

CHRISTCHURCH CITY COUNCIL AGENDA

THURSDAY 10 FEBRUARY 2011

9.30AM

**COUNCIL CHAMBER, CIVIC OFFICES,
53 HEREFORD STREET**

CHRISTCHURCH CITY COUNCIL

**Thursday 10 February 2011 at 9.30am
in the Council Chamber, Civic Offices, 53 Hereford 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
1.	APOLOGIES	1
2.	DEPUTATIONS BY APPOINTMENT	1
3.	PRESENTATION OF PETITIONS	1
4.	REPORT OF A MEETING OF THE BURWOOD/PEGASUS COMMUNITY BOARD: MEETING OF 22 NOVEMBER 2010	3
5.	REPORT OF A MEETING OF THE BURWOOD/PEGASUS COMMUNITY BOARD: MEETING OF 20 DECEMBER 2010	17
6.	REPORT OF A MEETING OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD: MEETING OF 2 NOVEMBER 2010	29
7.	REPORT OF A MEETING OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD: MEETING OF 30 NOVEMBER 2010	33
8.	REPORT OF A MEETING OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD: MEETING OF 17 NOVEMBER 2010	39
9.	REPORT OF A MEETING OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD: MEETING OF 1 DECEMBER 2010	43
10.	REPORT OF A MEETING OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD: MEETING OF 15 DECEMBER 2010	49
11.	REPORT OF A MEETING OF THE LYTELLTON/MT HERBERT COMMUNITY BOARD: MEETING OF 3 NOVEMBER 2010	53
12.	REPORT OF A MEETING OF THE LYTELLTON/MT HERBERT COMMUNITY BOARD: MEETING OF 14 DECEMBER 2010	57
13.	REPORT OF A MEETING OF THE RICCARTON/WIGRAM COMMUNITY BOARD: MEETING OF 23 NOVEMBER 2010	69
14.	REPORT OF A MEETING OF THE RICCARTON/WIGRAM COMMUNITY BOARD: MEETING OF 14 DECEMBER 2010	81
15.	REPORT OF A MEETING OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 17 NOVEMBER 2010	89
16.	REPORT OF A MEETING OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: RECESS MEETING OF 3 DECEMBER 2010	95
17.	REPORT OF A MEETING OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 15 DECEMBER 2010	101
18.	REPORT OF A MEETING OF THE SPREYDON/HEATHCOTE COMMUNITY BOARD: MEETING OF 16 NOVEMBER 2010	103

ITEM NO	DESCRIPTION	PAGE NO
19.	REPORT OF A MEETING OF THE SPREYDON/HEATHCOTE COMMUNITY BOARD: MEETING OF 3 DECEMBER 2010	107
20.	REPORT OF A MEETING OF THE SPREYDON/HEATHCOTE COMMUNITY BOARD: MEETING OF 14 DECEMBER 2010	111
21.	REPORT OF A MEETING OF THE AKAROA/WAIREWA COMMUNITY BOARD: 2 NOVEMBER 2010	115
22.	REPORT BY THE CHAIRPERSON OF THE AKAROA/WAIREWA COMMUNITY BOARD: 8 DECEMBER 2010	119
23.	ELECTED MEMBERS' REMUNERATION 2010/11	223
24.	ELECTED MEMBERS' EXPENSES AND ALLOWANCES 2010/11	229
25.	EARTHQUAKE RECOVERY – UPDATE ON CITY COUNCIL'S RESPONSE	239
26.	REPORT BY THE CHAIRPERSON OF THE HERITAGE AND ARTS COMMITTEE: MEETING OF 4 FEBRUARY 2011	257
27.	ADDITIONAL FREE PARKING IN CENTRAL CITY	265
28.	TERMS OF REFERENCE	269
29.	REGULATORY AND PLANNING REPORT – WEATHERTIGHT HOMES RESOLUTION SERVICES (FINANCIAL ASSISTANCE PACKAGE) AMENDMENT BILL	271
30.	REPORT OF THE CENTRAL CITY COMMITTEE - TURNERS AND GROWERS SITE	357
31.	NOTICES OF MOTION	381
32.	RESOLUTION TO EXCLUDE THE PUBLIC	383

1. APOLOGIES

An apology for absence was received from Councillor Williams.

2. DEPUTATIONS BY APPOINTMENT

Arthur McKee has requested speaking rights in relation to item 30.

3. PRESENTATION OF PETITIONS

23. ELECTED MEMBERS' REMUNERATION 2010/11

General Manager responsible:	General Manager Regulation & Democracy Services, DDI 941 8462
Officer responsible:	Democracy Services Manager
Authors:	Lisa Goodman

PURPOSE OF REPORT

1. The purpose of this report is to enable the Council to formulate a proposal to be submitted to the Remuneration Authority for the payment of remuneration to elected members for the balance of this financial year; up until 30 June 2011.

EXECUTIVE SUMMARY

2. Currently the remuneration pool for the elected members of the Christchurch City Council and its eight community boards has been fixed at \$1,472,123 for the 2010/11 financial year. This excludes the Mayor's gross salary of \$168,700 which has already been fixed by the Remuneration Authority.
3. Based on the rules and principles set by the Remuneration Authority, the Council is now required to determine how it proposes to allocate the pool amongst the 53 elected members (Councillors and Community Board members) for the balance of the 2010/11 financial year and, once decided by the Council, submit its proposal to the Remuneration Authority for approval. That approval must be given before the Council can implement its proposed remuneration structure. The proposal will cover the period between the date on which current elected members took office (Friday 15 October) and 30 June 2011.

4. Given that:

- (a) the total amount of the remuneration pool is unchanged from the previous financial year, and
- (b) the Remuneration Authority has previously set out its views on the remuneration ratio between Councillors and Community Board members, including a distinction between metropolitan and rural Community Boards,

it is proposed that the remuneration levels for the Deputy Mayor, Councillors, Community Board Chairs and remaining Community Board members be continued at the same levels as those immediately prior to the election, i.e. retain the status quo.

5. All Community Boards have been consulted on the contents of this report.

FINANCIAL IMPLICATIONS

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

6. Sufficient provision has been included in the 2010/11 Annual Plan for all elected member salaries to be continued at or about their present levels, until 30 June 2011.

LEGAL CONSIDERATIONS

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

7. The principal statutory provisions which apply in this instance are the Seventh Schedule of the Local Government Act 2002, and the Remuneration Authority Act 1977. Once this Council's 2010/11 remuneration proposal (or any variation thereof) has been approved by the Remuneration Authority, it will be gazetted via the Local Government Elected Members' Determination 2011.

10. 2. 2011

23 Cont'd

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

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

8. Page 156 of the LTCCP, level of service under Democracy and Governance refers.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

9. Not applicable.

CONSULTATION FULFILMENT

10. The Council's proposal for remuneration must be received by the Remuneration Authority no later than February 2011 so that the Authority can issue its final Determination for this year. This has meant there has been sufficient time to consult with all Community Boards and seek their views which will be included in this report when it is submitted to the Council. The views of the Boards are outlined in paragraphs 28 to 39 this report.
11. In submitting its proposal to the Remuneration Authority, the Council is required to notify the Authority of:
- (a) details of any dissent at Council;
 - (b) details of any dissent from its community boards.
12. Any person (including individual community boards) also has the ability to express any opposing views they might have on the Council's final proposal direct to the Remuneration Authority. Although there is no set closing date for the lodging of such submissions with the Authority, they should be lodged as soon as possible after the Council has reached a final decision on its preferred remuneration structure, as the Authority intends to deal with each application within a relatively short time-frame.

STAFF RECOMMENDATION

13. It is recommended that the Council:
- (a) Adopt the salary only model as its basis of remuneration for elected members of the Christchurch City Council for the remainder of the 2010/11 financial year.

Note: The remuneration framework requires all community board members to be paid an annual salary (i.e. there is no provision for the payment of meeting fees to community board members).
 - (b) Recommend to the Remuneration Authority for its approval that the remuneration levels for the Deputy Mayor, Councillors, Community Board Chairs and remaining Community Board members be retained at the same ratios as those for 2008/09, 2009/10 and the three month period leading up to the 9 October local body elections, i.e. that the status quo be retained.
 - (c) Note that the Remuneration Authority must be advised of any dissent expressed by members of the Council or its Community Boards in relation to the Council's final proposal.

BACKGROUND (THE ISSUES)

Remuneration Framework

14. The Remuneration Authority is responsible for setting the salaries of elected local government representatives (clause 6 of Schedule 7 of the Local Government Act 2002 refers).

10. 2. 2011

23 Cont'd

15. A brief summary of the remuneration framework and the rules and principles under which the Remuneration Authority works is attached as Attachment One.
16. The indicative pool for Christchurch City Council elected member remuneration in the remainder of 2010/11 is \$1,472,123. This is for the total remuneration for the Deputy Mayor and Councillors, and 50 per cent of the total remuneration paid to elected Community Board members (excluding Councillors as they have been appointed by the Council to community boards). Fifty per cent of the total remuneration paid to elected community board members is paid outside the pool.
17. Only one salary is payable to elected members. Thus, a Councillor who serves as an appointed member of a Community Board is paid a Councillor's salary only, and receives no additional payment for serving on the Community Board.
18. Directors' fees paid to Councillors who serve as directors of Council-controlled organisations cannot be taken into account when considering Councillors' remuneration. The directors' fees paid to such Councillors reflect their service as directors of the companies concerned, rather than their role as Councillors.
19. The Mayor's salary is set independently by the Remuneration Authority, and is not included within the pool. Where a Mayor has partial or full private use of a car provided by the Council (as is the case in Christchurch), the Mayor's gross salary is reduced by an amount which reflects both the extent of private use and the value of the car supplied.

Prior to Election: Determination

20. The salaries that applied to Christchurch City Council elected members for the 2009/10 (excluding the Mayor), carried over to the period up to Friday 15 October (the date current elected members came into office), were:

	Total Positions	Individual Salary	Totals
Deputy Mayor	1	\$99,571	\$99,571
Councillors	12	\$86,249	\$1,034,988
<i>Total Councillors salaries</i>	<i>13</i>		<i>\$1,134,559</i>
City CB Chairs	6	\$24,270	\$145,620
BP CB Chairs	2	\$16,018	\$32,036
City CB members	24	\$16,989	\$407,736
BP CB members	8	\$11,216	\$89,728
<i>Total CB salaries</i>	<i>40</i>		<i>\$675,120</i>
<i>less 50% outside pool</i>			<i>\$337,560</i>
Total paid from pool			\$1,472,119

21. Factors underlying the rationale given previously by the Remuneration Authority in 2007 for approving the above ratio between Councillors and Community Boards, and Deputy Mayor and Councillors, are as follows:
 - (a) The size, complexity and in particular the accountability of the Councillors' role, especially compared to that of the members of Community Boards
 - (b) Maintaining a margin between the remuneration of the Deputy Mayor and that of a Councillor

10. 2. 2011

23 Cont'd

- (c) City Community Board Chairs – maintaining relativity with other urban Community Board Chairs
- (d) Maintaining a 70 per cent relationship between the remuneration of Community Board members and that of the Board Chairs
- (e) The remuneration for Chairs of the Peninsula Community Boards is well above the norm for chairs of rural community boards, but as part of Christchurch City there is a wider role for both the chairs and members, and a corresponding extra time commitment, which may not be faced by members of other rural community boards.

Post Elections: Interim Determination

22. The Remuneration Authority has already made an interim determination called the Local Government Elected Members (2010/11) (Except Auckland) Determination 2010 (SR2010/245). This interim determination is for the period from 15 October 2010 (when Councillors and elected Community Board members came into office) which provides for the payment of the following salaries to elected members of the Christchurch City Council in the immediate post election period:

Position	Annual Salary
Mayor	\$158, 527 (less adjustment for value of car supplied)
Councillors	\$69,000 (80% of previous levels)
Community Board members (metro)	\$15,300 (90% of previous levels)
Community Board members (Banks Peninsula)	\$10,000

23. These interim salaries will apply up until the date on which the Council has reached a decision on the preferred allocation of the indicative remuneration pool and the Council's agreed proposal has been submitted to and approved by the Remuneration Authority. Any increases applicable (including those relating to the positions of Deputy Mayor and Community Board Chairs) can then be backdated. The likely timing of the Authority's decision, which will be set out in its Determination, is February or March 2011.

