

# **CHRISTCHURCH CITY COUNCIL AGENDA**

**THURSDAY 14 JUNE 2012**

**9.30AM**

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

## CHRISTCHURCH CITY COUNCIL

**Thursday 14 June 2012 at 9.30am**  
**in the Council Chamber, Civic Offices, 53 Hereford Street**

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

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**1. APOLOGIES**

**2. DEPUTATIONS BY APPOINTMENT**

2.1 Deputation from the Combined Churches regarding item 19.

**3. PRESENTATION OF PETITIONS**

**4. REPORT OF A MEETING OF THE LYTTTELTON/MT HERBERT COMMUNITY BOARD:  
MEETING OF 1 MAY 2012**

Attached.

**5. REPORT OF A MEETING OF THE LYTTELTON/MT HERBERT COMMUNITY BOARD:  
MEETING OF 15 MAY 2012**

Attached.

**6. REPORT OF A MEETING OF THE RICCARTON/WIGRAM COMMUNITY BOARD:  
MEETING OF 1 MAY 2012**

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MEETING OF 2 MAY 2012**

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MEETING OF 18 MAY 2012**

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MEETING OF 14 MAY 2012**

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**14. REPORT OF A MEETING OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD:  
MEETING OF 30 APRIL 2012**

Attached.

**15. REPORT OF A MEETING OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD:  
MEETING OF 15 MAY 2012**

Attached.



**16. REPORT OF A MEETING OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD:  
MEETING OF 2 MAY 2012**

Attached.

17. MAYORAL TRAVEL IN SUPPORT OF CIVIC AND INTERNATIONAL RELATIONS

<b>General Manager responsible:</b>	General Manager Public Affairs, DDI 941-8682
<b>Officer responsible:</b>	Marketing Manager
<b>Author:</b>	Manager Civic and International Relations

**PURPOSE OF REPORT**

1. To seek approval for:
  - An amendment to the Council's 2005 International Relations Policy specifying that Mayoral travel to Sister Cities and other strategic partners of the city is a key tool to be used to develop these relationships for the benefit of the city and that approval is given for the Mayor, accompanied by the Mayoress to visit each of our seven sister cities once per three year term.
  - Travel by the Mayor and Mayoress to Sister City partners, in support of the city's key international relationships, during the next twelve months.

**EXECUTIVE SUMMARY**

2. Christchurch City Council maintains and develops international relationships that contribute to the city's Community Outcomes and the Council's Strategic Directions. The Council's 2005 International Relations policy emphasises the following Outcomes:
  - (a) A Prosperous City (promoting international investment, access to best practice and technology, and educational opportunities);
  - (b) A City of Inclusive and Diverse Communities (bringing cultural experiences to the city and promoting cultural awareness about different communities both visiting and living in Christchurch); and
  - (c) A City of Lifelong Learning (promoting international education exchanges and attracting high-calibre international students to study and research in Christchurch).
3. The majority of work on these important relationships is conducted remotely and at the staff level, through constant dialogue with counterparts overseas, work together on joint projects, and via cooperation and coordination with our six Sister City Committees and with other Christchurch organisations, particularly Canterbury Development Corporation (CDC), Christchurch and Canterbury Tourism (CCT), Christchurch International Airport Limited (CIAL), the Chamber of Commerce, and Study Christchurch. This work can be given significant impetus, however, by well-timed travel by the Mayor. The presence of the Mayor at a key meeting or event can secure access to leaders and key decision-makers which would otherwise not be possible. It also attracts significantly more foreign media coverage and raises the profile both of the event and the city more widely. This is particularly the case in the Asian region, where Mayoral visits are accorded great significance. For this reason, a Mayoral travel programme is recommended as a key tool in developing the city's international relationships and an amendment to the International Relations Policy, to reflect this, is proposed.
4. During 2012, New Zealand will mark a number of important foreign policy milestones, and celebrations and events around these milestones will offer further opportunities for Christchurch to advance some key relationships in cooperation with central government. New Zealand's formal relations with China, Korea and Japan reach their 40th, 50th and 60th anniversaries this year. It is also 70 years since New Zealand established formal diplomatic relations with the United States of America. Travel to our Sister Cities in each of these countries offers the opportunity to honour these anniversaries, work with central government and advance our city-to-city links. Accordingly it is recommended that the Mayor visit the Sister Cities of Gansu, Wuhan, Kurashiki, Songpa-Gu and Seattle later this year.

