

CHRISTCHURCH CITY COUNCIL SUPPLEMENTARY AGENDA

THURSDAY 29 JANUARY 2015

9.30AM

**COUNCIL CHAMBER, CIVIC OFFICES,
53 HEREFORD STREET**

CHRISTCHURCH CITY COUNCIL

Thursday 29 January 2015 at 9.30am
in the Council Chamber, Civic Offices, 53 Hereford Street

Council: The Mayor, (Chairperson).
Councillors Vicki Buck, Jimmy Chen, Phil Clearwater, Pauline Cotter, David East, Jamie Gough,
Yani Johanson, Ali Jones, Raf Manji, Glenn Livingstone, Paul Lonsdale, Tim Scandrett and
Andrew Turner.

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COUNCIL 29. 01. 2015**26. RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORTS**

Approval is sought to submit the following reports to the meeting of the Council on 29 January 2015:

- **REPORT OF THE CIVIC AWARDS SUBCOMMITTEE MEETING OF 26 JANUARY 2015 (CONT'D)**
- **CHRISTCHURCH DEVELOPMENT AUTHORITY (CONT'D)**
- **GOVERNANCE AND ORGANISATION SUPPORT FOR TRANSITION (CONT'D)**

The reason, in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987, why the reports were not included on the main agenda is that they were not available at the time the agenda was prepared.

It is appropriate that the Council receive the reports at the current meeting.

RECOMMENDATION

That the reports be received and considered at the meeting of the Council on 29 January 2015.

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CHRISTCHURCH CIVIC AWARDS SUBCOMMITTEE
26. 01. 2015

A meeting of the Christchurch Civic Awards Subcommittee
was held in Committee Room 2
on Monday 26 January 2015 at 4pm

- PRESENT:** Councillor Yani Johanson (Chairperson)
Community Board Chairpersons Val Carter, Andrea Cummings, Mike Davidson,
and Sara Templeton
- APOLOGIES:** Community Board Chairpersons Paul McMahon and Pam Richardson
Paula Smith for lateness, who arrived at 4.08pm, and was absent for clauses 1 to 4 and
part of clause 5.

The Committee reports that:

PART B – REPORTS FOR INFORMATION**1. DECLARATION OF INTEREST**

Nil.

PART C – DELEGATED DECISIONS**2. APOLOGIES**

It was **resolved** that apologies for absence from Community Board Chairpersons Paul McMahon, Pam Richardson and Paula Smith, be received and accepted.

3. RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORTS

It was **resolved** to accept the report 'Christchurch Civic Awards 2015' to this extraordinary meeting of the Christchurch Civic Award Subcommittee.

3. RESOLUTION TO EXCLUDE THE PUBLIC.

The Committee **resolved** that the resolution to exclude the public as set out on page 1 of the agenda be adopted.

At 4.12pm, it was **resolved** to readmit the public to the meeting. At this point the Chairperson declared the meeting closed.

CONSIDERED THIS 29TH DAY OF JANUARY 2015

MAYOR

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12. THE ESTABLISHMENT OF A CHRISTCHURCH DEVELOPMENT AUTHORITY

		Contact	Contact Details
Executive Leadership Team Member responsible:	Chief Executive	Y	Rosie 941-8554
Officer responsible:	Director Facilities & Infrastructure Rebuild	Y	03 9418149
Author:	Director Facilities & Infrastructure Rebuild	Y	03 9418149

1. PURPOSE AND ORIGIN OF REPORT

1.1 On 5 December 2014 Council passed the following two resolutions:

- 3.1 That Council agree in principle to the establishment of a Development Authority to accelerate the City's rebuild.
- 3.2 That Council request the Chief Executive to provide urgent advice on the potential organisational architecture including, but not necessarily limited to government's mandate, strategic direction, decision making framework operating scope, terms of reference, timeframes, organisational alignment, accountability and transparency, procurement and funding implications, and which takes into account the Crown's current and planned activity in this area. This advice is to be prepared by 30 January 2015 for further consideration.

2. EXECUTIVE SUMMARY

- 2.1 This report covers the progress to date and requests consideration of a final report in February. Significant work has been undertaken regarding the scope, the measure of success, structural options, governance options, accountability, risks, the role of the Crown, costs and benefits. These have been compared against models both in New Zealand and internationally.
- 2.2 The work required to ensure optimum advice is provided to Council, that takes into account Council's vision for a development authority, has not been completed in time to make the 29 January Council meeting.

