



**AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL PERFORMANCE  
COMMITTEE TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE,  
LINCOLN, WAITAKERE CITY, ON MONDAY, 8 AUGUST 2005,  
COMMENCING AT 9.30 AM.**

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**PART A - OPENING OF MEETING**

**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) 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 Committee by resolution so decides; 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 and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

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



**3 CONFIRMATION OF MINUTES**

Meeting Minutes - Monday, 11 July 2005

**RECOMMENDATION**

That the minutes of the Meeting of the Finance and Operational Performance Committee held on Monday, 11 July 2005, including the public excluded minutes, as circulated, be taken as read and now be confirmed.

The public excluded minutes are attached in the confidential supplement.



**PART B - LEGAL AND CONSTITUTIONAL**

**4 AFFIXATION OF COMMON SEAL**

EXECUTION OF DOCUMENTS: 5 to 29 July 2005

<b>Nº</b>	<b>NAME</b>	<b>PARTICULARS</b>
3415	WCC - VM Ings	Fencing Agreement - CT.202411 - 25 Cutler Street - SPW 22034
3416	WCC - GM Construction	Replaced by document #3424
3417	WCC - ANZ National Bank Ltd	Annual Facilities Offer/Renewal - Resolution Nos.4195/2003 and 624/2005 dated 18 May 2005
3418	WCC - P, T & L Tatafu	Deed of Waiver - s.40 Public Works Act 1981 - 3A Sunnyside Road - CT NA72C/355 - Resolution 1289/2003
3419	WCC - Waitakere Properties Ltd	Deed of Nomination re Agreement for Sale & Purchase 22/6/2005 - 3ha being NA134C/260 at Clark Road, Hobsonville, from Hudson Bay Holdings Ltd
3420	WCC - Waitakere Properties Ltd	Deed of Nomination re Agreement for Sale & Purchase 22/6/2005 - 12.1572ha being NA68319 at Clark Road, Hobsonville from Premium Property Holdings Ltd
3421	WCC - Waitemata Maori Wardens Trust Inc	Lease of part of Tui Glen (Lot 12 DP 6760) - Resolution 853/2004
3422	WCC - Ralph Family Trust	Deed of Lease - Paramount Drive - Director: Corporate & Civic Services approval 10/7/2005
3423	WCC - GM Construction Ltd	Surrender of Drainage Easement in gross 94745 - CT NA41D/135 - 8 Wallace Road - SPW 21697 Stages 1 & 2
3424	WCC - GM Construction Ltd	Drainage Easement in gross - CTs 221231 to 221234 and 221240 re DP 354166 - 8 Wallace Road - SPW 21697 Stages 1 & 2
3425	WCC - AG Delich	Fencing Agreement - Lots 1 & 2 DP 350825 - 223 Henderson Valley Road - SPW 22140
3426	WCC - Onyx Group Ltd	Deed of Variation of Agreement for the Supply of Waste Collection Services
3427	WCC - SC Wishart	Drainage Easement in gross - CT 198092 - 5 Gardner Avenue - SPW 22018
3428	WCC - MS & JA Tittleton	Surrenders of Uncompleted Works and Maintenance Bonds - CT NA114D/672 - Forrest Hill Road - SPW 19240
3429	WCC - Anderson Family Trust	Release of Mortgage - North Candia Road - s.44(2) Standing Orders
3430	WCC - Auckland City Council, Manukau City Council, North Shore City Council, Papakura District Council, Rodney District Council	Deed of Variation of Agreement relating to WaterCare Services Ltd - Shareholders' Representative Group Resolution dated 16/7/2003
3431	WCC - DT Tree	Consent to creation of Easement set out on Deposited Plan 308961 as Encumbrancee under Encumbrance C.167932.5 - 298 Forest Hill Road - SPW 20497

Nº	NAME	PARTICULARS
3432	WCC - H&S Youn	Drainage easement in gross - CTs 167995 and 167996 - 6, 8 and 12 Totara Road - SPW 21809
3433	WCC - SD Chun & YS Lee	Surrender of Drainage Right in gross - CT NA1827/17 - 6, 8 and 12 Totara Road - SPW 21809
3434	WCC - West Lynn Garden Society Inc	Deed of Covenant (Conservation) - s.77 Reserves Act - Resolution 337/2005

### **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 C - FINANCE**

### **5 OPERATING AND CAPITAL EXPENDITURE SUMMARIES**

#### **PURPOSE OF THE REPORT**

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

#### **STRATEGIC CONTEXT**

Through the Long Term Council Community Plan processes, the Council approves operating and capital expenditure. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

#### **ISSUES**

A1 This report covers expenditure for the full financial year ended 30 June 2005 (12 months). The financial summaries are attached at page A1.

This is an interim report only, as the year end adjustments are yet to be completed. A full report will be presented to the Committee on completion of an audit by Audit New Zealand.

If any further information is required 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.

## CONCLUSION

The interim report shows expenditure for the financial year ended 30 June 2005. A full report on the actual year end result will be provided to the Committee when it receives the Annual Report.

## RECOMMENDATION

That the Operating and Capital Expenditure Summaries report be received.