17 Cont'd

5. The details of this travel will be confirmed over the next month, based around the above anniversaries and key Sister City projects. The visits to several Sister Cities are being combined in order to minimise travel cost and time. A visit to our Sister City of Adelaide is not proposed in 2012, however an invitation to the Lord Mayor of Adelaide to visit Christchurch is under discussion, to mark the 40th anniversary of that Sister City connection and to advance a number of joint projects.

**FINANCIAL IMPLICATIONS**

6. There is provision for international travel by the Mayor and Mayoress within the mayoral travel budget of approximately \$42,000 per annum. It is expected that travel to Sister Cities would be allocated from within this budget.

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

7. Yes. There is provision within the CIR budget for international travel by a Civic and International Relations staff member, in order to support the Mayor and work with overseas counterparts.

**LEGAL CONSIDERATIONS**

8. Nil.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

9. Civic and International Relations Activity 5.0. and LTP 2009-19 Economic Development, Civic and International Relations, pg 150.

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

10. Yes Maintain and develop strategic city to city programmes. (LTP 2009-19 Economic Development, Civic and International Relations, page 150).

**ALIGNMENT WITH STRATEGIES**

11. This report reflects the Council's Strategic Directions document; the 2005 International Relations Policy; and the 2000 Sister Cities Strategy.

**Do the recommendations align with the Council's strategies?**

12. Yes.

**CONSULTATION FULFILMENT**

13. Not applicable.

**STAFF RECOMMENDATION**

It is recommended that the Council approve:

- (a) An amendment to the Council's 2005 International Relations Police specifying that Mayoral travel to Sister Cities and other strategic partners of the city is a key tool to be used to develop these relationships for the benefit of the city and that approval is given for the Mayor, accompanied by the Mayoress to visit each of our seven sister cities once per three year term.
- (b) Travel by the Mayor and Mayoress to Sister City partners, in support of the city's key international relationships, during the next twelve months.

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**BACKGROUND (THE ISSUES)**

Our Sister City partners

14. Christchurch has six Sister City Relationships and one Strategic Partnership. Our Sister Cities are Adelaide, Australia (since 1972); Christchurch, UK (1975); Gansu, China (1984); Kurashiki, Japan (1973) and Songpa-Gu, Korea (1995). The Strategic Partnership with Wuhan was agreed in 2006.
15. Each of the Sister City relationships are coordinated and promoted by a community-based Committee. Elected members may sit on these Committees - the Council's Sister Cities Strategy document, adopted in 2000, provides for each Committee to include a minimum of one and maximum of two elected members. The Committees also draw in representation from other key city agencies with an international focus – for example, the Christchurch/China Friendly Relations Committee has a member from the Canterbury Development Corporation (CDC) and the Christchurch/Adelaide Sister City Committee has a member from Christchurch and Canterbury Tourism (CCT).
16. Council staff from Civic and International Relations (Marketing Unit/Public Affairs Group) oversee and assist the Committees and manage their annual applications for funds. The Sister City Committees receive a small annual administrative grant plus modest seed funding for new projects which meet the objectives of the Council's Sister Cities Strategy and International Relations policy. The Council provides each Committee with a free venue for meetings, under the terms of the 2000 Strategy.
17. Sister City relationships and other international partnerships provide diverse benefits and opportunities for the city. Independent research commissioned by the Auckland City Council in 2007 found that its international partnerships facilitated an additional \$55 million of GDP to the Auckland economy each year and while a detailed economic analysis of this nature has not been carried out for Christchurch's international partnerships, clear benefits have accrued for the city as a result of our longstanding Sister City links plus the more recent Strategic Partnership and additional international relationships, such as those developed in connection with our role as an Antarctic Gateway City.

