

REGULATORY AND PLANNING COMMITTEE AGENDA

THURSDAY 4 MARCH 2010

AT 9AM

IN THE NO 3 COMMITTEE ROOM, CIVIC OFFICES

Committee: Councillor Sue Wells (Chairperson),
Councillors Helen Broughton, Sally Buck, Ngaire Button, Yani Johanson, Claudia Reid,
Bob Shearing, Mike Wall and Chrissie Williams.

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4. 3. 2010

1. APOLOGIES

2. DEPUTATIONS BY APPOINTMENT

3. WEATHERTIGHT HOMES CLAIMS IN CHRISTCHURCH

Mr Dennis Robertson has been granted speaking rights in regard to this item.

3. WEATHERTIGHT HOMES CLAIMS IN CHRISTCHURCH

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8462
Officer responsible:	Environmental Policy and Approvals Manager
Author:	John Buchan, Building Control Manager

PURPOSE OF REPORT

1. The purpose of this report is to outline for the Council, the history of the “leaky building” issue, report on recent Government proposals to assist the resolution of these claims, and provide an update on the current status of weathertight homes claims in Christchurch.

EXECUTIVE SUMMARY

2. Leaky buildings are a national issue that arose principally as the result of a systemic failure in the building industry between 1992 and 2004. During this time a combination of new legislation, relaxed building controls, new and unproven building standards, materials and building designs and unskilled builders and industry players - all lead to a scale of weathertightness problems in buildings which was unprecedented in New Zealand.
3. The issue surfaced nationally in 2002, when the Building Industry Authority (BIA) appointed a Weathertightness Overview Group to enquire into the weathertightness of buildings in New Zealand - housing that was leaking and causing decay. The subsequent (Hunn) report identified a systematic failure in the building industry causing leaky buildings.
4. More recently, in April 2009, the Government engaged Pricewaterhouse Coopers (PWC) to prepare a further report on the Weathertightness Homes issue and to estimate the cost of resolving the issue. This Government initiative was designed to show the overall scale of the problem. The report was released in December 2009 and it calculated the scale of the problem at \$11.3 billion. The report estimated that of the houses built between 1992 and 2008 a range of between 22,000 and 89,000 homes are affected and settled on 42,000 as a best estimate.
5. The Government has been in consultation with the Mayors of six of the major metropolitan Councils and suggested that the issue of leaky buildings could be resolved finally for all claimants if the Government would contribute 10 per cent of the repair cost, councils 26 per cent, and homeowners the remaining 64 per cent (with homeowners having the ability to pursue other parties to contribute i.e. builders, developers, sub contractors).
6. At present the Government proposal has been rejected by a negotiating party comprising the Mayors of Wellington and Auckland City Councils. They are seeking a proposal from the Government which would see a contribution of 50 per cent of the repair cost by the homeowners, 25 per cent by the Government and 25 per cent by councils. While details of any Government proposal have not been finalised, the matter would need to be carefully considered by all councils.
7. Currently Christchurch has 111 active claims involving 232 properties (109 active claims on the Weathertight Homes Resolution Service (WHRS) website and as at 31 January 2010 two in the District Court). This represents about 5.6 per cent of the claims nationally. The Council has previously resolved 132 claims. We are currently resolving approximately 20 claims per year with the average payout for our most recent claims (including legal costs) being \$50,296.

FINANCIAL IMPLICATIONS

8. In light of the present rate of resolution of weathertight claims, the present budget of \$170,000 in the 2009/19 LTCCP is insufficient. Staff are recommending that the Annual Plan for 2010/11 propose an increased budget to \$1 million and it is anticipated that this level of budget might be necessary for the next six years.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

9. This report is for the information of Councillors.

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LEGAL CONSIDERATIONS

10. See below.

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

11. See below.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

12. Any future Government proposals have not been anticipated in the LTCCP or activity management plans. This matter will require further consideration by Council before any changes could be made.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

13. Not applicable.

ALIGNMENT WITH STRATEGIES

14. Not applicable.

Do the recommendations align with the Council's strategies?

15. The report is for information only.

CONSULTATION FULFILMENT

16. The Metropolitan Sector Mayors have agreed that the Mayors of Wellington and Auckland should continue negotiations with Hon Maurice Williamson, Minister of Building and Housing, regarding further government proposals. Any formal proposal would need to then be considered by Council and be the subject of further consultation.

STAFF RECOMMENDATION

It is recommended that the Committee:

- (a) Receive this report.
- (b) Await any formal proposal by the Government regarding a longer term resolution of this matter.

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BACKGROUND (THE ISSUES)

17. The leaky building issue came into national focus in 2002, when the Government appointed a Weathertightness Overview Group to enquire into the weathertightness of buildings in New Zealand - in particular concerns regarding buildings that were leaking and causing decay. The subsequent (Hunn) report identified a number of factors that contributed to leaky buildings. Its conclusion was that this problem was caused by a systematic industry failure. The factors included the Building Act 1991 which moved from a prescriptive building code to a more liberal building system, which allowed the use of Private Certifiers and many new products and design methods, without adequate building controls. Coupled with this there was a lack of skilled builders and apprentices. A degradation of the quality of work being produced onsite by semi-skilled or less experienced workers, was evident.
18. The combination of these changes contributed towards buildings failing to remain weathertight and becoming part of the leaky building problem.
19. As early as November 1994, newspapers started reporting that building experts were concerned with the problems being caused from stucco finishes being applied to modern houses. They reported that the plasterers applying the modern materials had insufficient skill in the application of such finishes and that they were a potential time bomb. The modern (monolithic) cladding systems used were generally textured wall surfaces made out of plaster on polystyrene or fibre cement sheets. Proper installation was important and these materials depended on the external sealing and painting to prevent moisture penetration. Design features which heightened the risk of leaky buildings included flat roofs, no eaves, (unflashed) recessed windows, solid balustrades, complex roof and deck design and penetrations through exterior claddings for handrails, downpipe fixings etc.
20. Following the media coverage, Building Research Association of New Zealand (BRANZ) ran seminars for the building industry on the dangers involved with wrongly applying modern plastered surfaces to house exteriors. In 1996 they published a work manual on "good stucco practice" to lift awareness in the industry.
21. In 1996 the New Zealand Building Code removed the regulatory requirement for all framing timber to be preservative treated. This followed a positive BRANZ recommendation that untreated framing would have a 50-year durability performance. Councils were previously concerned at the impact this untreated timber framing would have on the buildings in their areas and refused to approve this material. However, after the BRANZ confirmation that it was suitable for general use, the material was approved.
22. From 1998 on, the Building Industry Authority (BIA) was aware of serious problems with monolithic cladding systems in Canada and the United States. These overseas countries stopped the use of foam-based EIF (polystyrene systems) as a substrate for modern plaster - unless these were used with a cavity system to provide for the possibility of moisture penetration.
23. In 2002, the BIA engaged a Weathertightness Overview Group to investigate and report on what was becoming a serious national problem. The Hunn report concluded that there was a systemic failure across the industry. Two primary matters of concern were the risks and long-term dangers of the use of untreated timber (which supports fungal growth when wet) and the problem with the modern external stucco claddings (monolithic claddings) being used as well as the lack of skill in their application.
24. With the increasing number of claims for leaky buildings in the late 1990s, and as a result of concerns about the cost of homeowners of pursuing such claims through the Courts, in 2002 Parliament established the Weathertight Homes Resolution Service (WHRS) and the Weathertight Homes Tribunal. The WHRS receives claim applications and provides assessment information, guidance and mediation services.

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25. The Tribunal is a judicially independent Tribunal that provides an adjudication process as an alternative to the Courts for leaky building claims only. The Tribunal was intended to provide a low cost assessment of the weather-tightness problems with the house and to provide access to dispute resolutions service. The Tribunal has the power to award general damages, including those for mental stress and anxiety, as well as the costs for repair work to the home. A home owner can choose to use the services of the Tribunal or to use the Courts. Other types of building claims eg, subsidence, do not have access to the Tribunal and such claims need to be resolved through the Courts if they are not settled.
26. In the legislation, administered by the WHRS and the Tribunal, a weathertightness failure is defined as "a dwellinghouse into which water has penetrated as a result of any aspect of the design, construction or alteration of the dwellinghouse, or materials used in its construction or alteration".
27. This refers to water that has unintentionally penetrated the interior of the house. It is recognised that in some building designs it is expected that water will penetrate the primary cladding, but the design ensures the water will not cause damage. This is not a failure because the water has no opportunity to damage the interior structure of the dwelling. Weathertightness failure does not include water from internal sources such as bathrooms or kitchens.
28. In the December 2009 Price Waterhouse Coopers report the authors stated:
"Building professionals report that all houses will leak eventually and it is the ability to handle those leaks that determines if damage will occur. For example, a brick exterior is porous and will leak. Brick homes are, therefore, built with cavities and outlets at the bottom of walls to allow for drainage. Using this system, very few brick houses have experienced damage from water ingress".
29. When a dwelling is damaged by water ingress, there are invariably two causes to consider:
 - the failure to prevent water ingress into the interior
 - the dwelling's inability to let water out and, hence, its inability to resist damage from water penetration.

Maintenance, or the lack thereof, is also a critical factor.

Price Waterhouse Coopers Report

30. In April 2009, the Government engaged Pricewaterhouse Coopers to prepare a report on weathertight homes and to estimate the cost of resolving the issue. This followed concern nationally that the WHRS system was not being effective in helping owners of leaky buildings, despite changes in 2006 to speed up the process. Of major concern is the associated legal costs with resolving claims and the protracted nature of negotiations. Since the introduction of the legislation, the report suggests 3,500 homes nationally have been repaired and a further 10,000 have gone beyond the 10-year period of legal liability.
31. The Price Waterhouse Coopers report was released in December 2009. In summary the report's research finding on the size and cost of the national problem is:

Size of Problem

- *Most likely estimate 40,000 - 45,000 individual dwellings (single and multi-unit)*
- *Large possible range from 22,000 to 89,000 dwellings.*
- *Only a small number (few thousand) have already been repaired.*
- *Up to around 10,000 are likely to be outside the 10 year liability limitation period.*
- *This leaves approx 31,000 dwellings needing to be repaired under the current, or any new, policy.*
- *Failures since 2006 have been minimal - this is mainly an historic problem.*

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Cost of Problem

- *Total economic cost from 1992-2020, under current policy, is \$11.3 billion (in 2008 dollars)*
- *Total economic cost to repair the approx 31,000 dwellings that could be covered by any new policy is \$6.3 billion.*
- *Costs are met, under current policy:*
 - *40 - 60% Owner*
 - *30 - 40% Councils*
 - *10 - 20% third parties (eg builders)*
- *Average cost of repair, including all transaction and incidental costs, (amount dependent on type of repair, minor to full re clad): \$27,500 - \$410,00 for stand alone houses and \$16,250 - \$156,250 per unit for multi unit dwellings.*
- *Legal fees comprise on average \$20,000 - \$40,000 of the "repair costs".*

The above figures are estimates only and are uncertain. There remain a number of important unknowns. These include:

- *The nature and extent of private repairs on leaky homes.*
- *Recognised but un-repaired serious damage.*
- *As yet unrecognised cases where there is a high probability of failure and of serious damage because of leaks.*

Accordingly, there will always be a high degree of uncertainty about any estimate of the size and cost of the leaky homes problem.