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



## 6 STATUS OF SPECIAL FUNDS

### PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee on the status of Council's Special Funds.

### BACKGROUND

Special funds are those funds held or designated by Council for a specific purpose or purposes. With the exception of the Auckland Regional Services Trust funds which are held in a separate bank account, the balances of these funds are used to offset Council's borrowing requirements. Interest is allocated to funds where applicable.

### STRATEGIC CONTEXT

Special fund movements are recommended through the Long Term Council Community Plan and Annual Plan adoption process. Special funds are classified as either "Restricted Funds" or "Non-Restricted Funds". Restricted funds are those funds that have been received by Council from a third party or parties and are to be used for a specific purpose or purposes. Non-restricted funds are funds established by a Council resolution to use and set aside its own funds and also to meet a specific purpose or purposes.

### ISSUES

A2 The Special Fund report is separated into restricted and non-restricted funds. The balances and summary transactions for the full financial year ended 30 June 2005 (12 months) are attached at page A2.

This is an interim report only as the year end adjustments are yet to be completed. A full report will be presented to Council on completion of an audit by Audit New Zealand.

If any further information is required 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.

### CONCLUSION

Special Funds are being held or designated for a specific purpose or purposes. The fund balances have been reported as required.

## **RECOMMENDATION**

That the Status of Special Funds report be received.

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



## **7 BORROWING AND INVESTMENT REPORT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to provide the Finance and Operational Performance Committee with an update on borrowing and investment activity for June 2005.

### **BACKGROUND**

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 reflect the estimated position as at 30 June 2005 and are attached at pages A3 to A8.

### **STRATEGIC CONTEXT**

Council's Funds 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 assist 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 may include 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 with 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 risk management is 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 2004/2005 year, including carry forward projects from the 2003/2004 year, through the 2004/2005 Annual Plan to a maximum gross debt of \$239.468 million. Interest expense for the 2004/2005 year is budgeted to be \$9.668 million.

Council maintains Standard and Poor's Credit Ratings of A-1+ short term, and AA-long term (stable).

## ESTIMATED SUMMARY OF BORROWING AND INVESTMENT MOVEMENTS TO JUNE 2005

Council's estimated gross term debt position has increased by \$5.866 million since May 2005, with an estimated closing balance at June month end of \$152.168 million. Estimated working capital borrowings of \$14.449 million as at 30 June 2005 have been funded using unsecured bank facilities and internal borrowing.

## SIGNIFICANT FUNDING TRANSACTIONS ENTERED INTO DURING JUNE 2005

- Sinking Fund investment of \$2,138,591.23 for 45 days at an interest rate of 6.99%;
- Sinking Fund investment of \$1,616,885.46 for 45 days at an interest rate of 6.98%;
- Negotiated new Medium Term Floating Rate Note, settlement date of 22 July 2005, maturing 22 July 2015 at an interest rate of New Zealand 90 Day Bank Bill Rate (Mid) plus 20 basis points.

## FINANCIAL MARKET COMMENTARY

### Market Overview

On 28 July 2005, Governor Alan Bollard of the Reserve Bank of New Zealand released the latest Official Cash Rate announcement, which concluded with no change to the Official Cash Rate of 6.75%. In the statement the Governor stated;

*"The economy has recently shown signs of softening. GDP growth has continued to ease over recent quarters, particularly in sectors such as manufacturing that are exposed to the strong exchange rate. Indicators of business activity have been pointing downwards for some months and it now appears that household consumption growth is also beginning to weaken. However, residential housing market indicators remain firm, representing an upside risk for the future path of household spending and inflation. We view the overall easing in activity as broadly consistent with our June MPS economic outlook.*

*Inflation pressures nevertheless remain present. Several years of strong growth have led to productive resources becoming stretched and the resulting inflation pressures will take some time to unwind.*

*Moreover, additional short-term inflation pressures have recently emerged as a result of surging oil prices and the waning impact of the strength in the exchange rate over recent years. These short-term inflation pressures, which could easily be exacerbated, are now expected to push CPI inflation temporarily above 3 per cent over the coming quarters.*

*Looking further ahead, we expect that current policy settings will be sufficient to achieve our objective of 1-3 per cent inflation on average over the medium term. However, in the current environment, monetary policy must remain vigilant. We remain vulnerable to upside inflation risks and monetary policy must continue to work at reducing the ongoing excess demand pressures. A firm policy stance is also necessary to prevent the expected short-term inflation pressures from becoming entrenched in inflation expectations. A further tightening of policy could not be ruled out in the event of a resurgence in medium-term inflation pressures. Certainly there remains no prospect of a policy easing in the foreseeable future."*

Financial market commentators have been forecasting for some months that the Reserve Bank of New Zealand will maintain the Official Cash Rate at 6.75% for the duration of this year and then decrease it in 2006. The 90 Day Bank Bill Rate has continued to trade at approximately 7%, indicating the upside risk that the Governor has continued to present.

Long term interest rates have remained relatively stable over the month with the 10 year swap interest rate trading at around 6.50%.

### **Up Coming Dates**

Monetary Policy Statement                      15 September 2005

### **CONCLUSION**

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

### **RECOMMENDATION**

That the Borrowing and Investment report be received.

