



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

FINANCE AND OPERATIONAL PERFORMANCE COMMITTEE

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

DATE: **Monday, 6 September 2004** **TIME:** **9.30 am**

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

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

1 September 2004

Sharon Simiona
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8820

MEMBERSHIP:

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

Mayor Bob Harvey, QSO, JP (ex officio)

(Quorum 5 members)

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

**AGENDA FOR AN ORDINARY MEETING OF THE FINANCE AND OPERATIONAL
PERFORMANCE COMMITTEE TO BE HELD IN THE CIVIC CENTRE,
6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY, ON
MONDAY, 6 SEPTEMBER 2004, COMMENCING AT 9.30 AM**

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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

Ordinary - Monday, 9 August 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Finance and Operational Performance Committee held on Monday, 9 August 2004, as circulated, be taken as read and now be confirmed.



4 **CHAIRMAN'S REPORT**

I have seldom taken advantage of the opportunity to present a report to any Council committee. But at this, the final meeting of Finance and Operational Performance Committee for this Council term, I want to record my thanks to you all for your diligence and commitment to the work we are charged with doing. I reinforce what I have said in public in a variety of forums, that the Mayor, Deputy-Mayor and Councillors working for the City this term are among the most conscientious I have ever had the pleasure to work with. The level of cooperation and genuinely robust debate has enabled the City to take some huge strides forward. This is a real testament to your ability to resolve issues well and then, despite any differences at the committee table, to move on together for the good of the people we serve. It has been a privilege to have chaired the Finance and Operational Performance Committee and the Long Term Council Community Plan and Annual Plan Special Committee and I thank you for giving me your support at all times.

As we all learn very quickly, no one can work alone. My sincere thanks go to our wonderful officers, particularly the Chief Executive, the Director of Finance and his team, all other Directors and Group Managers who have provided consistently sound advice, often under real pressure. Special mention must be made of our committee secretaries who have to make sense of our sometimes unclear wording and then accept our good natured criticism when it is not quite right. This Council is well served by its staff and the working relationship elected members have with them at all levels is something not seen elsewhere. We should treasure it because when we are all travelling the same path together, it is easier to remove the tiny pebbles before they become mountains. Our results prove it!

A special word of appreciation to Deputy-Chairmen, Councillors Brady and Presland, who have chaired Finance and Operational Performance Committee and the Tenders Subcommittee during my annual absences.

Thank you all for your patience and camaraderie. With respect and sincerity, I wish you all well in the forthcoming elections.

Janet Clews
CHAIRPERSON



PART I - PRESENTATIONS

5 **SPORT WAITAKERE - TWELVE MONTH REPORT**

PURPOSE OF THE REPORT

The purpose of this report is to provide the end of year summary on the 2003/2004 Sport Waitakere Funding and Service Agreement. A representative from Sport Waitakere will be attending the meeting to make a presentation and answer any questions that the Finance and Operational Performance Committee may have.

BACKGROUND

Council has an annual Funding and Service Agreement with Sport Waitakere. Under the agreement Sport Waitakere is required to provide a certain level of programmes and services to the Waitakere community. Each year Council and Sport Waitakere agree on specific objectives to be achieved. The objectives agreed upon for 2003/2004 were:

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

Within each of these objectives Council and Sport Waitakere negotiated the programmes and services that were to be provided by Sport Waitakere and targets for each were set accordingly. This report is an update on how Sport Waitakere performed against those targets for the 2003/2004 year.

STRATEGIC CONTEXT

Leisure facilities and activities contribute to the well being of the City's residents by providing recreation opportunities that promote health and social cohesion. The Council's Leisure Strategy, Community Facility Plan, Parks Strategy and Revenue and Financing Policy guide the provision of facilities and activities to ensure that they are available to all residents, responsive to changing demands and provided efficiently. Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities is to be provided.

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

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

ISSUES

Sport Waitakere has gone through many significant changes during the year including the departure of two Chief Executive Officers and a complete staff restructure since September 2003. The high turnover of staff and the resulting loss of organisational knowledge has adversely affected Sport Waitakere's performance. Some key targets for the 2003/2004 year have not met contractual requirements as a consequence. It is also important to note that individual performance targets and objectives do not hold equal weighting. This report addresses the four key programme areas as outlined above in relation to Sport Waitakere's performance noting both highlights and challenges.

Active Health

Despite concerns over some areas of performance, in general the Active Health section was primarily achieved. Active Health focuses on increasing activity in Waitakere's outdoors. A highly successful programme run by Sport Waitakere within 'Active Health' objective is the Green Prescriptions programme. Nearly 500 'patients' were referred to Sport Waitakere by their doctors during 2003/2004, to be prescribed exercises suitable for their needs and advised for health reasons. The target for the 2003/2004 year was 150 referrals. Part of the Active Living programme is hosting two seminars to increase community knowledge of active lifestyles and one forum to connect key health organisations. In 2003/2004 one seminar was held by Westcare educating the community on the benefits of healthier lifestyles which Sport Waitakere was present at but was not the key driver of the event.

Another popular programme delivered by Sport Waitakere's is organised special interest walks. They are a regular feature of Sport Waitakere's programme for the year. Walks have been held through areas such as the Waitakere ranges and local beaches with nearly 500 participants. Sport Waitakere provided 19 walks throughout the year, exceeding the target of 16.

Sport Waitakere's key event was the national Push Play initiative that took place in November 2003. This year the event was run over a fortnight, which involved promoting the Push Play message to the community and running various community activities. Throughout this fortnight several free activities were offered to the community, from yoga and kickboxing through to tennis and bowls. Sport Waitakere also had a "Push Play Community Day". Through the Community Day Sport Waitakere encouraged the Waitakere community to participate in one of the four walks organised, starting and finishing in Cranwell Park. This day was well attended with three primary schools, two kindergartens, elected members from Council, various walking groups, and a variety of representatives from the community participating. Six "Ark in the Park" walks in the Waitakere Ranges were also held to coincide with the Push Play promotion. Overall, 1,900 people participated in Push Play initiatives facilitated by Sport Waitakere which had a target of 3,000, and over 4,400 certificates were issued to participants of Push Play initiatives including local schools and kindergartens that organised their own Push Play events.

Sport Waitakere did not meet the target for the provision of on-going push play advocacy. This was to encourage the year-long promotion of the benefits of becoming active and was aimed at Pacific Island, Maori and Asian people. Sport Waitakere is not required to deliver the programme but is required under the Agreement to aid in its facilitation and offer support. Sport Waitakere did support programmes such as the Rest Home Games, Fitkidz, Ten Pin Bowling League and International Day of Older People. Although the targeted number of events (which was 40) was not met Sport Waitakere did support a total of 11 events with a combined number of 897 participants. This is one of the key areas in which Sport Waitakere did not meet its target related to the hosting of events at local parks and encouraging participation in physical activity in Waitakere's outdoors.

Active Communities

Active Communities is about recognising and supporting high performers. A large percentage of the performance objectives for supporting high performers were satisfied however it also encompasses Maori and Pacific Island people becoming more active through targeted programmes such as Kura Hakinokino (in school programmes). SPARC withdrew funding for Sport Waitakere's He Oranga Poutama position in September 2003. Although staff in other areas have been trying to deliver events, a large number of outcomes for Maori and Pacific Island communities have not been met or completed by Sport Waitakere, particularly targets focused on Pacific Island leadership programmes. Council officers have had several discussions with Sport Waitakere and SPARC on these problems and how Sport Waitakere can meet their obligations through the Agreement. An acceptable outcome has not yet been reached.

As part of Sport Waitakere's performance targets, it is required to promote scholarship opportunities and to award scholarships to local sporting people. During the year the Auckland University of Technology gave Sport Waitakere eight scholarships to award. However, Sport Waitakere and Auckland University of Technology have signalled that this arrangement is under review (this is part of Auckland University of Technology's normal three year review process) and Sport Waitakere may not be given the same number in the future.

Sport Waitakere has recognised sporting people within the Community both through a variety of promotions and at the annual Waitakere Sports Award event held in November 2003. Throughout the year Sport Waitakere recognised 25 different people for their achievements by conferring awards and/or certificates.

Active Youth

The dedicated Youth position at Sport Waitakere was vacant for approximately four of the twelve months during the year. This meant that fewer programmes and activities have taken place than contracted. However, in the second six-month period Sport Waitakere employed a full-time staff member specifically for Youth. This resulted in a greater focus in this area with a significant number of successful programmes being delivered. In particular, Sport Waitakere has spoken to all school principals and sports co-ordinators within Waitakere City and used this opportunity to promote a greater awareness of current programmes.

Sport Waitakere also facilitated and delivered two youth programmes, one at Te Atatu Community Centre and the other at Glen Eden Intermediate School. These events allow youth to come along and join in the sporting and leisure activities provided each week. There was an average attendance of 17 people per event. Sport Waitakere also ran the street sports programme at six local schools, including Futures West - which provides alternative education to regular schools. These were exceptionally well attended with an average of 63 youths per school taking part in the programme. Sport Waitakere has been asked to run future programmes at Futures West.

There is a large demand for Sport Waitakere to provide sporting opportunities during holiday programmes. In the last six months Sport Waitakere has supported four programmes, two were at Henderson Squash Club, one at Barnardos Childcare and one with Waitakere Softball. Although Sport Waitakere did not reach the number of agreed programmes as specified in the Agreement participation exceeded the target of 50 youth per programme.

Viewed as a whole the Active Youth segment of the Funding and Service Agreement was delivered successfully however, some areas did not meet targets as specified in the Agreement.

Sport Development

The Sport Development position within Sport Waitakere has been vacant since the end of May 2004. Six of the 10 performance targets were met. The aim of the 'Sport Development' programme is to establish Sport Waitakere as the key local supporter, advocate and facilitator in the sporting community. To help achieve this, Sport Waitakere runs bi-annual forums for the sport, recreation and leisure community. One forum was held in December. It was well received by the 20 people who attended as representatives of their respective sporting clubs in Waitakere. The second forum was held at West Wave with 30 people attending. Participation targets were 50 per event. Sport Waitakere has requested that Council reconsider this target for any future contracts. It is concerned that there may be too many people at each event to be productive.

The First Aid courses organised by Sport Waitakere and delivered by Red Cross were held on a regular basis. They continued to be very popular. Through the Agreement Sport Waitakere was required to hold at least six courses with 120 participants. Sport Waitakere exceeded this target by hosting eight courses with 122 participants.

Sport Waitakere also ran Sideline Management Of Strains and Sprains courses in conjunction with Accident and Compensation Corporation. Three courses were held early in the year. However Accident and Compensation Corporation decided to cease the programme Auckland wide and are no longer providing resources.

Sport Waitakere also successfully facilitated eight "Getting Started" coaching clinics with 157 participants. Sport Waitakere were only required to run two of these clinics and 40 attendees.

OTHER INITIATIVES

Pasifika Games

Waitakere City Council was again the major sponsor of the Pasifika Games in 2003. This event is now held over two days as the Pacific Cup Netball tournament has become a regular feature within the Pasifika Games.

Day one was held at Te Pai Park in October and featured 63 netball teams ranging from an under 14 age group through to golden oldies. Day two was held at Moire Park in December and featured the regular activities of 7-a-side rugby, kilikiti and touch rugby. 22 teams participated in the three 7-a-side rugby competitions - the Six Nations competition, Elite Clubs competition and the Women's competition. Touch rugby was also successful, attracting 10 mixed teams.

The 2003 Pasifika Games also saw the inclusion of a designated youth area on day two. This area provided a bouncy castle, mini jeeps and 3-on-3 basketball to keep the youth entertained. The performance stage was also a success with a variety of entertainment provided from bands to dance troupes to local primary school performances.

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

Performance Summary

Sport Waitakere managed to deliver approximately 75 percent of the contractual deliverables during 2003/2004. There have been many changes in staff at Sport Waitakere with some positions being vacant for a period of time, combined with re-structure within the organisation has adversely affected its performance during 2003/2004. There have also been issues surrounding communication, including difficulty in obtaining information for reports and as a result of under performance and a failure to meet some of the objectives as specified in the Funding and Service Agreement.

During the third quarter Sport Waitakere was notified that Council would withhold payment of the fourth quarter contract instalment due to unresolved concerns over performance related issues. Instalments for the first, second and third quarters were paid in advance. Council advised Sport Waitakere that until its performance improved Council would not release the fourth quarter instalment (25% of the contract amount). At the end of the fourth quarter Council was not satisfied that the performance in the 2003/2004 year was at the level required to justify payment of the fourth quarter instalment. Subsequently, Council notified Sport Waitakere that Council does not intend to pay the fourth quarter instalment. Key stakeholders such as SPARC have also expressed similar concerns over performance related issues.

A1-A20

Sport Waitakere has identified problems within their organisation and are looking at ways to improve its performance. The Board and other external organisations are working hard to ensure key stakeholders such as Council are confident in its ability to deliver and facilitate quality programmes for the community in 2004/2005 and beyond. In July Sport Waitakere's Board developed a Recovery Plan as attached at pages A1 to A20, setting out immediate steps they consider necessary to remedy Sport Waitakere's current position, including establishing two separate trusts to enable the full focus of each Board and staff on achieving success in their respective businesses. Council, SPARC and Sport Waitakere have agreed to work together in developing a business plan for Sport Waitakere that aligns with the three organisations' goals and provide support in remedying Sport Waitakere's current position.

Council has entered into a Funding and Service Agreement for 2004/2005 as a reflection of its confidence that Sport Waitakere can overcome its current difficulties. Performance measures were clarified in the Agreement with more emphasis on quantifiable targets. Council Officers are also meeting monthly to discuss the performance of programme delivery and services. An independent audit will be conducted within the next six months to evaluate the successfulness of the recovery plan and to assess the performance of Sport Waitakere. This would be paid for from the Leisure Services budget and the contract would be managed by Council Officers.

RESOURCES

Sport Waitakere's \$90,000 Funding and Service Agreement is provided for through the Annual Plan.

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

CONCLUSION

Sport Waitakere has had a somewhat poor performing 2003/2004 year. Changes in staff at Sport Waitakere, with some positions being vacant for a period of time, has adversely affected the delivery of programmes, services and communication. Sport Waitakere has acknowledged the problems it is facing and is seeking to address these with support from SPARC, other Regional Sports Trusts and Council to ensure customer service, communication and contract programmes are delivered to meet contractual obligations. It is with this commitment to improvement that Council has agreed to a twelve month contract which will be reviewed frequently with an audit after six months.

RECOMMENDATION

That the Sport Waitakere - Twelve Month report be received.

Report prepared by: Clare Dwyer, Leisure Projects & Contracts Administrator.



6 TWELVE MONTH PERFORMANCE OF THE MASSEY LEISURE CENTRE

PURPOSE OF THE REPORT

The purpose of this report is to update the Finance and Operational Performance Committee on the performance of the Massey Leisure Centre for the 2003/2004 year.

BACKGROUND

The Massey Leisure Centre is a purpose built facility which has a fitness centre, two-court stadium, a crèche for users and a sub-dividable community meeting/activity room. The Massey Leisure Centre is externally run by YMCA for the operation of the facility as part of a management contract. The agreement has been in place since the facility was opened in 1999 and was renewed on July 1 2003.

Officers negotiate the subsidy level and targets annually with the YMCA. In 2003/2004 the operating subsidy was reduced from \$135,000 to \$100,000. In addition, the YMCA agreed to deliver an increased level of youth programmes and services.

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

STRATEGIC CONTEXT

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

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

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

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

ISSUES

During 2003/2004 Massey Leisure Centre had two changes in management. In October 2003 Karen Lonergan was appointed Centre Manager upon Shona Ballinger leaving to take the new YMCA position of Youth Development Manager. In June 2004 Karen left the Centre and Christine Walter was appointed Acting Centre Manager. Christine previously managed the Ellerslie YMCA. Shona and Christine will both be attending the meeting to make a presentation to the Committee.

Earlier in the year the Centre also experienced problems with their software. This resulted in installing a new software programme and retraining all the staff. The problems predominantly affected memberships of the fitness centre and caused issues with identifying expiring memberships. The installation of the new software system rectified previous problems.

