

NOTICE OF MEETING

FINANCE AND OPERATIONAL PERFORMANCE COMMITTEE

I hereby give notice that an Ordinary Meeting of the Finance and Operational Performance Committee will be held on:-

DATE: **Monday, 10 February 2003** **TIME:** **9.30 am**

VENUE: **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the business as set out herein and to take any necessary action connected therewith.

4 February 2003

Sharon Simiona
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8820

MEMBERSHIP:

Councillors	JM	Clews, QSO, JP (Chairperson)
	BA	Brady, JP (Deputy Chairperson)
	DQ	Battersby, JP
	RP	Dallow, QPM, JP
	AC	Fenton
	OE	Hoskin, MNZM, JP
	PA	Hulse
	JP	Lawley
	GE	Nash, JP
	VS	Neeson, JP
	GB	Presland
	GW	Russell
	CA	Stone
	DA	Yates, JP

Mayor, Bob Harvey, QSO, JP (ex officio)

(Quorum 5 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR AN ORDINARY MEETING OF THE FINANCE AND OPERATIONAL
PERFORMANCE COMMITTEE TO BE HELD IN THE CIVIC CENTRE,
6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,
ON MONDAY, 10 FEBRUARY 2003
COMMENCING AT 9.30 AM.**

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) and (7A) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Ordinary - Thursday, 12 December 2002

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Finance and Operational Performance Committee held on Thursday, 12 December 2002, as circulated, be taken as read and now be confirmed.



4 POWER RETICULATION UNDERGROUNDING

PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee of the progress with the power under grounding programme and to obtain approval for the proposed programme and expenditure.

BACKGROUND

The Council has an interest in United Networks through the Waitemata Electricity Trust. Under the Trust Deed, the member Councils do not receive a cash dividend but benefit from power under grounding work. Council committees have historically reviewed and approved a prioritised list for under grounding works.

Negotiations on the establishment of a new Deed of Settlement have amended the Trust Deed agreement. From the settlement in October 2002, \$9.9 million (plus unexpended/unallocated cash balances already held by the trust) is available to the member Councils for the under grounding programme. It is important that Waitakere Council benefits from an equitable share of that fund. About \$5 million is apparently available to Waitakere Council for its under grounding programme for work completed by July 2004. A prioritised programme must be agreed to so that desired under grounding projects can be completed over the remaining 18 months term.

This project was last reported to the City Development Committee on 9 September 2002. The following resolution was carried:

- “1. *That the priority ranking for overhead to underground power conversion is amended as follows:*
 - a) *That Edmonton Road and the part of Great North Road between Sabulite Road and Archibald Road be lowered in priority so that it no longer forms part of the first \$6 million of project value.*
 - b) *That Hobsonville Road be increased in priority so that it forms part of the first \$6 million of project value.*
2. *That following discussions with United Networks Communications and Electricity divisions, a revised priority list for power under grounding be brought to the October meeting of the Finance and Operational Performance Committee for ratification.*
3. *That Council officers endeavour to persuade United Networks Limited to make provision for broadband infrastructure during physical works to underground power.”*

2789/2002

The Trust has advised that:

- The Deed of Settlement agreement signed by the Councils, provides for \$9.9 million to be shared by member Councils.
- The board has not finalised Waitakere City share but it would be about 5.0 million.
- The Trust will seek to achieve equitable shares for the member Councils over the full term of the Trust, concluding mid 2004.

Mr Allen Davies of the Trust will be present at the meeting to answer any questions that the Committee may have.

The member Councils will shortly execute an Agreement among themselves under which the Trustees seek to secure a proportion of expenditure by the vesting date as follows:

North Shore City Council	-	44.7%
Rodney City Council	-	18.1%
Waitakere Council	-	37.2%.

These proportions relate to the number of electors on the electoral rolls. The Waitakere City Council's expenditure to date is short of this proportion and Waitakere City can expect to receive a greater proportion of the remaining funds, about \$5 million of the \$9.9 million remaining. This is only if Waitakere Council's programme is agreed and good liaison is maintained with United Networks.

STRATEGIC CONTEXT

The prioritisation of different roads for power under grounding has followed Urban Villages, economic development and safety priorities and to encourage the development of attractive urban places. Areas have been actioned according to a priority list. The conversion of overhead reticulation to underground in association with urban revitalisation, and on major city centre approaches and through routes is in accordance with this. The removal of power poles on busy traffic routes contributes to safety. Under grounding has also been undertaken to assist businesses, such as the marine industry by removing height limitations.

ISSUES

Prioritising Criteria

The following prioritising criteria have been used in the prioritising of power under grounding work:

- Safety (Accident history).
- Power line obstructions to transportation (low aerial on roads, obstructions to helicopters, etc.)
- Provision of Broad Band (i.e. a high speed information technology connection).
- Developmental and new growth areas.
- Continuity with adjoining underground service supply.
- Visual and landscape impact.
- Renewal of existing services.

Under Grounding Programme

Up to 31 March 2002, under the existing Trust Deed Waitakere City Council has spent \$12,133,500 of the Trust's funds on under grounding power.

A1 - A5

Attached at pages A1 to A5 is a revised full future priority programme (of non committed works) proposed by Council staff in response to the City Development Committee resolution of 9 September 2002. The programme shows all the proposed future projects to be carried out. United Networks, has agreed to the revised programme.

Since 31 March 2002, \$2,079,185 of the Trust's current funds have been committed to the following projects:

1.	Veronica / Ward Street	\$ 352,751
2.	Garden Road / Marine Parade Piha	\$ 32,900
3.	Great North Road (Sabulite Road to Hepburn Road)	\$1,533,534
4.	Massey Library Solar Heating	\$ 160,000

Portions of these projects may form part of the Trust's \$5 million final allocation.

The following projects could be completed by 2004 with the remaining funds from the \$5 million Trust funds:

1. Great North Road from Sabulite Road to Hepburn Road has been tendered and committed. United Networks will cancel the second stage of that project, between Sabulite Road and West Coast Road, including Archibald Road.
2. The various power line obstructions to transportation have second priority (These sites have low power lines crossing roads and at a proposed helicopter landing site).
3. Hobsonville Road between Luckens Road and Buckley Avenue has third priority, and should be able to be completed within the scope of available funds.
4. West Coast Road between Westward Ho and Janet Clews Place has fourth priority and should be able to be constructed within the scope of available funds.

It is unlikely that more of the programme can be completed with available funds. Any further under grounding programme will require Council funding.

Discussions with United Networks

United Networks has agreed to the under grounding programme requested by Council.

The provision of Broad Band ducts in conjunction with power under grounding was also discussed. Where open trenching is used for under grounding work the duct provision could be provided at a nominal fee. Where thrusting is the method used for installing the underground power, no advantage is obtained in providing the duct at the same time.

Council provides new lighting poles where street lights have been mounted on power or telecom poles. This is a Council funded initiative.

It is a Telecom responsibility to remove their poles where power is under grounded and Council continues to encourage Telecom to implement this strategy.

RESOURCES

The capital costs for under grounding power up to and including 2004 are met through the Waitemata Electricity Trust.

CONCLUSION

About \$5 million is available from the Waitemata Electricity Trust for under grounding power in accordance with the resolution of the City Development Committee. It is proposed that this be spent on the projects in the attached priority list. This list has been approved by United Networks officers responsible for the under grounding programme. Future under grounding works will require Council funding.

RECOMMENDATIONS

- A1 - A5*
1. That the information be received.
 2. That the expenditure of Waitemata Electricity Trust funds for power under grounding be approved in accordance with the priority programme attached at pages A1 to A5 to the agenda.

Report prepared by: Edwin Dearham, Principal Transport Engineer.



PART I - PROPERTY

5 ROAD STOPPING AND SALES OF LAND AT SCENIC DRIVE NORTH, SWANSON

PURPOSE OF THE REPORT

This report seeks the Finance and Operational Performance Committee's approval to stop a part of Scenic Drive North and sell it to the adjacent owners.

BACKGROUND

A6 In 1956, a Mr and Mrs Selwyn Hadfield applied to the Waitemata County Council for a building permit to erect a dwelling house on two sections they had purchased at 1160 and 1162 Scenic Drive North, Swanson. The location of this property is shown on the diagram attached at page A6.

A7 In accordance with the standard procedure of the time, the County required the Hadfields to indicate by diagram the proposed location of the dwelling in relation to the road boundary. They took the road boundary to be the edge of the formed road and submitted their diagram accordingly. This was accepted by the County and permit issued. There was in fact a substantial road reserve between the formed road and the section boundary and accordingly, the dwelling house which was erected, encroached a considerable distance over the boundary and on to that road reserve. The encroachment is shown in the diagram attached at page A7.