Report prepared by: Bruce Wilkin, Treasury Manager.



## **8      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.

## STRATEGIC CONTEXT

The Council makes various payments as provided for in its Long Term Council Community Plan and Annual Plans. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

## PAYMENTS

A9-A13

A summary schedule of payments made for the period 3 June to 30 June 2005, as attached at page A9. A further schedule of all payments of \$5,000 and above, together with the reason for the payment is attached at pages A10 to A13. 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.

## CONCLUSION

The summary schedule of payments is shown for the period 3 June to 30 June 2005. Payments have been provided for in accordance with approved budgets.

## 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.



## PART D - GENERAL

### 9 SYSTEM OF ELECTION

#### PURPOSE OF THE REPORT

The purpose of this report is to enable the Finance and Operational Performance Committee to make a decision on the system of election to be used for the 2007 and 2010 Triennial General Elections.

#### BACKGROUND

The Council is required to conduct a review of its representation arrangements at least every six years. Because the Council chose not to undertake a review in 2003 it must do so in the 2006 year. It is considered inappropriate to consider those aspects of the review that must be undertaken during the 2005 year (Maori Wards and Electoral System) in isolation from those aspects for which decisions do not have to be made until 2006 (Boundaries and Representation) so a full review has been commenced now.

The Local Electoral Act 2001 provides for two alternative electoral systems. These are the First Past the Post system (FPP) and the Single Transferable Vote system (STV). The First Past the Post system is the traditional system in New Zealand local government and is the system currently used by Waitakere City Council. A local authority may resolve to change the system of elections no later than 12 September two years before a Triennial Election and that system will remain in use for at least the following two Triennial Elections.

If a valid demand for a poll (from at least 5% of the registered electorate) on the issue of choice of electoral system (and/or the introduction of Maori Wards) is received before 28 February the year before a Triennial General Election then a poll must be conducted and the result of that poll will be binding and effective from that Triennial General Election. Likewise, the Council itself may resolve to hold a poll on these issues, but such a poll is also required to be held no later than 21 May 2006 (the year before the next Triennial General Election), for it to take effect at that election, failing which it can only take effect at the next but one Triennial Election. If polls are to be held on both the issues of introduction of STV and of Maori Wards it would not be cost effective to hold these separately. The estimated cost of holding a poll is around \$200,000, covering as it will, the City at large.

The Finance and Operational Performance Committee has delegated authority to make preliminary decisions on electoral and representation matters and make recommendations to Council for final decision. Accordingly, the outcome of this workshop is now being reported to that Committee for a formal decision.

A workshop was held with Councillors on 15 June 2005 who considered the following aspects of the Review with respect to process:

- Overview of requirements;
- The option to change the Electoral System from First Past The Post (FPP) to Single Transferable Vote (STV);
- The option of introducing separate Maori representation through a Maori Ward or Wards; and
- The methodology to be used for public consultation with regard to all matters to be consider under the review.

The outcome of the Workshop was reported to the Finance and Operational Committee at its meeting of 11 July 2005. The Committee resolved as follows:

*“That the Council wait to hear the outcome of the consultation with the Maori Community on the issue of separate Maori representation through a Maori Ward or Wards before pursuing the matter further.”*

1332/2005

*“That the initial consultation with the wider community in order to arrive at substantive proposal on the two issues being reviewed (Maori representation and the composition and basis of election for Council and Community Boards) be undertaken and include the use of focus groups on the basis outlined in the Agenda report.”*

1333/2005

A further workshop was held with Councillors on 5 July 2005 on which considered the following aspects of the review:

### **What is Single Transferable Voting?**

- It was first proposed in the mid nineteenth century;
- It was first used in New Zealand, in the 1920's (Christchurch City Council);
- It is a form of preferential voting where voters rank some or all of the candidates in order of personal preference;
- The “quota” is the underlining principle of Single Transferable Voting, where a candidate needs to receive not a majority but a minimum number of votes to be elected;
- New Zealand Single Transferable Voting uses New Zealand counting method (derived from the Meeks method) which is a complex algorithm calculation to transfer the votes between preferences;

- It was used in New Zealand for all the District Health Board elections in 2004, plus 18 Territorial Authorities (including one unitary authority - Marlborough District Council).

#### **What is First Past the Post?**

- The candidate(s) who receive(s) the most votes wins;
- Also known as “Winner Takes All”;
- Traditional System in New Zealand and elsewhere.

#### **Who Uses Single Transferable Voting?**

- New Zealand
  - All District Health Boards;
  - 18 Territorial Authorities;
  - Fonterra.
- Overseas
  - Australia Senate;
  - Tasmania;
  - Republic of Ireland;
  - Northern Ireland;
  - Malta.

#### **Who Uses First Past the Post?**

- Electorate Seats New Zealand Parliamentary Elections;
- Traditional System for Westminster type legislatures;
- Traditional System for most Local Authorities in English Speaking Countries.

#### **Process for Deciding Electoral System for 2007**

- Four part process:
  - Council can resolve to change electoral system (Section 27 Local Electoral Act);
  - Council must give public notice of the right to demand a poll (Section 28 Local Electoral Act);
  - The community can demand a poll on the electoral system to be used (Section 28-30 Local Electoral Act);
  - Council can decide to hold a poll on the electoral system to be used (Section 31 Local Electoral Act).

