corporate Services to initiate the recruitment of directors for appointment to the board of Travis Finance Limited in accordance with the Council's policy on such appointments and with a view to appointing current directors of CCFL to the board, with the names of the proposed appointees to be submitted to the Council for approval prior to their appointment.*
- (c) *Authorise the General Manager Corporate Services to arrange completion of an Agreement for the Sale and Purchase and Deed of Lease between Travis Finance Limited and the Council in respect of the Tuam Street properties.*
- (d) *Authorise the General Manager Corporate Services to take all steps necessary to ensure that Travis Finance Limited is able to undertake all transactions required for the purposes set out in (a)(i)-(vii) of this resolution. This will include reviewing the company's constitution and statement of intent.*
- (e) *Borrow from CCHL and on-lend to Travis Finance Limited sufficient finance to enable Travis Finance Limited to complete the purchase of the Tuam Street properties, the purchase of a site approved by the Council for the new civic building and construction of the new building.*

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- (f) *Authorise the General Manager Corporate Services and the Director Strategic Investment to:*
- (i) *Arrange completion of the documentation required to enable the Council to borrow from CCHL the finance referred to in (e) above.*
 - (ii) *Arrange completion of the documentation required to enable the Council to lend to Travis Finance Limited the finance referred to in (e) above.*
 - (iii) *Arrange completion of the documentation required to enable Travis Finance Limited to issue redeemable preference shares and up to \$15 million of uncalled capital to the Council.*
 - (iv) *Manage the financial arrangements referred to (i)-(iii) above in accordance with the Council's liability management policy.*
12. The substantive matters contained in the resolutions have been actioned regarding the sale of the Tuam Street properties to Tuam Ltd and Tuam Ltd commencing work on the new civic building.
13. We are yet to come back to the Council with recommendations regarding the appointment of directors for Tuam Ltd, as during the discussions with CCFL regarding this matter, a number of issues have arisen that officers consider need to be resolved before we can put forward recommendations for directorships.
14. The prime issues are as follows:
- Having both the new civic building and the Tuam Street properties as assets within the one single company.
 - The desire of the Council to ensure that the old civic building and parking land be ultimately disposed of in a manner that is consistent with the Central City South Master Plan.
15. Dealing with the first matter, clearly it has always been our intention that Tuam Ltd ultimately be the owner of the new Civic Building and that Council enter into lease arrangements with Tuam for its office accommodation requirements. This would see Tuam Ltd as a long-term holder of the new civic building (one of the advantages of having the new building under a CCTO, as distinct from it being owned by a developer). Clearly once the new building is complete and the Council has moved into it, then the Tuam Street properties are available for alternative uses. One of these options could be a straight sale.
16. Under the current structure (both the old and new civic buildings being in Tuam Ltd), any sale options could only involve a physical sale of the asset itself. This may not be the most effective method. If the Tuam Street properties were in a separate company, then far greater choice is available in terms of dealing with these properties, e.g. sale of shares or establishment of a joint venture for future development.

FINANCIAL

17. As currently Tuam Ltd owns the old civic building, the newly created CCTO (Tuam 2) would undertake the construction and ownership (and lease with Council) for the new civic building.
18. This would require a "reorganisation" of existing capital and debt structures within Tuam 1 and 2, but **will not change the numbers at a group level nor from a financial impact on the LTCCP nor from a rating impact.**

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LEGAL

19. As indicated earlier in this report, the Council is required to adopt the special consultative procedure before it can establish or become a shareholder in a CCTO. That consultation may be undertaken as part of another proposal or as part of a LTCCP.
20. The Council will be shortly using the special consultative procedure before making a decision on the adoption of its Annual Plan. At the same time, the Council will be consulting on a number of amendments to the LTCCP, in particular the new development contributions policy.
21. Section 83A of the Act allows the Council to combine one SCP in relation to any decision with another SCP that it is required to carry out. It is recommended that the SCP in respect of the new company be carried out at the same time as the SCP in respect of the Annual Plan and amendment of the LTCCP.
22. Section 60 of the Act requires all decisions relating to the operation of a CCTO to be made in accordance with its statement of intent and constitution. It is intended that the new company will have an initial statement of intent and constitution that can be amended once the CCTO is activated. Any new statement of intent and/or constitution required will be brought back to the Council for approval. The provisions in the Act requiring performance monitoring, half-yearly and annual reports, and financial statements will apply to the CCTO.
23. If the Council approves in principle the establishment of the new CCTO and the result of the SCP is that a decision to establish it is made, a further report will be submitted seeking the adoption of appropriate resolutions that will enable Tuam 2 to be used as the CCTO for the purposes of advancing the development of the new civic building.

7. ESTABLISHMENT OF THREE NEW SHELF COMPANIES (COUNCIL-CONTROLLED TRADING ORGANISATIONS)

General Manager responsible:	General Manager Corporate Services, DDI 941-8540
Officer responsible:	General Manager Corporate Services
Author:	Roy Baker

PURPOSE OF REPORT

1. The purpose of this report is to recommend the establishment of three new Council-controlled trading organisations (CCTOs).

EXECUTIVE SUMMARY

2. The Council has expressed a desire to have a vehicle to manage development opportunities of surplus Council land. Officers have considered whether Tuam Ltd was a suitable option, but have concluded (for the same reasons that Tuam 2 is recommended to be established) that separate Council directly owned CCTOs are the most effective structures to achieve the Council's objectives.
3. The establishment of what would in effect be three new CCTOs requires the use of the special consultative procedure. The intent of raising the matter now rather than when a specific opportunity arises is to ensure that the Council is able to respond in a timely manner to any new initiative. The alternative is to have to undertake a special consultative procedure each time an opportunity arises which necessitates the creation of a CCTO.

FINANCIAL AND LEGAL CONSIDERATIONS

4. From a financial perspective, the establishment of separate companies should not have any financial impact on the Council. There will be some additional costs associated with the creation of legal structure and some minor administrative-type expenses, although the expectation would be that these would ultimately be more than covered by the returns from any individual developments.
5. Section 56 of the Local Government Act (LGA) 2002 requires that a proposal to establish a CCTO must be adopted in accordance with the special consultative procedure (SCP) before the Council can establish or become a shareholder in that organisation.
6. Section 56(2) allows the consultation required to be undertaken as part of another proposal or as part of a Long Term Council Community Plan (LTCCP).
7. A suggested approach regarding the consultation requirements would be to incorporate the proposal into the 2007/08 Annual Plan/amended LTCCP. Having to go through an SCP process each time an initiative/opportunity presents itself would slow down the process or perhaps inhibit a commercial opportunity.
8. Establishing now a number of **non-trading** companies (CCTOs) will enable them to be used when opportunities arise.
9. Having a number of non-trading CCTOs available for use, does **not** remove any control from the Council. Each individual opportunity would be put to the Council for approval and each activated CCTO would be subject to the requirement of the LGA 2002 and provision of a Statement of Intent. Any financial support (capital injection or debt) would need to be separately considered and approved by the Council. If the financial requirements triggered our significant policy, then a SCP may still be required.

STAFF RECOMMENDATIONS

It is recommended that Council:

- (a) Approve in principle the establishment of three non-trading CCTOs to be used should appropriate commercial opportunities arise.
- (b) Include the establishment of these CCTOs in the special consultative procedure adopted for its Annual Plan/amended LTCCP.

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BACKGROUND ON ESTABLISHMENT OF THREE NEW CCTOS

10. From discussions with some of the directors of CCFL who are actively involved in the property sector, it is common practice to see individual property development opportunities set up as an individual company thereby presenting the maximum opportunity in dealing with the investment on either a physical asset or shares basis.
11. Because a new CCTO would require a SCP, it could be viewed as cumbersome (and at times impractical) to deal with an individual opportunity on a one on one basis. For example, taking the Owles Terrace Land as a case in point, should the Council wish to use a separate vehicle to acquire the land and look to maximise its potential, then unless it did so as part of an existing company (which is not what we are recommending), then a new CCTO would need to be established which would require a special consultative process, and therefore add time and complexity to an individual issue that in itself is likely to be very insignificant in terms of Council assets etc.
12. The suggested approach is that we establish a number of CCTOs (non trading) through the Annual Plan process whereby we will fully consult with the public about our intention to establish these CCTOs and the reasons why.

FINANCIAL

13. Should any of the three shelf companies be activated, then additional funding would be required from the Council (initially) but, due to the structure, would not have an impact on rates. There would still be full disclosure in any Annual Plan/LTCCP, or Annual Report. All statements of intent (SOIs) would come before the Council for approval on an annual basis.

