

2. TERMS OF REFERENCE FOR STRATEGIC REVIEW OF HERITAGE POLICY

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PURPOSE OF REPORT

1. The purpose of this report is for the Council to approve the Terms of Reference for a strategic review of the Council's approach to heritage protection.

EXECUTIVE SUMMARY

2. The Council resolved at its meeting on 29 May 2008 that the Council should "give urgent priority to developing a strategy for the retention of heritage buildings in our city". This resolution reflects concerns about the ongoing threats to the city's heritage and a desire to respond to these threats more actively and effectively.
3. The importance of preserving the city's built heritage is recognised in a number of Council policies and strategies, and in the Christchurch City and Banks Peninsula District Plan. The Council currently uses a variety of tools to help protect and manage that heritage—including incentive grants for conservation and maintenance, line-item funding for specific heritage projects, covenants, and the provision of specialist advice, as well as regulation (see Attachment 2). The Council, however, has not clearly defined either its strategic heritage objectives, or the scope of its role in heritage protection and management.
4. The listings in the City and District Plan do identify around 900 significant buildings and other items, but regulation through the Plan cannot provide effective protection for heritage buildings in the absence of a viable economic use being found for them. Continued use of -and finding *new* uses for- these buildings is made more challenging by maintenance costs, and in particular by the cost of, and complex regulatory processes associated with, upgrading buildings to meet Building Code requirements, especially those relating to seismic strengthening. Furthermore, an approach focused on listing and regulating activities relating to individual heritage items will not address community concerns about the loss of historic character, or capitalise on this character as the city, and surrounding settlements, develop.
5. Success in retaining the city's built heritage will ultimately depend on the systematic integration of heritage management into the Council's wider approach to the city's development, and in particular on facilitating the adaptive reuse of both listed heritage and character buildings. As the Greater Christchurch Urban Development Strategy (UDS) is translated into programmes for central city revitalisation and urban intensification, the Council's approach to heritage needs to be aligned with this work
6. An agreed, integrated approach is needed, that:
 - (a) Defines the Council's strategic heritage objectives, and the Council's role in achieving these;
 - (b) Identifies the most effective "toolkit" of regulations, incentives and other approaches to achieve these objectives and priorities; and
 - (c) Integrates the management of heritage with the achievement of the Council's wider strategic objectives for urban development, intensification, and central city revitalisation.

Terms of Reference are attached (Attachment 1) for a strategic review of the Council's heritage policy and approaches, that will lead to a recommended package of changes to heritage policies, incentive schemes, District Plan provisions and regulatory processes. This review would not focus on identifying new items for regulatory protection, but rather on the value of our heritage and how best to achieve good heritage outcomes. It would be carried out between December 2008 and December 2009, with a final report to the Regulatory and Planning Committee and then to the Council in November-December 2009.

7. A number of related projects are currently underway or proposed, including the Heritage Plan Change, Central City Revitalisation, the Strategic Intensification Review, the Incentives Policy investigation, and the review by 2010 of the Earthquake Prone Buildings Policy. Attachment 1 also shows the relationship between the Heritage Review and these other projects.

FINANCIAL IMPLICATIONS

8. The review can be undertaken within existing budgets.

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

9. Yes.

LEGAL CONSIDERATIONS

10. The decision to undertake a policy review has no legal implications.

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

11. See above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

12. The review aligns with the 2006-16 and draft 2009-19 Activity Management Plan for Heritage Protection, in that it would establish the overall framework within which to pursue the initiatives identified in the Plans. Some performance targets in the 2009-19 Plan might need to be revisited in the light of the review's recommendations, however.

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

13. See above.

ALIGNMENT WITH STRATEGIES

14. The policy review would ensure that the Council's approach to heritage management is internally consistent, and aligned with other Council strategies such as the Greater Christchurch Urban Development Strategy and the Central City Revitalisation Strategy.

Do the recommendations align with the Council's strategies?

15. See above.

CONSULTATION FULFILMENT

16. No consultation is required at this stage, but given the considerable public and stakeholder interest in heritage issues, it is proposed that there be two phases of consultation during the review. The first, focussed on identifying the issues and options, would involve key stakeholders, including Community Boards, selected property owners and developers, and heritage interest groups. This would take place in February-March 2009. The second, wider, phase of consultation would be undertaken in August-September 2009 once the draft priorities and approaches have been identified. A communications plan is currently being prepared.