Basis of Remuneration

24. Although it is possible for the Council to recommend the payment of a mixture of salary and meeting fees to Councillors, community board members must be paid on a salary only basis, without meeting fees.
25. Christchurch City Council has had a salary only basis for remuneration of all its elected members since 2004.

REMUNERATION STRUCTURE FOR REMAINDER OF 2010/2011

26. Given that:
- (a) the total amount of the remuneration pool is unchanged from the previous financial year, and
 - (b) the Remuneration Authority has previously set out its views on the remuneration ratio between Councillors and Community Board members, including a distinction between metropolitan and rural Community Boards,

it is proposed that the remuneration levels for the Deputy Mayor, Councillors, Community Board Chairs and remaining Community Board members be continued at the same levels as those immediately prior to the election, i.e. retain the status quo.

10. 2. 2011

23 Cont'd

27. While there are many possible options that can be provided on this topic (such as a mix of salary and meeting fees and other differences between elected members), given the Remuneration Authority's previous determinations staff are recommending that the 2009/10 relativities between elected members set out in paragraph 20 continue and be adopted by the Council as set out in the staff recommendation.

VIEWS OF THE COMMUNITY BOARDS

28. All Community Boards considered this report at their December 2010 meetings, and excerpts from their minutes are set out below. In summary, seven out of the eight Boards support the staff recommendation, though some did not concerns with the overall level of the pool during their discussions.

Akaroa/Wairewa

Board Consideration

29. The Board believed that there had been sufficiently robust debate on the issue of elected members remuneration in previous years, to support the retention of the status quo.

Board Recommendation

30. The Board resolved to adopt the staff recommendation.

Burwood/Pegasus

Board Recommendation

31. That the staff recommendation be adopted.

Fendalton/Waimairi

Board Recommendation

32. That the staff recommendation be adopted. In addition it is strongly recommended that the Remuneration Authority consider increasing the pool of funding available to Christchurch City Council at its next review.

Hagley/Ferrymead

Board Recommendation

33. That the staff recommendation be adopted.

Lyttelton/Mt Herbert

Board Consideration

34. The Board noted that the remuneration proposal was the same as the status quo and that although members did not agree with the disparity between urban and rural Boards, they appreciated that the Council had argued against the difference during the last round of negotiations with the Remuneration Authority, but to no avail.

Board Recommendation

35. That the staff recommendation be adopted.

10. 2. 2011

23 Cont'd

Riccarton/Wigram*Board Recommendation*

36. That the staff recommendation be adopted.

Shirley/Papanui*Board Recommendation*

37. That the staff recommendation be adopted.

Spreydon/Heathcote*Board Consideration*

38. The Board consideration of remuneration included a discussion regarding the reduction in remuneration for Community Board members in the 2007 determination, and the Board noted the effective continuation of this reduction in the present level of remuneration. Members considered that this level of remuneration does not reflect accurately the level of responsibilities undertaken by Community Board members, compounded at present given the extra commitment due to the earthquake and the recovery process. Further, it was considered that the present level of remuneration is so low that it might preclude people with average household incomes from standing for election to Community Boards. It was also noted that the overall pool of funds available for remuneration should be higher. Board members noted that elected Members of Parliament received a remuneration increase in 2010 whereas Community Board members have not. For these reasons the Community Board members did not accept the staff recommendation in full.

Board Recommendation

39. The Spreydon/Heathcote Community Board resolved to recommend to the Council:
- (a) That the Council adopt staff recommendations (a) and (c)
 - (b) That in relation to staff recommendation (b):
 - (i) The Board notes that the Remuneration Authority 2007 decision resulting in a substantial reduction in remuneration of Community Board members does not reflect accurately the level of responsibilities held by Community Board members.
 - (ii) The Board comments on the inadequacy of the remuneration which may preclude people on or below the average household income from standing as a Community Board member.
 - (iii) That the Council requests the Remuneration Authority to increase the overall pool available for elected member remuneration.

(Note: Mike Thorley recorded that he did not support the Board recommendation (b)(ii) above.)

24. ELECTED MEMBERS EXPENSES AND ALLOWANCES 2010/11

General Manager responsible:	General Manager Regulation & Democracy Services Tel 941 8462
Officer responsible:	Democracy Services Manager
Author:	Lisa Goodman

PURPOSE OF REPORT

1. The purpose of this report is to enable the Council to formulate a proposal to be submitted to the Remuneration Authority for its approval for the payment of expenses and allowances by the Council to elected members for the balance of this financial year, up until 30 June 2011.

EXECUTIVE SUMMARY

2. The Remuneration Authority has issued the Local Government Elected Members (2010/11) (Except Auckland) Determination 2010. As well as dealing with salaries (the subject of a separate report) the Determination also provides for the payment to elected members of reimbursement of expenses and the payment of allowances. These expenses and allowances are the subject of this report.
3. The Council is required to seek the Remuneration Authority's approval for any amendments to the allowances and expenses previously approved by the Authority. In doing so, the Council must take into account the Determination for 2010/11. For the first time, the Remuneration Authority has incorporated the issues of communications and travel time allowances in its Determination.
4. Overall, staff are recommending that the 2009/10 rules for allowances and expenses (see Attachment One) be continued, except for the following areas: Communications, Vehicle Mileage and Travel Time. It is also proposed to amend slightly the wording around elected member travel, training and courses to provide greater clarification of circumstances when Council approval is needed or not, and wording around taxis and public transport. The proposed schedule for 2010/11 to be submitted to the Remuneration Authority for approval is set out in Attachment Two, with the amended wording highlighted in blue text.

FINANCIAL IMPLICATIONS

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

5. Sufficient provision has been included in the 2010/11 Annual Plan for all elected member expenses and allowances to be paid as proposed.

LEGAL CONSIDERATIONS

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

6. The principal statutory provisions which apply in this instance are the Seventh Schedule of the Local Government Act 2002, and the Remuneration Authority Act 1977.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

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

7. Page 156 of the LTCCP, level of service under Democracy and Governance refers.

10. 2. 2011

24 Cont'd

ALIGNMENT WITH STRATEGIES**Do the recommendations align with the Council's strategies?**

8. Not applicable.

CONSULTATION FULFILMENT

9. All Community Boards have been consulted on the recommendations of this report, and their views are set out in paragraphs 27 to 52 of this report.

STAFF RECOMMENDATION

10. It is recommended that the Council resolve to submit to the Remuneration Authority for its approval the proposed rules and policies for the reimbursement of elected member expenses and allowances described in Attachment Two of this report (attached), after consideration of Community Board views as summarised in paragraphs 28 to 30 of this report.

BACKGROUND (THE ISSUES)**General**

11. The 2010 Determination provides that the Council may:
- (a) reimburse expenses in accordance with the expenses rules, and
 - (b) pay allowances in accordance with rules approved by the Remuneration Authority.
12. A copy of the previous expenses approved by the Remuneration Authority that applied for the 2009/10 year is attached as Attachment One. The Council is required to seek the Remuneration Authority's approval for any amendments to the allowances and expenses previously approved by the Authority. In doing so, the Council must take into account the Determination for 2010/11. This Determination, which sets out the remuneration for elected members, is a legal ruling with the same effect as a statutory regulation, which all Councils (except Auckland which has its own Determination) are required to follow. It is to apply for the period from immediately after elected members come into office (Friday 15 October 2010) up to 30 June 2011. For the first time, the Remuneration Authority has incorporated the issues of communications and travel time allowances in its Determination.

Communications Allowance

13. Unlike previous years, the Remuneration Authority has explicitly addressed the issue of communications allowances in its Determination for 2010/11, which states:
- (1) *"A local authority may, in accordance with this clause, pay a communications allowance to its members, and, in the case of a district council or a city council, the members of community boards situated within its district, towards the expenses of all or any of the following:*
 - (a) *a mobile telephone*
 - (b) *a computer or ancillary equipment*
 - (c) *an Internet connection.*
 - (2) *The maximum amount of the allowance is \$500 for the period beginning with the commencement of this determination and ending on the close of 30 June 2011.*

10. 2. 2011

24 Cont'd

(3) *A communications allowance is not payable to the extent that the local authority provides the member with any of the following:*

- (a) *the use of a mobile telephone*
- (b) *the use of a computer or ancillary equipment*
- (c) *an Internet connection."*

14. In terms of the level of the communications allowance, the amount of \$500 for the remainder of 2010/11 equates to \$750 per annum. The Authority has indicated in correspondence to local authorities that:

"Most people have a home computer with internet connection, a home telephone and a mobile phone and would have these even if they were not elected members. The allowance is intended to meet any extra costs, over and above normal ownership, that may be incurred because of their duties as elected members. This could cover such things as increased mobile phone usage, increased internet usage, or extra costs of printing inks. The Authority considers the amount of \$500 would more than cover the cost of those additional usages".

15. After examining the Authority's Determination and seeking further clarification from Authority members, and taking into account past practice at the Christchurch City Council in terms of both provision of equipment and ratios between Councillors and Community Board members, staff have provided advice to incoming elected members on options available. These recommended options are set out on pages 7-8 of Attachment Two.

Vehicle Mileage Allowance and Travel Time Allowance

16. During the past 12 months the Remuneration Authority has reviewed its previous decisions around the payment of a Vehicle Mileage allowance. The provisions of the 2010/11 Determination are unchanged in this regard; that an allowance may be paid to a maximum amount of \$0.70 per kilometre to elected members, provided that:

- (a) the member travels in his or her own vehicle, and by the most direct route reasonable in the circumstances: and
- (b) is on the local authority's business.

17. In addition to the above conditions, however, the Authority has advised in subsequent correspondence to local authorities that the rules for expenses and allowances relating to Vehicle Mileage should cover:

- (a) A **threshold of distance travelled for any one event** (a threshold of 30 kilometres or more with only distance in excess of the threshold qualifying for payment will have automatic approval), and
- (b) A **cap of 5,000 kilometres** for any one elected member in any one year that can be claimed for **at a rate equal to or less than \$0.70 per kilometre** (note: any mileage in excess of 5,000 kilometres can be claimed for at a rate equal to or less than \$0.35 per kilometre).

