



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

FINANCE AND OPERATIONAL PERFORMANCE COMMITTEE

I hereby give notice that a meeting of the Finance and Operational Performance Committee will be held on:-

DATE: Monday, 6 April 2009 **TIME:** 9.30 am

MEETING ROOM: Council Chamber

VENUE: Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere

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

1 April 2009

Carmen Fernandes
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8887

MEMBERSHIP:

Councillors	RI	Clow (Chairman)
	JM	Clews, QSO, JP (Deputy Chairman)
	DQ	Battersby, JP
	BA	Brady, JP
	MFP	Chan, JP
	LA	Cooper, JP
	AK	Corban, OBE, JP
	RP	Dallow, QPM, JP
	WW	Flaunty, QSM, JP
	PA	Hulse
	MM	Jolley
	JP	Lawley, JP
	PG	Mitchell
	VS	Neeson, JP

Mayor RA Harvey, QSO, JP (ex officio)

(Quorum 5 members)

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(Meeting Room could be subject to change)

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

**AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL PERFORMANCE
COMMITTEE TO BE HELD IN THE COUNCIL CHAMBER AT WAITAKERE
CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON MONDAY, 6 APRIL 2009
COMMENCING AT 9.30 AM**

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**AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL PERFORMANCE
COMMITTEE TO BE HELD IN THE COUNCIL CHAMBER AT WAITAKERE
CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON MONDAY, 6 APRIL 2009
COMMENCING AT 9.30 AM**

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 Chairman 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 CONFLICTS OF INTEREST

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



4 CONFIRMATION OF MINUTES

Meeting Minutes - Monday, 9 March 2009

RECOMMENDATION

It is recommended that the Finance and Operational Performance Committee resolve to:

Receive the minutes of the meeting of the Finance and Operational Performance Committee held on Monday, 9 March 2009, as circulated, and that they be taken as read and now be confirmed.



PART B - LEGAL AND CONSTITUTIONAL

5 AFFIXATION OF COMMON SEAL

RECOMMENDATIONS

The Finance and Operational Performance Committee resolved to:

1. **Receive** the Affixation Of Common Seal report.
2. **Agree** that the action taken in affixing the Common Seal on the documents as set out in the agenda report be adopted.

EXECUTION OF DOCUMENTS: 27 February to 27 March 2009

Nº	NAME	PARTICULARS
4689	WCC – Morrison Horticultural	Chargeholder's consent to Variation of Mortgage – 185-187 Universal Drive, Henderson – Rule 44(2) Standing Orders
4690	WCC – Morrison Horticultural	Caveator's consent to Variation of Mortgage – 185-187 Universal Drive, Henderson – Rule 44(2) Standing Orders
4691	WCC – Auckland Kindergarten Association on behalf of New Lynn Kindergarten	Right of Renewal of Deed of Lease (duplicate) – 1 Totara Avenue, New Lynn
4692	WCC – Kondaiya & JL Kondaiya, S and JL Kondaiya and S Shand	Drainage easement in gross – Certificates of Title 443502 and 443503 – 11 and 13 Astley Avenue, New Lynn – RMA20052183
4693	WCC – Martin James Gilich	s.40 Public Works Act 1981 – Deed of Waiver – 317 Henderson Valley Road – resolution 770/2009
4694	WCC – Roma Stuart Craig	Warrant of Appointment and Evidence of Identity – No.WCC381 (reissued – change of title)
4695	WCC – Sarah Joanne Natal	Warrant of Appointment and Evidence of Identity – No.WCC427 (lost – replacement)
4696	WCC – Mark Haddon	Warrant of Appointment and Evidence of Identity – No.WCC433
4697	WCC – Matthew Wade	Warrant of Appointment and Evidence of Identity – No.WCC.432
4698	WCC – Odyssey Energy Limited	Deed of Settlement regarding lighting improvements to pedestrian crossings around the City
4699	WCC – Boylan Properties Limited	Deed of Renewal of Lease to 2010 – Waitakere Resource Centre, 8 Ratanui Street, Henderson.
4700	WCC – PD Bond	Authority and Instruction for electronic transaction for Drainage easement in gross – 375-381 Henderson Valley Road – RMA20060333

Nº	NAME	PARTICULARS
4701	WCC – New Song Investment Limited	Authority and Instruction for electronic transaction for sale of part accessway near 167 Rathgar Road, Henderson – Council resolution 985/2008
4702	WCC – New Zealand Railways Corporation (Ontrack)	Indemnity in favour of Ontrack regarding Permit No.033-09 for glazing works on railway overbridge
4703	WCC – City Homes Limited	Authority and Instruction for electronic transaction regarding 28A and 28B Millstream Drive, Henderson – RMA20021667
4704	WCC – GC and D Lawrenson and SH Withers (Ockleston Family Trust)	Drainage easement in gross – Certificate of Title 378605 – 110 and 112 Hobsonville Road, Hobsonville – RMA20011666
4705	WCC – Giles Crawford Boundy	Warrant of Appointment and Evidence of Identity – No.WCC434
4706	WCC – Sunnyvale Property Trust Limited	Authority and Instruction for electronic transaction for 2 easements in gross – Certificates of Title 432002, 432003, 432004, 432006 and 432010 – 4-18 Nirmal Place – RMA2006567
4707	WCC – Housing New Zealand Limited	Authority and Instruction for electronic transaction for 3 Easements in gross – Certificates of Title 163627, 235068, 235069, 235021 to 235027, 235030, 235031 and 235033 – 70 Albionvale Road – SUB2008-1732

Report prepared by: Denis Sheard, Legal Services Manager.



PART C - FINANCE

6 OPERATING AND CAPITAL EXPENDITURE SUMMARY

EXECUTIVE SUMMARY

The purpose of this report is to inform the Finance and Operational Performance Committee on the level of operating and capital expenditure to the end of February 2009 compared to budget.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

Receive the Operating and Capital Expenditure Summary report.

BACKGROUND

1. Through the Long Term Council Community Plan and Annual Plan process, 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.
2. If any further information is required in respect of this report, other than of a general nature, please contact the writer prior to the meeting to enable the query to be researched.
3. This report covers expenditure for the eight months to 28 February 2009. The financial summary and notes are attached at pages A1 to A7.

A1-A7

DECISION MAKING

4. There are no decisions required in respect of this report.

Issues

5. Explanations for significant variances between actual results to date and the Annual Plan budgets are provided for the overall operating performance statement (including commentaries on the performance of Council trading activities) and capital expenditure.
6. The detailed forecast of the financial results (both operating and capital expenditure) to the end of the 30 June 2009 financial year has been completed and will be presented to the Directors Group for approval. The approved forecast will be discussed with the Councillor Budget Review Group by the Director: Finance before presenting the information to the Committee.

STRATEGIC CONTEXT

7. The Council's operating and capital expenditure delivers projects necessary to achieve the Council's strategic direction.

CONSULTATION

8. No consultation was required in respect of this report.

RESOURCES

9. This report has no resource implications.

IMPLEMENTATION ISSUES

10. There are no implementation issues in respect of this report.

Report prepared by: Khee Mee Soo, Deputy Director: Finance.



7 STATUS OF SPECIAL FUNDS

EXECUTIVE SUMMARY

A8

The purpose of this report is to inform the Finance and Operational Performance Committee on the status of the Council's special funds as at 28 February 2009, as attached at page A8.

RECOMMENDATION

It is recommended that the Finance and Operational Performance Committee resolve to:

Receive the Status of Special Funds report.

BACKGROUND

1. Special funds are those funds held or designated by the Council for a specific purpose or purposes. The balances of these funds are used to offset the Council's borrowing requirements. Interest is allocated to funds where applicable.
2. 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 the 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.

DECISION MAKING

3. There are no decisions required in respect of this report.

STRATEGIC CONTEXT

4. The Council uses special funds as provided for in the Long Term Council Community Plan and Annual Plan.

CONSULTATION

5. No consultation was required in respect of this report.

RESOURCES

6. This report has no resource implications.

IMPLEMENTATION ISSUES

7. There are no implementation issues in respect of this report.

Report prepared by: Khee Mee Soo, Deputy Director: Finance.



8 BORROWING AND INVESTMENT REPORT

GLOSSARY

Long Term Council Community Plan	(LTCCP)
Waitakere City Council	(the Council)
Finance and Operational Performance Committee	(the Committee)

EXECUTIVE SUMMARY

This is a monthly report to Waitakere City Council's (the Council's) Finance and Operational Performance Committee (the Committee) and is also a requirement of the Council's adopted Liability Management and Investment Policy. It provides information on the Council's borrowing and investment activities over the past month and also high level information on current financial market conditions. From time to time additional and more detailed information is requested on particular areas of interest by the Finance and Operational Performance Committee or other Committees.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Borrowing And Investment Report.
2. **Approve** the Borrowing And Investment Report.

BACKGROUND

1. The Council enters into treasury related financial contracts in the ordinary course of its business. It is the role of the 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 the Council's debt and cash investments, and provides a general commentary of financial market conditions.

