

**REPORT BY THE CHAIRMEN OF THE
AKAROA/WAIREWA AND THE LYTTTELTON/MT. HERBERT
COMMUNITY BOARDS
17 AUGUST 2010**

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. BANKS PENINSULA COMMUNITY BOARDS RESERVE FUNDING AND DELEGATIONS

General Manager responsible:	General Manager, Regulatory and Democracy Services, DDI 941-8462
Officer responsible:	General Manager, Regulatory and Democracy Services
Author:	Peter Mitchell, General Manger, Regulatory and Democracy Services

PURPOSE OF REPORT

1. The purpose of this report is for Council to consider the following recommendations from the two Banks Peninsula Community Boards:
 - (a) That the current delegation to the two Boards, regarding their power to recommend discretionary expenditure of \$20,000 from the reserve accounts, will not need to be made after the October 2010 election.
 - (b) That an additional delegation be made to each of the two Boards on SPARC funding.

EXECUTIVE SUMMARY

Banks Peninsula Reserve Contributions Expenditure

2. In 2006 when the reorganisation took place between Banks Peninsula District Council (BPDC) and Christchurch City Council, BPDC had a sum of approximately \$500,000 in its reserve accounts which were transferred to the Council.
3. Since 2006 the two Banks Peninsula Boards have been delegated by the Council the power to recommend expenditure of \$20,000 from the reserve accounts to spend on Peninsula reserves.
4. That funding of \$500,000 contributed by BPDC has now virtually been expended.
5. Further, as a result of the change in the law in 2002 requiring Councils to adopt Development Contributions Policies, the source of that reserve funding is no longer available to the Council.
6. As a result of the end of the availability of that reserves funding it is now considered appropriate that the Boards advise the Council that there is no longer a need for the Council to continue the current delegation regarding recommending expenditure from the reserves accounts after the election in October 2010.

SPARC Funding

7. For the 2009/10 funding round SPARC provided \$9,621 to the Christchurch City Council for rural travel grants for the Banks Peninsula area. For the previous two years, totals of \$9,500 and \$8,000 respectively were provided. For these three funding rounds, the Banks Peninsula Community Boards have had joint meetings and submitted formal recommendations on the disbursement of the funding to the Council for approval. Staff recommend that, in line with the Council's resolution of 12 June 2008, the Banks Peninsula Community Boards be granted joint delegated authority to disburse these SPARC Rural Travel Funds for Banks Peninsula.

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STAFF RECOMMENDATION

It is recommended that:

- (a) The Banks Peninsula Community Boards note that the sum of \$500,000 in the Council's reserves account contributed by Banks Peninsula District Council, as part of the 2006 reorganisation, has now been expended.
- (b) That the Banks Peninsula Community Boards recommend to the Council that the power to recommend discretionary expenditure of \$20,000 from reserve accounts not be carried over when Community Board delegations are made by the Council after the 2010 elections.
- (c) An additional delegation be given to each of the two Boards on SPARC funding as follows:
 - That the Lyttelton/Mt Herbert and Akaroa Wairewa Community Boards have joint authority to allocate the annual SPARC Rural Travel Fund for Banks Peninsula.

BOARD CONSIDERATION

The Akaroa-Wairewa Community Board considered this report at its meeting held on 11 August 2010.

The Lyttelton-Mt Herbert Community Board considered this report at its meeting held on 17 August 2010.

BOARD RECOMMENDATION

That the Council adopt the staff recommendation.

BACKGROUND (THE ISSUES)