#### **Council Resolves Change in Electoral System**

- Section 27 Local Electoral Act enables Council to resolve to use Single Transferable Voting for next triennial general election;
- Resolution to be made no later than 12 September 2005;
- Applies to Council & Community Boards;
- Any change in electoral system must be used for next two triennial general elections (Section 27 Local Electoral Act).

### **Community May Demand Poll**

- Council must publicly notify right to demand poll on Electoral System by 19 September 2005;
- If Council has resolved to change to Single Transferable Voting it must include in notice;
  - the resolution;
  - a statement that a poll is required to countermand that resolution;
- At least 5% of electors of the District required to demand a poll;
- The demand must be lodged within 90 days of the date of the public notice;
- Outcome of poll is binding for next two Triennial General Elections.

### **Council May Resolve to Hold Poll**

- Council may resolve to hold a poll on a specified electoral system;
- 28 February 2006 last day for Council to make this decision;
- Poll must be held within 82 days of the Chief Executive Officer giving notice to the Electoral Officer of this decision;
- Poll is binding for next 2 Triennial General Elections.

### **Timeline**

- 12 Sept 2005 Last day Council may resolve change to STV or stay with First Past the Post for 2007;
- 19 Sept 2005 Last day for Council to give public notice of poll demand;
- 28 Feb 2006 Last day for poll demand by 5% of electors (Section 30 Local Electoral Act);
- 28 Feb 2006 Last day Council may resolve to hold a poll (Section 31 Local Electoral Act);
- 8 Sept 2006 Last day for Council to give public notice of proposed representation arrangements for 2007 Triennial General Election.

### **New Zealand Single Transferable Voting Calculator**

- Department of Internal Affairs commissioned the development of the “New Zealand STV Calculator” and the “New Zealand Single Transferable Voting Backup Calculator”;
- Constructed and developed by a Wellington based software development house;
- Certified by Audit New Zealand and Price Waterhouse Coopers to ensure that the New Zealand method Single Transferable Voting algorithm calculation as set out in the Local Electoral Act 2001 is correct;
- Provided free of charge to all Territorial Authorities for Council and District Health Board elections;
- Elections software providers to integrate with existing elections management software, ie. data capture/reporting systems.

### **Advantages of Single Transferable Voting**

#### Proponents of Single Transferable Voting claim that it:

- Reflects voters’ wishes better than First Past the Post;
- Ensures all votes have equal value;

- Gives effective representation to all significant points of view within the electorate, and is therefore a much fairer system, ie. enhances opportunities for minor parties, women, Maori, ethnic minorities etc;
- Allows voters to vote for their preferred candidates without fear of “wasting” their votes. Therefore, as many votes as possible will count towards the election of Elected Members;
- Treats every candidate on an even footing, whether they be independent or representing a political party;
- Has been shown to work well over time as one of the fairest ways to elect candidates democratically.

### **Arguments used against Single Transferable Voting**

Those against Single Transferable Voting suggest that:

- It is a system that is unfamiliar to most voters and hard to understand;
- It appears a complex system involving mathematical calculations that is hard to explain to voters;
- The vote counting is too tedious to be processed manually, and can't start until all the votes have been verified and captured, including special votes;
- Data capture and processing time is longer than an FPP election;
- Election results are not displayed on a per votes cast basis as for FPP results.

### **Advantages of First Past the Post**

- First Past the Post results are easier to understand;
- First Past the Post is easier to explain and understand;
- Electors are familiar with it;
- Marginally less expensive to process than Single Transferable Voting.

### **Arguments used Against First Past the Post**

- First Past the Post system:
  - All votes that are not cast for the successful candidates are “wasted”, ie. they have not counted towards electing someone;
  - In a 1 position election, eg. Mayoralty, often the successful candidate does not receive a majority of total votes cast;
  - The views of all the electors are not fairly reflected in the result;
  - Minority views are often not represented.

### **Implementation Issues**

- Use of First Past the Post and Single Transferable Voting at the same time;
  - In 2007 District Health Boards will be using Single Transferable Voting. If Waitakere City Council changes to Single Transferable Voting the Licensing Trusts and Auckland Regional Council may not;
- Voting Document Design;
  - 2004 Colour wash Criticisms;
- Elections Software Development Issues;
  - Failure of election.com/datamail software does not invalidate system;
  - Moore Gallagher software did not fail;
- Voter Education about Single Transferable Voting and how it works.

## Principles of Single Transferable Voting

- The principle of Single Transferable Voting is the “quota”;
- A successful candidate only needs to poll the quota, not a majority of votes;
- Electors rank their candidates in order of preference by marking a number next to the candidates name, ie. 1, 2, 3 and so on, instead of just putting a tick against one or more of them;
- Not all candidates have to be ranked;
- A vote is valid as long as one candidate is ranked with a first preference;
- Quota calculation is the number of valid votes divided by the number of positions to be filled, plus 1, plus a tiny fraction;

## The Quota

- Once the quota has been established, then the first count can be undertaken;
- As soon as a candidate reaches the quota, they are elected;
- Any votes over the quota are then transferred to the other candidates in accordance with the voter’s second preferences.