2003/2004 HIGHLIGHTS

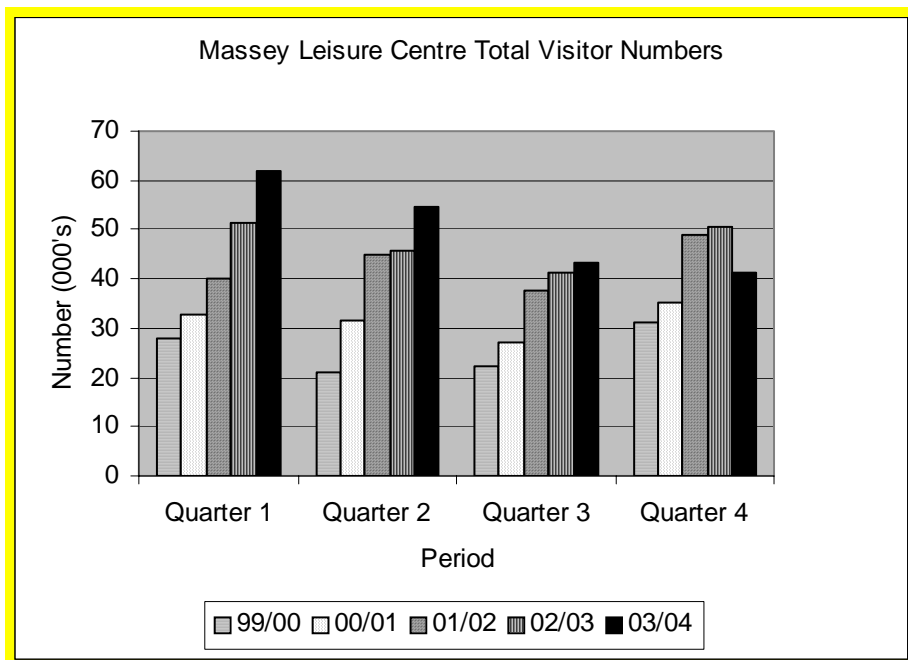
One of the main highlights for 2003/2004 for the YMCA was successfully gaining funding for four of their holiday programmes from the Ministry of Social Development for the coming year to the value of \$10,125 per programme. The funding takes into account the programme's size, the demonstrated community need for the programme and the ongoing viability and sustainability of the programme.

Another key success was Shona Ballinger's appointment to the position of Youth Development Manager. This enabled Shona to expand current youth programmes run under the "Raise up n Represent" name, including spending time developing quality procedures and frameworks. Recently Shona completed the development of the Raise up Tool Box. The tool box is designed as a practical resource kit, enabling new staff to easily be inducted into the programme. It will give current staff additional resources to enhance programme delivery and youth events. The tool box also includes a three level certificate system acknowledging the time committed and results achieved for youth and adults who, as volunteers, form a large basis of the manpower in events.

PARTICIPATION STATISTICS

The total visitor numbers over the six-month period were 84,681, which is below the target of 95,229. The last six-month period was also lower than the previous two years at the same time. However, due to a particularly good six-month period at the beginning of the 2003/2004 year the Centre did exceed its target for the year of 197,160 visitors by 4093 visitors. This trend is highlighted in the graph below. Low growth in the fitness centre, netball league, children's gymnastics and function hire for the Don Buck Room attributed to visitor numbers not meeting quarterly targets.

In December 2003 Massey management proposed that the Centre no longer hire out the crèche area and that it use one of the meeting rooms as a staffroom. This was approved by Council. In the previous six-months the hire of the crèche and meeting room attributed for 1,485 visitors.



PROGRAMME AND FACILITY SUMMARY

One of the most successful programmes currently run is the holiday programmes. The YMCA currently runs programmes both out of Massey and New Lynn. These have been very well attended, both exceeding their annual target. National Association of Out of School Care and Recreation and the Ministry of Social Development both strongly support the programmes. Due to increasing demand for the New Lynn holiday programme, Massey YMCA has decided to split the programme into two age groups in the next financial year. Planning has already started for this change. Home school programmes are also exceptionally popular attracting over three times their target.

Hosting birthday parties has been popular throughout the year. The target for the year was 720. It was exceeded with over 1660 visitors using the facility. Promotion was largely due to word of mouth however YMCA are hoping to grow this activity further through increased promotion and marketing.

Previously, the hireage of the Community Room generated a large percentage of visitor numbers. However, with the exception of the second quarter, this area did not meet previously set targets. Originally it was thought that the Don Buck Room would be a venue for social functions such as 21st Birthdays however feedback from potential hirers is that the room is too small to host such functions and is more suited towards hosting community meetings. The YMCA are aware of the difficulty in fulfilling the required hireage targets for the room and are currently addressing the issue with increased promotion and marketing.

The adult sports leagues had mixed results. Participation in the basketball and soccer league was above the numbers expected, but netball was considerably below its targeted. The netball league was reviewed by YMCA earlier in the year to help put in place changes that would increase the performance of the league. In the last quarter there was an increase in people participating in the league and the YMCA believes this will continue in the 2004/2005 year.

Over the last six months there has been a reduction in the number of gym classes provided by Massey YMCA. This was in part due to a lack of qualified instructors and the difficulty in maintaining adequate child-to-adult ratios. Recently, the Centre has re-employed the previous gymnastics co-ordinator who has an extensive background in teaching preschool gymnastics. The Centre hopes to rebuild the programme in 2004/2005.

There has been considerable promotion aimed at increasing fitness centre memberships. At the end of the 2003/2004 year Massey was only slightly off their target of 60,000 visits. It is envisaged that, with the additional marketing that is planned, it will meet its targets for 2004/2005.

The crèche is also being well utilised with visitor numbers exceeding last years. Massey management are currently investigating the possibility of increasing the hours of operation in response to feedback from the community. Once more information has been collected it will submit a proposal to Council.

Youth

In the new contract negotiated for the 2003/2004 year, a proportion of the operating subsidy provided to YMCA was to be attributed to developing the "Raise up n Represent" programme in Waitakere further. YMCA head office reflected their commitment to youth by funding a Youth Development Manager position, currently held by Shona Ballinger. Although the position is designed to increase youth participation within the Auckland region eighty percent of her time is spent fostering Waitakere City programmes.

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

Recently, under the "Raise up n Represent" umbrella YMCA staff formed the "Raise up Crew". The Raise up Crew is made of youth who have been identified as having strong leadership skills and can channel opinions of youth in their community. The Crew has representatives from most of the West Auckland high schools and are all volunteers. On the first Friday of each month the YMCA has a larger youth event attracting between 100-700 people. The Crew will assist in the organisation of these events both in planning stages and on the night.

A key project that is currently being planned by Raise up staff is the development of a drop in Centre at the Citizens Advice Bureaux for youth to talk to a councillor. Youthline and the Citizen's Advice Bureau are working with the Raise up staff.

The regular youth Raise up n Represent programmes include a well established Friday night for youth, with an average of 200 youth attending every week during 2003/04 period. Activities include a basketball league, break dancing, table tennis and Hip Hop dance classes. The Centre is also offering a homework space for youth. This has been set up in conjunction with the library. Although initial numbers are low, they increase prior to examinations.

Another key event that Massey ran in conjunction with Council, the Youth Council and Raise up was Youth Week in May. In particular, Massey organised and ran an event on Saturday 8th May with over 600 youth attending. The event's main draw card was the band Blind Spot and stars from the Edge radio station.

New Lynn Community Centre

In April YMCA stopped running gymnastics and dance classes at New Lynn due to dwindling numbers making classes no longer feasible. Before cutting the classes YMCA did extensive advertising in local papers and at schools however this did not sufficiently increase numbers attending.

The regular Wednesday youth programme facilitated by the Raise up staff from 4.30-7.30 where there is a range of games such as 3 on 3 basketball competitions and table tennis have also experienced a reduction in numbers attending. To increase numbers the YMCA has started branding the night "The Zone". Promotional posters went to all the local schools and once a month to increase participation numbers YMCA will offer prizes.

Massey has been working hard on developing youth programmes at New Lynn Community Centre but is still experiencing difficulties in attracting youth to the events. They are committed to turning this around so youth in the community have the opportunity to take part in positive programmes. The founding of the Raise up Crew was to aid in taking ownership over the events and promotion.

RESOURCES

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

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

CONCLUSION

Massey Leisure Centre has had a challenging, but overall successful, year. Changes in management, key staff and earlier problems with membership software have impinged on visitor numbers and overall performance, particularly in the last quarter. Despite this, overall visitor numbers are up on previous years.

RECOMMENDATION

That the Massey Leisure Centre Twelve Month Performance report be received.

Report prepared by: Clare Dwyer, Leisure Projects and Contracts Administrator.



PART II - PROPERTY

7 OLYMPIC PARK - TRANSFER OF LAND FROM AUCKLAND CITY COUNCIL

PURPOSE OF THE REPORT

The purpose of this report is to obtain approval from the Finance and Operational Performance Committee on acceptance of the transfer of land from Auckland City Council to Waitakere City Council, associated with the development of Olympic Park, New Lynn.

BACKGROUND

Olympic Park has been classified as a 'Recreational Reserve' under the provisions of the Reserves Act 1977. The Olympic Park Reserve Management Plan and concept were adopted on 1 September 2003. The concept comprises a number of subprojects involving development of earthworks, removal of weeds and trees, a new upgraded playground, car parks, bridges over the Avondale Stream, and a significant stretch of restoration of the stream.

In order to fully develop Olympic Park it will be necessary to transfer land from Auckland City Council to Waitakere City Council.

STRATEGIC CONTEXT

The Olympic Park Reserve Management Plan has been prepared in the context of the Parks Strategy that provides guidelines on the management of parks within the City. All the policies outlined in the Plan fall under the objectives of the Parks Strategy which aims to improve the quality of parks and provide parks services in a fair and equitable way for Waitakere residents within financial constraints.

Olympic Park is identified as a city wide park and is therefore seen as a key area for meeting the future sporting and recreation needs of Waitakere City residents. Olympic Park has a strong sporting history. It is the venue for a number of sports clubs, including Lyndale Athletics, Bay Olympic Soccer, Waitakere Gymnastics, Western Indoor Bowling Association and the Waitakere City Brass Band.

A key objective of the management plan is to strengthen Olympic Park's role as the gateway to the city, as it is located on the boundary of Waitakere and Auckland City.

ISSUES

The park upgrade necessitates the reconciliation of land ownership. The park concept involves significant development and integration of the Wolverton land with Olympic Park. More specifically it incorporates a basketball hoop and half court, play ground adjacent Wolverton Road, a number of car park spaces adjacent to Wolverton Road in the vicinity of the St Johns ambulance area, a toilet facility, and the creation of a strong and attractive gateway to Waitakere City with amenity and feature planting along Wolverton Road, and the Waitakere City boundary.

Design of many of the components of the concept is complete, with contracts let for physical works. With the commencement of major physical works imminent, it is desirable for the ownership issue to be resolved as soon as possible.

A21

The eastern edge of Olympic Park south east of the Avondale Stream and north of Wolverton Street, between the junction of Crowther Street and Taylor Avenue, is on the border of Auckland City. Land ownership in the south eastern area of Olympic Park within the Waitakere City boundary is shared between Waitakere City Council and Auckland City Council, shown as Parcels C, D, E, F and L and detailed in the drawing as attached at page A21.

Public consultation has been undertaken as part of the Management Plan process through submissions on the draft. Community support for transferring land ownership of the Wolverton land to Waitakere City Council was endorsed by adoption of the Management Plan. Since the adoption of the Management Plan December 2003, development of the park is being undertaken by the Olympic Park Trust.

The Olympic Park Trust sees benefit in acquiring the land which intersects land already owned by the Council, even though the land is outside of the Waitakere City Council boundary, and is in favour of the Council accepting the transfer of ownership from Auckland City to Waitakere City Council. The Trust is willing to take on any associated responsibilities and costs involved in developing the land as part of the park.

A21 Land parcels M, J and H as detailed on the diagram as attached at page A21, are not included in the area covered by the Management Plan and the Trust do not see the immediate benefits of acquiring these lots.

Auckland City Council (Community Planning and Property) have been consulted over the development of the park, and have granted permission for the Olympic Park Trust to develop the Wolverton land, with the proviso that the Trust take over all responsibilities and costs associated with the development. The Trust is in agreement and is already underway with the development of the paper road which is an integral part of the overall development. The issue around road stopping will need to be resolved between the two councils.

Auckland City Council have also agreed for the former dog pound area to be tidied up by Waitakere City Council.

Confirmation has been received from that Auckland City that its directors have agreed, in principle, to the transfer of a number of parcels of the Wolverton land to Waitakere City Council, subject to the following conditions:

- Confirmation that Waitakere City Council is in agreement in principle to take ownership of the land is required before Auckland City Council can begin the approval process.
 - Nil cost of land.
 - Waitakere City Council to pay all costs associated with the transfer, obtaining approvals and stopping the road, estimated to be \$19,000.
 - A covenant is to be placed on the land ensuring that, should Waitakere City Council decide that the land is no longer required as reserve, the land will be offered back to Auckland City Council in the first instance at no cost.
 - Easement for Auckland City to enable access to both culverts beneath Wolverton Street from the reserve land for the purpose of maintaining and upgrading the culverts.
 - Development to be generally in accordance with the Reserve Management Plan and the 'Developed Design' (Boffa Miskell Job No 03119 Dwg No 04).
- A22
- Agreement is conditional upon Auckland City Council approval. This will involve its Transport Committee, the Recreation & Events Committee, the Finance & Corporate Business Committee and full Council. Refer attachment at page A22.

In order for the land transfer to proceed, Auckland City Council needs approval from Waitakere City Council on these conditions so that they can proceed with the transfer process, as follows:

- Preparation of the survey plan, prepare and lodge the survey plan of the area to be stopped (in parallel with above).
- Preparation of a legal agreement.
- Approval from Auckland City Council's Transport Committee, Recreation & Events Committee, Finance & Corporate Business Committee and full Council.
- Gazettal of road stopping.
- Transfer of land.

SPECIFIC ISSUES

While the reconciliation of the ownership of the Wolverton land is desirable, acquisition of the land must be considered in light of the benefits and possible financial consequences to Waitakere City Council.

Ownership of the land by Waitakere City Council will enable the Olympic Park Trust to develop the park in accordance with the Management Plan.

Most of the Wolverton land is an old landfill site, which requires remediation to be completed by Auckland City Council. There are unknown costs associated with completing the remediation works.

The site specific issues are as follows:

- **Parcels H, J and M**

These parcels all merge on their eastern edge with the Avondale Stream bank. Investigation work done by Council's consultant has identified issues including instability of this section of the stream bank. There is the likelihood that a full geotechnical investigation will be required to manage the banks in relation to the Avondale Stream.

- **Parcel M**

Approval has already been given for development associated with this parcel, and therefore ownership is not essential. This parcel is a known flood prone area, and is frequently subjected to a build up of debris. Likely consequences of owning this land could result in costs associated with flooding and bank erosion of the Avondale Stream.

- **Parcel J**

The old derelict Auckland City Council works depot is located on this site. Demolition of the depot is required, involving excavation and removal of a significant amount of hard surfacing off the site, reshaping of the site, attendance to unknown stormwater issues, and management of significant weed infestation on the site.

- **Parcel H**

Subsurface drainage along the road edge with Wolverton Road appears to be inadequate, and has led to deterioration of the edge of the road, which is likely to result in future repair and maintenance costs.

ISSUES RESOLUTION

The recommended process to address these issues is as follows:

- Approval in principle by Council to Auckland City Council's conditions;
- During the land transfer process, Council will carry out a detailed investigation of the site specific issues and determine if the risks and financial implications are acceptable;
- Negotiation with Auckland City Council over the site specific risks and liabilities; and
- Approval by the Chief Executive, as a delegated authority, to finalise the land transfer and associated negotiations.

RESOURCES

The 2004/2005 Annual Plan provides funding for staff time and the legal costs associated with the land transfer.

Funding for the development of the park is to be sourced through the Olympic Park Trust.

CONCLUSION

Land transfer of the key parcels of land from Auckland City Council to Waitakere City Council will enable land ownership in Olympic Park to be reconciled is imperative, so that physical works associated with the upgrade of Olympic Park can progress.

There are a significant number of unknowns with the parcels of land being considered and further information related to these sites is necessary, so the Council can make an informed decision. These issues will be further investigated prior to any final decision on the land transfer.