18. Also for the first time the Remuneration Authority has advised that an allowance for time travelling on Council business is payable. The Authority's Determination states:

"(1) A local authority may, in accordance with this clause, pay a travel time allowance to the following persons:

- (a) *its members; and*
- (b) *in the case of a district to council or a city council, the members of community boards situated within its district.*

10. 2. 2011

24 Cont'd

- (2) *The local authority may pay a travel time allowance for travel by the member, including travel to and from the member's residence, if the travel is –*
- (a) *on the local authority's business; and*
- (b) *by the quickest form of transport reasonable in the circumstances.*
- (3) *The maximum amount of the allowance is \$15.00 per hour."*
- (4) *However, a member who can properly be regarded as being a full-time member is not entitled to be paid a travel time allowance.*
19. In addition to the conditions in paragraph 19 above, the Authority has advised that the rules for Travel Time Allowance should cover:
- (a) A **threshold of travel time for any one event** (a threshold of 2 hours or more with only time in excess of the threshold qualifying for payment will have automatic approval), and
- (b) The **maximum payment to any one elected member in a year** (a maximum of 100 hours claimed in any one year will have automatic approval) and
- (c) The allowance per hours of travel time (must be less than or equal to \$15.00).
20. In correspondence to local authorities providing further guidance on its Determination, the Remuneration Authority advises that in relation to travel time and vehicle mileage:
- (a) It is generally accepted that a person in a full time job does not get paid for travelling to and from work or for extra time that may be needed for travel on employment business. The Authority does not intend giving a definition of "full time" for the purposes of the Travel Time Allowance, as it expects each local authority to decide whether a position can properly be regarded as full time or not. It does invite local authorities to consider things such as:
- (i) would a person in the position, if carrying out their duties to a high standard, have any time for other paid employment?
- (ii) would ratepayers expect the person to be full time in their role?
- (b) A Council can set a Vehicle Mileage threshold which best reflects its unique geography. The Authority would be unlikely to agree to a threshold less than 30 kilometres.
- (c) A maximum distance of more than the cap of 5,000 kilometres in any one year for one member could be paid provided the geographical nature of the region warrants it; a case would need to be made to justify it.
- (d) "One event" means one council meeting or one event which the member is expected to travel to and attend as part of their duties. The travel to and from the event would be a single trip, or if the round trip was in excess of the threshold then a payment could be made.
21. Before considering this Council's proposal to the Remuneration Authority on the issue of Vehicle Mileage Allowance, it is worth considering the number and level of allowances claimed by elected members for vehicle mileage in the past. Section 5 of Attachment One outlines the previous rules for mileage allowance claimed; the type of Council meetings or events for which mileage allowance could be claimed.
22. For the 2009/10 year:
- (a) A total of nine Councillors claimed the allowance. The total kilometres claimed by any one Councillor ranged from 130 kilometres to 13,831. The highest amounts claimed were by the Councillor for Banks Peninsula, reflecting the mileage travelled to attend meetings around the Peninsula, followed by the Deputy Mayor.

10. 2. 2011

24 Cont'd

- (b) A total of 13 Community Board members claimed the allowance, seven of which were on Banks Peninsula Community Boards. The total kilometres claimed by any one Board member ranged from 400 (a city Community Board member) to 7,000 (a Banks Peninsula Community Board Chair). The kilometres claimed for any one event ranged from three kilometres (city Community Board members) to 188 kilometres (Banks Peninsula Community Board members).
23. Taking into account the Remuneration Authority's comments regarding thresholds in paragraphs 17 to 20 above, the full time nature of a position in paragraph 20, and the information in paragraph 22 on previous patterns of travel and claims for mileage allowance, the following is proposed for inclusion in the rules to be proposed to the Remuneration Authority under the heading "Travel Time and Mileage allowances":
1. For all elected members, reimbursement at \$0.70 per kilometre for car running associated with attendance at Council/Community Board related meetings or events, with:
 - (a) a minimum threshold of distance travelled being 30 kilometres for any one round trip, with only distance in excess of this threshold qualifying for payment, and
 - (b) a maximum threshold of 5,000 kilometres at \$0.70 per kilometre that can be claimed by any one elected member in any one year, with the exception of the Councillor for Banks Peninsula, who is able to claim a maximum of 8,000 kilometres per year, and
 - (c) payment of mileage at \$0.35 per kilometre for travel in excess of 5,000 kilometres, with the exception of the Councillor for Banks Peninsula who is able to claim \$0.70 per kilometre up to 8,000 kilometres,

provided that the elected member travels:

 - (a) in his or her own vehicle; and
 - (b) by the most direct route reasonable in the circumstances.
 2. For Community Board members only, reimbursement at \$15 per hour for travel time (including travel to and from the member's residence) for any one Council/ Community Board related meeting or event, with:
 - (a) a minimum threshold of 2 hours of time travelled for any one round trip, with only time in excess of this threshold qualifying for payment, and
 - (b) a maximum of 100 hours that can be claimed in any one year,

if the travel is by the quickest form of transport reasonable in the circumstances.
24. The above proposal is based on the following assumptions:
- (a) Councillors would be viewed as having a full time position, and
 - (b) a case can be made to the Remuneration Authority that given the geography of the Banks Peninsula and the distances to travel around the ward and between the ward and Civic Offices in the city, the Councillor for the Banks Peninsula ward will incur greater distances and longer period of time for travelling, as evidenced by claims made in 2009/10.

10. 2. 2011

24 Cont'd

Clarification of Other Issues

Travel and Attendance at Conferences and Courses

25. In the previous term, questions of clarification were raised with regard to the provisions of section 6.4 of the schedule of allowances and expenses, that relates to Travel and Attendance at Conferences/Courses/Seminars (pages 3-5 of Attachment One). Specifically the questions related to when Council approval is required for travel undertaken by individual Councillors, and for costs of Community Board travel/conference attendance when representing the Council. The intent of the previous provisions remains the same; section 6.4 on pages 3-6 of Attachment Two has been redrafted to ensure greater clarity around the different scenarios when travel and attendance at conferences is undertaken by any elected member.

Entertainment and Hospitality

26. Additional wording has been added to Section 7, page 7 of Attachment Two on Entertainment and Hospitality to ensure the rules clearly refer to the administrative convenience of the Mayor having a P-Card to pay for hospitality expenses directly.

VIEWS OF COMMUNITY BOARDS

27. All Community Boards had the opportunity to consider this report at their December 2010 meetings.
28. In summary, six Boards support most of the content of Attachment Two, but are seeking the following changes:
- (i) Two Boards favour reducing the proposed maximum threshold for mileage from 30 kilometres to 20 kilometres (refer to page 2 of Attachment Two, subparagraph 1(a)). Another Board favours reducing this threshold even further to 10 kilometres.

Comment: The Remuneration Authority has made it clear that while a Council can set a threshold which best reflects its unique geography, the Authority would be unlikely to agree to a threshold of less than 30 kilometres.

- (ii) One Board favoured the Community Board Chairpersons for Akaroa/Wairewa and Lyttelton/Mt Herbert having the same maximum threshold for mileage as the Banks Peninsula Councillor (refer to page 2 of Attachment Two, subparagraphs 1(b) and 1(c))

Comment: The same case (as outlined in paragraph 24(b) above) for an increased threshold for the Banks Peninsula Councillor, due to the geography of the ward and associated travel distances, could be made for the Board Chairpersons.

- (iv) One Board has recommended no change to the 2009/10 mileage allowance or communications allowance provisions.

Comment: This is not an option, as the provisions in the Remuneration Authority's Determination for 2010/11 have the same effect as a statutory regulation (see paragraph 12 of this report).

- (v) One Board has recommended that all Board members have the same level of Communications allowances as Councillors.

Comment: Approximately the same ratio between Councillors and Community Boards in the 2009/10 communications provisions has been applied in the content of Attachment Two. Previous commentary from the Remuneration Authority would suggest that it would not support the same level of communications allowance without a business case.

- (vi) One Board recommended that ferry transport be added to the public transport options under section 6.1 on page 3 of Attachment Two.

10. 2. 2011

24 Cont'd

Comment: As this is a public transport option for many in the Lyttelton Basin, this has been added to Attachment Two.

29. Two Boards support the staff recommendation i.e. support the content of Attachment Two (though comments during the discussion did not necessarily endorse the new provisions on mileage or communications).
30. Informal feedback from members of one community board is that if the vehicle mileage threshold is to be so high, then taxi chits could be provided to elected members to travel to Council/Community Board meetings or events.

Comment: This could have budgetary implications, and it is clear that this would not be the intent of the Remuneration Authority. Wording around the use of taxis has been amended as set out in section 6.1 on page 3 of Attachment Two.

31. More details of the Community Board views and recommendations are provided below in excerpts from the minutes of each Board meeting.

Akaroa/Wairewa

Board Consideration

32. The Board was concerned that the Remuneration Authority appeared to have only a city/urban orientation and that it did not appreciate the time, distance and costs associated with travel in rural areas, particularly those with difficult terrain such as on Banks Peninsula.
33. It was noted that the suggestion for a 5,000 kilometre maximum mileage claim per year was based on actual mileage claims from the Banks Peninsula Chairpersons for the previous term, but that the current Akaroa/Wairewa Board Chairperson lived in Pigeon Bay, a considerable distance further from city meeting venues than the previous Chair.
34. Board members felt that there was no rationale to impose a 30 kilometre threshold on mileage claims. They believed it was quite clear that a Community Board member's "place of work" was their home, and that the total of any trip on Board business should be able to be claimed as a legitimate expense. They felt as Board members who were resourced lower in terms of remuneration, there should be a surety that all actual expenses could be reimbursed to Banks Peninsula Community Board members. However, members acknowledged that the Remuneration Authority appeared fixed on that course of action, and so they would probably have to accept 30 kilometres as a mileage threshold.
35. It was also noted that public transport was not available to elected members in rural areas as a viable alternative to use of their private motor vehicle for Community Board related activities.

Board Recommendation

36. The Board resolved to adopt the staff recommendation to the Council with the following amendments:

Section 5, paragraphs 1(b) and 1(c) to include the Chairpersons of the two Banks Peninsula Community Boards, as follows:

- ...(b) a maximum threshold of 5,000 kilometres at \$0.70 per kilometre that can be claimed by any one elected member in any one year, with the exception of the Councillor and Chairpersons for Banks Peninsula, who are able to claim a maximum of 8,000 kilometres and
- ...(c) payment of mileage at \$0.35 per kilometre for travel in excess of 5,000 kilometres with the exception of the Councillor and Chairpersons for Banks Peninsula who are able to claim \$0.70 per kilometre up to 8,000 kilometres.

10. 2. 2011

24 Cont'd

Burwood/Pegasus*Board Consideration*

37. The Board was generally accepting of the proposed adjustments with the exception of that part of **Attachment 2**, Section 5 (Travel Time and Mileage Allowances) clause 1.(a) in relation to 'a minimum threshold of distance travelled being 30 kilometres for any one round trip...'
38. Members favoured a reduction of this figure down to 20 kilometres. The rationale for this change was to propose that recognition needed to be given to the large size of several of the Councils' wards and the resulting distances required to be travelled by members in fulfilling their role and duties.

Board Recommendation

39. That the staff recommendation be adopted subject to the following amendment:

Section 5 (Travel Time and Mileage Allowances), clause 1. (a) being reworded to read 'a minimum threshold of distance travelled being **20** kilometres for any one round trip...'

Fendalton/Waimairi*Board Recommendation*

40. That the staff recommendation be adopted.

Hagley/Ferrymead*Board Discussion*

41. Staff responded to Board member questions on the proposed changes to communications, mileage and travel time allowances.

Board Recommendation

42. That the Council adopt the staff recommendation.

Lyttelton/Mt Herbert*Board Consideration*

43. Board members questioned the rationale for the Remuneration Authority setting a mileage threshold of 30 kilometres. They felt it was unreasonable to expect elected members to use their own vehicles for Board business, and not be reimbursed for the full use. It was also felt that the threshold would unfairly penalise rural representatives, especially those on the cusp of the 30 kilometres.
44. Board members also questioned whether the 30 kilometre threshold applied to Members of Parliament, or to employees of government agencies, and agreed that the Remuneration Authority should be asked that question.

Board Recommendation

45. The Board recommends the staff recommendation to the Council with the following amendments:

Section 5, paragraphs 1(a) amend threshold to be 20 kilometres as follows:

- (a) a minimum threshold of distance travelled being **20** kilometres for any one round trip, with only distance in excess of this threshold qualifying for payment, and

10. 2. 2011

24 Cont'd

Section 6.1 be amended to include ferry travel, as follows:

6.1 Taxis and other transport

Are the costs of taxis or other transport reimbursed or an allowance paid?

Yes. The following members are entitled to the reimbursement of Council or Community Board related taxi, **ferry** and bus fares and parking charges:

Riccarton/Wigram

Board Discussion

46. The Board considered a memorandum tabled by staff dated 10 December 2010 with new information from the Remuneration Authority, and proposed wording to replace Section 5 of Attachment Two of this report. It was noted that allowances for communication and travel should be sufficient to enable low income residents to become Community Board members given that most communication from the Council involves email and telephone.

(Note: Sam Johnson and Peter Laloli requested that their opposition to the Board statement above be recorded.)

