

**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, 5 APRIL 2004 COMMENCING AT 9.30 AM.**

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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, 5 APRIL 2004 COMMENCING AT 9.30 AM.

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 - Monday, 8 March 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Finance and Operational Performance Committee held on Monday, 8 March 2004, including the Public Excluded minutes, as circulated, be taken as read and now be confirmed.

The public excluded minutes are attached at page 11 of the Confidential supplement.



PART I - PROPERTY

4 SIX MONTH PERFORMANCE OF MASSEY LEISURE CENTRE

PURPOSE OF THE REPORT

The purpose of this report is to update the Committee on the six-month performance of Massey Leisure Centre for the 2003/2004 year.

BACKGROUND

The Massey Leisure Centre is a purpose built facility which has a fitness centre, two-court stadium, a crèche for users and a sub-dividable community meeting/activity room. The Massey Leisure Centre is externally managed and Council has a management agreement with YMCA for the operation of the facility. This management agreement has been in place since the facility was opened in 1999 and was renewed on July 1 2003. Officers negotiate the subsidy level and targets annually with YMCA. In 2003/2004 the operation subsidy was reduced from \$135,000 to \$100,000. In addition to this reduction in subsidy it was also negotiated that YMCA would deliver an increased level of youth programmes and services.

The Massey Leisure Centre provides a range of recreation, leisure and sport programmes, as well as providing hall/stadium hire and meeting space for community and user groups.

STRATEGIC CONTEXT

Council leisure facilities and activities contribute significantly to the well being of the City's residents, by providing recreation opportunities that promote health and social cohesion. The Council's Leisure Strategy, Community Facility Plan, Parks Strategy, Youth Recreation Needs Assessment and the Funding Policy guide the provision of these facilities and activities to ensure that they are available to all residents, responsive to changing demands and provided efficiently.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided.

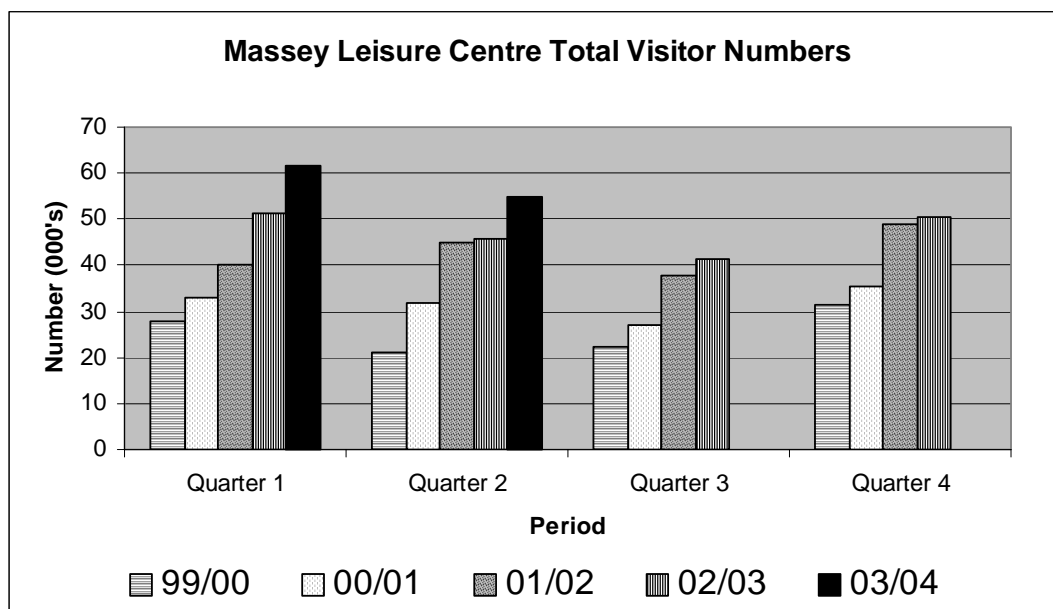
To improve the wellbeing of the City's people and communities, the Council provides and supports a diverse range of leisure opportunities through facility operation and development, direct funding, assistance to access other funding and support of activity initiatives.

Through the Strategic Plan Council has adopted a platform of 'Strong Communities' stating that in the next 10 years Council will develop the City as a renowned hub of social activity, arts, leisure, sports and recreation.

ISSUES

The first six-month period of the 2003/2004 year saw a change in management at Massey Leisure Centre, with Karen Lonergan being appointed the new Centre Manager upon Shona Ballinger leaving to take the new YMCA position of Youth Development Manager. Karen was officially welcomed into her new role with a powhiri held in the Massey Leisure Centre. Approximately 70 attended the powhiri and included Council staff, YMCA staff, local iwi, the Minister of Youth Affairs John Tamihere and Karen's whanau and friends.

A change in management has not had any negative impacts on the Centre, and in fact the Centre has seen the highest visitor numbers ever over this six-month period. This period has seen the Massey Leisure Centre continue the positive trend that began when the facility opened, with overall visitor numbers increasing in comparison to the same period in each previous year. This trend is highlighted in the graph below:



The total visitors over this six-month period were 116,408, which is well above the target of 95,309.

One of the most successful programmes and partnerships currently running at the Centre is with the Home School group. This group has around 120 children coming along to the Centre every Friday afternoon during the school term. The group uses the stadium, crèche area and the Don Buck community room for their various activities.

One area that has particularly helped boost the visitor numbers at the Massey Leisure Centre is the hireage of the facility by the community, in both the Don Buck community room and the stadium. Using the facility for birthday parties is another area that has exceeded its target and helped with the increase of visitor numbers. During this six-month period there has been 1,065 visitors at the Centre for birthday parties, compared to the target of 360, the increase in bookings has been predominantly due to word of mouth. YMCA are hoping to grow this area even further through increased promotion and marketing.

The adult sports leagues have had mixed results. The basketball league is well above the numbers expected, but netball is well below its targeted numbers for this period. The netball league is currently being reviewed and YMCA is receiving feedback from those teams playing in the competition to help put changes in place that will help the performance of this sports league. It is expected that with proposed changes to the competition format that numbers will begin to grow again in the second six-month period.

The art and dance classes offered at the Centre have also struggled to meet their respective targets and have since been reviewed, changes put in place and promotion increased.

Youth

During this first six-month period YMCA further emphasised their commitment to providing for the youth with the creation of the Youth Development Manager position. Although this position covers the Auckland region, YMCA have indicated that this position will have an initial focus in the Waitakere community, recognising the shared youth focus and support by Council for YMCA/Council youth initiatives in the past, in particular the "Raise up n Represent" programme which was initiated at the Massey Leisure Centre and has since extended into New Lynn Community Centre.

The "Raise up n Represent" programme is a youth programme targeted at 13-18 year olds "that has been designed to give youth a safe and healthy environment in which to relax, socialise, and achieve their goals. The aim is to support youth in being physically fit, to encourage personal ownership and leadership, and to foster a sense of pride and respect for themselves, and the communities in which they live."

In the new contract negotiated for the 2003/2004 year, a proportion of the operating subsidy provided to YMCA was to be attributed to developing the "Raise up n Represent" programme in Waitakere further.

Through this programme Massey Leisure Centre has a well established Friday night for youth, with an average of 210 youth attending every week during this first six-month period. The regular activities include activities such as a basketball league, break dancing, table tennis, and during these summer months skate ramps were also being utilised in the lower car park of the Centre. Hip hop dance classes were also introduced during this period and have proven to be popular with the youth.

In addition to these weekly activities, on the first Friday of every month a youth dance party follows the regular activities. The Centre experienced its biggest Friday night in October when New Zealand's music icon Scribe was at the Centre, which helped in attracting the 800 youth who attended.

YMCA's Youth Development Manager is now looking at expanding the programmes that are available to youth at the Massey Leisure Centre with providing programmes in 2004 such as:

- Outdoor recreation days;
- Workshops on personal development;
- Home work space (in conjunction with the Massey Library); and
- A leadership committee.

New Lynn

YMCA have also been working on developing the youth programmes at New Lynn Community Centre. A weekly "Raise up n Represent" youth night is held at the Community Centre every Wednesday from 4.30-7.30 where there is 3 on 3 basketball competitions, table tennis and music playing. This weekly event attracted an average of 40 youth to the Centre each week during this six-month period. YMCA also initiated a volunteer programme at New Lynn, which has focused on why they volunteer and what they want to achieve out of being a volunteer. This volunteer programme currently has 20 youths being trained and gaining leadership skills, and provides YMCA with a valuable volunteer base for their events.

A bigger one off youth night was held at the Community Centre in December, where the basketball, table tennis and music was followed by a hip hop dance. 70 youth attended this night, and YMCA are now going to run more of these once a month youth events at New Lynn Community Centre.

Smoke Free Law Changes

The changes to the Smoke-free Environments Act 1990 has extended the protection for children young people and workers against exposure to second-hand smoke. This Act also aims to prevent young people being influenced by seeing others smoke. This law change now means that from 1 January 2004 all schools and early childhood centres will be 100% smokefree, inside and out, at all times. As the Massey Leisure Centre has a crèche within its grounds this means that these changes will also apply to the Centre. This requires Council to display smokefree notices at every entry gate to the grounds or buildings entrance on the premises to which young people or public normally have access.