A9-A14

2. The relevant portfolio and graphs reflect the estimated position as at 31 January 2009 and are attached at pages A9 to A14.

DECISION MAKING

3. The Finance and Operational Performance Committee must consider whether to approve the Borrowing and Investment Report.

Issues

4. The Council's Funds Management function actively manages a large portfolio of various debt and investment instruments. The benefit of borrowing is that it enables the Council to carry out the projects identified in the Annual Plan and Long Term Council Community Plan (LTCCP), while spreading the costs for those projects over time to recognise the future benefits. Borrowing funds therefore assists the 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 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; and
 - Market commentary.
5. This report addresses the requirement of the Liability Management and Investment Policy and may include other information that is relevant to the Funds Management function.

Financial Implications

6. The active management of the treasury portfolio seeks to minimise the 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 Council 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 the Council's portfolio.
7. The Council maintains a Standard and Poor's Credit Ratings of A-1 short term, and A+ long term (stable).
8. The Council has adopted financial ratios included in its Liability Management and Investment Policy which provides limits on the level of debt and interest the Council will have. The following table shows the ratio limit, the 2007/2008 actual and the 2008/2009 budgeted levels.

Financial Ratio	Actual 2007/2008	Budget 2008/2009
Net Debt as a percentage of income	144.48%	194%
Net interest as a percentage of income	9.4%	11%
Net Interest as a percentage of rates	17.7%	18%

Interest Rates

9. Again, on 12 March 2009 the Reserve Bank of New Zealand decreased its Official Cash Rate a further 0.50% to the new low of 3.0%. The financial markets were expecting anything from 0.75% to 1.50%, resulting in an Official Cash Rate floor around 2.0%. As a result of the lower than expected decrease in the Official Cash Rate, interest rates rebounded aggressively with 90 day bank bills increasing 0.30% on the day and remaining in the 3.30% range for the remainder of March. Longer term interest rates also rebounded of their lows with the 10 year swap interest rate increasing to above 5.0%. This has continued for much of March and 10 year interest rates looking set to end the month at around 5.80%.
10. Volatile and upward trending movements in interest rates over March have been generally the result of panic and uncertainty of future international inflation rates. A massive strengthening of the New Zealand dollar over March saw the US/NZ cross jump from below 0.5000 cents to 0.5775 cents by 27 March 2009. This change in the New Zealand dollar was similar across all major traded currencies, though not necessarily as extreme.

11. It is expected that this volatility will remain in the New Zealand economy for sometime yet. The Reserve Bank of New Zealand's suggestion that it felt there was no real necessity to decrease interest rates much further in the future has signalled to the international investor that New Zealand denominated investments are very attractive in comparison to countries that have interest rates nearer to zero.
12. Borrower margins have not contracted and this will result in elevated borrowing costs on an ongoing basis. This is currently being reflected in longer term bank mortgage rates, with 5 year fixed mortgages being priced at 7.50%. Although this is significantly higher than what local banks were pricing only a month ago, if we consider the current wholesale 5 year interest rate, currently 5.01%, the banks borrowing margin of approximately 2.70%, and the banks profit margin of possibility 0.50%, the 5 year mortgage rate should be approximately 8.21% based on this analysis.

STRATEGIC CONTEXT

13. The management and use of borrowing and investments is aligned to all of the Council's strategic objectives, as adopted in both the LTCCP 2006-2016 and the Annual Plan 2008/2009.

CONSULTATION

14. This report includes data sourced by the Council's external treasury advisors, Asia Pacific Risk Management, and material, opinions or views sourced from various financial institutions.

RESOURCES

15. The Council, through its Annual Plan 2008/2009, provided for total new borrowings of \$224.915 million, including loans attributable to projects carried forward from previous years totalling \$105.488 million. Total interest cost has been provided in the Annual Plan 2008/2009 of \$27.292 million.

IMPLEMENTATION ISSUES

16. There are no implementation issues identified for this report.

Report prepared by: Bruce Wilkin, Group Manager: Funds Management.



PART D - GENERAL

9 WAITAKERE CITY HOLDINGS LIMITED DRAFT STATEMENT OF INTENT FOR THE THREE YEARS COMMENCING 1 JULY 2009

GLOSSARY

Chief Executive Officer	(CEO)
Waitakere City Holdings Limited	(WCHL)
Waitakere City Holdings Establishment Board	(Establishment Board)
Waitakere Properties Limited	(WPL)
Waitakere Enterprise Trust Board	(WE)
Council Controlled Organisation	(CCO)
Council-Controlled Trading Organisation	(CCTO)
Statement of Intent	(SOI)

EXECUTIVE SUMMARY

A15-A40

As a council-controlled trading organisation (CCTO) Waitakere City Holdings Limited (WCHL) is required to prepare and deliver to its shareholders a completed Statement of Intent (SOI) on or before 30 June each year. The content of the Statement of Intent is specified in Schedule 8 of the Local Government Act 2002. A draft SOI for the three years commencing 1 July 2009 has been received from WCHL. The draft SOI, with revisions reflecting officers' comments, is attached at pages A15 to A40 for comment by Council.

A presentation will be made at this meeting by Bryan Mogridge - Chairman, Waitakere City Holdings Establishment Board (Establishment Board). This will be an integrated presentation of the SOIs for WCHL, Waitakere Properties Limited (WPL) and Waitakere Enterprise Trust Board (WE). The transitional arrangements of the Governance Review are currently in progress. The enhanced WCHL will be effective on 1 July 2009. The changes in WCHL's responsibilities and accountabilities require WCHL to monitor WPL and WE during 2009/2010 and take an enhanced leadership role.

The Royal Commission on Auckland Governance report has implications for Waitakere City Council including recommendations on economic development agencies and council controlled organisations (CCOs). The Government's response, due in early April 2009, will provide clarity about intended changes for the administration of CCOs and the implications from this will be incorporated into the final SOI.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Waitakere City Holdings Limited Draft Statement Of Intent For The Three Years Commencing 1 July 2009.
2. **Invite** comments from the Finance and Operational Performance Committee on the Waitakere City Holdings Limited draft Statement of Intent for the three years commencing 1 July 2009 that will be formally referred back to the Waitakere City Holdings Limited Board and Waitakere City Holdings Limited Establishment Board.
3. **Agree** to delegate authority to the Director: Corporate and Business Services to formalise Council's feedback on the Waitakere City Holdings Limited Draft Statement of Intent for the three years commencing 1 July 2009.

4. **Agree** that Council officers, in consultation with the Waitakere City Holdings Board, will assess the impact of the Government's policy response to the findings of the Royal Commission on Auckland Governance on the Statements of Intent for Waitakere City Holdings Limited, Waitakere Properties Limited and Waitakere Enterprise Trust Board and make recommendations to the Finance and Operational Performance Committee of any future material changes.

BACKGROUND

1. WCHL is a CCTO as defined by section 6 of the Local Government Act 2002 and is wholly owned by Waitakere City Council. The Director: Corporate and Business Services manages the relationship between Council and WCHL, and the Establishment Board.
2. As a CCTO, WCHL is required to prepare and deliver to its shareholders a completed SOI on or before 30 June each year. The content of the SOI is specified in Schedule 8 of the Local Government Act 2002. According to Schedule 8, the following procedure is to be followed:
 - a. *The board of a CCTO must deliver to its shareholders a draft SOI on or before 1 March each year;*
 - b. *The shareholders have two months from 1 March to make comments on the draft SOI (i.e. till 30 April); and*
 - c. *The board must consider any comments on the draft SOI that are made to it by the shareholders and deliver the completed statement of intent to the shareholders on or before 30 June each year.*
3. A first draft SOI was received from WCHL in February 2009. The draft SOI was prepared by staff seconded to support WCHL and has been reviewed and commented on by WCHL Directors, and Council officers. WCHL's responses to these comments are included in the draft SOI.
4. Council has undertaken a review of governance arrangements with respect to CCOs and adopted a plan to strengthen WCHL governance and its leadership role. As a result of the review, Council has established the Establishment Board, which will become the new WCHL Board effective from 1 July 2009. The draft SOI has been updated to reflect the outcomes of this review.

DECISION MAKING

Issues

5. The Finance and Operational Performance Committee is being requested to provide comment on the WCHL draft SOI for the three years commencing 1 July 2009.
6. Council reviewed the governance arrangements with respect to CCOs and adopted a plan to strengthen WCHL governance and its leadership role of the group. This includes adoption of a Board Governance Charter, appointment of Councillor Directors and independent directors, and update of the company constitution.
7. A report outlining objectives was submitted to the Finance and Operational Performance Committee on 10 November 2008 and from these resolutions it was determined to increase WCHL's authority and empower it with added responsibilities.