Board Recommendation

47. That the staff recommendation be adopted, subject to the following amendment to Section 5 of Attachment Two:

Under 1. (a) of the Staff Recommendation:

That the minimum threshold of distance travelled be reduced from 30 kilometres to **10** kilometres.

(Note: Peter Laloli requested his vote against the motion be recorded.)

Shirley/Papanui

Board Discussion

48. Board members raised concerns with regard to the proposed Section 5 and the Authority's parameters around reimbursement for mileage. If confirmed, the proposed rules would impede the effectiveness of elected members in how they carry out their work, given: the frequency of travel required for night time meetings, the size of the ward to travel around, frequent site visits relating to resource consent hearings, increasing petrol costs, and the wear and tear from mileage accrued on elected members' own vehicles. Concern was also raised at the Authority's decision in its Determination to decrease the level of the communications allowance, as the ability to communicate with residents is integral to the role of a Community Board member. The reduction risks creating a disincentive for members to engage with the community.
49. The Board therefore supported the adoption of most of Attachment Two, with the exception of the mileage allowance provisions in Section 5 and the communications and technology provisions in Section 8.

Board Recommendation

50. That the staff recommendation be adopted, subject to:
- (a) In relation to Section 5 of **Attachment 2**, the status quo for the mileage allowance remains for elected members, due to factors relating to the size of the ward, the frequency of night time meetings, and other Board member meeting commitments, wear and tear on vehicles and petrol costs, attendance at resource consent hearings site visits.
- (b) In relation to Section 8 of **Attachment 2**, the status quo for the communications allowance remain for Community Board members in view of communication being an integral part of the duties of Community Board members.

10. 2. 2011

24 Cont'd

Spreydon/Heathcote

Board Consideration

51. The Community Board recommendations are based on the consideration that since Community Board members receive a significantly lower level of remuneration when compared to councillors, therefore the Community Board members should at least receive communication expenses at the same rate as proposed for councillors.

Board Recommendation

52. That the staff recommendation be adopted, subject to Section 8 of Attachment Two being amended to reflect Community Board members having the same level of communication and technology allowance as that proposed for Councillors and Board Chairs.

25. EARTHQUAKE RECOVERY – UPDATE ON CITY COUNCIL’S RESPONSE

Officer responsible:	Chief Executive
Author:	Peter Mitchell

PURPOSE OF REPORT

1. This report outlines recent progress made in the Council's response to the September 2010 earthquake, including developments after the Boxing Day aftershocks. It excludes financial details that will be incorporated in the next Council Quarterly Performance Update.
2. Appended to this report as **Attachment One** are the most recent confirmed minutes of the Canterbury Earthquake Recovery Commission (CERC) of their meeting on 15 December 2010 which were confirmed at the CERC's meeting on 17 January 2011. The minutes of the meeting on 17 January have not yet been confirmed by the CERC.

INFRASTRUCTURE REBUILD

Infrastructure Rebuild Management Office

3. This Office has been established and is close to being fully staffed. Work definition, planning and costing is advancing with some site work under way and other areas close to commencement on site.

Progress Achievements

4. Preparatory works are generally on time to meet objectives. Four Head Contractors were commissioned to support the project under Management Services Agreements, and they are now in the start-up/planning/establishment phase. They are:
 - Avonside/Dallington/Burwood: a joint venture of McConnell Dowell and Fletcher Construction
 - Bexley/Southshore: Fulton Hogan.
 - Brooklands/Spencerville: Downer EDI.
 - Halswell: City Care.

Risks

5. Initial consideration has been given to establishing a risk management plan for the Infrastructure Rebuild Management Office. Each Contractor will be required to create and maintain a risk management plan.

Construction Status

6. Both temporary and permanent repairs in a wide range of locations have been carried out since immediately after the earthquake to reinstate services in some form:
 - Permanent repairs completed include four sewer siphons under the Avon River, some reservoir repairs and repairs to 4.7 kilometres of water mains and 1.8 kilometres of sub mains.
 - Works underway include harbour and marine structures, boat ramps, irrigation, stop-banks, rock falls, tracks, car parks and driveways.
 - Works about to start include sewers in Spencerville, Halswell.
 - The Head Contractor's design teams are actively reviewing condition assessments at sites to enable design, cost estimation and construction.

10. 2. 2011

25 Cont'd

- It is anticipated that the Head Contractors will be starting their larger-scale construction programme within the next four to six weeks.

Land Remediation

7. Council staff and our Head Contractors have been meeting with EQC to provide input where required. EQC has a pilot underway at Spencerville to provide protection to six houses. Council staff will be observing during the construction phase to gain a wider understanding of the impacts.

BUILDING AND ENFORCEMENT ISSUES

Consents and Inspections Processes

8. To cope with the anticipated increase in building consent and building inspection which will arise this year as a result of the earthquake, a separate team has been established in the Regulation and Democracy Services Group reporting to the General Manager to manage this workload.
9. At this stage it is planned that the team will need an additional ten building consent officers and ten building inspectors, as well as managers and supporting administration staff. Recruitment commenced before Christmas and five building consent officers and four building inspectors have commenced work with the Council and are currently undergoing training in Council consenting and inspecting processes. The additional staff will be recruited in February. Discussions with the EQC and insurers project managers indicate that applications for building consents will be starting to be received in March/April.
10. The processes the Council will use for these consents and inspections will be quite different from our current processes, given the large volumes we anticipate and to be able to meet the turnaround times the project managers will need. To achieve these times consenting officers will be co-located with the project managers in the hubs, and Council inspection processes will be modified with some inspections to be carried out by licensed building practitioners rather than by the Council.

Earthquake Prone Policy Protocol

11. There were discussions late last year between Council staff and the Insurance Council of New Zealand regarding the application of the Earthquake-Prone, Dangerous and Insanitary Buildings Policy adopted by the Council at its 10 September 2010 meeting. The discussions were around the practical application of that part of the Policy relating to earthquake strengthening of earthquake damaged buildings.
12. The Insurance Council has advised the Council "We have agreed to leave it to individual members to adopt the Christchurch City Council's draft protocol. The protocol gives clear guidance on the Council's position and will allow many insurers to progress building claims but may not necessarily be treated as a final position by all insurers."

Numbers of Building Consents

13. The Environmental Policy and Approvals Unit has received 101 Building Consent applications since 4 September 2010 for repairs to earthquake damaged buildings, of which two applications are for multi units comprising the re-levelling of 30 individual units. Of these applications there are 69 commercial and 32 residential consents sought. Of these 101 applications, 73 have been granted and the remaining 28 are still being processed. None of these 73 granted consents are for repairs to heritage buildings.
14. The number of buildings being re-levelled is increasing quite quickly as the technology becomes available to effect this type of repair and following the receiving of guidance documentation from the Department of Building and Housing.

10. 2. 2011

25 Cont'd

15. Schedule 1(k) of the Building Act provides that a building consent is not required where the Council considers that a building consent is not necessary for the purposes of the Building Act because that building work:
- (i) is unlikely to be carried out otherwise than in accordance with the building code; or
 - (ii) if carried out otherwise than in accordance with the building code, is unlikely to endanger people or any building, whether on the same land or on other property.
16. The Council has received 110 applications for these Schedule 1(k) exemptions, comprising 88 commercial and 22 residential applications. The Council has granted 97 of these applications. The building involved in these Schedule 1(k) exemptions is replacement or alteration of internal wall linings in commercial buildings, demolition of damaged building where they are joined to other buildings or more than 3 storeys high, replacing hot water cylinders, retaining walls or decks.

Table: Earthquake Related Building Consents and Exemptions

	Applied	Granted	Commercial	Residential	Heritage
Exemptions	110	97	88	22	27
Building Consents	101	73	69	32	

Demolitions

17. To date, the number of building demolitions remains relatively static in that the two buildings required to be demolished under s129, of the Building Act – Manchester Courts and the Angus Donaldson Building in Colombo Street – have been demolished. A number of demolitions in the central City are still in progress or are ready to commence in the immediate future. The number of applications for demolitions or notifications of demolition exempt works remains at 71; post Boxing Day there has not been any increase in demolitions either physically or through the consents process. However, many more buildings have been demolished or partially demolished throughout the City and because this work is exempt, we have no record of the numbers. There are four additional commercial buildings along Cashel, Manchester and Madras Streets that case managers are aware of which may now consider a demolition, and only one is a heritage listed building. The Council has yet to receive the final engineers' reports for any of those buildings so it is not clear if demolition is to be the final outcome in those cases.

Land Information Memorandum (LIMs)

18. LIMs are back to statutory timeframes, with earthquake related comments now included on the LIMs.

Case Managers

19. In the few weeks prior to Christmas, two full-time and two part-time case managers were appointed and were making good progress in resolving some cases along High Street, Colombo Street and Lichfield Street areas.
20. Case managers have been allocated precinct areas:
- (a) High Street area.
 - (b) South of Lichfield area.
 - (c) Sydenham, Beckenham and Selwyn Street.
 - (d) 160 Manchester St area.
 - (e) Manchester Street (other).
 - (f) Victoria St and Colombo St North area.
 - (g) CBD and suburban B1/B2 areas such as Woolston.
 - (h) CBD and suburban B1/B2 areas.

10. 2. 2011

25 Cont'd

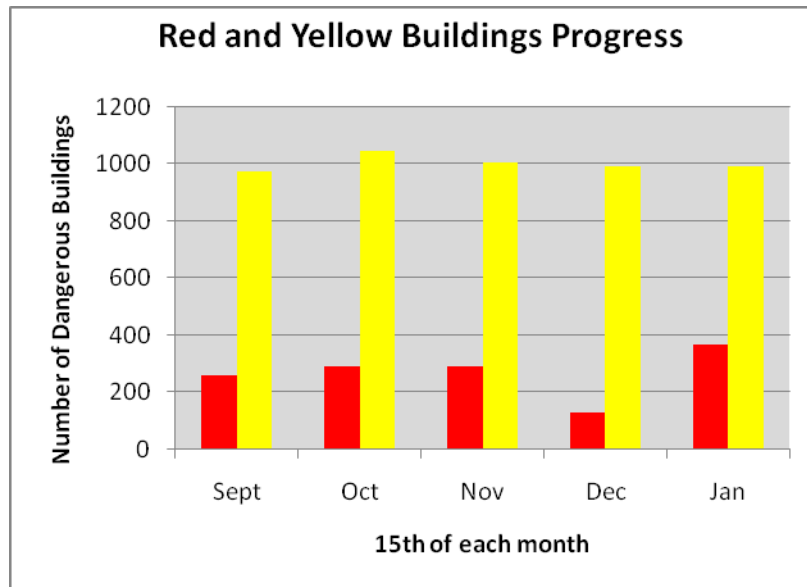
21. The role of the case managers is to proactively work with commercial building owners within their allocated areas to facilitate the repair, propping or demolition of buildings in order to allow Council to be satisfied that buildings no longer pose a danger to public safety. The case managers consequently facilitate the removal of cordons within the city as buildings are repaired, propped or demolished. They also act as a conduit and single point of contact for building owners to obtain specialist council advice (i.e. heritage or building consent advice).
22. Through the case management model, 12 new s124 Building Act notices were issued in October with a deadline of five days on property owners who had failed to take a proactive approach to addressing the public safety concerns caused by their dangerous buildings. This was done to enable the Council to take any necessary action (bracing or securing) in order to remove some significant cordons causing major traffic disruptions and putting a charge against the property titles. With the exception of the Ascot TV site in Sydenham, which is subject to ongoing legal and heritage issues, all building owners issued with short-dated s124 notices have initiated actions to remediate the danger caused by their buildings, and Council has not had to intervene further. However, with the Boxing Day aftershock some of these buildings have suffered more damage, and new s124 notices have been issued with a deadline of 31 January. Council continues to work with the owners of the Ascot TV site to find a resolution.