32. The PWC report also stated:

"For the consensus forecast of 42,000 failures, the total economic cost (i.e. repair and transaction costs) of remediation of the affected dwellings is estimated as \$11.3 billion (in 2008 dollars). These costs are estimated to be distributed, under the current government proposed policy, as follows:

- *69 % to the owner;*
- *25 % to councils;*
- *4 % to third parties (e.g. builders); and*
- *2 % to the government (the cost of administering the WHRS etc)*

Owners carry the largest share as:

- *they carry their own transaction costs;*
- *failures occurring after the 10-year liability limit are the owner's responsibility;*
- *many failures have gone unrecognised and will, therefore, remain the owner's responsibility;*
- *some owners are responsible for the building work (they are the developer) or have failed to mitigate damage when recognized (contributory negligence).*

33. The report concluded that the "leading causes of the leaky buildings crisis included ill-judged regulations in the 1990s and the use of untested materials and building techniques". Essentially the Building Act 1991 reduced controls and standards under the assumption that building quality would be assured by market driven forces. What followed was the use of unproven materials such as untreated timber and the use of new and untested products such as monolithic claddings. An extract from the PWC report is included as **Attachment A** to this report - it lists key legislative events.

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34. Since receiving the report in mid 2009, the Government has been in consultation with the Mayors of six of the major Metro Councils and suggested the issue of leaky buildings could be resolved finally for all claimants if the Government would contribute 10 per cent of the repair cost, Councils 26 per cent and the homeowners the remaining 64 per cent (with homeowners having the ability to pursue other parties to contribute ie builders, developers and sub contractors).
35. The Government proposal has presently been rejected by a negotiating party comprising the Mayors of Wellington and Auckland City Councils. They are seeking a proposal from the Government which would see a contribution of 50 per cent of the repair cost by the home owners, 25 per cent by the Government and 25 per cent by Councils.
36. The Government proposal obviously has significant financial implications for Councils, including Christchurch City Council, who currently have no provision in their LTCCP to meet the potential cost of a 25 per cent share. A major concern for Christchurch City is the number of affected buildings and the repair costs in the PWC report are principally based on North Island figures. These figures do not reflect the larger proportion of more conservative and lower risk dwellings built in Christchurch during 1992 to 2004 or the lower repair costs associated with leaky buildings in Christchurch.

Role of the Council with weathertightness claims

37. Legally, weathertightness claims involving the Council are based on the allegation that the Council has been negligent in approving the building consent or in the building inspections it carried out once a consent has been granted.
38. This liability for councils in the building area comes from a court decision in the 1970s and the Council receives a number of claims each year in relation to its building processes. To manage this ongoing liability the Council has had Professional Indemnity Insurance. Mostly the Council has had an excess of \$10,000 per claim with the insurer meeting the balance of any damages and costs the Council may be required to pay if negligence by the Council is proven and if loss is sustained.
39. In common with other insurances policies, a condition of the Professional Indemnity's policies has been that once the Council makes a claim the insurer takes over responsibility for deciding how that claim is managed. The insurer also decides whether or not the claim is settled or the issue is resolved through the Courts. If a claim is not settled then typically they would be dealt with in either the District or High Court depending on the quantum of damages being sought.
40. With building claims, often there are a number of parties involved, which may include the architects/designer, builder, subcontractors, Council and professional advisors such as engineers. If the Court finds there is liability on those parties then the Court also apportions the liability between those parties so that each of them is responsible for paying their portion of the damages as found by the Court. The liability is joint and several which means that if one of the parties is unable to meet their share of the cost of the claim the other liable parties have to pay that share.
41. At present any building claims (including a weathertightness claim) must be lodged with the Court or Weathertightness Homes Resolutions Services (WHRS) within 10 years of the date that the house was built or altered.
42. Building or alteration work on which a claim is based must have been completed within the 10 years preceding the date the claim is received by the WHRS.
43. The completion date is the date the house was habitable or that the alterations were fit to be used. The date of a Code of Compliance certificate will not necessary be accepted as the date of completion of a house - the Certificate could have been issued long after work was finished. An owner may be required to provide evidence on when the house was habitable, eg power connected.

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44. Alterations must have changed or modified the original house design or materials. Home maintenance and minor repairs are unlikely to be considered alterations.

Christchurch City Data

45. Between 2000-2007 there were 10,725 single dwelling units built in Christchurch. Of these 1774 were monolithic which is 16.5 per cent overall. These Christchurch percentages are considerably less than those seen nationally. Nationally, these were the percentages of monolithic buildings:

- 2000 - 40%, 2001 - 37%,
- 2002 - 37%, 2003 - 23%,
- 2004 - 18%, 2005 - 16%,
- 2006 - 17%, 2007 - 14%,
- 2008 - 14%.

46. On the WHRS national database, there are 1,939 active claims involving 3,960 residential units.
47. Christchurch has 109 active claims (5.6 per cent of the national total), involving 232 residential units and a further two claims in the District Court.
48. The following table shows the number of our claims and the amount claimed (where information is available). The claim is not just against the Council - the builder, developer and roofer are all parties to the claim. The 2003/04 year was the first year the WHRS began operations.

Period	Number of Claims	Quantum /Year	Average value of claim
May 03 - June 04	30	\$1,732,114	\$78,732
July 04 - June 05	36	\$1,427,114	\$39,642
July 05 - June 06	19	\$2,410,822	\$133,934
July 06 - June 07	25 (3 claim amount unknown)	\$2,048,374	\$93,107
July 07 - June 08	56 (31 claim amount unknown)	\$4,825,569	\$193,023
July 08 - June 09	45 (41 claim amount unknown)	\$859,395	\$214,849
July 09 - Dec 09	12 (12 claim amount unknown)	\$0	\$0

49. The average payout to claimants since 2004 from the Council and its insurers is \$27,503. However, legal costs almost double this and recently an escalation in costs as other parties go out of business has left the Council with a greater proportion of the cost, being jointly and severally liable under the Act (average insurance and legal cost of the last 30 claims is \$48,000).
50. The Council has had 225 claims since the introduction of the WHRS legislation and have settled 114. The balance is made up of the 109 claims still active on the WHRS website and two claims where the owners have gone straight to the District Court, bypassing the WHRS system. The recent legislative streamlining of the WHRS process and claimants being encouraged to repair leaks prior to lodging their claim has accelerated the pace at which claims are settled. Currently the Council is resolving approximately 20 claims each year. In 2006 to 2008, the average was resolution of 14 claims per year. The claims we have been settling more recently have averaged \$50,000 (including legal fees).

Council's Weathertight Insurance

51. The Council's insurer Riskpool has been progressively changing the terms of the Council's Professional Indemnity policy and insurance excess regarding weathertight claims.
52. Prior to 2006, our excess was \$10,000, in 2006 new claims were given a \$50,000 excess and now all claims (including retrospective claims) have a \$50,000 excess. The insurance limit for multi unit claims was set at \$500,000 in 2006, and from 2007 all Council weathertight claims have a limit collectively of \$500,000 per year. From 1 July 2009, all new claims for weathertightness are not covered by Riskpool and the Council is self insured. No insurance company today provides cover for Weathertight claims.

3 Cont'd

53. The 97 active claims listed with the WHRS and two filed in the District Court are covered by the Council's insurance, with a \$50,000 excess for each claim. The Council has been formally advised by WHRS that a further 12 claims have been filed with WHRS since 1 July 2009 (when insurance ceased) but at this time there is no information as to what damages are being sought. It is the combination of 97 insured claims and 12 uninsured claims which leads to the 109 WHRS active claims plus the two claims in the District Court.

2010/11 Annual Plan Provision

54. Staff have recommended an increase for the 2010/11 Annual Plan of \$830,000 to \$1 million for six years to meet leaky building claims. The basis for this is that there is currently \$170,000 in the LTCCP for 10 years. So an additional \$830,000 is proposed in the 2009/10 Annual Plan for a total of \$1 million.
55. There are currently 111 leaky building claims (109 on WHRS and two in the District Court).
56. The Council is now settling approximately 20 claims a year with an average payment per claim of \$50,000. This gives a total of \$1 million per annum.
57. Assuming that the average settlement rate of 20 claims continues and that there are no new claims then the Council will have settled the remaining 110 claims in approximately six years.
58. Therefore it is recommended that the Council provide the additional \$830,000 for six years until the 2016/17 financial year. The Council could then leave \$170,000 per annum for the balance of the LTCCP to meet any residual claims.
59. These figures are approximate and will need to be revisited regularly.

4. REVIEW OF EARTHQUAKE-PRONE, DANGEROUS AND INSANITARY BUILDINGS POLICY

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8462
Officer responsible:	Environmental Policy and Approvals Manager
Author:	John Buchan, Building Control Manager Ceciel De la Rue, Team Leader, Urban Design & Heritage

PURPOSE OF REPORT

1. This report meets the requirements of the Building Act 2004, which requires a review of the Christchurch City Council Earthquake-prone, Dangerous and Insanitary Buildings Policy 2006 within 5 years of its adoption.
2. This report recommends amendments to the Policy that will be consulted on using the special consultative procedure set out in the Local Government Act 2002, as required by the Building Act 2004.
3. The recommended amendments in this report are in accord with the Council's previous resolution to take an active approach to seeking to reduce earthquake risk over time, in a way which is acceptable in both social and economic terms.
4. The report further recommends the future consideration of both additional staffing to support the introduction of the policy and to work proactively with affected building owners, and additional funding to assist the owners of heritage buildings with the additional costs associated with strengthening these particular types of building.