8. A workshop on CCO governance and value for money review held for Councillors on 29 January 2009 identified the importance of placing rigour on the review of CCO SOIs if governance arrangements are to be effective.
9. The SOI has been updated to reflect WCHL's wider objectives and leadership role.
10. Changes have been made to the following areas of the draft SOI to reflect WCHL's expanded leadership role:
 - The Chairman's report has been updated to recognise other entities including WE as part of the governance structure. With more emphasis on governance, accountabilities, performance targets and reporting.
 - The mission statement has been updated to reflect the mission statement in the draft Charter.
 - The shareholders delegations are updated to reflect the delegations to the Finance and Operations Performance Committee in respect of its governance of WCHL.
 - The group structure diagram was updated to reflect the new role of WCHL.
 - The objectives of WCHL now include: reviewing of periodic financial reporting; ensuring performances measures are aligned with the strategic direction of Council and that these are weighted towards key strategies; undertaking a capital structure review; reviewing of WE and WPL SOI's; monitoring of business developments; assisting subsidiaries with relationship issues; providing opportunities for subsidiaries to network; encouraging intra-group cooperation; reviewing the future functions of CCOs and CCTOs; and taking initiatives as requested.
 - Performance measures and targets have been updated to include: WE and WPL SOIs reviewed; Council is satisfied with the draft WCHL SOI; quarterly reporting complies with the reporting requirements outlined in the SOI; Council is satisfied that the WCHL directors add value; risk management policies are in place and are complied with; a capital structure and governance review is carried out; policies and procedures are established around strategic projects; and operational plans for strategic projects align to policies and procedures. Operational targets are also now included in respect of adherence to operational policies and procedures that reflect good practice; and achievement of budget targets. Dividend distribution measures have been removed as currently there are no planned distributions. This is because the prime source of income was from the infrastructure and maintenance joint venture Techscape which was sold to Bilfinger Berger Services Limited.
 - The statement of accounting policies has been updated to reflect the latest accounting policies used by WCHL.
 - Additional financial information on audited results to 30 June 2008 are included, and budget forecasts for the year ended 30 June 2010 will be included in the final SOI.

Finance

11. The value of the CCTO group has been defined as the estimated value of Shareholders Funds (net assets) as at 30 June 2008 comprising:

Audited results to 30 June 2008

	Revenue	Expenditure	Surplus/ (deficit)	Net assets
WCHL	\$139,000	\$116,000	\$23,000	\$3,895,000 ¹
WPL Operations²	\$1,466,000	\$1,461,000	\$5,000	\$2,488,000
WE	\$3,066,000	\$3,050,000	\$16,000	\$489,000

¹ This includes WCHL's investment in WPL of \$2,300,000.

² WPL develops and manages properties under a formal trust deed arrangement. As at 30 June 2008, WPL administered properties to the value of \$37.1million and this balance is recognised in the financial statements of Waitakere City Council.

Budgets for the year ending 30 June 2010

	Revenue	Expenditure	Surplus/(deficit)
WCHL			
WPL Operations			
WE			

¹ The Budget figures will be included in the final SOI once the budgets are approved by the respective Boards.

STRATEGIC CONTEXT

12. The Council has established WCHL, WPL, WE and other entities within the CCTO group to assist the Council in meeting its strategic outcomes, investigating investment opportunities which have the potential to enhance employment opportunities or to stimulate economic growth; promoting investment in Waitakere; seeking out opportunities for diversification of the Council's income streams; and identifying present and future infrastructure needs.
13. WCHL has a responsibility to ensure that WPL and WE operates economically and efficiently, and in accordance with an agreed statement of intent and to optimise the returns - both financial and non-financial - within the parameters set by Council.
14. The Royal Commission on Auckland Governance report has implications for Waitakere City Council including recommendations on economic development agencies and CCOs. The Government's response, due in early April 2009, will provide clarity about intended changes for the administration of CCOs and the implications from this will be incorporated into the final SOI.

CONSULTATION

15. A first draft SOI was received from WCHL in February 2009. The draft SOI was prepared by staff seconded to support WCHL and has been reviewed and commented on by the WCHL Directors and council officers. WCHL's responses to these comments are included in the draft SOI.

16. The draft SOI with suggested changes from the review process will be referred back to the WCHL Board. In addition, the Chairman of the the Establishment Board has been consulted throughout the process of developing the draft SOI by Council officers who are assisting the Establishment Board. The Council's comments will be reported to the Establishment Board before it issues a final SOI in June 2009 for further consideration by Council and its final adoption.

RESOURCES

17. It is proposed that support for WCHL continue to be provided by specialist staff seconded from Council for the purpose of company accounting and company secretary services. Additional support will be provided over the three year term of the SOI from the Corporate and Business Services directorate. The requirements to meet other costs are still to be assessed and will be met in the first instance from interest earned on the investment and beyond that by: reduction in the investment, Council contribution, or levies of WPL and WE.

IMPLEMENTATION ISSUES

18. This SOI will cover the first year of the "new" WCHL with its strengthened governance and its leadership role. It is understood there may be a requirement when the SOI is formally adopted in June 2009 or during the next year to modify the SOI.

Report prepared by: Steve Jensen, Manager: Financial Processes.



10 WAITAKERE PROPERTIES LIMITED DRAFT STATEMENT OF INTENT FOR THE THREE YEARS COMMENCING 1 JULY 2009

GLOSSARY

Chief Executive Officer	(CEO)
Council Controlled Organisation	(CCO)
Statement of Intent	(SOI)
Waitakere City Holdings Limited	(WCHL)
Waitakere Properties Limited	(WPL)
Council-Controlled Trading Organisation	(CCTO)

EXECUTIVE SUMMARY

A41-A60

As a council-controlled trading organisation (CCTO) Waitakere Properties Limited (WPL) is required to prepare and deliver to its shareholders a completed Statement of Intent (SOI) on or before 30 June each year. The content of the SOI is specified in Schedule 8 of the Local Government Act 2002. A draft SOI for three years commencing 1 July 2009 has been received from WPL and has been reviewed by Directors Group. The recommendations for changes to the draft SOI are discussed in this report and will be communicated to the Chief Executive Officer (CEO) and Board of Directors of WPL. A copy of the draft SOI is attached at pages A41 to A60 for comment by the Finance and Operational Performance Committee.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Waitakere Properties Limited Draft Statement Of Intent For The Three Years Commencing 1 July 2009 report.
2. **Invite** comments from the Finance and Operational Performance Committee on the Waitakere Properties Limited draft Statement of Intent for the three years commencing 1 July 2009 to be formally referred back to the Board of Waitakere Properties Limited.
3. **Agree** to delegate authority to the Director: Corporate and Business Services to formalise Council's feedback on the Waitakere Properties Limited draft Statement of Intent for the three years commencing 1 July 2009.
4. **Agree** that Council officers, in consultation with the Waitakere City Holdings Board, will assess the impact of the Government's policy response to the findings of the Royal Commission on Auckland Governance on the Waitakere Properties Limited Statement of Intent and make recommendations to the Finance and Operational Performance Committee of any future material changes.

BACKGROUND

1. Waitakere Properties Limited is a CCTO as defined by section 6 of the Local Government Act 2002 and is wholly owned by Waitakere City Council. The Director: Corporate and Business Services manages the relationship between Council and WPL.
2. As a CCTO, WPL is required to prepare and deliver to its shareholders a completed SOI on or before 30 June each year. The content of the SOI is specified in Schedule 8 of the Local Government Act 2002. According to Schedule 8, the following procedure is to be followed:
 - a. *The board of a CCTO must deliver to its shareholders a draft SOI on or before 1 March each year.*
 - b. *The shareholders have two months from 1 March to make comments on the draft SOI (i.e. till 30 April).*
 - c. *The board must consider any comments on the draft SOI that are made to it by the shareholders and deliver the completed statement of intent to the shareholders on or before 30 June each year.*
3. The draft SOI was received from WPL in February 2009, and has been reviewed and commented on by Council officers and Directors. The details of comments are discussed in this report.
4. Council undertook a value for money review of WPL as part of a wider review of governance arrangements in respect of council controlled organisations (CCOs). The findings from the value for money review were considered by officers in the review of WPL's draft SOI.

DECISION MAKING

Issues

5. The Finance and Operational Performance Committee is being requested to provide comment on the WPL draft SOI for the three years starting 1 July 2009.

6. A review of the draft SOI by Council officers noted one major change to the WPL SOI. This is the addition of a Sustainability heading with three performance measures. The performance measures are:
 - Aiming for leadership on sustainability in all trust development projects;
 - Each trust account project will have a sustainability goal agreed at the commencement or for existing projects over this year; and
 - Reporting annually against these goals.
7. Council officers generally support the changes to the WPL SOI, however officers recommend additional changes to WPL's performance measures. These are:
 - Financial return on lease activities;
 - Sustainable procurement practice that align with good practice;
 - Consultation with key stakeholders on key projects (during the different stages of development);
 - Customer survey gaining feedback on customer satisfaction; and
 - Inclusion of financial or non financial performance measures covering key activities relating to major projects such as Wilshire Village and Hobsonville Marine Industry Special Area Development.
8. Other changes to the WPL SOI relate to the governance changes approved to date by Council on the review and monitoring of CCOs by Waitakere City Holdings Limited (WCHL). The changes are the review of the WPL Board members and Chairman's performance (Section 5 of the SOI) and review of WPL quarterly reports by WCHL.
9. The section of the SOI on Trust Projects (Section 13) also needs changing to reflect enhanced monitoring of the Trust Projects by Council. The key changes include Trust Projects accounting complying with Generally Accepted Accounting Principles (including cost of capital) enabling a better assessment of the financial performance; production of annual budgets for Trust Projects to be included in Council's annual plan process; quarterly reforecast of Trust Project expenditure; establishment of financial limits for Trust bank accounts and quarterly review of Trust Project expenditure by Council.

