

2. REVIEW OF COMMITTEE STRUCTURE

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When the Council resolved the current structure of committees and subcommittees following last year's election, it also resolved that the structure be reviewed after approximately 12 months of operation.

This report gives effect to that resolution. It recommends that two of the special committees be disestablished (one immediately, one in a few months' time), it also recommends that 10 of the standing subcommittees be disestablished and their work be undertaken by a standing committee.

THE PROCESS

The structure of Council committees, being a part of the governance framework of the City Council, is generally a matter for elected member consideration. On this occasion two seminars have been held: one of the Strategy and Finance Committee and one seminar of the full Council. Our consideration has been assisted by a report from Peter Mitchell (Legal Services Manager) who conducted a series of interviews with Committee Chairs and summarised their comments on the functioning of the committee structure, and Mike Richardson (City Manager) who made a presentation to the Council seminar in which he scoped the range of possible changes which could be made to our ways of working. An analysis of the reports going to committees during the first year of operation of the present structure has also been circulated to all Councillors.

It is important that elected members generally are comfortable with the structure of committees as the Council's governance structure should not be seen as a partisan matter. Following the seminar meetings I believe that the recommendations in this report are likely to find such general support.

THE ROLE OF STANDING SUBCOMMITTEES

Standing subcommittees have been a part of the Council's decision-making structure for many years. Such subcommittees are established at the start of a Council term with the anticipation that they will operate throughout the three year term. Similar to a Council committee, a standing subcommittee has formal terms of reference. In most cases, however, a standing subcommittee reports to a parent committee rather than direct to the Council (there are a couple of exceptions with standing subcommittees reporting to the Council). Most standing subcommittees have three members.

At the start of this term a much greater number of standing subcommittees was established than had been the case during previous terms of Council. The intention was to enable elected members, all of whom tend to have specialist areas of interest, to have the opportunity of providing leadership for Council activities in such areas of interest. While this was a laudable goal most elected members now agree that it has had the unfortunate consequences of there being too many meetings and too much workload being diverted from the order papers of Council standing committees.

The Council has an existing policy to guide the establishment of ad hoc subcommittees but no equivalent policy for the establishment of standing subcommittees. The City Manager has proposed the following policy to guide the establishment of standing subcommittees:

1. The principal elected member frameworks for the making of delegated decisions are the structure of standing committees and community boards.
2. Ad hoc subcommittees may be appointed by standing committees but all standing subcommittees must be appointed by the Council.
3. In general a Standing Subcommittee will be considered for establishment in one or more of the following circumstances:
 - (i) the matters delegated are specialised and do not readily fall under the purview of one standing committee
 - (ii) the subcommittee is required or promoted by legislation
 - (iii) the subcommittee is necessitated for reasons of efficiency in terms of managing workload and meeting timeframes

- (iv) the subcommittee is a mechanism for collaboration between the Council and other agencies and includes representatives of other agencies which are able to influence outcomes
- (v) the subcommittee's main purpose is to consider applications, including applications for funding.

Currently we have 24 standing subcommittees. It is proposed that we permanently retain only nine of these (the rationale in terms of section 3 of the above proposed policy is given in brackets after each):

- City Plan References (i and iii)
- Annual Plan (iii and v)
- Legislation (ii and iii)
- Maori Liaison (i, ii and iv)
- Metropolitan Funding (v)
- Creative Communities (v)
- Traffic Safety (iv)
- Land Transport (i)
- Cycle Steering (i).

It is proposed that the following standing subcommittees be phased out over time:

- City Manager Liaison (June 2003)
- City Manager Appointment (June 2003)
- Festivals and Events (to be determined)
- Garden City Advisory (September 2004)
- Housing (following completion of Housing Asset Management Plan).

The following standing subcommittees would be disestablished immediately:

- Art in Public Places
- Multicultural
- Children and Youth
- Pools and Stadia
- Estuary Green Edge
- Cell Sites
- Economic Development
- International Relations and Sister Cities
- Cleaning Contract
- Waste Initiatives.

If the approach outlined above is adopted then the Council will be operating with a similar number of standing subcommittees as during its previous term and it is anticipated that the workload of standing committees will increase but to a manageable extent.

In all cases the work of the standing subcommittee will be undertaken by the standing committee, the only exception being that of the International Relations Subcommittee. This subcommittee had a reporting relationship to three standing committees. In future International Relations (including Sister Cities) will be added to the terms of reference of the Community and Leisure Committee.

SPECIAL COMMITTEES

Special committees are a device which has been used from time to time during previous terms of the Council. The establishment of four such committees during the present term has, however, been novel.

The City Manager has suggested the following policy be used for guidance as to the circumstances in which a special committee might be appropriately established:

A special committee will generally be established to undertake a task or group of tasks for which it is appropriate to appoint a significant number of elected members in order to gain a wide representation of views. This will normally arise where no policy framework exists to guide the task(s). This circumstance should be distinguished from one where a policy framework does exist and the matter is delegated to a smaller number of elected members, as would be typical of a subcommittee.

During the present term of Council there were two special factors which underlay the establishment of so many such special committees. The first was our strong commitment to cutting the cost projected for Council services over the next three years. Soon after the election the objective of cutting \$10 million from operating costs of the Year 3 financial plan projections was established and the need to achieve this was integral to the establishment of the Budget Scrutiny and Audit Special Committee. It was appropriate when established for a relatively wide range of elected members to be involved in the budget scrutiny exercise to ensure a range of points of view could be reflected in its deliberations. Since that time, however, the process for budget scrutiny projects has been redesigned to include all members of the appropriate standing committee as contributions to a review before recommendations are made to the Council. In this context it is no longer necessary for Budget Scrutiny to act as a special committee.