8. Under the Local Government Act 1974, until 2004, all territorial authorities collected reserve contributions from subdivisions in their district. Typically these reserve contributions were 7.5 per cent of the land value of the subdivision and the Council could then decide how it would expend those reserve contributions as the need for funding individual projects arose.
9. The Local Government Act 2002 replaced the 1974 Act. The 2002 Act required that Councils adopt a Development Contributions Policy which now includes the former reserve contributions from subdivisions. The difference with the new Development Contributions Policy was that the law requires the Council to identify the projects upon which those reserve contributions were to be spent within the policy itself to form the basis for the collection of the contribution. After 2002 the Council no longer had a fund building up of reserve contributions upon which it could choose to spend on projects.
10. At the time of the reorganisation in March 2006 both the former BPDC and CCC had adopted, in July 2004, their first Development Contributions Policy. After July 2004 the Councils no longer had a fund building up of reserve contributions upon which it could choose to spend on projects.
11. By the date of reorganisation in March 2006 BPDC had accumulated \$500,000, under the former Local Government Act 1974 provisions, in its reserve accounts and this money was transferred to the CCC as part of the reorganisation.
12. As part of that 2006 reorganisation the Local Government Commission stated in its reorganisation scheme that each of the Banks Peninsula Community Boards were to have the power to recommend to CCC the proposed expenditure from the City Council's reserve contributions account and that the powers conferred by the reorganisation scheme could not be altered for a period of 3 years from 2006.
13. Further in the 2006 Memorandum of Understanding signed between BPDC and the Council before the reorganisation came into force it was stated:

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" During 2004 and early 2005 BPDC undertook a large community consultation process that resulted in additional capital requests and further community priorities for operational expenditure being identified.

A schedule of these items that has been considered by BPDC will be attached as an Appendix 6"

14. The Appendix 6 referred to in that Memorandum of Understanding listed a number of Banks Peninsula projects with estimates as to the costs of those projects. Appendix 6 had a number of Schedules. One of those Schedules, Schedule F, contained a list of projects in both the Lyttelton/Mt. Herbert Community Board and Akaroa/Wairewa Community Board areas to be funded from the reserves accounts in the 2006-16 LTCCP.
15. Subsequent to the coming into force of the reorganisation scheme in 2006, and continuing on until today, the Council made a number of delegations to the two Banks Peninsula Community Boards. A delegation which is relevant for the purpose of this report is:
 - For the two Bank Peninsula Community Boards the following provisions apply:
 - i)
 - ii) **That the two Peninsula Community Boards have a power to recommend discretionary expenditure of \$20,000 from the reserve accounts to spend on peninsula reserves."**
16. It is that delegation in bold regarding the power to recommend (not to decide) that is the subject of this report and where staff are recommending that that delegation not be carried over by the Council after the elections in 2010.

Development Contributions Policy – Community Board Input Today

17. As noted above the Local Government Act 2002 repealed the Council's power to take reserve contributions on subdivisions. The 2002 Act now requires every Council to develop, through its Long Term Council Community Plan, a Development Contributions Policy and the law also provides that a Council can only require a contribution (money or land) on a development if it has a Development Contributions Policy.
18. A contribution can only be required if the effect of the development is to require the Council to provide new or additional assets or assets of increased capacity as a consequence of the development. The law also requires that projects that contributions are to be spent on must be identified in the Development Contributions Policy **before** a contribution can be collected by a Council.
19. The Council's 2006 Development Contributions Policy, which was made some four months after the reorganisation of BPDC, contained the same projects and funding amounts as in the draft BPDC 2006 Development Contributions Policy. Those projects have subsequently been carried forward, where necessary, into the current Council 2009 Development Contributions Policy.
20. The formation of each Development Contributions Policy is conducted in concert with development of the LTCCP Capital Programme as only projects listed in the LTCCP can be included in the Development Contributions Policy. Community Boards were canvassed prior to the LTCCP 2009-19 for projects they wished to be included in the Council's LTCCP capital prioritisation process. If the projects approved for funding were also growth related projects then they were also included in the Development Contribution charges using the Councils methodology. In other words the project is included in the Policy and contributions are received from developers towards that project as development happens. A management decision is made to give effect to the project according to the timing in the LTCCP Capital Programme without the need of further signoff by elected members.

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Banks Peninsula Reserve Contributions Expenditure

21. Regarding the sum of \$500,000 that BPDC had accumulated at the time of the reorganisation in 2006, that money has been spent on the projects listed in Schedule F of Appendix 6 of the 2006 Memorandum of Understanding between the two Councils. That sum of \$500,000 has now been totally spent and **Appendix A** shows the expenditure of that sum. It will be noted that for some of the Schedule F projects the amount expended in excess of those estimated in the MOU which is not unexpected. Because of the 2006 Development Contributions Policy that sum of \$500,000 has not be replenished and for all practical purpose the reference in the current City Council delegation to the two Banks Peninsula Boards having the power to recommend expenditure from the Reserve Contributions account has now run its course. Today there are no longer any funds available for the two Boards to make a recommendation about. The two Community Boards now have their input into the development contributions policy through identifying projects as part of the development of the Policy relating to Banks Peninsula.