RECOMMENDATIONS

1. That the Olympic Park - Transfer of Land from Auckland City Council report be received.
- A21 2. That it be recommend to Council that approval be given in principle to the transfer of parcels of land C, D, E, F, L H J and M as detailed in the drawing attached at page A21, subject to the conditions proposed by Auckland City Council as outlined in the Agenda report, and negotiation of costs associated with the issues also as highlighted in the Agenda report.
3. That the Chief Executive be delegated authority to finalise negotiations with Auckland City Council and execute all legal documents associated with the land transfer.

Report prepared by: Chris Fourie, Project Manager - Olympic Park.



8 ACQUISITION OF LAND FOR ROAD - 457 OLD TE ATATU ROAD, TE ATATU PENINSULA

PURPOSE OF THE REPORT

The purpose of this report is to seek a recommendation from the Finance and Operational Performance Committee to Council that 28 square metres of land at 457 Old Te Atatu Road, Te Atatu Peninsula be acquired for road under the Public Works Act 1981.

BACKGROUND

- A23 Some years ago a roundabout was constructed at the intersection of Gloria Avenue and Te Atatu Road. As a consequence of the roundabout being constructed the geometry of the intersection changed, with the result that the sight line for vehicles waiting at the limit lines on the Gloria Avenue approach of the roundabout was across the corner of the private property on the southwest corner of the intersection, as attached at page A23.

At the time this was not identified as being a problem since the land to the southeast was open fields with wire fencing that didn't obstruct sight lines. However as a result of recent development of that land for residential housing a wooden fence impeding the sight line has been constructed.

STRATEGIC CONTEXT

The Waitakere City Council's 'Integrated Transport and Communication' platform provides the strategic context for this report. The vision is for public transport and communications systems that provide fast, effective services, and for city travel facilitated by integrated, environmentally responsible, and innovative design, with a focus on meeting the essential needs of all, for access, communication, and safety.

Providing clear sight lines at major intersections is essential for road safety.

ISSUES

The owner of the property at 457 Old Te Atatū Road has indicated a willingness to cooperate with Council and allow the fence to be repositioned behind the site line. However the owner has asked that Council reimburse the cost of relocating the fence, and purchase the portion of land that will end up outside the fence line. This land purchase is also desirable to tidy up maintenance responsibility for the land outside the fence and to avoid problems with future purchasers of 457 Old Te Atatu Road. Consequently approval is sought to reimburse the owner of the property for the reasonable costs of relocating the fence and to acquire the approximately 28 square metres of land that will be severed from the property by the repositioned fence.

Negotiations have been commenced with the property owner. Council has commissioned an independent registered valuer to fix a value for the land and detailed discussions on value will be undertaken with the owners once Council approval has been obtained.

In order that a binding agreement can be prepared and signed by the parties, the proposal must be approved by Council upon the recommendation of this Committee.

RESOURCES

Provision for the costs associated with the purchase of the land and the cost of repositioning of the fence has been made through the Transport Assets: Road Reserve General (Land Purchase) line item in the 2004/2005 Annual Plan.

CONCLUSION

The relocation of boundary fencing and purchase by Council of approximately 28 square metres of land at 457 Old Te Atatu Road is recommended to ensure the safe movement of traffic at the intersection of Gloria Ave and Te Atatu Road and to establish Council ownership of the land within the intersection sight lines.

RECOMMENDATIONS

1. That the Acquisition of Land for Road at 457 Old Te Atatu Road, Te Atatu report be received.
2. That it be recommended to Council that a 28m² (approximate) triangle of land adjacent to Te Atatu Road, Te Atatu at 457 Old Te Atatu Road, Te Atatu Peninsula be acquired for road under the Public Works Act 1981.
3. That the Chief Executive be authorised to sign all documents necessary to complete the acquisition.

Report prepared by: Adam Moller, Principal Transport Engineer, Design.

PART III - LEGAL AND CONSTITUTIONAL

9 FINANCE & OPERATIONAL PERFORMANCE COMMITTEE

AFFIXATION OF COMMON SEAL

EXECUTION OF DOCUMENTS: 2 August 2004 - 27 August 2004

N ^o	NAME	PARTICULARS
3082	WCC - Coote-Hayes Productions Ltd	Lease of part Birdwood Depot - Ross McLeod's approval of 7 July 2004
3083	WCC - ANZ National Bank Ltd, ASB Bank Ltd, Bank of New Zealand Westpac Banking Corporation	Dealer Agreement regarding \$2m Commercial Paper Programme ("the CPP")
3084	WCC	Global Stock Certificate - Security issued to support the CPP
3085	WCC	Deed Poll re \$2m Commercial Paper Programme - Council's obligations in respect of the security to all investors of the CPP
3086	WCC - Trustees Executors Ltd	Variation of Debenture Trust Deed to reflect the CPP
3087	WCC - ANZ National Bank Ltd	Registry & Payment Services Agreement - changes to the existing Registry to reflect the Registrar's obligations under the CPP
3088	WCC - Desmond Wilkinson	Warrant of Appointment & Evidence of Identity - No.WCC149
3089	WCC - Boyd Henderson	Warrant of Appointment & Evidence of Identity - No.WCC152
3090	WCC - Iosefo Felpuleai	Warrant of Appointment & Evidence of Identity - No.WCC137
3091	WCC - Suburbs New Lynn Cricket Club Inc & Western Districts Hockey Club Inc	Deed of Lease, Ken Maunder Park - resolution 2014/2002
3092	WCC - GR & MP Barnett	Fencing Agreement re Lots 1, 7 & 8 DP 330946 - 130 Shaw Road - SPW 21034
3093	WCC - M Assady	Fencing Agreement - CT 161488 - 13 Golf Road - SPW 21611
3094	WCC - M Assady	Drainage Easement in gross re DP 339245 - 13 Golf Road - SPW 21611
3095	WCC - Te Whanau O Waipareira Trust	Drainage easement in gross - CTs 163627, 163628 & 163629 - 423-429 West Coast Road - SPW 21820

Nº	NAME	PARTICULARS
3096	WCC - Te Whanau O Waipareira Trust	Consent of Council as mortgagee under Mortgage D293378.4 to Drainage easement in gross - CTs 163627, 163628 & 163629 - 423-429 West Coast Road - SPW 21820
3097	WCC - GI & GE Harkness	Drainage easement in gross - CT 134842 - 140-142 Pooks Road - SPW 21941
3098	WCC -John Edwards	Warrant of Appointment & Evidence of Identity - No.WCC156
3099	WCC - Prasad Tekumalla	Warrant of Appointment & Evidence of Identity - No.WCC157
3100	WCC - Debbie Chapman	Warrant of Appointment & Evidence of Identity -- No.WCC144
3101	WCC	Application under S.99 of the Land Transfer Act as Transmission - CTs NA80D/532; 59D/941 & 14D/91
3102	WCC	Application under S.99 of the Land Transfer Act as Transmission - CT NA217/244 (Part)
3103	WCC	s.240 RMA Notice of Cancellation of amalgamation condition re Covenant 6090162.2 insofar as the condition affects Principal Units A5, A6, C1, C2, G5, G6 on Unit Plan 334972 - 50-52 Keeling Road - SPW 21937

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 IV - FINANCE

10 OPERATING AND CAPITAL EXPENDITURE SUMMARIES

PURPOSE OF THE REPORT

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

ISSUES

A24 This report covers expenditure for the 12 months to 30 June 2004 (full financial year). The financial summaries are attached at page A24.

This is an interim report and is subject to an audit review by Audit New Zealand, due to be completed by the end of September 2004.

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.

RECOMMENDATION

That the Operating and Capital Expenditure Summaries report be received.

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



11 BORROWING AND INVESTMENT REPORT

PURPOSE OF THE REPORT

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

A25-A30

The relevant portfolio and graphs reflect the estimated position as at 31 July 2004 and are attached at pages A25 to A30.

STRATEGIC CONTEXT

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

- Cash/Debt position
- Forecasted borrowing profile
- Interest rate profile
- Risk management
- Material transactions
- Market commentary

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

FINANCIAL IMPLICATIONS

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

Council approved a new loans funded capital works programme for the 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-(stable).

ESTIMATED SUMMARY OF BORROWING AND INVESTMENT MOVEMENTS, JULY 2004

Council's estimated gross term debt position has increased by \$2.075 million since June 2004, with an estimated closing balance at July month end of \$102.756 million. Estimated working capital borrowings of \$24.141 million as at 31 July 2004 have been funded using internal funds and unsecured bank facilities.

SIGNIFICANT FUNDING TRANSACTIONS ENTERED INTO DURING JULY 2004

- New forward start interest rate swap. Notional value \$10 million, starting 15 March 2005 for 7 years, Council receives floating interest rate and pays fixed interest rate of 6.78%.
- Sinking fund investment of \$1,664,637.30 for 42 days at 6.19%.
- Sinking fund investment of \$1,560,797.63 for 42 days at 6.19%.
- Sinking fund investment of \$1,570,001.28 for 42 days at 6.20%.
- ARST fund investment of \$1,220,221.30 for 42 days at 6.20%.
- Sinking fund release of \$289,351.

AMENDMENT TO THE LIABILITY MANAGEMENT AND INVESTMENT POLICY

Counterparty Credit Risk

With the completion of the acquisition of the National Bank of New Zealand by the ANZ Banking Group (New Zealand) Limited, a new bank has been registered with the Reserve Bank of New Zealand called ANZ National Bank Limited. The following amendment is required to be made to the Liability Management and Investment Policy to recognise this new entity as an approved counterparty.

Clause 5.3 - Add ANZ National Bank Limited as an approved New Zealand Registered Bank within the Counterparty Credit Risk matrix guide.

FINANCIAL MARKET COMMENTARY

Market Overview

New Zealand short term interest rates have continued to rise over the past month with 90 day bank bills currently trading at 6.45%. This indicates that the financial market expects a further increase of 0.50% to New Zealand's Official Cash Rate, currently 6.0%, over the coming months. The strength in the housing market, capacity constraints associated with the downward trend in unemployment, and the increasing price of oil are considered problematic to upward inflation. New Zealand's economy has continued to grow relatively strongly, though market commentators continue to expect a slow down in economic growth. With the Reserve Bank of New Zealand increasing the Official Cash Rate by 1.0% so far this year, and the possibility of a further 0.50% to come, New Zealand's Official Cash Rate by the end of the year may be 6.50%, effectively resulting in floating rate mortgages being over 8.50%.

Local long term interest rates have continued to be relatively stable over the past month, with 10 year wholesale interest rates remaining around 6.85%. Currently there is only 0.20% difference between New Zealand's wholesale 1 year interest rate of 6.65% and 10 year interest rates.

The New Zealand dollar has generally strengthened over the past month, with the NZD/USD cross reaching above \$0.67. Earlier this year the NZD/USD cross moved rapidly above \$0.71, suppressing New Zealand's overall inflation rate. The current strengthening local currency may help to offset the increasing price of oil. However, if international economic news continues to be more upbeat, resulting in increases in international interest rates, demand for the New Zealand dollar may decrease. A significant depreciation in the New Zealand dollar may force price increases on imported goods at the very same time that local interest rates are at their peak. Such a situation could rapidly slow the local economy.

Upcoming Dates

Monetary Policy Statement	9 September 2004
Official Cash Rate Announcement	28 October 2004
Monetary Policy Statement	9 December 2004

CONCLUSION

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

RECOMMENDATIONS

1. That the Borrowing and Investment Report be received.
2. That clause 5.3 of the Liability Management and Investment Policy be amended to include the ANZ National Bank Limited as an approved counterparty for credit risk purposes.

Report prepared by: Bruce Wilkin, Treasury Manager.



12 PAYMENTS FOR APPROVAL

PURPOSE OF THE REPORT

The purpose of the Payments for Approval report is to advise of payments made by the Council.

BACKGROUND

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

PAYMENTS

A31 A summary schedule of payments made for the period 16 July 2004 to 13 August 2004 is attached at pages A31.

A32-A34 A further schedule of all payments of \$5,000 and above, together with the reason for the payment, is attached at pages A32 to A34. If a Committee member wishes to ask specific questions relating to any of these payments prior to the meeting, then such questions can be directed to the Director: Finance.

RECOMMENDATIONS

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

Report prepared by: Andrew Pollock, Director: Finance.



13 STRATEGIC LAND ACQUISITION FUNDS TRANSFER

PURPOSE OF THE REPORT

The purpose of the report is to request a transfer of funds from the Whenuapai Project operational funds line to Strategic Land Acquisition operational funds.

BACKGROUND

This year's annual plan contains \$185,000 for the Whenuapai project. It also contains approved Capital expenditure to acquire strategic parcels of land within the City.

STRATEGIC CONTEXT

A significant number of strategic land acquisition opportunities are presenting that were not clearly available at the time the budgets were proposed, necessitating the shift of funds in order to react to a variety of developing market situations.

ISSUES

Changing circumstances and opportunities require funding for external expertise to assist in property negotiation. Whilst loan funding has been provided for strategic land acquisition, operating funding for assessment of options has not been fully provided.

RESOURCES

No further resources are required of the Council as this is an internal transfer from one project budget line to another. Because the Crown has delayed its decision on the future of Whenuapai airbase, the Whenuapai Airport project will not be affected as a result of this transfer of funds. This report requests that \$20,000 be transferred from Whenuapai Project operations to Strategic Land Acquisition operational funds.

CONCLUSION

This internal transfer provides greater mobility for the Council to react to significant new economic development opportunities and enhance other Council work streams, without compromising the Whenuapai Airport project, and without additional funds being sought from ratepayers.

RECOMMENDATIONS

1. That the Strategic Land Acquisition Funds Transfer report be received.
2. That \$20,000 be transferred from Whenuapai Project to Strategic Land Acquisition Operational Expenditure.

Report prepared by: Alan Rodgers-Smith, Project Manager: Business Development



14 TECHSCAPE LIMITED - INTENTION NOT TO PAY A DIVIDEND

PURPOSE OF THE REPORT

The purpose of the report is to inform the Finance and Operational Performance Committee of the intention of Techscape Limited not to pay a dividend in the current year.

BACKGROUND

A35

Council, through its holding company, Waitakere City Holdings Limited, is a 50% shareholder in Techscape Limited with North Shore City holding the other 50%. The Board of Techscape has written to Council's Mayor and Chief Executive informing them of the Boards intention not to declare a dividend in the current financial year and seeking feedback. A copy of the letter is attached at page A35.

The reasons for not paying or reducing the dividend are a lower than budgeted profit for the year ended 30 June 2004 and the requirement to replace and invest in plant. This Committee was alerted to Techscape's lower than budgeted profit forecast at its meeting held 14 June 2004.

The Board of Waitakere City Holdings Limited held a special meeting on 30 August 2004 to discuss / deliberate on the issue. It was resolved at that meeting that a recommendation be forwarded to the Board of Techscape Limited that a dividend of \$50,000 be paid to each Shareholder. The Board of Techscape is scheduled to hold a meeting on 31 August 2004 (after the preparation of this report) where it is intending to make a final decision on the payment of a dividend.

Council can not direct Techscape Limited in respect of the dividend issue. It can, however, express a strong opinion which may influence decisions made by the respective Boards of the Holding Company and its subsidiaries.

STRATEGIC CONTEXT

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

ISSUES

Council, during the current financial year, has budgeted to receive a distribution of \$340,000 from Waitakere City Holdings Limited. This distribution is in turn sourced from Techscape Limited through interest on convertible notes and an expected dividend of approximately \$100,000, the amount of the Techscape dividend paid out in the 2003/2004 financial year. If that level of dividend is not paid then Council will, in turn, experience an equivalent shortfall in its distribution from the Holding Company.

The Holding Company will either need to seek an amendment to its 2004/2005 Statement of Intent or alternatively fail to meet its objective of a \$340,000 distribution to Council in the current year.

The Holding Company has requested the Board of Techscape to consider paying a dividend of \$50,000 to each shareholder. The Committee will receive an update on the outcome of Board of Techscapes meeting of 31 August 2004.

Although not being able to directly influence the outcomes, the Finance and Operational Performance Committee should either resolve to support or not support the decisions which made by at the respective Boards of the Holding Company and Techscape Limited and to communicate the intent of any resolutions passed, to those respective Boards in the appropriate manner.