As the crèche shares its premises with the Leisure Centre, Citizens Advice Bureau, Library and the community room, the grounds are only required to be smokefree when and where young children are present. However, for ease of enforcement and to support one of the aims of the Act to "send a positive message about a smokefree/auahi kore lifestyle as the norm", the smokefree policy will be in place at all times.

Massey Leisure Centre has always been smokefree inside the facility, but although smoking is in no way encouraged outside of the facility there are users who regularly smoke outside. These smokers are now being informed of the law changes when possible, and to ensure it is widely known by the users of the Centre correspondence currently being sent from the Centre includes a notice informing users of this policy change and why it has come about.

RESOURCES

Through the 2003/2004 Annual Plan an operating subsidy of \$135,000 was provided for Massey Leisure Centre, however, this subsidy for the Massey Leisure Centre has since been reduced to \$100,000.

Staff for relationship management, coordination and contract monitoring have also been provided for through the Annual Plan.

CONCLUSION

Massey Leisure Centre has had a successful first six months of 2003/2004. The overall target for visitor numbers at the Massey Leisure Centre has been exceeded with over 116,000 people visiting the Centre, this is compared to 95,868 visitors for the same period in 2002/2003. Most of the programmes at Massey Leisure Centre have been running well and at least meeting their targets with many exceeding them, however, some programmes have required a review to determine how the numbers attending can be increased. The YMCA youth programmes continue to be a great success, and this has led to an increase in YMCA's focus on the programmes provided to youth, both within their agreement with Council and their staff allocation.

Changes to the Smoke-free Environments Act 1990 has meant that because there is a crèche within the grounds the Massey Leisure Centre is now required to be smokefree both inside and out. Procedures are being put in place to ensure that the Massey Leisure Centre complies with these changes.

RECOMMENDATION

That the Six Month Performance of Massey Leisure Centre report be received.

Report prepared by: Helen Anderson, Leisure Projects Leader.



5 SIX MONTH PERFORMANCE OF THE WEST WAVE RECREATION CENTRE

PURPOSE OF THE REPORT

The purpose of this report is to update the Committee on the six-month performance of the West Wave Recreation Centre from July - December 2003.

BACKGROUND

West Wave Recreation Centre is operated as part of West Wave Aquatic Centre. The Centre has a large open floor, activity room with kitchen, programme/activity room, martial arts/dance room and a specialised gymnastics/dry diving pit and area. There are three other main rooms along the side of the Centre, which house three long-term tenants, Waitakere City Arts Council, Plunket and the Music Education Centre. These tenants have lease agreements with Council; Plunket is given their space at no charge in support of their activities.

The Centre's primary target catchment is the central part of Waitakere City, with a growing number of participants from the outer suburbs of the City and greater Auckland visiting the Centre. The Centre provides a range of recreation, leisure and sport programmes, as well as providing hall/stadium hire and meeting space for community and user groups. The Centre is unique as it is the only Council owned and Council operated recreational facility within the City.

STRATEGIC CONTEXT

Council's leisure facilities and activities contribute to the well being of the City's residents, by providing recreation opportunities that promote health and social cohesion. The Council's Leisure Strategy, Community Well-being, Parks Strategy, Youth recreation needs assessment and the Revenue and Funding Policy guide the provision of these facilities and activities to ensure that they are available to all residents, responsive to changing demands and provided efficiently.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided. To improve the well being of the City's people and communities, the Council provides and supports a diverse range of leisure opportunities through facility operation and development, direct funding, assistance to access other funding and support of activity initiatives.

Through the Strategic Plan Council has adopted a platform of 'Strong Communities' stating that in the next 10 years Council will develop the City as a renowned hub of social activity, arts, leisure, sports and recreation.

ISSUES

2003/2004 Highlights

The last 6 months for the 2003 year saw a large focus on furthering relationships, particularly with those organisations concerned with older adults. West Wave provides assistance to Sport Waitakere with regards to a number of different projects. The main venture has been providing assistance with the production of the quarterly produced Active Living Brochure. Previously Sport Waitakere had cancelled the brochure due to financial reasons. The editorial is now jointly produced and includes promotion of the Centre and its current programmes. Production also includes educational stories written by the Recreation Officers. The advertising has proved to be very successful with class numbers increasing due to the flyer.

The Centre is also working with Sport Waitakere to further develop class participation in older adults' programmes and the promotion of green prescription (GRx). The Centre is currently investigating the feasibility of hosting a support group based at the Centre jointly run with Sport Waitakere starting in July 2004. The programme would start with having a guest speaker once a month (this would be organised by Kay Lindley from Sport Waitakere) followed by 30 minutes of exercise. The exercise would be different each month and is an introduction to different programmes and activities. This would be the responsibility of the Recreation Officers. The aim is to encourage people to participate in our existing programmes. It is expected that the relationship with Sport Waitakere will continue post the opening of the Trust Stadium.

The last report presented discussed the newly formed partnership with Age Concern. West Wave has facilitated several free 'fall prevention' courses in conjunction with Age Concern. The courses received positive community feedback with the Centre receiving comments about the value of such a course. However it was identified that future courses would require greater external promotion as most participants were already attending the Centre and therefore it was unsuccessful from a marketing point of view of hoping to entice new patronage.

Another key success for the Recreation Centre was the gaining of sponsorship for youth events from several local businesses, two of which signed 6 month and 12 month sponsorship contracts. Examples of such youth events include two small youth concerts which were held late last year as part of the Friday 'Splash Night' programme. Unfortunately, visitor numbers did not justify the increasing complexities encountered in programming this event and consequently splash night is on hold for 2004.

In an agreement reached between the Centre, Leisure Services and "The Village", a Youth focussed group catering for street kids as well as other youth, the Village will run a drop in centre to all youth providing sports activities on Friday nights commencing in February 2004.

Trends

Hydrotherapy classes that were originally started in May 2003 by the Recreation Officers have been very popular and classes have increased from 1 per week to 3 per week with the demand for more. Community groups such as the arthritis foundation have been avid supporters of the classes. Classes tend to be utilised predominantly by older adults creating the opportunity to target rehabilitation and sporting organisations. Usage of the pool has increased after heightened awareness of the pool via a small open evening. Since this event, several organisations have become regular hire groups and the Multiple Sclerosis Group and Disability Information Network Waitakere have expressed interest in starting classes in early 2004.

There has been a large decrease in Cardiac Rehabilitation and Power On water classes. This has been evident since the development period with class sizes halving. The Centre has requested to be part of a new trail with the Heart Foundation and hospitals to aid in the promotion of classes and continued care after hospitalisation.

There has been a large increase in the demand for early age preschool gym programmes (18 months - 3 year olds). This has resulted in the two trial classes fully booked and the commencement of a third class to keep up with demand.

Participation Statistics

There has been a management decision to redirect Centre resources (primarily staffing) to focus on hiring space in the facility to groups that provide community programmes. This reduces the need to provide and administer internal programmes, and also ensures that there is additional hire space to cater for an increase in programme hirers.

There has been an increase in large event hirers as the Centre continues to be one of the largest within the City and attracts several large shows a year including Model X, Arms Fair, Rockhound Club, Cat Club and Orchid Club. Most of these events are in the second half of the year. The frequency and size of shows hosted by the Centre has increased, with previous users continuing to rebook the Centre which is therefore gaining in popularity and awareness within the community, City and greater Auckland area. For example, the Arms Fair now runs two events annually.

Table 1.

West Wave Recreation Centre Visitor Numbers

| | 2001/2002 | 2002/2003 | *2 quarters only 2003/2004 |
|---------------------------------------|------------------|------------------|---------------------------------------|
| Casuals & Programme hirers | 49803 | 66824 | 45303 |
| Schools | 562 | 673 | 731 |
| Event Hirers | 15463 | 30318 | 19420 |
| Internal Programmes | 24905 | 17926 | 10557 |
| | 90,733 | 115,741 | 76,011 |

**Statistics include aqua aerobics programmes run by Recreation Officers under internal programmes. Statistics exclude spectator numbers as user groups report only participant's numbers.*

Statistics for the 2003/2004 year when compared to the same time period last year are already higher. Table 2 details visitor numbers for the first two quarters from 2001/2002. It is predicted that visitor numbers for 2003/2004 will be approximately 130,000, an increase of around 15,000 visitors.

Table 2.

Quarterly July to December visitor numbers

| Year Quarters 1 & 2 only | Visitor Numbers | Change |
|-------------------------------------|------------------------|-----------------------------|
| 2001/2002 | 47,657 | |
| 2002/2003 | 65,547 | 73% increase from 2001/2002 |
| 2003/2004 | 76,011 | 16% increase from 2002/2003 |

Table 2. shows the total number of visitors to the Centre, excluding spectators for the past three years for the first two quarters of each year.

Programme and Facility Summary

West Wave Recreation Centre

Recreation staff instruct and co-ordinate a majority of aquatic programming, particularly for older adults. This was further fostered for the first six months with the introduction of recreation staff becoming responsible for all aquatic programming, including Aqua aerobics and the Friday night Splash Night.

The West Wave Recreation Centre has one of the largest open floor spaces in Waitakere and greater Auckland, so is therefore often utilised as a venue for exhibitions, weddings, socials, shows and large events from groups, individual hirers and organisation. Demand continues to be high for space and time for these types of function during long weekends and Saturday evenings.