In the future the budget scrutiny process will be managed by the City Manager and Director of Operations. They will liaise with standing committees prior to reporting their recommendations to Strategy and Finance Committee and so on to Council.

In addition, with the disestablishment of the Budget Scrutiny and Audit Special Committee I am recommending that we revert to the practice of previous terms and establish an Audit Subcommittee of the Council with terms of reference as follows:

- Exercise the delegated authority of the Council to adopt the Annual Report and Audited Financial Statements of Council
- Review and approve significant accounting policy changes
- Review the format of financial reports prior to audit
- Evaluate the adequacy and effectiveness of the administrative, operating and accounting policies through active communication with the external and internal auditors and consideration of their management report.

It is anticipated that the Audit Subcommittee would meet no more than three times a year, but it is necessitated by the statutorily set tight timeframe which occur around the finalisation of the Council's accounts and annual report and the need for these to be audited in time to meet the statutory timeframes.

Two of the other special committees: Consultation and Communication and Community Plans were established in order to enable elected members to work with staff in developing practice in anticipation of the enactment of the Local Government Bill. The new Bill puts greater emphasis both on effective community consultation and also on collaboration with other agencies.

It is now anticipated that the Consultation and Communication Special Committee will have finished its task of reviewing our frameworks in these areas by 30 June 2003, at which stage it will be disestablished. The Community Plans Special Committee will continue its work of developing techniques of inter-agency collaboration but its role should be reviewed in March 2003 in the light of local government legislation.

The Urban Planning and Growth Special Committee will continue for the rest of this term. In the interests of clarity, however, some adjustment is required to its terms of reference to clarify the relationship between it and the Regulatory and Consents Standing Committee, and also its role with regard to cross-boundary issues, urban design and urban renewal. It is proposed its terms of reference be amended as follows:

- Planning for the growth and function of the urban area as a whole

- Management of cross-boundary issues including issues related to urban development and growth
- Liaison with other agencies over planning and urban growth issues including with Environment Canterbury and community boards
- Urban design
- Urban renewal and neighbourhood improvement programmes and other initiatives to improve the quality of the existing urban environment
- Proposing City Plan variations and changes that influence the shape and form of the city by recommending to the Regulatory and Consents Committee that a s.32 Resource Management Act report be prepared for consideration by the Regulatory and Consents Committee
- Overview of the use of non-regulatory mechanisms to manage the shape and form of the city.

There will be consequential changes to the terms of reference of the Regulatory and Consents Standing Committee with the words 'RMA issues' being deleted and the words in italics being added:

- City Plan completion
- ~~RMA issues~~
- *RMA enforcement*
- *Resource consents*
- *Recommending to the Council variations and changes to the City Plan (Including variations and changes proposed by other Committees)*
- Variations and changes to City Plan (with reference to Urban Planning and Growth Special Committee)
- Building Act issues
- Hazardous substances
- Health and food licensing
- Noise control
- Animal/dog control
- Liquor licensing
- Fencing of swimming pools
- Biosecurity.

TERMS OF REFERENCE OF PROPERTY AND MAJOR PROJECTS

The terms of reference of the Property and Major Projects Standing Committee provide that the Council should delegate to the committee the implementation of large capital projects. I would propose that all aspects of Cathedral Square and the Turners and Growers site be delegated forthwith to the Property and Major Projects Committee and the implementation of Fendalton Road. I intend to be vigilant and make sure that the implementation of as many projects as possible are referred to the committee over the rest of this term.

- Recommendation:**
1. That the policy for the establishment of standing subcommittees (see above) be adopted and in due course incorporated within Council's Framework of Governance.
 2. That the following standing subcommittees be disestablished with effect from 31 December 2002:
Art in Public Places, Multicultural, Children and Youth, Pools and Stadia, Estuary Green Edge, Cell Sites, Economic Development, International Relations, Cleaning Contract, Waste Initiatives.
 3. That the following standing subcommittees be disestablished during the term of this Council:
City Manager Appointment (June 2003), City Manager Liaison with an appropriate new structure when the new CEO is appointed (June 2003), Garden City Advisory (September 2004), Festivals and Events (to be determined) and Housing (following completion of Asset Management Plan).

4. That matters relating to International Relations and Sister Cities be included exclusively within the terms of reference of the Community and Leisure Committee.
5. That delegations to the Cell Sites Subcommittee be made to the Property and Major Projects Committee.
6. That an Audit Subcommittee be established, to meet no more than four times each financial year.
7. That the policy on establishment of special committees (above) be adopted and included within the Framework of Governance.
8. That the Budget Scrutiny and Audit Special Committee be disestablished and the role of this Committee be undertaken in future by the Strategy and Finance Committee.
9. That the Consultation and Communication Special Committee be disestablished by 30 June 2003 having completed its work programme.
10. That the terms of reference of the Urban Planning and Growth Special Committee and Regulatory and Consents Committee be revised as set out above.
11. That the Community Plans Special Committee's role be reviewed in March 2003 after passage of the Local Government Bill.
12.
 - (a) That responsibility for all matters to do with Cathedral Square and the Turners and Growers site and the implementation of all major capital projects be delegated to the Property and Major Projects Committee.
 - (b) That the responsibility for implementation of the Fendalton Road project transfer from Sustainable Transport and Utilities to Property and Major Projects.
13. That, in the light of the exercise the Council has undertaken in reviewing its own processes, community boards be invited to work together to review the efficiency of their processes.
14. That the City Manager (Chief Executive) continue to monitor the workflows of community boards and Council committees and initiate, with elected members, a review of Council structure and processes starting in April 2004 with recommendations completed by September 2004 for consideration by the incoming Council.