Red/Yellow/Green Placards

23. All red, yellow or green placards issued under the Civil Defence Emergency Management Act after 4 September have expired and were replaced by section 124 Building Act notices where the building was deemed dangerous post further re-assessment.
24. Council Officers are now electing to apply only an UNSAFE i.e. Red and/or SAFE i.e. Green status in their building assessments due to the transition from the Civil Defence Emergency Management Act to the Building Act provisions.
25. A 'Yellow' status no longer has any legislative recognition under the Building Act and is not being used in any further assessments. Should a building be assessed as unsafe a Section 124 notice is issued concurrently. Some of these UNSAFE buildings may have restricted access. Future reporting will reflect this approach.
26. Section 124 provides a general power to take steps to deal with dangerous, earthquake prone or insanitary buildings in the City. Steps can include the Council putting up a hoarding, putting up a warning notice or giving the landowner a notice requiring that person to carry out work (within a timeframe in the notice) to reduce or remove the danger or to prevent the building remaining insanitary.
27. Reassessments of commercial buildings within the CBD were conducted in November and December by Council engineers which did see some new s124 notices being issued. As a result of those November/December reassessments, 162 buildings that had received red stickers after 4 September had their status changed to green. Prior to Christmas, there were 199 outstanding s124 notices for dangerous buildings.
28. However, in the Boxing Day aftershocks a large number of those buildings suffered more damage and had a new s124 Building Act notice reissued. In addition, 134 buildings that were not affected in the 4 September 2010 earthquake sustained damage in the Boxing Day aftershock, particularly in areas such as City Mall, and have received s124 notices as dangerous buildings and have been closed pending the Council receiving engineers' reports.
29. A further 165 s124 notices were issued in the five days immediately following the Boxing Day earthquake, with 43 of these being heritage listed buildings. In the week following Boxing Day, 20 buildings had work completed to remove the danger to the public by their owners which resulted in the s124 notices being lifted.
30. More s124 notices are being issued on a daily basis as engineering assessments are revealing more damage that poses a danger, particularly to public safety. At the time of writing this report, Council records show 301 commercial buildings and 76 residential properties with s124 notices outstanding, which are due to expire on 31 January 2011. The graph below shows the progress made prior to Christmas and the impact of Boxing Day on the number of dangerous buildings.

10. 2. 2011

25 Cont'd



31. Prior to Christmas, 158 s124 notices were issued with an expiry date of 31 January 2011. This date was set so as to give the building owner an opportunity to liaise with their insurers and engineers so as to be able to provide information to the Council so the Council could make a decision as to whether or not the s. 124 notice can be lifted. The 31 January 2011 expiry date for the s124 notices will require a Council reassessment of each property. A process has been developed requiring Council engineering reassessment of the building's danger status (taking two to three weeks to complete). From this re-assessment phase, it is anticipated that there will be four categories that current s124 notice dangerous buildings may fall into:
- Unsafe building with no or minimal action taken by property owner.
 - Unsafe building with action taken by property owner, but due to extenuating circumstances beyond the owner's control the dangerous building has not been addressed (for instance, insurance claim or resource consent issues).
 - Unsafe building with action taken by property owner and work has commenced but will go beyond the 31st January timeframe to be completed.
 - Safe building where the necessary work to remove the danger has been completed and no new s124 is necessary.
32. The Council has a range of enforcement options to use for these first three scenarios. These options will be determined on a case-by-case basis based on recommendations by Council engineers and the case managers for the property. Such options may include reissuing a new s124 notice with an agreed timeframe enabling the property owner to complete the works necessary to remove the danger to the public. Stronger enforcement measures will be considered by an officer panel and may include infringement notices, prosecution and/or the Council commissioning the work necessary to address the safety issues and lodging a charge against the property title to recover the cost of the work carried out by Council. It is anticipated that these stronger/punitive enforcement measures will only need to be applied in exceptional cases where the co-operation of the property owner to progress matters through the case manager has been unsuccessful.
33. Another stream of work required is a targeted reassessment of all commercial buildings outside of the CBD that were not reassessed in October to determine their current dangerous building status and owner actions to date.

10. 2. 2011

25 Cont'd

Cordons

34. Cordon management is intrinsically linked to the location and changing status of dangerous buildings. Prior to Christmas operational staff were focusing resources on removing and/or reducing cordons as much as practicable to assist in traffic management and business recovery. However, as a result of the Boxing Day aftershock, an additional 4 kilometres of cordons were reinstated within the four avenues by the USAR team doing their initial evaluations.
35. As at 31 December 2010, there were 139 cordons within the city centre on street frontages measuring 7.45 kilometres; approximately 2.3 kilometres of fencing has since been removed or reduced through careful traffic safety management.
36. Interestingly, the Boxing Day aftershock provided evidence supporting Council staff's judgment for cordon management in that the majority of debris that fell did so within existing cordons. This may have contributed to the lack of injury to the public during these aftershock events, which occurred during the day when people were shopping within the inner city but were protected from harm from dangerous buildings due to existing cordons. Council Officers will separately circulate an updated schedule of cordoned buildings and road clearances (as at late January/early February 2011) prior to the Council meeting of 10 February 2011.
37. A common misconception by some within the business community is that the Council is responsible for repairing and/or demolishing all damaged/dangerous buildings and can remove cordons if it so desired. Should the USAR teams (as part of a CDEM event) or a Council Officer identify that a building is/is potentially dangerous with an impact on public safety or spaces, then for those public safety reasons the Council has a responsibility to implement a cordon. The property owner then has the responsibility of having their structural engineers advise Council of the safety of that building, and where Council agrees the cordon will be managed appropriately. In most cases, the reduction/removal of cordons is contingent on a third party relationship between building owners and their insurers through obtaining agreed outcomes to repair/rebuild/demolish the building. The Council tries to influence this agreement process through relationship management and persuasion with the issue of s.124 notices being used as a tool to progress repair/demolition where this is unsuccessful.
38. In any dangerous building situation, Council staff will err on the side of caution when it comes to protecting the public and this approach has proven itself to be the correct one to take in these dynamic circumstances when aftershocks are continuing to occur.
39. Council's focus has been on managing dangerous commercial buildings due to the public safety issues involved and the s124 notices issued have primarily been to commercial building owners. Only where Council receives complaints about dangerous residential dwellings has a Council assessment of a residential building been undertaken and a s124 notice issued if the residence is deemed dangerous.
40. In summary, this table shows some of the main statistics regarding dangerous buildings and cordons:

Date	Red Residential buildings (Unsafe)	Red Commercial Buildings (Unsafe)	Yellow* Residential buildings (Unsafe but Restricted access)	Yellow* Commercial buildings (Unsafe but Restricted access)	Number of cordons on street frontages
15 December 2010	64	148	653	338	92
05 January 2011	12	158	653	336	139

**'Yellow' no longer has any legislative status under the Building Act and these will need to be reassessed to determine if s124 notices need to be served for dangerous buildings (thereby making these 'red').*

10. 2. 2011

25 Cont'd

TRAFFIC MANAGEMENT/FLOW ISSUES

41. Demolition of 160 Manchester St has continued to progress to the point where the bulk of the remaining demolition can occur on-site. However, there has been significant damage to water pipes and the power boxes for the traffic lights at 160 Manchester Street which may have resulted from the continuing aftershocks which is prohibitive to opening up for two-way traffic immediately. On 17 January 2011, Manchester St opened to one-way traffic in the northbound direction. Traffic travelling east on Hereford St, vehicles can turn left into Manchester St.
42. For two-way traffic to be reinstated all along Manchester St the following must occur:
 - Repairs to the power boxes and reinstatement of the traffic lights at 160 Manchester St.
 - Repairs to the burst water pipes along Manchester St.
 - Completion of the demolition of the Bead Shop at 172 Manchester St.
 - Demolition of the Carnivores building at 207 Manchester St.
 - Reinstatement of traffic signals at intersection of Manchester and Hereford Sts (control box and power supply currently within the demolition zone of 160 Manchester St).
 - Demolition decision on Tulsi building at 176 Gloucester St (corner with Manchester St).
43. Traffic has been reduced to one lane in Madras St around the intersection with Gloucester St. This is due to the risk that the façade of Charlie B's Backpackers at 264 Madras St may collapse as a result of further damage received during the Boxing Day aftershock.
44. There was no further major damage to buildings in Colombo St, Sydenham. Wordsworth St is now open in both directions at the intersection with Colombo, however the width remains restricted due to the Ascot TV building.

COMMUNICATIONS

45. Earthquake related marketing and communications in December included initiating a marketing and promotional campaign after the Council approved up to \$100,000 to help promote the central city centre business district. Council staff met with central city stakeholders to discuss the best use of the fund. The tactics used included a Facebook campaign to market sales, products and services; heavy use of radio advertising as well a live radio crosses from the central city; billboards; bus backs; Adshells; and newspaper advertising in The Press, Mainland publications and the Star. Communications prepared and funded an additional feature page in The Press under the Our Christchurch banner promoting central city initiatives and the Central City was also promoted in regular Our Christchurch advertisements. An additional \$50,000 from the Stronger Christchurch budget was spent in December and January on promoting additional free parking in the central city.
46. The last of the community meetings for residents in the areas worst affected by the earthquake were held in early December and answers to the questions raised at these meetings were collated and published on the Council's website.
47. More than 4000 residents have subscribed to the Stronger Christchurch newsletter which provides information on earthquake recovery. Five newsletters were sent out in December and one in early January (this followed an update to the media by the Mayor on 14 January).
48. In December the Council sent a letter to 11,000 residents in the four areas identified as suffering the worst damage updating them on the Council's plans for reinstating water, wastewater disposal and roading. An extensive communication plan has been prepared for the Infrastructure Rebuild Management project, including pages on the Council website for each of the rebuild areas. This section of the website has its own address www.strongerchristchurch.govt.nz. These will be operating in early February after the project's official launch.

10. 2. 2011

25 Cont'd

49. Extensive communications were required following the Boxing Day aftershock which caused further damage to Central City properties. This included updating information to the media and on the Council's website. There have also been ongoing communications to support the work of staff who are working on building recovery and cordon placement in the city. Communications have also been required since December on the need to limit water use because of earthquake damage to the city's water reticulation network, reservoirs and well fields.

COMMUNITY SUPPORT

Social Housing

50. A total of 71 rental units sustained extensive damage rendering them uninhabitable. Reports from EQC assessors and estimators are awaited.
51. As at 18 January the inspection programme is 82.5 per cent complete. It is anticipated this programme will be completed by 4 February 2011.

Recreation & Sports

52. There has been significant damage at key facilities that will require closures to repair. The closure programme is as follows:
- QEII Atlantis leisure pool: closes (5 pm) 6 February – reopens 7 March.
 - QEII 50m international pool: closes (5 pm) 10 April – reopens 9 May.
 - QEII Atlantis teaching pool: closes 2 May – reopens 9 May.
 - QEII Dive Well: closes 16 May – reopens 17 June.
 - Pioneer Leisure pool and 25 m pool: closes 4 July – reopens 1 August.
 - Centennial Leisure pool and 25 m pool: closes 25 September – reopens 24 October.
53. Porritt Park has been severely damaged:
- Canterbury Hockey progressing new turf at Nunweek Park.
 - Tonkin and Taylor have been commissioned to undertake a geo-tech report on Porritt Park. The results will assist in determining a course of action for the site.

Community Facilities

54. Eight facilities have sustained extensive damage necessitating closure:
- Heathcote Hall – anticipated this will re-open by the end of January.
 - Coronation Library, Akaroa – re-open end of January anticipated.
 - Stoddards Point Community Cottage – re-open end of January anticipated.
 - Little Akaloa Community Hall – re-open end of January anticipated.
 - St Martins Toy Library – re-open mid February anticipated.
 - Linwood Community Arts Centre – not yet known when will re-open.
 - Allendale Hall / Creche – future of this centre to be reassessed.
 - St Albans Resource centre – not yet known when will re-open.

Libraries

55. There has been superficial damage at most of the Council's Libraries. Insurance inspections and work scoping have been completed at all Community Libraries, and approval has already been given to proceed with remediation at five sites.
56. There are two Voluntary Libraries (Woolston and St Martins) with serious damage that is being assessed and options considered. Both have heritage status. The balance of Voluntary Libraries are still to be inspected for insurance purposes.