China

18. **GANSU:** Sister City connections are a very significant concept within the Asian region. This Sister City relationship reflects the historical ties between the Chinese province in which Rewi Alley lived and worked and his country of origin (he was born in Springfield). Rewi Alley is a highly revered figure in China, honoured for his dedication over 60 years in helping ordinary Chinese working people. As a result this Sister City relationship is frequently honoured by the Chinese side, including during the 2009 visit to Christchurch of the Chinese Vice-Premier Li Keqiang, and the visit in April 2012 by Chairman Jia. While the Chinese economy is growing rapidly, Gansu in the isolated north-east remains relatively poor and the work of the Committee frequently focuses on assistance, for example through the provision of teachers. Training opportunities for Gansu officials are also being explored with University of Canterbury. In addition, Gansu province offers two annual scholarships for young students/youth ambassadors nominated by the Sister City Committee, which offer a unique opportunity for young Cantabrians studying the Chinese language.
19. **WUHAN:** April 2012 marked the 6th anniversary of the Strategic Partnership between Christchurch and Wuhan. This is one of the city's fastest-growing international connections. The Wuhan Government puts considerable resources into the relationship, including separate visits to Christchurch by both their Mayor and Deputy Mayor in 2009. The Strategic Partnership was also a factor in the inclusion of Christchurch in the programme for the State Visit to New Zealand by Chinese Vice Premier Li Keqiang in November 2009, which gave Christchurch a high profile in Chinese national news at the time.

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20. The Strategic Partnership continues to develop to the benefit of both cities. The relationship assisted in the decision of the Chinese Government to fund New Zealand's second Confucius Institute at the University of Canterbury (UC) which opened in 2009. In September 2009, UC concluded an agreement on a joint PhD programme with the China Scholarship Council, which enables PhD students from Wuhan to apply for scholarships to study at UC. A 'Friendship City Scholarship Programme', which has operated since 2006, has brought over 30 Wuhan students to study at UC. Another 20 Wuhan students will be joining UC in 2012. This is to be an annual programme with UC receiving groups every year from Wuhan's Zhongnan University of Economics and Law (ZUEL), who then complete their double-degree studies at UC after two and a half years of study in China.
21. Collaborative business ventures have also grown out of the partnership with Wuhan, including a partnership recently formalised between local architectural firm Warren and Mahoney and the Central-South Architectural Design Institute (CSADI) in Wuhan. CSADI and Warren and Mahoney are now working together to jointly bid for architectural contracts in China. Canterbury Development Corporation is also investigating the scope for collaborative work on 'green tech' projects with Wuhan Biolake, a high-tech start-up zone.
22. There is also an Antarctic strand to the relationship with Wuhan, as the Chinese Antarctic Centre of Survey and Mapping is based at Wuhan University and works with UC's Gateway Antarctica. The Chinese Antarctic Programme is growing rapidly and is now the largest Antarctic programme in the world. China has ambitious plans to build three bases on Antarctica and sends an icebreaker there every year (the *Xue Long* called at Lyttelton on its way to and from Antarctica during the 2009/2010 summer season). Positioning Christchurch as a key gateway to the ice and reinforcing our links with the Chinese programme will deliver opportunities and benefits to the city. (CDC research in 2007 found Antarctic-related activities contributed over \$87 million to the Canterbury economy.)

#### Kurashiki, Japan

23. 2013 will mark the 40<sup>th</sup> anniversary of the Christchurch/Kurashiki Sister City relationship. The Japanese Ambassador is keen to develop this Sister City relationship further and the Sister City Committee has received a proposal to organise a Business Expo around activities marking the 40<sup>th</sup> anniversary. This proposal is in the process of being canvassed with Christchurch businesses.

#### Seattle, USA

24. The Sister City relationship with Seattle dates from 1981 and a mayoral visit from Christchurch last took place in 2005. A huge range of joint projects have been instigated under the auspices of this relationship over the last thirty years, involving the education, arts and culture, high-technology and medical sectors. Christchurch's HITLab, based at UC, is a sister lab to the original HITLab at Seattle's University of Washington. This Sister City link also has an Antarctic strand, as the majority of US Air Force personnel working for the US Antarctic Programme come from the McChord Air Force Base in Seattle.