RESOURCES

The West Wave Recreation Centre subsidy has been provided for through the Annual Plan. It is noted that the Centre's year to date budget during this reporting period indicates that the Centre is on target to achieve, if not better, the financial budget.

CONCLUSION

The West Wave Recreation Centre provides space for hirers and programmed activities. It is predicted that the 2003/2004 year will be a successful year with visitor numbers increasing substantially from previous years.

During this reporting period, the Centre has successfully met set objectives and performance requirements including the implementation of changes identified during the review and change of management structure.

RECOMMENDATION

That the Six Month Performance of the West Wave Recreation Centre report be received.

Report prepared by: Clare Dwyer and Thomas Patterson, Recreation Officers, West Wave Recreation Centre.



PART II - LEGAL AND CONSTITUTIONAL

6 AFFIXATION OF COMMON SEAL

EXECUTION OF DOCUMENTS: 1 MARCH - 22 MARCH 2004

| Nº | NAME | PARTICULARS |
|-----------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 2921 | WCC - JE & FL O'Neill | Variation of Consent Notice 5318316.2 - CT 138D/43 - 36 Holdens Road - SPW 21226 |
| 2922 | WCC - Her Majesty the Queen (RNZAF) | Deed of Covenant pursuant to s.220(2) Resource Management Act - Hobsonville Airbase re Lot 1 DP 326675 & Lot 1 DP 206356 - SPW 21700 |
| 2923 | WCC - KH Qian | Drainage easement in gross - CT 119992 - 12 & 14 Graveview Way - SPW 21893 |
| 2924 | WCC - KH Qian | Surrender of Drainage easement in gross created by Transfer D573824.11 in respect of CTs 130A/94 & 130A/965 - 12 & 14 Graveview Way - SPW 21893 |
| 2925 | WCC - D Jovovic & I Grubisic | Drainage easement in gross - CTs 12310 & 122311 - 41 Covil Avenue - SPW 20886 |
| 2926 | WCC - D Jovovic & I Grubisic | Drainage easement in gross - CT 124217 - 41 Covil Avenue - SPW 20886 |
| 2927 | WCC - Whitby Trust | Lease of 295 Lincoln Road (Lincoln Manor) - Delegated Authority: Ross McLeod 26/2/04 |
| 2928 | WCC - JJ & CE Maio | Drainage easement in gross - CT NA122B/546 |
| 2929 | WCC | Discharge of Memorandum of Encumbrance C066034.3 - CT 58C/562 - 80 Don Buck Road - W21620 |
| 2930 | WCC - Waitakere City Racquets Sports Trust & Belvedere Tennis Club - ASB Bank Ltd | Deed of Variation of Guarantee - Reduced by amount of community loan |
| 2931 | WCC - BF Cooper & MF Lee | Authority for Use of Road - 19 Rayner Road, Piha |
| 2932 | WCC - DM Rivers, AV Moffat & GM Carter | Drainage easement in gross - CT 96924 - 21 Tawa Road, SPW 21838 |
| 2933 | WCC - R, KJI & JA Law | Drainage easement in gross - CTs 115684-115688 - 23 Mudgways Road - SPW 21630 |
| 2934 | WCC - R, KJI & JA Law | Water supply easement in gross - CTs 115686 -115687 - 23 Mudgways Road - SPW 21630 |
| 2935 | WCC - AF & PM Loulanting | Drainage easement in gross - CT 130515-130516 - 88 Wharf Road - SPW 21707 |
| 2936 | WCC | Application for Transmission - 81A Godley Road, Green Bay - CT 24D/137 |
| 2937 | WCC - Jeff Fahrenson | Warrant of Appointment & Evidence of Identity - No.WCC117 |
| 2938 | WCC - Neville Colling | Warrant of Appointment & Evidence of Identity - No.WCC118 |

| Nº | NAME | PARTICULARS |
|-----------|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| 2939 | WCC - Glenn Nash | Warrant of Appointment & Evidence of Identity - No.WCC119 |
| 2940 | WCC - Caisey Marter | Warrant of Appointment & Evidence of Identity - No.WCC120 |
| 2941 | WCC - Vinh Bui | Warrant of Appointment & Evidence of Identity - No.WCC121 |
| 2942 | WCC - Iosa Sa | Warrant of Appointment & Evidence of Identity - No.WCC122 |
| 2943 | WCC - Darrin McCormack | Warrant of Appointment & Evidence of Identity - No.WCC123 |
| 2944 | WCC - Steven Cresswell | Warrant of Appointment & Evidence of Identity - No.WCC124 |
| 2945 | WCC - Loncsey Wanakore | Warrant of Appointment & Evidence of Identity - No.WCC125 |
| 2946 | WCC - JC Reid & RM Cullen | Drainage easement in gross - CT NA138C/289 - 99 Gold Road - SPW 21104 |
| 2947 | WCC - Philip Kapa | Warrant of Appointment & Evidence of Identity - No.WCC126 |
| 2948 | WCC - WM Lawrence & IA Olliver | Drainage easement in gross - CT NA1607/39 - 17 Tomo Street |
| 2949 | WCC - KT & BM Grubb | Drainage easement in gross - CT 86366 - 24 Croydon Road - SPW 21679 |
| 2950 | WCC - Progress Properties Ltd | Drainage Easement in gross - CTs 123909-123916 - 7-19 Woodbank Drive - SPW 21626 |
| 2951 | WCC - Progress Properties Ltd | Fencing Agreement - Lots 1-9 & 12 DP330169 - 7-19 Woodbank Drive - SPW 21626 |
| 2952 | WCC - Waitakere City Holdings Ltd | Deed relating to a tax loss offset and subvention payment |
| 2953 | WCC - Waitakere Enterprise Trust Board | 3 year Funding & Service Agreement |
| 2954 | WCC - West Auckland Residential Developments Ltd | Fencing Agreement - CTs 130553, 130554 - 168 McLeod Road - SPW 21102 |
| 2955 | WCC - West Auckland Residential Developments Ltd | Water Supply easement in gross - CTs 130552, 130554 - 168 McLeod Road - SPW 21102 |
| 2956 | WCC - West Auckland Residential Developments Ltd | Drainage easement in gross - CTs 130552, 130554 - 168 McLeod Road - SPW 21102 |
| 2957 | WCC - West Auckland Residential Developments Ltd | Surrender of Water supply easement in gross created by Transfer D576566.7 - CT NA1989/5 - 168 McLeod Road - SPW 21102 |

RECOMMENDATIONS

1. That the Affixation Of Common Seal report 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 OPERATING AND CAPITAL EXPENDITURE SUMMARIES

PURPOSE OF THE REPORT

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

BACKGROUND

A1 This report covers expenditure for the eight months ending 29 February 2004. The financial summaries are attached at page A1.

ISSUES

A full financial review, including forecasts through to the end of the year will next be carried out in March as part of the year's third quarter review.

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 Operating and Capital Expenditure Summaries report be received.

Report prepared by: Bob Preston, Group Manager: Financial Management.



8 STATUS OF SPECIAL FUNDS

PURPOSE OF THE REPORT

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

FUNDS

A2 The Special Fund balances as at 29 February 2004 and summary transactions for the first 8 months of the current financial year are attached at page A2.

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 Status of Special Funds report be received.

Report prepared by: Bob Preston, Group Manager: Financial Management.



9 **BORROWING AND INVESTMENT REPORT**

PURPOSE OF THE REPORT

Waitakere City Council enters into treasury related financial contracts in the ordinary course of its business. It is the role of Council's Funds Management section to manage such contracts and the impact that they have on the organisation. All funds management transactions are governed by the Liability Management and Investment Policy prepared in compliance with the Local Government Act 2002. As a requirement of that Policy this report informs the Committee on the current and future movements of Council's debt and cash investments and provides a general commentary of financial market conditions.

A3-A8

The relevant portfolio and graphs are attached at pages A3 to A8.

STRATEGIC CONTEXT

Council's Fund Management function actively manages a large portfolio of various debt and investment instruments. The benefit of borrowing is that it enables Council to carry out the projects identified in the Annual Plan and Long Term Council Community Plan, while spreading the costs for those projects over time to recognise the future benefits. Borrowing funds therefore assists Council with its entire loans funded strategic initiatives. The Liability Management and Investment Policy requires that a report detailing the management of the portfolio be presented to the Finance and Operational Performance Committee on a regular basis. The report must include information on the following subjects:

- Cash/Debt Position
- Forecasted Borrowing Profile
- Interest Rate Profile
- Risk Management
- Material Transactions
- Market Commentary

This report addresses the requirement of the Policy and also, from time to time, includes other information that is relevant to the Funds Management function.

FINANCIAL IMPLICATIONS

The active management of the treasury portfolio seeks to minimise Council's borrowing costs and maximise investment returns of liquid assets. The Funds Management function is also charged in seeking investors, thus ensuring that there is sufficient liquidity available for the organisation to continue its work programme. New Zealand financial markets are significantly volatile and therefore interest rate management is also a key responsibility of the Funds Management function. Detailed financial information included within this report is intended to give assurance of the prudent management of Council's portfolio.

Council approved a new loans funded capital works programme for the 2003/2004 year, including carry forward projects from the 2002/2003 year, through the Long Term Council Community Plan of \$101.912 million. Interest expense is budgeted to be \$8.946 million.