10. 2. 2011

25 Cont'd

Community Groups

57. Four teams are now implementing the Building Resilience and Networks (BRAN) project. The purpose of the project is to develop, strengthen and coordinate the Community Support response to the earthquake recovery in our local communities over the next six months as various steps of the larger macro remediation and repair projects commence.
58. Project Teams and their leaders are as follows:
 - South East Communities (Hagley/Ferrymead and Lyttelton/Mt Herbert) Project Team Leader - Clare Quirke.
 - East Communities (Burwood/Pegasus and Shirley/Papanui) Project Team Leader - Gary Watson.
 - North West Communities (Fendalton/Waimairi and Riccarton/Wigram) Project Team Leader - Deirdre Ryan.
 - South West Communities (Spreydon/Heathcote and Akaroa/Waiwera) Project Team Leader - Shailer Hart.
59. Teams of Community Development and Community Engagement Advisers are gathering relevant information pertaining to the earthquake recovery, including community organisations, residents groups and stakeholders.
60. Preliminary mapping of affected areas with demographic data, community infrastructure and support groups has commenced. A mobile information service has been piloted in the Hagley/Ferrymead and Burwood/Pegasus wards, and is receiving very favourable responses.

Safer Christchurch

61. The potential for increased crime rates has been identified as a result of the earthquake. Current research states that we can expect an increase in domestic violence for up to two years after the earthquake. Safer Christchurch are working with all relevant stakeholders to address this expected increase for demand on services and to proactively address this increase with preventative measures.
62. Safer Christchurch also plan to work with relevant organisations to address the issues of community safety and fears due to criminal activity as a result of vacant or abandoned properties. This work will be in collaboration with the Graffiti Office, Transport and Greenspace, Police, Neighbourhood Support and Fire.

HERITAGE

63. Recent aftershocks have continued to cause damage to heritage buildings, the Boxing Day aftershocks for the Central City in particular. Assessments of damage are being constantly updated and owners are faced with continuing challenges in making their buildings safe and weather-tight.
64. As noted in the December update report to Council, it is estimated that over 400 heritage buildings have had some damage as a result of the earthquake and aftershocks. Much of this damage will be minor, however this represents around 40 per cent of buildings listed in the Christchurch City Plan and Banks Peninsula District Plan. Further buildings were damaged in the Boxing Day aftershocks, however much of the damage was to buildings that previously had minor damage.
65. There have been 24 resource consents lodged for earthquake related work or demolition of listed heritage buildings - 19 for repairs, seven for demolition. These represent just a small number of the resource consents that can be expected for both repairs and demolitions based on recent pre-application discussion with building owners and plans that have been approved for make safe or stabilisation works. The numbers are expected to increase further as aftershocks necessitate repairs to buildings.

10. 2. 2011

25 Cont'd

66. Five listed heritage buildings have been demolished since 4 September 2010 (two were issued section 129 warrants due to the immediate danger they presented, one resource consent granted for demolition, and two demolished immediately following the earthquake). The listed heritage buildings that have been demolished to date are: 94 Victoria Street, 181 Victoria Street, 160 Manchester Street, 461a - 469a Colombo Street, 456 Colombo Street. No other listed heritage buildings currently have consent for demolition although staff are currently processing consent applications. A number of character buildings have been demolished and these can often be perceived as being 'heritage' buildings although they have no protection through the Christchurch City Plan or Banks Peninsula District Plan.
67. Heritage staff and consent planners continue to provide advice to building owners to assist them in working through repair options, and in understanding the regulatory processes they will need to follow with the Council and the NZ Historic Places Trust.
68. Guidelines are being produced to assist building owners with work on heritage buildings and these will be available on the website by February.
69. Heritage staff are working closely with other Council staff to ensure that heritage buildings within cordons are prioritised and the issue of section 124 notices consider heritage outcomes.
70. There are approximately 45 heritage assets in Council ownership or management that have been damaged through the earthquake and aftershocks. Discussions with Council's insurer and assessor are underway. Staff are working to complete stabilisation work and weather-proofing. Information is being compiled to inform scoping and preliminary costing of repairs.
71. Staff are working up options for a Heritage Order in Council to assist consent processing, following the Council resolution of 6 October 2010. This work will be reported to the Council prior to the Canterbury Earthquake Recovery Commission.
72. The first meeting of the Canterbury Earthquake Heritage Building Fund took place on Tuesday 18 January to agree the appointment of Independent Trustees. The Fund will now be open for applications. The Fund currently has approximately \$4 million, including the Governments match funding, and further donations are needed for this to be effective in meeting the anticipated demands for funding.

URBAN DESIGN

73. Currently staff are aware of plans for fourteen new commercial buildings on sites affected by the earthquake, largely in the central city. Over the last two years an average of two new commercial buildings have been constructed per annum in the central city, so if even a proportion of these plans proceed to construction there is likely to be an unprecedented building boom which has the potential to significantly affect the city. Some of these plans require resource consents but others are permitted activities or are utilising existing use rights.
74. To a large extent the Council has no control over the design or appearance of these buildings, or their impact on adjacent streetscapes. Staff and the Urban Design Panel continue to work with applicants through advocacy and persuasion, however there is no requirement for new developments to incorporate high quality design.
75. Proposed Plan Change 56 which is seeking to provide urban design controls in the Central City and Business 2 zones is being fast tracked. A draft plan change is expected to be reported to Council in September 2011. Under usual circumstances this plan change would not take effect until a decision on submissions is made in mid 2012 when a large proportion of plans for new buildings on sites affected by the earthquake would either be completed or underway. Staff are investigating alternatives including an application to the Environment Court to give the plan change immediate effect on notification due to the extraordinary circumstances brought about by the earthquake.
76. The post-earthquake exhibition by the New Zealand Institute of Architects will open on the 12 February 2011 in the foyer of the Art Gallery. The exhibition and associated panel discussions will address the built form of the city and the opportunities following the earthquake. As a second stage an ideas competition is being considered for specific areas in the city.

10. 2. 2011

25 Cont'd

77. Staff continue to work with Make Shift (Greening the Rubble) and Gap Filler, community initiatives to create temporary open spaces and to run temporary events on vacant sites. A successful temporary event space ran for two weeks in December on the former 'South of the Border' restaurant space. 'Victoria Green', a temporary open space on the former Asko site on Victoria Street is due to be constructed in February 2011.

COUNCIL OWNED BUILDINGS

78. The Boxing Day aftershocks, while significant events in their own right, tended to cause localised damage to Council facilities and engineering advice for the more recent aftershocks have indicated a relatively modest and again localised risk of damage. Staff and stakeholders have been asked to continuing to monitor and report on properties for indications of new damage however, at this point it is not intend to initiate a re-inspection program for all sites.

Corporate Accommodation

79. All sites are operational but with varying levels of damage:
- Hereford Street – The building related insurance claim/work is being progressed. Modest CCC claim.
 - Service Centres - Loss Adjusters & City Care are to scope and price remedial work.

Commercial Properties

80. Most buildings are operational but with varying levels of modest damage. Loss Adjusters & City Care are scoping and pricing remedial works.
- 163 Tuam St (*old Civic Offices*) - detailed structural assessments are completed with structural damage to some isolated areas. There are varying levels of surface damage throughout the building with remediation work underway.
 - (New) *Bus Exchange properties* - varying levels of modest damage with some remedial work underway (e.g. stabilisation of parapet wall on Mico Wakefield building).

Greenspace Buildings

81. Most buildings are operational but with varying levels of modest damage (several toilet blocks may be beyond repair). Loss Adjusters & City Care are scoping and pricing remedial work, with inspections under way.

Transport Buildings

82. All parking buildings are operational but with varying levels of modest damage. Loss Adjusters and City Care representatives are scoping and pricing remedial work with inspections underway.
83. The Bus Exchange (existing) is operational with significant damage to stairs. Insurance approval was given to proceed with remediation of stairwells (approx \$22,000). During this work further structural damage was identified and the stairs that provide access and egress for a number of stakeholders were deemed unsafe. The stairs have been fenced off, a revised evacuation plan has been agreed (between the three property owners) and temporary stairs erected to provide fire egress for the Discovery 1 School (across the top level of the car park building). A revised engineers report is being prepared with a new scope of work and price to be submitted to the Loss Adjusters. The reinstatement work is likely to take several months.

City Water & Waste Buildings

84. All Waste Transfer buildings are operational but with varying levels of modest damage. Some structural issues are being reviewed. Loss Adjusters and City Care are scoping and pricing remedial work with inspections under way.

10. 2. 2011

25 Cont'd**Christchurch Art Gallery**

85. The Art Gallery is fully operational but with varying levels of modest damage. Some damage to ceiling systems has been identified and these are currently under review. Loss Adjusters and City Care are scoping and pricing remedial work.

INSURANCE ISSUES

86. Council holds extensive insurance arrangements across its damaged infrastructure including facilities (buildings and other above-ground assets such as pump stations, toilet blocks, wharfs and jetties) and below-ground assets (covering stormwater, waste-water and water reticulation assets). Water and wastewater assets are covered by the Local Authority Protection Programme (LAPP) (40 per cent) and the Government (60 per cent). Other assets are covered by Civic Assurance. Financial support for reinstatement of roading assets is available through NZTA and Council will seek the maximum available subsidy of 90 per cent for these costs.
87. Council management are working closely with its insurers and their loss adjusters to put in place careful processes for estimating the damage caused by the earthquake and maximising the insurance payment available. These processes are structured to meet the insurer and re-insurers' requirements. Council is taking independent advice from its insurance brokers (AON) to ensure it maximises recoveries. Processes are designed to ensure that the full extent of loss is captured, confirmation of cover is made from LAPP or Central Government and sufficient detail is captured to substantiate each claim.
88. The insurance and subsidy claims to date have focused on the initial response to the emergency. These include:
- A claim for \$6.4 million lodged on 5 November 2010 relating to "caring for the displaced" (primarily costs incurred keeping people in their own homes). Central government paid \$3.3 million of this claim on 24 December 2010. A claim from Council's insurers will be made for \$2.1 million of the unpaid amount and reimbursement of the remainder (\$934,000) is being discussed with central government.
 - A second claim was lodged with central government on 17 December, for \$6.9 million of costs in caring for the displaced plus \$0.4 million for other response costs. Council is awaiting a response in regards to this claim but we anticipate receiving 60 per cent of the claim with the remainder falling under LAPP.
 - EQC have paid \$483,000 of claims to date, predominately for damage to housing units under \$10,000 in value.
 - A further claim will be lodged in February for infrastructure costs (as at 30 December 2010 we had incurred \$6.6 million) on Central Government and LAPP for their respective 60/40 split.
 - LAPP have advanced a \$12 million prepayment against costs incurred and discussions are underway with Government to agree a system of prepayment.

STAFF RECOMMENDATION

It is recommended that the Council receive the information contained within this report.

**26. REPORT BY THE CHAIRPERSON OF THE HERITAGE AND ARTS COMMITTEE:
MEETING OF 4 FEBRUARY 2011**

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. CONSERVATION COVENANT CONSENT – 68 MANCHESTER STREET, CHRISTCHURCH

General Manager responsible:	General Manager, Strategy and Planning Group, DDI 941-8281
Officer responsible:	Programme Manager, Liveable City
Author:	Brendan Smyth, Heritage, Architecture and Urban Design

PURPOSE OF REPORT

1. The purpose of this report is to obtain a Conservation Covenant Consent for the proposed demolition of the building at 68 Manchester Street, Christchurch. The Heritage Grants and Covenants Committee approved a Heritage Incentive Grant for renovation work in June 2009. As part of this funding approval the applicant signed a 15 year Limited Conservation Covenant.