EXECUTIVE SUMMARY

5. The Building Act 2004 (the Building Act) required Territorial Authorities (TAs) to adopt a policy on dangerous, earthquake-prone, and insanitary buildings by 31 May 2006. The policy needed to include:
 - (a) The approach that the TA will take in performing its functions under the Building Act
 - (b) The TA's priorities in performing those functions
 - (c) How the policy will apply to heritage buildings.
6. The policy must be reviewed every five years.
7. The definition of an earthquake-prone building is included in the Policy. It does not include buildings used wholly or mainly for residential purposes except where these are multi-storey and include three or more household units. The formal definition is:

Earthquake-prone buildings

Under Section 122 of the Building Act, the meaning of earthquake-prone building is:

- "(1) A building is earthquake-prone for the purposes of this Act if, having regard to its condition and to the ground on which it is built, and because of its construction, the building –*
- (a) will have its ultimate capacity exceeded in a moderate earthquake (as defined in the regulations); and*
 - (b) would be likely to collapse causing –*
 - (i) injury or death to persons in the building or to persons on any other property; or*
 - (ii) damage to any other property.*
- (2) Subsection (1) does not apply to a building that is used wholly or mainly for residential purposes unless the building:*
- (a) comprises 2 or more storeys; and*
 - (b) contains 3 or more household units."*

4 Cont'd

8. The present Policy was adopted by the Council on 25 May 2006. At the time of its adoption the Council asked for further information on the numbers and types of earthquake-prone buildings and timeframes and priorities for earthquake strengthening. The Council wanted a full review completed by 30 June 2010. Given that a full review would require a special consultative procedure, and bearing in mind the election later this year, this report is now before the Council. The changes to the 2006 policy attached are underlined. The following are attached to the report:
- **Attachment 1** **Summary of Information**
 - **Attachment 2** **Earthquake-Prone, Dangerous, and Insanitary Buildings Policy 2006**
 - **Attachment 3** **Attachment 2: Earthquake-Prone, Dangerous, and Insanitary Buildings Policy 2006 (Amended).**
9. The current Policy aims to minimise some of the risk for, and arising from, buildings in an earthquake by stating the steps that the Council would take to address its responsibilities under the Building Act 2004. This included undertaking work to ascertain the number of earthquake prone buildings.
10. There have been four studies carried out for the Council since 2006. From these it has been determined that there are approximately 7600 earthquake prone buildings in Christchurch. These are commercial buildings constructed before 1976. 490 of these are heritage buildings listed in the Christchurch City Plan and Banks Peninsula District Plan. The highest risk amongst these buildings are the 958 unreinforced masonry buildings which are likely to fail in a moderate earthquake. 295 listed heritage buildings are constructed of unreinforced masonry.
11. The major change that this report recommended to the Policy is that the timeframes for earthquake strengthening of earthquake prone buildings will commence on 1 July 2012, and will be in line with Department of Building and Housing guidelines and categorisations in accordance with AS/NZS 1170:2002:
- Buildings with special post-disaster functions as defined in AS/NZ 1170.0:2002, importance level 4, **15 years**.
 - Buildings that contain people in crowds or contents of high value to the community as defined in AS/NZ 1170.2:2002, importance level 3, **20 years**.
 - Buildings with an importance level of less than 3 as defined in AS/NZS 1170.0:2002, **30 years**.
12. A further amendment proposed is that a process be established for granting an extension of timeframes for up to three years for building owners who have made significant progress in preparing for strengthening works to commence.
13. The existing policy is amended to remove listed heritage buildings as a separate category. Heritage buildings will be categorised and assessed in the same way as other buildings, and subject to the same timeframes for strengthening. Given the difficulties and costs associated with strengthening heritage buildings, the adoption of this policy may place these buildings at greater risk. The introduction of additional support for the owners of heritage buildings should be considered by the Council through the 2012/22 LTCCP to make this policy change successful.
14. Some other minor modifications to the existing policy, to take effect immediately, are also proposed:
- To clarify the definition of significant alterations by noting that the value is assessed against the rateable value of the building only, not the land on which the building is located.
 - To require owners to take action if a building is damaged in an earthquake.
 - Updates the economic impact figure in the Policy.
 - Deletes out of date comments and includes discussion of the latest studies by the Council.

4 Cont'd

15. The draft amended policy will be released for public consultation in accordance with the special consultative procedure provided for in the Local Government Act 2002. The policy attached to this report has been drafted with regard to the principles in section 4, the matters required to be included in the policy under section 131 (approach, priorities and heritage buildings), and the procedure for adopting the policy is being carried out in accordance with the special consultative procedures set out in the Local Government Act 2002.

FINANCIAL IMPLICATIONS

16. The costs of the special consultative procedure have been provided for in operational budgets.
17. There will be an economic impact on building owners for the costs of strengthening buildings. The timeframes provided in the Policy, provide for them to plan and schedule the building works.
18. The cost of earthquake strengthening buildings is significant. The actual cost to strengthen a building will be largely dependant on the construction type and the intended use. The timeframes provided in the Policy will enable building owners to plan the strengthening works.
19. To support the effective implementation of the revised Policy three key initiatives are recommended for consideration in the 2012/22 LTCCP:
- Funding for implementation of the revised Policy - 1 FTE to survey buildings and work with owners to get strengthening work done within the timeframes proposed.
 - Funding for a new seismic strengthening grant scheme to assist and encourage the upgrading of priority heritage buildings in line with the timeframes developed (\$2 million per year).
 - An additional FTE to administer the seismic strengthening fund and provide advice to owners of heritage buildings.
20. In view of the potential financial implications of the amended policy it has been recommended that the timeframes for upgrading do not commence until 1 July 2012, at which time the Council will have considered and determined what level of resources it will provide to support implementation of the this Policy.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

21. The adoption by the Council of the amended policy does not of itself commit the Council to any financial expenditure on its own buildings or any other buildings (including heritage buildings) to meet the policy. However, the Council's Asset Managers will need to incorporate the cost of strengthening into their asset management plans for individual buildings, over the next 15-30 years.
22. The annual Heritage Incentive Grants funding presently provided for in the 2009/19 LTCCP (\$842,000 per annum) is largely focused on conservation works and also funds some seismic strengthening. This grant scheme would be inadequate to assist building owners in meeting upgrading requirements for priority heritage buildings should the revised Policy be introduced with timeframes for seismic upgrades of heritage buildings.

LEGAL CONSIDERATIONS

23. The adoption of the Earthquake-prone, Dangerous and Insanitary Buildings Policy was a requirement of the Building Act 2004 which also requires Council to review the Policy within five years and to carry out further reviews at intervals of not more than five years.
24. The requirements of the Building Act 2004, clause 131(2), are that the Policy must state:
- (a) The approach that the Territorial Authority will take in performing its functions.
 - (b) The Territorial Authority's priorities in performing these functions.
 - (c) How the Policy will apply to heritage buildings.

4 Cont'd

25. The guidance material from The Department of Building and Housing (DBH) notes that an active policy approach involving a planned programme of initial evaluations, more detailed assessments and timetables and guidelines for upgrading, will provide territorial authorities *“with the best possible risk reduction programme”* in their communities. A passive approach *“has the significant disadvantage that it relies on a somewhat haphazard order of remediation based essentially on an owner's intention for a building ... (which) could leave some significant high-risk buildings untouched for a long period of time”*.

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

26. Yes - as above. The amendment of this policy can only be achieved by using the special consultative procedure.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

27. Aligns with page 89 LTCCP, administration of laws around building and development leading to safe buildings and reduction in environmental hazards plus page 187 LTCCP, developing our urban environment, sustainable use of buildings and our heritage is protected.

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

28. As above. The Heritage Conservation Policy provides for the Council to work with developers, landowners and other stakeholders to conserve heritage areas and buildings.

ALIGNMENT WITH STRATEGIES

29. In accord with the Heritage Conservation Policy and heritage provisions of the Christchurch City Plan and Banks Peninsula District Plan. The policy also aligns with the Christchurch Urban Development Strategy and Central City Revitalisation Strategy.

Do the recommendations align with the Council's strategies?

30. Yes. As above.
31. The introduction of this revised Policy with timeframes for strengthening heritage buildings will place greater pressure on the heritage buildings and present an increased risk of demolition unless the revised Policy is supported by assistance for heritage building owners. Heritage retention is a key aspect of Council strategies and therefore this report recommends that the Council consider introducing additional support for the owners of heritage buildings through the 2012/22 LTCCP to make this policy change successful..

CONSULTATION FULFILMENT

32. The policy is required to be consulted on with the community, in accordance with the special consultative procedure of the Local Government Act 2002.
33. Council Officers have advised the Property Council of New Zealand, Historic Places Trust, Insurance Council of New Zealand that a review of this Policy is underway. All of these parties are aware of the special consultative procedure that Council will undertake and will make submissions as appropriate.

4 Cont'd

STAFF RECOMMENDATIONS

That the Council:

- (a) Resolve to adopt the Draft amended Earthquake-prone, Dangerous, and Insanitary Buildings Policy 2006 (the Draft Amended Policy) and the summary of information **attached** to this report.
- (b) Resolve that the Draft Amended Policy and Summary of Information be made available for public inspection at all Council Service Centres, Council libraries and on the Council's website.
- (c) Determine that public notice of the proposal be given in a newspaper having a wide circulation in the Council's district.
- (d) Resolve that the period within which written submissions on the Draft Amended Policy may be made to the Council between 30 March and 7 May 2010.
- (e) Appoint a hearings panel to consider submissions on the Draft Amended Policy and to report to Council with its recommendations on the Draft Amended Policy, to be considered at the meeting of the Council on 24 June 2010.
- (f) Resolve that to effectively implement the revised Policy the Council consider establishing as part of the 2012-22 LTCCP:
 - (i) A seismic strengthening grant fund and eligibility criteria to assist in the upgrading of priority heritage buildings in line with the timeframes set out in the revised Policy.
 - (ii) Two FTE positions, one to support implementation of and compliance with the policy, and the second to administer the seismic strengthening fund (if established) and provide advice to heritage building owners.

BACKGROUND (THE ISSUES)

Legislative Framework - Building Act requirements

34. The Building Act 2004 (the Building Act) required territorial authorities (TAs) to adopt a policy on dangerous, earthquake-prone, and insanitary buildings by 31 May 2006. The Policy is now due for review.
35. Section 4 of the Building Act sets out the principles to be applied by the Council when performing its functions, duties and powers under the Act.
36. Section 4(2)(d) and (l) provide:
 - “(2) In achieving the purpose of this Act, a person to whom this section applies must take into account the following principles that are relevant to the performance of functions or duties imposed, or the exercise of powers conferred, on that person by this Act:*
 - (d) the importance of recognising any special traditional and cultural aspects of the intended use of a building;*
 - (l) the need to facilitate the preservation of buildings of significant cultural, historical, or heritage value.”*
37. The policy requirements are set out in section 131 of the Act and must include:
 - (a) The approach that the territorial authority will take in performing its functions under the Act, and
 - (b) The territorial authority’s priorities in performing those functions; and
 - (c) How the policy will apply to heritage buildings
38. The Government’s policy objective in regard to earthquake-prone buildings (EPBs) seeks to reduce the earthquake risk to the **public** over time and targets the most vulnerable buildings.
39. The primary focus of this review is on the earthquake prone building provisions. This is given the importance of this issue to Christchurch and that the dangerous and insanitary provisions of the Policy have proven effective and generally follow the provisions of the Building Act.