Council approved through the Long Term Council Community Plan to borrow up to \$131.692 million to cover the loans funded work programme and for the refinancing of maturing loans.

Council has also resolved to obtain a Standard and Poors Credit Rating.

- “1. *That approval is given to obtain a credit rating for Waitakere City Council.*”

2970/2001

Completed

The Finance and Operational Performance Committee has since resolved to:

- execute a facility agreement with the ASB Bank for a term loan of \$15 million and offer \$3 million of security for interest rate risk management instruments, completed March 2003:

- “3. *That authority is given to execute under seal the standard International Swap Dealers Association agreement with ASB Bank Limited, and the proposed facility agreement for the \$15m term loan subject to the Corporate Solicitor’s approval as to the form of the facility agreement.*”

2592/2002

Completed

- renegotiate, as required, uncommitted bank facilities which are used to cover working capital requirements on a daily basis, currently totalling \$35 million:

- “1. *That the information be received.*
2. *That the Director: Finance is delegated authority to act as Council’s authorised representative for the purposes of negotiating cash facilities agreements on the basis outlined in the agenda report.*
3. *That authority is given to execute under seal any facilities agreement which may be required by the parties scheduled, or any other registered bank, to continue these cash facilities or in relation to any such new facility, subject to the Corporate Solicitor’s approval as to form in each instance.*”

2591/2002

Completed

- execute a facility agreement with the Bank of New Zealand for a 364 day committed cash advance facility of \$20 million, now completed but not drawn:

- “1. *That the information be received.*
2. *That the Director: Finance is delegated authority to complete negotiations forming part of the said facilities documentation with the BNZ Bank.*
3. *That authority is given to execute under seal the proposed facility agreement for \$20 million with the BNZ, subject to the satisfactory review by Council’s external Solicitors.*”

2840/2002

Completed

- renegotiate the ANZ committed cash advance facility to a value of \$50 million, and a further \$7.5 million in security for interest rate risk management instruments:

1. *That the information be received.*
2. *That the continuation of the existing facilities and facility limits as outlined in the agenda report to the meeting be approved.*
3. *That the terms and conditions applicable to the ANZ Banking Group (New Zealand) Limited facilities agreement be accepted to a limit of \$50 million term debt draw down and a limit of \$7.5 million risk management instruments for interest rate hedging and the common seal of Waitakere City Council be authorised to be affixed to that document.*
4. *That the Chief Executive and the Director: Finance be delegated authority to act as Councils authorised representatives for the purposes of the 'General Conditions' forming part of the said facilities agreement with the ANZ Banking Group (New Zealand) Limited."*

938/2002

Completed

- use the \$56,353,589.60 received from the sale of the UnitedNetworks Limited shares to repay debt:

"That the \$56,353,589.60 received from the sale of the UnitedNetworks Limited shares be applied in accordance with the Borrowing and Investment Policy to repay debt."

3612/2002

Completed

ESTIMATED SUMMARY OF BORROWING AND INVESTMENT MOVEMENTS, FEBRUARY 2004

Council's estimated gross term debt position has increased by \$3.011 million since January 2004 with an estimated closing balance at February month end of \$93.446 million. Estimated working capital borrowings of \$0.934 million as at 29 February 2004 have been funded using internal funds.

SIGNIFICANT FUNDING TRANSACTIONS ENTERED INTO DURING FEBRUARY 2004

- Agreement to issue \$3 million fixed rate debenture stock at 6.0825% for 2 years starting 24 March 2004.
- Agreement to issue \$2 million floating rate note at New Zealand 90 Bank Bill mid interest rate plus 0.06% for 2 years starting 24 March 2004.

FINANCIAL MARKET COMMENTARY

Market Overview

The Reserve Bank of New Zealand, at its Monetary Policy Statement released on 11 March 2004, left the Official Cash Rate unchanged at 5.25%. In the news release issued, Governor Alan Bollard stated that inflation pressures have been increasing in a number of domestic industries, including housing and construction, which justified the January 2004 increase. However, the statement also gave mention to the fact that overall Consumer Price Index inflation has been so far offset by weak imported inflation due to the rising New Zealand dollar exchange rate. The statement concluded with a wait and watch approach which did not rule out the possibility of a further small increase in the Official Cash Rate this year.

Since the January 2004 increase in the Official Cash Rate, the New Zealand 90 day bank bill has reached highs of 5.65% though has since settled to around 5.50% which is consistent with a further Official Cash Rate hike of 0.25%. In longer term interest rates, the volatility has been more significant with lows of around 6.20% in ten year interest rates, resulting in the New Zealand yield curve being relatively flat. International uncertainty has lead to investors seeking the relative safety of the interest rate market.

Meanwhile the New Zealand dollar has depreciated against the US dollar over the past month from highs of around 0.7100 to the current exchange rate of around 0.6500. The sudden decline of the New Zealand dollar could have been a result of the Reserve Bank of New Zealand not increasing the Official Cash Rate at its March 2004 meeting as anticipated, or the increased uncertainty of the Reserve Bank of New Zealand's intentions to intervene in the New Zealand currency market. Regardless of this, the New Zealand dollar is still considered strong, and perhaps over valued, compared to near historical levels.

Upcoming Dates

Official Cash Rate Announcement 29 April 2004

CONCLUSION

All transactions covered by this report have complied with the requirements of Council's Liability Management and Investment Policy.

RECOMMENDATIONS

That the Borrowing and Investment Report be received.

Report prepared by: Bruce Wilkin, Funds Accountant.



10 PAYMENTS FOR APPROVAL

PURPOSE OF THE REPORT

The purpose of this report is to advise of payments made by the Council.

BACKGROUND

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

- A9 A summary schedule of payments made for the period 13 February 2004 to 11 March 2004 is attached at page A9.
- A10-A12 A further schedule of all payments of \$5,000 and above, together with the reason for the payment as attached at pages A10 to A12. 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.

RECOMMENDATIONS

1. That the Payments For Approval report be received.
2. That the contracts let and payments made be approved.

Report prepared by: Andrew Pollock, Director: Finance.



11 WATER CARE SERVICES LIMITED STATEMENT OF CORPORATE INTENT

PURPOSE OF THE REPORT

The purpose of this report is to present the results and recommendations from the Council workshop held on 15 March 2004 with regard to Watercare Services Limited's Statement of Corporate Intent.

BACKGROUND

Watercare, the provider of bulk water and wastewater services to much of the Auckland Region, is owned by the Territorial Local Authorities of Auckland. The Council's shareholding stands at 16.7%. The Council has two representatives on the Watercare Shareholders Group, Councillors Clews and Lawley. The main functions of the Shareholders Group are to appoint the Board of Watercare, to provide input to Watercare's Statement of Corporate Intent and monitor the performance of the Board against the Statement of Corporate Intent. An Officers Group with representatives from the shareholder Territorial Authorities supports the Shareholders Group.

At its March 2004 meeting the Finance and Operational Performance resolved the following:

1. *That Councillors develop a response to the Watercare Services Limited draft Statement of Corporate Intent, in the workshop planned for 15 March 2004, taking into account the priority areas identified by the Shareholders Representative Group.*
2. *That Council confirm its position on Watercare's draft Statement of Corporate Intent at the 5 April 2004 meeting of the Finance and Operational Performance Committee and convey this in writing to the Shareholders Group."*

391/2004

- A13-A30 A workshop was held on 15 March 2004, where Councillors discussed issues relating to water management and formulated a response to Watercare's draft Statement of Corporate Intent. The draft Statement of Corporate Intent is attached at pages A13 to A30.

STRATEGIC CONTEXT

The Council's strategic goal of sustainable management of the three waters, water supply, wastewater and storm water is integral to its relationship with Watercare and to its role on the Shareholders Representative Group.

The Council has two major roles in connection with Watercare - one as shareholder/owner, the other as customer. The extent to which this Council can add strategic input to the governance of Watercare, through its ownership and governance role, heavily influences the extent to which it can supply retail services to the City's ratepayers that meet the Council's own strategic goals, and at the most efficient price possible.

ISSUES

Outcomes from the 15 March Workshop

Three themes emerged from the workshop. These were:

Shared Definition/interpretation of Sustainable Water Management

Under the Local Government Act 2002, Councils are required to take a sustainable development approach, which includes taking into account the social, economic, cultural and environmental wellbeing of their communities. There is not always synergy between these legislative requirements, and Watercare's objectives, which are focused on managing its business efficiently, maintaining minimum prices and maintaining the long-term integrity of its assets, without any reference to the four wellbeings.

The Council's strategy for sustainable water use is to reduce water use through demand management and water reuse and recycling, thereby avoiding the need for future high cost infrastructure. This view is not necessarily shared across the region. Councillors at the workshop expressed the need to reach agreement between this Council, the Shareholders Group and the Government about what is meant by sustainable management of water and to develop a strategy for reaching such agreement.

Changes in Regional Governance of Water

The Government has not as yet announced any proposals for changes to the regional governance of water along the lines of recent changes to the governance structure for transport and infrastructure. However, the Council should begin to develop a strategy for how it might respond to any proposed changes put forward by the Government.

The strategy should include:

1. An analysis of the potential impact of any proposed new governance structure on Waitakere City initiatives such as Project Twin Streams.
2. Developing an argument that any proposed regional governance structure should emphasise sustainable management of water as its primary objective.
3. Working with other councils in the region and the Shareholders Group to send a common message to Government that sustainable management is a primary objective and any proposed governance structure should ensure that local authorities will have enough influence to facilitate that objective.