#### Adelaide, Australia

25. An annual school exchange between South Hornby Primary School and an Adelaide school has grown out of this connection, for which the Committee provides modest support and South Hornby raises some \$20,000 in community fundraising. Education and cultural exchanges were a feature of the relationship in its early years, and the education and research sectors remain involved. In recent years, the Committee has encouraged increased cooperation between Lincoln University and the University of Adelaide's agricultural campus, including in the winemaking sector (cooperation with the Australian Wine Research Institute) and the biotech sector (the Director of BioSA, a bioscience business 'incubator', visited Christchurch in 2009). A new Lord Mayor of Adelaide was elected in 2010 and responsibility for coordinating Sister City relationships was transferred from the office of the Lord Mayor to South Australia's Council for International Trade and Commerce, giving us access to a much wider area than just the Adelaide CBD, via an organisation with a strong business focus.

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### 18. CANTERBURY DEVELOPMENT CORPORATION LTD - RESTRUCTURING

<b>General Manager responsible:</b>	General Manager, Regulation and Democracy Services DDI 941-8462
<b>Officer responsible:</b>	Manager, Legal Services Unit
<b>Author:</b>	Ian Thomson, Solicitor

#### PURPOSE OF REPORT

1. To provide information to Councillors with regard to a proposal to re-structure Canterbury Development Corporation Ltd.

#### EXECUTIVE SUMMARY

2. Canterbury Development Corporation Ltd. (CDC) is a Council organisation. All of the shares in the company are owned by Canterbury Development Corporation Trust (CDC Trust).
3. The CDC Trust was established for general charitable and economic development purposes.
4. In 2010 the High Court ruled that neither CDC or CDC Trust qualified for registration as charities under the Charities Act 2005. This meant that the CDC Trust is currently an invalid purpose Trust.
5. As a result the Trust's assets are held for the Council, the settlor of the Trust.
6. To rectify the situation it is proposed that the Trust's assets are vested in a Council-Controlled Organisation (CCO) established by the Council in 2011.
7. A similar situation exists with Canterbury Economic Development Fund Trust (CEDF) and its trustee, Canterbury Economic Development Trustee Ltd. (CEDF Trustees). Both organisations are part of the CDC group.
8. The proposal is discussed in further detail in this report.

#### FINANCIAL IMPLICATIONS

9. The only asset owned by the CDC Trust is all of the shares in CDC. These will vest in the CCO for nil consideration.
10. There are no tax issues arising from structuring the transaction in this way. There are no imputation credits and the forfeiture of any tax losses that may have accrued since 1 July 2008, when CDC Trust lost its charitable status, will not be a significant issue.
11. It is proposed that a similar process be adopted to vest the assets of CEDF Trustee in another CCO. The only activity of the company is to act as the Trustee of CEDF. The CCO will operate as a subsidiary company of CDC..
12. This transaction will also be for nil consideration, with no particular tax issues arising from it. The CCO will continue to invest in start up companies and joint ventures as CEDF Trustee currently does.
13. Staff in the Council's corporate finance unit are working with CDC staff on the financial information required to effect the transfer of shares from CDC Trust to the CCO. No issues of concern to the Council have been raised in the course of this work.
14. As a result of the High Court decision in 2010 the activities undertaken by CDC and CEDF are no longer tax exempt. In all other respects there are no financial implications for the Council as a result of the proposed vesting of assets.

#### LEGAL CONSIDERATIONS

15. In 2009 a review of the governance structure of CDC was carried out as part of the Council's regular audit programme.