A7 The property later passed to the Hadfield's son and daughter-in-law, Mr and Mrs Michael Hadfield, who now wish to sell the property for urgent family reasons but must first regularise the encroachment. They have asked Council to stop an appropriate part of the road reserve and sell it to them. This part is also shown on the diagram attached at A7.

The Council has no use for the land as road and has therefore agreed to the road stopping and the sale of the land to the Hadfields for the sum of \$5,000 being an amount assessed by a registered valuer. Because Council approved the erection of the dwelling house at its present location, it accepts some responsibility in the matter and has therefore agreed to cover the Hadfield's surveying and legal costs. All these agreements are of course, subject to the approval of Council upon the recommendation of this Committee.

ISSUES

The appropriate part of the road reserve now needs to be stopped under the provisions of the 10th schedule to the Local Government Act 1974. This procedure includes a public notification in the daily press and the installation of signs on site.

When the road stopping procedures are completed, the land may be sold to the Hadfields.

LEGAL ISSUES

Council is empowered, under Section 342 of the Local Government Act, to stop any road. Under Section 345 it is empowered to sell the stopped road to an adjoining owner. Such a sale is exempt from the public notification requirements of Section 230.

Section 40 of the Public Works Act 1981 requires land no longer needed for a public work, to be offered back to the person from whom it was acquired. However, Council is exempt from this requirement if it believes on reasonable grounds that because of its size, shape or situation, the land could not expect to be sold to anyone who did not own adjoining land. The land in question clearly falls into that category.

RECOMMENDATIONS

1. That the information be received.
2. That it be recommended to Council that the part of Scenic Drive North, adjacent to numbers 1160 and 1162 as defined on the diagram attached at page A7 to the agenda be stopped in accordance with the 10th schedule of the Local Government Act 1974.
3. That it be recommended to Council that after the land ceases to be road, it be sold to the owners of numbers 1160 and 1162 Scenic Drive North because due to its size, shape and situation, it could not be expected to be sold to any person that did not own adjoining land.

Report prepared by: Maurice Hieatt, Property Officer.

A7



PART II - LEGAL AND CONSTITUTIONAL

6 AFFIXATION OF COMMON SEAL

EXECUTION OF DOCUMENTS: 2 DECEMBER 2002 – 28 JANUARY 2003

N°	NAME	PARTICULARS
2415	WCC	Certificate under S.36 Building Act 1991 – 14 Pooks Road, Ranui – CT.NA5C/612 (ABA20023873)
2416	WCC – B Adrian and KMH Mitchell	Authority for Use of Dedicated Road – 50 Derwent Crescent, Titirangi
2417	WCC – VM Hally and CD Stevenson	Authority for Use of Dedicated Road – 114 Wood Bay Road, Wood Bay
2418	WCC – Te Atatu Community House Society Inc	Deed of Lease of part of Kaumatua Reserve
2419	WCC – Martin Sharp	Warrant of Appointment and Evidence of Identity – No.025 (Existing Warrant)
2420	WCC – Geoffrey Thomas Purvis	Warrant of Appointment and Evidence of Identity – No.0030
2421	WCC – Meral Eileen Purvis	Warrant of Appointment and Evidence of Identity – No.0031
2422	WCC – Graham Stephen Wrathall	Warrant of Appointment and Evidence of Identity – No.0032
2423	WCC	Certificate under S.37(1) Building Act 1991 – CTs.NA54A/1405 and NA68D/689 – ABA 20023988 – Waitakere Stadium Complex
2424	WCC – London Holdings Limited	Drainage Easement in gross – 14 Cajero Place – SPW21267
2425	WCC	Withdrawal of Caveat No.D328447.5 – CTNA47D/586 – 15 Marina View Drive regarding Licence to Occupy
2426	WCC – CJR and LJ Tippens, BN and JB Sanders	Drainage Easement in gross – 14-16 Arawa Street – SPW21379
2427	WCC – North Shore City Council, Rodney District Council	Deed of Settlement re UNL shareholding
2428	WCC - The Reserve Bank of New Zealand Limited	Security Stock Certificate SSC-07-1100 pursuant to Trust Deed dated 30/11/98 – resolution 2840/2002
2429	WCC	Global Stock Certificate re \$15,000,000 Term Loan from ASB Bank – resolution 2592/2002
2430	WCC	Facility Agreement re \$15,000,000 Term Loan from ASB Bank – resolution 2592/2002
2431	WCC – JC Bird, JN Bradley, KM Bird	Deed of Settlement – NP356/01 – 9 Serwayne Place
2432	WCC – K Stewart	Licence to Occupy – 15 Marina View Drive – CT.NA47D/586
2433	WCC – Dimmock	Withdrawal of Caveat – 89 Candia Road, Henderson – CT.808/219
2434	WCC – Vernon Lloyd Sutton	Warrant of Appointment and Evidence of Identity – No.0034
2435	WCC – MP and SK Courtney	302 and 306 Glengarry Road – CT.60154 – SPW21409

N°	NAME	PARTICULARS
2436	WCC	Caveat – 15 Marina View Drive, West Harbour – CT.47D/586 – Kate Stewart
2437	WCC – Bank of New Zealand	Committed Facility Agreement for Cash Advances re \$20,000,000 – resolution 2840/2002
2438	WCC – Jody Investments Limited	Notice of Determination under S.36(3) Building Act 1991 – 225 Godley Road – CT.NA20D/485
2439	WCC – Northeast Developments Limited	Memorandum of Transfer creating drainage easement in gross – CTs.60512, 60513 and 60514
2440	WCC – Propvest Development Limited	Memorandum of Transfer re sale of land in CT.53C/589 – 9 Matama Road
2441	WCC – RA Brooke and LJ Thompson	Authority for Use of Dedicated Road – 64 Kopiko Road, Titirangi
2442	WCC – Auckland Kindergarten Association	Deed of Lease re part of Kaumatua Reserve - (Te Atatu Village Green Kindergarten)
2443	WCC – Auckland Kindergarten Association	Deed of Lease re part of Opanuku Reserve - (Henderson Kindergarten)
2444	WCC – Auckland Kindergarten Association	Deed of Lease re part of Roby Reserve - (Te Atatu Peninsula Kindergarten)
2445	WCC – Auckland Kindergarten Association	Deed of Lease re part of Divich Reserve - (Te Atatu South Kindergarten)
2446	WCC – Auckland Kindergarten Association	Deed of Lease re part of La Rosa Gardens - (Green Bay Kindergarten)
2447	WCC – Auckland Kindergarten Association	Deed of Lease re 1 Totara Ave, part Lot 3 DP 58386 - (New Lynn Kindergarten)
2448	WCC – Alan Lindsay James	Warrant of Appointment and Evidence of Identity – No.0033
2449	<i>Refer to No.2434 above (duplicated)</i>	
2450	WCC – Glenys Gesina McDonald	Warrant of Appointment and Evidence of Identity – No.0035
2451	WCC – Barry Saich	Warrant of Appointment and Evidence of Identity – No.0036
2452	WCC – Phillip Leslie Tearle	Warrant of Appointment and Evidence of Identity – No.0037
2453	WCC – CDL Land New Zealand Limited	Fencing Agreement – Highfields Stage 2C re SPW 19684 – CT.NA134A/164
2454	WCC – Sunnyside Developments Limited	Fencing Agreement – 93 Sunnyside Road – CTs.NA134D/226 and NA53D/548 – SPW 20871
2455	WCC – Colwill Developments Limited	Surrender of Consent Notice D627497.3 – 90 Colwill Road – CT.NA133D/653 – SPW 21096
2456	WCC – Colwill Developments Limited	Drainage Easement in gross – 90 Colwill Road - CT.NA51671 – SPW 21096
2457	WCC – Colwill Developments Limited	Water Supply Easement in gross – 90 Colwill Road - CTs.NA51669, NA51670 and NA51671 –SPW 21096
2458	WCC – WK Lowe and JL Connor	Drainage Easement in gross – 40D and 40E James Laurie Street – CTs.NA39948 & NA39949 – SPW 21186