General Issues About Current Governance of Water

The Shareholders Group has a limited range of governance tools available to it and has settled into a routine of an annual governance process which includes:

- Reviewing Watercare's Asset Management Plans, consulting with the Local Network Operators and reporting formally back to the Company.
- Reviewing Watercare's draft modifications and enhancements to its Statement of Corporate intent and determining its final content.
- Reviewing Watercare's Funding Plan, which is produced from the content of the Asset Management Plans, and is itself used as the basis for establishing the annual price for water and wastewater services. The Shareholders Group negotiates with Watercare to establish, as far as it can, that the prices of Watercare's services are set as low as can be practically achieved.
- Reviewing the Board of Directors, monitoring its performance and appointing new directors.

As well as the above key processes, the Shareholders Group is undertaking a cost efficiency review. The review includes an officers' report on regional initiatives and service standards and a consultant's assessment of capital and operating expenditures.

The current routine structured around the key processes works well and the relationship between the Board and Management of Watercare Services and the Shareholders Group has improved considerably over the past few years.

However, a recent review of key legislative provisions affecting the water and wastewater industry in the Auckland conducted by the Officers Working Group has raised a concern amongst Waitakere City Council officers and Shareholder Group representatives that the Shareholders Group is increasingly stepping outside its primary governance role. Furthermore, the management structure of the Officers Working Group may also require review, as it is currently convened and supported by Auckland City Council, which carries the largest shareholding. This management structure means that reports and agendas are mostly determined and driven by Auckland City Council, often with limited input from other councils, who currently do not commit the same level of staff resource to Watercare governance.

The following proposals were endorsed at the workshop:

- That the Shareholders Group focus on strategic directions and key processes stipulated in the Shareholders Agreement, which are the Statement of Corporate Intent, Asset Management Plans, Funding Plans and Board Performance.
- That the Shareholders Group meets quarterly with additional meetings for emergency purposes only.
- That the Shareholders Group explore other management options for the Officers Working Group.
- That Shareholders Group Representatives be provided with more opportunity to workshop key issues, such as achieving sustainable management of water.

Watercare's Statement of Corporate Intent

The Statement of Corporate Intent does not reflect or refer to sustainable management of water resources, either in its vision and mission statements or in the body of the document.

There will be three new Board members this year. A workshop with new Board members in November 2004, focused on the Statement of Corporate Intent, would provide the opportunity to place the 2005 document more in the context of sustainable management.

In the past several Councillors have voiced their opinion that if the Board wishes to make submissions to Central Government on aspects of the legislation that governs the Company, then it should first discuss its intentions with the Shareholders Group. This is consistent with good governance practice and demonstrates the Board's good faith in dealing with its customers in a transparent manner. The Council may wish to consider advocating at the Shareholders Group for a provision along these lines to be included in the Statement of Corporate Intent.

In addition to the above general comments The Workshop Attendees made the following specific recommendations on the content of the draft Statement of Corporate Intent:

Section 5: Watercare's Policies, Objectives and Targets

Under "Economic Policy" remove "To Manage the Business Efficiently"

- Include economic instruments for sustainable management options for 1 in 20 to 1 in 200 events (including risk and cost/benefit measurements).

Under "Environmental Policy" remove "To Operate the Business in a Sustainable Manner"

Under "Social Policy" remove "To Act in a Socially Responsible Manner"

- Define what Watercare means by "Socially Responsible"
- Change "Reasonable Corporate Citizen" to read "Responsible Corporate Citizen"
- Amend the targets under corporate citizenship to include a new target a) "To actively seek opportunities for community service".

Funding Plan

The Funding Plan identifies the revenue requirements for Watercare Services Limited based on the forecasts for expenditure and service volumes and then setting wholesale tariffs to cover expenditures to meet certain financial ratios.

Watercare Services Limited has recently reduced funding requirements compared to historical cost forecasts, however, there may be opportunities for further efficiencies by reviewing the following:

- The calculation of depreciation;
- The Standard and Poor's rating;
- Reviewing interest charges; and
- Benchmarking the cost per cubic metre of water and wastewater services.

Preliminary analysis suggests that Watercare Services Limited may be able to achieve at least a 5% per annum reduction in capital and operating costs.

Accordingly, it is recommended that efficiency measures be included in the Statement of Corporate Intent, as follows:

- Watercare Services Limited be required to achieve a 5% per annum reduction in capital and operating costs; and
- Watercare Services Limited be required to benchmark its cost per cubic metre of water and wastewater services.

RESOURCES

Technical support provided by Council officers for the Watercare Shareholders Group is included in the 2003/2004 Annual Plan and the Draft 2004/2005 Annual Plan. In the longer term, additional resources may be required if less reliance is to be placed on Auckland City Council providing the secretarial function.

CONCLUSION

There is a lack of synergy between Local Government Act 2002 requirements for local councils to take a sustainable development approach and Watercare's objectives as stated in its governance documents.

There is a need to reach agreement between this Council, the Shareholders Group and the Government about what is meant by the sustainable management of water and to develop a strategy for reaching such agreement.

Although the Shareholders Group governance routine around key processes works well, there is concern that the Shareholders Group is increasingly stepping outside its primary governance role. The management structure of the Officers Working Group may also require review.

RECOMMENDATIONS

1. That the Water Care Services Limited Statement of Corporate Intent report be received.
2. That Waitakere City Councillors and Officers develop a strategy for reaching agreement between this Council, the Shareholders Group and the Government about what is meant by the sustainable management of water.
3. That the Council develops a strategy for how it might respond to any proposed changes to the regional governance of water put forward by the Government. The strategy should include:
 - An analysis of the potential impact of any proposed new governance structure on Waitakere City initiatives such as Project Twin Streams.
 - Developing an argument that any proposed regional governance structure should emphasise sustainable management of water as its primary objective.
 - Working with other councils in the region and the Shareholders Group to send a common message to Government that sustainable management is a primary objective and any proposed governance structure should ensure that local authorities will have enough influence to facilitate that objective.
4. That the Shareholders Group Representatives from Waitakere City Council make the following general recommendations to the Shareholders Group:
 - That the Shareholders Group focus on strategic directions and key processes stipulated in the Shareholders Agreement, which are the Statement of Corporate Intent, Asset Management Plans, Funding Plans and Board Performance.
 - That the Shareholders Group meets quarterly with additional meetings for emergency purposes only.
 - That the Shareholders Group explores other management options for the Officers Working Group.
 - That the Shareholders Group be provided with more opportunity to workshop key issues, such as the meaning of sustainable management of water, Asset Management Plans, Funding Plans and Statement of Corporate Intent.

5. That the Shareholders Group Representatives from Waitakere City make the following recommendations to the Shareholders Group on the draft Statement of Corporate Intent:
- That a workshop on the 2005 Statement of Corporate Intent be held when new Board members are elected, with a view to placing the document more in the context of sustainable management of water and the four wellbeings.
 - That a provision be included in the 2004 Statement of Corporate Intent that if the Board wishes to make submissions to Central Government on aspects of the legislation that governs the Company, then it should first discuss its intentions with the Shareholders Group.
 - That the following changes be made to section 5:
 - i. Under “Economic Policy”
 - Remove “To Manage the Business Efficiently”
 - Include economic instruments for sustainable management options for 1 in 20 to 1 in 200 events (including risk and cost/benefit measurements).
 - ii. Under “Environmental Policy” remove “To Operate the Business in a Sustainable Manner”
 - iii. Under “Social Policy”
 - Remove “To Act in a Socially Responsible Manner”
 - Define what Watercare means by “Socially Responsible”
 - Change “Reasonable Corporate Citizen” to read “Responsible Corporate Citizen”
 - Amend the targets under corporate citizenship to include a new target a) “To actively seek opportunities for community service”.
 - iv. That efficiency measures be included in the Statement of Corporate Intent, as follows:
 - Watercare Services Limited be required to achieve a 5% per annum reduction in capital and operating costs; and
 - Watercare Services Limited be required to benchmark its cost per cubic metre of water and wastewater services.
6. That a further Council workshop be held in July 2004 to further progress the issues with regard to Watercare’s governance processes.

Report prepared by: Annika Lane, Senior Analyst: Governance and Infrastructure and Tony Miguel, Group Manager: Asset Management.



PART IV - GENERAL

12 MAINTENANCE OF TOWN CENTRES AND HIGH PROFILE ROADS

PURPOSE OF THE REPORT

The purpose of this report is to advise the Finance and Operational Performance Committee of the current maintenance service levels for town centres and high profile locations within the city.

BACKGROUND

At the deliberations of the draft 2004/2005 Annual Plan, issues were raised regarding the maintenance levels for town centres. The following report provides the relevant information pertaining to town centre and high profile areas within the city.

STRATEGIC CONTEXT

The 2020 Vision for Urban and Rural Villages - Town Centres is that they are thriving places, providing exciting options for people to live and play. Public facilities, places and spaces teem with people; the streets are alive and busy. The goals over the next ten years include:

- Encouraging lots of living and working in town centres.
- Practice and support sustainable urban development.
- Enhance village centres in the City's rural areas.