LEGAL

14. As indicated earlier in this report, the Council is required to adopt the special consultative procedure before it can establish or become a shareholder in a CCTO. That consultation may be undertaken as part of another proposal or as part of a LTCCP.
15. The Council will be shortly using the special consultative procedure before making a decision on the adoption of its Annual Plan. At the same time, the Council will be consulting on a number of amendments to the LTCCP, in particular the new development contributions policy.
16. Section 83A of the Act allows the Council to combine one SCP in relation to any decision with another SCP that it is required to carry out. It is recommended that the SCP in respect of the new companies be carried out at the same time as the SCP in respect of the Annual Plan and amendment of the LTCCP.
17. Section 60 of the Act requires all decisions relating to the operation of a CCTO to be made in accordance with its statement of intent and constitution. It is intended that each company will have an initial statement of intent and constitution that can be amended once the CCTO is activated. Any new statement of intent and/or constitution required will be brought back to the Council for approval. The provisions in the Act requiring performance monitoring, half-yearly and annual reports, and financial statements will apply to each CCTO that is established.
18. If the Council approves in principle the establishment of the new CCTOs and the result of the SCP is that a decision to establish them is made, a further report will be submitted seeking approval for the appropriate resolutions.

8. 2007/08 COUNCIL FEES AND CHARGES

To be separately circulated.

9. 2007/08 DRAFT ANNUAL PLAN AND DEVELOPMENT CONTRIBUTIONS POLICY

To be separately circulated.

10. ELECTED MEMBERS' REMUNERATION 2007/08

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8549
Officer responsible:	Democracy Services Manager
Author:	Max Robertson

PURPOSE OF REPORT

1. The purpose of this report is to:
 - (a) Enable the Council to formulate a proposal to be submitted to the Remuneration Authority for the payment of salaries, expenses and allowances to elected members for the balance of the current triennium, up until the October 2007 elections; and
 - (b) Enable the Council to reach a decision on the preferred remuneration structure to be recommended to the incoming Council, to take effect after the October 2007 elections; and
 - (c) Seek approval for the associated schedule of expenses and allowances to be submitted to the Remuneration Authority with the Council's proposal.
 - (d) Seek confirmation of the elected member role responsibility templates developed by the HayGroup and/or Local Government New Zealand.

EXECUTIVE SUMMARY

2. The Remuneration Authority has advised that the remuneration pool for the elected members of the Christchurch City Council and its eight community boards has been fixed at \$1,581,844 for the 2007/08 financial year and that the Mayor's gross salary has been fixed at \$156,590. This means the amount available to be paid as remuneration for Councillors (including the Deputy Mayor) and community board members is \$1,425,254.
3. The following salaries currently apply until 30 June 2007:

Position	Annual Salary	Total 2006/07 Remuneration Sum	Nett 2006/07 Remuneration Sum within Remuneration Pool
Mayor	\$146,110 gross	\$146,110	\$146,110
Deputy Mayor	\$89,137	\$89,137	\$89,137
Councillors (12 positions)	\$77,977	\$935,724	\$935,724
Community Board Chairs (6 City Boards) (6 positions)	\$35,850	\$215,100	\$107,550
Community Board Members (6 City Boards) (24 positions)	\$22,450	\$538,800	\$269,400
Community Board Chairs (Lyttelton/Mt Herbert and Akaroa/Wairewa) (2 positions)	\$11,412	\$22,824	\$11,412
Community Board Members (Lyttelton/Mt Herbert and Akaroa/Wairewa) (8 positions)	\$6,273	\$50,184	\$25,092
Totals:		\$1,997,879	\$1,584,425

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4. The following is a comparison between the 2007/08 Christchurch City remuneration pool, and the pools applicable in preceding years:

Year	Pool
2005/06	\$1,469,944
2006/07	Base pool \$1,529,250 plus temporary adjustment of \$60,395 to allow continuation of existing salaries.
2007/08	\$1,581,844

5. Therefore, the difference between the 2006/07 remuneration pool (including the temporary adjustment of \$60,395) and the 2007/08 pool is a reduction of \$7,801.
6. The Remuneration Authority has confirmed that it is prepared to approve a further temporary adjustment to the pool for 2007/08, to permit all elected member salaries to be continued at their present levels until the existing members go out of office following the October 2007 elections.
7. The Council is now required (taking into account the recommendations made by Community Boards) to decide whether to recommend a continuation of elected member salaries at their present levels until the October 2007 elections, and whether to recommend a revised remuneration structure for consideration by the incoming Council following the elections.
8. Because of the reduction of the pool, the existing salaries cannot continue to be paid after the October 2007 elections. The Remuneration Authority expects the pool to be fully allocated. The Council's proposal must be approved by the Remuneration Authority before any amended salaries proposed can be implemented.
9. The incoming Council will be required to revisit the allocation of the pool following the October 2007 elections, and submit a new proposal to the Remuneration Authority, covering the period between the date on which the new Council assumes office and 30 June 2008. For this reason it is preferable that the Council reach a view on the preferred remuneration structure to be recommended to the new Council for the balance of 2007/08.
10. Any adjustment approved by the Authority for the remainder of the current triennium will cease when the present members go out of office, and the new proposal submitted by the Council following the elections must provide for the allocation of the pool in such a way as to ensure that the pool of \$1,581,844 is not exceeded.
11. Following discussions with elected members, the HayGroup developed the attached generic role responsibility templates for the positions of Mayor, Councillor, Community Board chair and Community Board member (Appendix C). These were discussed at the elected member seminar held on Thursday 15 February 2007, and have since been formally considered by each Community Board. Since then, some Community Boards have recommended that, rather than adopting the template for community board members developed by the HayGroup, the Council instead adopt an alternative community board template developed by Local Government New Zealand, which is also included in Appendix C.
12. Now is the appropriate time for this Council to consider and provisionally adopt a revised remuneration structure that is within the 2007/08 pool figure. This revised remuneration structure can then be communicated to all candidates for the October 2007 elections, on the express understanding that it will be subject to the approval of the incoming Council and the Remuneration Authority after the elections. In response to a recent enquiry, the Remuneration Authority has advised that the Authority's preference is to leave the distribution of the remaining post-election proportion of the governance pool for consideration by the incoming Council and the Remuneration Authority after the elections, rather than entering into discussions on preliminary proposals. Assuming that the Council decides to continue all salaries at their present levels until the October elections, it will not therefore be possible for any submissions to be made to the Remuneration Authority on other options until a new governance structure and remuneration proposal has been agreed by the incoming Council, and submitted to the Remuneration Authority for its approval.

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FINANCIAL AND LEGAL CONSIDERATIONS

13. The principal statutory provisions which apply in this instance are the Seventh Schedule of the Local Government Act 2002, and the Remuneration Authority Act 1977. Once this Council's 2007/08 remuneration proposal (or any variation thereof) has been approved by the Remuneration Authority, it will be gazetted via the Local Government Elected Members' Determination 2007.
14. Sufficient provision has been included in the draft 2007/08 Annual Plan for all elected member salaries to be continued at or about their present levels, until the October election.
15. Some community boards have recommended that all community board members receive the standard communications allowance of \$120 per month, and a Jetstream reimbursement of \$40 per month, as well as being provided with laptops, printers and associated support. The additional cost of this proposal is estimated at \$189,000 per annum. No provision for this additional expenditure has been made in the relevant budgets included in the draft 2007/08 Annual Plan. It would result in a rates increase of 0.2%.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Adopt the salary only model as its basis of remuneration for elected members of the Christchurch City Council for the 2007/08 financial year.

Note: The remuneration framework requires all community board members to be paid an annual salary (ie there is no provision for the payment of meeting fees to community board members).

- (b) Agree to submit a proposal to the Remuneration Authority which provides for all elected member salaries (with the exception of the Mayor) to be continued at their present levels until the serving members go out of office following the October 2007 elections.
- (c) Resolve to submit to the Remuneration Authority for its approval the proposed rules and policies for the reimbursement of elected member expenses and allowances described in Appendix D of this report, subject to the inclusion therein of any adjustments to reflect the recommendations made by community boards regarding such expenses and allowances.
- (d) Decide on a preferred remuneration structure to be recommended to the incoming Council for possible adoption following the October 2007 elections, to take effect for the balance of 2007/08.
- (e) Decide whether or not to adopt the role responsibility templates for elected members developed by the HayGroup, or whether in respect of community board members it wishes instead to adopt the template developed by Local Government New Zealand (see Appendix C for all templates).
- (f) 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 proposal.