Setting timeframes for strengthening

40. The Building Act does not require councils to establish timeframes for strengthening. The Department of Building and Housing’s policy guidance document discusses possible approaches to seismic upgrading:
 - At one end of the spectrum is an “active” approach in which TAs would first identify buildings likely to be at high risk, then undertake further more detailed evaluations, and set timetables for action and guidelines for required upgrading standards.
 - At the other end of the spectrum is a more “reactive” approach in which assessment and upgrading would only be required where there was an application under the Building Act for building alteration, change of use, extension of life or subdivision.
41. The Department stresses that these are “suggestions only”, and that TAs are free to adopt “entirely different styles that reflect the level of earthquake risk and priorities specific to local communities”. The legal opinion obtained by Local Government New Zealand at the time that the Council developed its current Policy recommended, however, that an entirely passive approach is unlikely to be appropriate because of the implied obligations in the Building Act that TAs will take positive action in relation to earthquake-prone, dangerous and insanitary buildings.

4 Cont'd

42. When the Council's current Policy was adopted in 2006, the Council decided that it would take an active approach to strengthening, modelled on that in the Department's guidance notes, but felt that it did not have sufficient information on the number of buildings affected or the likely impact of strengthening requirements to decide on a final category list for prioritising earthquake-prone buildings or to set realistic timeframes for action. These were to be established at the first review of the Policy, following a desktop review of the building stock to determine the likely number of earthquake-prone buildings and the degree of strengthening, if any, that has been carried out to date.
43. This desktop review has been carried out and has established the total number of buildings which fall in the earthquake-prone category. These numbers have been tested by inspecting typical blocks of buildings in the central area. As a result, the likely impact of finalising priorities and timeframes on building owners, on the building stock as a whole, and indeed on the Council, can now be reasonably assessed.

STUDIES OF EARTHQUAKE RISK AND EARTHQUAKE PRONE BUILDINGS IN CHRISTCHURCH CITY

44. An overview of the earthquake risk for the city, including estimates of damage to buildings and human casualties, was prepared in 2005 by Geological and Nuclear Sciences. Dr Jim Cousins of Geological and Nuclear Sciences Limited. This study indicated that Christchurch lies in an intermediate seismicity zone some distance from a zone of high activity. However, known earthquake sources, in particular the Ashley, Springbank and Pegasus fault zones, are present within the region and are large enough and close enough to cause significant damage throughout the city.
45. Following the adoption of the Policy in 2006, there have been four studies carried out for CCC. These studies include:
 - A Report on "Heritage Earthquake-prone Building Strength Code Study", prepared by Holmes Consulting Group Ltd in 2009.
 - A report on Christchurch City Council Earthquake-prone Building Review Preliminary Scoping Report", prepared by Holmes Consulting Group Ltd in 2009.
 - A desktop review of Council files and computer records to determine numbers of Earthquake-prone Buildings and earthquake strengthening measures undertaken, prepared by Sunshine Consulting Group 2008.
 - Report on assessment of Five Central City Blocks and comparison to desktop review, prepared by Sunshine Consulting Group 2008/09

Numbers of EQP Buildings

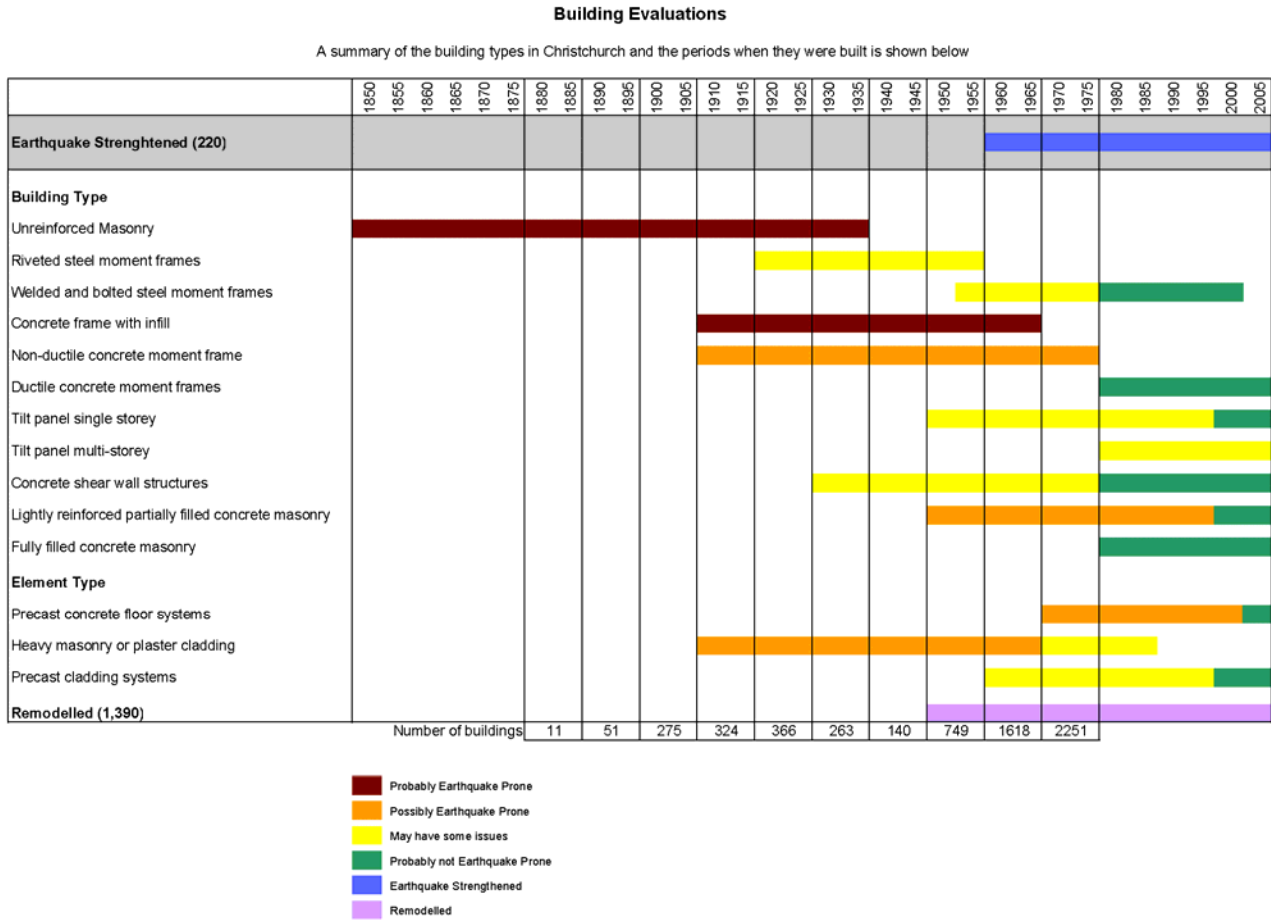
46. Based on the reports above, there are approximately **7,658 earthquake-prone** buildings overall in Christchurch. These are buildings built before 1976 which are likely to be shown to be earthquake-prone when a more detailed structural analysis is carried out. They are of varying construction types and their degree of earthquake strength varies as well.
47. There are around 490 listed or scheduled **heritage buildings** which are likely to be earthquake-prone in terms of the Building Act. The majority (approx 295) are unreinforced masonry, there are 29 reinforced concrete and around 163 timber frame and other types.
48. We have **958 un-reinforced masonry buildings** recorded in the City. These buildings were built from the 1860s through to the mid 1940s. These buildings pose the greatest risk as they are expected to be earthquake-prone and likely to collapse in a moderate earthquake. Some have been strengthened but a number not to the acceptable 33 per cent of the current code. There are around 295 listed or scheduled heritage buildings included in this category.

Construction Types of EQP Buildings

49. The likely construction types of all EQP buildings depends on their year of construction. Figure 1 overleaf outlines the numbers and types of buildings constructed in different time periods.

4. 3. 2010

Figure 1:



Unreinforced masonry - 1860 to 1940s. The highest risk construction method. Floors and roof generally light timber framed. Cost of strengthening typical building \$350-450/m² to 33% FCL (full code level).

Riveted steel frame - 1900 to 1950s. Steel frames generally encased in concrete. Cost of strengthening typical building \$150-300/m² to 33% FCL (full code level).

Welded and bolted Steel Moment Frame - 1950s to present. Not generally EQP. Cost of strengthening typical building \$150-300/m² to 33% FCL (full code level).

Concrete or steel frame with infill - 1900 to 1960s. A higher risk construction method. Columns and beams infilled with brick and masonry which reduces ductility of structure. Cost of strengthening typical building \$250-400/m² to 33% FCL (full code level).

Non-ductile Concrete moment Resisting Frames - 1900 to 1975. Some poor seismic performance due to lack ductility and shear capacity. Cost of strengthening typical building \$250-400/m² to 33% FCL (full code level).

Ductile Concrete Moment Resisting Frames - 1975 to present. Designed to resist seismic attack. Cost of strengthening typical building \$800-1,200/m² to 67% (FCL). Will meet 33% already.

Single Level Tilt panel - 1950s to present. Lightweight metal roves with steel portal frames. Problem early on at connection points with floor. Cost of strengthening typical building \$50-100/m² to 33% FCL (full code level).

Multi Storey Tilt panel - 1970s to present. Designed generally to meet seismic standards. A few issues with connection points in some buildings. Cost of strengthening typical building \$50-100/m² to 33% FCL (full code level).

4 Cont'd

Concrete Sheerwall Structures - 1925 to present. Will generally not collapse in earthquake and **meets 33%** generally. Cost of strengthening typical building \$800-1,200/m² to **67%** FCL (full code level).

Lightly reinforced partially filled concrete Masonry - 1940 to present. May experience moderate damage in earthquake. Cost of strengthening typical building \$250-400/m² to 33% FCL (full code level).

Fully Filled Reinforced Concrete Masonry - 1970 to present. Will generally not collapse in earthquake and **meets 33%** generally. Cost of strengthening typical building \$800-1,200/m² to **67%** FCL (full code level).

50. The numbers of EQP buildings earthquake strengthened is 220. This only represents 3 per cent of the EQP buildings in the City and prior to 2004, the level of strengthening was to a lower level and would not necessarily achieve the 33 per cent of current code now required. Since the introduction of the Earthquake-prone, Dangerous and Insanitary Buildings Policy in 2006, there have been 26 buildings earthquake strengthened to 33+% of current code.