CONCLUSION

Techscape Limited has signalled its intention not to declare / pay out a dividend in the current year due to a lower than budgeted profit and a need to invest in new plant. Council's Holding Company has recommended to the Board of Techscape that a dividend of \$50,000 be paid to each of its two shareholders. The Board of Techscape Limited is scheduled to meet on 31 August 2004 to consider the recommendation of Council's Holding Company and to make a final decision in respect of the payment of a dividend. The Finance and Operational Performance Committee will receive a verbal update of the outcome of the meeting of Board of Techscape Limited.

Council's current year budget contains a distribution from the Holding Company of \$340,000 which is reliant on a \$100,000 dividend from Techscape Limited. Any shortfall in the dividend will result in a corresponding equivalent shortfall in Councils budgeted distribution from the Holding Company.

RECOMMENDATIONS

1. That the Techscape Limited - Intention Not to Pay a Dividend report be received.
2. That the Finance and Operational Performance Committee consider the issue of a dividend payment from Techscape Limited in the context of any further information arising from the proposed Board meeting of that Company.

Report prepared by: Alec Third, Group Manager, Financial Operations.



PART V - GENERAL

15 2003/2004 COMMUNITY CENTRE ANNUAL PERFORMANCE REPORT

PURPOSE OF THE REPORT

The purpose of the 2003/2004 Community Centre Annual Performance Report is to inform the Committee on the Community Centres' annual performance for the 2003/2004 financial year.

BACKGROUND

Council owns and manages six Community Centres that cater for a wide range of community groups and activities through the provision of bookable spaces and the facilitation of activities. Community Centres also play a role in hosting civic events, including the City's key festivals and events such as the Going West Literary Festival (including Story Fest), Wellbeing Collaboration Project, and the Moon Festival.

Community Centres also play host to a number of community events and festivals. Examples include the Waitakere Secondary Schools Career Expo, Titirangi Hot Rod Show, Te Atatu Christmas Parade, West Auckland Quilters Show and other cultural events. Local and Central government meetings and workshops, corporate conferences and functions, and many more one-off celebrations are also staged at the Community Centres.

The other major role of the Community Centres is to provide space for community groups to meet and participate in local activities.

STRATEGIC CONTEXT

Community and Leisure facilities and activities contribute to Council's Strong Communities and Urban and Rural Villages Strategic Platforms by helping provide networks of appropriate and accessible public buildings as key community focal points and through a wide range of low cost, low impact community activities.

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

The First Call for Children policy also has significant relevance in identifying the need for provision of programmes within the centres for youth.

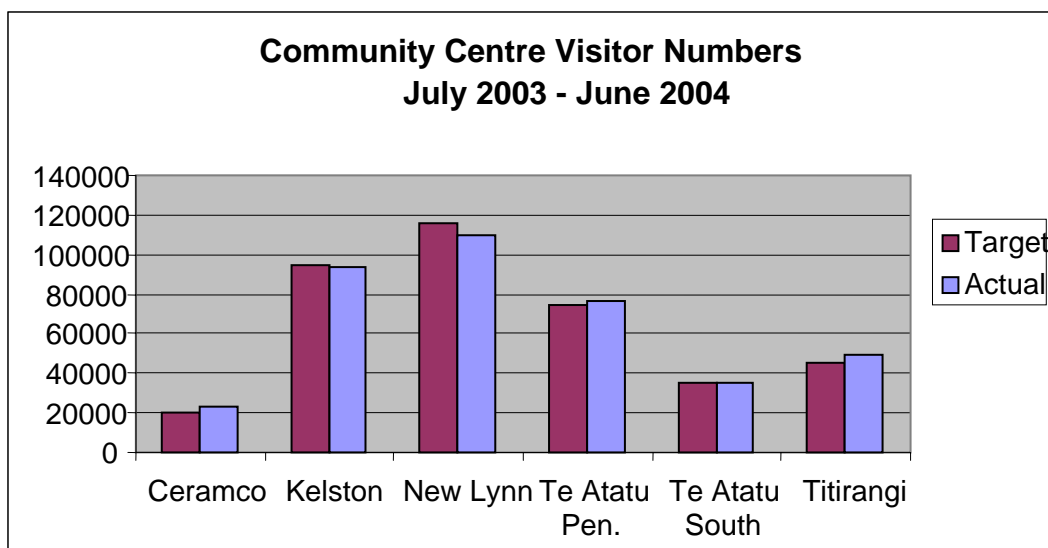
The Local Government Act defines one of Council's responsibilities is to promote the social, economic, environmental and cultural well being of communities, in the present and for the future.

ISSUES

Annual Performance Measures

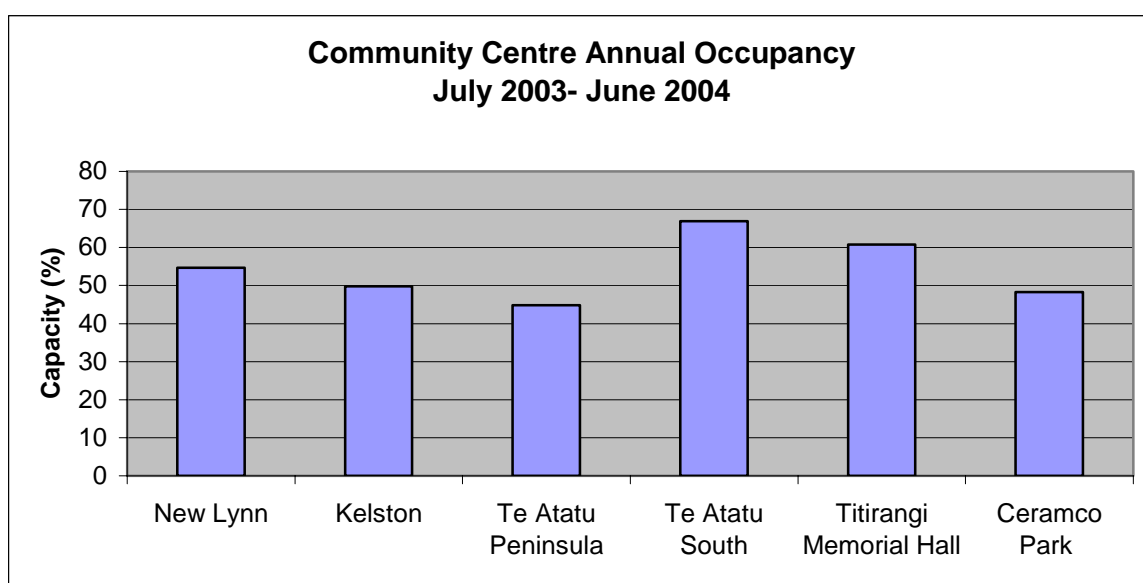
The key booking measures of Community Centre performance is number of visitors, volume of occupancy, range of activity, and achievement of financial targets.

Number of Visits



A total of 388,098 people have visited the Centres July 2003-June 2004, to attend some form of activity or event. The budgeted target for 2003/2004 has been met.

Annual Occupancy



A36-A37

The target occupancy set for 2003/2004 for all Community Centres was 55%. New Lynn, Kelston and Te Atatu Peninsula Centres were below target due to low usage of its meeting rooms. However their Main Hall auditoriums continue to have high occupancy. A breakdown of the rooms per Centres is attached at pages A36 to A37.

Ceramco Function Centre is below target due to the low number of regular hirers. The Function Centre attracts more casual hirers for events such as weddings, meetings, and prize giving ceremonies. This is reflected in the visitor numbers for this Centre which has exceeded its target, as casual hirers can attract 100 to 250 visitors per event.

Overall occupancy is at 54.20% for 2003/2004, which is similar to last year's figure.

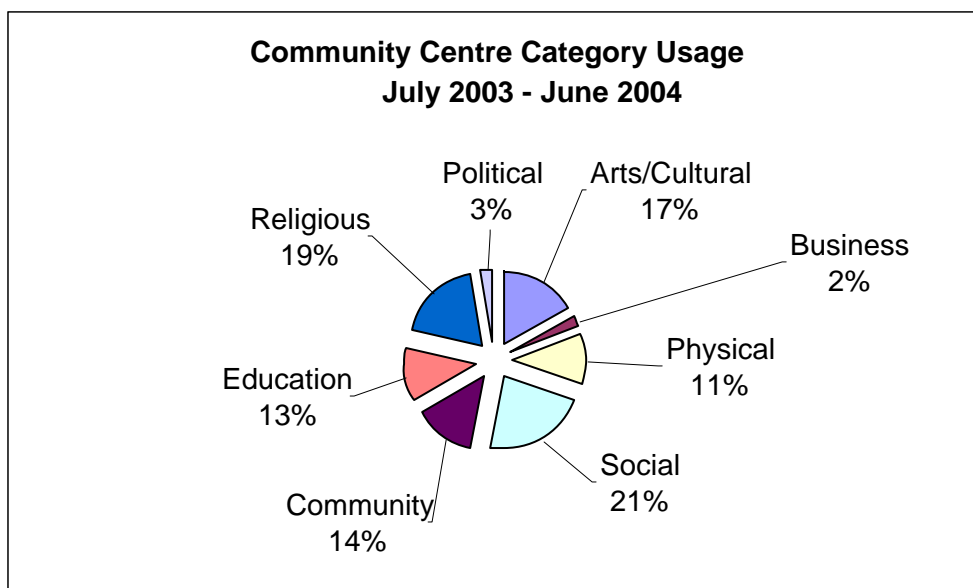
Range of Activities

A38

Each Centre offers similar core activities; however, due to the different design of the buildings and cultural mix of the community/area, the Centres attract different activities and develop distinct personalities. The following pie chart demonstrates the averaged proportion of different uses in all Centres. The attachment at page A38 has individual pie charts for each centre. These demonstrate that opportunities exist for expanding and decreasing some categories of usage in some Centres to ensure an appropriate range of activities are provided.

New Lynn and Te Atatu Peninsula Community Centre host youth programmes run by YMCA (School Holiday Programme) and Sport Waitakere (Street-sports Programme). Both programmes are well attended by youth in the local area.

New Programmes such as Te Reo, Pacifica Health / Fitness class and WINZ employment classes have started up this year in some of the Centres.



Financial

The forecasted and actual revenue figures from Community Centre hireage are as follows:

01 July 2003 -30 June 2004	02/03 Budget	02/03 Actual	03/04 Budget	03/04 Actual
Kelston Community Centre	\$73,000	\$66,490	\$80,000	\$75,382
Titirangi War Memorial Hall	\$30,000	\$25,828	\$30,000	\$23,355
Ceramco Park Function Centre	\$28,000	\$18,626	\$20,000	\$18,977
New Lynn Community Centre	\$88,000	\$69,024	\$88,000	\$81,297
Te Atatu Peninsula Community Centre	\$55,000	\$45,390	\$55,000	\$35,175
Te Atatu South Community Centre	\$32,000	\$23,102	\$32,000	\$18,739
TOTAL	\$306,800	\$248,356	\$305,000	\$252,925

Actual revenue has increased compared to last year, with New Lynn and Kelston Community Centres being the highest revenue earners. Overall Community Centre revenue is under its target by \$53,000.

The provision of more facilities to the local community has drawn some groups away from the Centres and in return affected revenue received.

Council Officers are currently reviewing the pricing structure for community centres against other Territorial Local Authorities, as part of a pricing review exercise. This should be completed by December 2004. It has been five years since the prices were last reviewed.

Developments

Maintenance / equipment

A new sound system, lectern and microphone for presentations have been installed in the Main Hall auditorium at the New Lynn Community Centre. This system includes a projector which can show presentations as well as be used for entertainment. The sound system and projector is available for hire to all groups. Portable Projector and whiteboard screens have also been purchased due to a demand from annual and casual hirers.

There has been a number of maintenance works carried out at the Community Centres in the 2003/2004 year.

Kelston Community Centres

- Activity Room re-carpeted;
- Re-Roofing Project completed.

New Lynn Community Centre

- Exterior spotlights have been placed in the courtyard and car park areas;
- Ventilation System Upgraded in Meeting Room Upstairs.

Te Atatu Peninsula

- Meeting Room and Activity room re-carpeted and;
- New Urinal system installed in the Men's toilet (Main Hall).

Te Atatu South

- Meeting room re-carpeted.

Maintenance works including cleaning is managed by Council's Consultancy Services Department.

Promotions and Publicity

The Community Centre programme flyers have been redesigned with a focus on promoting the facilities as venues for hire. An insert will accompany the flyers listing all the activities that take place within each centre as well as equipment available for hire. Approximately 2000 are distributed per Centre, per annum, as well as posters, community signage and Councils website.

Quarterly advertisements are also placed in the Western Leader.

Council officers are looking into other initiatives such as radio advertising and other media publications to promote community awareness of the Centres.

CONCLUSION

The Community Centres continue to provide high quality facilities to meet community demand and need.

- 388,098 people visited Waitakere Community Centres between July 2003 and June 2004.
- Main Hall auditoriums in our major centres have high occupancy rate in comparison to its small meeting rooms. Average occupancy rates for 2003/2004 are 54.19%, which is similar to last years figure.
- A good balance has been achieved in the range of activities currently undertaken in Waitakere City Community Centres.
- Total income for the 2003/2004 financial year was \$252,925, an increase compared to 2002/2003 figure of \$248,356.
- Generic Community Centre marketing and promotion initiatives continue with some new initiatives earmarked for the new financial year.
- A range of development and maintenance works have been carried out at the Centres during 2003/2004, including the installation of a new sound and projector system at New Lynn Community Centre.

RECOMMENDATION

That the 2003/2004 Community Centre Annual Performance Report be received.

Report prepared by: Robert Matamu, Community Activity Facilitator: Leisure Services.



16 DRINKING WATER QUALITY GRADING COMPLIANCE RISKS

PURPOSE OF THE REPORT

The purpose of this report is to update the Finance and Operational Performance Committee on the risks arising from initiatives by the Ministry of Health, including changes to the criteria for the grading of water supplies and the resulting uncertainty regarding maintaining an 'Aa' grading for the water supply network in Waitakere City.

BACKGROUND

The Ministry of Health grading is intended to provide an assessment of the Ministry's confidence in the public safety of each community drinking water supply. The grading has two letters. The first letter 'A' (capital letter) represents the source and treatment grading, while the second letter 'a' (lower case letter) grades the water in the distribution zone. The grading has been carried out since 1993, and results are published annually in a Register of Community Drinking - Water Supplies in New Zealand.

The water supply network in Waitakere City is divided into seven zones for the purposes of grading and all seven zones currently have an 'Aa' grading.

The Ministry of Health has introduced new guidelines for the grading of water supplies. These are contained in the document 'Public Health Grading of Community Water Supplies 2003 - Explanatory Notes and Grading Forms'.

In addition, the Ministry of Health is proposing a Health (Drinking Water) Amendment Bill, which could become law by the end of 2005 which may introduce new requirements for private water supplies.

STRATEGIC CONTEXT

The Council's strategic platform for the Three Waters is that Waitakere is a centre of innovative water management. Some of the success measures that contribute to this platform are as follows:

- Average domestic water use per person in the city is reduced to 160 litres or less per person per day.
- An 'a' grade of water supply is maintained, including compliance with the 2000 NZ Drinking Water Standards.

ISSUES

Concern has been expressed by a number of water suppliers regarding the changes to the grading questions and scoring criteria. The Auckland Local Network Operator's Group have identified the changes to the grading process as a business risk; as there may be some community concerns to an unexpected downgrading of the water supply within the Auckland region.

In past years there has also been concern over inconsistencies in the way various water suppliers within New Zealand have been graded. The grading is based on a series of questions whereby demerit points are scored according to the way the water supply is managed or has performed. Since the commencement of the grading in 1993 there has been debate over the way in which questions have been interpreted by an assessor. In some cases this uncertainty remains even with the provision of new explanatory notes.

Furthermore there are changes to the grading questions which introduce an even higher level of uncertainty and risk. There is a new question regarding the number of positive 'E-coli' tests ie. failed tests or 'transgressions'.

Under the old grading criteria a larger distribution zone would not be penalised for having several 'transgressions' provided the number was within the minimum specified in the New Zealand Drinking Water Standards 2000. Under the new grading criteria, a single transgression results in demerit points which will almost certainly result in the downgrading of a supply zone from an 'a' to a 'b'. For example, for the Henderson Water Quality Zone (population 125,000) up to four transgressions out of 316 tests would meet the Drinking Water Standards and would not result in any demerit points under the old grading criteria. Under the new grading criteria, one transgression from 316 tests would score demerit points which will almost certainly result in the downgrading of this supply zone from an 'a' to a 'b'.