EXECUTIVE SUMMARY

2. 68 Manchester Street is a part of a Group 3 listed commercial building designed by architect Samuel Farr in 1877, the other part being 72-76 Manchester Street. The whole building wraps around the south-east corner of Manchester and St Asaph Streets. The two storey building was one of a number of listed items on Manchester Street which contributed to the low rise classical street scene of the area, and its corner site on a major inner city thoroughfare gave the building landmark significance. 72-76 was occupied by the 'Country Themes' store while both shop units of number 68 were vacant with an apartment on the first floor. The ornate detailing of the building, including the round headed sash windows, key stones, pilasters and cornice frieze, and its attribution to Samuel Farr, gave the building architectural significance. **Attachment 1** provides a Statement of Heritage Significance.
3. The building is not registered by the New Zealand Historic Places Trust Pouhere Taonga (NZHPT).
4. The works for which grant funding was given in 2009 included the repair and repainting of the façade of the portion of 68 fronting Manchester Street. A redundant fire escape was removed, and the original shop front was repaired and restored. The second shop front, which had been modified in the past, was replaced with an historically accurate reconstruction to reinstate the appearance of the original façade of the heritage building. The grant given by the Council for the work was \$8,358, this being approximately a third of the total cost of the works undertaken.
5. The 4 September 2010 earthquake and aftershocks resulted in substantial damage to the building, particularly to the façade to Manchester Street but also to the foundations of this part of the building. The adjacent building, 72-76 Manchester Street was also damaged. The damage to Number 68 includes the following: the complete loss of the ornate parapets and failure of brick and plasterwork on facades; collapse of the verandah causing additional damage to the façade at former support points; significant bowing to the west façade; shear plane failures and out of plane failures of critical structural elements; and brick chimney collapse to roof level with further damage to chimney brickwork below roof level.
6. A resource consent application has been lodged and approved by the Council for the demolition of 68 Manchester Street, RMA 92017415 (approved January 2011). As part of the application for this consent the building owner engaged two structural engineers to assess the damage and the Council commissioned a third structural engineer to provide a peer review. This application includes a proposal for a new end wall to be formed if the remaining parts of the building, Numbers 72-76, are retained.

10. 2. 2011

26 Cont'd

7. As part of the resource consent process, the Council's heritage consultant Jenny May completed an assessment of the application for the demolition for the building and concluded that:

"In my opinion the proposed alteration to the building will result in a degree of loss of the architectural and artistic, technology and craftsmanship, group, setting and landmark values. The City Plan states that protection is important where this can be reasonably achieved for Group 3 items. However, I conclude, based on the fact that the proposed alteration affects approximately 25% of the building and that the damage to that 25% is such that little of the original fabric would be retained externally in the proposals to repair, reinstate and structurally upgrade, that the level of compromise to the heritage values is such that it would have an effect on the reasons for the inclusion in the listing of that section of the building. This factor considered in tandem with the engineer's cost estimates, the applicant's insurance cover, and the lack of available funding, I have concluded that the proposed alteration to the building is the only practical option.

While retention and repair of this section of the building is physically possible it would, under the current options available and given the degree of loss of physical fabric, further compromise the heritage values and result in a large degree of replication undertaken in modern materials. Given the significant additional costs this would result in for the applicant over and above their insurance, it is evident that this option is not economically viable for the applicant".

8. The Council Environmental and Policy Approvals Planner concludes in her Section 104 Report that:

Although there will be loss of heritage values due to the alteration (partial demolition) of the building, the event of the earthquake means that the architectural values (the most significant values at the time the building was listed in the Plan) of the building have already been irreversibly altered, even without the proposed alteration, to a point where they have little heritage value.

SCOPE OF WORK

9. Full demolition of the building at 68 Manchester Street with the construction of a new south facing external gable wall to 72 Manchester Street if this is retained.

FINANCIAL CONSIDERATIONS

10. There are no financial implications arising from a covenant consent.

LEGAL CONSIDERATIONS

13. The Limited Conservation Covenant was registered against the property title in 2009. The demolition proposed requires consent under the conditions of the covenant. Enclosed below is an extract from the Limited Covenant, Clause 6:

Should the Council in its own discretion determine that the Property has been completely destroyed or damaged, then the obligations of the Owner (save the Owner's obligations under Clauses 16 and 17 of this Fourth schedule) and the Council under this Covenant in respect of that part of the Property so damaged or destroyed shall immediately cease. Any termination pursuant to this clause shall be without prejudice to the rights of either party against the other.

CONSULTATION FULFILMENT

14. There is no requirement for community consultation for Heritage Conservation Covenant Consents.

10. 2. 2011

26 Cont'd

STAFF RECOMMENDATION

It is recommended, that the Heritage and Arts Committee resolves as follows:

- (a) That the building at 68 Manchester Street, Christchurch has been destroyed or damaged as a result of the 4 September 2010 earthquake and its associated aftershocks to such an extent that the heritage values of the building have been lost.
- (b) That accordingly approval be granted to the owner of the property to demolish the building.
- (c) That accordingly the obligations of the parties under the Conservation Covenant registered against the title to the property immediately cease.
- (d) That Council staff be authorised to provide a release of the Conservation Covenant to the landowner.

COMMITTEE RECOMMENDATION

The Committee recommends to the Council that in light of the resource consent decision granted on 28 January 2011 that it adopt recommendations (b) (c) and (d) as noted above.

27. ADDITIONAL FREE PARKING IN CENTRAL CITY

General Manager responsible:	General Manager City Environment, DDI 941-8608
Officer responsible:	Transport & Greenspace Manager
Author:	Karen Breward, Team Leader Parking

PURPOSE OF REPORT

1. The purpose of this report is to recommend to Council to offer additional free parking in the Central City from 1 February to 27 February 2011.

EXECUTIVE SUMMARY

2. Central City Businesses have asked for Council's continued support in offering "2 hours free parking at all Council Car Park Buildings".

FINANCIAL IMPLICATIONS

3. Loss of revenue compared to February 2011 budget:

Off Street Parking = \$135,000

Additional Cost for reprogramming Off Street parking control equipment = \$500

Total = \$135,500

4. Note 1: In the report to Council December 2010 the December and January impacts were calculated by estimating the number of hours that would be free. The February estimate is based on the actual impact of the extra free parking for the month of January which was 70 per cent of January 2010 (30 per cent reduction).
5. Note 2: See **Appendix 1** – Graph of Off Street Parking number of parking events for the current and previous two years. This shows that the extra Free Parking helped bring more vehicles into the city, however it did not restore the parking events to the level of the previous two years.

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

6. No – however the LTCCP does allow for 1 hours free parking currently at four Council Parking Facilities (Lichfield Street, Manchester Street, Farmers & The Crossing) and free weekend parking on Saturday's and Sunday's at Manchester & Tuam Street Parking Facilities.

LEGAL CONSIDERATIONS

7. No

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

8. Yes

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

9. No – however the LTCCP does allow for 1 hours free parking currently at four Council Car Park Buildings.

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

10. No – This Level of Service is beyond the level of service in the Parking Activity Management Plan.

10. 2. 2011

27 Cont'd

ALIGNMENT WITH STRATEGIES

11. Council's Parking Strategy 2003 (currently under review as part of one Christchurch Transport Plan)

Do the recommendations align with the Council's strategies?

12. Yes

CONSULTATION FULFILMENT

13. Not applicable

STAFF RECOMMENDATION

It is recommended that the Council:

Provide additional free parking in the central city during the period from 1 February until 27 February 2011.

28. TERMS OF REFERENCE

To be separately circulated.

**29. REPORT BY THE CHAIRPERSON OF THE REGULATORY AND PLANNING COMMITTEE 2
FEBRUARY 2011**

PART A - MATTERS REQUIRING A COUNCIL DECISION

**1. WEATHERTIGHT HOMES RESOLUTION SERVICES (FINANCIAL ASSISTANCE PACKAGE)
AMENDMENT BILL**

General Manager responsible:	General Manager Regulation and Democracy Services, DDI 941-8462
Officer responsible:	Environmental Policy & Approvals Manager
Author:	Steve McCarthy

PURPOSE OF REPORT

1. The purpose of this report is to present to the Council a draft submission (**Appendix 1**) on the Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill (**Appendix 2**) and outline further details on the operational design and process framework for the Government's Financial Assistance Package for Leaky Homes.

EXECUTIVE SUMMARY

2. The Council has previously considered the Financial Assistance Package from the Government, in response to the leaky buildings issue, on 27 May and 23 September 2010. The key information has been repeated in this report and the 23 September 2010 report (**Appendix 3**).
3. The Council agreed in both May and September to become a party to the package, provided 25 per cent of the remediation cost would be met by each of the Government and Territorial Authorities, leaving homeowners to fund 50 per cent of the remediation costs with access to loan funding and the ability to make further claims against builders, developers or other parties.
4. The Council resolution passed in September included:
 - *Agreeing to participate in the financial assistance package for owners of leaky homes, conditional on the Government passing legislation to address the litigation risk for Councils by third parties, or, if legislation is not able to be passed, that an alternative method to "cap" council liability is found, and agreed by the Council.*
 - *Noting that the decision did not require a special consultative procedure as it did not come within section 97(1)(d) of the Local Government Act 2002, for the reasons outlined in the report.*
 - *Agreeing that the Council will not apply for assistance to repair any Council owned leaky homes under the financial assistance package.*
 - *Agreeing to advise the Government of its decisions*
 - *Delegating the Chief Executive to continue to work with Government officials and the Local Government sector to agree any final details of the financial assistance package including on the litigation risk, insurance issues and lobbying further to exclude commercial retirement villages from eligibility under the package*
5. The Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill largely addresses the issues previously raised by the Council by amending the Weathertight Homes Resolution Services Act 2006 to facilitate the delivery of a financial assistance package to eligible owners of leaky homes (eligible homeowners). The financial assistance package aims to help improve eligible homeowners' access to finance required to repair their homes and to divert litigation costs toward repair costs. The high-level design parameters of the financial assistance package are:

10. 2. 2011

29 Cont'd

- The Crown and the participating territorial authority will each provide a 25 per cent direct payment to agreed repair costs. However, the participating territorial authority will only make a direct payment if it signed off the work.
- If an eligible homeowner opts into the scheme, the homeowner must agree not to sue the participating territorial authority and the Crown (eligible homeowners will still be able to pursue legal action against other parties).
- The Crown will provide assistance to eligible homeowners in accessing bank finance for the remaining agreed repair costs by offering credit support to banks (by way of a limited Crown guarantee or indemnity) for loans made to eligible homeowners who can meet the banks' lending criteria.

The key features of the Bill include:

- Capping the liability of participating territorial authorities (in accordance with a contribution agreement) and the liability of any other contributing parties (for instance, other solvent defendants) for claims being addressed through the financial assistance package. This will help ensure that the financial assistance package diverts litigation costs toward repair costs. If participating territorial authorities or other contributing parties are joined to litigation where they have paid a contribution through the financial assistance package, they will face both the cost of the package and potential ongoing costs of litigation, if any.
 - Removing the Crown's liability for the failure of repairs made under the financial assistance package and any losses suffered as a result of the actions of the Department of Building and Housing or the Crown under the financial assistance package process. The amendment recognises that the Crown is making a significant contribution to solving the leaky-home problem where it has no liability to do so.
 - Authorising the appropriate Minister to give a Crown guarantee or indemnity in respect of loans for repairs made under the financial assistance package.
 - Limiting the period in which eligible homeowners may apply to enter the financial assistance package to five years from the time the financial assistance package becomes operational
6. The Chief Executive and Council staff have worked closely with the other major Metropolitan Councils, Local Government NZ and the Department of Building and Housing on developing the draft operational design and process framework to support the financial package. The Bill addresses the key issues and the operational design and process framework documents contain the detail. A flow diagram from the operational design and process framework documents (**Appendix 4**). This shows critical points in the process where Territorial Authorities agree the eligibility of the claim, reviews the repair plan, agrees to contribute (if appropriate), issues a building consent and inspects the repairs.
7. Submissions on the Bill close on 18 February 2011. The attached draft submission (**Appendix 1**) proposes that Council supports the Bill. It identifies that the Council does not support the package being made available to large commercial "retirement villages" and includes a number of legal points which, if changed, would help to clarify aspects of what is proposed.