Heritage Buildings - Earthquake-Prone

51. The Building Act requires Territorial Authorities to state in their Earthquake-Prone Building policies how they intend to manage heritage buildings that are earthquake-prone. This does not mean that TAs *must* have different provisions for heritage buildings within their EQPB Policy and for risk mitigation and safety reasons. This report recommends the policy treats heritage buildings like other earthquake-prone buildings with regard to timeframes for strengthening works.
52. However, this report also recommends that the Council look to including provision in the 2012 LTCCP for a seismic fund and staff resource, to work with owners of heritage buildings to get priority building strengthened. The special considerations and constraints relating to heritage buildings mean that a different overall approach, including grants and other assistance is desirable. These considerations include:
- The desirability of retaining rather than demolishing these buildings
 - The need to find strengthening methods that do not unacceptably compromise their heritage fabric
 - The high costs of strengthening.

Number of Heritage Buildings Affected

53. Table 1 shows the approximate number of listed buildings in Christchurch and Banks Peninsula affected by the Policy, the estimated cost of strengthening them either to 33 per cent or to 67 per cent of Full Code Levels (FCL), and an estimate of the additional cost, as a percentage of the strengthening cost, of meeting fire and disabled access code requirements, which may also be necessary.

Table 1: **Listed Buildings**

Method of construction	Heritage Significance			TOTAL	Strengthening Cost (to 33%) (million)	Strengthening Cost (to 67%) (million)
	1 City Plan GP 1 and BPDP HPT Cat 1	2 City Plan GP 2	3 City Plan GP 3 and 4, BPDP HPT Cat 2 and Notable			
Unreinforced masonry	55	70	170	295	\$137	\$344
Reinforced concrete	1	7	21	29	\$23	\$57
Timber framed and other	18	19	126	163	\$9	\$22
TOTAL	74	96	317	487	\$169	\$421
Additional cost of fire and disabled access requirements					20%-100%	60%-160%

54. There are approximately 490 listed buildings that are likely to be earthquake-prone as defined by the Act. Some have been strengthened to some extent, but very few would meet the 33 per cent FCL threshold that would make them no longer "earthquake-prone" in terms of the Act.

4 Cont'd

55. The cost of strengthening these buildings to 33% of FCL - the maximum that can be required under the Building Act unless there is a change of use - is estimated at \$169 million, plus or minus 25 per cent. The unreinforced masonry buildings alone would require \$137 million, with the generally larger Group 1 buildings accounting for a disproportionate amount of that cost. As noted above, however, strengthening in itself triggers the requirement to upgrade the building to comply with the provisions of the code that relate to means of escape from fire and also disabled access regulations (if the building is one to which members of the public are admitted), adding a further 20-100 per cent to the overall cost of the project.
56. Strengthening to 33 per cent is sufficient to make buildings no longer earthquake prone in terms of the Building Act, but 67 per cent of FCL is generally considered necessary to protect their heritage fabric, and is the minimum required if there is a change to the use of the building. The Holmes report estimates that if around 1/3 of listed buildings were strengthened to 67 per cent for one reason or another, this would bring the total cost of strengthening to \$253 million (excluding other upgrading costs).
57. In addition to listed heritage buildings there are also a sizable number of older buildings constructed of unreinforced masonry that contribute significantly to the character of the City. Many of these buildings will be earthquake prone and require seismic strengthening within the proposed timeframes. It is difficult to quantify the impact of seismic strengthening options on non-listed "character" buildings, given that what counts as a "character" building is a subjective judgement and there is no formal process at present for identifying them or regulatory protection for them.

Affordability

58. While strengthening is desirable to protect both life and the heritage fabric of the buildings, the Building Act allows councils considerable leeway in determining how they will approach seismic strengthening within their districts. This recognises that "local economic, social and other factors have an impact on the implementation of these provisions of the Act". The affordability of the substantial cost of the necessary upgrades needs to be a key factor in determining a practical approach.
59. The strengthening costs set out in the previous section are beyond the means of most building owners, and beyond the means of the Council or any other grants body to support in the short or even medium-term. Some buildings in commercial use may be able to get bank loans, but most owners of listed buildings will be reliant on grant funding to undertake seismic and other upgrades. Eligibility for Historic Places Trust and Lottery Grants Board funding is limited, and therefore in many cases the only significant source of funding would be the Council's Heritage Incentive Grant (HIG) Fund, which currently amounts to \$842,000 per annum. The Fund is already fully allocated each year and it would in any case be inadequate even to support the upgrading of all Group 1 and 2 unreinforced masonry buildings over a period of 15-30 years.

Impact of Introducing Timeframes for Strengthening

60. The introduction of a tight timeframe for strengthening historic buildings, particularly where unsupported by any regulatory protection and/or by any financial assistance to upgrade them, will put them at a significantly increased risk of demolition. Many building owners, faced with considerable uncertainty about the actual cost and therefore the economic feasibility of the upgrade, are likely to choose to demolish their buildings. Experience elsewhere suggests that another, sizeable, group of building owners is likely to largely ignore the timeframes until the deadline approaches then seek Council support.

DANGEROUS AND INSANITARY BUILDINGS

61. Amendments to the Policy are not being recommended with regard to dangerous or insanitary buildings, other than to note that where these buildings are heritage buildings the heritage values will be taken into account in determining possible courses of action. Presently the relevant sections (section 121(1) Dangerous Buildings and section 123(1) Insanitary Buildings) of the Building Act 2004 are utilised. These provisions have been found to be effective in resolving the issues found and with regard to dangerous buildings, work closely with the Fire Service as envisaged in the 2006 Policy.

4 Cont'd

OPTIONS

62. Two policy options have been identified. A table summarising each option is attached to this report.
63. Each option includes:
- (a) The approach that the Christchurch City Council will take in performing its functions under the Building Act
 - (b) The priorities of the Christchurch City Council in performing those functions
 - (c) How the policy will apply to heritage buildings.

THE OBJECTIVES

64. To reduce danger from dangerous, insanitary and earthquake-prone buildings in a way that is acceptable in social and economic terms to Christchurch City ratepayers.

THE OPTIONS

Option 1

65. The priorities/timeframe proposed for the strengthening of identified earthquake-prone buildings are in accordance with the guidance provided by the Department of Building and Housing (DBH) and would commence on 1 July 2012. Buildings will be categorised in accordance with AS/NZS 1170.2002 and there will be different timeframes for different categories of building. For example, it is proposed that buildings in the lowest risk/least important category will have 30 years to take action to strengthen or demolish the building, while buildings in the highest risk/most important category will have 15 years. There is provision for an extension of up to three years where owners have made substantial progress to apply to the Regulatory and Planning Committee or Council for an extension.
66. In the meantime, and in addition to the above:
- When an application for a consent for a significant alteration to a building is received, the building owner would be required to provide a report on the strength of the building and if the building strength was less than 33 per cent of current Code the building would be required to be strengthened to at least 33 per cent of Code as part of the building consent.
 - When an application for a consent involving a change of use is received the requirements of the Building Act for the building to be strengthened to as near as is reasonably practicable the strength of a new building would be followed.
67. To effectively implement Option 1, which proposes a more active approach to strengthening of earthquake prone buildings, it is recommended that the Council consider establishing as part of the 2012-22 LTCCP:
- (i) A seismic strengthening grant fund and eligibility criteria to assist in the upgrading of priority heritage buildings in line with the timeframes set out in the revised Policy.
 - (ii) Two FTE positions, one to support implementation of and compliance with the policy, and the second to administer the seismic strengthening fund (if established) and provide advice to heritage building owners.

Option 2

68. Retain the Policy in its present form. In effect this is a "passive approach" as there are no timeframes included, where only owners wishing to upgrade their buildings or undertake building works which trigger upgrades under Section 115 of the Building Act 2004 would strengthen their buildings.

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- When an application for a consent for a significant alteration to a building is received, the building owner would be required to provide a report on the strength of the building and if the building strength was less than 33 per cent of current Code the building would be required to be strengthened to at least 33 per cent of Code as part of the building consent.
- When an application for a consent involving a change of use is received the requirements of the Building Act for the building to be strengthened to as near as is reasonably practicable the strength of a new building would be followed.

PREFERRED OPTION**Option 1**

69. Set 15, 20 and 30 year timeframes based on the priority of the building, in accordance with DBH guidelines and provide for an extension of up to three years where owners have made substantial progress and apply to the Regulatory and Planning Committee or Council for an extension.

ASSESSMENT OF OPTIONS**The Preferred Option**

70. Option 1 – Set timeframes and priorities for strengthening in accordance with DBH guidelines

	Benefits (current and future)	Costs (current and future)
Social	Reduced risk to human life and property. Enables programmed improvements with building use continuance.	Limited effects on building continued use in the short to medium term.
Cultural	Preservation of City heritage buildings and structures. Improvement in amenity of buildings and retention of overall city identity.	Retention of heritage buildings and structures able to be programmed as finances become available but could limit uses and changes.
Environmental	Avoidance of significant damage to urban infrastructure.	Reduction in city revitalisation and modernisation.
Economic	Enables building owners to programme improvements to fulfil policy over time.	Maintenance and strengthening costs for earthquake-prone, dangerous or insanitary buildings.
<p>Extent to which community outcomes are achieved: Primary alignment with Community Outcome A Safe City, particularly, <i>Risks from hazards are managed and mitigated</i> and <i>People feel safe at all times in Christchurch City</i>.</p> <p>Also contributes to An Attractive and Well-designed City, particularly, <i>Christchurch is attractive and well-maintained</i> and <i>Our Heritage is protected for future generations</i>.</p> <p>Impact on Council's capacity and responsibilities: The Council already has policy on earthquake strengthening (see below) and has a responsibility for enforcement of earthquake-prone, dangerous and insanitary buildings under the Building Act 2004. Potential increase in costs due to management of earthquake-prone buildings and possibility of providing financial support for strengthening of heritage buildings. However timetabling of requirements enables spread of the costs over a lengthy period and more focus on this issue by building owners.</p> <p>Effects on Maori: None specific to this policy.</p> <p>Consistency with existing Council policies: This option is in line with the Greater Christchurch Urban Development Strategy, the Central City Revitalisation Strategy and the Central City South Master Plan. Consistent with current approach for dangerous and insanitary buildings.</p> <p>Views and preferences of persons affected or likely to have an interest: Takes into account matters raised during stakeholder consultation. Provisions for giving special consideration to Heritage buildings would possibly meet the preferences of those interested in such matters.</p>		