STAFF RECOMMENDATION

That the Council approve the attached Terms of Reference for a review of the Council's strategic heritage objectives and its approaches to heritage protection and management, to be undertaken between December 2008 and December 2009.

COMMITTEE RECOMMENDATION

The Committee **recommends** to Council that it:

- (a) Support the strategic review.
- (b) Resolve that the heritage plan change currently being prepared proceed in concert with this review.

BACKGROUND (THE ISSUES)

17. The Council resolved at its meeting on 29 May 2008 that the Council should “give urgent priority to developing a strategy for the retention of heritage buildings in our city”. The immediate impetus for the resolution was the decision that Council would retain Grubb Cottage, and fund the conservation, stabilisation and future maintenance of the building, rather than continuing to pursue the transfer of the property to another owner as was envisaged when it was purchased using the Historic Places Fund in 2006.
18. The Grubb Cottage process highlighted a number of issues with the Council's current approach to managing the City's heritage. In particular, it raised questions about:
 - (a) Processes for identifying and prioritising heritage buildings (and other items) for protection, including the need for a realistic assessment of the economic viability of different protection options; and
 - (b) How best to use the available resources, and policy mechanisms, to achieve not just the protection of individual properties, but the Council's overall heritage objectives.

These heritage objectives need to be considered in the light of its wider social, cultural and city development objectives, including the need to retain and enhance the historic character—which is mostly not listed—of the central city, suburbs and smaller settlements as they grow and redevelop.

Legislative Context

19. The Resource Management Act 1991 (RMA) requires territorial authorities to recognise and provide for the protection of historic heritage from inappropriate subdivision, use, and development, as a matter of national importance, and defines “historic heritage” as including historic sites, structures, places and areas; archaeological sites; sites of significance to Maori, including wahi tapu; and surroundings associated with these.
20. The RMA does not require the blanket protection of historic heritage, but rather its protection from *inappropriate* subdivision, use, and development. Thus, local authorities need to determine:
 - (a) The nature of the heritage resource in their area,
 - (b) What would constitute sustainable management of the resource: that is, what use or development is and is not appropriate, and
 - (c) The most efficient and effective ways of achieving those sustainable management objectives.

The RMA does not assume that regulation through a district plan will be the sole—or even the primary—tool for managing heritage. Rather, it envisages a range of non-regulatory methods—for example, education to increase public awareness of the value of heritage; the direct provision of services, such as the ownership and management of some heritage properties; and incentives for property owners—being used alongside regulation to achieve the sustainable management of heritage.

21. What counts as “heritage”, and what use or development of it is appropriate, are to some extent subjective judgements. Processes for public input into district plan processes offer one opportunity for the community to express its views on heritage issues and priorities. The Community Outcomes process under the Local Government Act 2002 (LGA) is another way in which the community could identify the heritage outcomes that it considers important, although to date Community Outcomes across New Zealand have tended not to be sufficiently detailed to provide much guidance on community views of heritage issues.
22. The Councils' approach to heritage management must also take into account (1) the fact that resources (both public and private) are limited, and (2) the need to distribute the costs and benefits of heritage protection fairly between property owners and the wider community. There is relatively little scope to protect most heritage properties in the absence of a viable economic use being found for them. Furthermore, Building Code requirements, especially those relating to seismic strengthening, can impose high costs on heritage property owners, and so reduce the economic viability of these buildings. Although the Building Act 1991 allows councils to waive some code requirements where full compliance would result in a major and unacceptable loss of heritage value, the Christchurch City Council's policy is that heritage buildings should be as close as practicable to full code compliance (66% or, occasionally, 50%).