A transgression could however be the result of contamination during sampling or testing, and may not reflect contamination of the water supply at all, and hence this outcome is considered very severe.

A letter has been sent to the Ministry of Health outlining this point, but there is no assurance that any changes will result.

Regarding the grading question on chlorine residual in the water supply, it is not apparent how many demerit points would be scored due to ambiguity in the questions. In the grading guidelines there is no stated definition for 'detectable free available chlorine', and the rules relating to 'inconsistent free available chlorine' are not clear.

It is feasible that a significant increase in the chlorine dosing of treated water carried out by Watercare Services Limited may be required in order to retain an 'a' grading for the water supply, yet the necessity for this has not been communicated or the resulting issues discussed.

Hence, for the above and other reasons, there are considerable concerns amongst water suppliers regarding future grading scores. The credibility of the grading system is at risk and the appropriateness of the grading as a key performance indicator for a water supply may need to be reviewed. The water supply could be downgraded overnight without there being any physical change to the actual protection of public health, water quality and distribution, sending a false message to the community.

Secondly, regarding private water supplies, it is possible that Council may be required to monitor these supplies under the new Health (Drinking Water) Amendment Bill, which could become law by the end of 2005. This would require additional funding and resources.

The third issue relates to the Assessment of Water Services required under the Local Government Act 2002 in relation to private community water supplies. An assessment of private community water supplies, such as the Piha North Water Supply, is required to be carried out and this includes reporting on the adequacy of the system. Obtaining this information may place Council in a position where there is an implied responsibility for the supply. At present the Ministry of Health is directly responsible for private water supplies, and it is unclear what the role of Council will be in relation to any risks relating to information gained under the assessment.

RESOURCES

The resources provided under the 2004/2005 Annual Plan are considered sufficient for water quality programmes required to comply with the current interpretation of New Zealand Drinking Water Standards. No additional budget is considered necessary at this time to address the issues raised above relating to the grading processes and the uncertainty around the interpretation of grading questions.

Operating expenditure for water quality testing and water quality measures introduced since the 1995 Drinking Water Standards were released has increased from minimal expenditure to \$150,000 per annum. In addition, since 1999, water quality improvement work has been carried out on reservoirs, new water quality sampling points have been installed, new flushing points and real-time water quality monitoring equipment have been installed. Water quality studies on chlorine residuals throughout the city have also been carried out. Even if council was to increase expenditure to address the way the questions are structured, an 'Aa' grading could still not be guaranteed.

CONCLUSION

The Ministry of Health has introduced new guidelines for the grading of water supplies. The changes increase the risk of a downgrading of the Waitakere City's distribution network. It is considered that the credibility of the grading system is also at risk, and the appropriateness of the grading as a key performance indicator for water may need a review. Although the Ministry of Health have been advised of some of the issues, it is unlikely that amendments will be made to the proposed grading criteria. In future, compliance with the New Zealand Drinking Water Standards may be a more reliable and appropriate measure.

Regarding private water supplies, monitoring of these supplies may be required under the new Health (Drinking Water) Amendment Bill which would require additional funding and resources in the future.

The assessment of private community water supplies required under the Local Government Act 2002 may introduce new risks and responsibilities for council.

Council officers will continue to liaise with the Ministry of Health and Local Network Operators to ensure that the risk of not achieving an 'a' grading for the distribution network is minimised. However, if it is not possible to reach a sensible outcome, Council may have to consider removing the 'a' grading from the 2005/2006 Annual Plan as it will not be possible to guarantee that an 'a' grading can be achieved. Therefore, it is proposed to report back to the Council by February 2005 to enable this issue to be considered through the 2005/2006 Annual Plan process.

It is also recommended that a copy of this report be forwarded to the Ministry of Health with a request for a meeting between the Ministry of Health and Council representatives at an appropriate time.

RECOMMENDATIONS

1. That the Drinking Water Quality Grading Compliance Risks report be received.
2. That a report be submitted to the 2005/2006 Annual Plan and Long Term Council Community Plan Special Committee on the options to manage the compliance risks for drinking water quality grading.
3. That a copy of this report be forwarded to the Ministry of Health with a request for a meeting between the Ministry of Health and Council representatives to develop a work programme to address the issues raised in this report.

Report prepared by: Richard Taylor, Assets and Network Manager



17 **OUT OF SCHOOL CARE PROGRAMME FUND ALLOCATION 2004/2005**

PURPOSE OF THE REPORT

The purpose of the Out of School Care Programme Fund Allocation 2004/2005 report is to provide information regarding assessment of the Out of School Care Programme Fund and seek endorsement of the recommendations made.

BACKGROUND

The fund was originally set up as an Out of School Care Fund which incorporated both Before and After School programmes and School Holiday programmes. In the 2000/2001 Annual Plan process it was changed to a School Holiday Programme only, this decision was reversed in March 2003 and reverted to the original Out of School Care Fund.

STRATEGIC CONTEXT

Through its strategic documents, Council outlines its commitment to undertaking initiatives that will contribute to making Waitakere City a safe, healthy place to live and to improving local leisure and recreation opportunities and choices. Through adoption of First Call for Children, Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere City. Direct financial assistance to service providers of Before and After School Care and School Holiday Programmes assists Council's commitment to these policies.

PROCESS OF ALLOCATION

The closing date for the 2004/2005 funding round was set at 6 August 2004 to assist providers who were planning programmes for the rest of the financial year.

All eligible Out of School Care and Recreation approved providers were posted application forms one month before the closing date. This was followed up by a phone call to remind them of the closing date. It was also promoted at 14 workshops held this year throughout the city.

The applications were sorted, summarised and assessed in accordance with the criteria and priorities of the fund.

Overall, there were 8 applications. One application was not eligible as it was not a 'not for profit' organisation. The full amount requested from eligible organisations was \$28,263 with total funds available of \$20,000. All eligible applications met all of the following criteria:

- An approved Out of School Care and Recreation service and Child Youth & Family providers or in the process of becoming approved. (No funding will be released until proof of Out of School Care and Recreation and Children Youth & Family approval is sighted).
- Programme delivered within Policy Guidelines of Before and After School Care Programme, Waitakere City
- Open enrolment policy
- Staff: Child ratios (ie. 1 staff: 10 children)
- Hazard identification at programme venue
- Adequate facilities
- Registration procedures in place
- First Aid certified staff
- Programme delivered a minimum of five hours per day - 3 days per week (School Holidays)

- Programme delivered minimum of two hours per day three days per week (Before & After School Care)
- Participation of at least 20 children per day
- Over 90% of programme participants live in Waitakere City
- Operate as a not-for-profit organisation

A weighting system has been developed to provide a clear and consistent process in assessing applications for funding. Points were allocated on a scale system to the following criteria:

- Programme serves lower decile rated schools
- Contributes to an even demographic spread within the city
- Focus on promoting an awareness of cultural identity
- Flexible Hours
- Appropriate admittance fee
- Funding from other sources
- Demonstrated history of successful programmes
- Number of planned programmes
- Proposal will benefit a large number of Waitakere City residents

	Amount applied for	Amount recommended	Child Visits
Barnardos Waitakere Sunnyvale After School Care	\$4,000	\$2,750	4000
Barnardos Waitakere Peninsula Primary - After School Care	\$4,000	\$2,925	4000
Barnardos Waitakere Sunnyvale School Holiday	\$4,000	\$2,555	800
Henderson Baptist Church - School Holiday	\$5,000	\$3,660	750
Massey Community House - School Holiday	\$3,263	\$2,310	1200
Oratia Out of School Care Facility - Before & After School Care	\$2,500	\$1,715	7000
Ranui After School Care - After School Care	\$3,000	\$2,200	1200
Tupulaga Waitakere Support Trust	\$2,500	\$1,885	320
	\$28,263	\$20,000	19,270

RESOURCES

Council's financial assistance toward Out of School Care Programmes in the form of grants is \$20,000, allocated in the 2004/2005 Annual Budget.

There are no additional financial or staffing requirements to allocate this fund. The Community Assistance Administrator administers the process.

CONCLUSION

Should approval be given, the Out of School Care Programme Fund will be subsidising 8 programmes, 3,070 children's visits to School Holiday Programmes and 16,200 children's visits to Before and After School Care. Council's contribution will be an average of \$1.03 per visit.

RECOMMENDATIONS

1. That the information on the Out of School Care Fund Allocation 2004/2005 be received.
2. That the Finance and Operational Performance Committee considers applications to the Out of School Care Fund and allocates funding as per the process outlined in the report and the following recommended amounts:

	Amount applied for	Amount recommended	Child Visits
Barnardos Waitakere Sunnyvale After School Care	\$4,000	\$2,750	4000
Barnardos Waitakere Peninsula Primary - After School Care	\$4,000	\$2,925	4000
Barnardos Waitakere Sunnyvale School Holiday	\$4,000	\$2,555	800
Henderson Baptist Church – School Holiday	\$5,000	\$3,660	750
Massey Community House - School Holiday	\$3,263	\$2,310	1200
Oratia Out of School Care Facility - Before & After School Care	\$2,500	\$1,715	7000
Ranui After School Care - After School Care	\$3,000	\$2,200	1200
Tupulaga Waitakere Support Trust	\$2,500	\$1,885	320
	\$28,263	\$20,000	19,270

Report prepared by: Jan Brown, Community Assistance Administrator.



18 COMMUNITY HALLS FUND ALLOCATION 2004/2005

PURPOSE OF THE REPORT

The purpose of the report is to provide the Finance and Operational Performance Committee information regarding the assessment of the Community Halls Fund. The report also seeks endorsement of the recommended allocations.

BACKGROUND

Council provides a number of community facilities available for public use. It also provides assistance to community groups through the provision of funds to help maintain community operated, not for profit halls, and urban/community based marae, which are available for public use.

The Community Halls fund is currently set at \$42,000 per year through the Annual Budget.

There are 22 Community Halls in Waitakere City that are eligible to apply for financial assistance through this fund.

The fund is available to assist management committees in running and maintenance costs, small scale equipment and improvements to the facilities and include such projects as upgrading kitchens, minor paintwork and promoting the facility.

STRATEGIC CONTEXT

Council's Community Facilities Plan states that Council provides three types of buildings for general community use; community centres, community houses and community halls. The Council provides community space to ensure there are places for people to meet, talk, play, learn - and have fun. A range of different spaces are needed to cater for different activities. Community facilities also help to build community spirit by bringing people together.

A strategy and action from the Council adopted Community Facilities Plan states that Council will develop support for other providers of community facilities, which will include support for community halls through the Halls fund.

The Community Halls Fund aligns with the Community Assistance Policy with the goal of the Policy being to help strengthen the ability of local community groups to create a strong social base for Waitakere City and to meet local needs.

The Community Halls Fund also meets Policy One of the Marae Support Policy, "Council assistance provided to marae", where it has been determined that Iwi based and urban/community based marae can apply to this fund.

PROCESS OF ALLOCATION

The closing date for the 2004/2005 contestable Community Halls Fund was set at 30 July 2004.

Application forms were sent to all groups who are eligible to apply for funding. The fund was also promoted during a series of 14 workshops held this year to assist the community to access funding from both Council and external funding agencies. All eligible applicants were also phoned one week before the closing date to remind them.

A total of 16 eligible applications were received. The amount requested was \$45,588 with total funds available of \$42,000.

A weighting system was then used to ensure a consistent and transparent assessment of the applications based on the criteria, priorities and considerations of the fund.

Priorities were assessed against building requirements, health and safety issues (in regard to what they were applying for funding for), the group's current financial status, the capacity for income based on the facility's location and quality, and the usage per month.

The recommended allocation of funds is as follows:

NAME OF ORGANISATION	NAME OF HALL	AMOUNT REQUESTED	RECOMMENDED ALLOCATION
Glen Eden Community & Recreation Centre Inc.	Glen Eden Community Centre	\$2,600	\$2,400
Herald Island Residents & Ratepayers Assn.	Herald Island Community Hall	\$3,000	\$2,450
Hoani Waititi Marae	Wharekai	\$3,000	\$2,850
Huia-Cornwallis Ratepayers and Residents Assn. Inc.	Huia Hall	\$3,000	\$2,850
Laingholm District Citizens Association (1998) Inc.	Beach Hall	\$1,200	\$1,100
Laingholm District Citizens Association (1998) Inc.	Village Hall	\$3,000	\$2,525
Massey Birdwood Settlers Assoc Inc	Massey Hall	\$2,788	\$2,600
Moire Road Community Hall	Moire Road	\$3,000	\$2,525
Pataroa Bay Residents & Ratepayers Assn.	Pataroa Hall	\$3,000	\$2,950
Piha Community Centre Society	Barnett Hall	\$3,000	\$2,850
Sunnyvale Ratepayers & Residents Association Inc.	Sunnyvale Community Hall	\$3,000	\$2,850
Titirangi Country Womens Institute	MacAndrew Hall	\$3,000	\$2,900
Waiatarua Ratepayers and Residents Association	Waiatarua Community Hall	\$3,000	\$2,450
Waitakere Residents and Ratepayers Association In.	Domain Hall	\$3,000	\$2,950
Waitakere Residents and Ratepayers Association In.	Township Hall	\$3,000	\$2,950
Whenuapai Ratepayers and Residents Association Inc.	Whenuapai Village Hall	\$3,000	\$2,800
Total		\$45,588	\$42,000

The full amount of \$42,000 has been allocated.

It should be noted that all groups eligible for the Council's Community Halls Fund have the capacity to, and do, source other funding. Since Council's funds are limited not all groups are able to receive the total amount requested. The Community Assistance Administrator will offer assistance in sourcing other funding to all groups to ensure that their projects take place. They also receive regular funding newsletters detailing other schemes available.

RESOURCES

There is an amount of \$42,000 allocated in 2004/2005 annual plan for the Community Halls Fund. The Community Assistance Administrator administers the process.

CONCLUSION

Council provides assistance to community groups through the provision of funds to help maintain community operated, not for profit halls, and urban/community based marae, which are available for public use. There are 22 Community Halls in Waitakere City that are eligible to apply for financial assistance through this fund and application forms were sent to them all.

A total of 16 eligible applications were received. The full amount requested was \$45,588 with total funds available of \$42,000.

A weighting system was used to ensure a consistent and transparent assessment of the applications based on the criteria, priorities and considerations of the fund.

RECOMMENDATIONS

1. That the information on the allocation of the Community Halls Fund be received.
2. That the Finance and Operational Performance Committee allocate funding for the Community Halls Fund as outlined in the report and the following recommended amounts.

NAME OF ORGANISATION	NAME OF HALL	AMOUNT REQUESTED	RECOMMENDED ALLOCATION
Glen Eden Community & Recreation Centre Inc.	Glen Eden Community Centre	\$2,600	\$2,400
Herald Island Residents & Ratepayers Assn.	Herald Island Community Hall	\$3,000	\$2,450
Hoani Waititi Marae	Wharekai	\$3,000	\$2,850
Huia-Cornwallis Ratepayers and Residents Assn. Inc.	Huia Hall	\$3,000	\$2,850
Laingholm District Citizens Association (1998) Inc.	Beach Hall	\$1,200	\$1,100
Laingholm District Citizens Association (1998) Inc.	Village Hall	\$3,000	\$2,525
Massey Birdwood Settlers Assoc Inc	Massey Hall	\$2,788	\$2,600
Moire Road Community Hall	Moire Road	\$3,000	\$2,525
Pataroa Bay Residents & Ratepayers Assn.	Pataroa Hall	\$3,000	\$2,950
Piha Community Centre Society	Barnett Hall	\$3,000	\$2,850
Sunnyvale Ratepayers & Residents Association Inc.	Sunnyvale Community Hall	\$3,000	\$2,850
Titirangi Country Womens Institute	MacAndrew Hall	\$3,000	\$2,900
Waiatarua Ratepayers and Residents Association	Waiatarua Community Hall	\$3,000	\$2,450
Waitakere Residents and Ratepayers Association In.	Domain Hall	\$3,000	\$2,950

NAME OF ORGANISATION	NAME OF HALL	AMOUNT REQUESTED	RECOMMENDED ALLOCATION
Waitakere Residents and Ratepayers Association In.	Township Hall	\$3,000	\$2,950
Whenuapai Ratepayers and Residents Association Inc.	Whenuapai Village Hall	\$3,000	\$2,800
Total		\$45,588	\$42,000

Report prepared by: Jan Brown, Community Assistance Administrator.



