

CHRISTCHURCH CITY COUNCIL AGENDA

THURSDAY 28 APRIL 2011

9.30AM

**BOARDROOM, BECKENHAM SERVICE CENTRE,
66 COLOMBO STREET**

CHRISTCHURCH CITY COUNCIL

Thursday 28 April 2011 at 9.30am
in the Boardroom, Beckenham Service Centre, 66 Colombo Street

Council: The Mayor, Bob Parker (Chairperson).
Councillors Helen Broughton, Sally Buck, Ngaire Button, Tim Carter, Jimmy Chen, Barry Corbett,
Jamie Gough, Yani Johanson, Aaron Keown, Glenn Livingstone, Claudia Reid, Sue Wells and
Chrissie Williams.

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28. 4. 2011

1. **APOLOGIES**
2. **CONFIRMATION OF MINUTES - COUNCIL MEETINGS OF 31.3.2011 AND 14.4.2011**
Attached.
3. **DEPUTATIONS BY APPOINTMENT**
4. **PRESENTATION OF PETITIONS**

5. DELEGATIONS FOR PUBLIC NOTICES PERMITTING TEMPORARY ACCOMMODATION UNDER THE CANTERBURY EARTHQUAKE (RESOURCE MANAGEMENT ACT PERMITTED ACTIVITIES) ORDER 2011

General Manager responsible:	General Manager, Regulation & Democracy Services Group
Officer responsible:	Environmental Policy & Approvals Manager
Author:	John Gibson, Planning Administration Manager

PURPOSE OF REPORT

1. This report seeks the delegation for issuing site specific public notices under the Canterbury Earthquake (Resource Management Act Permitted Activities) Order 2011 be delegated to a group of commissioners.

EXECUTIVE SUMMARY

2. At the 31 March 2011 the Council meeting, a report was considered relating to the Canterbury Earthquake (Resource Management Act Permitted Activities) Order 2011 and the issuing of Public Notices under that Order. The report is attached (**Appendix 1**). At the meeting, the Council made a number of resolutions (see **Appendix 2**). One of the resolutions required a follow up report to be considered by the Council. Resolution (e) is detailed below:

“(e) That the confirmation of the Commissioners to be used to administer applications under this process be considered and confirmed at a future meeting of the Council.”

3. The 31 March 2011 report to the Council recommended three sole practice commissioners. It is understood the Council requested a larger pool of names from which to select commissioners to deal with applications for temporary activities which do not comply with the rules in the Public Notice. This report provides a larger pool of names and sets out some selection criteria.
4. The criteria used to select the three commissioners put forward in the report considered by the Council on 31 March 2011 were:
 - (i) They are Christchurch residents with a good knowledge of the city and its environs.
 - (ii) The three day turnaround from the time an application is received until the time a decision is released means the Commissioners must be available and able to make decisions quickly. The three nominated commissioners have agreed to make dealing with these applications a priority.
 - (iii) They are all very experienced planning practitioners capable of making the quick, practical decisions which will be required in the circumstances.
 - (iv) They are sole charge practitioners whose principal or only work is as commissioners. This reduces the potential for conflicts of interest. They are also able to quickly determine whether they have a conflict. On this matter one of the problems using commissioners from larger planning and legal firms is the need for them to check with their colleagues about potential conflicts. They are also likely to represent a number of applicants seeking approval for temporary accommodation. This can be a time consuming process and where conflicts are identified the Council then has to try and find an alternative commissioner.
5. The above criteria were also used to select the additional commissioners names included in the list below. With one exception however, all the new names are members of larger planning or legal firms thus increasing the potential for conflicts of interest to arise. Brief CVs of all of the commissioners in the list are attached (**Appendix 3**).

David Mountfort	Sole charge consultant/commissioner
David Collins	Sole charge consultant/commissioner
Ken Lawn	Sole charge commissioner
Max Barber	Sole charge commissioner
Darryl Millar	Planning consultant – RMG
David McMahon	Planning consultant – RMG

5 Cont'd

Rachel Dunningham	Lawyer – Buddle Findlay
Bob Batty	Planning consultant – Planit
Johnathan Clease	Planning consultant – Planit
Bob Nixon	Planning consultant – Planit
Ken Gimblett	Planning consultant – Boffa Miskell

6. All the commissioners listed are experienced resource management practitioners and have a wide range of experience as can be seen from their CVs. All of them would be able to act as commissioners to determine applications for proposals which do not comply with the standards in the Temporary Activities Public Notice.
7. The anticipated number of applications and the truncated application process however, mean that a pool of three commissioners would be adequate for the task. A pool of three would also enable a greater degree of consistency of decision making than a larger number.
8. In view of the very tight three day timeframe to process applications it is critical that the appointment of commissioners is able to be done quickly and that delays are minimised. Sole charge practitioners, particularly those who specialise in commissioner work, are less likely to have conflicts of interest and are also able to determine whether they have a conflict more rapidly than those in larger practices. There are four sole charge practitioners in the above list and it is recommended that three of the four be selected to act as commissioners to deal with applications for proposals which do not meet the standards in the Temporary Activities Public Notice.

FINANCIAL IMPLICATIONS

9. There is no Council approved fee which applies to these type of applications, consequently the processing costs will be met from rates. Staff estimate an annual cost of approximately \$300,000.

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

10. Not applicable.

LEGAL CONSIDERATIONS

11. Refer to Appendix 1.

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

12. Yes, see above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

13. Refer to Appendix 1.

ALIGNMENT WITH STRATEGIES

14. Refer to Appendix 1.

Do the recommendations align with the Council's strategies?

15. Refer to Appendix 1.

CONSULTATION FULFILMENT

16. Refer to Appendix 1.

5 Cont'd

STAFF RECOMMENDATION

That the Council appoint three sole practice practitioners to the approved list of commissioners who can determine applications for activities which do not comply with the rules in the Public Notice for Temporary Accommodation.

6. 2010-2013 CHRISTCHURCH CITY COUNCIL COMMITTEES TERMS OF REFERENCE

General Manager responsible:	General Manager, Strategy and Planning Group
Officer responsible:	General Manager, Strategy and Planning Group
Author:	Mike Theelen, General Manager, Strategy and Planning Group

PURPOSE OF REPORT

1. The purpose of this report is to consider the proposed Terms of Reference (which have been considered by each of the Committees that have met), for final approval by the Council. Terms of Reference provides the framework within which each of the Committee's operates. In a number of instances the Terms of Reference establish a series of delegations. Adopting the Terms of Reference today will enable the Committees to undertake their role as the Council intended.

Terms of Reference are submitted for the following Committees.

- (i) Central City Committee
 - (ii) Communications Committee
 - (iii) Heritage and Arts Committee
 - (iv) Housing and Community Facilities Committee
 - (v) Regulatory and Planning Committee
 - (vi) Transport Committee
 - (vii) Water and Waste Committee
2. The individual Terms of Reference have either been carried over from the previous Council term, or have been developed, and considered by the respective Committees. The Terms of Reference are attached as **Appendix 1** and are the versions of the Committee Terms of Reference adopted by the relevant Committee where these have met.
 3. Terms of Reference are not presented today for the Chief Executive Performance Review and Remuneration Subcommittee, Audit and Risk Subcommittee and Metropolitan Funding Subcommittee. In each instance the Terms of Reference or delegations were adopted at the 16 December 2010 council meeting.