Issues for Christchurch City Council

Identification of the historic heritage resource

23. In Christchurch, what counts as historic heritage is defined, in effect, through inclusion in the Christchurch and Banks Peninsula District Plan's list or inventory of heritage buildings, places and objects. There are just under 600 items listed in Christchurch, and around 300 on Banks Peninsula, and they are grouped according to their heritage significance, establishing de facto priorities for heritage protection efforts.
24. The listings have shortcomings. They reflect somewhat ad hoc processes of identification of items over a number of years, and they were not prepared on a consistent basis across Christchurch and Banks Peninsula. As a consequence, some aspects of our history are much more heavily represented in the listings than others: churches and large homesteads, for example, feature much more prominently than industrial heritage and workers' accommodation. Archaeological and Maori sites may also not be appropriately represented in the listings. Furthermore, the listings are largely of single items, so do not address either settings or the wider issue of heritage areas.

The Council's heritage objectives and priorities

25. Before deciding what, if any, changes should be made to the heritage listings, it is necessary to consider (1) what heritage means for the City and Banks Peninsula, (2) what objectives we should have for the management of our heritage, and (3) whether regulation via listing and Plan rules is the most effective way to achieve these objectives.
26. The Christchurch Community Outcomes express a desire to protect our heritage for future generations. To date, however, the Council has defined its heritage objectives in only the most general terms:
 - The Christchurch City Plan has only one heritage objective: "the conservation and restoration of heritage items and values" (4.3). This objective is to be achieved primarily through policy 4.3.1, which seeks "to identify and provide for the protection of heritage items having regard to their significance", and secondarily by increasing awareness of heritage values (4.3.4) and providing assistance to owners of heritage buildings (4.3.5). The outcomes anticipated are broadly described as the "identification and protection" of heritage items, public awareness of their value, and "the responsibility of owners in their protection".
 - The Banks Peninsula section of the plan also has very broad cultural heritage objectives and policies, although it does single out areas of significance to local runanga, waahi tapu, and the preservation of the historical character and streetscape of the Akaroa township, and (in the Residential Conservation Zone chapter) of the Lyttelton and Akaroa residential areas, as of particular importance.
 - The Heritage Conservation Policy (1998; partially updated 2007), sets out broad heritage management "policies" but many are no more than high level goals, such as "to research Christchurch's heritage buildings, places and objects".
 - The *Heritage Values + Vision + Mission* statement, endorsed by the Council in 2004, is a high-level statement of why we value our tangible and intangible cultural heritage, and of the ideal heritage management approach to which we might aspire.
 - The Greater Christchurch Urban Development Strategy (2007) identifies maintaining and protecting the heritage values of established suburbs, rural towns and settlements, as an aspect of the enhanced sense of place it seeks to promote for its communities. The UDS recognises that development can mean the loss of individual heritage items, original settlement patterns, and archaeological sites, but also sees opportunities, through carefully managed change, to enhance heritage townscapes.
27. The approach indicated in the UDS recognises that historic character is an asset: effective management of it promotes cultural and social wellbeing, as well as delivering economic benefits. The protection of significant heritage buildings and other items and places is important in itself, but it is also part of a wider set of strategic objectives. For example, capitalising on historic character is a key element of the Council's strategy for the central city, and it is likely to be an important factor in the success of urban intensification and in the future development of Lyttelton and the communities of the Akaroa Harbour Basin.

28. Between 1995 and 2007, 21 listed heritage buildings and other items were demolished or removed from the Christchurch City Plan register for other reasons. None were Group 1—the most significant category—and most were from Group 3 or 4. An average of less than two losses per year from a total of nearly 600 items might—or might not—be considered acceptable, but it should be remembered that the listings do not necessarily reflect any clear strategic objectives, and that this period has also seen incremental change in older areas of the city, through suburban infill, intensification in the inner city and inner suburbs, and the redevelopment of commercial and residential sites. A focus only on individually-listed heritage properties is unlikely either to address ongoing community concerns about the loss of the city's heritage, or to capitalise on Christchurch's unique character.