The outcome of the workshop was as follows:

- That the Councillors views on whether or not to adopt the Single Transferable Vote system of election were not conclusive;
- A detailed report be forwarded to the Finance and Operational Performance Committee at its August 2005 meeting on which the Committee would make a decision to recommend to Council whether or not to change to the Single Transferable Vote system of election. According to the consultation which will be carried out, would be in respect of Maori Wards and of the basis of election or representation. In other words Council Electoral arrangements.

The Finance and Operational Committee at its meeting of 11 July 2005 resolved the following:

*“That the Finance and Operational Performance Committee consider the System of Election in the light of the outcome of the 5 July 2005 workshop, following the receipt of a further report at the August 2005 meeting of the Finance and Operational Performance Committee.”*

1331/2005

## STRATEGIC CONTEXT

Active Democracy is one of the Council's nine strategic platforms identified in its current Long Term Council Community Plan and Annual Plan 2005/2006. This platform supports the involvement of citizens in the Council's decision-making process, through education, removing barriers, developing partnerships, improving information flows and supporting the communities' own ways of interacting with the Council.

The Council measures its success in meeting active democracy targets by conducting regular household surveys. Although the public's perception of engagement in the Council's decision-making processes has improved since surveys were first conducted in 2001/2002, (partly due to this Council's extensive community consultation processes), the voter turnout for Council elections remains low. Voter turnout was only 35.68% during the last election. The electoral representation review process will assist the Council in determining why this is so and how to structure a system that is more conducive to active voter participation.

In addition to the Active Democracy Platform, the Treaty of Waitangi is one of the Council's overarching priorities, which must be affirmed in all the Council's activities and planning. Furthermore, the Local Government Act 2002 (Part 6), requires the Council to establish and maintain processes to provide opportunities for Maori and to foster the development of Maori capacity to contribute to its decision-making processes. The Council's commitment to the Treaty of Waitangi, together with the requirements of the Local Government Act 2002, make it incumbent upon this Council to consider the issue of appropriate Maori representation.

## **ISSUES**

All Community Boards will be discussing this report at their August 2005 meetings and all views expressed will be brought to the Committees attention at the meeting.

Unfortunately Te Taumata Runanga will not be able to consider the issue prior to this meeting of the Finance and Operational Performance Committee so will be requested to make a recommendation on this matter directly to Council.

At the workshop of 10 July 2005, the Councillors requested that the report to be prepared for the Finance and Operational Performance Committee include some statistical analysis of whether the use of Single Transferable Vote in the 2004 elections had increased diversity in respect of the membership of the Council's using this system. Unfortunately no statistics appear to be available and this has been confirmed with Local Government New Zealand. The information that they might hold would be confidential because of the privacy issues. The nomination forms do not require disclosure of age, gender or ethnicity. Discussions of the Electoral Officers using this system have indicated there appeared to be very little change in diversity levels in their particular Councils, however this information could also be distorted by the fact that someone at Councils concerned had their number of Elected Members reduced at the same time. At the Representation Review Workshop organised by the Society Local Government Managers of New Zealand in Wellington in February 2005, representatives of the Ministry of Health had indicated that they believed that the composition of the Elected Members of District Health Boards had become more diverse than previously, however that view is now needs hard fiscal evidence to support this. Unfortunately we are unable to provide further evidence to support the claim that further diversity in the membership or composition of elected bodies will be guaranteed to arise out of the option of the Single Transferable Vote System.

## **RESOURCES**

Provision has been made in the draft Annual Plan 2005/2006 to resource the Representation Review.

## **CONCLUSION**

The Finance and Operational Performance Committee is being requested to consider the issues raised in this report taking into account any relevant recommendations regarding the System of Election in order to make an appropriate recommendation to Council.

## **RECOMMENDATIONS**

1. That the System of Election report be received.
2. That the Finance and Operational Performance Committee resolve either:
  - a) To retain the First Past the Post System of Election for the 2007 Triennial General Election, or

- b) To change the Single Transferable Vote System of Election for the 2007 and 2010 Triennial General Elections.

Report prepared by: Charlie Inggs, Deputy Electoral Officer.



## 10 **FUNDING AND FUNDRAISING WORKSHOPS**

### **PURPOSE OF THE REPORT**

The purpose of the report is to inform the Finance and Operational Performance Committee on the feedback from the delivery of a series of funding and fundraising workshops run by the Community Assistance Administrator and the potential need for more Council support for community groups.

### **BACKGROUND**

#### **Funding Workshops**

It was identified as a result of numerous phone calls to the Community Assistance Administrator that community groups were struggling with finding the funds to successfully run their organisations. Some of the issues that they presented with were:

- What financial support can be provided by Council?
- What other funding providers exist within Waitakere City?
- Where to go to for specific funding needs?
- How to complete an application?

Also the Community Assistance Administrator noted that at least 20 percent of all applications to Council for funding were of a very poor quality. These included:

- Applications incomplete. (Failing to supply the necessary documentation);
- Budgets either non-existent or not adding up;
- Applications unreadable; and
- Ineligible requests for funding.