Conclusion

22. Given the information above staff recommend that the two Banks Peninsula Boards advise the Council that as the funding in the reserve accounts referred to in the current Council delegations has now been spent, that the Peninsula Boards can recommend ' Discretionary Expenditure of \$20,000 from Reserve Accounts' not be carried over when Community Board delegations are made by the Council after the 2010 election.

SPARC Funding

23. At its meeting of 12 June 2008 the Council resolved *"that the Council considers, as part of the review of Community Board delegations, to delegate to the two Banks Peninsula Community Boards jointly, the annual allocation of the SPARC Rural Travel Fund."*
24. The SPARC Rural Travel Fund encourages participation in sport by young people living in rural communities. It is open to rural sports clubs and rural school teams. The fund is for young people aged between 5 -19 years who require subsidies to assist with transport expenses to local sporting competitions. The fund is not available for traveling to regional or national events. "Local" for Peninsula young people means traveling to other sub-unions such as Ellesmere, Waihora, Lincoln and further afield to participate in regular competitions. The allocation is based on a population density formula for areas with less than ten people per square kilometre and therefore excludes Lyttelton and Governors Bay.

ATTACHMENT A

**SCHEDULE F: COMMUNITY BOARD PROJECTS TO BE FUNDED FROM RESERVES
ACCOUNTS IN THE 2006-16 LTCCP**

AKAROA WAIREWA COMMUNITY BOARD

Pigeon Bay	22,500	campground
Little Akaloa	27,000	development
Okains Bay	32,000	development
LeBons Bay	9,000	development
Wainui	90,000	development
Barrys Bay	18,000	walkway
Duvauchelle	82,000	walkway
Takamatua	90,000	development
Akaroa	125,000	Stanley Park Reserve
Akaroa	33,000	L'aube Hill
Akaroa	108,000	Garden of Tane
Akaroa	27,000	Takapuneke Reserve
Little River	31,000	Playground
Little River	90,000	Skatepark
Birdlings Flat	31,500	Playground
Tikao Bay	4,500	development
towards Little River	75,000	Retain Reserve 1686 and develop a lookout over Lake Ellesmere, near Seabridge Road @ State 75
Takapuneke	100,000	allocate funds for the development of the reserve
Akaroa	500,000	allocate funds for the establishment of a Marine Environment and Visitors centre
Akaroa & Little River	325,000	Walking Tracks and Linking of Walkways - include suitable allocations for establishing walking tracks and for purchase of land (when available) to link existing walkways. Akaroa \$250k and LR \$75k.
Akaroa	60,000	extend compound and landscaping in the Boat Compound Area
Childrens Bay	25,000	tidy and landscape foreshore
Community wide	100,000	prepare conservation management plans for heritage objects and structures and undertake restoration works
Childrens Bay	250,000	relocate slipway
Little River & Akaroa	50,000	Install fitness tracks in each area
Community wide	500,000	Bring Council tracks up to Standard designated
Akaroa	30,000	Skatepark landscaping
Birdlings Flat	150,000	Toilets (\$100k) and parking upgrade (\$50k)
	2,985,500	

SCHEDULE F: COMMUNITY BOARD PROJECTS TO BE FUNDED FROM RESERVES ACCOUNTS IN THE 2006-16 LTCCP

Reserves Development Contribution Policy - the process at BPDC to develop the amount required for a Reserve Development Contribution is embedded in this policy in the LTCCP 2004-2014. The amount of the contribution is determined by the level of expenditure estimated to be required and the number of contributions estimated over the same time period.

In recent months, both Community Boards have reviewed their existing projects anticipated to be funded from their Reserves Accounts and identified a number of projects they would like to undertake in the next ten years. The amounts noted are indicative estimates only.

These projects are designed to provide new or enhanced facilities on Reserves and should not include maintenance work. The details of the projects are not yet defined and the cost estimates are preliminary.