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16. The review concluded that given CDC's importance for delivery of the Council's economic objectives a governance structure should be put in place that provides:
  - (a) appropriate levels of governance at both CDC and the Council
  - (b) regular (at least six monthly) reporting of performance
  - (c) political representation at the most appropriate level
  - (d) consideration should be given to CDC residing under the CCHL governance structure, subject to appropriate commercial, political and governance considerations.
17. CDC and CDC Trust were established as charitable entities, with the same objectives.
18. In 2010 the High Court ruled that neither of them qualified for registration as charities under the Charities Act 2005.
19. Principally this was because the Court found that there is some doubt about the charitable nature of purposes associated with economic development. CEDF Trustee and CEDF are in the same position.
20. The decision was not appealed. The result is that the CDC Trust is an invalid purpose Trust. The consequence of this is that the Trust's assets are assumed by law to be held for the benefit of the settlor of the Trust. This is described as a "Resulting Trust" in this case for the Council, the Settlor.
21. The Council also settled the CEDF Trust. The Trustee, CEDF Trustee, holds the assets of CEDF for the benefit of the Council.
22. This has put the Trusts in a difficult position. Last year the Trustees sought and were granted authority from the Council to hold and deal with the Trust assets in accordance with the powers conferred on them by the Trust Deeds.
23. It is proposed that the matter be dealt with as follows:
  - (a) activate two of the CCOs established by the Council in 2011
  - (b) vest the assets of the Trusts to that CCO
  - (c) prepare a statement of intent that would require the CCO and its subsidiaries to operate for the same purposes as the Trusts.
24. This process is within the powers of the CDC and CEDF Trustees.
25. It is proposed that the Council, the Trustees and the CCOs enter into deeds vesting the assets of CDC Trust and CEDF Trustee in the CCOs.
26. The directors of CDC and CEDF Trustee are the same and would remain unchanged. Those directors would also be appointed to both CCOs.
27. Constitutions have been drafted that reflect the obligations the companies have as CCOs. These will be brought to the Council for approval.
28. It is also proposed that Christchurch City Holdings Ltd monitor the activities and performance of the CCO acquiring the shares in CDC. The CCO acquiring the shares in CEDF Trustee will be included in the CDC group.
29. A memorandum of Understanding in respect of the nature and extent of the monitoring process will be entered into by the CCO, CCHL and the Council.

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30. The Council used the special consultative procedure before deciding to establish the CCOs that it is proposed to use for this transaction. Council staff undertook not to use the CCOs for any activity without the prior approval of Councillors.
31. If the shares in CDC are transferred to a CCO, CDC would become its wholly-owned subsidiary. At this stage the shares would be the CCO's only asset.
32. As CEDF is unincorporated, it is unable to own shares or issue loans. The sole purpose of establishing CEDF Trustee was for it to hold assets and enter contracts and arrangements on behalf of CEDF.
33. Section 56 of the Local Government Act 2002 (LGA 2002) requires the Council to use the special consultative procedure before it makes a decision to establish a Council-Controlled Organisation. If the shares in CDC are transferred to a CCO, CDC will itself become a CCO.
34. Sections 57-71 of the LGA 2002 apply to the subsidiaries of a CCO as if they are CCOs.
35. Section 56 is excluded from this provision. As a result the acquisition of the shares in CDC by a CCO would not trigger the requirement to comply with section 56. The CCO would be acquiring the shares in CDC, not the Council.
36. Section 78 of the LGA 2002 requires the Council to give consideration to the views and preferences of the persons likely to be affected by, or to have an interest, in a proposal or decision. It is up to the Council to determine how to achieve compliance with this section, depending on the significance of the matter.
37. It is the view of the legal services unit that given the nature of the transaction, and the reasons for it, the transfer of the shares in CDC from the CDC Trust to a CCO is not significant. The transfer is not likely to have any impact on or consequences for the well-being of the Councils district. Nor would it affect the capacity of the Council to perform its role.
38. In addition, the proposed change of shareholding in CDC would not have any effect on its current operations, which would continue as at present. The current levels of service provided by CDC and attributed to it in the 2009-19 LTCCP would not be altered if the Council were to adopt this proposal.
39. A similar situation would prevail with regard to the vesting in a CCO the interests that CEDF Trustee has in start up companies and joint ventures.



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**STAFF RECOMMENDATION**

It is recommended that the Council resolves to:

- (a) Adopt the proposal recommended by staff to:
  - (i) Enter into a deed with Canterbury Development Corporation Trust that will vest the assets of the Trust in an existing Council-Controlled Organisation; and
  - (ii) To enter into a similar deed with Canterbury Economic Development Trustee Ltd that will vest the assets of the company in an existing Council-Owned Organisation.
- (b) Appoint the current board of directors of Canterbury Development Corporation to the boards of the Council Controlled Organisation.
- (c) Authorise the General Manager Corporate Services and the Chief Executive to sign all documents and take such steps as required to effect and complete the vesting process.
- (d) Authorise staff to work with Canterbury Development Corporation and Christchurch City Holdings Ltd on the preparation of a Memorandum of Understanding to cover the on-going monitoring of the Council-Controlled Organisation that will own the shares in Canterbury Development Corporation;
- (e) Require staff to submit the final draft document to the Council for approval.