STRATEGIC CONTEXT

10. Council has a financial investment in its holding company and subsidiaries. These companies assist the Council in meeting strategic outcomes by a return on investment, involvement in strategic projects, economic development and in support of service delivery.

Consultation

11. Councillors were consulted in general on the need for WPL to enhance its performance measures at the CCO governance workshop held on the 29 January 2009. The Directors Group has been consulted on improvements to WPL's performance measures at its meeting on the 19 March 2009.

RESOURCES

12. There are no resource implications other than officers' time.

IMPLEMENTATION ISSUES

13. There are no implementation issues.

Report prepared by: Kingsha Changwai, Manager Assurance Services.



11 WAITAKERE ENTERPRISE DRAFT STATEMENT OF INTENT 2009/2010

GLOSSARY

Statement of Intent	(SOI)
Long Term Council Community Plan	(LTCCP)
Council-Controlled Organisation	(CCO)
Waitakere Enterprise	(WE)

EXECUTIVE SUMMARY

A61-A85

As a council-controlled organisation (CCO) Waitakere Enterprise (WE) is required to prepare and deliver to its shareholders a completed Statement of Intent (SOI) on or before 30 June each year. The content of the SOI is specified in Schedule 8 of the Local Government Act 2002. A draft SOI for 2009/2010 has been received from WE and has been reviewed by Directors. The draft SOI 2009/2010, with a number of revisions in accordance with officers' comments, is attached at pages A61 to A85 for comment by Council.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Waitakere Enterprise Draft Statement Of Intent 2009/2010 report.
2. **Invite** comments from the Finance and Operational Performance Committee on the Waitakere Enterprise draft Statement of Intent for 2009/2010 that will be formally referred back to the Board of Waitakere Enterprise.
3. **Agree** to delegate authority to the Director: Strategic Planning and the Director: Corporate and Business Services to finalise Council's feedback on the Waitakere Enterprise draft Statement of Intent 2009/2010.
4. **Agree** that Council officers, in consultation with the Waitakere City Holdings Board, will assess the impact of the Government's policy response to the findings of the Royal Commission on Auckland Governance on the Waitakere Enterprise Statement Of Intent and make recommendations to the Finance and Operational Performance Committee of any future material changes.

BACKGROUND

1. WE is a CCO as defined by section 6 of the Local Government Act 2002 and is wholly owned by Waitakere City Council. The Director: Strategic Planning manages the relationship between Council and WE.

2. As a CCO, WE is required to prepare and deliver to its shareholders a completed SOI on or before 30 June each year. The content of the SOI is specified in Schedule 8 of the Local Government Act 2002. According to Schedule 8, the following procedure is to be followed:
 - a. *The board of a CCO must deliver to its shareholders a draft SOI on or before 1 March each year;*
 - b. *The shareholders have two months from 1 March to make comments on the draft SOI (i.e. till 30 April); and*
 - c. *The board must consider any comments on the draft SOI that are made to it by the shareholders and deliver the completed statement of intent to the shareholders on or before 30 June each year.*
3. A first draft SOI was received from WE in February 2009, and has been reviewed and commented on by officers. Waitakere Enterprise's responses to these comments have been included in the draft SOI.
4. A governance review process is currently underway that will affect the structure and reporting arrangements of the CCOs. This has been recognised in the draft SOI with an amendment to the section on Relationship Principles.
5. A Value for Money Review is to be undertaken after the findings of the Royal Commission on Auckland Governance are released. The findings from this are not yet known but will be factored into the final SOI 2009/2010.

DECISION MAKING

Issues

6. The Waitakere Enterprise SOI 2008/2009 was substantially altered from the previous year's to incorporate the following amendments:
 - Closer alignment with Council's strategic economic development objectives;
 - More emphasis on the measurement of the impacts of WE's activities;
 - Prioritisation of WE's activities;
 - Adopting a more short term overall objective with regard to the percentage of the workforce leaving Waitakere;
 - Closer alignment with Council's sustainability objectives; and
 - Expanded service delivery targets by 2011 for externally funded programmes.
7. In view of the substantive changes made to the SOI in 2008, the draft SOI 2009/2010 (which will again incorporate these amendments) does not require the same set of amendments. However, changes in the operating environment for WE have forced a number of changes in the programmes to be delivered, as specified in Schedule One. In particular the priorities of the new government and its agencies, and the overall expenditure assessments of the Council, mean that a number of initiatives have been discontinued, or adapted. Also, new initiatives have been added that address Council's concerns over the impact of the recession on local businesses and residents.

8. The major changes to the draft SOI 2009/2010 are summarised below:

Section 7 - Performance Targets and Measures

- This section of the draft SOI 2009/2010 has been re-configured to reflect the changes to programmes being delivered and WE's current cost centres and staff structures.

Section 14 – Relationship Principles

- Three further principles have been added:
 - advocating Waitakere's strategic economic development priorities both regionally and nationally.
 - engaging in national and regional initiatives that contribute to delivering on Waitakere's strategic economic development priorities.
 - acting in accordance with the governance structure established as a result of the CCO governance review.

New Initiatives

Programme	Delivery	Consequence
Deliver 1:1 business coaching	Partial fee recovery	Strengthened business advice service in recession
Establish a workplace literacy service	Central Government funded	Alignment with government objectives
Establish a Waitakere job fair	Council funded	Opportunities for job seekers in recession
Establish a programme to leverage opportunities resulting from the Rugby World Cup	Council funded	Opportunities for local businesses from the Rugby World Cup

Adapted Initiatives

Programme	Delivery	Consequence
Deliver a business attraction, expansion and retention service, including a priority for marine and green technology businesses	Council funded	Stronger alignment with Council strategic priorities

Discontinued Initiatives

Programme	Delivery	Consequence
Target Your Market	Lack of sufficient demand and funding	No market research capability for small businesses
Tourism Auckland initiatives	No Council funding	Waitakere presence private sector funded
Community sector initiatives	No Council funding	No resource to support Council initiatives
Advice on Research & Development tax credit	Government policy change	Not longer relevant

Programme	Delivery	Consequence
Industry graduation event for apprentices	Programme discontinued	No civic event
CONNECT Waitakere	Programme complete	Programme complete
Establish Information Technology Compass diagnostic tool	Programme complete	Programme complete
Computer Drivers Licence	Unitec will deliver	Delivery will continue

9. Performance objectives for the current year have been increased for the following programmes:
- Deliver Biz Network Ltd's Biz Information Programme (600 enquiries versus 400 in 2008)
 - Deliver New Zealand Trade and Enterprise's *Enterprise Training Programme* to provide foundation business skills (50 training workshops versus 35 in 2008).
10. Further work will be undertaken to ensure performance measures are aligned with the strategic direction of the Council and that these are weighted towards key strategies.

Options

11. The major option for consideration involves the proposed Waitakere Investment Fund. This was discussed with Councillors at a meeting with the Board of WE on 11 February 2009. Council has not yet approved any funding for this initiative, however WE will continue to explore all funding options to enable this initiative to be established.

STRATEGIC CONTEXT

12. The SOI 2008/2009 was amended to have a closer alignment with the Council's Strong Innovative Economy strategic platform. Council's strategic framework is currently being amended as part of the Long Term Council Community Plan (LTCCP) process, and consultation is now occurring on a draft Economic Wellbeing Strategy. This strategy, when adopted, will provide a new strategic context for WE. It is expected that the strategy will be adopted in time for a new Strategic Context section to be added to the final WE SOI 2009/2010 that will be referred to Council for approval in June 2009.

CONSULTATION

13. The Chief Executive of WE has been consulted throughout the process of developing officers' responses to the SOI. The Council's comments will be reported to the Board of WE before it issues a final SOI 2009/2010 in June 2009 for further consideration by Council and its final adoption.
14. During this period further changes may need to be made to the draft SOI 2009/2010 to recognise the governance changes that may be forthcoming from the Waitakere City Holdings Limited Establishment Board. In addition WE have been advised that further changes resulting from the Value for Money review will be advised before finalisation of the SOI 2009/2010.

RESOURCES

15. There only resource implication concerns the proposal for funding for the Waitakere Investment Fund, which will be dealt with through the LTCCP process if necessary.

IMPLEMENTATION ISSUES

16. A number of implementation issues have already been addressed by WE. Further implementation issues could arise as a result of the new monitoring and reporting lines to the enhanced Waitakere Holding Company, and a reassessment of the Board of Directors in line with the governance review. As indicated previously, the Value for Money review could also have an impact on implementation.