LYTTELTON MT HERBERT COMMUNITY BOARD

Lyttelton Recreation Ground	90,000	install irrigation system, netball courts, major refurbishment
Harbour Walkway	472,500	purchase land and develop a walkway from Godley Head to Adderley Head linking walkways around the harbour
Steadfast development	180,000	Upgrade historic buildings
Reserves Landscaping	60,000	plantings
Allandale reserve	25,000	major work on rubbish dump, landscape, environmental area
Godley House	65,000	toilet
Diamond Harbour Memorial Gardens	135,000	Parking increase
Whakaraupo	120,000	Stoddart Point memorial garden and weir, drainage, seating, plantings and walking plan
Cenotaph	20,000	planting and initiating Reserve Management Committee
Signage	30,000	restoration of stonework
Governors Bay Reserves	100,000	interpretation and direction \$10k per year
Stoddart Point	135,000	Frame Reserve, Sandy Bay carpark, Cholmondley landscape plan \$10k
Heritage signs	150,000	20 to 30 parking spaces
Black Point, Hays Bay Anderson Road	20,000	at least 10 signs over ten years
Purau Bay, Hays Bay	30,000	Landscaping, seating
Hays Bay, Stoddart Point, Port Levy	150,000	shade provision
Community wide	20,000	Public Toilets, additional and or replacement
Community wide	100,000	Art in the landscape
Purau jetty, Charteris Bay	100,000	Recreational facilities for young people over 5 years
Rose Garden/Pool/Goal	100,000	car parking
Cressy Tennis Courts	220,000	Phase 1
Corsair Bay Playground	45,000	renovation of courts
Church Bay Playground	22,500	expansion of playground
Purau Development	63,000	expansion of playground
Port Levy Schoolhouse	45,000	expansion
	18,000	kitchen replacement
	2,416,000	

Schedule F Amounts Spent to May 2009

LYTTELTON / MOUNT HERBERT PROJECTS

Project Number	Project Name	Exp to May 09
562/001927	Lyttelton Rec Ground Dev.Plan	8,307.00
562/001931	Governors Bay Dev Plan	25,838.00
562/001932	Stoddart Point Development	282,237.00
562/001934	Head to Head Walkway	30,424.00
562/001935	Cass Bay Track Dev	20,673.00
562/001938	Whaka Raupo Res. Dev	19,873.00
562/002023	Allandale Reserve Development Plan	45,078.00
562/002048	Church Bay Playground Upgrade	96,553.00

528,983.00

AKAROA / WAIREWA PROJECTS

Project Number	Project Name	Exp to May 09
562/001857	Okains Bay Development Plan	95,159.00
562/001874	Birdlings Flat Reserve Dev	142,771.00
562/001939	Akaroa Walkways Dev	33,818.00
562/001940	Takapuneke Res. Dev	300.00
562/001941	Stanley Park Dev	9,234.00
562/001943	Duvauchelle Res Dev	160.00
562/001986	Garden of Tane Trees	6,295.00
562/002037	Awa-Iti Domain Dev	36,022.00
562/002040	Le Bons Bay Res Dev	165,373.00
562/002042	Little Akaloa Res Dev	83,372.00
562/002043	L'Aube Hill Res Dev	100.00
562/002044	Garden of Tan Res Dev	0.00
562/002045	Fitness trails Dev	28,520.00
562/002087	Stanbury Reserve New Picnic Tables	4,125.00

605,249.00

The fund balances at 31/12/2009 were:

Lyttelton / Mt Herbert - \$345,667

Akaroa / Wairewa - \$397,537

The list of the projects above (from Schedule F) have incurred the costs indicated up to May 2009 and were prepared as part of the 2008/09 year end. They indicate that the (MOU) schedule F expenditure to date exceeds the balances of the funds, therefore the funds are effectively extinguished.