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BACKGROUND ON ELECTED MEMBERS' REMUNERATION 2007/08

16. The Remuneration Authority is responsible for setting the salaries of elected local government representatives (clause 6 of Schedule 7 of the Local Government Act 2002 refers).
17. A brief summary of the remuneration framework and the rules and principles which the Remuneration Authority works under is attached as Appendix A.
18. The Remuneration Authority revises remuneration pools annually, and each council is thus required to review its levels of remuneration prior to the start of each financial year, based on the new pool. Therefore, this report has been submitted to allow the Council to consider the allocation of the 2007/08 pool for the balance of the current triennium, with any adjustments to the present salaries being applicable from 1 July 2007.
19. The Authority has now released the Christchurch City indicative pool for 2007/08, which amounts to:

Total pool	\$1,581,844
less Mayor's gross salary	\$156,590

Nett pool available for Deputy Mayor, 12 Councillors, eight community board chairs and 32 community board members	\$1,425,254

20. This represents a reduction of \$7,801 in the amended pool approved by the Authority for the current year.
21. 50% of the total remuneration paid to community board members and elected community board members (excluding members appointed by the Council) is paid outside the pool.
22. The pool is fixed by the Remuneration Authority relative to other councils. The factors used by the Remuneration Authority to determine the size of the remuneration pool for a territorial local authority are:
 - Population (50% weighting)
 - Expenditure (33% weighting)
 - Gross assets (17% weighting)
23. Only one salary is payable to elected members. Thus, a Councillor who serves as an appointed member of a Community Board is paid a Councillor's salary only, and receives no additional payment for serving on the Community Board.
24. Directors' fees paid to Councillors who serve as directors of Council-controlled organisations cannot be taken into account when considering Councillors' remuneration. The directors' fees paid to such Councillors reflect their service as directors of the companies concerned, rather than their role as Councillors.
25. Although the Mayor's salary is set independently by the Remuneration Authority, it is included within the pool. Where a Mayor has partial or full private use of a car provided by the Council (as is the case in Christchurch), the Mayor's gross salary is reduced by an amount which reflects both the extent of private use and the value of the car supplied.
26. In September 2006, the HayGroup were engaged to size the roles of Councillors, Community Board chairs and Community Board members, taking into account their respective roles and responsibilities, and to recommend appropriate salaries for each position, within the available remuneration pool. Attached to this report as Appendix B is a copy of the findings of the HayGroup, and a schedule listing:
 - Existing salaries.
 - Option 1, which proposes salaries benchmarked to all organisations' median fixed remuneration, less a 25% public good factor.
 - Option 2, which uses only public sector comparisons, rather than all organisations.

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- Option 3, which reflects the fact that councils represent ownership and provide governance and leadership functions on behalf of their communities, and that elected members are also expected to provide effective representation for their constituents.
- Option 4, which assumes a reduction in councillor hours to 40 hours per week, with all other elected member hours remaining unchanged.
- Option 5, which leaves the Banks Peninsula Community Board salaries at their present levels, but reduces all the remaining salaries (with the exception of the Mayor) on a pro-rata basis, so that the total can be accommodated within the pool of \$1,581,844.
- Option 6, which reduces all salaries (with the exception of the Mayor) on a pro-rata basis, to bring the total expenditure within the available pool.
- Option 7, which provides for the salaries for the Chairs and members of the two Banks Peninsula Boards to be paid at rates equivalent to 70% of those paid to the Chairs and members of the six metropolitan Community Boards.
- Option 8, which provides for the payment of salaries to the Mayor, Deputy Mayor and Councillors in accordance with option 4, with common salaries then applying for the Chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula Boards.

DISCUSSION

Decisions to be Made

27. In preparing its proposal the Council is required to agree appropriate levels/rates for the different positions/roles on the Council and its community boards and, using that information, develop an option for the allocation of the money within the remuneration pool.

Basis of Remuneration

28. Although it is possible for the Council to recommend the payment of a mixture of salary and meeting fees to Councillors, community board members must be paid on a salary only basis, without meeting fees.

Distribution Options

29. The allocation of the pool was discussed with Councillors and Community Board members at seminars held on Saturday 11 November 2006 and Thursday 15 February 2007. At the latter seminar, members were requested to consider the possible continuation of all salaries at their present levels until the elections, and to indicate a preference for one of the four options developed by the HayGroup.
30. Most members present at the 15 February seminar seemed to agree that the present salaries should be continued at their existing levels until the elections. However, there appeared to be no general consensus as to which of the four options developed by the HayGroup were favoured for possible adoption by the new Council after the elections.
31. The Remuneration Authority has confirmed that it is prepared to approve a further temporary (upwards) adjustment to the 2007/08 pool to allow all salaries to be continued at their present level until the elections.
32. The distribution options have now been formally considered by each Community Board, whose recommendations are set out in clause 53.

Principles Applicable to the Remuneration Review

33. Given that the Council is required to make a recommendation to the Remuneration Authority as to how the pool is to be divided it is considered appropriate that before considering options elected members consider the principles which should guide them in their deliberations on this topic.
34. At its 11 May 2006 meeting the Council adopted the following principles in considering the elected member remuneration issue:

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Principle: Remuneration for any elected position should be such as to attract people to hold office within the Council's governance structure so that remuneration should not limit the diversity of representation for councillor and community board positions.

Principle: Members with similar responsibilities should receive similar remuneration.

Principle: A differential rate of remuneration between the same class of elected member within the Council (eg councillor, community board chair or community board member) should exist only where it can be justified by reference to relevant differences.

Principle: Remuneration should be set at a level that acknowledges the impact that performing the role of an elected member has on personal lives and careers.

Principle: Remuneration should not be reduced part way through a three year electoral term, when that risk was not known to a candidate at the preceding election unless there are circumstances outside the Council's control.

Councillor Remuneration

35. On 5 May 2005 the Council resolved to have a differential for the Deputy Mayor in recognition of her high workload and additional responsibilities.
36. On 8 December 2005 the Council resolved that the Banks Peninsula Ward Councillor be remunerated at the same rate as the other Councillors, on the basis that all Councillors have city wide responsibilities.
37. The four options developed by the HayGroup assume that the Council will not be changing its May and December 2005 resolutions in respect of these two positions.

Community Board Remuneration

38. At present, city board members are paid \$22,450 per annum while Peninsula board members receive \$6,273 per annum. The figures for community board chairs are \$35,850 and \$11,412, respectively. These are relativities of 28% and 32% respectively.
39. Community boards have their respective roles set by the Local Government Act 2002 and the other legislation administered by the Council.
40. S. 52 of the Act provides that the role of a community board is to:
 - (a) *represent, and act as an advocate for, the interests of its community; and*
 - (b) *consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board; and*
 - (c) *maintain an overview of services provided by the territorial authority within the community; and*
 - (d) *prepare an annual submission to the territorial authority for expenditure within the community; and*
 - (e) *communicate with community organisations and special interest groups within the community; and*
 - (f) *undertake any other responsibilities that are delegated to it by the territorial authority.*
41. The provisions of S.52 apply equally to all eight community boards. In addition the Council has given the same level of delegations to all eight boards. The Council's expectation of the workload of community boards is the same, as far as their delegated authority is concerned.

Land Area and Representation Ratios within each Community

42. The following table sets out the land area of each community, and the number of residents represented by each community board member:

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Community	Land Area in Hectares	No of Members (including both elected and appointed members)	Population 2006 Census	No of Residents per member
Akaroa/Wairewa	94,320	6	2,724	454
Burwood/Pegasus	4,540	7	57,018	8,145
Fendalton/Waimairi	10,610	7	52,959	7,565
Hagley/Ferrymead	5,800	7	55,272	7,896
Lyttelton/Mount Herbert	21,480	6	5,442	907
Riccarton/Wigram	9,800	7	60,825	8,689
Shirley/Papanui	9,660	7	60,144	8,592
Spreydon/Heathcote	4,490	7	54,051	7,721

43. While there are population differences between the boards the question needs to be asked whether the democratic responsibilities and the Local Government Act responsibilities of a Peninsula Board member are any less because they represent fewer people. Apart from having a greater number of people to represent, a City board member does not have any additional governance responsibilities to a Peninsula board member.
44. The question also needs to be asked whether the responsibilities associated with the role of democratic representation is dependent on the number of constituents represented? If Christchurch is one city, the starting point would be equality of remuneration, except where a differential can be rationally justified. All Board members, regardless of the size of the population served by the Board need to have members fully engaged in their role and able to commit time to that role. Complex and contentious issues for a community board can arise from an area with a small population just as easily as an area with a large population. That can be more so where the small population area is developing and geographically is more challenging to administer.
45. The average weekly hours which community board chairs and members spend on community board work (as advised by the incumbents) is set out in the schedule supplied by the HayGroup, ie:
- | | |
|---|----------|
| • Councillors | 53 hours |
| • Community Board Chairs – City | 21 hours |
| • Community Board Chairs – Peninsula | 13 hours |
| • Community Board members – City | 16 hours |
| • Community Board members – Peninsula | |
| - Insufficient information – assumed 10 hours on proportional basis | |
46. Until now, there has been no empirical data available as to the workloads of elected members, to enable the “workload factor” to be taken into account by the Council when considering remuneration. However, now that the incumbents have advised their average weekly hours (set out above) these can be taken into account by Community Boards and the Council in considering the salaries payable. The figures supplied suggest that the present margins between metropolitan community boards and their Banks Peninsula counterparts are too large, and should be reduced. The average weekly hours advised by the incumbents suggest that the average weekly hours devoted to Community Board business by the Chairs and members of the Banks Peninsula Community Board equate to about 62% and 70% respectively of the hours advised by their metropolitan counterparts.
47. Another factor to be borne in mind in setting remuneration is the geographical area of the community board areas. As can be seen from the table in clause 42 the Lyttelton/Mt Herbert community is twice as large as the biggest city community while Akaroa/Wairewa is nine times larger. The travelling time for a board member on the Peninsula in serving their constituents is greater than in a built up urban area. The ability to claim mileage is available equally to all Board members but recognition should be given to the time physically spent travelling in addition to being present at meetings and engaging in Board business. The Remuneration Authority has previously expressed the view that the mileage allowance is intended to include both the cost of the vehicle and the time spent travelling.