POLICY AND OPERATIONS

4. In establishing the Committees the Council has ensured that the Committees are focussed on policy matters rather than on the day to day operation of the Council business. This intention reflects the appropriate governance role of elected members, in contrast to the operational management led by the Chief Executive. There are a number of exceptions to this, for example, Regulatory and Planning which has some specific operational delegations and Heritage and Arts in respect of making Heritage Grants and approving Covenant Consents. As Policy Committees the work programme will be focussed on monitoring, reviewing, and developing policy. Accordingly the Committees may operate throughout the entire tenure of the Council, or if needed go into recess, or end, if their particular policy work is completed. Equally Council may decide to add further committees during its term to address specific topics as they arise.

BYLAWS

5. In addition to these plans and strategies a number of the Committees also have responsibility for one or more bylaws. The previous Council through the Regulatory and Planning Committee established a comprehensive 10 year programme of review based on legislative need and organisational capacity. While the Council may elect to depart from this, by accelerating or changing the programme, care needs to be taken of the organisational capacity to support such a programme if a more active bylaw programme is in place.

6 Cont'd

6. The Regulatory and Planning Committee retains responsibility for managing the overall programme. This is attached as **Appendix 2**. Where new bylaws are required, or early reviews contemplated these should be reviewed by the Regulatory and Planning Committee to ensure the programme as adopted remains achievable.

POST EARTHQUAKE COMMITTEE MEETINGS

7. Following discussion with Councillors at the workshop on Tuesday, 12 April 2011, with regard to Committees the Chief Executive's recommendation is that the committee structure remain. The Chief Executive recommends that Committees only meet, due to staff resourcing constraints, as a result of the 22 February 2011 earthquake if a decision is required by the Council on a matter within the terms of reference of the Committees. Reports could be initiated by staff as normal or by Council resolution .

STAFF RECOMMENDATION

It is recommended:

- (a) That the Terms of Reference for the following committees as outlined in Appendix 1 be approved:
 - (i) Central City Committee
 - (ii) Communications Committee
 - (iii) Heritage and Arts Committee
 - (iv) Housing and Community Facilities Committee
 - (v) Regulatory and Planning Committee
 - (vi) Transport Committee
 - (vii) Water and Waste Committee
- (b) That Committees only meet, due to staff resourcing constraints, if a decision is required by the Council on a matter within the terms of reference of the Committees. Reports could be initiated by staff or by the Council.

7. REINSTATING INFRASTRUCTURE IN CHRISTCHURCH

General Manager responsible:	General Manager Capital Programme Group
Authors:	Geoff Mayman, Procurement and Purchasing Ian Thomson, Solicitor, Legal Services

PURPOSE OF REPORT

1. The purpose of this report is to seek the Council's endorsement of the contract delivery model to reinstate infrastructure damaged in the Canterbury earthquakes of 4 September 2010 and 22 February 2011.
2. The report also recommends that the Chief Executive be given the authority to enter into and approve agreements and arrangements for the reinstatement work required.

EXECUTIVE SUMMARY

3. The Council has now entered the recovery phase of its response to the earthquake. Urgent work is required to reinstate infrastructure that was either damaged or destroyed in the various earthquakes.
4. Government sought advice from New Zealand Transport Agency (NZTA) on its view of the appropriate contract delivery model for the infrastructure reinstatement. Council staff have been working with NZTA to assess the options, risks and opportunities of various delivery models.
5. Council staff and NZTA recommend that a city wide Alliance Agreement be developed with those contractors already engaged under the head contractor model to manage the reinstatement of the earthquake damaged infrastructure.
6. This proposal, and the process to be followed for its implementation comply with the relevant provisions of the Canterbury Earthquake Recovery Act 2011 and Orders in Council made under the Canterbury Earthquake Response and Recovery Act 2010.

STAFF RECOMMENDATION

It is recommended that the Council resolves that:

- (a) It ratifies the Chief Executive's proposal for an Alliance to be formed to deliver the reinstatement of the City's damaged infrastructure.
- (b) The Chief Executive is authorised to approve and enter into such agreements and arrangements as are necessary to implement the proposal.
- (c) The Chief Executive is to report regularly to the Council on progress with regard to the reinstatement work.
- (d) The Chief Executive is to exercise his authority in accordance with the relevant provisions of the Canterbury Earthquake Recovery Act 2011 and Orders in Council.

7 Cont'd

BACKGROUND

Pre 22 February Response

7. At the Council meeting of 4 November 2010 the Council adopted the proposal that collaborative working relationships be developed with contractors engaged to manage the re-instatement of infrastructure damaged in the 4 September 2010 earthquake in four of the worst affected areas.
8. The collaborative working arrangements were designed to achieve the Council's strategic objectives, namely:
 - Contractors are deployed within the community in the shortest possible timeframe. The aim is to provide confidence to the community that the significantly damaged areas of Christchurch will be fixed in as short a period of time as possible.
 - Enough resource is procured to ensure that works are completed in the shortest possible time frames.
 - The local contracting market is utilised to its maximum extent, with fair reward for contractor performance.
 - Work and resources are coordinated with neighbouring local authorities to ensure conflict of priorities does not arise across the wider region.
 - Effective contract and relationship management practices are used to successfully manage quality, cost, and overall performance of contractors to deliver value for money.
9. During November and December 2010 the Council entered into negotiations and executed contracts with:
 - McConnell Dowell Constructors Ltd and The Fletcher Construction Company Ltd Joint Venture (Avonside/Dallington/Burwood)
 - Fulton Hogan Ltd (Bexley/Southshore)
 - Downer EDI Works Ltd (Brooklands/Spencerville)
 - City Care Ltd (Halswell).
10. The scope of the contracts included:
 - All wastewater pipe renewals.
 - Inspection and repair of laterals from sewer main to private gully traps (subject to agreement from EQC).
 - All water main and sub main renewals in the damaged zone.
 - All storm water pipe repairs in the affected areas.
 - All road corridor repairs including road reinstatement, footpaths and lighting if required.
 - Other works that are sensible to integrate into a phased reconstruction.
 - Obtain all consents required to support construction and design work recognising that consents can be obtained in parallel to construction works as outlined in the Canterbury Earthquake Response and Recovery Act 2010 and associated Orders in Council.
11. An Infrastructure Rebuild Management Office (IRMO) was established to oversee the rebuild. This office was charged with oversight of design, construction management, finance, communication, programming, procurement and project administration. This team of 20 to 30 staff was resourced from within the Council and the consulting industry.
12. At 22 February 2011, all of the Head Contractors were well advanced with their investigations including further condition assessments and survey, and two of the four Head Contractors had commenced physical works on the ground and the remaining two were planning to start late February.
13. The aftershock of 22 February 2011 has resulted in much greater damage than that of the 4 September 2010 earthquake. Damage to the underground services and roads has almost quadrupled, and the areas damaged are much more widespread across Christchurch and no longer easily defined within geographic/Head Contractor boundaries.