N°	NAME	PARTICULARS
2459	WCC – WK Lowe and JL Connor	Drainage Easement in gross – 40D and 40E James Laurie Street – CT.NA39951 – SPW 21186
2460	WCC – AG Burrows	Surrender of Drainage Easement in gross created by Transfer D450591.8 – 17 Rixon Place – CT.127A/328 – SPW 21371
2461	WCC – AG Burrows	Fencing Agreement – 17 Rixon Place – CT.127A/328 – SWP 21371
2462	WCC – AG Burrows	Drainage Easement in gross – 17 Rixon Place – CTs.47919 and 47920 – SPW 21371
2463	WCC – GR, SD and KC Allott	Surrender of Drainage Easement in gross created by Transfer 464468 – 34 Forest Hill Road – CT.NA63A/1175 – SPW 21504
2464	WCC – GR, SD and KC Allott	Drainage Easement in gross – 34 Forest Hill Road – CTs.54472, 54473 and 54474 – SPW 21504
2465	WCC – Clemway Holdings Limited	Drainage Easement in gross – 21 Quincey Place – CT.NA66681 – SPW 19645
2466	WCC – Clemway Holdings Limited	Water Supply Easement in gross – 21 Quincey Place – CTs.NA66678, NA66679 and NA66680 – SPW 19645
2467	WCC – BW Chotee	Drainage Easement in gross – 76 Nikau Street – CTs.57882 and 57883 – SPW 21497
2468	WCC - Waitakere Properties Limited	Deed of Trust and Memorandum of Transfer – 40 Henderson Valley Road – CTs.363/45; 360/233; 261/10; 819/28; 820/275; 1128/265; 1126/181 and 126A/59 – resolution 3110/2002
2469	WCC	Transmission under S.99A Land Transfer Act 1952 – CT.59D/943 – adjacent to McCrae Way, New Lynn
2470	WCC – WCC	Memorandum of Transfer creating Water Supply Easement in gross – DP 317094 – CTs.NA67084 and NA67086 – SPW 21590
2471	WCC – WCC	Memorandum of Transfer under S.90 Land Transfer Act 1952 dedicating Lots 6 and 8 DP 317094 as road – Memorial Drive and McCrae Way, New Lynn SPW 21095
2472	WCC	Withdrawal of Caveat No.5384093.1 – Henley Kiwi Co Limited – CT.NA86C/839 – SPW 21095
2473	WCC – WCC	Surrender of Easement of Right-of-Way – CTs.NA122B/914 and NA 59D/943 – SPW 21095
2474	WCC – Henley Kiwi Co Limited	Memorandum of Transfer of Part Lot 1 DP 317094 presently held in CT.59D/943 – SPW 21095
2475	WCC - New Zealand Post Limited	Memorandum of Transfer of Lot 4 DP 317094 – 125m ² - SPW 21095
2476	WCC	Withdrawal of Caveat No.5384092 - New Zealand Post Limited – CT.NA67B/756

RECOMMENDATIONS

1. That the information be received.
2. That the action taken in affixing the Common Seal on the documents as set out in the agenda report be adopted.

Report prepared by: Magdalene Conceicao, Executive Officer (Legal).



PART III - FINANCE

7 SAFETY AND ACCESS BY DESIGN - PROPOSED NEW PROJECT

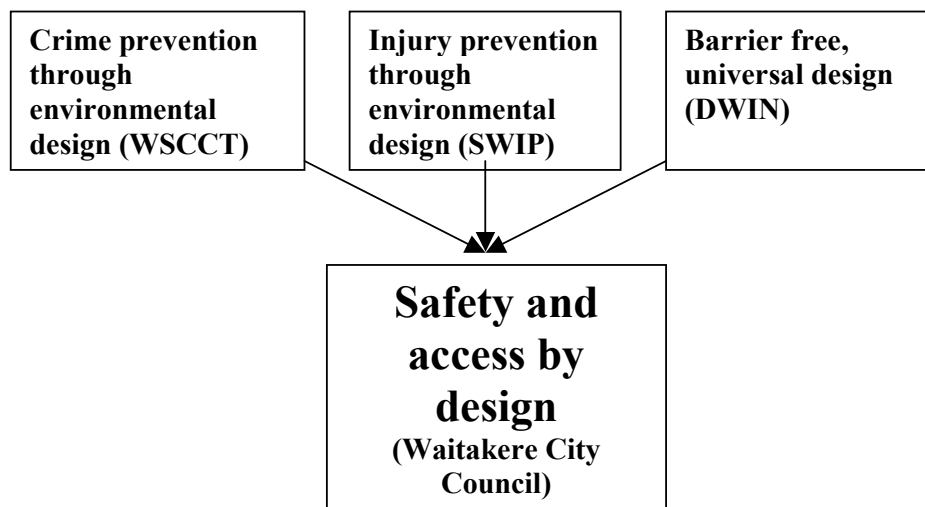
PURPOSE OF THE REPORT

This report informs the Finance and Operational Performance Committee about a project called 'Safety and Access by Design' and seeks the Committee's approval to reallocate \$20,000 to this project, subject to the endorsement of the City Development Committee at its meeting on 13 February 2003.

BACKGROUND

The Safe Waitakere Injury Prevention Project recently secured \$10,000 from the Ministry of Health to investigate how to prevent and reduce injury through environmental design. The Disability Waitakere Information Network has been taking an active role in promoting a barrier free city in Waitakere, for example through involvement in the design of new facilities. At the same time, the Waitakere Safer Community Council Trust, the Police and Council all have a longstanding interest in crime prevention through environmental design. Much of the work of Waitakere City Council pulls all of these issues together, such as town centre development, building and resource consents, parks, roads, footpaths, lighting, public conveniences, community facilities, bus and rail shelters.

The funding from the Ministry of Health has sparked a call for an integrated piece of work that addresses all three aspects, as follows.



The proposed Safety and Access by Design project aims to transform Council's approach to environmental planning and design. By integrating crime prevention, injury prevention and barrier free or 'universal design' approaches into the way Council plans and designs the City, the goals of the project are to:

- Reduce crime and injury.
- Help to create a 'barrier free' and connected city.
- Create public spaces that look and feel safe.
- Save time and money by avoiding the need to retrofit or face legal action through poor planning and design.
- Minimise risks to Council and the public.
- Avoid dangerous incidents and negative publicity.

The project will address how these objectives can be furthered through a mix of:

1. Regulation – bylaws and local government related legislation.
2. Good practice advice, training and guidance.
3. Rewards and incentives.
4. Modelling good practice through Council design projects, for example the Civic Centre project.

The project would be **action focused**, in terms of:

- Urgency and priority - hotspots for crime, injury and poor access based on what we know already.
- Impact – where a significant difference can be made.
- 'Doability' – what can be done simply and quickly.
- Locations and projects where the biggest gains can be made, for example Henderson town centre, Ranui train station redevelopment and the Civic Centre project.

Each of the three strands of this project would go through the same process:

1. Identify what we know - scope the broad context for crime, injury and access in Waitakere City – key issues, trends, accountabilities, what is mandatory versus voluntary, conflicts, overlaps.
2. Identify what we don't know.
3. Building on what we know, identify the priorities for Waitakere City in each key area of crime, injury and barrier free, based on the criteria above.
4. Assess how these intersect and what practical picture they provide in terms of where major gains can be made.
5. Identify opportunities to address these priorities in terms of regulation, good practice and incentives.
6. Identify opportunities to model good practice through key pilot projects.
7. Develop an integrated and staged set of recommended strategies, interventions and actions (one report).

Three contractors who are experts in their fields would be hired, and be expected to work closely together, with one of these people taking overall responsibility for pulling the work together.

The proposed timeframe for the project is:

What	When
Appoint contractor/s	February/March 2002
Undertake review of material and interviews/meetings	March/May 2003
Develop draft report	June 2003
Present final report	July 2003

Project management would be provided by Waitakere City Council. The project would be guided by a small steering group made up of:

- Key Council staff
- Police
- Safer Community Council
- Safe Waitakere Injury Prevention Programme
- Disability Waitakere Information Network
- Others as required

This group would meet as needed to:

- Provide information and data
- Handle media and communication issues
- Identify who to interview
- Provide feedback on interim results
- Answer queries that arise
- Coordinate gaining input from their organisation to the process, including the draft report

STRATEGIC CONTEXT

This project contributes to many of Council's strategic objectives, particularly those relating to Urban and Rural Villages and Strong Communities. It supports Council's drive towards sustainability and its long standing commitment to community safety. Key benefits for Council and the city from this work, especially in the context of Council's major forthcoming design programme, include:

- Training programmes for building consents and other relevant staff.
- Building in appropriate expertise to design projects.
- Safer and more accessible public space and facilities.
- Busier streets, more vital town centres and greater use of public space.
- People feel safer and more inclined to use public space and connect with others.
- Cost savings through more efficient design and no need for costly retrofitting.
- Lower crime rates and injury levels.
- Risk minimisation.
- Positive publicity and Council image.

RESOURCES

A8 - A9

Several meetings have been held on the project with a range of Council staff and there is considerable enthusiasm and commitment at staff level to this work. A draft project brief for this work has been supported by the Committees of the Safer Community Council, Safe Waitakere Injury Prevention Project and the Disability Waitakere Information Network (refer attachments at pages A8 to A9). The project was initiated by Safe Waitakere Injury Prevention Project through gaining the \$10,000 Ministry of Health funding and thus was not budgeted for by Council in this financial year.

Without Council funding and support this project will not occur. Bringing together crime and injury prevention with barrier free/universal design approaches is very rare and the draft project brief has already prompted considerable interest from other local authorities. An application for \$10,000 has also recently been made to central government's Crime Prevention Unit. It is considered that the project needs a minimum of \$30,000 to proceed.