19 AUCKLAND REGIONAL TRANSPORT NETWORK LIMITED TRANSACTIONS

PURPOSE OF THE REPORT

The purpose of this report is to seek the Finance and Operational Performance Committee's approval of substantial transactions of Auckland Regional Transport Network Limited.

BACKGROUND

Auckland Regional Transport Network Limited wishes to enter into two transactions between companies within the Auckland Regional Transport Network Limited group. These transactions tidy up the group balance sheet and comply with the terms of a grant from Infrastructure Auckland.

In accordance with its constitution and the Shareholders Agreement, Auckland Regional Transport Network Limited is required to obtain shareholders' approval in respect of these transactions.

On 21 July 2004 the Shareholders' Representative Group passed a resolution recommending to shareholding Councils to approve these transactions.

STRATEGIC CONTEXT

Auckland Regional Transport Network Limited is continuing to carry out its role as the region's implementer of ferry and rail infrastructure until its functions are transferred under the control of the Auckland Regional Council.

ISSUES

Transfer of Stations Leases

The leases for the 39 railway stations in the Auckland Region are currently in the name of Auckland Regional Transport Network Limited. Auckland Regional Transport Network Limited has been seeking to transfer the leases to Auckland Regional Transport Network Limited Metro Limited as this is the more appropriate body to hold and manage the leases. The terms of the stations leases allow for their assignment to a wholly-owned subsidiary of Auckland Regional Transport Network Limited, provided that the assignee has 'Railway Operator Status', which Auckland Regional Transport Network Limited Metro Limited now has, and the Lessor be given at least one month's notice of the assignment. The Lessor, New Zealand Railways Corporation, has been notified of, and has consented to, the assignment of the leases.

The current owner of the capital station improvements, including the new signature stations (leasehold improvements), is the lessee of the stations - Auckland Regional Transport Network Limited. For ARTA Metro Ltd to become the owner of these assets, the stations leases need to be assigned and the capital improvements transferred to ARTA Metro Limited by Auckland Regional Transport Network Limited.

This should be done prior to commencement of capital works on the next wave of stations.

The value of the capital improvements at 30 June 2004 is as follows:

Station Improvements (in Fixed Assets)	\$661,182.62
Signature Stations (in Fixed Assets)	\$3,535,940.19
Work-in-progress	<u>\$2,744,193.40</u>
Total	\$6,941,316.21

Auckland Regional Transport Network Limited has received legal advice that the assignment of the stations leases should be subject to shareholder approval, while the value of the capital improvements to be transferred meets the criteria of a substantial transaction under the ARTNL constitution and also needs approval.

Capitalisation of Subsidiaries

The Auckland Regional Transport Network Limited Group of companies has been structured so that Auckland Regional Transport Network Limited applies for and receives grants from Infrastructure Auckland to fund capital assets and projects. Auckland Regional Transport Network Limited then utilises the funds granted to capitalise special purpose subsidiaries, which carry out the capital projects for which the grants were made.

Throughout the 2004 financial year, Auckland Regional Transport Network Limited has been providing, by means of inter-company loans, funding to its subsidiaries, as and when required, to undertake capital projects. As at 30 June 2004, Auckland Regional Transport Network Limited needs to capitalise two of its subsidiaries for the amounts granted to it by Infrastructure Auckland as follows:

ARTNL Metro Limited	\$9,390,000.00
ARTNL Harbour Berths Limited	<u>\$2,557,300.00</u>
Total	\$11,947,300.00

These amounts represent funds invoiced to Infrastructure Auckland on 30 June 2004.

Capitalisation of the subsidiaries will mean that Auckland Regional Transport Network Limited's investments in ARTNL Metro Ltd and ARTNL Harbour Berths Limited will be increased by the amounts above and consequently the subsidiaries' share capital will be increased.

RESOURCES

There are no resource implications arising in relation to these transactions.

CONCLUSION

Now that ARTA Metro Ltd has been granted rail operator status it is appropriate to transfer the stations leases and associated capital improvements from the Auckland Regional Transport Network Limited parent to ARTNL Metro Ltd.

Auckland Regional Transport Network Limited subsidiaries have been undertaking capital projects which have been funded through inter-company loans from the parent. As at 30 June 2004 it is necessary for the subsidiaries to be capitalised by the amounts granted by Infrastructure Auckland for the projects.

RECOMMENDATIONS

1. That the Auckland Regional Transport Network Limited Transactions report be received.
2. That, in accordance with the substantial transactions provisions of Auckland Regional Transport Network Limited's constitution and the Shareholders agreement:
 - a. Auckland Regional Transport Network Limited be authorised to assign the Stations Leases and transfer the capital improvements made to the stations, which have a value of \$6,941,316.21, to Auckland Regional Transport Network Limited Metro Limited;
 - b. Auckland Regional Transport Network Limited Metro Limited be authorised to accept the assignment of the Stations Leases and the transfer of the capital improvements from Auckland Regional Transport Network Limited;
 - c. Auckland Regional Transport Network Limited be authorised to capitalise ARTNL Metro Ltd for \$9,390,000.00 and Auckland Regional Transport Network Limited Harbour Berths Limited for \$2,557,300.00, being the amount of grants received from infrastructure Auckland in respect of developments undertaken by these subsidiaries; and
 - d. Auckland Regional Transport Network Limited Metro Limited and Auckland Regional Transport Network Limited Harbour Berths Limited be authorised to receive the capitalised amounts from Auckland Regional Transport Network Limited.

Report prepared by: Kevin Wright, Manager Transport Strategy.



20 SMARTER SYSTEMS PROJECT CONTRACT

PURPOSE OF THE REPORT

The purpose of this report is to advise the Finance and Operational Performance Committee of the background and purpose of the Smarter Systems project and to document the progress of the project to date. This report will also seek approval for the Chief Executive to be delegated authority to enter into the contracts required for the project.

BACKGROUND

Smarter Systems is a joint project of Auckland City Libraries, Manukau Libraries, North Shore Libraries, Rodney Libraries and Waitakere Library & Information Services.

The library management systems run by these libraries have been in place for between 8 to 18 years, with Waitakere having operated the current system for 14 years. They have become legacy systems, no longer developed by their vendors. Their language and data structures are antiquated; they are increasingly costly to operate; and possibilities for improved customer service or organisational interface are limited.

The purpose of the Smarter Systems Project is to work together to evaluate the costs, benefits, and feasibilities of jointly purchasing a replacement library management system and, if these were to be proven, to proceed to purchase, implement and jointly operate the system. The initiative is linked to the Shared Services programme started by the Chief Executives of the region.

The Smarter Systems project was approved by Council staff and provided for by Council in the Annual Plan and Long Term Council Community plan. This joint approach was agreed by each of the five local authorities, and endorsed by the Regional CEO's Forum in November 2002.

The procurement phase of the project has now been successfully completed. It is the collective view of the local authority representatives that:

- that the costs, benefits and feasibilities of jointly purchasing and hosting a library management system are proven, and
- that the Project should proceed to the next phase of joint purchase, implementation and operation.

The purpose of this report is to document the process of this joint approach and seek approval to proceed with purchase and implementation on a consortia basis and to delegate the authority to the Chief Executive to enter into the required contracts.

STRATEGIC CONTEXT

Under the Local Government Act 2002 local authorities are required to carry out their activities as effectively and efficiently as possible (Section 14). In many areas of government and in many local authorities, undertaking activities collaboratively or working in partnership with other agencies is one way to comply with this requirement.

It is widely accepted that by working together public sectors organizations can find ways to improve their effectiveness and efficiency and to provide better services and outcomes for the ratepayer or taxpayer.

The Act specifically permits local authorities to exercise their powers by engaging in joint undertakings, a joint activity or a co-operative activity (Section 12).

The Library Management System is a key part of the Library service. It provides for record keeping and management of book stock and other library items, issues and returns, and a vast range of other library functions. The Library service contributes to Council's strategic goals in the areas of strong communities, active democracy and integrated transport and communications.

ISSUES

Rationale for Regional Approach

The purpose of the Smarter Systems Project is to work together to evaluate the costs, benefits, and feasibilities of jointly purchasing a replacement library management system. The benefits of this consortium approach for libraries in the Auckland region are numerous and compelling. Most importantly the Project will:

- Deliver improved customer service;
- Create a basis for further co-operation and sharing of expertise;
- Make a leading contribution to the development of the greater Auckland region as a knowledge society, by building knowledge capacity in the community; and

- Promote a uniform standard of excellence of public libraries in the greater Auckland region.

A regional approach to the project has achieved resource efficiency and sharing of expertise through the process of reducing duplication of effort in the approach to the selection and tendering process and allowing a greater range of expertise to be applied to defining and evaluating the required functionality.

Internationally, joint approaches such as this are an increasingly common solution for libraries, to deliver benefits and realise opportunities previously beyond the reach of individual libraries.

Benefits

Implementation and operation of the Millennium system on a consortia basis with common hosting will deliver important benefits.

These benefits are summed up in the project slogan - smarter systems, better libraries and a greater Auckland.

Efficiency = Smarter Systems

The Smarter Systems project provides a key component to help the participating libraries manage and contain overheads and costs. In other words, it enables smarter systems by working together

Specific examples include:

- containing system support costs through sharing skills and expertise
- development of regional training frameworks
- delivering more communication bandwidth for current costs by consolidating regionally
- shared bibliographic databases.

Value = Better Libraries

The Smarter System project enhances the ability to provide customers with improved service delivery and easier access to library resources. In other words, from a customer perspective, the system delivers **better** libraries.

Specific examples include:

- the ability to offer a wider range of electronic services
- the possibility for more add on features in the future than could be afforded as individual libraries
- common database structures and customer interface systems will assist customers to use the system and locate items anywhere in the region
- potential for regional resource sharing of collections (interlibrary loan)

Regional Cooperation

The Smarter Systems Project strengthens relationships between local government entities regionally, paving the way for sharing services, resources and support. Working together the libraries may be able to contribute more strongly to the development of Auckland as a knowledge society, bringing greater economic and social benefits.

Specific examples include:

- enhanced access to knowledge resources held in libraries, across multiple channels
- customer information seeking skills built through use of a common search frameworks
- infrastructure could be extended to other libraries in the region, further spreading benefits and cost efficiencies
- provides for professional growth
- builds shared services capability and structures which can be applied across all Council activities
- solution is a first for New Zealand and therefore a benchmark example of shared services

Process

The Smarter Systems project has followed established methodologies for the purchase of a new computer system. Quality assurance of the process has been supplied by the Specialist Assurance Group of Audit New Zealand.

The project operates under a Memorandum of Understanding between the five Councils involved. There is regular reporting by representatives of the project to the Chief Executive Officers Forum, and reporting processes within each Council have also applied. External project management and legal advice has been utilised.

Following agreement on the functionality required by all five Councils, a Request for Information and a Request for Product process has been followed.

In order to achieve the benefits of a joint approach, a shared hosting solution was sought. Following exploration of the options, a Request for Product for hosting services was issued to the Communications and Information Technology Advisory Group (CITAG), a body representing the five Information Technology and Communications departments of the participating councils. Their proposal for a joint hosting solution was accepted. Under this arrangement Auckland City will host the system in its data centre, and will provide server and communications support to all five libraries on a cost recovery basis. This approach has been evaluated as cheaper than a commercial provider, or five stand alone in-house arrangements. First and second level support will be the responsibility of each local authority. The libraries will jointly purchase system hardware.

A contract will be entered into with the system vendor and a contract and service level agreement with Auckland City Council. Liability and asset ownership will be on the basis of a proportional per capita funding formula. Phillips Fox is providing legal advice.

A regional approach has been adopted throughout the procurement phase to ensure that the functional requirements of each participating local authority were incorporated and met. This included analysis of library, Information Technology and other corporate requirements.

Software Selection and Procurement

- A Request for Information was issued in September 2003. The Request for Information was advertised in nation-wide newspapers and on the Government Electronic Tenders Service website. Six vendors were selected to respond to the Request for Product.
- The Request for Product was issued in October 2003. Six responses were received.
- Following extensive evaluation of these responses, three vendors were shortlisted
- Demonstrations of each product were held over three weeks in February 2004.

- The preferred vendor was agreed by the representatives of the five local authorities, the decision notified on 19 March 2004.

The Request for Information stage of the Project received a satisfactory audit from the Quality controller. The Request for Product and evaluation stage is being audited at present.

Evaluation Approach

Request for Product written responses were evaluated jointly by teams from each of the libraries. Evaluation categories and weightings were listed in the Request for Product under the following headings:

Functional: 50%

Technical: 25%

Vendor/Application: 15%

Interfaces: 10%

These categories were further broken down into more detailed areas prior to receipt of the responses to the Request for Product, for use by each evaluation team. A score of 1 to 10 (poor - excellent) was assigned to each question. Results were combined and analysed to determine the three shortlisted vendors. Reference checks were undertaken for all shortlisted vendors.

Summary of Findings:

	Dynix	Innovative	Sirsi
Request for Product Scores	49.43	47.38	45.35
Demonstration scores	68.10	76.82	70.28
Cost est. (five year)	\$2.99 M	\$2.43 M	\$2.64 M

It was a unanimous decision of the Libraries and Information Technology Groups of each of the five local authorities that Innovative Interfaces be the preferred vendor with their Millennium product. This was on the basis of both functionality and cost.

A consensus has been reached between the five Councils that a five year depreciation period will apply for both software and hardware. This agreement aligns the other four Councils with Waitakere's current practice. The Finance Managers of each city will be meeting to resolve the process for financially managing the depreciation regime of both the hardware and the software.

The budget for the systems and hosting is funded by loan and identified in the 2004/2005 Annual Plan. At this point within the project it is anticipated that the interest on the loan will be managed through Council's loan funding process, this will be subject to confirmation once the meeting of the Finance Managers of each of the participating Councils has been held.

Preferred Vendor

Innovative Interfaces is a privately owned San Francisco based company specialising in library system software development. This is its twenty-fifth year of operation. Its products are in use in all types of libraries in 41 different countries, including many large public libraries and consortia systems similar to that proposed here. Innovative reference sites have included Helsinki, and North Boston Library Exchange - both public library consortia, and San Francisco Public Library. The first Millennium module was introduced in 1995. Millennium is particularly notable for its simple system configuration and flexibility of application, and ease of upgrade.

This would be the first application of the Millennium product in New Zealand, where there is one other Innovative site. There are 23 other Innovative libraries in Australia, where Innovative maintains a sales office. Innovative operates a strong user base, with an international user group and regional groups, including an Australasian group. Real time technical support is provided on-line from its headquarters in San Francisco, United States.

It is the unanimous view of representatives from the local authorities that this is a product which will give us the functionality and open systems flexibility required to meet customer and organisational needs for the foreseeable future. The Millennium system also enables many of the shared benefits envisaged by the Smarter System project.

Hosting Selection and Procurement

Once the joint and unanimous decision to purchase the Innovative Interfaces product had been made, it became clear that it was advantageous and beneficial to continue a regional approach by purchasing and operating the system jointly, as a consortium.

The main benefits of this project lie not with the purchase of a replacement software system, but with the potential offered by joint purchase and operation of this software by all five local authorities.

At a strategic level these benefits can be summarised as efficiency, value and leadership. Specifically these benefits will be achieved in the short term through cost containment, shared data structures, resource sharing, and shared staff expertise. There is also the potential for longer term opportunities.

However, to achieve these benefits of purchase of the same system outlined above, shared hosting on a single server is identified as an essential prerequisite. In addition, shared hosting produces its own cost saving benefits, for example reduced hardware purchase and housing costs (2 servers instead of 10), and lower administration and operational costs.

Process and Solution

Currently two of the libraries are internally hosted by their own local authority, while three outsource this role to Datacom.

It was decided to treat hosting as a second procurement strand. This is because the number of local authorities preferring to proceed with joint purchase of the library system had to be clear, and because of the need to work through internal and external hosting options, risks and benefits.

Initially a Request for Product for hosting was advertised in newspapers and the Government Electronic Tenders Service website. Three responses were received from external vendors, and subsequently further information was sought from them as part of an extended Request for Information.