Report prepared by: Steve Wilcox, Manager: Economic Development Strategy.



12 WATERCARE SERVICES LIMITED DRAFT STATEMENT OF CORPORATE INTENT 2009 AND FUNDING PLAN FEBRUARY 2009

GLOSSARY

Watercare Services Limited	(Watercare)
Watercare Shareholders' Representative Group	(SRG)
Officers Working Group	(OWG)
Local Network Operators	(LNOs)
Statement of Corporate Intent	(SCI)

EXECUTIVE SUMMARY

The purpose of this report is to present the Watercare Services Limited (Watercare) draft Statement of Corporate Intent (SCI) and Funding Plan for the Finance and Operational Performance Committee's consideration.

The Shareholders' Representative Group (SRG) has written to shareholding councils requesting comments on Watercare's draft SCI. Comments from the shareholding councils will be considered by Watercare in finalising its SCI within the statutory timeframe.

The Watercare Funding Plan is presented to the Finance and Operational Performance Committee to inform them of the changes in future water and waste water costs to Council.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Watercare Services Limited Draft Statement of Corporate Intent 2009 And Watercare Funding Plan February 2009 report.
2. **Approve** the Watercare Services Limited draft Statement of Corporate Intent 2009.

BACKGROUND

1. Watercare is the bulk water and wastewater service provider for much of the Auckland Region. Its main responsibilities are the collection, treatment and supply of drinking water, and the collection, treatment and disposal of bulk wastewater. Watercare is classified as a "Council Organisation" and is governed by specific legislative provisions set out in the Local Government Acts 1974 and 2002.
2. Watercare's primary customers are six water and wastewater retailers, five of which (including EcoWater) are owned by or are part of the local councils. United Water, which services the Papakura District, is a franchised operation.
3. The six local councils are Watercare's shareholders. The councils have appointed a SRG which appoints the Watercare Board, provides input to Watercare's SCI, and monitors the performance of the Watercare Board against the SCI. Watercare negotiates the SCI with the SRG each year. The SCI is effectively the Watercare Board's charter for running Watercare on the shareholders' behalf. It lays out the activities to be undertaken by Watercare and sets specific environmental, social and economic objectives for Watercare for a three year period. It also sets performance targets that will be used to measure Watercare's performance.
4. Waitakere City Council has two representatives on the SRG, Councillors Clews and Clow. An Officers Working Group (OWG) with representatives from the shareholder Territorial Local Authorities supports the SRG. The Local Network Operators (LNOs) Group, comprising the six retailers often provide advice to the OWG on matters of common interest.
5. The SRG received Watercare's draft SCI in February 2009 and has forwarded this to shareholding councils for consideration. The Watercare Funding Plan February 2009 has also been received from the SRG informing Council of the future changes in the cost of water and waste water.
6. The draft Watercare SCI 2009 and the Funding Plan February 2009 are attached at pages A86 to A129.

A86-A129

DECISION MAKING

Issues

Watercare SCI

7. A workshop was held on the 28 October 2008 for Councillors and Directors to agree on issues to be addressed by Watercare in developing its draft SCI. The issues identified at the workshop were reported to the Finance and Operational Performance Committee on 4 December 2008 and were subsequently communicated to the Watercare SRG. Council's feedback was consolidated with other shareholding councils feedback and was forwarded to Watercare.
8. Watercare has drafted its SCI 2009, taking into account feedback from shareholding Councils.
9. Council officers have reviewed the draft SCI and are satisfied with most of the changes made by Watercare. Most of the issues raised by Council have been addressed. The key changes in performance measures noted in the SCI are:

- a new measure under Environmental Care on leading demand management for the region;
- a new measure under Stakeholder Relationships on consulting the LNOs and review of that consultation process; and
- updating the timing of the three waters implementation plan bringing it forward from June 2011 to June 2010.

10. Watercare has not developed a performance measure on wastewater demand management. Watercare noted that they would like to further discuss whether or not it is possible to develop a measure. Council officer's view this is as a key area of benefit to Council, given that wastewater makes up a significant percentage of Council's general rates. The initiatives already carried out on water demand management have indicated significant delays on major capital projects for the region by up to 10 years, which would have a flow on effect on the price of Water. Council will continue pursuing this issue via regular relationship meetings with Watercare and the SRG process.

A130-A137

11. A detailed list of changes requested and final changes made to the Watercare SCI are attached at pages A130 to A137.
12. The feedback by the shareholding councils on the draft SCI will be consolidated and discussed at the SRG meeting on the 30 April 2009, before it is forwarded to Watercare.

Watercare Funding Plan

13. Watercare has produced its Funding Plan dated February 2009. The Funding Plan has been forwarded to shareholding councils to inform them of future water and wastewater costs.
14. Compared to the 2008 Funding Plan, Council will benefit from significant cost savings due to the new tariffs recently agreed between the Local Network Operators and Watercare. Council will save \$34 million on wastewater and \$5.7 million on water costs in the next 10 years.

A138

15. Details of wastewater and water cost changes over the next 10 years are attached at page A138 of this report.

STRATEGIC CONTEXT

16. The Council's strategic goal of sustainable management of the Three Waters (water supply, wastewater and stormwater) is integral to its relationship with Watercare, and to its role on the SRG.
17. The Council has two major roles in connection with Watercare, one as shareholder/owner and 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 citizens that meet the Council's own strategic goals, and at the most efficient price possible.

CONSULTATION

18. There is no consultation required.

RESOURCES

19. There are no resources required other than officer time to facilitate the process.

IMPLEMENTATION ISSUES

20. There are no implementation issues.

Report prepared by: Kingsha Changwai, Manager Assurance Services and Tony Miguel, Deputy Director: City Services.



13 COMMUNITY ACCOMODATION ASSISTANCE FUND ALLOCATIONS 2008/2009 - ROUND TWO

GLOSSARY

Finance and Operational Performance Committee (FOP)
Community Accommodation Assistance Funds (CAAF)
Community Assistance Fund (CAF)

EXECUTIVE SUMMARY

The purpose of this report is for the Finance and Operational Performance Committee (FOP) to assess the applications and allocate funding from the Community Accommodation Assistance Fund (CAAF) under the Community Assistance Funds (CAF) 2008/2009.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Community Accommodation Assistance Fund Allocations 2008/2009 - Round Two report.
2. **Agree** to the allocation of funds for the Community Accommodation Assistance Fund Allocations 2008/2009 - Round Two as outlined in the table below:

APPLICANT	AMOUNT APPLIED FOR	AMOUNT RECOMMENDED
MASSEY & BIRDWOOD SETTLERS ASSOCIATION	\$1,998.50	\$1,088.39
NGA KAKANO O TE KAIHANGA TRUST	\$1,299.81	\$1,123.60
LIFEWISE FAMILY SERVICES	\$1,503.91	\$1,552.69
THE MAHAMAKUT THAI BUDDIST TRUST	\$2,376.74	\$2,376.74
NEW ZEALAND RED CROSS	\$370.30	\$0.00
TOTALS:	\$7,549.26	\$6,141.42

3. **Agree** to transfer \$3,000 from the remaining budget of the Community Accommodation Assistance Fund to the Community Halls & Marae Capital Works Fund to fund the Huia-Cornwallis Ratepayers & Residents Association to the amount of \$3,000.

BACKGROUND

1. The CAAF is designed to provide a more equitable, fairer and more transparent form of funding than the previous rates remissions. The CAAF is currently set at \$50,000 per year. After round one of the 2008/2009 CAAF, the balance of unallocated funding is \$11,835.78.

DECISION MAKING

Issues

2. In the recent 2008/2009 funding round five applications were received; one of the applications was ineligible. The total amount of funding that is available to distribute is \$11,835.78.
3. The advertising for this funding round consisted of:
 - Community Assistance Newsletter – posted to 1,000 community groups;
 - Intranet and Internet information; and
 - Information and application forms were provided to Waitakere City Council, libraries, Community Centres, Community Waitakere and Citizen's Advice Bureaux.
4. An internal error was made while processing the applications for the Community Halls and Marae Capital Works Fund which meant although eligible the Huia - Cornwallis Ratepayers & Residents Association missing out on funding because all the budget had been allocated. If there is funding leftover after this final round of the CAAF, the Community Grants Officer recommends that \$3,000 of the remaining funding be transferred to the Community Halls and Marae Capital Works Fund which would enable this error to be rectified and the Huia-Cornwallis Ratepayers & Residents Association to receive the funding they sought.

Assessment of Options

5. When assessing the applications for the CAAF the Council Officer Group used the following criteria:
 - The organisation own and occupy their property and are therefore paying rates to the Waitakere City Council; or
 - The organisation are leasing private property, but are not the ratepayers.
 - The level at which the project benefits the community is assessed to ascertain the amount of benefit the community will receive and whether it would provide long-term or short-term benefit.
 - The financial benefit that a council leasee gets from their below-market rentals/leases.
 - Applications were assessed against a number of relevant Community Outcomes including; Strong Communities, Working Together, Toiora – Healthy Lifestyles and Urban and Rural Villages.