As the key beneficiary of this project, it is recommended that Council make a financial contribution in addition to the commitment of staff resources. The benefits to Council and the City are considered to far outweigh the \$20,000 sought, particularly in light of the financial costs associated with retrofitting, safety incidents and health costs when we get it wrong. As a partnership project, it would also help to strengthen the already good working relationships between the parties involved.

A review of urban villages budgets has indicated that funding could be reallocated from the Development Database – Urban Villages budget. That project has been progressed through in-house resources and has not required external resourcing.

CONCLUSION

This item outlines a proposed new project called 'Safety and Access by Design' that requires a \$20,000 Council contribution from the half yearly review to proceed. The funding reallocation would be subject to the endorsement of the City Development Committee.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to reallocate \$20,000 from the Database Development Urban Villages budget to the Safety and Access by Design project, subject to endorsement by the City Development Committee.

Report prepared by: Rachael Trotman, Strategic Leader.



8 WAITAKERE EMPLOYMENT AND SKILLS ACTION PLAN

PURPOSE OF THE REPORT

The purpose of this report is to present the Draft Action Plan of the Waitakere Employment and Skills Project. The Committee's approval to reallocate \$20,000 to this project is sought, subject to the endorsement of the City Development Committee. A full report and presentation, seeking endorsement of the Plan and Council ongoing involvement in it is being presented to the City Development Committee meeting of 13 February 2003.

A10 - A21

The Plan is attached at pages A10 to A21.

BACKGROUND

The Action Plan arose from the work of the Waitakere Local Employment Coordination Committee, a body established to assist the Regional Commissioner for Work and Income to establish strategies to deal with unemployment. Council led the work of the Local Employment Coordination under the terms of a contract with Work and Income New Zealand until October 2002, at which point Enterprise Waitakere took over that role.

The Action Plan was established following research by Massey University that identified skill shortages as a significant inhibitor to business growth. It is intended to address collaboratively a wide range of issues in highly practical and targeted ways, to overcome those shortages and associated issues.

The Plan is the result of a series of working groups established in September 2002. The proposed approach was first presented to the Committee in August 2002 when the following resolution was passed:

"That Council supports the Waitakere Local Employment Coordination Group to develop a collaborative Employment and Skills Action Plan for the city."

2531/2002

STRATEGIC CONTEXT

The Action Plan addresses one of Council's key strategic goals, of increasing local jobs through sustainable economic development. It also links strongly to the Wellbeing Collaboration Strategy.

ISSUES

Council Participation

The Plan establishes twelve projects and establishes an Action Group with the function of overseeing the implementation of the Plan. Project teams will be established in March as required. The projects, whose aims are described in the Plan, are as follows:

1. Skill Demand Research Project
2. Waitakere Winners
3. Structured Workplace Learning
4. Targeted Information Programme
5. Gateway
6. Targeted, Integrated Transition Pathway
7. YouthWorks Waitakere
8. Waitakere Job Fair
9. Collaborative Trade Training

10. Targeted Training Using Pre-assessments
11. Migrant and Refugee Service
12. Integrated Approach to ESOL

It is intended that a position on the Action Group will be taken up, and staff participate as members of the teams in which Council can have most impact.

Funding

As the Plan states, there is a considerable funding requirement involved for its implementation. At this stage, Gateway funding has been confirmed, and applications are under way for other funding. Indications are that the innovative nature of this project is attracting considerable interest from the relevant agencies. A full update on the status of funding will be provided at the Committee meeting.

Council Funding Contribution

As a key partner in the Action Plan, it is recommended that Council make a financial contribution in addition to the commitment of staff resources. In addition to having significant impact on the city's economic development, the Plan can be seen as the city's contribution to the Mayor's Task Force for Jobs, of which Mayor Harvey is a member.

No specific provision for the Plan was made in the original budget for 2002/2003. However a review of economic development budgets has indicated that funding could be reallocated from the Business Responsiveness Plan budget. That budget has not yet been committed, and it is considered that the Action Plan addresses many of the key issue of responsiveness to Business needs; it is essentially a demand driven approach. It is accordingly recommended that \$20,000 be reallocated from that budget to this project. It would be appropriate to target any funding to the Project Manager role identified in the Plan.

CONCLUSION

The Waitakere Employment and Skills Action Plan is presented. A Funding contribution to the Plan by way of budget reallocation is recommended in addition to staff resource commitment. The funding reallocation would be subject to the endorsement by the City Development Committee of the Plan as a priority project for Council's ongoing participation.

RECOMMENDATIONS

1. That the information be received.
2. That approval be given to reallocate \$20000 from the Business Responsiveness Plan to the Waitakere Employment and Skills Action Plan, subject to endorsement of the plan by the City Development Committee.

Report prepared by: Tony Mayow, Partnerships and Advocacy Manager.



9 OPERATING AND CAPITAL EXPENDITURE SUMMARIES

PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee as to the level of the year to date operating and capital expenditure by Unit compared to budget.

BACKGROUND

This Unit summary report is produced on the months falling between the more formal "quarterly" reporting. Quarterly reporting is produced for the periods ending 30 September, 31 December, and 31 March within each financial year.

This report covers expenditure for the 5 months ending 30 November 2002. The 1st Quarter Review was presented to this Committee last month. The next full review is scheduled to be carried out during February, the results of which will be reported through the 2003/2004 Draft Annual Plan process commencing in March.

A22 - A23

The financial summaries are attached at pages A22 to A23.

If you require any further information in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

RECOMMENDATION

That the information be received.

Report prepared by: Alec Third, Chief Management Accountant.



10 STATUS OF SPECIAL FUNDS

PURPOSE OF THE REPORT

The purpose of this report is to keep the Finance and Operational Performance Committee informed as to the status of Special Funds.

FUNDS

A24

The summary of Special Fund balances as at 30 November 2002 and summary transactions for the 5 months to date is attached at page A24.

If you require any further information in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

RECOMMENDATION

That the information be received.

Report prepared by: Alec Third, Chief Management Accountant.



11 BORROWING AND INVESTMENT REPORT

This report has been circulated separately with the agenda.



12 PAYMENTS FOR APPROVAL

PURPOSE OF THE REPORT

The purpose of this report is to advise of payments made by the Council. This is in accordance with Council policy and the Public Bodies Contracts Act.

BACKGROUND

The Public Bodies Contracts Act requires the reporting to the Council of payments made under delegation. This report provides details of payments made to external suppliers in excess of \$5,000. In addition there is a summary listing, which aggregates payments made to various organisations and suppliers for the Committee's information. These payments have already been processed as allowed by delegations approved by the Council. If any Councillor requires information regarding the nature of any payment, that information can be provided.

PAYMENTS

A25 - A26

A summary schedule of payments made for the period 22 November 2002 to 23 January 2003 is attached at pages A25 to A26.

A27 - A32

A further schedule of all payments of \$5,000 and above, together with the reason for the payment is attached at pages A27 to A32. If a committee member wishes to ask specific questions relating to any of these payments, prior to the meeting, then such questions can be directed to the Director: Finance.

RECOMMENDATION

That the information be received and that the contracts let, and the payments made, be approved.

Report prepared by: Andrew Pollock, Director: Finance.



13 RATES REMISSION POLICY

PURPOSE OF THE REPORT

The purpose of this report is to address the matter of development of a policy on remission of rates for inclusion in the Annual Plan for the 2003/2004 year.

BACKGROUND

A33 - A42

In 1998 the Council adopted a policy on rates relief for community groups. This policy provided a basis for evaluation and recommendation on levels of rates relief for community groups under the provisions of the Rating Powers Act 1988. This policy is attached at pages A33 to A42.

The Local Government (Rating) Act 2002 and the Local Government Act 2002 provide that a local authority may adopt a policy that provides for remission of rates. The policy must be prepared as part of the annual plan and adopted in accordance with the special consultative procedure. As the 2003/2004 year is the first year to which the provisions of the new legislation applies, transitional provisions empower the Council to remit rates under the existing policy as if the Rating Powers Act 1988 were still in force until 30 June 2004.

REMISSION OF PENALTIES AND REMISSION OF RATES ON THE GROUNDS OF EXTREME FINANCIAL HARDSHIP

Remission of penalties on late or non-payment of rates and remission of rates on the grounds of extreme financial hardship must in future be dealt with in accordance with the rates remission policy. Previously the power of the Council to remit both penalties and rates was exercised under delegation to Officers, rather than through the rates remission policy.

Currently the Director: Finance has the delegated authority to approve or decline the remission of additional charges in respect of rates, and grant remission of rates on the grounds of extreme financial hardship, provided that applicants have the right to appeal to the Finance and Operational Performance Committee against any decision.