**BACKGROUND**

- 40. Canterbury Development Corporation Ltd is registered at the companies office as an incorporated company.
- 41. The current Directors are:
  - Garth Carnaby (Chairman)
  - Peter Barrowclough
  - Allan Polard
  - Grant Ryan
  - Ngairé Button (Deputy Mayor)
  - Aaron Keown (City Councillor)
- 42. All of the shares in CDC are held by Canterbury Development Trust CDC Trust.
- 43. CEDF Trustee is registered at the companies office as an incorporated company.
- 44. The current directors are the same as those for CDC.
- 45. The CDC Trust was settled by the Council in 1995 and acquired all of the shares in CDC shortly afterwards.
- 46. CEDF was settled by the Council in the same year. CEDF Trustee replaced CDC as the sole Trustee of CEDF in 2006, with the Council's consent.
- 47. Initially all organisations were Council-controlled. In 2005 they became Council organisations, with less than half of the trustees and directors being appointed by the Council.
- 48. Both Trusts were established for general charitable and economic development purposes. That status was lost following the High Court's decision in 2010.
- 49. Grants totalling \$7.4 million were included in the Council's 2009-19 LTCCP for regional economic development, business support and employment development. Of this sum CDC received \$4.147 million and CEDF \$350,000.

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50. The LTCCP noted that "the business community benefits from CDC grants, mentoring and other business development initiatives (such as emerging entrepreneur programmes)." These activities will continue, notwithstanding the restructuring of CDC.
51. A proposal for restructuring CDC was put before Councillors in 2010 and was favourably received. Staff were asked to pursue the matter further but the September earthquake, 2010 local body elections and the 2011 aftershocks intervened.

19. REPORT FROM CHAIR OF SUBMISSIONS PANEL: SUBMISSION ON GAMBLING (GAMBLING HARM REDUCTION) AMENDMENT BILL

General Manager responsible:	General Manager Strategy and Planning, DDI 941-8281
Officer responsible:	Programme Manager Strong Communities
Author:	Siobhan Storey, Senior Policy Analyst

PURPOSE OF REPORT

1. This report seeks endorsement of a draft Council submission on the Gambling (Gambling Harm Reduction) Amendment Bill (**Attachment 1**).

EXECUTIVE SUMMARY

2. The Gambling (Gambling Harm Reduction) Amendment Bill (the Bill) (**Attachment 2**) is a private member's Bill, introduced by Te Ururoa Flavell. It passed its first reading and was referred to the Commerce Committee on 9 May 2012. The Commerce Committee has asked for submissions on the Bill by 21 June 2012.
3. The purpose of the Bill "is to provide additional measures to implement the following purposes of the Gambling Act 2003:
  - (a) to prevent and minimise the harm caused by gambling, including problem gambling;
  - (b) to ensure that money from gambling benefits the community;
  - (c) to facilitate community involvement in decisions about the provision of gambling."
4. The Bill proposes the following:
  - (i) That public sentiment and evidence of harm be added to the major criteria to be applied in developing a territorial authority's gambling venue policy. It empowers local authorities, after consulting the community and affected operators, to eliminate or reduce the number of pokie machines and venues in particular suburbs or towns where public sentiment or evidence of harm justifies this.
  - (ii) That racing and racing-stake money are no longer considered to be an authorised "charitable" purpose.
  - (iii) That the distribution of proceeds are to be carried out primarily for the benefit of community, sporting, and social-service organisations operating within and for the benefit of the geographic community in which the venue is located. It specifically requires all pokie machine trusts, corporate societies and other distributors of the proceeds of gambling machines to return at least 80 per cent of these funds generated by gamblers' losses on local pokie machines back into the charitable organisations that are meeting priority needs. These funds are to be returned to the same local authority area as the venue and within the same local authority ward, local board subdivision, or community board area (where such subdivisions exist).
  - (iv) That the "pokie trusts" or corporate societies be phased out as the distributors of community benefit money from pokie machines, and within a year's time passes over responsibility for these distributions to special committees of local authorities with a majority of representation from community organisations.
  - (v) That player tracking devices and pre-commit cards be required conditions of a pokie machine venue operator's licence as issued by the Secretary of Internal Affairs.