Application Information

A139-A143

6. The original applications are available for inspection from the Community Grants Officer prior to the meeting. Attached at pages A139 to A143 are one page summaries of each application.

Funding available

7. After round one of the CAAF 2008/2009 allocations, FOP has a total of \$11,835.78 to allocate for round two of the CAAF. FOP has four eligible applications to consider for financial assistance with the total amount requested being \$7,178.96.
8. Of the applications received, one was ineligible because the application fell outside the eligibility criteria as outlined in the CAF Policy and Guidelines.

Preferred Option

9. The Council Officer Group assessed the four eligible applications against the above criteria and recommends the following allocation of funding:

APPLICANT	AMOUNT APPLIED FOR	AMOUNT RECOMMENDED
MASSEY & BIRDWOODSETTLERS ASSOCIATION	\$1,998.50	\$1,088.39
NGA KAKANO O TE KAIHANGA TRUST	\$1,299.81	\$1,123.60
LIFEWISE FAMILY SERVICES	\$1,503.91	\$1,552.69
THE MAHAMAKUT THAI BUDDIST TRUST	\$2,376.74	\$2,376.74
TOTALS:	\$7,549.26	\$6,141.42

10. The funds recommended are based on the organisations rate charges during the 2008/2009 financial year. The Community Grants Officer was able to meet with some of the above organisations to discuss the amount they can apply for, before the applications were received, however, other organisations applied to the CAAF without prior contact, therefore the application amounts made by these organisations differ from the amounts that they can receive.

STRATEGIC CONTEXT

11. The Local Government Act 2002 states that as part of the preparation of the Long Term Council Community Plan, a set of Community Outcomes must be identified for the City. Council takes these into account in the formulation of its strategic direction and budgeting and provides a mandated set of strategic outcomes to assess grants against.
12. A number of Council's Community Outcomes and Council's Strategic Platforms and Priorities have a strong connection to social wellbeing. The key Community Outcomes include; Strong Communities, Toiora, Urban and Rural Villages and Working Together. The Council Platforms are Strong Communities and Urban and Rural Villages.
13. As part of the prioritisation process, applications to the CAAF were assessed against the contribution for achieving the social wellbeing oriented Community Outcomes and Council's Strategic Platforms and priorities.

CONSULTATION

14. Through the CAF Policy and Guidelines, a range of consultation was undertaken by the Community Grants Officer, Community Boards and Councillors.

RESOURCES

15. For round two of the CAAF, \$6,141.42 of funding will be issued from the \$11,835.78 that remains unallocated in the Annual Plan 2008/2009 for the CAAF.
16. The unallocated funding after round two will be \$5,694.36. The Community Grants Officer recommends that \$3,000 of this go towards funding the Huia-Cornwallis Ratepayers & Residents, who missed out on receiving this in round one, due to an internal error.
17. If \$3,000 of the unallocated fund is awarded to the Huia-Cornwallis Ratepayers & Residents Association, the balance of unallocated funding will be \$2,694.36.

IMPLEMENTATION ISSUES

18. There are no implementation issues associated with this report.

Report prepared by: Kim Hammond, Community Grants Officer.



14 FEE WAIVERS FUND ALLOCATION 2008/2009 – ROUND TWO

GLOSSARY

Finance and Operational Performance Committee	(FOP)
Fee Waivers Fund	(FWF)
Community Assistance Fund	(CAF)

EXECUTIVE SUMMARY

The purpose of this report is for the Finance and Operational Performance Committee (FOP) to assess applications and allocate funding from the Fee Waivers Fund (FWF) under the Community Assistance Funds (CAF) 2008/2009.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Fee Waivers Fund Allocation 2008/2009 – Round Two report.
2. **Agree** that funding for the Fee Waivers Fund Allocation 2008/2009 – Round Two be allocated as follows:

APPLICANT	AMOUNT SOUGHT	AMOUNT RECOMMENDED
KAURILANDS COMMUNITY KINDERGARTEN	\$1,146.52	\$905.00
GREEN BAY SCHOOL	\$2,067.17	\$1,631.00
TOTALS:	\$3,213.69	\$2,536.00

BACKGROUND

1. The FWF is a regulatory fee waiver reimbursement for some fees and charges relating to facilities, projects or activities that are for local community use and provide local community benefits. Under the CAF Policy and Guidelines an organisation can apply to the FWF for reimbursement of up to one third of the total costs for some building consent fees and charges relating to facilities, projects or activities.
2. The amount of the FWF is \$5,000 per year.
3. After round one of the FWF, the balance of the unallocated funding is \$2,537.09.

DECISION MAKING

Issues

4. The advertising for this funding round consisted of:
 - Community Assistance Newsletter – posted to 1,000 community groups;
 - Intranet/ Internet information; and
 - Information and application forms were provided to Waitakere City Libraries, Waitakere City Council Community Centres, and Citizens Advice Bureaux.

Assessment of Options

5. When assessing the applications for the FWF the Community Grants Officer used the following criteria which were approved as part of the CAF review:
 - Applications were assessed against a number of relevant Community Outcomes including; Strong Communities, Working Together, Toiora – Healthy Lifestyles, and Urban and Rural Villages.
 - The priority purposes of the organisation to be considered for eligible funding were identified. These priorities include: social service, support, advice, health and disability; services targeted to Maori, Pacific Island, minority ethnic groups, children, women or older people and community based education.
 - The level at which the project benefits the community is assessed to ascertain the amount of benefit the community will receive and whether it would be a long-term or of short-term benefit.

Applicant Information

A144-A145

6. The original applications are available for inspection from the Community Grants Officer prior to the meeting. Attached at pages A144 to A145 are one page summaries of each allocation.

Available Funding

7. FOP has a total of \$2,537.09 of unallocated funding for round two of the 2008/2009 FWF. FOP has two eligible applications to consider for financial assistance with the total amount requested being \$3,213.69.

Preferred Option

8. The Community Grants Officer assessed the two applications against the above criteria and is recommending that each organisation receives 78% of the funding that they applied for as this is the percentage of funds available divided by the total amount of funds requested. The table below outlines the recommended allocations:

STRATEGIC CONTEXT

9. The Local Government Act 2002 states that as part of the preparation of the Long Term Council Community Plan a set of community outcomes must be identified for the City. Council takes these into account in the formulation of its strategic direction and budgeting and provides a mandated set of strategic outcomes against which to assess grants.
10. A number of Council's Community Outcomes and Council's Strategic Platforms and Priorities have a strong connection to social wellbeing. The Community Outcomes and Strategic Platform priorities are the key areas against which applications to the CWF would be assessed. The key Community Outcomes include; Strong Communities, Toiora, Urban and Rural Villages and Working Together. The Council Strategic Platforms are Strong Communities and Urban and Rural Villages.
11. As part of the prioritisation process, applications to the FWF were assessed against the contribution for achieving the social wellbeing oriented Community Outcomes and Council's Strategic Platforms priorities.

RESOURCES

12. A total budget of \$5,000 per year is allocated in the Annual Plan 2008/2009 for the FWF, of which \$2,537.09 remains.
13. The Community Grants Officer is responsible for assessing and processing these applications.

CONSULTATION

14. Through the CAF review workshop, consultation was undertaken with the following internal stakeholders, Leisure Services, Community Boards and Councillors.

IMPLEMENTATION ISSUES

15. There are no implementation issues associated with this report.

Report prepared by: Kim Hammond, Community Grants Officer



15 **PROPOSAL TO THE LOCAL GOVERNMENT COMMISSION: TRANSFER OF THE HAURAKI GULF ISLANDS FROM AUCKLAND CITY AND AUCKLAND REGION TO THAMES-COROMANDEL DISTRICT AND WAIKATO REGION**

GLOSSARY

Local Government Commission (LGC)

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Finance and Operational Performance Committee for the Council to prepare a submission on the proposal to the Local Government Commission (LGC) on the transfer of the Hauraki Gulf Islands from Auckland City and Auckland Region to Thames-Coromandel District and Waikato Region. The deadline for the submission is 20 April 2009. The submission would be consistent with the Council's submission to the Royal Commission on Auckland Governance. Given the short timeframe it is proposed that the Chairman of the Finance and Operational Performance Committee be delegated authority to sign off Council's submission.

A146-A148

A copy of the draft re-organisational proposal for transferring the Hauraki Gulf Islands from Auckland City and Auckland Region to the Thames-Coromandel District and Waikato Region is attached at pages A146 to A148.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the Proposal To The Local Government Commission: Transfer Of The Hauraki Gulf Islands From Auckland City And Auckland Region To Thames-Coromandel District And Waikato Region report.
2. **Agree** that a submission be prepared on the draft re-organisational proposal for transferring the Hauraki Gulf Islands from Auckland City and Auckland Region to the Thames-Coromandel District and Waikato Region.
3. **Agree** that Council support the existing arrangements whereby responsibilities for the Gulf Island remain with the Auckland region and Auckland City (subject to Government determination or Royal Commission findings)
4. **Agree** that the Chairman of the Finance and Operational Performance Committee be authorised to sign off Council's submission on the draft re-organisational proposal for transferring the Hauraki Gulf Islands from Auckland City and Auckland Region to the Thames-Coromandel District and Waikato Region.