7 Cont'd

Post 22 February Response

14. The significance of the aftershock of 22 February 2011 has demanded a different response from both central and local government. The Canterbury Earthquake Recovery Authority (CERA) has been established to oversee the recovery.
15. Within this context, one of the Council's roles is to rebuild the City's Infrastructure. It is anticipated that the Council will be required to prepare and submit to CERA an Infrastructure Rebuild Recovery Plan for their approval.
16. With so much at stake and what is likely to be a significant Crown contribution to the infrastructure rebuild, Government sought advice from the New Zealand Transport Agency (NZTA) on the appropriate form of delivery vehicle for the Infrastructure rebuild. The NZTA was well placed to give advice given its capability and experience in outsourcing in the sector.
17. At the same time as the NZTA was preparing advice, the Council was reassessing its options. The NZTA and the Council collaborated to ensure the best advice was prepared.

Options for Reinstatement

18. Consideration was given to scaling up the current contract arrangements to reflect the increased scale of the works. This was rejected because the current approach does not optimise the client / contractor interaction and the scarcity of resources that will be in high demand given the extent of work now required. More efficient management methods are required for implementation.
19. In reviewing the various methods of procuring infrastructure and professional services, the NZTA through its State Highway Portfolio Procurement Strategy 2010 document, developed a matrix of 11 criteria that needed to be considered. They have tested the Christchurch infrastructure reinstatement task against these 11 criteria, and there is a strong indication that the Alliance delivery model will deliver the best outcome. The most weighted priority is time for temporary works completion and time for complete reinstatement. This priority drives the decision towards an Alliance. Other key factors considered that promote the alliance model were the:
 - Strong positives in bringing together different organisations to work on common goals.
 - Large scale of the project.
 - High degree of complexity and risk.
 - High potential for innovation.
20. Alternative delivery forms were considered including Early Contractor Involvement, the Managed Contractor model, and Design and Construct. While efficient models for some applications, they would fail to deliver the speed of response that an Alliance provides, would introduce more layers of complexity in administration and would not achieve as much alignment in objectives between the various parties involved.
21. While the focus is on the horizontal infrastructure (pipes and roads), the Alliance model will also provide opportunities for enhanced delivery of other private infrastructure services such as power and telecommunications (including broadband) which are located within the road corridor, as collaboration in planning and construction is certain to deliver added value for money. The Alliance model readily allows for scope changes which should support value for money for all parties, and present a full-integrated rebuild solution. At this stage works that will be outside of the scope of the Alliance would be the Christchurch Wastewater Treatment Plant, Ocean Outfall, Lyttelton Wastewater Treatment Plant, Compost Facilities, Landfill and Buildings. These works are better managed as discrete projects because of the nature of the work.

7 Cont'd

The Alliance Model

22. Alliances are a form of collaboration between client(s), consultant(s) and contractor(s) who mutually agree to undertake the work to target levels of quality, cost and time. Additional rewards/sanctions are put in place should performance exceed/fail to meet the targets. This leads to a high degree of trust between the parties and a focus on performing to the highest expectations.
23. The NZTA Alliances to date have all been successful. The most recently completed alliance, the Manukau Harbour Crossing, was delivered nearly 12 months ahead of schedule and under budget. The Newmarket Viaduct project is also being delivered through an Alliance and is currently six months ahead of schedule; and this procurement method is being used for the Waterview Connection project.
24. Equally relevant is that the NZTA is using an Alliance to manage the Auckland Motorway network. This operate, maintain and improve contract has many similarities with the infrastructure reinstatement in Christchurch, and has already produced substantial savings and innovation.
25. The Council also has experience in alliancing, with the City Mall constructed using this delivery model.
26. The increase in scale since 22 February 2011 will result in a longer time for full reinstatement. It is essential that collaboration between all interested parties is maximised to reduce delays and reworks to a minimum. The Alliance model will create incentives for reducing start up times and for finishing ahead of deadlines.
27. Given the scale and social impact of the reinstatement project, it is important that opportunities in the non-cost area are not lost. There must be a focus on customer and stakeholder relations, communication of plans and progress, maximising the use of the local labour force and contractors, and driving an increase in general workforce skill levels as a consequence of the work. The Alliance model is able to provide powerful incentives that encourage high performance in these areas.
28. It is the opinion of both Council staff and the NZTA that adoption of the Alliance model will reduce overheads, streamline approvals, increase the participation of the private sector at all levels of decision making and would be the most agile for dealing with the evolving scope of the works. Both are also convinced that the model will provide the best opportunity for the multiple objectives of the clients to be realised.

Value for Money

29. It is expected that the Alliance will support the Council's strategic objectives and achieve value for money by demonstrating that:
 - In the current environment, there is extremely high value in adopting an integrated approach to the rebuilding of Christchurch.
 - The original contractors were procured in the last year using an approach approved by NZTA.
 - These contractors are the most appropriate contractors to use for this work in the local market.
 - The Alliance model has sufficient checks at agreed milestones to confirm value for money as the work progresses.
 - Benchmarking of labour, plant and materials would increase competition between head contractors and drive efficiency and effective use of resources.

7 Cont'd

Setting up an Alliance

30. An Alliance will be formed by bringing together the existing five infrastructure rebuild contractors (provides for splitting the MacDow Fletcher joint venture back into two stand-alone companies) with the Council (as the owner of the infrastructure) and CERA (once fully operational, as the government's recovery manager and funder) and/or the NZTA.
31. It is proposed that the number of head contractors be limited to those five currently involved given that this number is considered the maximum for a well-functioning Alliance.
32. The incumbent head contractors are aware at CEO level of the work to explore an alliance and are supportive of the delivery model.
33. The Alliance would report to both the Council and CERA as joint clients. The Council, as ultimate owner of the assets, would retain control of the scope and standards of the work to be performed.
34. The Council and NZTA's probity advisor for this process is Shaun McHale of the McHale Group. His role will be to approve and provide probity sign-off at various points of the project. The Council's legal advisor for this process is Michael Weatherall of Simpson Grierson. His role will be to provide advice at various points of the project including formal review of the Alliance contract documents.
35. Staff are also using an independent expert to audit various aspects of the pricing models.

Funding

36. The estimate of the infrastructure rebuild is between \$2-3 billion. This estimate will be continued to be refined to a point that it can be confirmed as a budget.
37. Council staff are preparing the funding strategy for immediate emergency response costs, the impact on its costs and revenues during the recovery phase and the cost of the infrastructure rebuild programme. The infrastructure rebuild programme will be funded through a combination of insurance, government subsidies (NZTA and other) and increased Council borrowing. This will be presented to the Council as part of the 2010/11 Annual Plan and subsequent Long Term Plan (LTP).
38. Until this strategy is confirmed, the Council needs to continue with high priority infrastructure repairs for example, repairs to sewer pressure mains and the Christchurch Wastewater Treatment Plant.