ISSUES

Council has undertaken a significant Town Centre Revitalisation Programme over the last 10 years. Typically, the need for revitalisation occurs on a frequency of between 10 and 20 years. However, the life cycle of many of the assets constructed as part of the Town Centre Revitalisation Programme have a shorter life cycle and are subject due to high wear and tear, thus requiring replacement up to every 5 years.

Maintenance programmes for town centres have up till now focussed on regular maintenance but have made no allowance for additional replacement required to maintain the overall appearance of town centres.

Town centres and high profile areas are maintained by a number of contractors and managed by different contracts within the Council. Town centres, major parks, beaches, high volume roads and City entry points are maintained to a higher standard and frequency than other areas of the city. This is due to the high number of visitors to these areas and to meet the strategic goals of Council.

Neighbourhood areas and outer lying parks receive less visits and are used less by residents and therefore receive a lower standard frequency of maintenance cycles. An example is Esplanade areas which only need to be mown for fire safety and are therefore only mown generally 2 times per year, as compared to high use parks or town centres which are mown on a fortnightly or weekly basis. Standards also change with the seasons and weather conditions. The litter maintenance cycles at beaches during the peak seasons are carried out 3 times per day, which can then reduce to daily, or twice a week during winter months. Sports fields are subject to varying standards across the seasons due to less use during the week in winter months.

A31

A summary of the standards and frequencies are attached at page A31. Special one-off cleans ups are undertaken in some areas when events are planned or one-off clean ups are requested.

The main issue is that the need to replace and upgrade town centres is due to high use. There is a subsequent high wear and tear on the assets. This leads to the need to carry out a higher rate of replacement or refurbishment above the current maintenance cycle and the normal life expectancy of the assets to maintain the level of quality facilities expected in the Centres.

Overtime the paint on facilities fades and the repaints undertaken by the Graffiti team no longer match the original colour and paint patches occur. This detracts from the appearance of the town centre.

The provision of flower gardens in town centres and key strategic locations has cost implications. Annual or rose beds cost nearly 20 times more than shrub beds to maintain. The provision of mixed beds of annuals and shrubs is currently being introduced to provide the changing annual colour at a reduced cost.

IMPROVEMENT PROGRAMME

It is proposed to carry out an improvement programme by addressing the issues, with a focus on maintaining quality standards in town centres and reviewing the frequency rate of maintenance and replacement for the following:

- Cleaning and repainting of facilities including seats, handrails, rubbish bins, bollards, posts.
- Car park sweeping.
- Grass renovation and edge treatment to grassed areas.
- Garden replacements.
- Graffiti visits.
- Reduced herbicide use.
- Replacement of the town centre assets.
- Relaying of pavers.

The work programme is summarised in the table below.

| Task | Milestone |
|-----------------------------------------------------------------------------------------------------------------|------------------|
| Update asset register and asset condition rating | 30 June 2004 |
| Consult Community Boards and businesses | 30 June 2004 |
| Review maintenance contracts to ensure efficient and effective delivery of service | 31 July 2004 |
| Review frequency of maintenance and replacement cycles | 31 August 2004 |
| Prepare detailed implementation plan for consideration by Council, including funding requirements for 2004/2005 | 30 November 2004 |

RESOURCES

The draft 2004/2005 Annual Plan provides funding for maintaining current levels of service. An immediate priority is to optimise current work programmes to ensure efficient and effective delivery of services.

Funding has not been provided in the 2003 Long Term Council Community Plan and the draft 2004/2005 Annual Plan for additional maintenance or asset renewal. It is not possible at this stage to quantify the funding requirements until the work programme as set out above has been completed.

CONCLUSION

To maintain quality town centres requires regular refurbishment of facilities and a high level of maintenance. The frequency of visits for maintenance cycles cannot be increased within the current budgets. To improve the maintenance of the many small items in the town centre facilities requires an increase in the budgets for 2005/2006.

RECOMMENDATIONS

1. That the Maintenance Of Town Centres and High Profile Roads report be received.
2. That a report be submitted to the December 2004 meeting of the Finance and Operational Performance Committee on possible improvements to town centre maintenance.

Report prepared by: Grant Jennings, City Services; Assets Group - Parks Assets Manager.



13 SPORT WAITAKERE - SIX MONTH REPORT

PURPOSE OF THE REPORT

The purpose of this report is to update the Committee on the six-monthly performance of the Sport Waitakere Funding and Service Agreement.

BACKGROUND

Council has an annual Funding and Service Agreement with Sport Waitakere to provide a certain level of programmes and services to the Waitakere community. Each year Council and Sport Waitakere agree on specific objectives to be achieved through this Agreement. These objectives agreed upon for 2003/2004 are:

- Active Health - *To increase activity in Waitakere's outdoors.*
- Active Communities - *To work with identified communities to increase their awareness of and participation in sport and leisure activities.*
- Active Youth - *Increasing youth activity by facilitating and promoting youth sport and leisure opportunities, developing youth leadership, providing positive recreational activities.*
- Sport Development - *Creating strong sustainable sport infrastructure (people, facilities, organisational structure and framework).*

Within each of these objectives Council and Sport Waitakere negotiate the programmes and services that will be provided by Sport Waitakere and targets for each are set accordingly. This report is an update on how Sport Waitakere are performing on these targets after six months of the year long agreement.

STRATEGIC CONTEXT

Leisure facilities and activities contribute to the well being of the City's residents, by providing recreation opportunities that promote health and social cohesion. The Council's Leisure Strategy, Community Facility Plan, Parks Strategy and Funding Policy guide the provision of these facilities and activities to ensure that they are available to all residents, responsive to changing demands and provided efficiently.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided.

To improve the wellbeing of the City's people and communities, Council provides and supports a diverse range of leisure opportunities through facility operation and development, direct funding, assistance to access other funding and support of activity initiatives.

Through the Strategic Plan Council has adopted a platform of 'Strong Communities' stating that in the next 10 years Council will develop the City as a renowned hub of social activity, arts, leisure, sports and recreation.

ISSUES

Sport Waitakere has gone through many staff changes during this six-month period, the biggest change being the appointment of a new CEO, Garry Calvert, in preparation of Sport Waitakere taking on the new Waitakere Stadium. This change in CEO has meant further changes within Sport Waitakere's management structure.

Active Health

The key event within the 'Active Health' objective was Sport Waitakere's involvement in the national push play initiative that took place in November. This year the event was run over a fortnight, which involved promoting the push play message to the community and running various community activities. Throughout this fortnight several free activities were offered to the community, from yoga, and kickboxing through to tennis and bowls. Sport Waitakere also had a "Push Play Community Day". Through the Community Day Sport Waitakere encouraged the Waitakere community to participate in one of the four walks organised, starting and finishing in Cranwell Park. This day was well attended with three primary schools, two kindergartens, elected members from Council, various walking groups, and a variety of representatives from the community. Six "Ark in the Park" walks in the Waitakere Ranges were also held to coincide with the Push Play promotion. Overall, 1,900 people participated in push play initiatives supported by Sport Waitakere, and over 4,400 certificates were issued to participants of Push Play initiatives.

Another successful programme within 'Active Health' is the Green Prescriptions programme. Over 100 'patients' were referred to Sport Waitakere by their doctors during this period, to be prescribed exercises suitable for their own needs and advised for health reasons. The target for the 2003/2004 year is 150 referrals, therefore Sport Waitakere are in a good position to exceed this target.

As part of the 'Active Health' programme, a series of forums and presentations are run with Sport Waitakere's involvement, these include forums such as:

- Planning for a Health Lifestyle;
- Starting an Exercise Regime;
- Attaining your Health and Fitness Goals;
- Waitemata District Health Forum;
- Asian Public Health Forum.

These forums and presentations have been well attended, and between the 25 presentations and forums, and two workshops held the message of the importance of a healthy lifestyle was passed onto more than 600 people, exceeding the target of 200 people attending the various presentations.

The Special Interest Walks, which are held within the Waitakere Ranges, are always very popular. During this six-month period 145 people joined in on the six walks held, also exceeding the target of 20 people per walk.

Active Communities

One aim of the 'Active Communities' objective is to support high performers through mentoring, scholarships and recognition. The main highlight during this six-month period was the Waitakere Sports Awards held in November. This event allowed local businesses to become involved through sponsorship and recognised Waitakere's high achievers in sport, such as All Black Malili Muliaina who won the Waitakere Sports person of the Year award. The event proved to be a successful night with 260 people attending the awards dinner.

Promoting healthy and active lifestyles to the Pacific Island community is another aim of the 'Active Communities' objective. In addition to the Pasifika Games, which is Sport Waitakere's main event targeting this community, other programmes included supporting the ongoing Vasa Pasifika programme at Royal Road Primary School. This saw 144 staff and students participating in six-week block programmes that exposes them to the Pacific Island Role Model Programme and provides them with training on how to play kilikiti. Sport Waitakere also assisted in organising a Pacific Island Youth Forum held in Waitakere City. This forum provided the opportunity for regional Pacific Island youth providers to network and discuss their involvement in various programmes.