BACKGROUND

1. The LGC is calling for submissions on a proposal for the transfer of the Hauraki Gulf Islands (except for Rangitoto and Browns Island) from Auckland City and the Auckland Region to the Thames-Coromandel District and Waikato Region. The proposal was initiated by a petition signed by over 700 electors living in the area. Since the last election a Waiheke Community Board Member has been actively engaged in promoting this proposal.

DECISION MAKING

Issues

2. For the proposal to succeed it must be shown that the re-organisation proposal will:
 - promote good local government of the districts or regions concerned;
 - ensure that each local authority provided for under the proposal will have the resources necessary to carry out its responsibilities, duties and powers;
 - have a district or region appropriate for the efficient and effective performance of its role as specified in section 11 of the Local Government Act 2002;
 - contain within its district or region a sufficiently distinct community of interest or sufficiently distinct communities of interests; and
 - be able to meet the requirements of section 76 of the Local Government Act 2002, which relate to decision making.
3. When considering the criteria specified for a proposal, the decision making body must take into account:
 - the area of impact of the responsibilities, duties, and powers of the local authorities concerned;
 - the area of benefit of services provided;
 - the likely effects on any local authority of excluding any area from its district or region; and
 - any other appropriate criteria.
4. All the impacted local authorities will be preparing submissions that are likely to be broadly consistent with their submissions to the Royal Commission on Auckland Governance. For example the Great Barrier Community Board perceives itself more akin to other isolated island communities such as Stewart Island. In their submission they supported the establishment of a unitary council and being linked to the Auckland region.
5. The Chairman of the Auckland Regional Council has written to the Minister of Local Government expressing his concern about such a review when a Royal Commission on Auckland Governance is about to report on the governance of the same jurisdictions.
6. On 27 March 2009, the Royal Commission on Auckland Governance released its report and proposed that the Hauraki Gulf islands be in the Tāmaki-makau-rau Local Council area. The Commission stated that “unlike most Waiheke submitters, many submitters from Great Barrier Island asked for representation to continue through the ward councillor and community board as part of a “greater Auckland” city. They were content to remain part of the current Auckland City Council, as long as representation was assured, and the community board was more empowered and better funded (p377)”.
7. To further ensure that the distinctive needs of Waiheke and Great Barrier Islands are taken into account by the Tāmaki-makau-rau Local Council, the Commission recommended the retention of the Waiheke and Great Barrier Island community boards. The Commission recommended that with the exception of the Gulf Island and City Centre and Waterfront Community Board, all community boards be abolished. They specifically recommended that the Waiheke and Great Barrier

Island Community Boards should have greater delegated powers than at present, including the management of community halls and reserves, and powers to decide on some local services covered by a budget allocation.

8. On 6 April 2009, it is expected that the Government will communicate a high level response to the Commission's report

Process for Developing a Submission

9. It is proposed that a submission be developed consistent with the Council's submission on Auckland Governance. The submission would develop arguments around following themes:
 - From a sustainability context it is crucial that the Hauraki Gulf islands are managed as an integrated whole. This relates to environmental protection, social infrastructure, employment and transport networks within the region. The Auckland Regional Council and a strengthened regional entity are better placed to deliver this than a rurally focussed regional council.
 - Almost all the urban and rural (farming) areas of Waitakere are within the catchment of the Hauraki Gulf and come under the limit of the Hauraki Gulf Marine Park Act 2000. Waitakere supports the integrated management objectives of that Act which include the integrated management of the Gulf, its islands and catchment. Waitakere considers that this is best achieved by the status quo arrangements.
 - Communities of interest arguments, particularly Waiheke as an urban community having strong transport, social, employment and economic links with Auckland City.
 - Waitakere City Council should support the retention of the status quo.
 - The Royal Commission on Auckland Governance recommendations may supersede this proposal.
 - There are a number of planning, funding and electoral proposals that seem to be exceptions to local government legislation and practice and require careful consideration.
10. Officers will work with other local authorities who share likely common positions to ensure that the interests of the Council and of the wider Auckland region are communicated and incorporated into the submission.

STRATEGIC CONTEXT

11. This proposal is connected to the Council's submission on the Royal Commission on Auckland Governance where principles of sustainability and a collaborative regional approach were emphasised.

CONSULTATION

12. As this report is focusing on regional governance matters some consultation has occurred with key staff in Auckland City and Auckland Regional Council.

RESOURCES

13. There are no resources required other than staff time in the writing of this report.

IMPLEMENTATION ISSUES

14. There are no implementation issues for the Council.

Report prepared by: Catherine Taylor, Group Manager: Strategic Governance.



16 WESTPARK MARINA – REQUEST FOR REDUCTION IN ANNUAL DREDGING OBLIGATION

GLOSSARY

Honk Group	(HG)
Waitakere City Council	(Council)
Westpark Marina	(WM)
Westpark Marina Limited	(WML)
cubic metres	(m ³)

EXECUTIVE SUMMARY

The purpose of this report is to seek direction from the Finance and Operational Performance Committee with respect to a joint request from Westpark Marina Limited (WML) and the Westpark Marina Association Trust (acting on behalf of berthholders at the marina) for a reduction in the quantum of the annual dredging programme obligation at the marina from the existing 18,000 cubic metres (m³) specified as a contractual obligation pursuant to the Sub-Licence under which use of the seabed area is permitted.

A149-A156

A copy of the request made is attached at pages A149 to A156.

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve:

1. **Receive** the Westpark Marina – Request For Reduction In Annual Dredging Obligation report.
2. **Approve** that a variation to the existing arrangements committed between Westpark Marina Limited and Waitakere City Council with respect to maintenance dredging at Westpark Marina be approved for the period from 1 April 2009 to 31 March 2013 from not less than 18,000 cubic metres per annum to not less than 14,500 cubic metres per annum, such annual dredging rate to be permitted to be aggregated and achieved over each successive two year period, subject:
 - (a) to Westpark Marina Limited ensuring that the necessary financial contributions continue to be collected from berthholders annually and carried forward as required,
 - (b) to Westpark Marina Limited continuing to demonstrate to Waitakere City Council on an ongoing basis that it has obtained and holds the necessary permits to dispose of the required volumes of dredged material, and

- (c) to Westpark Marina Limited agreeing to obtain and provide to Waitakere City Council the results of a full resurvey of available water depth vis-à-vis minus 2 metres chart datum biannually and report to Waitakere City Council annually regarding the financial status of the Sinking Fund Trust Account available for dredging and for capex/depreciation of moorings, electrical and other marine assets situated within the seabed area.
3. **Agree** that the reduction in the existing volume of dredging now approved be further reviewed prior to 1 April 2013 but absent such review and/or further decision the annual dredging obligation for the balance of the Seabed Licence term expiring in October 2025 remain at 18,000 cubic metres as per the existing contractual commitment.

BACKGROUND

1. The former Waitemata City Council facilitated development of both the on-shore and off-shore components of Westpark Marina (WM) during the early 1980s consistent with the Waitemata City Council (West Harbour) Empowering Act 1979. Development was undertaken by WML (which then had different shareholder owners) and related contractual arrangements resulted in a grant from the Crown to Waitakere City Council (Council) (as successor now to the former authority) of a Seabed Head Licence for an initial term of 20 years expiring on 8 October 2005, with further rights of renewal for 20 years and 10 years respectively (potentially, 50 years in all), and a Seabed Sub-Licence on identical terms between Council and WML.
2. That documentation requires that the WM depth be maintained at the “as built” level minus 2 metres below chart datum. Failure by the Sub-Licencee to comply with its dredging obligation means the Council will similarly be in default under the Head Licence. It is important in particular, that there is full compliance at each Licence expiry date but regardless any arrears of maintenance dredging arising during the term, effectively funded by berthholders under the terms of their berthholder licences, represents a contingent liability exposure for the City’s ratepayers.
3. Because of the high rate of ongoing incremental siltation experienced at WM, maintenance dredging is critical. Although WML currently hold a consent to dredge from the Auckland Regional Council for most of the balance of the current Sub-Licence term, separate authorisation is required for either land-based or sea-based disposal of material dredged. Traditionally, marinas in the Auckland Region area have obtained permits to dispose in the Gulf at a location known as the ‘explosives dumping ground’ which have been limited to 50,000m³ annually allocated among all competing parties. From time to time, there was also difficulty in contracting suitable dredging equipment and the associated barges and the extent of dredging undertaken at WML was less than adequate, erratic in timing and volume, and gave rise to operational problems with respect to water depth available at low and medium tide timings.
4. The shareholding in WML was more recently acquired by Honk Group (HG) interests and there were associated changes to management personnel which resulted in a more resolute and committed approach to resolving issues with berthholders and the dredging circumstance. A HG subsidiary acquired barges and dredging capability and actively sought disposal authorisations as part of its business activity. Nevertheless in late 2005, as the initial term under the Head and Sub-Licences expired, a significant volume of maintenance dredging was outstanding. Given the obvious breach, negotiations around the renewal of the Seabed Sub-Licence between Council and WML were protracted (and

A151-A152

correspondingly, between the Department of Conservation, acting for the Crown, and Council under the Head Licence) until commitments were made satisfactory to Council and the Berthholder Association, approved by this Committee, and set out in a "side-letter" dated 31 May 2006 (attached at pages A151 to A152) as a further enforceable contractual commitment between the parties.