Banks Peninsula Projects in the Greenspace Budget that have been specified in this current LTCCP

LTCCP Project #	SAP Project Code	SAP Project Desc.	Profit Center (Auth)	Activity	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ward
0066	562/002212	Cass Bay Development Plan		Neighbourhood Parks	8,000										LM
0066	562/002435	Blacks Point Planting		Neighbourhood Parks	funded by developer										LM
0066	562/002023	Allandale Reserve Development Plan		Neighbourhood Parks	7,590	20,000	20,000								LM
0066	562/002307	Head to Head Track		Neighbourhood Parks	30,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	LM
0066	562/001931	Governors Bay Dev Plan		Neighbourhood Parks	15,000										LM
0068	562/002075	Lyttelton Manholes		Waterways and Land Drainage	100,000										LM
0106	562/002245	Oxford St Rose gardens - Lyttelton Shrub Border Renewals		Neighbourhood Parks	15,000										LM
0107	562/2103/2	BP track renewal		Regional Parks	6,000										LM
0109	562/002268	Allandale Toilets		Sports Parks	10,000	100,000									LM
CFWD	562/001927	Lyttelton Rec Ground Dev. Plan		Sports Parks	10,000										LM
0109	562/002377	Diamond Harbour Recreation Ground		Sports Parks	10,000	40,000	40,000	40,000							LM
0110	562/002377	Lyttelton Brick Barrels		Waterways and Land Drainage	50,000	350,000	600,000	800,000	800,000	800,000	400,000				LM
0324	562/001824	Marrina - Other Capex	56254	Harbours and Marine Structures	195,063			220,224	1,134,406						LM
0002	562/002297	Banks Peninsula Beams		Cemeteries	5,000	5,000	5,000								AW
0066	562/002044	Garden of Tane Res Dev		Neighbourhood Parks	10,000										AW
0066	562/001939	Akaroa Walkways Dev		Neighbourhood Parks	30,000										AW
0166	562/002192	Banks Peninsula land purchase		Regional Parks	3,300,000										AW
CFWD	562/002069	Trestia Subvn - Stormwater	56238	Waterways and Land Drainage	53,277			113,010							AW
0068	562/002063	Little Akaloa Wharf Replacement		Waterways and Land Drainage	28,047										AW
0106	562/002330	Pigeon Bay Playground		Harbours and Marine Structures	40,000										AW
0106	562/002336	Stanley Park Dev		Neighbourhood Parks	20,000	20,000	100,000								AW
0106	562/002337	Robinsons Bay Res Dev		Neighbourhood Parks	30,000	30,000	30,000								AW
0106	562/002338	Little Akaloa Res Dev		Neighbourhood Parks	7,500										AW
0106	562/002339	Okains Bay		Neighbourhood Parks	53,567	50,000	50,000	50,000	50,000						AW
0106	562/002340	L'Aube Hill Res Dev		Neighbourhood Parks	10,000										AW
0107	562/002264	Misty Peaks/Banks Peninsula Revegetation		Regional Parks	30,000	30,000									AW
0107	562/2103/3	Okains Track Renewal		Regional Parks	2,000										AW
0109	562/002354	Fitness trails Dev (AW)		Sports Parks	14,625										AW
0109	562/002354	Atahua Domain Res Dev		Sports Parks	20,000	80,000									AW
0109	562/002375	Awa-Hi Domain Trees		Sports Parks	5,000	20,000	10,000								AW
0109	562/002375	Awa-Hi Domain Dev		Sports Parks	86,255	50,000									AW
0110	562/002007	Little River Car Park drainage		Waterways and Land Drainage	15,000										AW
0110	562/002283	Akaroa stormwater		Waterways and Land Drainage	94,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	AW
0110	562/002284	Akaroa Stormwater Improvements		Waterways and Land Drainage	83,110	309,021	319,425	330,336	340,322	350,965	361,935	372,906	384,145	395,069	AW
0110	562/002443	Old Coach/Morgans Akaroa Drop Structure		Waterways and Land Drainage	20,000										AW
0110	562/002444	Woodhills Rd Akaroa		Waterways and Land Drainage	35,000										AW
0110	562/002445	Takamatua Headwall and Catchment Structure		Waterways and Land Drainage	20,000										AW
0110	562/002426	Smith Street		Waterways and Land Drainage	90,000										AW
0110	562/002427	Little Akaloa Drainage		Waterways and Land Drainage	55,500										AW

4,564,034 1,119,021 1,384,425 1,683,570 2,444,730 1,270,965 881,935 492,906 504,145 516,069