A further aim of the 'Active Health' objective is promoting healthy and active lifestyles to the Maori community. The programmes and targets set for Maori Communities at the beginning of the 2003/2004 were set when Sport Waitakere had a person employed in the kaiwhakahaere position to run the He Oranga Poutamu programme. Although some programmes were initiated, such as supporting Maori setting holiday programmes which saw 100 children participating in sporting activities, this position has been vacant since the end of September, and Sport Waitakere are currently not receiving any funding from Sport and Recreation New Zealand for this position. By not having a dedicated position to support the Maori community it has become necessary for Sport Waitakere to further incorporate their support to the Maori community into all programmes run through Sport Waitakere. This has also meant that Sport Waitakere is unable to deliver on all of the programmes and targets that were originally set within this objective. Discussion is currently underway with Sport Waitakere to ensure that the needs of the Maori community are met and how best Sport Waitakere can meet their obligations through the Agreement. Sport Waitakere are currently waiting on approval from Sport and Recreation New Zealand to reinstate the funding for the kaiwhakahaere position to enable Sport Waitakere appoint someone to work with the Maori community in Waitakere.

Active Youth

Through the 'Active Youth' programme Sport Waitakere has provided support to schools through the running of sporting days and events. These have included activities such as a tabloid sports day at Glendene Primary School, and running the youth area activities at the two-day Waipareira Challenge sporting event.

Support was also provided to the two-day "Timeout" event run by Corban Estate Arts Centre in which Sport Waitakere ran the skateboarding area. Sport Waitakere held a competition here for skateboarders and BMX riders which had 72 participants.

Planning started at the end of 2003 for the weekly youth nights that are to be held in Te Atatu Peninsula and in Glen Eden in 2004. These youth nights will run for 16 weeks and will allow the youth to come along and join in on the sporting and leisure activities provided each week.

The dedicated Youth position at Sport Waitakere has also been vacant in total for approximately four of the six months during this period. This has meant that fewer programmes and activities have taken place as would have been expected. However, Sport Waitakere now has a full time staff member employed specifically for Youth, therefore there will be a much greater focus in this areas during the second six month period, and Sport Waitakere are confident that they can achieve the necessary programmes and targets that they are required to under their Agreement.

Sport Development

The aim of the 'Sport Development' programme is to establish Sport Waitakere as the key local supporter, advocate and sport facilitator in the sporting community. To help achieve this recognition Sport Waitakere run forums for the sport, recreation and leisure community. One forum was held in December, this was well received by the 20 people who attended as representatives from their respective sporting clubs in Waitakere.

Sport Waitakere's Sport Development Manager worked with two clubs during this six-month period, discussing capacity issues and working towards developing a strategic plan for each of the clubs. This support is important for sports clubs to ensure that they have the right infrastructure in place to sustain them into the future.

The First Aid courses organised by Sport Waitakere and delivered by Red Cross are held on a regular basis and have continued to be very popular in 2003/2004. So far in this initial six-month period six courses have been held free to the Waitakere sporting community, with 95 people gaining their first aid certificate. Through the Agreement Sport Waitakere are required to hold at least six of these courses and have 120 participating. Sport Waitakere is planning on holding more of these first aid courses so will therefore easily meet the participation numbers required. In addition to these first aid courses Sport Waitakere also run Sideline Management Of Strains and Sprains courses in conjunction with Accident and Compensation Corporation. During this period three of the required six Sideline Management Of Strains and Sprains courses were held with 78 participants attending of the required 120 overall. Four coaching clinics were also held where 70 students completed a 'getting started coaching course', although Sport Waitakere were only required to run two of these clinics with 40 attendees.

OTHER INITIATIVES

Pasifika Games

Waitakere City Council was again the major sponsor of Pasifika Games in 2003. This event is held over two days now that the Pacific Cup Netball tournament has become a regular feature within the Pasifika Games. Day one was held at Te Pai Park in October and featured 63 netball teams ranging from an under 14 age group through to golden oldies.

Day two was held at Moire Park in December and featured the regular features of 7-a-side rugby, kilikiti and touch rugby. 22 teams participated in the three 7-a-side rugby competitions - the Six Nations competition, Elite Clubs competition and the Women's competition. The touch rugby was also successful in attracting 10 mixed teams in the tournament. This Pasifika Games also saw the inclusion of a designated youth area on day two. This area provided a bouncy castle, mini jeeps and 3-on-3 basketball to keep the youth entertained. The performance stage was also a success with a variety of entertainment from bands to dance troupes to local primary school performances. Unfortunately kilikiti numbers were down with only three teams competing in this Pasifika Games compared to the six men's teams and 4 women's teams that competed in 2002. For the 2004 Pasifika Games Sport Waitakere are hoping to establish a better partnership with the New Zealand Kilikiti Association, who are based in Waitakere, to encourage more teams to participate in the kilikiti competition of the Games.

Over the two days there was an estimated spectator attendance of 6,000, and together with the participants this totalled over 7,700 people attending Pasifika, which well exceeded the 5,000 promised through the sponsorship agreement.

Performance Summary

As there have been many changes in staff at Sport Waitakere with some positions being vacant for a period of time, this has had a negative impact on the level of programmes and services that would normally be expected to be provided by Sport Waitakere during this first six-month period. However, the programmes and services that have been delivered have been successful and have met or exceeded their participation targets.

The staff changes have provided Sport Waitakere with the opportunity to put measures in place to set their staff structure and workplans in a way that will put them in, what they see as, the best possible position to achieve their contractual obligations with Council. Therefore, Sport Waitakere should be in a position to provide an improved level of programmes and services during the second six-month period of their Agreement.

Council officers are working with Sport Waitakere and discussing the various opportunities that are available to help Sport Waitakere achieve their contractual obligations.

RESOURCES

The Sport Waitakere Funding and Service Agreement is provided for in the Annual Plan both in terms of staffing and financial contribution.

Council staff support many of the programmes and events both in their official capacity and as volunteers. Many of the activities utilise Council facilities both indoor and outdoor.

CONCLUSION

Sport Waitakere has had a mixed performance during the first six-month period of their 2003/2004 Funding and Service Agreement with Council. Changes in staff at Sport Waitakere, with some positions being vacant for a period of time, has had a negative impact on the delivery of programmes and services. However, the programmes and services that have been delivered during this period have been successful and have met or exceeded the participation targets for these programmes and services. Some of the key highlights for Sport Waitakere for this period have been the three major events that have been held, the Push Play promotion fortnight, the Waitakere Sports Awards, and the Pasifika Games, which were all run successfully and had good participation numbers.

RECOMMENDATION

That the Sport Waitakere - Six Month Report be received.

Report prepared by: Helen Anderson, Leisure Projects Leader.



14 COUNCIL CONTROLLED ORGANISATIONS - DRAFT STATEMENTS OF INTENT

PURPOSE OF THE REPORT

The purpose of this report is to present recommendations as to amendments and comments on the draft Statements of Intent for Waitakere City Holdings Limited, Techscape Limited, Waitakere Properties Limited, and the Enterprise Waitakere Trust Board.

BACKGROUND

The Local Government Act 2002 requires all Council Controlled Organisations to prepare draft Statements of Intent for consideration by Shareholders on or before 1 March each year.

The Act requires the Board of each Council Controlled Organisation to consider any comments on the draft Statements of Intent that are made to it within two months of 1 March by the Shareholders, and to deliver the completed Statement of Intent to the Shareholders on or before 30 June each year.

Under the old legislation Enterprise Waitakere Trust Board was not required to produce a Statement of Intent, but as that entity now meets the definitions of a Council Controlled Organisation under the new legislation, it is producing a Statement of Intent for the first time.

At the March 2004 meeting the Finance and Operational Performance Committee resolved the following:

1. *That the Waitakere City Holdings Limited and subsidiaries' Statements of Intent report be received.*
2. *That a report be brought back to the 5 April 2004 meeting of the Finance and Operational Performance Committee with recommendations as to amendments and comments, if any, to the Statements of Intent."*

377/2004

A32-A82

At the request of the Chief Executive, the Director: Quality Assurance, and staff from the Strategy and Development, and Finance units have reviewed the above entities' draft Statements of Intent. The draft Statements of Intent are attached at pages A32 to A82.

The Committee's comments will be forwarded to the respective Boards of Waitakere City Holdings Limited, its subsidiaries, and Enterprise Waitakere Trust Board for their consideration.

STRATEGIC CONTEXT

The above entities assist the Council in meeting its strategic outcomes through involvement in strategic projects, economic development, the support of service delivery, and a return on investment. Council has a statutory obligation to account to the community for the activities and performance of its Council Controlled Organisations.

ISSUES

Review of Council Controlled Organisations

The Committee will be aware that the Chief Executive has instigated a review of Council's involvement in the various Council Controlled Organisations with a view to ensuring the entities are aligned with and delivering Council's strategic direction and requirements. Council's review of the draft Statements of Intent is one mechanism for ensuring the respective entities have aligned their activities and resources to delivering what Council requires. It is possible that the Chief Executive's other review may identify further changes that Council wishes to make to the respective Statements of Intent. The Local Government Act 2002 allows Council by resolution to require the Board of any controlled organisation to modify its Statement of Intent, and in such circumstances the Board must comply with the resolution.

Legislative Compliance and Format

Individual comment is made on each of the Statements of Intent later in this report. By way of overall comment, each Statement of Intent contains sufficient information to meet the content requirements of the Local Government Act 2002.

The focus of comments in this report is on the alignment of the respective entity objectives with Council's strategic direction, and the ability of Council to monitor and assess performance.