Legal Considerations

39. One of the purposes of the Canterbury Earthquake Recovery Act 2011 is to provide appropriate measures to ensure that the Council responds to, and that Christchurch and its community recover from, the impact of the Canterbury Earthquakes.
40. That Act states that Canterbury Earthquakes "means any earthquake in Canterbury on or after 4 September 2010 and includes any aftershocks.
41. The Canterbury Earthquake Recovery Act 2011 repeals the Canterbury Earthquake Response and Recovery Act 2010. However section 88 of the new Act states that every Order in Council made under the 2010 Act, and still in force, is to be treated as having been made under the new Act. This includes the Canterbury Earthquake (LGA 2002) Order 2010.
42. Section 101(1) of the Local Government Act 2002 requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

7 Cont'd

43. Under section 101(2) of the Act the Council must make adequate and effective provision in its LTCCP and Annual Plan (where applicable) to meet the Council's expenditure needs identified in those plans.
44. The Canterbury Earthquake (LGA 2002) Order 2010 states that section 101(1) and (2) are not to prevent the Council from doing anything inconsistent with its LTCCP or Annual Plan. That also means that the Council is not required to undertake a special consultative procedure before it makes its decision.

Consultation / Further Approvals

45. The NZTA has completed consultation with industry groups and received support for the proposal. The Commerce Commission is also aware of this proposal and sees no issues.
46. The NZTA's procurement manual requires that approval is sought to enter into an alliance agreement. A proposal has been forwarded to NZTA to seek this approval and indications are that it will be addressed at its Board meeting on 5 May 2011.
47. The NZTA's advice has been prepared in the form of a Cabinet Paper and was considered on 18 April 2011.

8. TEMPORARY ALCOHOL BAN RICCARTON/ILAM AREA

General Manager responsible:	General Manager Strategy and Planning
Officer responsible:	Programme Manager Strong Communities
Authors:	Terence Moody and Vivienne Wilson

PURPOSE OF REPORT

1. To examine a proposal to investigate and develop a temporary alcohol ban under the provisions of the Christchurch City Alcohol Restrictions in Public Places Bylaw 2009 to cover the Riccarton/Ilam area as described in **Attachment 1**.

EXECUTIVE SUMMARY

2. The proposal to consider the introduction of a Temporary Alcohol Ban Area in the Riccarton/Ilam Area has been raised by the New Zealand Police as well as the Riccarton/Wigram Community Board.
3. Both parties have raised a number of issues relating to activities arising from changes to some drinking being undertaken with increased numbers of people in the area. This is seen as resulting from the transfer of persons from the central city bars since the drinking places in the latter have not been available since the earthquake in February 2011. Some of the disorderly conduct could be controlled under legislation, for example the Summary Offences Act 1988 and the Litter Act 1979, but the Police consider creating an Alcohol Ban under the Local Government Act 2002 provisions provides for early intervention.
4. The matters the Council must consider, as contained in clause 5(2) of the Bylaw, have been examined at this stage. The evidence that significant drinking is occurring in public places is tentative and circumstantial. In considering a permanent alcohol ban in this area in 2010 the Council was satisfied that there was a nuisance being created by people consuming alcohol in public places. The power created by the bylaw is to control anticipated or potential negative alcohol-related behaviour and there is some evidence that is available that such may be occurring in the area. It is not clear that this is associated with drinking in the public places or roads rather than just with intoxicated persons passing through the areas. It should be noted that introducing such a ban without sufficient and defensible evidence that creates a criminal offence could be challenged on the basis of its reasonableness and call into question its validity.
5. On balance it is recommended that a Temporary Alcohol Ban Area be put in place. It will only apply to public places under the control of the Council and all roads, whether controlled by the Council or not. It cannot apply to other places open to the public that are under private ownership such as private car parks or private sports grounds.
6. The original Police request also sought Alcohol Bans in the areas of Merivale and Papanui, to be applied in a similar manner to the one in Riccarton/Ilam. In both cases the evidence to support the bans over the wide areas sought needs further investigation. In the case of Papanui a permanent alcohol ban already exists for part of the area and there would be legal difficulties in changing this through a Council resolution process. These areas and issues will be further investigated.

FINANCIAL IMPLICATIONS

7. The Police have the responsibility for enforcement of such bans and can provide funding for enforcement if they accept the duty. There is no funding specifically for advertising and the provision of signage, including costs of production, erection, and where necessary replacement. In addition to the costs of public notices (estimated at \$350) the costs of signs will depend on the area chosen for the ban to cover. For the extensive area this ban would cover it is estimated in the order of a minimum of 80 signs may be required plus some 40 to cover replacements over the period. For 120 signs, if installed with posts, the cost could be in the order of \$16,000. These costs do not include any additional publicity the Council may see as needed.

8 Cont'd

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

8. See above.

LEGAL CONSIDERATIONS

9. The Christchurch City Council Alcohol Restrictions in Public Places Bylaw 2009 (the Bylaw) provides the power, by resolution, to put Temporary Alcohol Ban Areas in place. Section 151 of the Act and section 13 of the Bylaws Act 1910 make it clear that a bylaw may contain discretion. The Council must be careful to ensure that any discretion left to the Council is not so great that it might be considered unreasonable (which could make the bylaw, or part of it, invalid). To ensure this is not the case, clause 5 of the bylaw specifies a number of matters the Council must consider before it imposes a temporary alcohol ban area. Clause 5 also requires that the resolution must describe the specific area that is the Temporary Alcohol Ban Area and the times, days or dates during which the alcohol restrictions apply to any public places in the area.
10. The Act allows for such liquor bans in public places which are under the control of the Council as opposed to public places as defined in other legislation. It can include roads over which the Council has control but not private parking areas for example.
11. Under clause 5(2) of the Bylaw the Council must consider, in the case of resolving to introduce any Temporary Alcohol Ban Area, the following matters:
- (a) If the proposed ban relates to an event:
 - (i) the nature of the expected event.
 - (ii) the number of people expected to attend.
 - (iii) the history of the event (if any).
 - (iv) the area in which the event is to be held.
 - (b) The nature and history of alcohol-related problems usually associated with the area, together with any anticipated alcohol-related problems; and
 - (c) Whether the benefits to local residents and to the city outweigh the restrictions imposed on local residents and other people in the area covered by the resolution; and other people in the area covered by the resolution; and
 - (d) Any information from the Police and other sources about the proposed dates, the event or the area to be covered by the resolution; and
 - (e) Whether the Police support the proposed Temporary Alcohol Ban Area.
 - (f) Any other information the Council considers relevant.
12. The Police have various powers to enforce the Bylaw, including the power to search containers and vehicles in public places for alcohol, seize and remove alcohol, and arrest any person who is found to be breaching the Bylaw. Before the Police exercise these powers they must comply with the warning provisions in section 170 of the Local Government Act 2002. However, in certain circumstances as set out in section 170(3), the Police can search immediately and without notice. In order to give the Police this power, the Council would need to resolve that clause 8(1) of the Bylaw applies to the Temporary Alcohol Ban.¹ In the past the Council has exercised this power and passed a resolution under clause 8(1), where the Council has resolved to impose a Temporary Alcohol Ban Area for an event.