Subsequently an option proposed by some of the participating authorities was that they would wish to host their own system in-house. Research indicated that this approach would not achieve the shared benefits of joint purchase and operation of one system.

Finally it was proposed to jointly host the Millennium system as a shared service on a cost recovery basis.

The Smarter Systems Project issued a detailed Request for Product for physical housing and support of the hardware and associated communications connections to CITAG for response. This Request for Product included required service levels and was on the basis that if the response was not satisfactory, an external host would be sought by issuing a Request for Product to the three vendors who had responded to the Request for Information. The CITAG response was received on May 26 2004 and, following thorough evaluation, a decision was made on 10 June 2004 to accept the CITAG hosting proposal in principle. The proposal meets functionality, service level and cost requirements. Vendors who had responded to the initial Request for Information were notified of this decision.

Under the CITAG solution, the libraries will jointly purchase the system hardware. Auckland City will host the system in its data centre, and will provide server and central communications support to all five libraries on a cost recovery basis. First and second level support will be the responsibility of each local authority, and communications costs and responsibilities are defined in the response to the Request for Product.

The relationship will be governed by contract and service level agreements between the parties.

This shared services hosting solution will enable the project benefits of joint ownership and operation to be realised, both in the short and long term. The fact that the IT departments of the five local authorities have come together in this way is another benefit of the Smarter Systems project which was not anticipated at the beginning. It is a solution that opens up other potential shared services initiatives

COSTS FOR THE SMARTER SYSTEMS PROJECT

- Capital Expenditure

Local Implementation Costs	Systems Capex	Hosting Capex	Programme Implementation
\$326,123	\$198,766	\$63,269	\$551,129

Excludes any growth component

- Operating Costs

	System Costs	Hosting Costs	Additional IT costs
First year	\$7,337	\$27,750	\$65,725
Subsequent years	\$29,345	\$27,750	\$65,725

Excludes any growth component

- Comparison of current with future operating costs

Current Costs	Future Costs
\$218,708	\$57,095

Excludes any growth component and any additional IT costs for software and Learning Centre operations shown in the above table as 'Additional IT Costs'. As the system is implemented and grows there may be additional I.T. costs to Council in providing desktop support

Overall annual budget saving is \$161,613 (283%) per annum.

As desktop support (with the exception of the Learning Centre support) is in the process of transferring from Datacom to Information Management, additional staffing resource (estimated to the 1.0fte) will be appointed by Information Management to support Libraries in future. This will impact on the overall expected savings.

RESOURCES

Budget provision has been made in the 2004/2005 Annual Plan and in the Long Term Council Community Plan for this project.

Staffing resources will be funded by the project to provide staff coverage to release staff to contribute to the project. This will require a commitment from library staff of close to 5.40 full time equivalent staff and a contribution from Information Management of .2 full time equivalent staff.

CONCLUSION

After undertaking an extensive investigation phase it has been established that a regional consortia approach to the selection and acquisition process for both the library management system and the hosting platform for five of the library services in the Auckland region will produce a number of substantial benefits for both Waitakere City and the Auckland region.

For this reason it is requested that Council supports the Smarter Systems project and approves the project to proceed to the implementation phase. To that end it is necessary to delegate authority to the Chief Executive to enter into a contract with Innovative Interfaces for the purchase and ongoing support for the Millennium product in a consortium arrangement with the four other local authorities, Manukau City, North Shore City, Auckland City and Rodney District. In addition Council needs to delegate authority to the Chief Executive to enter into contract arrangements jointly with Manukau City, North Shore City, Auckland City and Rodney District for the purchase of the hardware required to host the library management system and for the agreement that Auckland City will host the system in its data centre, and will provide server and central communications support to all five libraries on a cost recovery basis.

RECOMMENDATIONS

1. That the Smarter Systems Project Contract report be received.
2. That approval to proceed with the Smarter Systems project be given.
3. That the Chief Executive be delegated authority to enter into a contract for the purchase and commissioning of a server platform to host the Library Management System software, and any other contracts and agreements necessary with the other Councils to provide for hosting and support arrangements for the Library Management System.

4. That the Chief Executive be delegated authority to enter into a contract for the purchase and installation of the Millennium Library Management System software from Innovative Interfaces.

Report prepared by: Su Scott, Library and Information Services Manager



21 KEEP WAITAKERE BEAUTIFUL SIX MONTHLY REPORT JANUARY TO JUNE 2004

PURPOSE OF THE REPORT

A39-A56

The purpose of this report is to provide the Finance and Operational Performance Committee with the Keep Waitakere Beautiful Trust Six Month Report which is attached at pages A39 to A56. The Report covers the period 1 January to the 30 June 2004.

BACKGROUND

Keep Waitakere Beautiful was originally established in 1993 as a Council - community partnership. In August 2002, Keep Waitakere Beautiful was incorporated as a charitable trust and a 'Memorandum of Understanding' between Keep Waitakere Beautiful Trust and the Council was signed in September 2002. This document provides a framework for the relationship and commitment between Keep Waitakere Beautiful Trust and Council. An annual contract is also entered into and Keep Waitakere Beautiful Trust reports to Council regularly on milestones, Key Performance Indicators and shared objectives that have been met.

Council provides funding for the Keep Waitakere Beautiful Trust programme on an annual basis through the Annual Plan process. Keep Waitakere Beautiful Trust also receives financial support in the form of cash and in-kind sponsorship from the local community.

A Keep Waitakere Beautiful Trust Board provides a governance role by ensuring that the aims and vision of Keep Waitakere Beautiful Trust is translated through the annual work programme. The Board also establishes the broad strategic framework which guides the work programme, in order to achieve Keep Waitakere Beautiful Trust's vision and goals. Various part time staff support the programme on a day to day basis.

STRATEGIC CONTEXT

The relationship between Keep Waitakere Beautiful Trust and Council is an active reflection of the 'Active Democracy' & the 'Green Network' Strategic Platforms of the Long Term Council Community Plan. The partnership aims to empower the community, and exists because both parties recognise the long-term value in community ownership of, and participation in, community-based environmental initiatives.

The objectives of the Keep Waitakere Beautiful Trust -Council partnership are to:

1. Provide the community with avenues for volunteer involvement in local environmental initiatives.
2. Provide input into Council policy, service delivery and decision making by community groups and residents with respect to environmental initiatives.
3. Provide a forum for consultation and communication between Council and community groups and residents on environmental issues.

4. Enhance the community awareness of environmental issues through community based programmes.
5. Increase volunteer involvement in Keep Waitakere Beautiful Trust project activities long term.

ISSUES

A requirement of the contract Council has with Keep Waitakere Beautiful Trust is that they submit a six monthly report which includes figures to support the Key Performance Indicators Keep Waitakere Beautiful Trust must meet. Of the 13 Key Performance Indicators, one was not applicable, seven were achieved, and five not fully met.

The Key Performance Indicators "40% of residents can name or recall a Keep Waitakere Beautiful Trust event" was not applicable because Parks carry out the survey every two years, so no data was collected for the reporting period.

The five not fully met were all very close to being met, for example Keep Waitakere Beautiful Trust is part contributor (2,000) to the 3,550 target for the number of people working in partnership with Council in Green Network projects. Keep Waitakere Beautiful Trust counted 1,871 participants last year. The War on Weeds Key Performance Indicators was not met, as a bin shortage in the Auckland region reduced the number of bin locations available. The number of Ecosourced plants target is 1,500, and 1070 were planted.

In the first six months of this year 1,669 volunteers have given their time to the wide range of projects run by Keep Waitakere Beautiful Trust, and the Trust is on track to meeting its Key Performance Indicators requirements for the year.

A number of staff changes during the reporting period had an impact on the Keep Waitakere Beautiful Trust programme, but new permanent staff are now in place and the programmes are on track.

Keep Waitakere Beautiful Trust has recently changed its reporting timeframe to match Council's financial year. This is the first six monthly report for this new period. The next annual report will cover the period July 2004 to June 2005.

CONCLUSION

Keep Waitakere Beautiful Trust has produced its six month report covering the period 1 January to 30 June 2004 and is well on track to meet its contract, Key Performance Indicators and partnership objectives.

Keep Waitakere Beautiful Trust continues to initiate, motivate and encourage community action and pride in the City by organising clean ups and plantings and providing education and publicity on the environment. Keep Waitakere Beautiful Trust has enjoyed enormous success since its inception 11 years ago due to the tremendous input from many thousands of residents who have volunteered their time to assist Keep Waitakere Beautiful Trust in making Waitakere City a more attractive place to live, work, play and visit.

RECOMMENDATION

That the Keep Waitakere Beautiful Six Monthly Report January to June 2004 be received.

Report prepared by: Jacki Byrd, Parks & Community Projects Co-ordinator.



22 **AUCKLAND WAR MEMORIAL MUSEUM - REAPPOINTMENT OF BOARD MEMBERS**

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Finance and Operational Performance Committee for the reappointment of Mr. David Hill (currently Chairperson of the Board) and Mr. Bruce Anderson to the Auckland War Memorial Museum Board.

BACKGROUND

Council is a contributing member (two voting representatives) on the Territorial Local Authority Electoral College. The Electoral College exercises a governance roll over the respective Boards of The Auckland War Memorial Museum and the Museum of Transport and Technology. From time to time Board positions come up for re-election / appointment. The Auckland War Memorial Act 1996 sets out the membership of the Board for that museum (section 4) and the term of office for Board members (section 5). Clause 3(a) allows for the re-appointment of a member.

STRATEGIC CONTEXT

The Auckland War Memorial Museum is a facility contributing to the preservation of cultural and heritage history on a regional basis.

ISSUES

A57-A58

The term of appointment to the Auckland War Memorial Museum Board of Mr. Anderson and Mr. Hill is drawing to a close. Under the legislation covering the Museum (The Auckland War Memorial Act 1996) members can be reappointed to the Board without the need to call expressions of interest to replace those members. Mr. William Randall, Deputy Chairperson of the Board, has written to Mr. Scott Milne, Chairperson of the Electoral College, seeking support for the direct reappointment for a further term of Mr. Anderson and Mr. Hill. Mr. Milne has, in turn, written to Council's representatives, Councillors Neeson and Russell, seeking support for the proposal. Mr. Randall's and Mr. Milne's letters are attached at pages A57 to A58 respectively.

Both Councillors Neeson and Russell have expressed their support for the proposal and may wish to speak to this report at this meeting.

CONCLUSION

The term of Mr. David Hill and Mr. Bruce Anderson on the Board of the Auckland War Memorial Museum is drawing to a close. The Chairperson of the Territorial Local Authority Electoral College is seeking support from the various Council representatives to have these two Board Members reappointed for a further two year term. Councillors Neeson and Russell, this Council's representatives, have indicated their support for the reappointments and a resolution of this committee confirming this support is now requested.

RECOMMENDATIONS

1. That the Auckland War Memorial Museum - Reappointment of Board Members Report be received
2. That the Finance and Operational Performance Committee give its approval to the reappointment of Mr. David Hill and Mr. Bruce Anderson to the Board of the Auckland War Memorial Museum.

3. That the Finance and Operational Performance Committee's decision be communicated to the Chairperson of the Territorial Local Authority Electoral College.

Report prepared by: Alec Third, Group Manager: Financial Operations.



23 WAITAKERE CITIZENS ADVICE BUREAU FINAL REPORT 2003/2004

PURPOSE OF THE REPORT

This item provides a final report on the performance of the Citizens Advice Bureaux in Waitakere City for the year 2003-2004.

BACKGROUND

In 2003-2004 Council provided bulk funding of \$282,000 plus GST to Waitakere Citizens Advice Bureau Inc. to administer the Citizens Advice Bureaux services and staff. An additional amount of \$41,000 was distributed to assist in the fit-out of the Henderson temporary premises. Waitakere Citizens Advice Bureau Inc. use the resources to ensure that each of the four Citizens Advice Bureaux provide information and advisory services to residents. Ongoing funding has been approved via a three year contract from 2003-2006.

STRATEGIC CONTEXT

In the Review of the Citizens Advice Bureaux in June 1998, Council adopted "that the strategic partnership between the two organisations (Council and Citizens Advice Bureaux) continue, given common objectives and synergies."

The strategic basis of this relationship lies in Council's interest in the provision of information to residents and Citizens Advice Bureaux role in the following ways:

- providing access to good quality information
- informed residents - helping to create a 'Smart City' with lifelong learning opportunities
- increasing participation in local affairs and community life
- the increasing importance of technology and access to information

The liaison and administration of the Waitakere Citizens Advice Bureau Inc. contract through Councils Library and Information Service provides alignment with Councils adopted strategic platforms.

ISSUES

Trends

The overall number of enquiries to the Bureaux increased from 40,958 in 2002-2003 to 42,480 in 2003-2004; an increase of 3.7%. Client contact with JP and specialist services continues to increase. The number of enquiries and requests for food parcels over most Waitakere Bureaux has decreased. It has been noted that an increasing amount of advocacy is carried on behalf of some clients, resulting in increased time spent with individual clients.

Bureau highlights

Henderson bureau shows a decrease in enquiries with 12,803 in 2002-2003 and 12,292 in 2003-2004. This is likely to be due to the temporary location of the bureau. The bureau has 29 fully trained volunteers, with an increase in the recruitment of volunteers from different ethnic groups. An interpreting service continues and will be promoted to increase its usage. The trial for Saturday morning openings was not successful, possibly due to the temporary location. A further trial for Saturday opening will take place once the bureau is co located with the Waitakere Central Library.

Glen Eden bureau shows an increase in JP services and a decrease in food parcel requests are highlighted. The bureau has 21 fully trained volunteers with new Chinese recruits and two Maori volunteers.

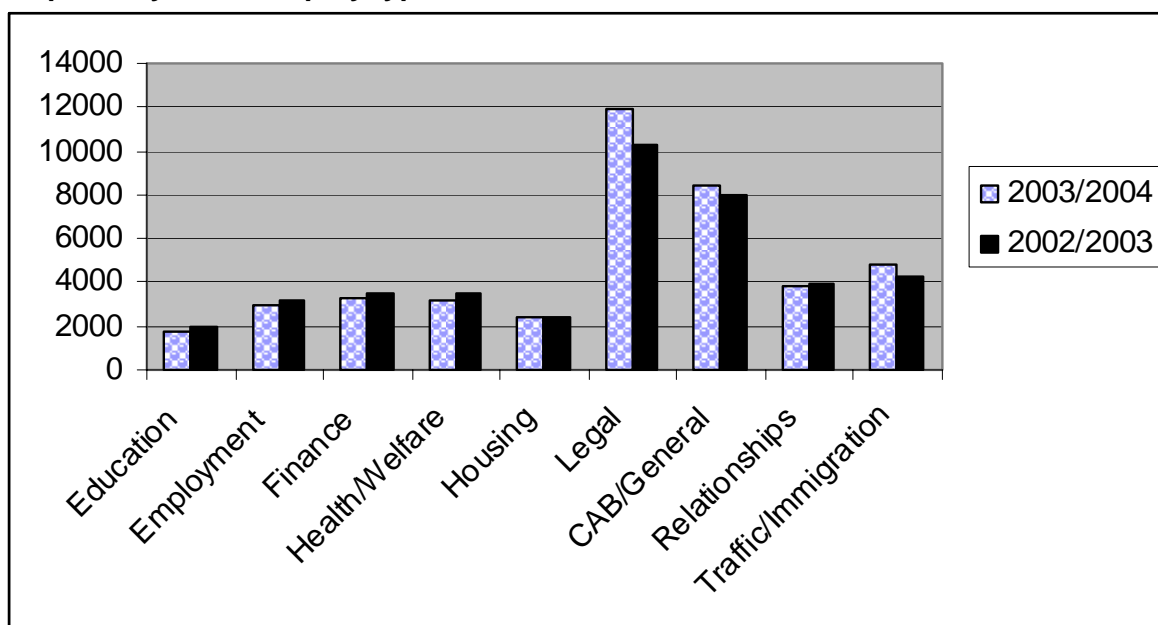
New Lynn bureau shows an increase of enquiries by 13% from the previous year, a total of 14,589 enquiries for 2003-2004. The bureau has 36 volunteer workers including four Chinese volunteers for the Chinese Service. This bureau continues to enjoy a high foot traffic provided by the location of the Citizens Advice Bureau in Lynn Mall. The large ethnic diversity in New Lynn has resulted in an increase of information about new migrant issues, information about the area, how to access services and general immigration enquiries. An increase in employment issues and advocacy has also been noted.