Many community groups were also experiencing:

- Reduction in quality volunteers experienced in governance and management;
- Inability to get funding because of past unmet accountability issues;
- Poor/no strategic planning;
- Groups staggering from one funding crisis to another; and
- More competition for funding so reduction in amounts received.

As a result in 2003 a workshop was developed that demonstrated to community groups what was required to be successful in sourcing funding from both Council and other funding agencies within Waitakere City. These workshops were run for all community groups in 2003 and extended in 2004 to meet the specific needs of Maori by taking them to each of the Marae within the City and also to selected Pacific Island group locations. They covered such issues as:

- What funding Council can provide?
- How to make an application the best it can be, to get results?
- What other funds are available?

### Fundraising Workshops

In early 2004 a further issue was identified that prevented community groups from being successful and that was their inability to raise their own funding to complement the grant funds. This stemmed substantially from the decline in volunteerism and time available to members of community groups to support fundraising efforts. As a result the Community Assistance Administrator in conjunction with Stephanie Maitland (a professional fundraiser) put together a workshop that covered:

- The basics of fundraising;
- How to get sponsorship;
- Running events;
- The rules about running raffles;
- How to keep supporters;
- How to reduce the cost of fundraising; and
- Selling merchandise.

This report is to inform the Finance and Operational Performance Committee on the community response to these workshops and further community group support needs.

### STRATEGIC CONTEXT

Under the Strategic Platform 'Strong Communities' the vision states:

*"People are active, healthy and content. They feel safe and connected to others. Our City is a great place for children. We enjoy our diversity of lifestyles and people. This platform addresses how we support the health and wellbeing of the city's residents".*

Council is aware that to achieve this vision it has to work with and support the 'not for profit' sector who provide a substantial service to meeting the community needs. It has also outlined in the Community Assistance Policy its commitment to help strengthen the ability of local community groups to create a strong social base for Waitakere City.

### ISSUES

In 2005 six funding workshops were run for the following community sectors:

Community Sector	Attendee Numbers
Arts and culture	34
Maori	21
Pacific Island groups at the Corban Estate	13
Pacific Island groups at Moire Road Community Hall	18
Sport Clubs	64
Social wellbeing groups	40
<b>Total</b>	<b>190</b>

A total of 52 evaluation forms were handed in for the above funding workshops. Some of the comments included:

- All the points of what not to do will save us mistakes, delays and 'not successful' answers;
- Great to learn that we are not limited to Waitakere City Council funding only but can go to other funding agencies;

- Thank you for running these workshops. I believe the more I come and listen the better everything is around our community;
- I found the explanation/clarification of individual funds and how to complete an application form really helpful;
- I wish I had come along to this earlier;
- Fantastic workshop, straightforward delivery and excellent paperwork;
- Great evening, great presentation, and fab food; and
- Appreciate Councils assistance with these matters.

The evaluation forms also asked whether community groups would benefit from workshops covering, strategic planning, managing meetings and the role of committee members. Of the 52 evaluation forms returned 34 of them expressed a desire to attend them if they were arranged. Currently workshops covering these and other community group issues such as financial management, are being run by Auckland City Council for community groups in their geographic area, Leisure Services is investigating the ability to meet this need within Waitakere City.

Fundraising workshops were also delivered in 2005 to the same demographic groups as above and the numbers attending were:

<b>Community Sector</b>	<b>Attendee Numbers</b>
Arts and culture	21
Maori	3
Pacific Island groups at the Corban Estate	18
Sport Clubs	36
Social wellbeing groups	29
<b>Total</b>	<b>107</b>

The Maori fundraising night had more people booked on it, but few turned up as it was a very cold and stormy night.

A total of 32 evaluation forms were handed in for the above fundraising workshops. Some of the comments included:

- This was a very informative workshop, I am impressed with your professionalism;
- The information was directed at the smaller fundraiser rather than those fundraising for the mega bucks, which is just what I needed;
- Organised - excellent handouts, talked to group from real examples from personal experience. Very credible - excellent presenter, bonus great food;
- Thank you for an informative session - a lot of good advice has been passed onto our community group; and
- I am very happy to be here tonight and I am getting the awareness that there sure is help out there.

In the evaluation forms again the questions were asked as to whether the attendees would appreciate workshops covering, strategic planning, managing meetings and the role of committee members. Of the 32 evaluations received 23 said yes they would like Council to arrange these.

### Summary

These workshops are being refined each year and it is clear that although many groups have had members attend, the numbers are increasing. One reason for this is because annually committee members change and there is a constant need to keep new members informed.

The workshops were initially run to capture large numbers of people and deliver information to them to prevent so many phone calls and one on one meetings. However, the reverse has happened and there is an increasing demand on the time of the Community Assistance Administrator to meet and discuss individual community groups issues, as knowledge of this resource is known to the community.

Unlike Waitakere City Council, North Shore, Auckland and Manukau City Councils all have Community Advisors whose role is to be a one on one contact with community groups and facilitate them to successfully deliver the strategic vision of a Strong Community.

Council may wish to consider for council officers to prepare a feasibility paper on the options to provide additional support in Waitakere City and the level of support that would be afforded to community groups by having this support.