5. Subsequently, WML is assessed to have acted in good faith to adhere to the commitments set out. In particular, the backlog of maintenance dredging has been significantly reduced by adherence to the requirement to remove and dispose of a large m³ volume over the period to 31 December 2007, and a lesser but still significant volume the following year. This exhausted the funds accumulated from berthholders for that purpose which had been accumulated and carried forward from previous years' levies.
6. At issue now is the commitment expressed in Item 3 of the letter dated 31 May 2006 to continue dredging for the remainder of the Sub-Licence term at not less than 18,000m³ per annum or averaged on a cumulatively aggregated basis (so as to allow for more extensive dredging in particular years) and the need to levy berthholders annually for the required level of capex expenditure.
7. Information supplied to the Council historically indicated that WM experienced accretion at the rate of 11,000m³ pa. Therefore, annual maintenance dredging at that rate would effectively result in a "standstill" outcome. Given the significant deficit in dredging undertaken in the past, it was manifest that a significantly greater volume needed to be removed each year from the Sub-Licence renewal date to "catch up" and restore the marina seabed area to its original depth before the expiry of the next term. The decision to require 18,000m³ pa dredging going forward and to spread restoration of water depth at the marina over such an extended period of time was based around the practical realities having regard to the financial obligations imposed upon current berthholders and the restrictions on the volume of material which can be disposed. However, there are also equity considerations given that past failure by the WM operator to adhere to a suitable level of maintenance dredging has brought about a circumstance where new/incoming berthholders are having to indemnify remedial costs that should have been carried/collected from past berthholders. That situation is exacerbated by any further transfer of that burden by continuing deferral of the 'catch up' dredging.

DECISION MAKING

8. The current application has two main premises. The first is that more recent measurements suggest that the annual rate of incremental siltation at WM is now roughly 7,500m³. There is some suggestion that reduction reflects the abatement of subdivision activity in the vicinity now that West Harbour has been fully developed and urbanised.
9. GPS equipment, and the like, now enable more sophisticated measurement outcomes with respect to sediment depth and mapping. A more accurate calculation can be undertaken with respect to the amount of sediment required to be removed to achieve minus 2 metre chart datum of clearwater throughout the WM (there is a small area near the existing public boat ramp where the level of bedrock is such that depth achievable by dredging will permanently be marginally less than that).

10. Council officers have met with WML's General Manager, and the Chairman of the Westpark Marina Association Trust. Objectively, it seems that some temporary reduction in the existing annual dredging volume required can be acceded to providing the position arising is strictly monitored on an ongoing basis and is further formally reviewed prior to March 2013 at which time further measurements, assessments and actual dredged volumes during that period can be assessed.
11. A high degree of rigour needs to be maintained because failure or reduction in the dredging programme for any reason is accompanied by a reversal in the siltation circumstance within the WM due to the rate of accretion. There are issues around passing risk/financial liability to future berthholders who may seek to reject levy accountability particularly towards the expiration of the Sub-Licence and associated berthholder licences. Adherence to a short term adjustment to the existing contractual commitment will allow for an informed reassessment at the end of an initial 4 year period with respect to the dredging programme from that point.
12. Therefore, the recommendations accompanying this report are considered a prudent and appropriately time limited response to the request now made, as securing a high standard of dredging management, marina governance and adherence to the Sub-Licence terms will remain essential to minimise and/or eliminate any financial exposure to ratepayers.

STRATEGIC CONTEXT

13. WM is a fully commercial development achieved historically with Council's support (and direct supervision during the construction phase) but without ratepayer funding. The seabed reversion at the expiration of the Head Licence term is to the Crown and although Council receives a rental fee under the terms of the Seabed Sub-Licence from WML, 90% of that fee is passed on in turn as rental payable to the Crown pursuant to the Head Licence, the balance representing a contribution to general administration overhead.
14. The development parameters and structure required the Council to assume the original implementation risk, and ongoing accountability subsequently for compliance with licence conditions for minimal return, albeit the WM also serves as a community amenity and has provided the opportunity for ferry services, a small local retail centre, boat parking, haul out and launching facility, and employment opportunity around the associated marine industrial activities.

CONSULTATION

15. No specific consultation is necessary. The request has been promoted by the Westpark Marina Association Trust, to which a majority of berthholders are affiliated resources, and is supported by WML.

RESOURCES

16. No specific resourcing is required, but regular meetings with Council officer representatives, facilitated by the Director: Corporate & Business Services and Manager: Strategic Projects, will continue to be required to ensure proper monitoring, reporting and liaison oversight occurs with respect to the dredging circumstance during the balance of the Sub-Licence term.

IMPLEMENTATION ISSUES

17. There are no implementation issues identified for this report.

Report prepared by: Fraser Henderson, Manager: Strategic Projects.



17 NEW ZEALAND LOCAL GOVERNMENT INSURANCE CORPORATION LIMITED – NOMINATION AND ELECTIONS OF DIRECTORS

GLOSSARY

New Zealand Local Government Insurance Corporation Limited (NZLGIC)
Board of the New Zealand Local Government Insurance Corporation Limited (Board)

EXECUTIVE SUMMARY

The purpose of this report is to seek the Finance and Operational Performance Committee's approval of the nomination and subsequent voting of Mr Darryl Griffin, Group Manager: Democracy and Support Services, to the Board of the New Zealand Local Government Insurance Corporation Limited (NZLGIC) trading as Civic Assurance.

Nominations close for appointments of Directors to the NZLGIC on 23 April 2009. Mr Darryl Griffin has offered himself for re-election for another term on the Board of the New Zealand Local Government Insurance Corporation Limited (Board).

RECOMMENDATIONS

It is recommended that the Finance and Operational Performance Committee resolve to:

1. **Receive** the New Zealand Local Government Insurance Corporation Limited - Nomination And Elections Of Directors report.
2. **Agree** to the nomination of Mr Darryl Griffin as a Director of the New Zealand Local Government Insurance Corporation Limited.
3. **Agree** that the Chief Executive Officer be authorised to exercise the votes of Council in favour of Mr Darryl Griffin, either:
 - a) in person;
 - b) by delegation to another Officer, or by proxy through delegation to the chairperson or a Director of the company present at the meeting.
4. **Agree** that the Chief Executive Officer be authorised to exercise, either in person or by delegation to a proxy or other person, the votes of Council at the Annual Meeting of the New Zealand Local Government Insurance Corporation Limited in relation to any other matters as she sees fit so long as the exercise of votes is not contrary to any Council policy position.

BACKGROUND

1. The Council has a small shareholding in NZLGIC. As such, the Council is entitled to nominate persons to be Directors of the Company and to vote on the election of Directors for the Company.

DECISION MAKING

Issues

A157-A158

2. Correspondence has been received from NZLGIC, attached at pages A157 to A158, calling for nominations for their Board. The Annual Meeting of the Company is to be held on Tuesday, 23 June 2009. At the Annual Meeting this year, two of the existing Directors will retire by rotation, meaning that two positions on the Board are up for election.
3. The retiring Directors this year are Mr Michael Hannan and Mr Darryl Griffin who have been in office longest since their last election. Nominations close on 23 April 2009 and both retiring members are available for re-election. Mr Darryl Griffin has been a Board member since 2006.

STRATEGIC CONTEXT

4. Council uses insurance services as part of its approach to risk management in respect of Council's activities and community assets. The NZLGIC provides a sector owned presence in the insurance market to assist the sector in obtaining relevant services and good value for money in respect of insurance services. Council has a small shareholding in the Company and, from both a shareholding and service user perspective, is concerned with the good governance of the Company.

CONSULTATION

5. No consultation was required in respect of this report.

RESOURCES

6. There are no resource issues associated with this report.

IMPLEMENTATION ISSUES

7. There are no implementation issues in respect of this report.

Report prepared by: Andrew Pollock, Director: Finance.



PART E - REPORTS FROM THE SUBCOMMITTEES

18 TENDERS SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORTS OF ITS MEETINGS HELD ON FRIDAY, 27 FEBRUARY 2009 AND FRIDAY, 13 MARCH 2009

MATTERS CONSIDERED

A159-A166

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 is attached at pages A159 to A166.

It is recommended that the Finance and Operational Performance Committee resolve to:

Receive the meetings reports of the Tenders Subcommittee held on Friday, 27 February 2009 and Friday, 13 March 2009.

RI Clow
CHAIRMAN