3. BACKGROUND

- 3.1 Council considered a report regarding the establishment of a Christchurch development authority at its meeting on 5 December 2014. This report considered a range of current challenges facing the city and briefly touched on a range of development authority models.

Council resolved that they supported in principle the establishment of a development authority and requested that further advice on the potential organisational architecture be developed with urgency and presented to Council by 30 January 2015 for further consideration.

- 3.2 Due to the tight timetable and specialist knowledge required, staff assembled a group of consultants who had experience of developing and running development agencies in New Zealand and also had been exposed to overseas experiences. This group was assembled with urgency and the issues workshopped with staff.
- 3.3 A draft report was prepared in early January and a workshop with staff was held to flesh out the uncertainties, the risks, and the opportunities given the Christchurch context. Key issues covered in the workshop included:-

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- what are the key reasons for establishing a development authority for Christchurch;
- what are the short and long term success factors for a development authority;
- what responsibility would divest to the development authority;
- what should the scope of the development authority be, what is in and what is out;
- what are the options available and what are the pros and cons of those options;
- how should the development authority be governed and held to account;
- what are the risks involved in the development authority;
- what are the costs involved in a development authority;
- what role should the Crown play;
- what would the development authority have in the way of assets to leverage opportunities within the Christchurch market;
- what is the geographical area over which the development authority has control;
- to what extent is Council prepared to devolve responsibility to the development authority.

4. COMMENT

4.1 The decisions facing Council regarding the development authority are complex and far reaching. It is important that these decisions are made in the context of Christchurch City Council's strategic and legal positions. The next round of feedback from the team is expected to be received by the end of play on 23 January 2015. This will be developed further to provide the advice Council has requested and will be delivered to Council as soon as possible. Staff and the consultants appreciate the urgency that Council has placed on this issue and is also committed to ensuring your advice is sound and in the best interest of both Christchurch City Council and Christchurch in the long-term.

4.2 The outcome of this work will be workshopped with Councillors.

5. FINANCIAL IMPLICATIONS

5.1 Will be covered in the subsequent paper.

6. STAFF RECOMMENDATION

It is recommended that the Council:

- 6.1 Receive this report on progress around reporting on the establishment of a Christchurch development authority;
- 6.2 Reiterate to staff the need to provide urgent advice on the potential organisational architecture of a development authority for Christchurch; and
- 6.3 Request that this be provided for Council's further consideration as soon as practicably possible.

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16. PROPOSED GOVERNANCE AND ORGANISATIONAL SUPPORT FOR TRANSITION

		Contact	Contact Details
Executive Leadership Team Member responsible:	Chief Executive	Y	Rosie Jordan – 941-8554

1. BACKGROUND

1.1 The first half of 2015 presents an intensive programme of work for both the Governance and Management arms of the Council. Along with the major events such as the Cricket World Cup, Te Matatini National Kapa Haka Festival and the FIFA under 20s World Cup, there are several major and inter-linking programmes of work involving both Council and the Crown. These include, but are not limited to:

- confirming a cohesive vision for Christchurch City with our partners and the community
- drafting, approval, consultation, hearings and final sign off of the Long Term Plan (LTP)
- approving and implementing the Council's Financial Strategy consultation as part of the LTP
- establishing a Development Authority, once confirmed by Council
- conducting bilateral negotiations with officials and the Crown to support the Financial Strategy, including the Cost Sharing Agreement, Horizontal Infrastructure, Anchor Projects' timing, contribution and ownership
- negotiating and developing a Transition Plan in collaboration with the Canterbury Earthquake Recovery Authority (CERA) at both the operational and governance level (in particular supporting the Mayor on the Advisory Board on Transition to Long term Recovery Arrangements)
- planning the transition of the Stronger Christchurch Infrastructure Rebuild Team (SCIRT).

1.2 Other key ongoing work includes:

- The District Plan Review
- The Representation Review
- development and implementation within the organisation of "Great For Christchurch"
- resolving insurance recoveries – further global settlement discussions, possibly in April
- implementation of new decision-making processes, including the rollout of new electronic processes
- review of delegations
- development of a Visitor Strategy for Christchurch
- development of the Resilience Strategy
- development of a Sustainable City Strategy to contribute to the Resilience Strategy
- restructuring the Council's social housing portfolio.