### **RESOURCES**

There are no additional financial or staffing requirements to allocate these funding and fundraising workshops.

### **CONCLUSION**

In 2003 it was recognised that there was a need to support community groups by informing them how to make applications to funding agencies so that they would be successful. A funding workshop was developed and since then it has been refined and delivered to community groups annually. In 2005 six funding workshops were run and the results are tabulated above.

In 2004 a fundraising workshop was developed to inform community groups how to raise their own funds. This workshop was developed in conjunction with a professional fundraiser and since then it has been run within Waitakere City. Five workshops have been run this year and again the results are tabulated above.

Evaluation forms from both the funding and fundraising workshops asked whether community groups would benefit from learning more about strategic planning, managing meetings, and the role of committee members. A total of 57 evaluations expressed a desire to attend them if they were arranged and Leisure Services is investigating the ability to meet this need in Waitakere City.

The workshops have proved to be very informative and of benefit to the community and is leading to an increased demand for a community adviser role within Council.

### **RECOMMENDATIONS**

1. That the Funding and Fundraising Workshops report be received.
2. That a feasibility report be prepared and presented to the Finance and Operational Performance Committee on the options to provide additional support to support community groups in Waitakere City.

Report prepared by: Jan Brown, Community Assistance Administrator.



## 11 UPDATE ON THE ROLE OF THE HERITAGE AMBASSADOR

### PURPOSE OF THE REPORT

The purpose of this report is to provide the Finance and Operational Committee with an update on the activities of the City's voluntary heritage ambassador and other heritage issues. The report identifies that the work done by the heritage ambassador to preserve and protect local history of Waitakere City has been of eminent value. However, it is premature to commence collecting heritage items in the absence of a museum feasibility study and the Council should avoid sending mixed messages to the community. The Council has staff resource to progress the heritage strategy and action plan and therefore the heritage ambassador role should be disestablished.

### BACKGROUND

In 28 May 2003, the Council appointed Ms Mary Gilligan as a volunteer ambassador for the Council to research historical collections. The Council resolved:

*"That Ms Mary Gilligan be appointed a volunteer ambassador for the Council to research historical collections within the City, and that she work in conjunction with Waitakere City Libraries and the Manager: Arts to develop protocols and policies to progress this work, and report back to Finance and Operational Performance Committee on a regular basis."*

1015/2003

The role of a volunteer heritage ambassador was created in a policy vacuum, before the Heritage Strategy and Action Plan was finalised in 2004. That Strategy and Action Plan provided a policy framework for Council to make decisions on supporting investment in built and natural heritage.

### STRATEGIC CONTEXT

The Heritage Strategy and Action Plan outlines a number of priorities for Council to achieve its goal of protecting and celebrating the City's cultural diversity and heritage. The short to medium term priorities include the appointment of a heritage advisor, commissioning a Museum Feasibility Study, heritage workshop and commissioning a suitably qualified historian to write the official history of Waitakere City. The Heritage Strategy places considerable emphasis on the role of the new Library in Henderson as a research centre and the collection of documentary heritage and oral histories.

Heritage falls within the Rural and Urban Villages Platform in the Long Term Council Community Plan. The City aims to play a role in integrating heritage within its town centres and celebrating its diverse cultures.

### ISSUES

The heritage ambassador has worked extensively with a number of people and organisations over the last two and a half years to preserve and protect the local history of Waitakere City. This work has been of eminent value. It is clear that the heritage ambassador has undertaken research on private collections of artefacts that are of significance to Waitakere City's rich ceramics heritage and that she wishes to start collecting these items on behalf of Council. However, Council is not in a position at this stage to commit to collecting items, in the absence of a Museum Feasibility Study. A Museum Feasibility Study would enable the Council to examine whether it wishes to take on the role of developing museum facilities which would involve significant capital and ongoing operational expenditure. A report would need to be brought back to Council on the viability of such a proposition before a collections policy could then be developed.

The heritage ambassador has successfully identified collections that could be of interest to Council. They include artefacts mostly relating to the heavy clay industry. These collections are as follows:

- Jack Diamond's brick collection;
- Guthrie Stewart's collection of artefacts and furniture from Crum Brickworks and Gardner Bros. and Parker;
- John Green's collection of heavy artefacts and machinery.

These items can be characterised as bricks, clay pipes and brick making machines that are typically large and bulky items to store and display.

The heritage ambassador would like to commence collecting items on behalf of the City with a view to establishing a museum and has identified several donors as outlined above. In addition, some preliminary work has been undertaken by the heritage ambassador in consultation with libraries staff and a consultant on gifting protocols. The draft forms have been reviewed by the Council's Legal Services Manager who has undertaken to do more work on them before they can be adopted. There are risks to Council in enabling a voluntary heritage ambassador to amass items on behalf of the Council where there is no suitable storage facility, collection policy or commitment to build and operate a museum. The Council could become legally liable for the insurance and safe storage for items that it never intended to own.