The Council's current approach to heritage management

29. As is the case with many other local authorities, the cornerstone of the Council's approach to heritage management at present is listing and regulation through the City and District Plan, and its efforts to improve the effectiveness of heritage protection have accordingly focused on improving the Plan objectives, policies, and rules. In 2005, in response to a range of concerns about the current heritage provisions in the Christchurch City Plan, the Council released an Issues and Options paper discussing possible changes to these provisions. The primary aim of the recommended Plan Change was to make the Plan's heritage objectives and policies more detailed, specific and directive; it also introduced GIS mapping of all properties, included a more comprehensive list of heritage items, simplified the grouping of listed heritage items, and refined regulatory control of activities, particularly "partial demolition" and "alteration" of buildings. It deliberately did not address issues of areas of historic significance, or archaeological or Maori sites.
30. While the proposed Change would address many problems with the existing Plan provisions (although at present only for Christchurch), it would not address the wider questions of what Council's heritage objectives and priorities are, how these relate to its overall vision for the Christchurch and Banks Peninsula, and how it can use the range of methods at its disposal, in a co-ordinated way, to achieve them.
31. Christchurch City Council currently uses a large number of non-regulatory methods to help retain and preserve heritage buildings and other items (see Attachment 2). These include incentive grants for conservation and maintenance, a revolving fund for the purchase and on-sale of threatened buildings, line-item funding for specific heritage projects, covenants, reimbursement of some fees, research, education and advice. The Council also owns a number of heritage properties, which are used for a range of purposes.
32. These non-regulatory measures have evolved in a somewhat piecemeal fashion over time, and like the City Plan regulations they largely focus on the protection of individual listed items—although the Council does also have grants available to assist with the external maintenance of character houses. They have tended to be largely reactive, and the total package of measures—both regulatory and non-regulatory—has not been assessed as a whole in the light of how the Council is aiming to balance protection, re-use and development, or in relation to its overall strategic objectives—for example, central city revitalisation and urban intensification. The draft 2009-19 Heritage Protection Activity Management Plan signals an intention to become involved in more active partnerships with owners of listed buildings—such as the High Street and New Regent Street initiatives—although at present only one such initiative is expected to be completed every eight years.

Risks of current approach

33. Under the Council's current approach, there are risks that:
- (a) The Council may not have identified what is important, and why—not just as heritage buildings, places and other items in and of themselves, but as part of a vision for the city's development;

- (b) There will continue to be inconsistencies between approaches and outcomes in Christchurch and Banks Peninsula;
- (c) We may fail to capitalise on our heritage assets—for example, where there is incremental erosion of strategically significant historic *areas* of the city and smaller settlements;
- (d) The Council may be expected, by some sections of the community, to protect everything that has been identified as part of the heritage resource, as well as many “character” but non-listed buildings and other items;
- (e) Both the Council and the community may have underestimated the resources required to meet these community expectations;
- (f) The Council’s resources may not be used in the most efficient and effective way to protect the heritage items and values that matter most.

THE OBJECTIVES

34. The Council needs to:

- (a) Determine its strategic heritage objectives and priorities, and its own role in achieving these;
- (b) Identify the most effective package of regulations, incentives and other approaches to achieve these objectives and priorities; and
- (c) Integrate its management of heritage with the achievement of its wider strategic objectives for urban development, intensification, and central city revitalisation.

RECOMMENDED APPROACH

35. To achieve the objectives in paragraph 34, staff recommend a review of the Council’s heritage policy and approaches be undertaken, that would:

- (a) Identify current significant heritage issues in Christchurch and Banks Peninsula, in the context of the Council’s wider strategic objectives;
- (b) Identify key risks and opportunities—again, in the context of the Council’s wider strategic objectives;
- (c) Review how other councils around the country are addressing similar heritage issues;
- (d) Assess how the Council’s current approach to heritage protection and management could be improved, in the light of the issues, risks and opportunities;
- (e) Recommend a package of changes to policies, services provided directly by Council, incentive schemes, City and District Plan provisions and regulatory processes as required; and
- (f) Identify key pieces of further work as needed.

This review—Terms of Reference for which are attached (Attachment 1)—would be focused on the key risks and strategic opportunities for the Council, and on its role and resources. It would be undertaken from December 2008 to December 2009, and could be completed within existing budgets.

36. The Heritage Plan Change that has been prepared (see paragraph 29) is currently around six months away from being notified. Although some elements of the Plan Change are strictly technical—in particular, the introduction of GIS mapping of listed items—it is difficult to separate the technical from the more policy-related provisions. Staff therefore recommend that the Plan Change should not proceed until the heritage review is complete and the Council’s overall approach to heritage protection and management, both through the Plan and outside it, is resolved.