4 Cont'd

Other Options

71. Option 2 – Retain present “passive policy with no timeframes”

	Benefits (current and future)	Costs (current and future)
Social	Increased risk to human life and property. Enables programmed improvements with building use continuance.	Limited effects on building continued use. Passive approach does not allow quantification of costs.
Cultural	Preservation of City heritage buildings and structures. Improvement in amenity of buildings and retention of overall city identity.	Retention of heritage buildings and structures. Owners unlikely to do works as no timeframes for completion.
Environmental	Increases risk of significant damage to urban infrastructure.	Potentially greater loss in the event of an earthquake.
Economic	Enables building owners to undertake improvements to suit their own needs.	Maintenance and strengthening costs for earthquake-prone, dangerous or insanitary buildings.
<p>Extent to which community outcomes are achieved: Primary alignment with Community Outcome A Safe City, particularly, <i>Risks from hazards are managed and mitigated and People feel safe at all times in Christchurch City.</i></p> <p>Also contributes to An Attractive and Well-designed City, particularly, <i>Christchurch is attractive and well-maintained and Our Heritage is protected for future generations.</i></p> <p>Impact on Council's capacity and responsibilities: The Council already has policy on earthquake strengthening (see below) and has a responsibility for enforcement of earthquake-prone, dangerous and insanitary buildings under the Building Act 2004. Potential increase in costs due to management of earthquake-prone buildings and possibility of providing financial support for strengthening of heritage buildings. However timetabling of requirements enables spread of costs over a lengthy period.</p> <p>Effects on Maori: None specific to this policy.</p> <p>Consistency with existing Council policies: This option does not result in acceleration of development and revitalisation of the affected buildings. This option is therefore not in accord with the Greater Christchurch Urban Development Strategy, the Central City Revitalisation Strategy or the Central City South Master Plan. Consistent with current approach for dangerous and insanitary buildings.</p> <p>Views and preferences of persons affected or likely to have an interest: Takes into account matters raised during stakeholder consultation. Provisions for giving special consideration to Heritage buildings would possibly meet the preferences of those interested in such matters.</p>		

5. STRUCTURES ON ROADS POLICY 2010

General Manager responsible	General Manager City Environment, DDI 941-8608
Officer responsible	Asset and Network Planning Manager
Authors	Zefanja Potgieter, Weng-Kei Chen and Tina von Pein

PURPOSE OF REPORT

1. This report aims to seek the Regulation and Planning Committee's approval for the proposed Structures on Roads Policy 2010 (**Attachment A**).

EXECUTIVE SUMMARY

2. With the 2006 amalgamation of Banks Peninsula District Council and Christchurch City Council, some operational policies specific to each area remained in existence for the respective areas.
3. With the adoption of the Public Places Bylaw 2008 (the bylaw) the policies related to structures on roads were identified as needing review to ensure they appropriately give effect to the bylaw. The Council appointed Public Places Policies Working Party has worked with staff on the review of this and the other operational policies that relate to matters covered by the bylaw.
4. The proposed Structures on Roads Policy 2010 provides a single policy for the whole of the city and incorporates and replaces the following:

- Current Council policies:

1. Airspace over Public Roads - Granting Rights.
2. Structures on Roads (Ramp, Retaining Walls, Garage, Parking Platform etc).

Note: "Use of Legal Road as Licensed Premises policy": The ability of the Council to revoke a permit to occupy legal road as licensed premises as currently contained in this policy now forms part of each individual permit issued by the Council and is therefore not retained.

- Current Banks Peninsula District Council policies (all part of the Banks Peninsula roading Policy)

1. Structures on Legal Roads in Urban Areas - License to Occupy Policy.
2. Retaining Walls - Responsibility Policy.
3. Fencing Policy.

The proposed policy therefore provides clarity and consistency in the management of applications for structures on roads throughout the Council area.

5. For most of its content the proposed policy incorporates the current Council policies with updated wording and minor changes as highlighted in **Attachment B**. The provisions in the existing 'city' and 'peninsula' policies are overall similar in nature. There are also some additions eg the provisions relating to verandas and fences, and inclusion of the Banks Peninsula fences policy into the new policy for the whole city. Current provisions in both Christchurch City Council and Banks Peninsula District Council policies which addresses council operational procedures (and do not belong in policy statements) were not retained.
6. This policy addresses only structures of a permanent nature on roads and therefore does not deal with temporary structures on roads such as those associated with restaurants and cafes occupying sidewalks, which is planned for consideration and consultation during 2011. The policy does not address boatsheds leading off roads (including paper roads). The Council may wish to consider developing an applicable policy in the future.

5 Cont'd

7. In summary, the proposed policy achieves an overdue streamlining and consolidation of policies and introduces:
- (a) Provisions relating only to verandas previously in the Public Places Bylaw 1992.
 - (b) Changed provisions relating to fences.
 - (c) New provisions on the use of airspace over roads for architectural features.
 - (d) New provisions for infrastructural and other structures.

Key stakeholder groups were contacted in writing about the proposed review and no concerns were raised.

8. It is not proposed to have a Special Consultative Procedure for the Structures on Roads Policy. The policy will become operative once adopted by the Council, and relevant stakeholders will be notified in writing.

FINANCIAL IMPLICATIONS

9. Current policy enforcement is undertaken on a 'response to a complaint' basis. It is anticipated that this will remain the same with the adoption of a reviewed policy, with no anticipated additional expenses.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

10. Yes.

LEGAL CONSIDERATIONS

11. The Public Places Bylaw 2008 came into force on 1 July 2008. Clause 8 of that bylaw provides for operational policies to be formulated, relating to matters regulated by the bylaw. Such policies must be adopted by Council resolution, and may include information on application procedures, administrative arrangements, terms and conditions related to activities in public places, definition of terms and other guidance information.

The consideration and adoption of such policies must be completed in accordance with the Council's usual decision-making processes under the Local Government Act 2002.

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

12. Initial analysis of this policy and the potential review requirements have been considered in relation to the Council's Policy on Determining Significance, and the level of formal consultation that may be required has also been considered.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

13. The following LTCCP chapters are relevant: 5.3 City Promotions – 5.3.2 Promoting the City as an attractive place to live, learn and work.– 9.0 Enforcement and Inspections – Protect public health and safety; enforce compliance.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

14. As above.

5 Cont'd

ALIGNMENT WITH STRATEGIES OR OTHER BYLAWS

15. The Structures on Roads Policy is aligned to the following Christchurch City Council strategies, plans and policies:
- Central City Revitalisation Strategy
 - Safer Christchurch Strategy
 - Pedestrian Strategy
 - Parking Strategy
 - Equity and Access for People with Disabilities Policy
 - Long Term Council Community Plan.
16. This policy gives effect to the Public Places Bylaw 2008 and should be read in conjunction with the Council's General Bylaw 2008, Traffic and Parking Bylaw 2008, Parks and Reserves Bylaw 2008 and the relevant rules, policies and objectives in the District Plan/City Plan.

Do the recommendations align with the Council's strategies?

17. Yes.

CONSULTATION FULFILMENT

18. During the drafting of this policy some initial discussion has been undertaken with key stakeholders, including Community Boards. Potentially affected external parties and associations were invited to provide feedback on any concerns and no concerns were raised.

STAFF RECOMMENDATION

That the Regulation and Planning Committee recommends to the Council that it:

- (a) Adopt the Structures on Roads Policy 2010.
- (b) Revoke the following policies:
- (i) Christchurch City policies:
 - 1. Airspace over Public Roads - Granting Rights
 - 2. Structures on Roads (Ramp, Retaining Walls, Garage, Parking Platform etc)
 - (ii) The following sections of the Banks Peninsula Roading Policy:
 - 1. Structures on legal Roads in Urban Areas - License to Occupy Policy
 - 2. Retaining Walls - Responsibility Policy
 - 3. Fencing Policy.

5 Cont'd

BACKGROUND

19. On 1 July 2008 the Christchurch City Council Public Places Bylaw 2008 became operative.
20. The bylaw enables the management of public places in order to balance the various different, and sometimes competing, lawful uses for which public places may be used. It seeks to provide for reasonable controls to protect health and safety, to protect the public from nuisance and to provide for the regulation of trading in public places.
21. Following the adoption of the bylaw a new operational policy was proposed to be developed from a review of the 12 relevant existing policies and associated matters. The policies all relate to the clauses in the bylaw that regulate commercial activities and obstructions in public places (clauses 6 and 7). This report only deals with the specific policies of the 12 existing policies that deal with structures on roads. The remaining policies have either already been considered by the Council (*Trading and Events in Public Places* in February 2010) or will be considered later in 2010/2011.
22. The current policies were developed before the amalgamation of Banks Peninsula District Council and the Christchurch City Council, and all were developed before the adoption of the new bylaw. The policies need to be reviewed to ensure that they are still necessary, that they are appropriate and that they are fit for purpose. The review of the policies addresses the following criteria:
 1. Rationalise the current policies where needed.
 2. Establish whether current practice and needs align with the policies.
 3. Assess whether any new matters need to be included.
 4. Establish whether the policies align with the bylaw.
 5. Take account of internal (Council) needs and external (stakeholder) needs.
 6. Result in redrafted policies that are coherent, stand-alone documents.
23. In addition to these 12 policies, related operational issues have been identified that would benefit from being included in or adopted into the new operational policy, resulting in some new areas of consideration.
24. On 2 February 2009, the Regulatory and Planning Committee agreed to appoint a working party to work with staff to discuss the review of operational policies that relate to matters covered by the Public Places Bylaw 2008. The members of the Public Places Policy Working Party are Councillors Wells, Wall, Shearing, Reid and Johanson. The working party concluded its deliberations during 2009 with a meeting on 4 December 2009. Due to the considerable workload of reviewing all 12 policies, the Council on 24 September 2009 approved a timetable to split consideration of the 12 policies into a first group to be finalised by June 2010 (including those considered in this report), with the remainder to be considered in 2011 after the 2010 local government elections.

Proposed Structures on Roads Policy:

25. The proposed Christchurch City Council Structure on Roads Policy 2010 provides a single policy for the whole of the city and incorporates and replaces the following:

Current Council policies:

1. Airspace over Public Roads - Granting Rights

5 Cont'd

2. Structures on Roads (Ramp, Retaining Walls, Garage, Parking Platform etc)

Note: "Use of Legal Road as Licensed Premises policy": The ability of the Council to revoke a permit to occupy legal road as licensed premises as currently contained in this policy now forms part of each individual permit issued by the Council and is therefore not retained.

Current Banks Peninsula District Council policies (all part of the Banks Peninsula Roading Policy):

1. Structures on legal Roads in Urban Areas - License to Occupy Policy.
2. Retaining Walls - Responsibility Policy.
3. Fencing Policy.