2. ISSUES

2.1 While the above key projects highlight only some of the work programme this year, they represent the significant expectations of both the governance and operational arms of the Council over the next few months requiring policy support and rapid decision making.

2.2 For example, before the end of January the Council is expected to have:

- produced a proposal which will provide the basis for discussions with the Crown regarding the shared work programme and potential mechanisms for Crown contributions/collaboration
- produced, approved and consulted on a consultation document for the LTP and Financial Strategy
- provided policy advice and information support for the Mayor for her fortnightly half-day meetings representing the Council on the Advisory Board on Transition to Long term Recovery Arrangements
- provided CERA with input on the development of the Transition Plan
- developed, received and reviewed a paper on the establishment of a Development Authority

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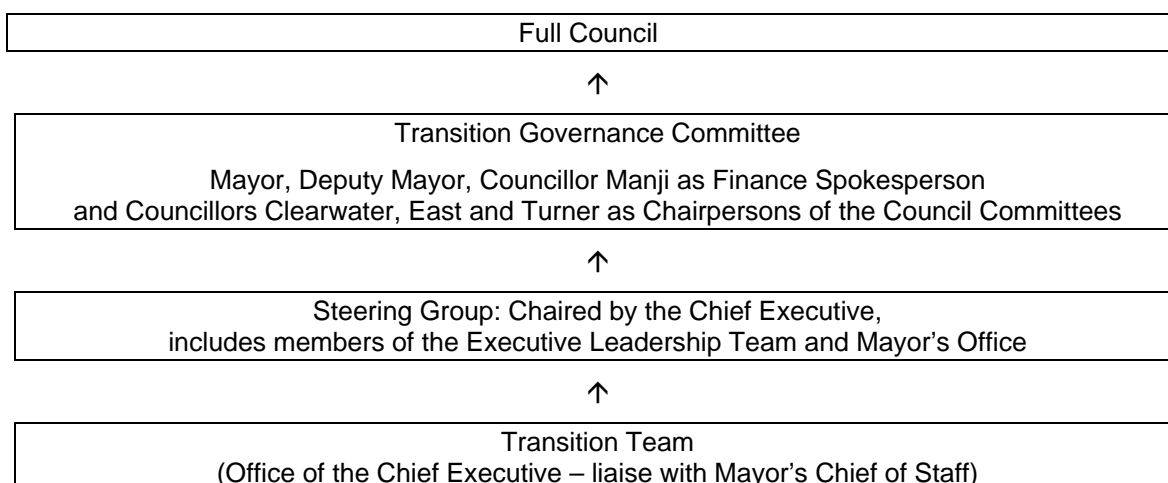
- initiated engagement with Crown officials on areas of mutual concern and negotiation such as the Financial Strategy, the Horizontal Infrastructure Review, Flooding etc.
- 2.3 Currently multiple levels of the organisation, as well as the Mayor's office, are engaged in either some aspects or all of these initiatives. This potentially leads to a lack of coordination, duplicated effort and potentially a lack of an agreed Council view being presented.
 - 2.4 Currently the organisation has limited policy and analytical support required to provide rapid advice and information to support these intensive activities in a timely way. Informed and timely decision-making will also be required from the governance arm, given the very short timeframes and the intensity of the work programme. The current delegations mean that every decision goes via a committee through to the Council for approval, reducing the Council's ability to respond in an agile and timely way.
 - 2.5 Given the complexity and urgency of this work it is important that a Transition Team is established to provide the Chief Executive and the governance arm with policy and analytical advice. It will be necessary to ensure this team has appropriate access to a range of specialist expertise achieved through secondments (internal and / or external) and short term contracts.
 - 2.6 The Transition Team will effectively be responsible for providing advice, gathering information, and commissioning the work needed to support the transition and the bilateral and multi-lateral work programmes. It will be accountable to the Chief Executive and sit within the Office of the Chief Executive and liaise closely with the Mayor's Chief of Staff.
 - 2.7 The team will be sponsored by an over-arching Steering Group chaired by the Chief Executive who will coordinate the work programme, provide organisational leadership and oversight, cross-organisational co-ordination, and will monitor achievement of milestones and progress.
 - 2.8 The Steering Group will take its direction on all policy matters from the proposed new Transition Governance Committee whose membership will mirror that of the Council's Governance Working Group (Mayor, Deputy Mayor, Councillor Manji as Finance Spokesperson and Chairpersons of the Council Committees).
 - 2.9 The Steering Group will also front negotiations with Crown officials, and provide Council representation on the proposed Joint CCC/Crown Officials Group (JOG) within parameters agreed by the Transition Governance Committee under delegation from the wider Council.
 - 2.10 For transparency, a work programme and reporting schedule will be established.
 - 2.11 Critical success factors for this work programme are that the team is well resourced and supported, that there is a clear mandate for the tasks undertaken, and that there is timely access to decision-making at the governance level.
 - 2.12 Specific activities include:
 - development of the Crown Collaboration Proposal
 - provision of briefings and background papers to support the Mayor and Chief Executive with respect to the Transition Plan and the Advisory Board on Transition to Long Term Recovery Arrangements
 - support progression of the Council's Development Authority
 - provide oversight and direct input into bilateral discussions regarding the financial strategy, flooding, anchor projects, transition under the instruction of the Chief Executive and Transition Governance Committee.