Under the transitional provisions, both penalty and hardship remissions may continue to be dealt with as if the Rating Powers Act 1988 were still in force until 30 June 2004.

EXTENSION OF REMISSION POLICY

The new legislation provides the Council with far wider powers than existed in the Rating Powers Act 1988, which essentially restricted remission of rates to properties used by community and sporting organisations.

A remission policy adopted under the new legislation must include a statement of

- a. the objectives sought to be achieved by remission of rates; and
- b. the conditions and criteria to be met in order for rates to be remitted.

The extension of the scope of the existing rates remission policy beyond community and sporting organisations, and penalties for late or non-payment of rates has the potential for significant impacts on the Council's finances and should be subject to careful deliberation.

For example the use of rates remission as an incentive to development should be considered in the wider context of how best to achieve any stated objectives. Rates remission may not be the most effective tool to use to achieve such objectives.

The possibility of a decision to remit rates in a particular set of circumstances being used to demand similar remission of rates on other properties, thus effectively taking the power to remit rates beyond what the Council intended is another issue if care is not taken in the process of policy development and precise wording of the policy.

Once adopted, a remissions policy may be amended or revoked only in accordance with the special consultative procedure.

SPECIAL RATEABLE VALUES

The Rating Powers Act 1988 provides for special land values to be assessed on certain properties, including some land used for heritage or conservation purposes. Where a special value is assessed, rates are levied on that special value in place of the full land value.

Under the Local Government (Rating) Act 2002, no ongoing provision is made for such special values. A transitional provision is made applying to land on which a special value has been entered on the Valuation Roll before 1 July 2003. That special value shall continue until the next general revaluation of properties.

The removal of the special values provision will mean that rates on some affected properties will increase when rates are levied on the full land value.

A policy decision will be required in due course on future rating of properties that currently have special values entered on the Valuation Roll. However as these special values continue for at least another year under the transitional provisions, no policy needs to be adopted for the 2003/2004 year.

CONCLUSION

The transitional provisions of the Local Government (Rating) Act 2002 allow the existing policy and delegations of authority be used for the 2003/2004 year.

Significant work needs to be undertaken for the development of a rates remission policy that could have significant financial implications. There are other forms of assistance that could be given by the Council to achieve desired community outcomes, rather than granting direct rates remissions to individual ratepayers.

A decision is required on whether to progress with the development and adoption of a rates remission policy for the 2003/2004 year as part of the annual plan process, or use the transitional provisions of the Act to deal with rates remissions for the 2003/2004 year.

RECOMMENDATIONS

1. That the information be received.
2. That the Finance and Operational Performance Committee recommend to the Annual Plan Special Committee:
 - a. That the remission of rates on properties used by sports and other community groups, and remission of penalties and remission of rates on the grounds of extreme financial hardship continue to be dealt with under existing policy and delegations of authority under the transitional provisions contained in Section 139 of the Local Government (Rating) Act 2002 for the 2003/2004 year.
 - b. That the issue of developing a policy on rates remission be reported back to Council for consideration during the 2003/2004 year.

14 RATES POSTPONEMENT POLICY

PURPOSE OF THE REPORT

The purpose of this report is to address the matter of development of a policy on the postponement of rates for inclusion in the annual plan for the 2003/2004 year.

BACKGROUND

The Local Government (Rating) Act 2002 and the Local Government Act 2002 provide that a local authority may adopt a policy that provides for postponement of rates. The policy must be prepared as part of the annual plan and adopted in accordance with the special consultative procedure, and once adopted can only be amended or revoked in accordance with the special consultative procedure.

Currently the Council does not have a formal policy on postponement of rates. The power to grant postponement of rates under Section 178 of the Rating Powers Act 1988, on the grounds of hardship within the Council's approved criteria is delegated to the Director: Finance.

TRANSITIONAL PROVISIONS

Section 140 of the Local Government (Rating) Act 2002 provides that a local authority may postpone rates after the commencement of the Act (1 July 2003) as if the Rating Powers Act 1988 were in force. This transitional provision applies until 30 June 2004.

The transitional provisions will allow for the following postponements of rates.

RATES POSTPONEMENT VALUES ON FARMLAND

The Rating Powers Act 1988 contains provisions for rates postponement values to be entered in the Valuation Roll in respect of some farmland. Rates are payable on the rates postponement value, which is a value lower than the land value, and the rates calculated on the difference between the land value and the rates postponement value are postponed for a period of five (5) years, and if the property is still being used for farming purposes at the end of that time, the earliest year's postponed rates are written off. If such land ceases to be used for farming purposes within that 5 year period, any postponed rates are immediately payable.

Examples of such land in Waitakere City are vineyards, wineries and orchards and horticultural uses in urban areas.

The Local Government (Rating) Act 2002 does not make provision for such rates postponement values, and postponement of rates on farmland. However there are transitional provisions which provide that where such a rates postponement value is entered on the roll before 1 July 2003, the provisions of the Rating Powers Act 1988 continue to apply as if that Act had not been repealed.

POSTPONEMENT OF RATES ON THE GROUNDS OF HARDSHIP

There are relatively few properties where rates have been so postponed. It is necessary to apply reasonably stringent measures of hardship to applicant's circumstances, as too lenient a measure could potentially result in rates on a large part of the City being postponed. Short-term hardship is commonly dealt with by withholding action to recover rates, rather than using the rates postponement provisions of the Act.

CONCLUSION

The Council must decide whether to adopt a rates postponement policy under the new legislation, to apply from the 2003/2004 year, or to continue to use the transitional provisions until 30 June 2004.

The current process for dealing with applications for postponement of rates on the grounds of severe financial hardship using the provisions of the Rating Powers Act 1988, by delegation to the Director: Finance is operating satisfactorily, and can continue for a further year. There is no evidence of a need to extend the current policy, and the Council work programme for 2002/2003 did not provide for development of a new policy.

The delaying of the adoption of a new policy until the 2004/2005 year will enable proper consideration of and consultation on postponement of rates on farmland before the transitional provisions expire. Any proposals to extend the policy beyond severe financial hardship, and farmland rates will also be subject to consultation prior to the adoption of the 2004/2005 Annual Plan.

RECOMMENDATIONS

1. That the information be received.
2. That the Finance and Operational Performance Committee recommend to the Annual Plan Special Committee:
 - a. That the transitional provisions of the Local Government (Rating) Act 2002 be used for any applications for postponement of rates for the 2003/2004 year.
 - b. That the development of a rates postponement policy be reported back to Council during 2003/2004.

Report prepared by: Andrew Pollock, Director: Finance.



15 IMPLEMENTATION OF LOCAL GOVERNMENT (RATING) ACT 2002

PURPOSE OF THE REPORT

The purpose of this report is to address a number of matters that require a decision by the Council on changes to the rating system as a result of the coming into force of the Local Government (Rating) Act 2002.

BACKGROUND

A43 - A49

At the meeting of the Finance and Operational Performance Committee held on 12 December 2002, a report was considered on matters to be addressed in implementing the new rating legislation (copy attached at pages A43 to A49) and the Committee requested that reports be submitted to the February 2003 meeting of the Finance and Operational Performance Committee on:

- a. Charging of uniform annual charges on each separately used or inhabited part of a rating unit;
- b. Changes to the differential rating system consequential to the implementation of the new rating legislation;

- c. The framework for development of a rates remission policy;
- d. The rates postponement policy.

It was also requested that various models be brought back to the 10 February 2003 meeting of the Committee showing:

- a. The adjusted rate requirement net of the Auckland Regional Council direct rating from 1 July 2003;
- b. The adjusted Uniform Annual General Charge based on the maximum amount permissible per rating unit and the current percentage level charged;
- c. The effect of the removal of the current stepped differentials rating system.

The new rating legislation requires various matters be identified in the Annual Plan, including:

- The rating system,
- The categories of rateable land for setting of the general rate differentially,
- The functions in respect of which targeted rates are to be set,
- Categories of land for setting of targeted rates,
- The factors to be used to calculate liability for targeted rates.

CHARGING OF UNIFORM ANNUAL CHARGES

Uniform Annual General Charges

Section 15 of the Local Government (Rating) Act 2002 provides that a local authority may set a Uniform Annual General Charge for all rateable land within its district, being-

- a. a fixed amount per rating unit; or
- b. a fixed amount per separately used or inhabited part of a rating unit.

It is our understanding that the intention of the legislation was that in addition to every rating unit being charged a uniform annual general charge, every separately used or inhabited part of a rating unit could also be charged a Uniform Annual General Charge. However the meaning of the wording of the legislation is not clear. One interpretation is that a local authority may charge either a fixed amount per rating unit, or a fixed amount per separately used or inhabited part of a rating unit, but not both. Vacant sites could be considered to be neither used nor inhabited. If this is so, it may not be possible to levy a charge on vacant properties if a charge is levied on separately used or inhabited parts of properties. Legal advice on the interpretation of the legislation is being sought.