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Role and Responsibilities of Community Board Members

48. Following discussions with the incumbents, the HayGroup has developed the role responsibility templates relating to the roles of elected members, attached as Appendix C. These templates were discussed at the seminar held on 15 February 2007, and have since been formally discussed by each Community Board. The recommendations made by each Board regarding the templates are set out in clause 53 of this report.
49. Most Community Boards have recommended that the Council adopt a template developed by Local Government New Zealand describing the role of Community Board members, rather than the template developed by the HayGroup. The template developed by LGNZ is included in Appendix C.

Remuneration Options

50. The spreadsheet included in Appendix B incorporates:
 - Existing salaries.
 - Option 1, which proposes salaries benchmarked to all organisations' median fixed remuneration, less a 25% public good factor.
 - Option 2, which uses only public sector comparisons, rather than all organisations.
 - Option 3, which reflects the fact that councils represent ownership and provide governance and leadership functions on behalf of their communities, and that elected members are also expected to provide effective representation for their constituents.
 - Option 4, which assumes a reduction in councillor hours to 40 hours per week, with all other elected member hours remaining unchanged.
 - Option 5, which leaves the Banks Peninsula Community Board salaries at their present levels, but reduces all the remaining salaries (with the exception of the Mayor) on a pro-rata basis, so that the total can be accommodated within the pool of \$1,581,844.
 - Option 6, which reduces all salaries (with the exception of the Mayor) on a pro-rata basis, to bring the total expenditure within the available pool.
 - Option 7, which provides for the salaries for the Chairs and members of the two Banks Peninsula Boards to be paid at rates equivalent to 70% of those paid to the Chairs and members of the six metropolitan Community Boards.
 - Option 8, which provides for the payment of salaries to the Mayor, Deputy Mayor and Councillors in accordance with option four, with common salaries then applying for the Chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula Boards.

Elected Member Allowances and Expenses

51. As part of its remuneration proposal, the Council is also required to seek the Remuneration Authority's approval for the allowances and expenses proposed to be paid to elected members. The schedule attached as Appendix D is identical to the schedule previously approved by the Authority for 2006/07. Members may recall that last year the Council proposed an increase in the communications allowance from \$120 to \$150 per month, but that the Authority declined to approve this increase. Some Community Boards have suggested that an amended schedule of proposed allowances and expenses should be submitted to the Remuneration Authority providing for:
 - Payment of the standard communications allowance of \$120 per month to all Community Board members.
 - The provision of laptops, printers and full support for all Community Board members.
 - The provision of a Jetstream Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
 - The reimbursement of childcare expenses incurred by members in attending to their duties as elected members, provided there is statutory authority for the reimbursement of such expenses.

10 Cont'd

52. The total additional cost of these proposals is estimated at \$189,000 per annum. No provision for this additional expenditure has been made in the relevant budgets included in the draft 2007/08 Annual Plan. It would result in a rates increase of 0.2%.

COMMUNITY BOARDS' RECOMMENDATIONS

53. The following list sets out the recommendations made by each Community Board:

Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board
(Recommendations from combined meeting)

- (a) Support continuation of present salaries until the elections.
- (b) Recommend that there be no differentials in the salaries paid to the chairs and members of Community Boards (ie recommends that the same salaries apply for the chairs and members of all eight boards).
- (c) The Boards also considered a further option developed by the Chairman of the Akaroa/Wairewa Community Board, providing for the salaries for the chairs and members of the two Banks Peninsula boards to be paid at rates equivalent to 70% of those paid to the chairs and members of the six metropolitan community boards. Although the combined meeting made no specific recommendation in respect of this alternative proposal, it is set out as Option 7 in the spreadsheet included in Appendix B.
- (d) Recommend that all community board members receive standard communications allowance of \$120 per month, and be provided with laptops, printers and full support, plus a Jetstream Broadband connection with standard refund of \$40 per month for Broadband. Also recommends reimbursement of childcare expenses incurred by elected members.
- (e) Recommend adoption of the LGNZ template for community board members, rather than the template developed by the HayGroup.
- (f) Boards agree with the elected member remuneration principles adopted by the Council on 11 May 2006, and the job-sizing carried out by the HayGroup, which assessed the work of Banks Peninsula Board members as equivalent to 97% of their urban counterparts.
- (g) Dispute the accuracy of the average hours worked by elected members, quoted in the HayGroup report.
- (h) Disagree with all of the four options developed by the HayGroup.

(Note: The Remuneration Authority has since advised that it is unlikely to approve the payment of childcare costs as an expense or allowance for elected representatives.)

Burwood/Pegasus Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the existing members go out of office following the October 2007 elections.
- (b) The reduction in the remuneration pool be shared equally amongst all elected members (with the exception of the Mayor) for the 2007/08 year.
- (c) The allowances and expenses for elected members remain the same.
- (d) The Council adopt the Local Government New Zealand template in relation to the Community Board role description.

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Fendalton/Waimairi Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) That the Council not adopt the role responsibility templates developed by the HayGroup for community board chairs and community board members.

Hagley/Ferrymead Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:
 - (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
 - (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.
- (c) That the schedule of elected member allowances and expenses be amended to provide for the:
 - payment of the standard communication allowance of \$120 per month to all Community Board members.
 - the provision of laptops, printers and full support to all Community Board members.
 - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (d) That the role description developed by the HayGroup for Community Board chairs and Community Board members be reviewed, to take into account the relevant provisions of the Local Government Act 2002.

Riccarton/Wigram Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:
 - (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
 - (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.

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- (c) That the schedule of elected member allowances and expenses be amended to provide for the:
- payment of the standard communication allowance of \$120 per month to all Community Board members.
 - the provision of laptops, printers and full support to all Community Board members.
 - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (d) That the role description for Community Board members developed by Local Government New Zealand be adopted by the Council, in preference to the role description developed by the HayGroup.
- (e) That the Council make representations to the Minister of Local Government requesting that all elected member salaries be prescribed on a national basis within set population bands, as was previously the case when elected member salaries were set via Determinations issued from time to time by the Minister of Local Government.

Shirley/Papanui Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the existing members go out of office following the October 2007 elections.
- (b) For the balance for the 2007/08 year following the October 2007 elections, it be recommended to the incoming Council that:
- (i) The salaries for all elected members, excluding the Mayor, be reduced on a pro-rata basis, so that the total payments can be accommodated within the total 2007/08 remuneration pool of \$1,581,844.
 - (ii) That the schedule of elected member allowances and expenses be amended to provide for the payment of a standard communications allowance to all elected members.
- (c) The role description for Community Board members developed by Local Government New Zealand be adopted in preference to the role description developed by the HayGroup; and a role description be developed for a councillor and chairperson of a community board.
- (d) The Council advocate to the Minister of Local Government and Minister of State Services:
- (i) That membership of the Remuneration Authority should include an experienced local government representative.
 - (ii) That a review be undertaken regarding allocation of the pool, taking into account the workload of elected members as per the requirements of the Local Government Act 2002.

Spreydon/Heathcote Community Board

Recommends that:

- (a) All elected member salaries (with the exception of the Mayor) be continued at their present levels until the sitting members go out of office following the October 2007 elections.
- (b) It be recommended to the incoming Council that for the balance of the 2007/08 year following the elections:

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- (1) Salaries for the chairs and members of the Akaroa/Wairewa Community Board and Lyttelton/Mt Herbert Community Board be continued at their existing levels.
- (2) The salaries for the Deputy Mayor, Councillors and chairs and members of the six metropolitan community boards be reduced on a pro-rata basis, so that the total payments can be accommodated within the 2007/08 remuneration pool of \$1,581,844.
- (c) The Council also consider Option 8, which provides for the payment to salaries to the Mayor, Deputy Mayor and Councillors in accordance with Option 4, with common salaries then applying for the chairs and members (respectively) of all eight Community Boards, including the two Banks Peninsula boards.
- (d) The schedule of elected member allowances and expenses be amended to provide for the:
- payment of the standard communications allowance of \$120 per month to all Community Board members.
 - the provision of laptops, printers and full support to all Community Board members.
 - the provision of a Jetstream/Broadband connection for all Community Board members, with members to receive the standard refund of \$40 per month for such connection.
- (e) The role description for Community Board members developed by Local Government New Zealand be adopted by the Council, in preference to the role description developed by the HayGroup.
54. All Community Boards support the continuation of the present salaries at their existing levels until the October 2007 elections.
55. Regarding the post-election salaries, and the schedule of expenses and allowances, the Boards' summarised views are:

Board	Post-Election Salaries	Expenses and Allowances
Akaroa/Wairewa and Lyttelton/Mt Herbert	Option 8	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Burwood/Pegasus	Option 6	That the present allowances and expenses be continued without alteration for 2007/08.
Fendalton/Waimairi	No recommendation	No view expressed regarding expenses and allowances.
Hagley/Ferrymead	Option 5	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Riccarton/Wigram	Option 5	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.
Shirley/Papanui	Option 6	That the communications allowance of \$120 per month per month be paid to all Community Board members.
Spreydon/Heathcote	Option 5 (first preference) Option 8 (second preference)	That all Board members be paid communications allowance, Jetstream reimbursement and provided with laptops, printers and associated support.