A32-A82

Officers have identified some changes to the draft Statements of Intent, which are of a minor nature or relate to detail. These matters are attached at pages A32 to A82 and staff will make a detailed presentation on such matters at the meeting.

Waitakere City Holdings Limited

This report assumes a continuance of the Holding Company's role in ensuring the Statements of Intent of each Council Controlled Organisation is aligned with Council's strategic direction, and that the Holding Company will be able to provide advice to Council on the performance of each Council Controlled Organisation and their respective Boards.

To this extent, the Holding Company's Statement of Intent should be amended to include clear reference to those Council strategies where the subsidiary organisations and Enterprise Waitakere Trust Board have a fundamental role to play.

Waitakere Properties Limited

While the Company Statement of Intent clearly identifies the more opportunistic role the Company has, particularly in respect of development projects, further work is required to develop sufficient targets and performance indicators to enable Council to adequately assess the Company's performance in respect of:

- Strategic property acquisition.
- Strategic property development.
- Proactive identification of opportunities for the Company and Council.
- Adherence to at least minimum standards for sustainable development.
- Examples of innovative or leading edge development.

Clause 14 criteria for strategic outcomes of development projects must include reference to environmental responsiveness.

The general measure of finalising an assessment framework and assessment criteria for development projects and achieving Council's strategic objectives should become a specific target for the Company to achieve in the 2004/05 financial year.

Clause 12 dealing with risk analysis and management policy requires a balance to reflect the upside of risk management, namely the taking of risk to ensure delivery of strategic objectives. The Company is less likely to achieve strategic property acquisition and development if it is totally risk adverse.

There are a number of references to the role of the Company Secretary, which almost suggests the role has a higher profile than that of the Chief Executive. The Statement needs to change to reflect the accountability of the Chief Executive in delivering the Company's objectives.

The performance goal referring to governance under the declaration of trust and any related letter of direction should be expanded to reflect that such letters of direction must cover the strategic outcomes referred in Clause 14 of the current Statement.

In order to achieve Council's strategic objectives, particularly in respect of economic development, it is fundamental that the Company works closely with Enterprise Waitakere Trust Board and Council. The Statement needs to elaborate the relationship the Company has with Enterprise Waitakere Trust Board and Council, and how the entities will work towards delivery of Council's strategic objectives.

Enterprise Waitakere Trust Board

It is difficult to see how Council could meaningfully hold Enterprise Waitakere Trust Board accountable for many of the performance targets and measures in the current Statement. Further work is required to develop the targets and measures, and in particular:

- In many cases specific targets and means of measurement are not clear.
- There needs to be a greater focus on the economic development opportunities that exist within existing town centres, and how Enterprise Waitakere Trust Board will work with Council to gain maximum leverage from other Council initiatives.
- There needs to be greater focus on specific initiatives and targets to develop new businesses and clusters in addition to film and marine, eg. Eco Technology, Sustainable Energy and Water, Zero Waste opportunities.

Similar to the earlier comment on the property Company, Enterprise Waitakere Trust Board needs to work closely with Waitakere Properties Limited and Council in order to achieve Council's strategic direction. To this extent the Statement needs to demonstrate how this working relationship will be achieved.

Techscape Limited

This Committee will be aware of some performance issues Council has raised with the Company, particularly in respect of the Parks Maintenance Contracts. There is a clear performance target in the Statement of Intent requiring the Company to achieve or exceed the agreed performance criteria of all contracts. The Strategy and Finance Committee of North Shore City Council met on 16 March 2004, and has suggested the following two minor amendments be made to the draft Statement of Intent:

- Page 8: Information to be provided to the Shareholders, last paragraph, change words "respective Chief Executives" to "respective representatives".
- Page 12: Boards estimate of the commercial value of the Shareholders' investment, change date from 1 July 2004 to read 31 December 2003.

Both of these recommended amendments are appropriate and are supported by officers of this Council.

CONCLUSION

The draft Statements of Intent of the respective Council Controlled Organisations meet minimum legislative requirements. However, there is a need to modify the Statements of Intent of the Holding Company, Waitakere Properties Limited, and Enterprise Waitakere Trust Board, not only to ensure that the entities are clearly focussed on delivering Council's strategic direction, but also to enable Council to hold the respective entities to account for non-performance.

The review of Council's involvement in the Council Controlled Organisations may identify further modifications to the respective Statements of Intent. The mechanism exists within current legislation to allow Council to make further modifications even after the Statements of Intent have been finalised.

It will be necessary for Council officers to work with the Holding Company, Waitakere Properties Limited, Enterprise Waitakere Trust Board to further develop the specific performance targets and measures that are necessary to enable Council to monitor and assess the performance of the respective entities.

RECOMMENDATIONS

1. That the Council Controlled Organisations - Draft Statements Of Intent report be received.
2. That the draft Statements of Intent of Waitakere City Holdings Limited, Waitakere Properties Limited, Waitakere Enterprise Trust Board, and Techscape Limited be amended to reflect the issues referred to in this report, the list of minor changes are attached at pages A32 to A82 and any other changes identified by Members of the Finance and Operational Performance Committee.
3. That this list of changes be approved by the Chair of the Finance and Operational Performance Committee and be sent to the Chairpersons of:
 - Waitakere City Holdings Limited
 - Waitakere Properties Limited
 - Waitakere Enterprise Board
 - Techscape Limited

A32-A82

Report prepared by: Robert Rudd, Director: Quality Assurance.



PART V - SUBCOMMITTEE REPORTS

15 COUNCIL CONTROLLED ORGANISATIONS GOVERNANCE SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS EXTRAORDINARY MEETING HELD ON THURSDAY, 18 MARCH 2004

MATTERS CONSIDERED

A83-A84

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 A83 to A84 to the Agenda, with the public excluded minutes at page 12 in the Confidential supplement.

The Subcommittee Recommends:

That the Extraordinary Meeting report of the Council Controlled Organisations Governance Subcommittee held on Thursday, 18 March 2004 be received.

GB Presland, JP
CHAIRPERSON



16 REGIONAL ARTS AND CULTURE FUNDING ALLOCATION SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS ORDINARY MEETING HELD ON WEDNESDAY, 3 MARCH 2004

1. PRESENTATIONS FROM THE LOPDELL HOUSE ARTS DEVELOPMENT TRUST AND THE WAITAKERE ARTS AND CULTURAL DEVELOPMENT TRUST (CORBAN ESTATE ARTS CENTRE)

Your Subcommittee Recommends:

1. That the amount of \$75,000 be set aside from the Auckland Regional Services Trust Fund to support the ongoing development of the Creative Solutions/Toi Whenua project, at \$25,000 per annum for three years.
2. That the balance of the Auckland Regional Services Trust Fund, after setting aside the sum of \$75,000 for the Creative Solutions/Toi Whenua project, be disbursed to the Waitakere Arts and Cultural Development Trust and the Lopdell House Arts Development Trust, based respectively on the proportion of 2:1, i.e. two-thirds for the development of the Corban Estate Arts Centre and one-third for the development of the Lopdell House Arts Precinct.
3. That the amount of \$225,000 granted by Council to the Waitakere Playhouse Theatre Trust, if repaid to the Auckland Regional Services Trust Fund, be disbursed in the same manner, i.e. two-thirds to the Corban Estate Arts Centre and one-third to the Lopdell House Arts Precinct.

2. **OTHER MATTERS CONSIDERED**

A85-A87

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 A85 to A87.

The Subcommittee Recommends:

That the Ordinary Meeting report of the Regional Arts and Culture Funding Allocation Subcommittee held on Wednesday, 3 March 2004 be received.

DA Yates, JP
CHAIRPERSON



17 **TENDERS SUBCOMMITTEE**

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORTS OF ITS ORDINARY MEETING HELD ON FRIDAY, 12 MARCH 2004 AND FRIDAY, 26 MARCH 2004

MATTERS CONSIDERED

A88-A91

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meetings are attached at pages A88 to A91.

The Subcommittee Recommends:

That the Ordinary Meeting report of the Tenders Subcommittee held on Friday, 12 March 2004 and Friday, 26 March 2004 be received.

JM Clews, QSO, JP
CHAIRPERSON



PART VI - CONFIDENTIAL ITEM

18 LAND ACQUISITION UPDATE - TRIANGLE LAND, HOBSONVILLE AIRBASE

19 VEHICLE TESTING STATION - JOINT VENTURE PROPOSAL

These items will be considered in the Confidential Supplement of the agenda, and has been circulated to members separately with this agenda.

PROCEDURAL MOTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of the proceedings of this meeting, namely Land Acquisition Update - Triangle Land, Hobsonville Airbase; and Vehicle Testing Station - Joint Venture Proposal.

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

| General subject of each of the matters to be considered. | Reason for passing this resolution in relation to each of the matters. | Ground(s) under Section 48(1)(a) for the passing of this resolution. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Land Acquisition Update - Triangle Land, Hobsonville Airbase • Vehicle Testing Station - Joint Venture Proposal | <p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> • Maintain legal professional privilege. • Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). • Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - <ul style="list-style-type: none"> - Would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or - Would be likely otherwise to damage the public interest. | <p>That the public conduct of the relevant parts of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p> |

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 7(2)(c)(i)(ii), 7(2)(g) and 7(2)(i) of that Act which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public as follows:

- The matters contain information which if released would affect the Council's negotiations and could have an effect on the commercial position of the person who has supplied the information.