On the assumption that every rating unit may be charged at least one Uniform Annual General Charge, and each separately used or inhabited part of a rating unit may also be charged, a decision by the Council will be required on which of the two options the Council wishes to adopt.

However it is also necessary to consider whether there are circumstances where the charging of a separate Uniform Annual General Charge on each separately used or inhabited part of a rating unit would be unreasonable.

Uniform Annual Charges for Solid Waste, Peoples' Park and Rural Sewerage

These should be levied as targeted rates and will be dealt with later in this report.

CHANGE TO DIFFERENTIAL RATING SYSTEM FOR GENERAL RATES

If a Uniform Annual General Charge is to be levied on each separately used or inhabited property, as a consequence, the differential factors for the multi-unit residential category will have to be amended. Because the stepped differential rating system for residential properties rates single dwellings in bands of land values, so those bands will have to be replicated in each of the multi-unit categories for each dwelling unit.

The current differential factors for single residential properties and the bands of land value to which they apply are:

	Range of land value	Differential Factor
Single residential dwellings		
Step 1	Up to \$90,000	1.00
Step 2	\$90,001 to \$240,000	0.69
Step 3	Over \$240,000	0.52

The following multi-unit differential categories will be required with ranges of land value and differential factors corresponding to the single residential category.

2 Units		
Step 1	Up to \$180,000	1.00
Step 2	\$180,001 to \$480,000	0.69
Step 3	Over \$480,000	0.52
3 Units		
Step 1	Up to \$270,000	1.00
Step 2	\$270,001 to \$720,000	0.69
Step 3	Over \$720,000	0.52
4 Units		
Step 1	Up to \$360,000	1.00
Step 2	\$360,001 to \$960,000	0.69
Step 3	Over \$960,000	0.52
5-9 Units		
Step 1	Up to \$450,000	1.00
Step 2	Over \$450,000	0.69
10-20 Units		
Step 1	Up to \$900,000	1.00
Step 2	Over \$900,000	0.69
20+ units		
Step 1	Up to \$3,500,000	1.00
Step 2	Over \$3,500,000	0.69

No similar change to the basis of levying rates on the business sector will be required.

However the Council will have to review the proportion of the total rate requirement that is to be levied on the business sector during the consideration of the draft Annual Plan.

Rating of Watershed Land

Currently watershed land is rated at the maximum general rate in the dollar permitted under the Act if levied without a differential. The total rates levied in the 2002/2003 year on watershed and reservoir land was \$231,692 incl. GST. Of this amount Watercare Services Limited rates were \$84,180, and Auckland Regional Council rates were \$147,512. There is no longer a provision in the legislation prescribing a maximum general the dollar.

This land comprises dams and water reservoirs under the control of Watercare Services Limited, and Auckland Regional Council Parkland. Under the new Act, Auckland Regional Council Parkland will be non-rateable, and no rates will be able to be levied on it.

A decision is required on the basis of calculating rates on watershed land and reservoirs in respect of which Watercare Services Limited is the ratepayer, from 1 July 2003.

The rate in the dollar on which rates on watershed land were calculated for the 2002/2003 year was 3.2879 cents in the dollar on Inner Area properties, and 3.3418 cents in the dollar on Outer Area properties. These rates in the dollar may be compared with business sector rates in the dollar (excluding Auckland Regional Council rates) of 4.2968 cents in the Inner Area, and 3.421 cents in the Outer Area. The greater part of the land in this classification is in the Outer Area. Rates (excluding Auckland Regional Council rates) in the 2002/2003 year on water dams and reservoirs land in respect of which Watercare Services Limited was ratepayer would have amounted to \$91,023.

As Watercare Services Limited is essentially a business operation, it could be argued that land in respect of which it is the ratepayer should be rated at the business sector rate. Currently the business sector does not benefit from the proceeds of rates on watershed and reservoir land.

It is recommended that watershed and reservoir land be levied rates at the same rate in the dollar as business sector properties, and that the land be now included in the business sector for purposes of apportioning the sector's share of rates. This will have a redistribution effect on both residential and business sector properties. Previously the residential sector benefited from these rates.

Targeted Rates

In the report to the December meeting of the Committee the functions that would seem to be most appropriately levied as targeted rates were identified as water supply (whether as a user charge as at present, or on any other basis), wastewater, solid waste collection, Peoples' Park, and Rural Sewerage.

The Act provides that non-rateable properties are liable for targeted rates set solely for water supply, sewage disposal, or waste collection, and where the service charged for is provided to the land.

Water Supply

The Act provides that a local authority may set a targeted rate for water supply in accordance with its annual plan for the quantity of water provided by the local authority. The targeted rate may be calculated:

1. As a fixed charge per unit of water consumed or supplied,
2. or according to a scale of charges.

Whatever basis is adopted for charging for water, whether on the basis of usage, an annual charge, or as a rate in the dollar, or any combination of these, it should be charged as a targeted rate. This will ensure that non-rateable properties can be charged.

Wastewater

Wastewater costs should be recovered as a targeted rate to ensure that charges may be made to non-rateable properties. The targeted rate can be levied on the same basis as at present, i.e. differentially on the basis of land value, the differential factors being the same as for the general rate.

The rating system could also be different to the general rates, as could the differential factors. Uniform annual charges could also be used. The Act does not however permit charging for wastewater on the basis of sewage flow or any proxy of sewage flow.

Solid Waste and Peoples' Park

Costs of these functions are currently levied as uniform annual charges, and can continue to be levied on this basis as targeted rates. The legislation does however provide for these charges to be levied differentially, rather than strictly uniformly as in the past if the Council wishes to vary the basis of charging. There is no provision for any other separate Uniform Annual Charge as part of the general rate apart from the Uniform Annual General Charge.

Rural Sewerage Charge

In the past this charge had to be levied at the same amount on all properties in the parts of the City where there was no sewer reticulation, irrespective of whether the property was vacant land. The new legislation provides that one of the factors that can be used to calculate liability for targeted rates is the extent of provision of any service to the rating unit by the local authority, including any limits or conditions that apply to the provision of the service. This should enable the Council to vary the charge.

THE FRAMEWORK FOR DEVELOPMENT OF A RATES REMISSION POLICY, AND THE RATES POSTPONEMENT POLICY.

These are the subject of separate reports on this agenda.

RATING MODELS

A50 - A52

Attached at pages A50 to A52 are rates models showing the effect on rates of excluding the Auckland Regional Council levy, together with increasing the Uniform Annual General Charge to the maximum level. The effect of removing the current stepped differentials is also shown.

All models are based on the 2002/2003 rate requirement, and the 30 June 2002 rating base.

If Uniform Annual Charges are levied on each separately used or inhabited part of a rating unit, the total number of annual charges and their product will increase. The maximum level of Uniform Annual General Charge is expected to fall from the current maximum level of \$550 to \$480. The charge levied for the 2002/2003 year was \$510.

Column B shows the rates levied for the 2002/2003 year on the land values in column A.

Column C shows the 2002/2003 rates excluding the Auckland Regional Council rate requirement, with a Uniform Annual General Charge set at the maximum of \$480. This assumes that the contribution from the business sector remains at 20.5%.

Column E on the models for residential properties shows the effect of removing the stepped differential from the model in column C.

CONCLUSION

The implementation of the Local Government (Rating) Act 2002 will require a number of decisions to be made. In most cases the process for final adoption will be as part of the adoption of the Annual Plan for 2003/2004.

RECOMMENDATIONS

1. That the information be received.
2. That the Finance and Operational Performance Committee recommend to the Annual Plan Special Committee:
 - a. That subject to legal advice confirming that each rating unit can be charged at least one Uniform Annual General Charge, that such charges be levied on each separately used or inhabited part of a rating unit.
 - b. That the differential factors and bands of land value to which they apply in respect of multi-unit residential properties be amended as detailed.
 - c. That watershed and reservoir land be levied rates at the same rate in the dollar as business sector properties, and the land be included in the business sector for purposes of apportioning the sector's share of rates.
 - d. That water supply, wastewater, solid waste, Peoples' Park and Rural Sewerage be identified in the annual plan as functions to be funded from targeted rates.

Report prepared by: Andrew Pollock, Director: Finance.



PART IV - GENERAL

16 SECOND QUARTER PERFORMANCE REPORT

PURPOSE OF THE REPORT

This report enables the Finance and Operational Performance Committee to monitor achievement of some of the performance targets in the 2002/2003 Annual Budget.

BACKGROUND

The performance measures in the Annual Budget relate to the Council's strategic objectives for the City. These performance measures are reported when available on a quarterly basis.

STRATEGIC CONTEXT

The performance measures in the Annual Budget relate to strategic objectives and provide a way of measuring the extent to which the objectives are being achieved. This report provides an opportunity for the Committee to review performance results and identify any issues relating to meeting targets or the strategic objectives.