¹ Note that clause 8 provides as follows:

8. POLICE POWERS OF SEARCH IN TEMPORARY ALCOHOL BAN AREAS

(1) This bylaw authorises a member of the Police to exercise the power of search under section 169(2)(a) of the Act for the purposes of Section 170(2) of the Act in areas to which a resolution declaring a Temporary Alcohol Ban Area applies.

(2) Clause 8(1) only applies if the resolution declaring a Temporary Alcohol Ban Area provides that clause 8(1) of this bylaw will apply.

8 Cont'd

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

13. Yes. The proposed Temporary Alcohol Ban Area will apply to public places within the meaning of section 147 of the Act. This includes roadways whether under the control of the Council or otherwise but not private car parks or other private places to which the public may have access but not under the control of the Council. In terms of clause 5(1) of the Bylaw, the proposed resolution describes the specific area to which the Alcohol Ban will apply and the times and dates that it will apply.
14. With respect to the considerations in clause 5(2) of the Bylaw, the following is noted:
 - (a) Clause 5(2) (a) – the proposed ban does not relate to an event.
 - (b) Clause 5(2)(b) – the alcohol related problems have included drunken youths, out of control parties, intoxicated persons, fights and associated disorder, littering, smashed glass, and drunken youth urinating on fences and in shop driveways.
 - (c) Clause 5(2) (c) – given the responses of persons residing in the area to the proposal it could be seen that the benefits outweigh the restrictions if they reduce or remove the type of problems that have occurred in the area. It is unlikely that the majority of persons living in the area would wish to consume alcohol on the roads or Council controlled public places. This view may not support the seven day a week 24 hours per day ban which could preclude persons having neighbourhood street parties or picnics with alcohol in parks in the area.
 - (d) Clause 5(2) (d) – the Police have provided information (summarised in this report) of the issues and behaviour being experienced in the Riccarton area. The recommended area to be covered by the ban is the area recommended by the Police.
 - (e) Clause 5(2) (e) – as noted in the Background the Council has previously considered applying an Alcohol Ban in the area and since the earthquake in February 2011, and the closure of central city drinking establishments, there has been movement to the area being considered. As noted in paragraph 19 of this report various local stakeholders have been consulted with and most support the introduction of an alcohol ban.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

15. See 16 below.

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

16. Introducing a temporary alcohol ban for the Riccarton/Ilam area could be considered to broadly align to the following LOS in the Strengthening Communities Activity Management Plan, 2.2.3.1. Maintain Safe City Accreditation every 15 years. A recommendation adopted by the Council at its meeting on the 26 August 2010 was that the Council:

Initiate an amendment to the Alcohol Restrictions in Public Places Bylaw 2009 to incorporate permanent restrictions in the Ilam and Riccarton areas.²

ALIGNMENT WITH STRATEGIES

17. The Safer Christchurch Strategy aims to see rates of injury and crime decline, for people to feel safe at times in Christchurch City and for Christchurch to have excellent safety networks, support people and services.

Do the recommendations align with the Council's strategies?

18. Yes – as above.

² Report to Council 26 August 2010.

8 Cont'd

CONSULTATION FULFILMENT

19. A number of key stakeholders were contacted regarding the proposed alcohol ban in the Riccarton/Illam area via email and phone. These included Residents Associations, key retail centres, Canterbury University, local bars, Community Watch and Neighbourhood Support groups, the Community Constable, and a local hospice. The majority of those contacted did make a response. All responses received support an alcohol ban in the Riccarton/Illam area. The areas that were seen as requiring an alcohol ban include the length of Riccarton Road from Hagley Park to Church Corner and from Maidstone Road to Blenheim Road. Some variations from this included a push for a city-wide ban, only Riccarton Road, around the University of Canterbury, and a combination of Riccarton Road, Clyde Road, Creyke Road, Maidstone Road, Waimari Road, Pears Street, Yaldhurst Road, and Church Corner. Church Corner around the Bush Bar was mentioned as an area where drinking in a public place did occur to the concern of stakeholders, including the owner of the Bush Bar. When asked "What times/days require a liquor ban in the Riccarton/Illam area?" stakeholders largely preferred a 24 hours, 7 days a week approach to simplify the enforcement of the ban. However, some stakeholders noted that the occurrences of people drinking in public places is often occurring from Wednesday night through to Monday morning and some were interested in a 9pm to 5am alcohol ban.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) That having considered the matters in clause 5(2) of the Christchurch City Alcohol Restrictions in Public Places Bylaw 2009, declares a Temporary Alcohol Ban Area in Riccarton/Illam, (being the area shown on the attached map), applying 24 hours per day and seven days per week, commencing on 19 May 2011 and ending and ending on the 30 November 2011.
- (b) Note the Council resolution of August 2010 to initiate an amendment to the Alcohol Restrictions in Public Places Bylaw 2009 to incorporate permanent restrictions in the Illam and Riccarton areas and the intention to initiate this amendment in time for it to be considered and if so determined by the Council to be in place by 30 November 2011 (i.e. when the temporary ban ends).
- (c) Note that proposals to introduce a temporary or permanent alcohol ban in Merivale and an amendment to the alcohol ban in Papanui will be investigated and reported to the Council.

8 Cont'd

BACKGROUND (THE ISSUES)