19 Cont'd

5. Workshops were held with the Regulatory and Planning Committee on 2 May and 30 May 2012 to discuss the implications of the Bill and seek the Committee's views on a draft submission. The attached submission has been agreed by the Council's Submissions Panel Chair who requested that the submission be put to Council at its meeting of 14 June 2012. The submission addresses the issues raised by the Regulatory and Planning Committee. The submission argues that the role of territorial authorities should be more limited than proposed in the Bill and than currently provided by the Gambling Act 2003 (the Act), and that the Department of Internal Affairs should have the primary responsibility for the application of class 4 gambling venue policies developed by councils in consultation with their communities, through the granting of licences. The submission also:
- Seeks greater clarity about the additional criteria to be taken into account in developing class 4 gambling venue policies
  - Requests that any power to prohibit and/or reduce venues across the whole district be clearly stated, with additional guidance provided in the Act
  - Advocates that, if the submission that the Department of Internal Affairs take on responsibility for applying a council's policy to a venue licence is not accepted, councils should not be required to reconsider class 4 venue consents every three years
  - Suggests that the proceeds from class 4 gambling be distributed through the Community Organisation Grants Scheme rather than special committees of territorial authorities
  - Supports the return of 80 per cent of funds to the local community but argues that this should occur at the territorial authority level rather than the level of the smallest electoral subdivision.
6. No specific comments are made on the Bill's proposals in relation to racing stake money or player tracking devices. The submission makes a general comment made that the Council supports all measures that reduce the harm from problem gambling.

**FINANCIAL IMPLICATIONS**

7. There are no financial implications associated with the recommendations of this report. However, if the Bill were passed in its current form It proposes that venue licences be renewable every three years. At present, Christchurch has 108 licensed venues. There would be a significant increase in the Council workload if consents for these venues had to be re-issued every three years and this would have financial implications.
- 8 The proposed committee process for the distribution of funds would increase staff time. The amount of extra resource and funding required would depend on how often the committee would be required to meet and how the geographical responsibility would be divided up.

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

9. Not applicable.

**LEGAL CONSIDERATIONS**

10. There are no legal implications associated with the recommendation of this report.

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

11. Not applicable.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

12. Not applicable.

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

13. Not applicable.

**19 Cont'd**

**ALIGNMENT WITH STRATEGIES**

14. The Council's position is consistent with its established policy direction on gambling.

**Do the recommendations align with the Council's strategies?**

15. The Council does not wish to see additional licensing and regulatory added to Council's suite of responsibility.

**CONSULTATION FULFILMENT**

16. No consultation was undertaken but in formulating the submission regard has been taken to the Council's current policy position which was established following extensive consultation in recent years. In addition any member of the public can make their own submission.

**STAFF RECOMMENDATION**

17. It is recommended that the Council resolve to:

- (a) Approve the draft submission on the Gambling (Gambling Harm Reduction) Amendment Bill.
- (b) Determine whether the Council should make an oral submission on the Bill and, if so, appoint a Councillor or Councillors to represent the Council at the Select Committee hearing.

**20. NOTICES OF MOTION**

Nil.

**21. RESOLUTION TO EXCLUDE THE PUBLIC**

# **CHRISTCHURCH CITY COUNCIL SUPPLEMENTARY AGENDA**

**THURSDAY 14 JUNE 2012**

**9.30AM**

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

## CHRISTCHURCH CITY COUNCIL

**Thursday 14 June 2012 at 9.30am**  
**in the Council Chamber, Civic Offices, 53 Hereford Street**

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

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**COUNCIL 14. 6. 2012****27. RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORTS**

Approval is sought to submit the following reports to the meeting of the Council on Thursday 14 June 2012:

- New Zealand Local Authority Protection Programme Disaster Fund (LAPP) Deeds of Settlement
- New Zealand Local Authority Protection Programme Disaster Fund (LAPP) Extraordinary Contribution

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

It is appropriate that the Council receive the reports at the current meeting.

**RECOMMENDATION**

That the reports be received and considered at the meeting of the Council on Thursday 14 June 2012.

**21. CONT'D  
RESOLUTION TO EXCLUDE THE PUBLIC**

Attached.