

24. 11. 2011

26. CCC – CDHB LAND EXCHANGE

General Manager responsible:	General Manager, Strategy and Planning Group, DDI 941-8462
Officer responsible:	Programme Manager, Strong Communities
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PURPOSE OF REPORT

1. To seek approval for accelerating the legislative process (**Attachment 1**) required to achieve the exchange of land agreed upon by the Council and the Canterbury District Health Board (CDHB).

EXECUTIVE SUMMARY

2. Attached to this report is a copy of the Council's resolutions (**Attachment 2**) passed at its ordinary meeting on 23 July 2010.
3. The Council agreed to proceed with the proposed land transfers and the steps necessary to implement this. The exchange was to include the transfer of the Nurse's Memorial Chapel and land to the Council.
4. A draft bill was prepared and discussed by staff from the CDHB, Ngai Tahu and the Council. Before this could be finalised and brought back to the Council for approval, the process was interrupted by the September 2010 earthquake.
5. A similar thing happened in February 2011, when work had started again on the matter.
6. Since then both CDHB and Council staff have been focussed on issues arising from the earthquakes. However, the impact of those events has resulted in the CDHB looking to bring forward its plans for the redevelopment of Christchurch Hospital. The CDHB would like to accelerate the process for the exchange of land.
7. It is proposed that Council and CDHB staff approach the Canterbury Earthquake Recovery Authority (CERA) to discuss whether or not an Order in Council would be an appropriate legislative mechanism to use. If made, an Order would effect the necessary statutory amendments required to complete the exchange and take less time than it would for a local bill to be enacted.

STAFF RECOMMENDATION

It is recommended that the Council resolves to:

- (a) authorise Council staff to meet and discuss with CERA a proposal that the land exchange agreed to by the Council and the Canterbury District Health Board as part of the development of Christchurch Hospital be effected by an Order in Council made under the Canterbury Earthquake Recovery Act 2011.

FINANCIAL IMPLICATIONS

- 8 The Council and the CDHB have agreed to share all costs incurred in respect of the exchange of land. The process for an Order in Council to be made would be less complex, take less time and would be less expensive than preparing a local bill and taking it through the Parliamentary process.

LEGAL CONSIDERATIONS

9. The Christchurch City (Reserves) Empowering Act 1974 sets out the purposes for which certain reserves in Christchurch (including Hagley park and the botanic gardens) are held. The Act defines the location and size of Hagley park and includes the land sought by the CDHB.
10. The Christchurch Hospital Act 1887 (as amended) transferred to the North Canterbury Hospital District (now the CDHB) the buildings used for the purposes of Christchurch hospital, together with its grounds. That land, including the area to be exchanged with the Council, is also a reserve (**Attachment 3**).

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11. The Christchurch City (Reserves) Empowering Act specifically excludes the exchange of reserves for other land. The Act must therefore be amended to allow the exchange to be completed. The Hospital Act also prevents a sale or transfer of land connected with the hospital and this Act will have to be amended as well.
12. To date it has been proposed that the Council would promote an amendment to the Empowering Act which, if passed, would amend the Hospital Act too. Although the draft bill was close to completion, it would still be at least a year before it was enacted.
13. Any speeding up of the process would be for the purposes of recovery from the earthquake. These events have reinforced the need for a strong and stable hospital and health service in Canterbury and the Christchurch Hospital redevelopment is a key part of that.
14. The Legal Services Unit believes that the statutory amendments required to effect the land exchange could be made by way of an Order in Council under the Canterbury Earthquake Recovery Act 2011. The matter has been briefly discussed with CERA staff who have indicated a willingness to explore this option.
15. If the staff recommendation in this report is adopted and steps taken for an Order to be made are successful then it is likely that the process could be completed by the end of the first quarter of the 2012 year.

BACKGROUND

16. In the first half of 2010 the Council and the CDHB undertook a joint consultation process that included both the Christchurch Hospital redevelopment proposal and the exchange of land. A hearings panel was appointed and its report was considered by the Council at its meeting on 23 July 2010.
17. A copy of that report is attached, including maps and diagrams. This document provides a comprehensive background of the matter for those Councillors unfamiliar with the proposed redevelopment and/or land exchange.
18. The CDHB has advised that the earthquakes have reduced bed capacity at Christchurch Hospital and a number of significant buildings and infrastructure services have been damaged or interrupted. There is a substantial programme underway of invasive inspections and engineering reports which is expected to conclude that a range of key clinical buildings are no longer up to the standard required for a tertiary hospital facility.
19. The recovery plan prepared by the CDHB is substantive and includes a range of building projects that not only deal with the effects of the earthquakes but are also being undertaken in the context of the proposed redevelopment. Therefore whilst work has been continuing on the redevelopment, the impact of the earthquakes has meant that more urgency needs to be applied to the process.
20. Attached is a copy of a letter from the Chief Executive of the CDHB confirming the Board's position. The letter also confirms that the areas of land to be exchanged are unchanged.
21. It should be noted that test drilling has been carried out, including on land close to the river. The CDHB has no concerns about the geotechnical state of the land to be used for the development.
22. The CDHB has also advised that the highest engineering standards will be used. The new buildings will be rated at level 4 in importance under the seismic code.