20. Originally the Police approached the Civil Defence National Controller with a request that the Council put in place an alcohol ban for the areas around Riccarton. They advised that due to the close-down of the central city bars and other drinking establishments it appeared customers had moved to drinking establishments in the Riccarton/Ilam area. They indicated that there appeared to be an increase in disorderly behaviour in that area as a result. Support for a ban was provided by some local politicians who also considered that support would exist from community groups and resident associations in the area.
21. The evidence for drinking in public places appears to be largely circumstantial, e.g. the littering of cans and bottles previously containing alcohol. Much of the disorderly behaviour would be able to be dealt with under legislation such as the Summary Offences Act 1988
22. Following the devastation experienced in the Central Business District (CBD) following the February 22 earthquake, Police have identified a very clear trend where patronage of bars has shifted now from the CBD to Riccarton, Merivale, Papanui and the outer suburbs. The Police have indicated that going hand and hand with that has been a corresponding shift in violence and disorder.
23. The Police advise that Riccarton, Merivale and Papanui in particular have experienced a considerable increase in disorder, so much so that Christchurch City patrols are now spending 50 per cent to 60 per cent of their time in this area every Thursday, Friday and Saturday night, dealing with drunken youths, out of control parties, intoxicated persons, fights and associated disorder. The Canterbury District Team Policing Unit, which is a unit dedicated to policing licenced premises, violence and disorder, advise that 90 per cent of their time is now spent in the Riccarton and Merivale/Papanui areas. This compares to only 25 per cent of police time, pre-earthquake, that police units would have spent in the Riccarton area.
24. Another problem emanating from this is a trend where people regularly attended parties in private residences. What Police are now seeing is a return to parties - specifically in the Riccarton and Ilam suburbs. This increase has been put down largely to the licenced premises in the areas being full, with lengthy queues to enter, resulting in groups opting to have parties instead. Police and Fire Service have both seen an increase in parties resulting in call outs for disorder and couch fires. Police are also receiving considerably more complaints from members of the public residing, or having businesses, in Riccarton/Ilam complaining of littering, drunken behaviour, smashed glass, intoxicated persons urinating on fences and in shop doorways etc.
25. The Christchurch Safe City Officers have confirmed that there has been an increased apparent incidence of public intoxication and open alcohol being carried on the streets in both commercial and residential areas of Riccarton/Ilam. They note it appears to be largely on Thursdays, Fridays and Saturdays. From their information it appears not to be just university students but also high school students as well. The increase in parties in residential premises (possibly because of overcrowding of bars and queuing problems) has resulted in spreading out into the street. Residents have been feeling threatened even if the behaviour is not explicitly threatening. They have suggested the area should be from Hagley Park in the east to Church Corner in the west and Blenheim Road in the south to Maidstone Road in the north. In their view the ban could apply from Wednesday 5pm to Sunday 5am as this appears to be the times that the major problems occur.
26. The Police have also advised that experience has shown that Liquor Bans are one of the most successful tools in reducing violence and disorder. Since the CBD liquor ban has been in place there have been reductions of 6 per cent in serious violence and 6 per cent in minor assaults each year for the last three years. It is not clear that there is a direct causal link with the ban of drinking in public places or whether the increase of Police presence and the introduction of Safe City Officers have added to the reductions noted. Excess alcohol is the problem and liquor bans appear to be instrumental in reducing the amount and impact of excessive alcohol. A liquor ban in the Riccarton and Ilam area would assist Police in dealing with those offenders who drink outside the private parties and then throw beer bottles at Police and Fire when they turn up to extinguish the fires and/or close the parties down.

8 Cont'd

27. Once signage and publicity of the liquor bans are in place, Police Officers advise they intend to use discretion in enforcing the law. There are times when people genuinely are unaware of the ban, are merely walking to a neighbours/friends for an evening carrying liquor or are simply transporting people and liquor in vehicles (the last two are not offences under the Bylaw in any case). Police state they will use discretion at all times and carefully weigh up all factors before deciding to prosecute. Warnings, official (known as pre-charge) warnings, and diversion are all examples of common policing methods utilised that enable police to still effectively police the area but do not end up in convictions for the offender. There are times however, the Police consider, where zero tolerance is also the most appropriate course of action. Police have been dealing with liquor bans now for many years and they submit that they can recognise the appropriate action for each breach
28. The Council introduced a Temporary Alcohol Ban for an area in Ilam for the period of Orientation at the University of Canterbury and while the February earthquake occurred during that period we are still awaiting details of its effectiveness over half of its time in place. That was in place specifically for an event which contained both day and evening activities hence applied 24 hours per day. It is unclear that such a 24 hour seven days a week ban is required for the much wider Riccarton/Ilam area. The Safe City Officers have noted that the major problems appear to be on the days at the end of the week, Thursday, Friday and Saturday. It is unclear how much disorder and drinking in public places occurs during the daylight hours even on these days.
29. Police are applying for the following three areas. They advised these were based on extensive interviews with patrol group Sergeants, Sgt Al Lawn from Licensing, Police Intelligence Section, Team Policing staff and feedback from Traffic units.
 - Papanui - St James Avenue, Blighs Road, Papanui Road and across onto Grants Road, to Grassmere Street back onto Papanui Road. Down Papanui Road to Vagues Road, then follow the railway line back to St James Avenue.
 - Merivale: From Papanui Road/St Albans Road intersection to Browns Road to Innes Road, back across Papanui Road to Heaton Street, down to Rossall Street, back up Rugby Street onto Papanui Road then back to the Papanui/St Albans Road intersection
 - Riccarton: Exactly the same as recommended at Council, that is: Blenheim Road, Curletts Road, Peer St, Waimairi Road, Greens Road, Memorial Avenue, Fendalton Road, Deans Ave back up to Blenheim Road.
 - Both sides of the road are sought.
30. The Police seek a Liquor ban Monday to Sunday inclusive, 24 hours - 24/7 in other words, for all the areas above. It should be noted that the Merivale alcohol ban was examined at the time the Bylaw was introduced and it was not considered at that time that there was sufficient evidence for such to be introduced. At this time we still do not have sufficient evidence of the problem to consider the matter. The Bylaw already has an alcohol ban applying to the Papanui area and it is not clear why this needs to be extended at this time.
31. Further investigation of the evidence is required to explore the temporary 24 hours/7 days temporary alcohol ban in the Merivale area as suggested by the Police. In the case of the Papanui area there are legal difficulties in proposing a Temporary Alcohol Ban Area for a wider area than is already covered by a Permanent Alcohol Ban Area or for greater hours than currently provided for. This could be seen as attempting to amend the Permanent Alcohol Ban Area by resolution instead of complying with section 156 of the Local Government Act 2002. Should the Council wish to amend the area or hours covered this should be done by undertaking a special consultative procedure and amending the Bylaw.
32. In the cases of the Merivale and Papanui areas further investigation will be undertaken and reported to the Council for its consideration.

28. 4. 2011

9. NOTICES OF MOTION

The following Notice of Motion is submitted by Councillor Aaron Keown pursuant to Standing Order 3.10.1.

That the Christchurch City Council adopt a temporary liquor ban for one year across the entire city of Christchurch including Banks Peninsula.

10. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.

THURSDAY 28 APRIL 2011

COUNCIL

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items 11, 12, 13 and 14.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
11. CONFIRMATION OF MINUTES: COUNCIL MEETING OF 31 MARCH 2011)))	
12. NOTICE OF DISCONTINUANCE OF CHRISTCHURCH GOLF RESORT LIMITED HIGH COURT APPEAL CIV-2010-409-1859))))	GOOD REASON TO WITHHOLD EXISTS UNDER SECTION 7
13. COUNCIL MEDIATION)	SECTION 48(1)(a)
14. UDSIC RECOMMENDATIONS)	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

Item 11	Maintain Legal Professional Privilege	(Section 7(2)(g))
Item 11	Conduct of Negotiations	(Section 7(2)(i))
Item 11	Council to Make a Recommendation	(Section 48)(1)(d))
Item 12	Maintain Legal Professional Privilege	(Section 7(2)(g))
Item 13	Maintain Legal Professional Privilege	(Section 7(2)(g))
Item 13	Right of Appeal Exists	(Section 48(2)(a))
Item 14	Protection from Improper Pressure or Harassment	(Section 7(2)(f)(ii))
Item 14	Maintain Legal Professional Privilege	(Section 7(2)(g))
Item 14	Right of Appeal Exists	(Section 48(2)(a))

Chairman's

Recommendation: That the foregoing motion be adopted.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

CHRISTCHURCH CITY COUNCIL AGENDA (Cont'd)

THURSDAY 28 APRIL 2011

9.30AM

**BOARDROOM, BECKENHAM SERVICE CENTRE,
66 COLOMBO STREET**

CHRISTCHURCH CITY COUNCIL

Thursday 28 April 2011 at 9.30am
in the in the Boardroom, Beckenham Service Centre, 66 Colombo Street

Council: The Mayor, Bob Parker (Chairperson).
Councillors Helen Broughton, Sally Buck, Ngaire Button, Tim Carter, Jimmy Chen, Barry Corbett,
Jamie Gough, Yani Johanson, Aaron Keown, Glenn Livingstone, Claudia Reid, Sue Wells and
Chrissie Williams.