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Unanimity of the Council's Decision

56. In submitting its proposal the Council is required to notify the Remuneration Authority of:
 - (i) details of any dissent at Council, and
 - (ii) details of any dissent from its community boards.
57. Community Boards and individual Community Board members (or any other person) also have the ability to express any opposing views they might have on the Council's final proposal direct to the Remuneration Authority.
58. If the Council's recommendations are unanimous and reasonable it is unlikely that the Commission will withhold its approval. It does, however, have the power to amend any proposal if the level of dissatisfaction is high or if the proposal is considered unreasonable.

CONCLUSION

59. The new salaries and expenses approved by the Remuneration Authority will apply from 1 July 2007, until the sitting members go out of office following the October 2007 elections. Interim salaries (determined by the Remuneration Authority) will then apply in the interim, until a fresh remuneration proposal has been submitted to and approved by the Remuneration Authority, covering the balance of the 2007/08 year.

11. FERRYMEAD HERITAGE PARK: FUNDING FROM CAPITAL ENDOWMENT INTEREST FUND

General Manager responsible:	General Manager Strategic Development, DDI 941-8177
Officer responsible:	Senior Economic Analyst
Author:	Lawrence McIlrath

PURPOSE OF REPORT

1. The purpose of this report is to present to the Council the highlights of the business plan that was drafted for the Ferrymead Heritage Park (the complete business plan is contained in Appendix A attached) and to provide an indication of the specific activities for which the funds would be applied.
2. To obtain endorsement of the business plan from the Council in order to ensure that the funds can be disbursed in line with the Council resolution on 27 July 2006 regarding the application of the Capital Endowment Interest Fund (CEIF). This report is related to the first year's payment only.

EXECUTIVE SUMMARY

3. The Ferrymead Heritage Park (henceforth "the park") is regarded as a community asset and is experiencing a growth phase in terms of total visitors numbers and activities/events hosted. The total offering available at the park is supplemented by the recently opened Maori experience. However the facility is currently not capturing the entire potential market as a result of underdeveloped infrastructure and associated issues. This situation is also having a negative effect on the development of ancillary opportunities at the park.
4. At the Council meeting on 27 July 2006, it was resolved that:

"That Ferrymead Park Limited be allocated \$50,000 in 2006/2007 to prepare a sustainable Business Plan linking to the other attractions being developed in the area and that, subject to the Council receiving and endorsing the proposed business plan, a further \$150,000 for 2006/2007 and 2007/2008 be allocated, to assist with the implementation for the plan and carry out any essential works associated with the implementation. This funding should go to the company and not the Trust."
5. The Council has earmarked \$350,000¹ to the development of the Ferrymead Heritage Park to be distributed in two years (2006/7 and 2007/8) based on the approval and endorsement of a Business Plan (\$150,000 in each year). The Capital Endowment Interest Fund (CEIF) is the sole funding source that will be accessed for this project and is also reflected in the LTCCP 2006-2016.
6. A business plan to develop the park has been submitted to the Council staff for review. One of the key conditions associated with the funding is that it will be applied to *"assist with the implementation of the plan and carry out any essential works associated with implementation of the business plan"* as spelt out in the Council resolution on 27 July 2006. This requirement is incorporated in the overall development concept as described in the business plan.
7. The park currently receives an annual operational grant from the Council (to the value of \$160,000). However, the CEIF funds are earmarked to assist in the development of the commercial components of the park. Therefore the funds will not be utilised for day-to-day operations of the park but will be applied to improve the product offering at the park. In other words the financial contribution will be used for the implementation of the business plan.
8. The provision of the funding for the activities will have a significant influence on the future viability and sustainability of the park. The expenditure on the improvement of the current offerings will also contribute meaningfully towards the optimal utilisation of the facilities at the park.

¹ The total budget approved is \$350,000 which includes \$50,000 for the development of a business plan and two years' payment of \$150,000 p.a.

11 Cont'd

9. The main expenditure categories associated with the application of year 1 funding are (the percentages in brackets reflect the relative size of the expense *vis-à-vis* the year 1 budget):

• Interactive display	\$75,000	(50.0%)
• Urgent Health & Safety	\$35,000	(23.3%)
• Conserving existing exhibits	\$22,500	(17.0%)
• Interpretational Signage	\$10,000	(6.7%)
• Security	\$7,500	(5%)

10. These funds need to be released and disbursed to enable the park to undertake the necessary activities associated with the implementation of the business plan.

FINANCIAL AND LEGAL CONSIDERATIONS

11. The Council has resolved at a previous Council meeting (27 July 2006) to fund the initiative. The Capital Endowment Interest Fund (CEIF) has been identified as the source of this funding and the amounts to be allocated were also approved by the Council.

12. There are no direct legal considerations associated with the recommendations in this report.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Accept and endorse the business plan as submitted.
- (b) Resolve that the funding approved for 2007/8 be made available to support the implementation of the business plan and disbursed to Ferrymead Park Limited.
- (c) That the expenditure of the released funding only be used for the items expressed in the business plan.
- (d) That the Board of the Ferrymead Heritage Park present a progress report regarding the level of implementation of year 1 projects, by September 2007.

11 Cont'd

BACKGROUND ON THE FERRYMEAD HERITAGE PARK BUSINESS PLAN

Orientation

13. The Ferrymead Heritage Park currently receives an operational grant of \$160,000 per annum from the Christchurch City Council. This grant is utilised for the "day-to-day" operation of the park. While the grant assists the park to remain active, the low levels of revenue and profits inhibits the park's ability to undertake investment type activities.
14. At the Council meeting on 27 July 2006, it was resolved:
"That Ferrymead Park Limited be allocated \$50,000 in 2006/2007 to prepare a sustainable Business Plan linking to the other attractions being developed in the area and that, subject to the Council receiving and endorsing the proposed business plan, a further \$150,000 for 2006/2007 and 2007/2008 be allocated, to assist with the implementation for the plan and carry out any essential works associated with the implementation. This funding should go to the company and not the Trust."
15. The fundamental aim of this funding initiative is to enable the park to undertake activities which will contribute towards the development of revenue streams and therefore the long term financial sustainability of the park.
16. The park is currently in a positive financial position and the recent institutional restructuring is believed to be the single greatest factor contributing to this position. The improved financial position is as a direct result of the renewed business-like focus in the management of the park.
17. Subsequent to the institutional re-alignment, the following positive indicators can be reported:
 - The park operates in the black - albeit on a very small budget,
 - The Tamaki Brothers have been secured to start a new tourism venture in Christchurch at Ferrymead,
 - Visitor numbers have increased,
 - Revenue streams have been diversified and developed,
 - New displays have been installed,
 - In excess of \$1m worth of new buildings have been added to the site, and
 - The education programme has doubled in size, and now includes Science and Technology.
18. To build on the improved institutional position, and the renewed business focus, a business plan was drafted. This business plan has been received and reviewed by Council staff and selected issues have been clarified and amendments to the business plan have been affected. The endorsement of the business plan and the outlined activities need to be implemented to capture the commercial and business value of the community asset.

Business Plan – Introduction

19. The business plan was drafted by the board of Ferrymead Heritage Park to assist in the improvement of the facilities at the park. It is believed that the improvement will lead to stronger growth in the revenue streams of the park and ultimately the overall financial position of the venture.
20. A central objective of the business plan is to highlight the specific elements that would be addressed as part of the funding expenditure. More specifically the objectives are of such nature that achievement will ensure that:
 - The current displays' position in the overall context is clarified and the associated information is communicated to the target audience,
 - Initiating a process through which the park would be adhering to relevant legal requirements, such as health and safety laws
 - Ensuring that the revenue generating potential of suitable assets is maximised and optimally utilised,
 - Current barriers to increased visitor numbers are removed, and
 - Improving the status of selected assets through conservation activities.

11 Cont'd

21. The use of the funding will however be strictly for investment type activities and will not be used for the day-to-day operations of the park. In other words, the funds will be applied as an investment in the infrastructure of the park.

Application of funding

22. The funding will be applied to improve improving the overall experience. Table 1 provides an indication of the envisaged expenditures.

TABLE 1: EXPENDITURES (\$)			
ITEM	06/07	07/08	Total
Security	7,500	25,000	32,500
Directional/Interpretation Signage	10,000	-	10,000
Interactive Displays	75,000	-	75,000
Urgent Health and Safety	35,000	-	35,000
Conservation/Existing Exhibits	22,500	25,000	47,500
Corporate Function Facilities	-	50,000	50,000
Planning/Zoning Issues	-	50,000	50,000
Total	150,000	150,000	300,000

Source: Supplied business plan

23. With reference to the 2006/7 financial year, 50% of the grant would be spent on the delivery of "Interactive Displays". The rationale for the selection of this information delivery channel is vested in the following salient features of interactive displays:
- Interactive communication is powerful, delivering large amounts of information in a relatively short period of time,
 - Provide a suitable medium through which the awareness about attributes/issues could be clearly highlighted, and
 - It is a successful technique to stimulate broader participation.
24. The delivery of the interactive displays accounts for a quarter of the total budget (both years) and the specific expenditure related to the protection of the existing exhibits accounts for approximately 15% of the total budget (two years).
25. In the second year, the (envisaged) largest expenditure items will be the development of the corporate function facilities and the finalisation of the relevant planning and zoning issues associated with the broader development context (note that these issues are not considered to have a constraining influence on the implementation of year 1 actions). These two will account for two thirds of the budget associated with the second year. In the context of the total budget these expenditure items each account for 16.7% of the total budget.