The proposed policy therefore provides clarity and consistency in the management of applications for structures on roads throughout the Christchurch City Council area.

26. For most of its content the proposed policy incorporates the current Council policies with updated wording and minor changes as highlighted in **Attachment 2**. The provisions in the existing 'city' and 'peninsula' policies are materially the same. There are also some additions e.g. the provisions relating to verandas and fences, as set out in the background section below. Current provisions in both Christchurch City Council and Banks Peninsula District Council policies which addresses council operational procedures (and do not belong in policy statements) were not retained.
27. In summary, the proposed policy achieves an overdue streamlining and consolidation of policies and introduces:
 - (1) Provisions relating only to verandas previously in the 1992 Public Places Bylaw.
 - (2) Changed provisions relating to fences which are taken from the Banks Peninsula policy and is now proposed for the whole city.
 - (3) New provisions on the use of airspace over roads for architectural features.
 - (4) New provisions for non-habitable infrastructural and other structures. Key stakeholder groups were contacted in writing about the proposed review and no concerns were raised.

THE OBJECTIVES

28. The key objectives of the public places policy review are to:
 1. Review and update, as appropriate, the policy clauses and to enable a working policy that is supported by the Council and the community.
 2. Bring together the current policies and practices for both the former Banks Peninsula District Council and Christchurch City Council.
 3. Align the policy with current Council plans and strategies.
29. The key objective of this policy is to manage structures on roads and to develop a single policy to assist the public in identifying what can happen where and under what conditions.

THE OPTIONS

30. Two options have been identified in relation to managing structures on roads.
 1. The adoption of a new Council policy.
 2. Maintain the status quo with some editing to factually update of current policies.

5 Cont'd

THE PREFERRED OPTION

31. The preferred option is the adoption of the proposed Council policy. The proposed policy is attached to this report.

ASSESSMENT OF OPTIONS**The Preferred Option**

32. The preferred option is the adoption of a new Council wide policy (as tabled with this report). In addition to updating the wording and minor changes to the text this policy brings together the key elements of current policies and practices and incorporates new policy clauses which will assist with developing clarity and consistency in policy understanding and application.

	Benefits (current and future)	Costs (current and future)
Social	Clarity to community as to the policy, how to apply and how it applies. Alignment of policies between the former Banks Peninsula District Council policies and the Christchurch City Council policies will assist clarity and ease of use and application.	Communication of policies is part of Council core business.
Cultural	None specific.	None specific.
Environmental	Policy will enable more robust and transparent management of structures on roads	None specific.
Economic	Consolidated policy.	None specific.
<p>Extent to which community outcomes are achieved: This policy option aligns with the following Community Outcomes: -A Safe City – we live free from crime, violence, abuse and injury. We are safe at home and in the community. Risks from hazards are managed and mitigated. -An Attractive and well designed City – Christchurch has a vibrant centre, attractive neighbourhoods and well–designed transport networks. Our life styles and heritage are enhanced by our urban environment. -A City for recreation, fun and creativity – We value leisure time and recognise that the arts, sports and other recreational activities contribute to our economy, identity, health and wellbeing. - A Prosperous City – We have a strong economy that is based on a range of successful and innovative businesses. We value sustainable wealth creation, invest in ourselves and in our future.</p> <p>Impact on the Council's capacity and responsibilities: The development of a consolidated policy will enable Council to better manage structures on roads through more transparent and consistent processes and procedures.</p> <p>Effects on Maori: No specific effects noted.</p> <p>Consistency with existing Council policies: The policy pulls together the key elements of the current policies and practices of the Council into a consolidated policy document and incorporates some new provisions consistent with existing Council policies.</p> <p>Views and preferences of persons affected or likely to have an interest: No comments were received from relevant stakeholders invited to comment. As only minor changes are proposed from the existing policies and as there have been no issues with the operation of those policies it is not likely to have any significant effects.</p>		

5 Cont'd

Maintain the Status Quo with some editing (not preferred option)

33. The option of maintaining the status quo with some editing would mean maintaining the series of policies and current practices that apply to the post-amalgamation Council area, and some specific policies that only apply to pre-amalgamation areas. Within this option it would be logical to update the policies (desk top activity) to ensure that historical and no longer relevant clauses are not included.

	Benefits (current and future)	Costs (current and future)
Social	Communities should be aware of the current policies / practices as most have been operational since the early 1990's.	Continued segregation of the City / District Council areas as per pre-amalgamation.
Cultural	None specific.	None specific.
Environmental	Current status will continue to promote the areas of Christchurch City Council and the former Banks Peninsula District Council as two separate regions.	None specific.
Economic	None specific.	None specific.
<p>Extent to which community outcomes are achieved: This policy option aligns with the following Community Outcomes: -A Safe City – we live free from crime, violence, abuse and injury. We are safe at home and in the community. Risks from hazards are managed and mitigated. -An Attractive and well designed City – Christchurch has a vibrant centre, attractive neighbourhoods and well-designed transport networks. Our life styles and heritage are enhanced by our urban environment. -A City for recreation, fun and creativity – We value leisure time and recognise that the arts, sports and other recreational activities contribute to our economy, identity, health and wellbeing. - A Prosperous City – We have a strong economy that is based on a range of successful and innovative businesses. We value sustainable wealth creation, invest in ourselves and in our future.</p> <p>Impact on the Council's capacity and responsibilities: Maintaining the status quo will mean business as usual for council enforcement and policy development.</p> <p>Effects on Maori: No specific effects noted.</p> <p>Consistency with existing Council policies: The current policies broadly align with existing council strategies and plans, however the factual update is recommended, should this option be chosen, as many of the clauses are either out of date or no longer relevant.</p> <p>Views and preferences of persons affected or likely to have an interest: No comments were received from relevant stakeholders invited to comment.</p>		

At least one Other Option (or an explanation of why another option has not been considered)

34. No other option has been considered as the Council has previously adopted (24 September 2008) the recommendations to review the policies.

6. PLANNING ADMINISTRATION, BUILDING CONSENT AND LIQUOR LICENSING QUARTERLY REPORT (JULY TO DECEMBER 2009)

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8462
Officer responsible:	Environmental Policy and Approvals Manager Inspections and Enforcement Manager
Author:	John Gibson, Planning Administration Manager Brian Roff, Building Approvals Manager Paul Rogers, Liquor Licensing Team Leader

PURPOSE OF REPORT

1. This is the first combined quarterly report to the Regulatory and Planning Committee providing information about Resource Consent Applications received and processed by the Planning Administration and Subdivision teams; building consents received and processed by the Building Consent Team; and liquor licensing activity. It contains information for the six months from July to December 2009 in relation to planning and building issues. However, as this is the first quarterly report sought in relation to Liquor Licensing matters, information provided is for the quarterly period 1 October to 31 December 2009.
2. The report contains the following information:

Resource Consents

- The number of applications processed for the review period and the year to date (**Appendix 1**).
- Notified and limited notified applications which went to a hearing for a Section 104 decision during the review period (**Appendix 2**).
- Applications which went to a Hearings Panel for a Section 93/94 decision during the review period (**Appendix 3**).
- Current appeals (**Appendix 4**).
- Decision of interest (**Appendix 5**) - To establish a 160 space ground level car park at 142-148 Armagh Street. Section 93/94 decision.

Building Consents (**Appendix 6**)

- all building consents
- commercial work
- residential work (single dwellings)
- residential work (multiple units)
- residential alterations
- solar water heaters
- solid fuel heaters.

Liquor Licensing

- Liquor Licensing Activity Report for the period October to December 2009 (**Appendix 7**).

EXECUTIVE SUMMARY

3. This report is designed to keep the Regulatory and Planning Committee and Community Boards apprised of Resource Management Act and Building Act matters and issues actioned by the Environmental Policy and Approvals Unit and liquor licensing matters as managed by the Liquor Licensing Team within the Inspections and Enforcement Unit.
4. In relation to resource consents it identifies notified and limited notified applications which went to a hearing in the months under review as well as current appeals against decisions made.
5. In respect of Building Act matters the report covers all activity under the heading "All Building Consents" and compares numbers and value. A number of minor categories of work (marquees, backflow preventors, non-habitable buildings, garages and the like) are not commented on specifically.

6 Cont'd

6. In relation to Liquor Licensing the report contains statistics and commentary on issues relevant to the activities of the Liquor Licensing Team.
7. Feedback on what is included and what the Committee would like to see contained in further reports is welcome.

FINANCIAL IMPLICATIONS

8. Not applicable.

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

9. Not applicable.

LEGAL CONSIDERATIONS

10. The information provided in this report is held as public information. It is readily accessible and not legally privileged.

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

11. Not applicable.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

12. Not applicable.

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

13. Not applicable.

ALIGNMENT WITH STRATEGIES

14. This report aligns with the Environmental Policy and Approvals Communication Strategy.

Do the recommendations align with the Council's strategies?

15. Not applicable.

CONSULTATION FULFILMENT

16. Not applicable.

STAFF RECOMMENDATION

It is recommended that the Regulatory and Planning Committee receive this report for information.

7. INFRASTRUCTURE DESIGN STANDARD

General Manager responsible:	General Managers of City Environment, Capital Programme, and Regulation and Democracy Services, DDI: 941-8608, 941-8235, 941-8462
Officer responsible:	Resource Manager Capital Delivery
Author:	Mike Gillooly, Consultant Project Manager

PURPOSE OF REPORT

1. This report recommends the adoption of the Infrastructure Design Standard 2009 (separately circulated) as the core document to be used for the design of all Council infrastructure.

EXECUTIVE SUMMARY

2. The report gives a brief history of the project, including the results of internal and external consultation with stakeholders.
3. The IDS replaces the existing "Subdivision Code" used by the Council which is inadequate and obsolete. The IDS creates common standards for Council funded works (i.e. the Capital Programme) and for works that the Council will acquire from subdivisions (i.e. vested assets). (The IDS document is separately circulated).

(Note: This issue was deferred from the 4 February 2010 Regulatory and Planning Committee meeting, to be considered following a Committee workshop. This workshop has now taken place.)