ITEM NO	DESCRIPTION	PAGE NO
15.	RATES RELIEF FOR OWNERS OF EARTHQUAKE DAMAGED PROPERTY	1

28. 4. 2011

15. RATES RELIEF FOR OWNERS OF EARTHQUAKE DAMAGED PROPERTY

General Manager responsible:	General Manager Corporate Services
Officer responsible:	Corporate Finance Manager
Author:	Steve Kelsen, Funds and Financial Policies Manager

PURPOSE OF REPORT

1. On 18 November 2010 the Council adopted a range of rates remissions to provide some financial relief for the owners of property damaged by the 4 September 2010 Canterbury earthquake and aftershocks. The purpose of this report is to recommend to the Council the extension of that Rates Remission Policy to provide relief for those ratepayers most badly affected by the 22 February 2011 earthquake.

EXECUTIVE SUMMARY*Rates Relief provided following 4 September 2010 earthquake*

2. At a public workshop on 16 November 2010 Councillors discussed a range of possible rates remissions options that would offer some financial relief to those property owners most adversely affected by the September earthquake. On 18 November 2010 the Council resolved the following:

“to amend its Rates Remission Policy to enable the provision of rates relief to the owners of earthquake-damaged properties as follows:

- (i) Remit 40 per cent of rates for residential properties on land identified by EQC requiring remediation, from 1 September 2010 until the earlier of the completion of rebuilding or six months following completion of land remediation if building has not commenced;*
 - (ii) Remit 40 per cent of rates for residential properties which are uneconomic to repair for the period which the house is unable to be occupied;*
 - (iii) Remit 40 per cent of rates for three months to those properties that remain unable to connect to the reticulated wastewater network at 31 October 2010;*
 - (iv) Remit 30 per cent of rates for business properties classified by Council as R1 (significant damage repairs strengthening possible) and R2 (severe damage demolition likely) from 1 September 2010 until the property is either rebuilt, strengthened and reoccupied, or revalued to reflect condition;*
 - (v) Remit 30 per cent of rates for business properties classified by Council as R3 (unsafe due to adjacent property) for three months from 1 September 2010; and*
 - (vi) Remit 30 per cent of rates remission for business properties immediately adjacent to R3 properties where the occupant business has been significantly adversely affected for three months from 1 September 2010”.*
3. The Council also delegated to the General Manager Corporate Services authority to finalise the wording and publish the Rates Remissions Policy.
 4. Following the significant aftershock on 26 December 2010 in which a small number of additional properties sustained damage the wording of the Rates Remissions Policy was amended to provide rates relief for properties damaged during that aftershock. This minor change was approved by the General Manager Corporate Services using his delegation from the Council.

28. 4. 2011

15 Cont'd

5. The 22 February 2011 earthquake has caused land and property damage on a far greater scale than earlier earthquakes and aftershocks (see table below), but the Council's Rates Remissions Policy does not currently provide for properties damaged by that earthquake. It is not yet possible to determine exactly the number of properties damaged or the financial value of that damage, but estimates are as follows:

Earthquake	September	February
Land abandoned or remediated	856	3,000 (est.)
Residence demolished	1,200 (est.)	7-10,000 (est.)
Commercial Demolitions		650 (est.)

6. Civil Defence building evaluation data as at 8 April 2011 showed the following:

	Red Sticker	Demolition Undertaken	Total Inspected
Commercial	988	16	5,332
CBD	1,051	15	4,300
Residential	1,773	3	60,001
Heritage	373	6	1,006

Wastewater Services	
Households with functioning wastewater system	94%
Portaloos delivered	2,814
Chemical toilets delivered	28,016
Disposal tanks in place	450

7. Staff propose that the Council extend the earthquake related rates remissions policy to provide rates relief to the owners of properties who have or will suffer significant and ongoing interruption to Council-provided services or who cannot access those services because their property is or was inside safety cordons. It is also proposed that:
- The extension to the policy relate only to the 2010/11 rating year, and that any remissions beyond 30 June 2011 be considered as part of the 2011/12 Annual Plan.
 - The remissions criteria for residential and non-rateable properties be simplified from the current policy as set out at 2 (i) and (ii) above to "40 per cent rates remission for residential and non-rateable properties that are unable to be occupied". Ratepayers applying for rates remissions prior to 30 June 2011 are unlikely to have the information necessary to determine which criteria of the earlier policy they qualify for remissions under (eg. an assessment of whether their land will be remediated). Also, because the remission will only run until 30 June the earlier criteria can be reinstated if required and the period of remission can be extended or limited as necessary when the Council considers remissions as part of the 2011/12 Annual Plan.
 - The remission for interruption of wastewater services ("Remit 40 per cent of rates for three months to those properties that remain unable to connect to the reticulated wastewater network at 31 October 2010") not be extended to the current earthquake because of the scale of destruction and the significant costs incurred in providing alternative solutions for sewage disposal.

28. 4. 2011

15 Cont'd

(d) The policy providing remissions to businesses that have been adversely affected by the cordon be changed from "rates remission for business properties immediately adjacent to R3 properties where the occupant business has been significantly adversely..." to "rates remission for business properties within the Red Zone".

8. The recommended options and estimated costs are outlined below:

Incremental cost of extending the rates remission policy	2010/11 upper estimate of cost
40% rates remission for residential and non-rateable properties that are unable to be occupied	\$1.503m
30% rates remission for business properties demolished or classified by Council as R1 (significant damage repairs strengthening possible) and R2 (severe damage demolition likely)	\$0.752m
30% rates remission for business properties classified by Council as R3 (unsafe due to adjacent property)	<i>included within estimate of R1 and R2 costs above</i>
30% rates remission for business properties within the Red Zone	\$1.042m
Total cost of recommended remissions	\$3.297m

FINANCIAL IMPLICATIONS

9. The estimated cost of extending the existing remissions policy to the February earthquake as outlined in this report is between \$2.188 million and \$3.297 million in 2010/11. The \$1.109 million difference between the low and high estimate relates to the uncertainty around the number of residential properties that may be demolished or abandoned in the current rating year. The low estimate of remissions for 2,000 residences is based on the 1,773 residential properties with red stickers as at 8 April 2011. This high estimate of 8,000 remissions links to the figure of 10,000 demolitions indicated by Ministers.