Linkages with other initiatives.

26. The development of the Ferrymead Heritage Park is of such nature that various other initiatives will be supported by the improvements. While some of these improvements can be interpreted as having a (potential) catalyst effect on other initiatives, it is stressed that the development of a critical mass at the park should enable the eventual development of the other initiatives.
27. The most important initiatives are 1) the Tamaki experience, 2) the development of a National Railroad Museum, and 3) the establishment of a steam train experience linking the park with Lyttelton Harbour. The Tamaki experience is currently being implemented with phase 1 already open to the public. The remaining two initiatives are in the concept phase and is influenced to some degree by the successful development of the park as a whole.

11 Cont'd

Other considerations

28. The Council sent a clear signal of its support for the Heritage Park, and the availability of financial assistance to the park through the resolution mentioned earlier. It is stressed that the business plan provides a synopsis of the activities required to improve the revenue generation characteristics of the park. However the allocation of the funds should not be regarded as a panacea for the park.
29. The release of the funding for the improvement of the park is recommended as the utilisation of the funds will contribute towards the creation of synergies and future exploitation of ancillary development opportunities. Further the application of the funds to improve the current offering at the park, together with removing some of the barriers to exploiting latent potential, will ensure that a critical mass of demand is being developed at the park.
30. The disbursement of the second round of funds (year 2) should be subject to the receipt of a progress report that reflects the appropriate expenditure and that the year 1 funds were suitably apportioned to the identified items. In other words to ensure that the relevant improvements were undertaken and that the funds were not used for day-to-day operations of the park.

OPTIONS

31. The Council has two main options available regarding the way forward:
 - (i) Accept and endorse the business plan and release the earmarked funds to be spend in accordance with the submitted business plan.
 - (ii) Reject the business plan and withhold the funding in the interim while the business plan is redrafted.

PREFERRED OPTION

32. Accept and endorse the business plan and release the earmarked funds to be spent according to the submitted business plan.

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ASSESSMENT OF OPTIONS

The Preferred Option

33. Accept and endorse the business plan and release the earmarked funds to be spend in accordance with the submitted business plan.

	Benefits (current and future)	Costs (current and future)
Social	Improved functioning of the Ferrymead Heritage Park as a community asset. Contributing towards the improvement of the understanding of cultural differences and experiences.	n/a
Cultural	Strengthening the entire cultural experience (Maori and colonial) to the entire spectrum of visitors (local, domestic and international). Protection of heritage assets. Improved capacity to showcase existing heritage assets (building and non-building).	n/a
Environmental	n/a	n/a
Economic	Improving the tourist offering in Christchurch. Contributing towards the creation of a critical mass ie a larger attraction base and a broader target market. Assisting to build a business case for ancillary opportunities. Improved ability to extract higher levels of benefit from regular and special events. Higher levels of sustainable use of the available community facilities. Potential reduction of future reliance of the park on Council core funding	The value of the financial contribution (\$150,000 for this period)
<p>Extent to which community outcomes are achieved: Primary alignment with community outcome: A Prosperous City Also contributes to an Attractive and Well-designed City and a City of Lifelong Learning</p> <p>Impact on Council's capacity and responsibilities: The business plan activities will be undertaken by the Ferrymead Board with limited impacts on the Council staff <i>vis-à-vis</i> time and resource issues.</p> <p>Effects on Maori: The Ferrymead development will capitalise on the development of the Tamaki Brothers' Maori Experience which provides an education resource and is further associated with commitments to history related to Maori and the founding of Christchurch.</p> <p>Consistency with existing Council policies: Alignment with the "Heritage Values + Vision + Mission Statements" which outlines that the "...tangible and intangible heritage values of European, Maori and other cultural groups of New Zealand and includes but is not limited to buildings, places, sites, objects, archaeological remains, cultural landscapes and associated people, stories, events and memories, and wahi tapu and wahi tapu areas..."</p> <p>Views and preferences of persons affected or likely to have an interest: n/a</p> <p>Other relevant matters: The implementation of the business plan would contribute in the overall improvement of the Heritage Park in an aligned fashion (aligned with the implementation and delivery of the Tamaki experience)</p>		

11 Cont'd

(Not Preferred Option)

34. Reject the business plan and withhold the funding in the interim while the business plan is redrafted.

	Benefits (current and future)	Costs (current and future)
Social	Same as preferred option but deferred	Potential loss of implementation momentum
Cultural	Same as preferred option but deferred	Reduced impact as a result of fragmented improvements (from the perspective of the implementation and development of the Tamaki experience)
Environmental		
Economic	Same as preferred option but deferred	Deferred transfer of the funds and additional staff resources to repeat the reviews and amendments of the business plan. Negative opportunity costs associated with the delay of implementation
<p>Extent to which community outcomes are achieved: Primary alignment with community outcome: A Prosperous City Also contributes to an Attractive and Well-designed City and a City of Lifelong Learning</p> <p>Impact on Council's capacity and responsibilities: The business plan activities will be undertaken by the Ferrymead Board with limited impacts on the Council staff <i>vis-à-vis</i> time and resource issues.</p> <p>Effects on Maori: The Ferrymead development will capitalise on the development of the Tamaki Brothers' Maori Experience which provides an education resource and is further associated with commitments to history related to Maori and the founding of Christchurch.</p> <p>Consistency with existing Council policies: Alignment with the "Heritage Values + Vision + Mission Statements" which outlines that the "...tangible and intangible heritage values of European, Maori and other cultural groups of New Zealand and includes but is not limited to buildings, places, sites, objects, archaeological remains, cultural landscapes and associated people, stories, events and memories, and wahi tapu and wahi tapu areas..."</p> <p>Views and preferences of persons affected or likely to have an interest: n/a</p> <p>Other relevant matters: The delay in the transfer will have a negative impact on the overall development of the park <i>vis-à-vis</i> the improvement of the total offering. The potential to build on the recent establishment of the Tamaki experience will be lost.</p>		

12. COUNCIL SUBMISSION ON CENTRAL GOVERNMENT ENERGY AND CLIMATE CHANGE POLICY DOCUMENTS

General Manager responsible:	General Manager Strategy and Planning, DDI 941 8177
Officers responsible:	Tony Moore and Leonid Itskovich
Author:	Tony Moore

PURPOSE OF REPORT

1. The purpose of this report is to seek Council approval of submissions to central government on draft climate change and energy policy and strategy documents.

EXECUTIVE SUMMARY

2. Submissions close on 30 March 2007 for a number of draft discussion documents and strategies put forward by central government. Attached to this report are two draft submissions prepared by Council officers, for the Council to consider and approve. Each submission responds to a different, but related, set of documents.
3. Attachment 1 responds to the following documents related to climate change:
 - *Discussion paper on measures to reduce greenhouse gas emissions in New Zealand post 2012.*
 - *Discussion paper on transitional measures: options to move low emissions electricity and stationary energy supply and to facilitate a transition to greenhouse gas pricing in the future.*
 - *Sustainable land management and climate change: options for a plan of action.*
 - *Design options for a tradable deforestation permit regime: a supplementary discussion document for the sustainable land management and climate change consultation.*
4. Attachment 2 responds to the following documents related to energy:
 - *Draft New Zealand Energy Strategy.*
 - *Draft Energy Efficiency and Conservation Strategy.*
5. Because of the interconnected nature of the topics covered by the above documents the Council submissions complement each other. The Council submissions are also supported by two separate submissions made by Local Government New Zealand on the climate change and energy documents. Council officers were appointed to national working groups to help prepare the Local Government New Zealand submissions.
5. Summary of key points contained in the Council submissions:
 - The Council views climate change and energy efficiency and conservation as critical issues and supports decisive government action in these areas.
 - New Zealand must take a proactive approach in confronting these issues, to ensure the future well being of our communities, to enhance our competitive advantage and to deliver on community outcomes and aspirations for a clean green reality.
 - A clear and compelling vision for the country that is underpinned by sound principles and challenging goals is needed from central government to address climate change, energy efficiency and more broadly sustainability. These goals must be robust and go beyond "business as usual" achievements.
 - The Council strongly supports central government's aspirations to be a world leading, carbon neutral and truly sustainable country.
 - Long-term and ongoing partnerships between central and local government and with industry is needed to deliver solutions.
 - The Council is willing to play an active part in the planning and delivery of solutions and take a leading role for its community.
 - Options that deliver multiple values / benefits and that encourage desirable behaviour, are preferred by the Council.
 - Options that are punitive and inflexible are not preferred by Council.
 - New Zealand must be a responsible global citizen, taking an active role in helping other countries, especially Pacific Island nations, mitigate and adapt to climate change.