The Heritage Strategy states:

*"It should be noted that at this stage, the concept of providing storage and display space for components of the community artefacts collections is not covered in this strategy other than to recommend that a Museum Feasibility Study be undertaken as soon as possible. Considerable debate needs to occur around the idea of promoting particular collections or a centralised approach."*

The work undertaken to date has been of value to the City, and may assist Council identify feasible solutions with regard to the collection and storage of these artefacts. However, it is considered that Council needs to progress the Museum Feasibility Study as a first step to determining whether or not the City can realistically support a civic museum. Other key pieces of work such as a collections policy and gifting protocol could be developed subsequently. The heritage ambassador has played a role in focussing this Council's response to heritage issues across the City. However, there is now sufficient staff resource to champion heritage issues.

## RESOURCES

There is sufficient budget allocated in the Annual Plan 2005/2006 to progress the work programme for this year associated with the Heritage Action Plan.

## CONCLUSION

The heritage ambassador has undertaken an important role in identifying collections held by private individuals that are of significance to the City that are potentially under threat. It is clear that Mary Gilligan would like the Council to commit to collecting those items and establishing a museum for their secure storage and display. Council needs to undertake a Museum Feasibility Study and supporting work to determine whether or not it wishes to support a civic museum before it embarks on the collection of items. A museum would involve significant capital expenditure to establish and ongoing operational support to fund professional staff and other activities. The heritage ambassador's role has been important in demonstrating this Council's commitment to heritage, although the role is no longer required and there is now sufficient internal Council resource allocated to progress the implementation of the Heritage Strategy and Action Plan.

### **RECOMMENDATIONS**

1. That the Update on the Role of the Heritage Ambassador report be received.
2. That the heritage ambassador be thanked for her work on behalf of Waitakere City over the last two and a half years.
3. That the Finance and Operational Performance Committee resolve to disestablish the role of voluntary heritage ambassador, following the appointment of a staff member to champion heritage issues in the City.
4. That officers progress work in respect of the Museum Feasibility Study and report back to the Finance and Operational Performance Committee on the study's findings.

Report prepared by: Alina Hughes, Principal Advisor, Heritage.



### **PART E - REPORTS FROM THE SUBCOMMITTEES**

#### **12 TENDERS SUBCOMMITTEE**

**THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORTS OF ITS MEETINGS HELD ON FRIDAY, 8 JULY 2005 AND FRIDAY, 20 JULY 2005.**

#### **MATTERS CONSIDERED**

*A14-A19*

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 A14 to A19.

#### **The Subcommittee Recommends:**

That the Meeting reports of the Tenders Subcommittee held on Friday, 8 July 2005 and Friday, 22 July 2005 be received.

JM Clews, QSO, JP

**CHAIRPERSON**



13 **COMMUNITY SPORT FUND ALLOCATION SUBCOMMITTEE**

**THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON THURSDAY, 16 JUNE 2005.**

1. **COMMUNITY SPORT LOANS FUND ALLOCATION - MARCH 2005**

**Your Committee Recommends:**

That a loan of \$100,000 from the Community Sport Loans Fund for a period of five years at an interest rate of 3% per annum be provided to the Waitakere Badminton Association, subject to the Director: Finance being satisfied as to the ability of the Association to repay the loan.

2. **COMMUNITY SPORT CLUB DEVELOPMENT FUND ALLOCATION 2005**

**Your Committee Recommends:**

That the Community Sport Club Development Fund Allocation 2005 as set out be approved.

No.	Group Name	Funding Requested	Funding Allocated	Condition
1.	Netball Waitakere Incorporated	\$7,500.00	\$7,500.00	
2.	Waitakere Aquatic Centre Charitable Trust	\$15,500.00	\$15,500.00	1. Subject to approval by the Director: Finance with the Status of the Charitable Trust and evidence that any liabilities can be met. 2. That the feasibility study can be completed by May 2006
3.	Waitakere City Racquets Sport Trust	\$6,375.00	\$6,375.00	
4.	Waitakere Cricket Club Inc.	\$2,260.00	\$2,260.00	
5.	Waitakere Badminton Club	Loan	0.00	
6.	Waitakere United Incorporated	Not Eligible	0.00	
7.	Peninsula Primary School	Not Eligible	0.00	
8.	The Tuvalu Community Trust Inc	Not Eligible	0.00	
9.	Bethells Beach Surf Lifesaving Patrol	Not Eligible	0.00	
10.	Espirit Starlettes Kiwi Marching Team	Not Eligible	0.00	
11.	The Don Oliver Youth Sports Foundation Trust	Not Eligible	0.00	

JP Lawley  
**CHAIRPERSON**



**PART F - PUBLIC EXCLUDED MATTER**

**14 WAITAKERE CENTRAL LIBRARY/UNITEC - INCORPORATION OF CAFÉ AND RELOCATION OF CITIZENS ADVICE BUREAU**

This item 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 part the proceedings of this meeting, namely Waitakere Central Library/Unitec - Incorporation of Café and Relocation of Citizens Advice Bureau.

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation of the 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 the matter to be considered.	Reason for passing this resolution in relation to the matter.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> <li>Waitakere Central Library/Unitec - Incorporation of Café and Relocation of Citizens Advice Bureau.</li> </ul>	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> <li>enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> </ul>	<p>That the public conduct of the relevant part 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)(i) of that Act which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public as follows:

- The report contains information which if released, could affect the Council's negotiations.*