Residential Rates Remission	Low Estimate	High Estimate
Average remission	\$188	\$188
Properties	2,000	8,000
Total Cost	\$376,000	\$1,503,000

Rates Remission	Low Estimate	High Estimate
Residential	\$376,000	\$1,503,000
Commercial	\$1,794,000	\$1,794,000
Total Cost	\$2,188,000	\$3,297,000

28. 4. 2011

15 Cont'd

10. Based on applications received to date the cost of rates remissions for properties damaged during the September and Boxing Day earthquakes is \$0.381million. The total cost of remissions for the September, Boxing Day and February earthquakes is therefore estimated to be a maximum of \$3.678 million.
11. The administration of rates remissions as recommended would require additional staff resources within the Rates and Debt Management Team. This is estimated as 1.0 FTE for the remainder of 2010/11 at a cost of \$13,000.

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

12. No.

LEGAL CONSIDERATIONS

13. The Council adopted a Rates Remission Policy in the 2009-19 LTCCP and amended that policy in November 2010.
14. Section 102(4)(b) of the Local Government Act 2002 (as amended late last year) enables a Rates Remission Policy to be amended at any time using the special consultative procedure. The Canterbury Earthquake (Local Government Act 2002) Order 2010 exempts the Council from this provision in certain circumstances.
15. One of the purposes of the Canterbury Earthquake Recovery Act 2011 is to provide appropriate measures to ensure that the Council responds to, and that Christchurch and its community recover from, the impact of the Canterbury Earthquakes.
16. That Act states that Canterbury Earthquakes “means any earthquake in Canterbury on or after 4 September 2010 and includes any aftershock.
17. The Canterbury Earthquake Recovery Act 2011 repeals the Canterbury Earthquake Response and Recovery Act 2010. However section 88 of the new Act states that every Order in Council made under the 2010 Act, and still in force, is to be treated as having been made under the new Act. This includes the Canterbury Earthquake (LGA 2002) Order 2010.
18. Should the Council resolve to amend its Rates Remissions Policy as recommended in this report that decision would fall within the purposes of the Canterbury Earthquake Recovery Act 2011. The Council is therefore entitled to rely on the exemption from compliance with section 102(4)(b) of the Local Government Act 2002 provided for in the Canterbury Earthquake (LGA 2002) Order 2010.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

19. Not applicable.

ALIGNMENT WITH STRATEGIES

20. Not applicable.

CONSULTATION FULFILMENT

21. The Council adopted a new significance policy in its 2009-19 LTCCP. This requires the Council to consider undertaking a Special Consultative Procedure before making decisions that would result in changes to levels of service specified in the LTCCP.

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22. The exemptions provided by the Canterbury Earthquake (Local Government Act 2002) Order 2010 enable the Council to make the decisions sought in this report without having to undertake a Special Consultative Procedure before doing so.

STAFF RECOMMENDATION

It is recommended that Council:

- (a) Resolve to amend its Rates Remission Policy to enable the provision of rates relief to the owners of earthquake-damaged properties as follows:
 - (i) 40 per cent rates remission for residential and non-rateable properties damaged by the 22 February 2011 earthquake that are unable to be occupied from the date the property became unable to be occupied until the earlier of reoccupation or 30 June 2011.
 - (ii) 30 per cent rates remission for business properties demolished or classified by Council as R1 (significant damage repairs strengthening possible) and R2 (severe damage demolition likely) following the 22 February 2011 earthquake from 22 February 2011 until the earlier of 30 June 2011 or the property is able to be occupied.
 - (iii) 30 per cent rates remission for business properties classified by Council as R3 (unsafe due to adjacent property) following the 22 February 2011 earthquake from 22 February 2011 until the earlier of 30 June 2011 or the property is able to be occupied.
 - (iv) 30 per cent rates remission for business properties located within the Red Zone following the 22 February 2011 earthquake from 22 February 2011 until the earlier of 30 June 2011 or the property is able to be occupied.
- (b) Delegate to the General Manager Corporate Services authority to finalise the wording and publish the amended Rates Remission Policy.
- (c) Delegate to the Transactions Team Manager authority to approve earthquake-related rates remissions in accordance with Council policy.

28. 4. 2011

ASSESSMENT OF OPTIONS

	Benefits (current and future)	Costs (current and future)
Social	None Identified	Nil
Cultural	None Identified	Nil
Environmental	None Identified	Nil
Economic	Provides financial relief to those residential and commercial ratepayers who are extremely adversely affected by the earthquake.	\$3.297 million in 2010/11.

Extent to which community outcomes are achieved:

The preferred option contributes to the following community outcomes:

- **A Prosperous City**
Providing rates relief to the worst affected of Christchurch's ratepayers will assist them during current financial difficulties and help enable their future prosperity.
- **A City of Inclusive and Diverse Communities**
Providing rates relief for those people worst affected by a natural disaster will continue the post-earthquake support that has brought our community closer together.

Impact on the Council's capacity and responsibilities:

The financial cost of providing rates relief must be met from other sources. Staff are in discussions with central government to meet the cost of the required rates remissions.

Effects on Maori:

None identified.

Consistency with existing Council policies:

The preferred option would extend the eligibility criteria of Council's existing Earthquake Related Rates Remissions Policy to allow for rates relief for those ratepayers extremely adversely affected by the 22 February earthquake and aftershocks.

Views and preferences of persons affected or likely to have an interest:

It is possible that a large number of ratepayers will consider that they are entitled to rates relief because of minor or moderate damage to their properties or temporary interruptions to Council services. This view must be balanced against the widely-held view that rates and rates increases must be kept to a minimum. Consideration of rates relief must, therefore, balance a desire to assist ratepayers affected by the earthquake with the need to pay for that assistance.

Other relevant matters:

None identified.

CHRISTCHURCH CITY COUNCIL SUPPLEMENTARY AGENDA

THURSDAY 28 APRIL 2011

9.30AM

**BOARDROOM, BECKENHAM SERVICE CENTRE,
66 COLOMBO STREET, CHRISTCHURCH**

AGENDA - OPEN SUPPLEMENTARY

CHRISTCHURCH CITY COUNCIL

Thursday 28 April 2011 at 9.30am

in the Boardroom, Beckenham Service Centre, 66 Colombo Street, Christchurch

Council: The Mayor, Bob Parker (Chairperson).
Councillors Helen Broughton, Sally Buck, Ngaire Button, Tim Carter, Jimmy Chen, Barry Corbett,
Jamie Gough, Yani Johanson, Aaron Keown, Glenn Livingstone, Claudia Reid, Sue Wells and
Chrissie Williams.

ITEM NO	DESCRIPTION	PAGE NO
16.	RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORT	1
17.	RESOLUTION TO EXCLUDE THE PUBLIC (CONT'D)	2

28. 4. 2011

16. RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORT

Approval is sought to submit the following report to the meeting of the Council on Thursday 28 April 2011:

- Enable Networks

The reason, in terms of section 46(vii) of the Local Government Official Information and Meetings Act 1987, why the report was not included on the main agenda is that it was not available at the time the agenda was prepared.

The report is urgent and cannot wait for the next Council meeting.

RECOMMENDATION

That the report be received and considered at the meeting of the Council on Thursday 28 April 2011.

28. 4. 2011

17. RESOLUTION TO EXCLUDE THE PUBLIC (CONT'D)

Attached.