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3. PROPOSAL AND DECISION

- 3.1 In order to ensure rapid decision-making to provide governance direction to the Transition Steering Group it is proposed that:
- A Committee of the Council is formally established for a time-limited period to facilitate the Transition Plan and elements of the Financial Strategy that relate to the Crown-Council bilateral relationship.
 - The Governance Working Group (Mayor, Deputy Mayor, Councillor Manji as Finance Spokesperson and Chairpersons of the Council Committees) make up this formal Committee and that it has delegated authority to make decisions in relation to progressing the bilateral and multi-lateral discussions and negotiations with the Crown.
 - This Committee is able to meet and receive confidential information. Meetings will be notified but some aspects will require public excluded consideration.
 - The Chief Executive has delegated authority to authorise senior Council officers, as required, to represent the Council in bilateral and multilateral negotiations with Crown officials based on the decisions of the Transition Governance Committee.
 - The full Council is regularly updated on progress and decisions made, and that the final outcome of negotiations with the Crown is referred by the Committee to the Council for ratification.



4. LEGAL IMPLICATIONS

- 4.1 Schedule 7 Clause 30 of the Local Government Act 2002 provides for the establishment of committees - any committees, subcommittees, and other subordinate decision-making bodies that the Council considers appropriate.
- 4.2 Schedule 7 Clause 31 of the Local Government Act 2002 defines the membership of committees and subcommittees. The minimum number of members of a council committee is three, and the minimum number of a sub-committee is two. Every committee is to have at least one elected member on it. Members of committees and subcommittees are usually elected members, but a person with specific knowledge or skills who is not an elected member may be co-opted to assist the work of a particular committee or subcommittee.

5. SIGNIFICANCE OF DECISION

The proposal to appoint a committee/subcommittee would not of itself trigger the Council's Significance and Engagement Policy. However, if the body is to be given the authority to make decisions on behalf of the Council, that authority still needs to be exercised in accordance with the decision-making provisions of the Local Government Act 2002. This would require an assessment of the level of significance in each case and may involve a consultative/engagement process being undertaken for any proposed decision considered to be of medium or high significance.

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There are no community consultation requirements associated with this report.

7. RECOMMENDATION

7.1 It is recommended that the Council:

7.1.1 Establishes the Transition Governance Committee and appoints to it the Mayor, the Deputy Mayor, Councillor Manji (Finance Spokesperson) and Councillors Clearwater, East and Turner (Chairpersons of the Council Committees).

7.1.2 Delegates to the Committee the authority to:

7.1.2.1 make decisions in relation to progressing the bilateral and multi-lateral discussions and negotiations with the Crown

7.1.2.2 provide advice to the Advisory Board on Transition to Longer Term Recovery Arrangements, and

7.1.2.3 establish a Development Authority, subject to statutory decision-making requirements.

7.1.3 Delegates to the Chief Executive the authority to nominate senior Council officers, as required, to represent the Council in bilateral and multi-lateral discussions and negotiations with Crown officials, based on the decisions of the Transition Governance Committee.

7.1.4 Requires the Transition Governance Committee to provide the Council with regular updates on progress and decisions made by the Committee in respect of the negotiations, and to refer the final outcome to the Council for ratification.