Massey bureau shows an annual increase of 9% in statistics from the previous year, with a total of 7865 enquiries. The co-location with the Massey Library has enabled clients to access a wide range of information during the weekend, when the bureau is closed. 25 volunteers currently staff the bureau with the service interpreters available in Cantonese, Korean, Mandarin, French, German, and Maori.

Enquiries

The annual total of 42,480 enquiries for the 2003-2004 year was shown by the four bureaux. A breakdown in the types of Citizens Advice Bureaux enquiry shows the biggest increase in the legal category (16%) followed by the immigration category (13.8%). The following graph shows a comparison of enquiry types from 2002-2003 and 2003-2004.

Graph analysis of enquiry type;



Immigration

This Council has requested specific information on the immigration statistics and trends. The Citizens Advice Bureaux continues to indicate a growing number of immigration enquiries, specifically justice of the peace enquiries and general immigration enquiries. The table below shows a detailed breakdown of immigration and migrant enquiries. It should be noted however that many migrant enquiries are classified under the area on enquiry, e.g. consumer, if the enquiry is predominantly about that category.

Table showing number and type of Immigration enquiries:

	2001-2002	2002-2003	% change	2003 - 2004	% change
Justices of the Peace	4,675	7,344	57.1	9073	23.5
Residency, Immigration and Citizenship	796	1,122	41.0	1488	32.6
Refugees and Migrants	38	50	31.6	95	90
General immigration enquiries	11	14	27.3	52	271.4
Interpreters and Translating	337	602	78.6	703	16.8

SUMMARY OF PERFORMANCE:

Waitakere Citizens Advice Bureau Inc. have complied with all contract targets including:

- 1. Target: Raise the awareness of residents to Council's support for the provision of Citizens Advice Bureaux services in Waitakere City.**
Media releases on behalf of Bureaux acknowledge the support of Waitakere City Council by a standard phrase at the conclusion of each article, and with Waitakere City Council logo in all printed media releases.
- 2. Target: Quality and accuracy of information and service by Bureaux is rated satisfactorily or higher by customers.**
This is measured through the Association's membership standards review and through Councils Omnibus survey. The Omnibus survey in December 2004 showed awareness as very high with nearly all (97%) of the Waitakere City residents surveyed stating they have heard of the Citizens' Advice Bureau. Of those who claim to have heard of the Citizens' Advice Bureau, most (87%) indicate they are aware of services that are offered. 94% satisfaction was stated by those that used the service.
- 3. Target: Six monthly and annual reports showing the statistics and data that each Bureau provides to the Association.**
Six monthly and annual report schedules have been met. Both the five year Strategic Plan and Waitakere Citizens Advice Bureau Inc. Business Plan have been completed.

- 4. Target: New migrant and ethnic communities are aware of the services available.**
Demographic data of Citizens Advice Bureau usage reflects the ethnic diversity of Waitakere. Ethnicity statistics show the majority ethnic group is Chinese, followed by people of Indian, Pacific Island and Korean descent. A volunteer pack for ethnic and migrant communities has been developed in conjunction with National Office that can be presented to individual community groups.
- 5. Target: Volunteers and staff of each Bureau are representative of the demographic of the community that they serve.**
Bureaux are actively involved within their local ethnic communities and Waitakere Citizens Advice Bureau Inc. are working on policies to promote and recruit ethnic volunteers.
- 6. Target: Growth of usage annually in enquiries.**
An increase of 3.7% in enquiries is shown from 2002-2003. Two specific areas of growth are indicated in General/Citizens Advice Bureau enquiries and Immigration and Traffic enquiries.
- 7. Target: Maintaining up to date and accurate information on the Waitakere Citizens Advice Bureau Inc. database.**
Waitakere Citizens Advice Bureau Inc. have two Information Officers who primarily update and maintain the Waitakere Citizens Advice Bureau Inc. database. Waitakere Citizens Advice Bureau Inc. are currently running updates to the database one week behind the current calendar date which is an exceptional achievement.
- 8. Target: Each Bureau complies with NZACAB membership standards.**
Waitakere Citizens Advice Bureau Inc. Bureaux in Massey, Henderson, New Lynn and Glen Eden have all undertaken their membership reviews in the past twelve months. All Bureaux comply with New Zealand Association of Citizens Advice standards, policies and practices.
- 9. Target: Enhancing the Citizens Advice Bureaux e-community provision.**
The Citizens Advice Bureau have posted the electronic version of the West Auckland Social Service directory on line which can be accessed through Waitakere on line or through the Waitakere Citizens Advice Bureau Inc. website. Residents can ask questions via the Waitakere Citizens Advice Bureau Inc. website, and bureau respond via email. Expansion of this service may require a review of resourcing in this area.
- 10. Target: Telephone information and advice service meets the minimum standards.**
Telephones are answered within 5-6 rings in all bureaux. An after-hour message is received once the Bureaux has closed for the day and a call-divert system is in place.
- 11. Target: Waitakere Citizens Advice Bureau Inc. participates in the development of regional initiatives for expanding Citizens Advice Bureau services to the community.**
Waitakere Citizens Advice Bureau Inc. are working closely with Wadcoss, the Waitakere Ethnic Board, Enterprise Waitakere and local community providers to expand current services.

12. Target: Ongoing development of Library and Bureaux collaboration.

Waitakere Citizens Advice Bureau Inc. and Libraries jointly promoted Citizens Advice Bureau Awareness Week in the last week of March 2003 which was highly successful.

Collaborative Projects

Citizens Advice Bureau Awareness Week was held in March 2004. Waitakere Bureaux provided stalls in local shopping malls, produced local advertising and provided information pamphlets and giveaways for all Waitakere Libraries for placement in outgoing books. Displays were also arranged in dedicated Library space. This is an excellent example of Libraries and Bureaux working together to achieve a positive joint outcome on information provision.

Waitakere Citizens Advice Bureau Inc. has worked over the last six months towards a strong presence within the Waitakere community sector aligning with strong community projects and representative groups such as the Waitakere Ethnic Board, Wadcoss, Enterprise Waitakere, and the Waitakere Wellbeing Project to name a few. These have and continue to result in partnering projects and relationships which in turn provide a strong network for Bureaux and opens up possibilities for growth and diversity within the Waitakere cluster.

CONCLUSION

The report of the Citizens Advice Bureau is presented. The number of enquiries have increased from last years by 3.7%. Other performance measures were met or exceeded by the Citizens Advice Bureaux in the 2003-2004 year and a quality service providing information to the residents of Waitakere City has been delivered. Ongoing work is being progressed in the development of complimentary services between libraries and bureaux. Statistics show an increase in use from the migrant communities, reflected by the increasing number of Immigration enquiries.

RECOMMENDATIONS

1. That the Waitakere Citizens Advice Bureau Final Report 2003-2004 be received.
2. That Council acknowledge the continuing dedication of service of the Waitakere Citizens Advice Bureau Inc. executive committee and bureau volunteers.

Report prepared by: Jo Brewster Operations Team Leader, Waitakere Libraries and Information Services



24 PROPOSED PRIORITIES FOR WATERCARE SERVICES LIMITED

PURPOSE OF THE REPORT

The purpose of this report is to seek the Finance and Operational Performance Committee's views on suggested focus areas for the Watercare Shareholders Representative Group to consider at its November 2004 priority-setting meeting.

BACKGROUND

A workshop was held on 15 March 2004, where councillors discussed issues relating to water management and formulated a response to Watercare's draft Statement of Corporate Intent. On 10 April 2004 the Finance and Operational Performance Committee considered the results of the workshop and passed a series of resolutions relating to the Statement of Corporate Intent and Watercare governance issues. The resolutions were passed against the backdrop of the Council's strategic goal of sustainable management of the three waters: water supply, wastewater and stormwater.

As a result of Waitakere City Council's resolutions and resolutions put forward by North Shore City Council, the Shareholders Representative Group has adopted a new annual process. The new process will allow individual shareholding councils more opportunity to promote individual council interests in setting Shareholders Representative Group priorities and expectations for Watercare. The new step also carries the added benefit of enabling the Shareholders Representative Group to signal to Watercare, early in the development of the Draft Statement of Corporate Intent, the Shareholders Representative Group's priorities and expectations for the upcoming year.

At the Shareholders Representative Group's meeting in November 2004, the Group will collectively decide on what are its priorities for Watercare for the upcoming year. When the Shareholders Representative Group has agreed on these, the Group will convey these priorities to Watercare for consideration as the Company prepares its Draft Statement of Corporate Intent.

STRATEGIC CONTEXT

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

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

ISSUES

The priority-setting process provides the opportunity to align Watercare's governance with the principles relating to its shareholding territorial local authorities as stipulated in Section 14 (h) of the Local Government Act 2002, which states:

- (h) *In taking a sustainable development approach, a local authority should take into account -*
 - I. *the social, economic, and cultural well-being of people and communities; and*
 - II. *the need to maintain and enhance the quality of the environment; and*

III. *the reasonably foreseeable needs of the future generations.*

Waitakere City Council officers suggest that the Finance and Operational Performance Committee uses this opportunity to recommend the development of a core set of sustainability indicators for Watercare’s Statement of Corporate Intent. These indicators will place the Statement of Corporate Intent more in the context of the sustainable management of water and the four well-beings as stipulated in the Local Government Act 2002.

A possible approach for the Statement of Corporate Intent is to link sustainability indicators to specific goals, sustainability criteria, and strategies. An example is set out below.

Goals/desired outcomes	Objectives/ Sustainability criteria	Strategies for achieving objectives	Core Set of Sustainability Indicators
<ol style="list-style-type: none"> 1. Meeting human needs 2. Meet eco-system needs 3. Remain financially viable and contribute to socio-economic development 	<ol style="list-style-type: none"> 1. Provide agreed levels of “service” 2. Protect public health 3. Inform/educate public and involve in decision-making 4. Achieve environmental outcomes 5. Use environmental, human and financial resources efficiently and effectively 6. Remain commercially viable. 7. Account fully for enviro-socio-economic costs/benefits 	<ol style="list-style-type: none"> 1. Meet public health standards 2. Use range of demand and supply-side strategies 3. Involve stakeholders (agencies and community) 4. Optimise closed water cycle management (incl. stormwater) 5. Maximise renewal resource use 6. Internalise “externalities” from outset 7. Use adaptive management approach 8. Systematically balance social economic and environmental objectives of triple bottom line 9. Progressively develop flexible water systems that are resilient to social, environmental and economic changes 10. Be a reflective learning organisation 11. Use transparent reporting practices 	<ol style="list-style-type: none"> 1. Health compliance reports 2. “Informed” customer satisfaction with service and with impact of participation on decision-making. 3. Achievement of water conservation targets. 4. Extent to which living within water budget (water balance, incorporating storm water). 5. Withdrawals surface & ground water (% change). 6. Direct energy use. 7. Impacts on biodiversity and \$ remediation. 8. Operating revenue/property 9. Return on assets 10. Employee expenses 11. Extent to which customers pay full cost of water.

Focus areas proposed by the Officers Working Group are:

- **Cost efficiency review of Watercare.** Results from the review are due mid September. Officers consider this review an important step in minimising the costs of Watercare’s business and recommend that the Committee suggest to the Shareholders Representative Group to continue to make this a priority.

- **Shareholders Representative Group review of Watercare's Funding Plan.** The Shareholders Representative Group resolved early this year to commission an independent review of Watercare's Funding Plan. Officers recommend that the Committee suggest to the Shareholders Representative Group to make this review a priority as it would ensure continued pressure on Watercare for better performance since the Funding Plan is the follow-on step from the Asset Management Plans which were the focus of the cost efficiency review. Furthermore, Watercare introduced an innovative pricing adjustment mechanism last year and it would be beneficial for this mechanism to be scrutinised by an independent expert.
- **Central government review of Watercare's legislation.** Officers recommend that continued emphasis be placed on the need for Watercare to work with the Shareholders Representative Group on the central government's review of legislation relating to Watercare's operating powers. This year, the progress on the review has been slow but the pace is expected to pick up in the upcoming year.
- **Joint planning with the Local Network Operators.** A major recommendation from a study commissioned by Auckland City and Metrowater in November 2003 was the need to strengthen joint planning and for operators to work collaboratively to develop solutions to tackle challenges in provision of wastewater services. Watercare has already made some progress in this area, for example by initiating the development of a regional vision for the three waters. Officers consider that this should be a Shareholders Representative Group priority because of the Council's interest in coordinating of operator activities in the region as well as the Council's interest in finding least-cost solutions to wastewater problems.
- **Coordination of strategies in asset investment.** Officers consider that the Shareholders Representative Group should request Watercare to lead an approach to asset planning and investment within the industry that encourages more coordination and which discourages duplication and unnecessary expenditure within the region.

RESOURCES

Technical support provided by Council officers for the Watercare Shareholders Group is included in 2004/2005 Annual Plan.

CONCLUSION

At the Shareholders Representative Group meeting in November 2004, the Group will collectively decide on what are its priorities for Watercare for 2005. This is a new step in the Shareholders Representative Group's process, and has been introduced by the Shareholders Representative Group to allow individual shareholding councils more opportunity to promote individual council interests in setting Shareholder Representative Group priorities and expectations for Watercare.

The new step also carries the added benefit of enabling the Shareholders Representative Group to signal to Watercare, early in the development of the Draft Statement of Corporate Intent, the Shareholders Representative Group's priorities and expectations for the upcoming year.

RECOMMENDATIONS

1. That the Proposed Priorities for Watercare Services Limited report be received.

2. That the Finance & Operational Performance Committee direct the Council's Shareholders Group Representatives to recommend as a priority the development of a core set of sustainability indicators for Watercare's Statement of Corporate Intent. These indicators will place the Statement of Corporate Intent more in the context of the sustainable management of water and the four well-beings as stipulated in the Local Government Act 2002.
3. That the Finance and Operational Performance Committee also direct the Council's Shareholders Group Representatives to recommend the following priority areas for Watercare for 2005.
 - 3.1 Cost efficiency review of Watercare.
 - 3.2 Shareholders Representative Group review of Watercare's Funding Plan.
 - 3.3 Central government review of Watercare's legislation.
 - 3.4 Joint planning with the Local Network Operators.
 - 3.5 Coordination of strategies in asset investment.

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



PART VI - SUBCOMMITTEES REPORTS

25 EMERGENCY SERVICES SPECIAL COMMITTEE

THE SPECIAL COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS ORDINARY MEETING HELD ON TUESDAY, 3 AUGUST 2004

MATTERS CONSIDERED

A59-A60

The Special Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A59 to A60.

The Special Committee Recommends:

That the Ordinary Meeting report of the Emergency Services Special Committee held on Tuesday, 3 August 2004 be received.

DQ Battersby, JP
CHAIRPERSON



26 **REGIONAL ARTS AND CULTURE FUNDING ALLOCATION SUBCOMMITTEE**

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS ORDINARY MEETING HELD ON MONDAY, 9 AUGUST 2004

MATTERS CONSIDERED

A61-A62

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A61 to A62.

The Subcommittee Recommends:

That the Ordinary Meeting report of the Regional Arts and Culture Funding Allocation Subcommittee held on Monday, 9 August 2004 be received.

DA Yates, JP
CHAIRPERSON



27 **TENDERS SUBCOMMITTEE**

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS ORDINARY MEETINGS HELD ON FRIDAY, 6 AUGUST 2004 AND FRIDAY, 20 AUGUST 2004

MATTERS CONSIDERED

A63-A67

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A63 to A67.

C11

The public excluded minutes are attached at page C11 of the Confidential Supplement.

The Subcommittee Recommends:

That the Ordinary Meeting reports of the Tenders Subcommittee held on Friday, 6 August 2004 and Friday 30 August 2004 be received.

JM Clews, QSO, JP
CHAIRPERSON



PART VII - CONFIDENTIAL ITEM

28 HENDERSON VINEYARDS BUSINESS CAMPUS - UNIVERSAL DRIVE EXTENSION

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 of the proceedings of this meeting, Henderson Vineyards Business Campus - Universal Drive Extension.

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"> Henderson Vineyards Business Campus - Universal Drive Extension 	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). 	<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, would affect the Council's negotiations and the need to maintain the privacy of property owners.*