12 Cont'd

FINANCIAL IMPLICATIONS

4. No financial implications directly flow from this report. However, these central government policies and strategies could have significant impacts on this Council.

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

5. Yes.

LEGAL CONSIDERATIONS

6. No legal implications directly flow from this report. However, these central government policies and strategies could have significant impacts on this Council.

Have you considered the legal implications of the issue under consideration?

7. Yes.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

8. Not applicable.

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

9. Not applicable.

ALIGNMENT WITH STRATEGIES

10. These draft policy documents link with many Council strategies, both existing and under development, including the Urban Development Strategy, Sustainable Energy Strategy, Transportation Strategy, Water Supply Strategy, and the Sustainability Policy.

Do the recommendations align with the Council's strategies?

11. Yes.

CONSULTATION FULFILMENT

12. This report relates to a central government consultation process.

STAFF RECOMMENDATION

It is recommended that the Council submit to central government the attached responses to the strategies and discussion documents.

13. RAWHITI DOMAIN/THOMSON PARK MANAGEMENT PLAN: HEARINGS PANEL DECISION AND ADOPTION OF PLAN

General Manager responsible:	General Manager City Environment, DDI 941 8656
Officer responsible:	Transport & Greenspace Manager
Author:	Grant MacLeod

PURPOSE OF REPORT

1. The purpose of this report is to request the Council to adopt the report and decisions of the Hearings Panel in respect of the Rawhiti Domain and Thomson Park Management Plan. The adoption of the plan will allow both the Council and affected clubs using the domain and park to implement the developments and policies outlined in the document. The Panel's report is attached as Appendix 1.

EXECUTIVE SUMMARY

2. Council officers have followed the procedure set out in the Reserves Act 1977 in reviewing the management plan for Rawhiti Domain and Thomson Park. Submissions on the draft management plan were heard by a hearings panel, whose report is now submitted to the Council for adoption. All interested parties (including affected sports clubs and the local community) have been given the opportunity to make submissions on the future development and management of Rawhiti Domain and Thomson Park, in accordance with section 41(6) of the Reserves Act 1977.

FINANCIAL AND LEGAL CONSIDERATIONS

Financial

3. Provision has been made in the capital works programme for projects to 2009/10.
4. Provision for the tree replacement programme has been included in the capital works programme for the period 2006/07 to 2014/15.
5. Additional funding will be required for developments from 2010/11–2014/15. Provision for this will be made from the capital works programme.
6. It was originally proposed to remove the existing camp kitchen, at an estimated cost of \$50,000. The Hearings Panel has now recommended that the kitchen be retained, and that the Council accept an offer from the Canterbury Canine Agility Training Society to lease the building, on the basis that the club will contribute towards the landscaping, planting and upgrading of the building, with the Council providing a grant of \$25,000 for the upgrading, as an alternative to the high cost of demolishing the building, and removing it from the site.

Legal

7. Rawhiti Domain and Thomson Park are Recreation Reserves made up of five land areas totalling 63.5375 ha. The land is gazetted as follows:
 - Part Reserve 1579, NZ Gazette 1969 p1429
 - Part Reserve 1616, NZ Gazette 1969 p1429 (including Thomson Park)
 - Reserve 4467 DP 3213, NZ Gazette 1969 p1429 CT 268/103
 - Lots 2 & 3 DP 3276, Memorandum of Transfer 20/11/64
 - Lot 9 DP 5123, CT 569/96
8. The Hearings Panel has delegated authority (under the Reserves Act 1977 delegations), to hear and determine submissions and objections in relation to the preparation, review and change of management plans for reserves (s. 41 Reserves Act 1977). As the submissions and objections have been heard and determined by the Hearings Panel under delegated power, the Council cannot make any further amendments to the plan, although it would be open to the Council to request the Panel to reconvene for the purpose of rehearing the submitters.

13 Cont'd

HEARINGS PANEL DECISION

9. Pursuant to delegated power, the Hearings Panel has approved the Rawhiti Domain and Thomson Park Draft Management Plan dated 2006, subject to the inclusion therein of the amendments set out in the attached report by the Hearings Panel. These amendments have been included in the Management Plan, a copy of which is tabled.
10. The Hearings Panel has also resolved that the plan be first made available to the Burwood/Pegasus Community Board for its information.

STAFF RECOMMENDATION

That the decision of the Council Hearings Panel regarding the Rawhiti Domain and Thomson Park Draft Management Plan be adopted as the decision of the Council.

14. ADAM INTERNATIONAL CELLO FESTIVAL AND COMPETITION

General Manager responsible:	General Manager Human Resources, DDI 941-8548
Officer responsible:	Recreation and Sports Manager
Author:	Kevin Collier, Sports Services Manager

PURPOSE OF REPORT

1. The purpose of this report is to present an application for funding from the Adam International Cello Festival and Competition organisers for funding from the Annual Grants Fund for 2006/07.

BACKGROUND

2. In July 2006 at the Annual Grants allocation meeting, the Metropolitan Funding Subcommittee approved a recommendation to discontinue funding for the Orchestra Hirers Group and to redirect this funding directly to the recipient groups.
3. The Orchestra Hirers Group was an entity that distributed funding received via an annual grant from the Council to those performing arts groups which required the services of the Christchurch Symphony Orchestra and needed assistance with the costs. The Orchestra Hirers Group had received an annual grant from the Council of \$60,000 pa for a number of years.
4. Historically the Adam International Cello Festival and Competition organisers had received funding from the Orchestra Hirers Group and were expecting to be able to access this funding once again for their July 2006 Finals Gala Concert.
5. The Adam Cello Festival organisers' expectations regarding this funding was not known at the time of the grants meeting and hence no funding was redirected to the group at the time and they now have a shortfall of \$6,000 through not being able to receive a grant from the Orchestra Hirers group.

ANNUAL GRANTS FUND BUDGET

6. The Subcommittee did not allocate the entire Annual Grants fund at its July meeting. There was approximately \$40,000 left aside at the meeting from which a subsequent grant of \$5,000 has been made to the City Choir leaving \$35,000 still available in the fund for distribution.
7. The Council could make an allocation of \$6,000 and stay within the budget for this fund for 2006/07.

STAFF RECOMMENDATION

It is recommended that the Council approve a grant of \$6,000 to the Adam International Cello Festival and Competition from its Annual Grants fund for the 2006/07 year.

15. DELEGATION OF DISPENSING POWER FOR THE PURPOSES OF THE FIRES BYLAW 2006

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8549
Officer responsible:	Legal Services Manager
Author:	Judith Cheyne

PURPOSE OF REPORT

1. The purpose of this report is to recommend that the Council appoint a new officer subcommittee, to whom a delegation of the Council's powers under clause 16 of the General Bylaw 1990 should be made, in respect of applications for dispensation from the provisions of the Fires Bylaw 2006.

EXECUTIVE SUMMARY

2. There have been issues with the implementation of some of the provisions of the new Fires Bylaw 2006, introduced by the Council last year, which applies to the whole of the Christchurch District, including Banks Peninsula. As a result, a report will be coming to the Council on the possible review and amendment of the bylaw. In the meantime, however, one of the provisions of the Fires Bylaw which is causing some Christchurch residents difficulty, is a clause which provides for a year round prohibition on outdoor burning in some areas of Christchurch, unless otherwise permitted by other legislative means or permits/consents.
3. Anyone who finds that compliance with any bylaw provision would needlessly affect them, can apply to the Council for a dispensation from that provision, pursuant to clause 16 of the General Bylaw 1990. This requires that the person make an application to the Council, which the Council considers, together with an officer's report, and then makes a resolution. Given the interest that has been generated recently by the Fires Bylaw, it seems likely that a large number of people may wish to rely on clause 16 to apply for a dispensation. This may become an onerous task for the Council to deal with over the next few months.
4. For the efficient and effective conduct of the Council's business, instead of having the Council deal with every dispensing application made in relation to the Fires Bylaw, the staff recommendation is that the Council delegate its power under clause 16 to an officer subcommittee, in relation to the Fires Bylaw only. This subcommittee can then deal with each application rather than the Council's time being taken up. It is also recommended that no fee be payable for such application, as it is intended to make the process very simple, and it is only anticipated that applications will be made during the next few months. It would take longer than this period to prescribe a fee, as required, by using the special consultative procedure.

FINANCIAL CONSIDERATIONS

5. Although there is a cost to the Council whether staff deal with these applications or the Council does, it is considered a better use of time and resources for an officer subcommittee to be considering applications rather than the Council. The cost could be offset by imposing an application fee but, as discussed below, the application fee could only be imposed after using the special consultative procedure.