FINANCIAL IMPLICATIONS

8. This report principally presents a draft submission on the Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill. It remains extremely difficult to provide a reliable estimate of how much extra budget might be required, if any, if the Bill is passed into law. The proposal has ongoing financial implications for the period the scheme will be in force, five years from the passing in law of the Act (expected to be effective from 1 July 2011).

10. 2. 2011

29 Cont'd

9. The Council currently has \$1 million per annum in its 2010/11 to 2015/16 budgets to meet weathertight homes claims. This figure of \$7 million overall has been based on the Council's previous history of resolving claims under the Weathertight Homes Resolution Service Act 2006 and provides for claimants that would up until now utilise the existing Weathertight Homes Resolution Service (WHRS).
10. The status of existing claims is that we have 94 claims registered with the WHRS and three in the District Court. The Council has already settled 134 claims. More recently, since June 2007 - 56 claims, concerning 135 property units have been settled. Of these, 51 were WHRS claims, four District Court and one High Court claim. The average settlement amount paid by the Council or its insurers was \$64,649 which included legal expenses. This coincidentally represents 25 per cent of the claimed amount but the claimant only received an average of \$39,805 (15.6). The balance was paid in legal expenses.
11. The initial Government proposal estimated that the Council will incur \$20 million over the next five years if 50 per cent of claimants take up the scheme. If 70 per cent take up the scheme then the Council will incur \$28 million over the next five years.
12. Council staff have previously analysed the Government projections. Their estimates at that time were that there could be between 20-30 per cent take up of the Government scheme. This could require a further Council contribution of between \$8-12 million in the next five years. For the balance of the homeowners of 'at risk' homes, the Council does not expect to get any claim. In summary, the reasons are that owners are in denial, have already made or will make repairs, or cannot afford to contribute themselves.
13. Under the scheme, the Council may require a further contribution, in addition to the \$7 million already included within the LTCCP. This is not certain and it is extremely likely that the settlement of claims will be spread over the remaining five years and therefore the additional annual commitment is not material and will not trigger a section 97(1)(d) consultation requirement.
14. A report received from Melville Jessup Weaver, Actuaries, who work for major metropolitan councils including Wellington and Auckland, suggest that there are likely to be further savings for the Council for existing claims where claimants opt into the Financial Assistance Package (FAP) proposal. Their expectation is that the cost of existing claims will reduce from \$6,772,000 to \$4,241,000. This represents a reduction of \$2,531,000 for existing claims and would partially offset new claims under this scheme.

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

15. Yes. The Financial Assistance Package may require Council to make some extra provision in its 2009-19 LTCCP and 2011/12 to 2015/16 Annual Plans for extra funding to meet the potential increase in claims. The projections are uncertain as the majority of extra claims are presently unknown and Council is only receiving 14-15 extra claims per year, at present.

LEGAL CONSIDERATIONS

16. The Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill has been reviewed by the Legal Services Unit. The provisions of the Bill are effective in facilitating the delivery of financial assistance to eligible owners of leaky homes while protecting the contributing parties from subsequent litigation.

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

17. The legal review identified a number of legal points which, if changed, would help to clarify aspects of what is proposed in the Bill. These have been included in the proposed submission (**Appendix 1**).

10. 2. 2011

29 Cont'd

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

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

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

19. Yes.

ALIGNMENT WITH STRATEGIES

20. The Council has historically provided for claims and has an ongoing legal responsibility imposed by the Weathertight Resolution Service Act 2006.

Do the recommendations align with the Council's strategies?

21. Yes.

CONSULTATION FULFILMENT

22. There has been extensive consultation with the other major Metropolitan Councils and the Department of Building and Housing, to address issues of concern and give effect to the Council's previous resolution to participate in the package subject to the resolution of these issues. There has also been the development of the draft operational design and process framework with these parties, to support the package.

STAFF RECOMMENDATION

That the Council:

- (a) Note that the Council agreed previously to participate in the financial assistance package for owners of leaky homes, conditional on the Government passing legislation to address the litigation risk for Councils by third parties
- (b) Note that the Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill generally addresses the key issues previously identified with the scheme.
- (c) Note that the Chief Executive and Council staff have worked closely with the other major Metropolitan Councils and the Department of Building and Housing on developing the draft operational design and process framework to support the financial package.
- (d) Forwards the submission on the Weathertight Homes Resolution Services (Financial Assistance Package) Amendment Bill, (as amended) attached as **Appendix 1** to this report.
- (e) Reserves the right to address the Council submission during the Select Committee hearing process.

COMMITTEE RECOMMENDATION

That the staff recommendation be adopted.

30. REPORT OF THE CENTRAL CITY COMMITTEE - TURNERS AND GROWERS SITE

General Manager responsible:	Michael Theelen, General Manager, Strategy and Planning Group, DDI 941-8281
Author:	Ian Thomson, Solicitor, Legal Services Unit on behalf of the Central City Committee

PURPOSE OF REPORT

1. The purpose of this report is to:
 - (a) bring back to the Council the report presented to the meeting on 16 December 2010;
 - (b) provide Councillors with additional information given to and considered by the Central City Committee;
 - (c) make recommendations with regard to the development of the Turners and Growers site.

EXECUTIVE SUMMARY

2. At its meeting on 16 December 2010 the Council discussed a report on the latest development proposed for the Turners and Growers site.
3. The Council resolved that the report be deferred and considered by the Central City Committee and reported back to the Council.
4. The committee's recommendations are set out in this report.

FINANCIAL IMPLICATIONS

5. Financial information was provided to Councillors in the report to the 16 December 2010 meeting. There are no financial implications arising from the Central City Committee's recommendations.
6. In terms of the financial arrangements proposed in this report, and if the development proceeds as planned:
 - (a) at the expiry of the 12 year lease period, the Council will have received \$4 million for the land, a \$2 million one-off payment from UWC and up to \$720,000 in rental payments.
 - (b) the substantive benefit to the City, however, will be from the development of a comprehensive mixed use residential and commercial neighbourhood that will contribute significantly to the the life and the revitalisation of the central city. The development accords with the objectives of the central city revitalisation strategy and the greater Christchurch urban development strategy.

LEGAL CONSIDERATIONS

7. There has been no change to the advice provided to Councillors in the report to the 16 December 2010 meeting.

CONSULTATION FULFILMENT

8. The recommendations of the Central City Committee do not require the Council to consult further on this matter.

RECOMMENDATIONS

The Central City Committee recommends that the Council:

- (a) notes that UWC has decided not to develop the Turners and Growers site in accordance with the proposal agreed to by the Council in 2006.
- (b) agrees that the development now proposed by UWC meets the objectives originally sought by the Council.

10. 2. 2011

30 Cont'd

- (c) approves the development proposed by UWC (Roger Walker concept 2010).
- (d) agrees that subject to the completion of a new agreement with UWC the Turners and Growers site is to be immediately transferred back to the ownership of the Council for the same price that the UWC agreed to pay in 2006.
- (e) authorises the chief executive to negotiate and complete on behalf of the Council a new agreement with UWC, on the terms outlined in the schedule attached to these resolutions, noting that the chief executive will obtain specialist legal advice in the preparation and execution of the agreement.
- (f) authorises the chief executive to negotiate and complete on behalf of the Council the sale to UWC of the Council-owned land adjacent to the Turners and Growers site, on terms and conditions that reflect the market value of the land.
- (g) authorises the chief executive to sign all documents and to enter into such arrangements that are necessary to achieve a completed development on the Turners and Growers site that is in accordance with the proposal approved by the Council.
- (h) requires the new agreement to satisfactorily address the assurances given by UWC as to the configuration and operation of the hotel, the apartment building, residential town houses, the public open space and any retail and commercial retail spaces proposed for the site.
- (i) confirms the Council's original requirement that the Turners and Growers site contain no more than 1500 m² of retail space and that this space be focused on supporting the needs of the residential community established on and in proximity to the site.
- (j) agrees that if the principal residential stages 1 and 2 are not completed within 3 years of the date of the new agreement the lease to UWC of the whole of the site may be terminated by the Council with no compensation payable.
- (k) agrees that if the principle residential stage 3 is not completed within 7 years from the date of the new agreement the lease referred to in (j) above may also be terminated by the Council with no compensation payable.
- (l) agrees that if the Council exercises its right to terminate the agreement within 3 years from the date of the agreement then UWC will pay to the Council the sum of \$64,266.24, being the difference between the purchase price paid by UWC for the Madras Street site (384sq.m @ \$167.36 per sq.m) and the price agreed to be paid for the balance of the site (\$334.72 per sq.m).

BACKGROUND

- 9. A history of the proposals for developing the Turners and Growers site is included in the "background" section of the report presented to the Council at its meeting on the 16 December 2010. A copy of the report is attached as Appendix A.

DEVELOPMENT CONSENT

- 10. UWC has applied for resource consent to develop the first stage of the residential development. Consent has now been granted and the developer is proceeding with detailed design, ahead of lodging a building consent application. The resource consent provides for 40 residential units in a number of configurations.
- 11. In terms of materials the design has identified a palette of modern cladding materials, used in a manner to accent the style and form of the building and to break up the over-all bulk. The surfaces included Eter-pan, a fibre cement wall cladding, coloursteel, aluminium, cedar and brick.

30 Cont'd

12. In addition to the surface finishes the design does positively reflect the over all urban design goals established by the Council for the over all development, which were set out in section 5.0 of the report to the 16 December 2010 meeting. As noted there the design and scale of the proposal were considered to be a significant improvement over the original plan agreed to by the Council in 2006 and is much more in keeping with the over all direction for the locality and its residential focus. The present design is also considered to be more sympathetic to the over- all Christchurch form.
13. The current proposal was submitted to the Urban Design Panel. The members of the panel were David Sheppard (Conveenor), Jasper Van der Lingen, Nichole Lauenstein and Graham McDonald. Mr Sheppard and Ms Lauenstein are qualified in both architecture and urban design. Mr Van der Lingen is an architect and Mr McDonald is a property expert/valuer.
14. The panel commended the applicant on the design, and in particular what it saw to be good quality affordable housing and a good awareness of the over all context of the development and design outcomes. The panel made a number of suggestions most of which were addressed in the final plans to the satisfaction of the Council's urban design and consent staff.
15. A copy of the panels' report is attached as Appendix B.

TERMS OF AGREEMENT

16. A summary of the terms to be contained in the new agreement between the Council and UWC is attached as Appendix C. the options

OPTIONS

17. Information about the reasonably practicable options available to the Council is contained in the report presented to the 16 December 2011 meeting.

31. NOTICES OF MOTION

To consider the following motion, notice of which was given by Councillor Carter and pursuant to standing order 3.10.1:

That Christchurch City Council establish an earthquake recovery committee.

That the terms of reference for this committee include:

- (a) To oversee and coordinate the council's response and appropriate support for the recovery and reconstruction, Ward by Ward, of Christchurch following the recent earthquakes, including:
 - (i) Reviewing the processes and procedures for assisting ratepayers with assets affected by the earthquakes;
 - (ii) Regular updates of the cost of renewing Council owned infrastructure damaged by the earthquakes and aftershocks;
 - (iii) Updates on the insurance on this infrastructural renewal and require council officers to provide early identification of any cases of underinsurance;
 - (iv) Liaise with Central Government for financial support for the rebuilding of Christchurch;
 - (v) Any items peculiar to any area and of any matter which warrants special attention by the full Council to rebuild the city;
- (b) To report regularly to the public on all matters covered by item (a).
- (c) Monitoring of the councils timely performance in processing Resource and Building consents required as a result of the recent earthquakes.
- (d) To hear deputations from the community, and Community Boards, on earthquake recovery issues which the community wishes to raise.

32. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.