BACKGROUND

4. The IDS affects those involved in the creation or enhancement of infrastructural assets. For Council staff that means our own internal designers, asset managers, and contract auditors. It will also apply to developers and their advisers designing and constructing assets created through subdivision which will pass to Council ownership as a consequence of subdividing. The IDS creates minimum standards for works that the Council will takeover through the subdivision process. The imposition of a compliance regime through conditions of consent on all subdivisions will ensure high quality assets are taken over by Council. The IDS creates a legal framework whereby the Council can insist on a certification from a professional adviser that the assets transferring have been designed, built and will operate in compliance with the IDS and approved standards, (flow rates, gradients, etc). The Council has experience of poor quality assets being transferred to Council ownership through subdivisions with the cost of remedial work being borne by the ratepayer. The IDS process will reduce these problems and create an enforceable obligation on the developer and its professional advisers.
5. The IDS is a revision of the Christchurch Metropolitan Code of Urban Subdivision (the "Code"), which was written in 1987 and approved by the Council under a separate resolution at that time. It is aligned to our organisational structure and other key Council documents. The development of a specific set of design standards is a common approach to asset management for large metropolitan Councils that tend to have the resources to develop a set of standards suited to their particular needs. Smaller local authorities tend to adopt, either wholly or with amendments, the New Zealand Standard for Land Development and Subdivision Engineering (NZS 4404). Further to that this revision is intended to apply to the former Banks Peninsula District which to now has been using NZS 4404:1981 as their Code of Urban Subdivision.
6. Consultation with the surveying profession in 2001 showed that the code of practice was still the principal document used in the design of subdivisional works. However, a large number of uncoordinated and informal amendments had started to erode the document's integrity. The code was also seen by many as failing to recognise technological advances in the construction industry. It did not relate to the many Council publications, both planning and engineering related, which were intended to directly impact on land and asset developments. It was due for revision.

7 Cont'd

7. In April 2005 the terms of reference for the IDS project were rewritten to include provision for a chapter on quality assurance. The chapter on quality assurance with its emphasis on a systems based approach to quality management is perhaps the most significant change to come out of this review. The benefits of adopting a systems based approach to managing for quality will result in fewer costs to the organisation by reducing the amount of rework and repair of built assets and will drive certainty and consistency into the contract management process by clarifying procedures and responsibilities, standardising documentation and more clearly defined processes for correcting non-conformances.
8. The purpose of the update is therefore to incorporate those structural changes in the way that Council accepts assets and to update the technical engineering aspects of the standard to current practice. The opportunity has also been taken to incorporate the application of quality assurance to ensure that Council assets are well designed and constructed and to align the Standard with Council's various planning and engineering related publications, including the Construction Standard Specifications (CSS).
9. The Standard will fulfil two functions. It details the Council's minimum requirements or expands on requirements laid out in the City Plan, which a development must meet to achieve compliance with a subdivision consent or a Capital Works project brief. It also sets out processes for designing assets to aid the designer in achieving and demonstrating compliance with those requirements.
10. A team, comprising designers from the Capital Programme Group (CPG) and asset managers from the asset groups, wrote each part of the Standard. Each of the twelve parts can therefore be aligned with the relevant asset group but is particularly related to the type of infrastructure. The parts are summarised below:
 - Part 1: Introduction introduces the major changes and includes those definitions specific to the Standard.
 - Part 2: General Requirements covers a number of regulatory details and sets out the process from design to acceptance by the Council of land developments. It also sets requirements for documentation.
 - Part 3: Quality Assurance is another new part, which sets out the requirements for the application of quality assurance to the construction of all assets. This has incorporated two major shifts: each project will require the implementation of a project quality system, with documentation and certification presented to the Council at both the design and construction stages. The traditional Council role of Clerk of Work-type inspections will be replaced with a structured audit based system.
 - Part 4: Geotechnical Requirements sets out the requirement for geotechnical input in land development and what must be considered by the geotechnical engineer. It emphasises the Council's desire to work with the landforms and preserve natural features. It also details issues to be considered under erosion, sediment and dust control.
 - Part 5: Stormwater and Land Drainage builds on the Waterways and Wetlands Drainage Guide, which sits behind the Standard as a supporting document. This part provides more prescriptive design and compliance criteria than is found in the WWDG but reinforces the change of emphasis to include water quality and ecological protection. It also discusses resource consents.
 - Part 6: Wastewater incorporates both an explanation of Christchurch's reticulation system and how the Council's philosophy has changed. It provides the design and compliance criteria for wastewater systems and has been modified to include modern materials. The requirements for private drains have been tied to the New Zealand Building Code and the private pump station specifications have been included as an appendix, recognising that these particular assets fall outside the general subdivision and capital works process.

7 Cont'd

- Part 7: Water Supply covers the design and compliance criteria of the water reticulation. It references the Water Supply Wells, Pumping Station and Reservoir Design Specification for larger infrastructure and has been updated for modern materials.
 - Part 8: Roading sets out both the design and compliance criteria for the street layouts eg classification and the streets themselves eg footpaths, construction depths. It incorporates the fundamental changes due to the National Roads Board specifications for the design and construction of roads being replaced with Austroads specifications.
 - Part 9: Utilities covers Council's compliance requirements for telephone, electricity and gas. It excludes the utility design itself, as this must be to the network operator's requirements.
 - Part 10: Parks Streets and Open Spaces is a new section on landscaping and reserves, based on NZS 4404: 2004 Land development and subdivision engineering, modified to suit the Christchurch context. It sets criteria for reserves, including layout, facilities, structures and furniture. It also applies to landscaping in legal roads. It includes the establishment of landscape areas.
 - Part 11: Lighting sets the Council requirements in an environment in which private companies can carry out street lighting design and construction. It builds on AS/NZS 1158: 2005 Lighting for roads and public spaces.
 - Part 12: As-Built sets the Council's requirements for as-built information on completion of the development.
11. The first draft was published in August 2006. Internal consultation was carried out over a six week period to gain feedback on the technical elements of the Standard.
- Internal stakeholders were identified as follows:
- Asset Managers (including business unit managers, asset planners).
 - Subdivision Officers and associated staff reporting to their process.
 - City Solutions (now CPG) design staff.
 - City Solutions contract supervision staff.
 - Legal Services Manager.
12. A Council seminar was held on the IDS in March 2007 followed by a report to the Council on 7 June 2007. The resolution from that meeting was:
- (a) (i) That the Council approve the IDS for consultation with the targeted stakeholders identified in Appendix I.
 - (ii) That the results and an analysis of consultation outcomes be reported back to the Council by late November 2007.
 - (b) That a further report be submitted on a recommended method of addressing the issue of urban design guidelines.
13. The second draft for external consultation was published in August 2007. Responses from industry stakeholders was slow despite a high profile launch and direct engagement with industry groups and professional institutes at branch level. Ultimately feedback was obtained from early to mid 2008 through a series of targeted workshops on each chapter. This resulted in 968 submissions across the standard on a clause by clause basis.

7 Cont'd

14. In late 2007 and early 2008 individual community boards were given a presentation on the IDS and invited to make submissions. Particular attention was given to advising the boards on those matters over which they exercise some delegation. This related to the design of reserves, streetscapes and open spaces. No submissions were received from community boards.
15. All submissions were reviewed by a cross council panel of asset managers and capital program group designers and the decisions, with reasons for accepting or rejecting have been recorded.
16. While consideration was given to including urban design guidelines in the draft IDS it was felt that this was not the most appropriate place to give effect to the guidelines, and that the Council might be perceived negatively by approving subdivision consents and subsequently imposing further conditions on the design of new subdivisions through the IDS. The Council requested further advice on a recommended method of addressing the issue of urban design guidelines.
17. Subsequent to the June 2007 resolution a number of further actions have been taken addressing the issue of urban design guidelines including:
 - Identifying the application of good urban design principles as a priority action in the Greater Christchurch Urban Development Strategy.
 - Including urban design guidance in both the South-West and Belfast Area Plans.
 - Adopting an urban design plan change for the Living 3 and 4 Zones.
 - Completing an Issues and Options paper for urban design controls in the Central City and Business 2 Zones.
 - Establishing an Urban Design Panel to provide urban design advice for significant resource consent applications.
 - Including urban design criteria in the subdivision assessment matters for the draft Awatea and Wigram Plan Changes.
 - Completing the *Public Space Public Life Study* for central Christchurch with Gehl Architects with an associated draft Action Plan for Council approval.
 - Developing a draft Central City Streetscape Plan and Central City Street Trees and Gardens Master Plan.
18. The IDS creates minimum standards for works that the Council will takeover through the subdivision process. The imposition of a compliance regime on all subdivisions will ensure high quality assets are taken over by Council. The challenge is to create a legal framework whereby the Council can insist on a certification from a professional adviser that the assets transferring have been designed, built and will operate in compliance with the IDS and approved standards, (flow rates, gradients, etc). The Council has experience of poor quality assets being transferred to Council ownership through subdivisions with the cost of remedial work being borne by the ratepayer. The IDS process will reduce these problems and create an enforceable obligation on the developer and its professional advisers.

Communication and Implementation

19. The project is now complete. The IDS is now ready for publication subject to Council resolving to adopt the document. Communication will be similar to the preceding project phases for internal and external stakeholders.

FINANCIAL IMPLICATIONS

20. There is no new expenditure required. This project will continue to be funded out of existing operational budgets. Implementation of the IDS is already accounted for as this replaces existing standards that are part of our standard operating procedures.
21. There is no change in expenditure therefore this project aligns with 2009-19 LTCCP budgets.

7 Cont'd

LEGAL CONSIDERATIONS

22. The IDS has been reviewed by an external provider and approved. The review confirmed that the standard is not a document identified under the Local Government Act 2002 as requiring consultation and accordingly there is no need to adopt the special consultative procedure under that Act.
23. However the review stated that consultation is desirable to reduce the risk of subsequent formal challenge and to produce a more robust document. The review also confirmed that formal Council approval is desirable to ensure that the document is in fact a document having formal status appropriate to be incorporated in conditions of a subdivision consent.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

24. The document is consistent with Activity Management Plans and LTCCP objectives and will assist with achieving the same by providing a holistic expression of Council design standards

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

25. This project will enable delivery of LTCCP projects in a consistent and transparent manner.

ALIGNMENT WITH STRATEGIES

26. The IDS creates and adopts as standard practice a best practice regime.

CONSULTATION FULFILMENT

27. Consultation is not formally required under the LGA 2002 but targeted consultation with external stakeholders was carried out to achieve acceptance and recognition by providers of the Council's own capital works program and those involved in the construction of assets to be vested through subdivision.

STAFF RECOMMENDATION

That the Committee recommends to the Council that it:

- (a) Adopt the Infrastructure Design Standard 2009 as the Council's design standards for both Council funded assets and assets that will be vested on subdivision.
- (b) Replace the existing 1987 Metropolitan Code of Urban Subdivision with Infrastructure Design Standard.
- (c) Replace the use of New Zealand Standard NZS 4404:2004 "*Code of Practice for Subdivision and Land Development Engineering*" (in use for the former Banks Peninsula District Council) with the Infrastructure Design Standard 2009.
- (d) Resolve that the use of the standard is effective immediately.