It should be noted that a review of the performance measures is currently underway. Performance measures and targets need to be reviewed to ensure they remain relevant to the strategic direction of Council. Though it is preferable to have the measures relate exactly to the strategic platforms and objectives, it is important that the measures remain comparable over time. It is also important to note that the current measures under review are those related to the Annual Plan. Other reports such as the State of City report, Quality of Life report and other City surveys may also include measures that contribute towards the strategic platforms.

ISSUES

A53 - A57

The performance results for the second quarter of 2002/2003 are attached at pages Ax53 to A57. The key results reported are summarised below:

Positive Results

- Total attendance at key Council supported citywide festivals and events is significantly increasing each year.
- All (excluding one) water measures are tracking above target.
- In addition to 11 schools in Waitakere City, 21 other groups including a number of schools from outside the city and senior citizen/international groups visited the Waste Minimisation Learning Centre.

Negative Results

- Job Growth remains under target, however the current results are positive in comparison to last year's decline in the number of jobs.
- Visits to Aquatic Centre are tracking below target as a result of the chlorine incident in November.
- Water main breaks took longer than 6 hours to repair due to the complexity of repairs.

CONCLUSION

Of the performance results reported, 19 are on track to meet target and 4 are tracking below target.

RECOMMENDATION

That the information be received.

Report prepared by: Janelle Anthony, Strategic Planner: Monitoring.



17 CARPARKING INVESTIGATIONS

PURPOSE OF THE REPORT

The purpose of this report is to seek a change to Council's Funding Policy to allow charge car parking for Council car parks, and to seek approval to further investigate implementation of charge car parking with Henderson Town Centre as a pilot study.

BACKGROUND

Council does not currently charge for car parking. There is a policy in place to fund commercial area parking through rates, with the exception of leased parks in Trading Place, Henderson. The basis of this policy is the belief that car parking charges may encourage people to shop outside Waitakere City, which would have a negative impact on local businesses and would increase the length of vehicle trips. Thus ratepayers pay for the 'free' car parking within the city.

A58 - A84

In November 2000 Council commenced work regarding user charges for car parking in town centres, and this was reported to the Annual Plan Special Committee for consideration as part of the 2001/2002 Annual Plan. Recommendations at that time were to introduce charge car parking on a staged basis, with long-term parking charges brought in at first, and shorter term parking charges at a later time. At that time, Council decided not to implement charge car parking. The full report is attached at pages A58 to A61 and a copy of the consultants report into charge car parking is attached at pages A62 to A84.

Since then pressure on parking in town centres has increased. However, there are limited opportunities to increase car parking in centres without parking buildings and this is expected to become a brake on centre growth.

Preliminary investigations have been undertaken in both Titirangi and Henderson for the provision of car parking buildings. A car parking building is proposed as part of the Henderson Library / UNITEC campus development. In addition, the Request for Proposals process being initiated in New Lynn encourages the possibility of development of a car parking building as part of proposals to Council.

This report suggests that Council changes its funding policy to enable a pilot study of charge parking in Henderson. Council currently provides a significant amount of car parking in Henderson, approximately 1100 spaces within the centre. A portion of this (approximately 400) is used all day by people who work in the centre and others who park there and commute elsewhere by public transport or other means. The pilot study would be aimed at all day parking, not at the existing short-term (shoppers) parking.

Henderson is recommended for the pilot study as it will be problematic to cater for the growth of the centre without further parking provision. However, there are limited opportunities to do this without charge parking.

STRATEGIC CONTEXT

Council is seeking to develop its town centres and the use of passenger transport. It will be difficult and expensive for Council to provide further car parking in its town centres as land availability is limited and the environmental and urban design effects of taking up further land with car parking are significant. Therefore, it is likely that the lack of opportunities to provide car parking will become a brake on growth in the City's main centres.

Charge parking can help to overcome this problem by making it commercially viable to build car park buildings without relying on rates to pay for these facilities.

Further, the provision of car park buildings may reduce the need for ground level car parking. If this occurs some of the land currently committed to parking could be put into higher value, more intensive land use.

Parking charges also play an important part as a travel demand measure. By changing the relative cost of private motor vehicle use and public transport, public transport becomes a more viable option. Existing provision of ratepayer-subsidised car parking, particularly all day parking, effectively subsidises and encourages car use.

Therefore, the key strategic reasons for implementing a limited amount of charge car parking are:

- It will help to overcome town centre parking shortages as centres grow, by providing the conditions in which it becomes viable to establish parking buildings.
- If parking buildings are established it may be possible to reduce the amount of land in parking and put that land to better use.
- Charge parking reduces the extent to which ratepayers subsidise parking and encourages the use of public transport.
- To focus Council's provision of ratepayer subsidised parking on short-term, shopper parking.

ISSUES

There is a perception that there is currently a parking shortage in Henderson. It is expected that this will be exacerbated as the centre grows, especially with the move of Council and the development of UNITEC. Transport Assets staff are currently undertaking a car parking study in Henderson aimed at determining future demand more clearly.

There is a limit to the space available for further car parking provision and it is expensive to provide car parking. Existing car parks already compromise the amenity and environmental values of Henderson and further car park development could only be undertaken on areas of open space and near to stream edges. As noted above, charging for parking will alter demand and make it more likely that parking buildings could be established.

The proposed pilot study would involve the establishment of charge parking at one or more car parks in Henderson that currently offer free all day car parking. The impact of this would be monitored over the subsequent twelve months to determine the reaction of users, business owners and property owners in the immediate vicinity. If the pilot is successful it could be possible to consider extending the programme to other parts of the city.

One of the goals of this proposal is to make it more viable for parking buildings to be provided by Council or the private sector. Because of the cost of car parking buildings (\$7000 – \$14,000 per space, depending on design, compared with \$2000 - \$3000 per space for at grade car parks) it is considered necessary to reduce the amount of 'free' parking before it will be commercially viable to provide parking buildings. If there is a charge for existing long-term parking in a centre it will be easier to justify charging for access to a parking building. Also, depending on the cost of providing parking buildings in a location and the demand for long-term parking it is possible that the private sector will build these facilities themselves or in partnership with Council. Identifying how to leverage the establishment of parking buildings will be one of the elements of this project.

Consultation

There will need to be consultation with the community and businesses prior to changing Funding Policy and as part of the pilot. It is intended to undertake citywide consultation on the proposed policy change as part of the Long Term Council Community Plan and/or Annual Plan processes.

Consultation with businesses and residents in the pilot area (Henderson) will be undertaken as part of the preliminary investigations, as well as during and after the pilot. It is likely that these groups will be concerned about:

- The extent to which vehicle users start parking in side streets to avoid the charges. Due to the layout of Henderson there are not many places to park on side streets without a significant walk. Therefore, this is not expected to be a major issue.
- Whether shoppers move out of the centre. Because short-term parking will not be reduced it is not expected that shoppers will be greatly affected by the change. However, it is likely that more people will park in places such as the Westcity car park even if they are not shopping there.

The extent to which these issues in fact arise will be related to the fee charged. It is intended to bring a further report to the Committee identifying where charges should be initiated within Henderson and the cost.

Initial studies conducted several years ago indicated that the cost of setting up off-street paid parking with the use of pay and display machines would likely have a pay back period of one year (depending on the technology and charging regime that is selected). It is suggested that if a pilot study is agreed to then it should be undertaken for the duration of the 'pay back period'. This would significantly reduce any financial risk to Council.

This report suggests that the following steps need to be undertaken:

- Preliminary investigations, which would include the identification of issues, suggest technology, charging regime and appropriate sites. Consultation with local residents and businesses would also be included (February to May 2003).
- Citywide consultation on the proposed policy change as part of the Long Term Council Community Plan and/or Annual Plan processes (February to June 2003).
- Report back through the Annual Plan Special Committee on consultation and preliminary investigations for the proposed pilot (June 2003).
- Undertake a pilot (with ongoing consultation) (June 2003 to June 2004).
- Report back to the Finance and Operational Performance Committee on pilot outcomes.

RESOURCES

There is sufficient budget in this financial year to undertake investigations and detailed planning of the pilot study. Further budget will be required in the next financial year for implementation of the capital and review elements of the pilot study and these will be included in the draft Annual Plan to be brought before the Council. Costs and revenues will be included in the proposed budget.

CONCLUSION

The limited opportunity to provide further car parking in key centres is expected to become a brake on development. Charge parking could help overcome this problem by making it viable for either Council or the private sector to provide parking buildings. This could have the flow on benefits of freeing up land for redevelopment, reducing ratepayer subsidy to vehicle users, and encourage public transport usage.

Henderson is the centre most under pressure and where the benefits of charge parking are most likely to be realised. It is suggested that the Committee endorse further work on the implementation of charge parking in Henderson, including consultation on a change to Funding Policy.