LEGAL CONSIDERATIONS

6. The Council can delegate a large number of its powers in accordance with clause 32, Schedule 7 of the Local Government Act 2002 (LGA02) for the purposes of efficiency and effectiveness in the conduct of a local authority's business. The General Bylaw also provides for the delegation of any bylaw powers (clause 7). The Council is therefore able to delegate its power under clause 16 of the General Bylaw. However, because the decision on an application for dispensation must be made by way of a resolution the power cannot be delegated to a single officer, but must be delegated to a committee or subcommittee, who can make a resolution.

15 Cont'd

7. The Council also has the power under the LGA02 to appoint or discharge committees and subcommittees (clause 30). If the delegation of the power in clause 16 was to be to a committee of Council, that would require that a councillor be on the committee, and Council officers cannot be on a committee, only a subcommittee. A Councillor is not required to be a member of a subcommittee (clause 31).
8. In accordance with section 150 of the LGA02, the Council can prescribe fees or charges payable for an authority, approval, permit, or consent in respect of a matter provided for in a bylaw made under the LGA02, but it must do so by prescribing the fee in the bylaw or by using the special consultative procedure. The Council does not currently have a fee for an application made under clause 16 of the General Bylaw, so this could only be imposed by using the special consultative procedure, or by inclusion in a bylaw (which also requires the special consultative procedure). This is not a fee that could be imposed using the powers in section 12 of the LGA02.
9. Concerns were expressed at the seminar as to whether clause 16 of the General Bylaw could apply to both "old" Christchurch and Banks Peninsula, given that when the General Bylaw was made, and up until the merger/reorganisation order, it would not apply to the Banks Peninsula area. If the original two Fires Bylaws were still in existence, that would be the case: clause 16 could not be used to give a dispensation in relation to the former Banks Peninsula bylaw, only the Christchurch City Bylaw. However, the new Fires Bylaw, having been introduced in October 2006, is effective for the whole of Christchurch, including Banks Peninsula.
10. When any new Christchurch Bylaw is made it is in knowledge of the General Bylaw. The object of the General Bylaw is stated as: "*... to make provisions which shall be common to and form part of all other bylaws of the Christchurch City Council which shall come into force after the third day of July 1990 except as may otherwise be expressly provided*". The Fires Bylaw 2006 does not expressly provide that the General Bylaw provisions will not apply. The Legal Services Unit conclusion is that any resident of Christchurch, whether in the former Banks Peninsula District or elsewhere, can apply under clause 16 for a dispensation in relation to any bylaw that is new or has been reviewed since the reorganisation order, which includes the Fires Bylaw 2006.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Appoint a new officer subcommittee to be called the Fires Bylaw Dispensing Power Officer Subcommittee.
- (b) Appoint the following persons/positions as members of the Fires Bylaw Dispensing Power Officer Subcommittee:

Inspections and Enforcement Manager;
Environmental Inspections and Enforcement Manager;
Environmental Monitoring Team Leader;
Environmental Policy and Approvals Manager; and
Principal Rural Fire Officer

with a quorum being any two members.
- (c) Delegate to the Fires Bylaw Dispensing Power Officer Subcommittee the powers of the Council in respect of clause 16 of the General Bylaw 1990 for the purposes of applications made in relation to provisions of the Fires Bylaw 2006.

15 Cont'd

BACKGROUND

11. At a Council seminar on 27 February 2007, the Council discussed the Fires Bylaw 2006 (the bylaw), introduced by the Council in October 2006, and various options in relation to the bylaw.
12. The bylaw revoked both the previous Banks Peninsula District Council and Christchurch Bylaws relating to fires. The new bylaw covers both the control of spread of fires involving vegetation (as permitted under section 146 of the Local Government Act 2002), the protection, promotion and maintenance of public health and safety by preventing danger from fire, and also the control of nuisance, smoke, odour, ash, from any outside burning (not just vegetation) under section 145 of the Local Government Act 2002, and, in respect of nuisance, also under section 64 of the Health Act 1956.
13. Clause 7.1(a) of the bylaw is now proving to be somewhat problematic for some Christchurch residents, as it provides for a year round prohibition on outdoor burning in some areas of Christchurch, unless otherwise permitted, as follows:

“7.1 Except as provided for in the Forest and Rural Fires Act 1977, or in Clause 8 of this bylaw, or by a regional plan, or by permits obtained from the regional council or the Department of Conservation the following activities are prohibited: -

 - (a) *Making or lighting, or permitting to remain alight any fire in the open air in any residential area or within the Christchurch Clean Air Zone 1 at any time of the year;...”*
14. Some of the new bylaw provisions, including clause 7.1(a), were drafted so as to be consistent with the air quality rules of Environment Canterbury (ECan) under the Proposed Natural Resources Regional Plan (NRRP) Chapter 3: Air Quality.
15. Although the Council's bylaw making powers allow the Council to make bylaws to address fire safety/fire prevention and nuisances, there are potential issues around whether clause 7.1(a) in providing for a total prohibition, goes further than it should, and whether it really needs to address nuisance issues, given that the NRRP covers air quality matters, including the nuisances as stated above. It seems more appropriate for such things to be dealt with entirely by ECan rather than be addressed in the Council's Fires Bylaw.
16. As a result of the above issues the Council will shortly be considering whether or not it should amend the bylaw, but in the meantime, while the bylaw is still in force, the prohibition prevents people in residential and living zones, or clean air zone 1 areas from burning green waste, etc outside of the usual summer ban period of November to February. This problem was discussed at the seminar and a direction given to staff that a report should be provided to Council in relation to the Council's power of exemption from bylaws or certain provisions of bylaws.
17. The Fires Bylaw does not provide for any form of exemption from the prohibition on burning in clause 7.1(a) (or other provisions). However, the Council's General Bylaw does. Clause 16 of the General Bylaw states:

“(1) Where in the opinion of the Council a full compliance with any bylaw or provision of a bylaw would needlessly or injuriously affect any person, or the course of operation of the business of, or be attended with loss or inconvenience to, any person without any corresponding benefit to the community, then in any such case the Council may, on the special application of the person so affected and subject to a report thereon by the officer of the Council usually or for the time being charged with the control or administration of the particular bylaw or provision of the bylaw affected, by resolution dispense with the observance or performance or relax the strict observance or performance of any such bylaw or provision of a bylaw or otherwise modify the same, with or without such additional terms or conditions which the Council may see fit to impose.

15 Cont'd

(2) *Should the Council acting pursuant to the foregoing sub-clause dispense with the full compliance or relax the full compliance with any bylaw or provision of a bylaw or otherwise modify the same then a breach by such applicant of any term or condition thereby imposed by the Council shall be deemed a breach of such bylaw or provision of such bylaw."*

18. To gain a dispensation under clause 16 of the General Bylaw, from any provision of the bylaw a person must make an application to the Council, which the Council considers, together with an officer's report, and then makes a resolution. Given the interest that has been generated recently by the bylaw, it seems likely that a large number of people may wish to rely on clause 16 to apply for a dispensation. This may become an onerous task for the Council to deal with over the next few months.
19. The proposal therefore is that, for the purposes of efficiency and effectiveness in the conduct of the Council's business, the Council should delegate its power under clause 16, in relation to the Fires Bylaw only. The delegation will need to be made to an officer subcommittee, who can make a resolution in respect of any application, as required by clause 16. In accordance with the power in clause 16, the subcommittee can receive either a written or oral report from an officer in relation to 1, or a series of, applications, and can then, by resolution, approve or reject, with or without conditions, that or those applications.
20. Clause 16 also provides the power to impose conditions. The type of conditions that could be imposed by the subcommittee is to require that the applicant must comply with the other clauses of the bylaw, or that burning cannot occur within so many metres of any of the property boundaries, or specific boundaries. Conditions might also include time restrictions on burning (ie it must be carried out during daylight hours), or that any burning must take place before a certain date. Any dispensation that is granted should also include a note that it is only a dispensation in respect of the Council's bylaw and it does not exempt the person from complying with any regional council or other legislative requirements.
21. The dispensation application form should be available on the internet to be downloaded, as well as hard copies being made available to the public. The application can then be emailed or posted to the Council. It is also suggested that the application not be subject to the payment of any fee. This is because it is intended to make the process very simple, and it is only anticipated that applications will be made during the next few months. Under both the NRRP and ECan's transitional regional plan, winter burning in any residential area or within the Christchurch Clean Air Zone 1 is a non-complying activity, and it is not expected that applications for a dispensation will be made during the winter months. In addition, if a fee were to be imposed this could only be done by way of the special consultative procedure which would cause delay.

OPTIONS

22. The Council has three options:
 - (a) Delegate the power to a new officer subcommittee as recommended.
 - (b) Delegate the power to a Council committee, which would require that at least one councillor be a member of the committee, and no council officers could be members.
 - (c) Not delegate the power in clause 16, which would mean the Council would have to deal with every dispensation application.

PREFERRED OPTION

23. For the efficient and effective conduct of the Council's business the preferred option is option (a) above.

23. 3. 2007

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16. PROPOSED REZONING OF SPECIAL PURPOSE (AWATEA) ZONE

To be separately circulated.

17. REPORT BY THE CHAIRPERSON OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD

Attached.

18. NOTICES OF MOTION

19. QUESTIONS

20. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.