RECOMMENDATIONS

1. That the information be received.
2. That the option to change Council Funding Policy on car parking by providing for user charges be included in the Long Term Council Community Plan and/or Annual Plan processes for consultation.
3. That the Finance and Operational Performance Committee endorses further work on undertaking a pilot study in Henderson of parking charges and that a report be brought back to the Annual Plan Special Committee identifying how such a project would be implemented and the results of public consultation on the proposed Funding Policy change.
4. That it be recommended to the Annual Plan Special Committee that a pilot project for charge car parking in Henderson be considered for inclusion in the 2003/2004 financial year.

Report prepared by: Gyles Bendall, Project Manager; Transport Projects.



18 KELSTON BOYS HIGH SCHOOL - SUPPORT FOR PERFORMING ARTS AND AUDITORIUM FACILITY

PURPOSE OF THE REPORT

The purpose of this report is to seek Committee direction on a request from Kelston Boys High School for Council support in respect of their proposal to build a performing arts and auditorium facility at the school.

BACKGROUND

At the 13 December 2001 meeting of the Finance and Operational Performance Committee, Mr Richard Wood, Chairman of the Board of Trustees, Mr Steve Watt, Principal and Spencer Vickers, Head Boy of Kelston Boys High School, addressed the Committee on the community facility they are proposing to build at the school and sought the endorsement of Council with its establishment.

A85

Subsequently, on 25 February 2002, the Chief Executive provided a general letter of support for the development of this facility, to assist with the School's fund raising efforts. A copy of this letter is attached at page A85.

Council has recently been approached again, for more tangible assistance to the School for this project, through Councillor Clews. In the course of the School's efforts to obtain funding, the ASB Trust have provided some funding based on their standard formula for support for education facilities and have indicated to the School that they will match whatever support is given by Council, with respect to the community use aspect of the facility. Kelston Boys High School are now seeking around \$200,000 from Council. This might be by way of a direct grant or through other arrangements that, while involving an upfront payment from Council, would deliver a strong match to Council's strategic objectives in relation to community facilities. Examples of such arrangements might be an advance payment for future use of an endorsed community facility committed to certain service levels over an appropriate time period and/or a representative facility management committee that includes Council representation tasked with ensuring the facility is achieving broad community use.

If Council does not support assistance by way of a grant, the School has previously indicated that assistance in the form of a loan would also be useful at this stage of the project.

STRATEGIC CONTEXT

Leisure and recreational facilities contribute to the well-being of the City's residents by providing recreation opportunities that promote social cohesion. Community facilities provide focal points for the community – places for people to meet and interact. Additionally, a performing arts facility such as that proposed by Kelston Boy High School has the potential to fill one of the many gaps identified through the Arts and Cultural Strategy consultation of a dearth of larger performance venues.

ISSUES

The rationale and nature of Council support for the development of community facilities by organisations other than Council is set out within the 1998 Community Assistance Policy and the 2000 Community Facilities Plan. Relevant goals and objectives include:

(Goal of the Community Assistance Policy) - To help strengthen the ability of local community groups to create a strong base for Waitakere City and to meet local needs.

(Objective 2 of the Community Assistance Policy) - To provide assistance that complements other available funding and assistance and improves the group's chances of getting this assistance.

In the Community Facilities Plan 2000, it was recognised that groups who provide facilities for the use of the community provide an essential service and major benefits for the local community.

Types of support

Council provides support for community buildings through a range of methods set out in the community assistance policy. The methods most applicable to the Kelston Boys High School proposal are loans or loan guarantees and fee reimbursement for regulatory costs (resource or building consents). The policy does state, however, that as a general rule Council does not lend money or give loan guarantees to community groups unless there are **exceptional** reasons to do so and that any such loans or loan guarantees will be provided on a cost recovery basis to Council. This provision is in place in order to make it clear to all community organisations (such as other schools, in this case) that this is not generally how Council will implement this policy.

The Community Facilities Plan, adopted in April 2000, also acknowledges that Council supports other providers of community facilities (such as schools) through grants and rates relief although there is no explicit policy on how or when such grants should be made.

Partnerships

Council has recognised, through the 2000 Community Facilities Plan, that partnership arrangements in the provision of community facilities are already happening and are likely to become more and more common as the City's population grows. At its 9 December 2002 meeting, the City Development Committee was presented with a comprehensive proposal to develop the concept plan for a co-located community facility with the new Sturges Valley Primary School. This proposal is supported through a partnership agreement with the Ministry of Education.

The proposal to develop the performing arts and auditorium facility at Kelston Boys High School may provide a new opportunity for a level of partnership with Council but how this might happen has only been canvassed informally so far. Such partnerships require a significant staff resource commitment to bring to a mutually satisfactory conclusion and generally include council funding at least some elements of the facility.

As a result of the increase in requests from schools to partner them in facility development, a report was commissioned that highlights the issues that should be considered if a facility partnership is undertaken by Council. One of the key issues emerging from this work is that it has been the consultants experience that there is a lack of appreciation by school boards of the obligation to make a school facility widely available for community use when they receive significant community sourced funding. To design a facility that is suitable for community use, community access should be incorporated in the design of the facility and its management and operation from the beginning. Experience suggests that this is often not the case and is only really achieved when all parties plan this in from the beginning.

The report does not outline a preferred process for selecting partners in a facility development, more of key learning over the last 3 years. It is anticipated that a clear process will be required in the near future to assess potential partners in the development of community facilities.

Discussions with the Kelston Boys High School Principal have provided some preliminary support for a view that this school has a good understanding of the additional management responsibilities that are part of making school facilities available to the wider community. The School has a fulltime facilities manager and examples of community activities already operating include:

- A Council holiday programme;
- Western Districts soccer;
- Kelston Athletics Club;
- Volleyball, netball, cricket and touch rugby.

They have canvassed potential users of a new indoor facility and those indicating interest so far include the Waitakere Multicultural Society, a community church, Kids for Drama And Auckland West Dance. It is also seen as a home for the Kelston Community Trust. Mr Watt has indicated that they would be pleased to have Council advice on putting procedures in place that ensure the facility is open to a wide range of community users.

Need

The Kelston area has not been identified by Council staff as one of the areas where a building for general community use is going to be needed in the medium to longer term although the School and others contend that this is an area where the only community facilities are the schools and that there is a high level of need for a quality facility.

Precedent

Council receives several requests per year from schools within Waitakere City for financial assistance for the development of school facilities that might be of benefit to the wider community. Several of the current requests are on the same scale as the Kelston Boys High School proposal in terms of size and dollar value. When Council called for applications for the Auckland Regional Services Trust monies almost two years ago, several schools from across the City made applications for contributions to their proposed new arts/cultural facilities. If the Kelston Boys High School proposal is financially supported, then other schools with similar requests may expect the same support.

RESOURCES

There is no provision for either staff time or funding to support the request for Council assistance with the development of the Kelston Boys High School performing arts and auditorium facility in current budgets. There is also no provision for the development of criteria and processes for assessing suitable community facility partnership opportunities with schools.

CONCLUSION

Council support by way of a loan or grant for a performing arts and auditorium facility at Kelston Boys High School would not be inconsistent with the overall intent of both the Arts and Cultural Strategy and the Community Facilities Plan but it needs to be clearly identified why this project is exceptional and how this facility would be made available for wider community purposes. It may be very difficult to do this given the high demand from local schools for Council assistance with their facilities development. The precedent set is likely to lead to further comparable requests. If Council wishes to support this development by way of a loan or grant, it would be desirable to make this conditional upon negotiating a satisfactory agreement with Kelston Boys High School regarding availability for wider community use.

Should the Committee wish to advance the development of criteria and processes for assessing suitable community facility partnership opportunities with schools, it will need to be referred for consideration as an additional item through the annual plan process.

RECOMMENDATIONS

1. That the information be received.
2. That the Finance and Operational Performance Committee consider what support, if any, it wishes to provide to Kelston Boys High School towards their performing arts and auditorium facility.
3. That any such support provided to Kelston Boys High School be conditional upon negotiating a satisfactory agreement regarding availability of the facility for wider community use.
4. That the development of criteria and processes for assessing community facility partnership opportunities with schools is referred for consideration to the Annual Plan process.

Report prepared by: Joy Hames, Manager Policy Development.



PART V - SUBCOMMITTEE REPORT

19 TENDERS SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS ORDINARY MEETING HELD ON FRIDAY, 13 DECEMBER 2002 AND FRIDAY, 24 JANUARY 2003

MATTERS CONSIDERED

A86 - A94

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A86 to A94.

The Subcommittee Recommends:

That the Ordinary Meeting reports of the Tenders Subcommittee held on Friday, 13 December 2002 and Friday, 24 January 2003 be received.

JM Clews, QSO, JP
CHAIRPERSON

