

**MINUTES OF A MEETING OF THE CHRISTCHURCH CITY COUNCIL  
HELD AT 9.37 AM ON THURSDAY 26 FEBRUARY 2015**

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

**1. APOLOGIES**

An apology for lateness was received from Councillor Manji.

It was **resolved** on the motion of Councillor Cotter, seconded by Councillor Turner, that the apology be accepted.

**2. DECLARATION OF INTEREST**

Nil.

**11. RESOLUTION TO BE PASSED - SUPPLEMENTARY REPORTS**

It was **resolved** on the motion of Councillor Scandrett, seconded by Councillor Turner, that the following reports be received and considered at the meeting of the Council on 26 February 2015:

- Draft Development Contributions Policy 2015 - Options for Catchments
- Draft 2015 Development Contributions Policy for Consultation

**5. DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2015 – OPTIONS FOR CATCHMENTS**

It was **resolved** on the motion of Councillor Gough, seconded by Councillor Lonsdale, that the Council:

- 5.1 Agree to retain district-wide catchments for water supply and wastewater collection in the draft 2015 Development Contributions Policy.
- 5.2 Agree that future reviews of the Development Contributions Policy will include assessment of options to use catchments for water supply and wastewater collection.
- 5.3 Agree that staff prepare policy options for a development contributions rebate policy for the Council to consider and that this policy remains outside the development contributions policy.

**6. DRAFT 2015 DEVELOPMENT CONTRIBUTIONS POLICY FOR CONSULTATION**

It was **resolved** on the motion of Councillor Gough, seconded by Councillor Lonsdale, that the Council:

- 6.1 Agree that the draft 2015 Development Contributions Policy provides that reassessments of development contributions required will be undertaken on the following basis:
  - 6.1.1 A reassessment will be carried out only when an invoice is generated 24 months or longer after the original assessment was prepared; and
  - 6.1.2 That the policy in place at the time the original application is lodged will be used for any reassessment carried out under the 2015 Development Contributions Policy; and

**COUNCIL 12. 03. 2015**  
**CHRISTCHURCH CITY COUNCIL 26. 02. 2015**

- 2 -

**6 Cont'd**

- 6.1.3 That the amount of development contributions may be adjusted in accordance with section 106 (2C) of the Local Government Act 2002, using the Price Produce Index for construction as the basis for any adjustment, and that any change to the cost be incorporated in the reassessment for all years between the original application and the time the reassessment is carried out.
- 6.2 Agree the draft 2015 Development Contributions Policy in attachment one is used for community consultation; subject to any changes required to be made to the draft policy, regarding the use of catchments and the reassessment process, being included.
- 6.3 Agree that a summary document to be used for consultation be presented to Council for approval at the time the draft 2015 DCP is given final approval.
- 6.4 Agree the overall level of significance of the above decisions is low; and
- 6.4.1 That community engagement on the draft 2015 Development Contributions Policy be undertaken in accordance with the requirements of section 82 of the Local Government Act; and
- 6.4.2 That the consultation timeline follow that for the Long Term Plan 2015-25 consultation document
- 6.4.3 That a workshop(s) be arranged with the development community to present and explain the major proposed changes to the DCP to support informed submissions.

**8. RESOLUTION TO EXCLUDE THE PUBLIC**

At 9.55 am it was **resolved** on the motion of the Mayor, seconded by Councillor Clearwater, that the resolution to exclude the public set out on page 41 of the agenda be adopted.

At 10.36 am it was **resolved** on the motion of the Mayor, seconded by Councillor Chen, that the Council move out of public excluded and the meeting adjourned at 10.37 am to receive the first tranche of the Stage 1 District Plan Review decisions from the Chair of the Independent Hearings Panel, the Honourable Sir John Hansen.

The Council resumed at.11.02 am

**3. 2015/25 LONG TERM PLAN – ADOPTION OF FINANCIAL STRATEGY AND UNDERLYING INFORMATION**

The Mayor moved, seconded by Councillor Buck, that the Council:

- 6.1.1 *Adopt the information that will provide the basis for the Council's draft 2015-25 Long Term Plan and which will be relied on for the content of the Consultation Document yet to be adopted by the Council, subject to the Auditor-General providing a report as to the quality of the information.*
- 6.1.2 *Note that the information comprises, in addition to the Financial Strategy:*
- *Infrastructure Strategy*
  - *Community Outcomes*
  - *Activities and Services (subject to clarification to be provided and approved by the Chief Executive on certain levels of service)*
  - *Capital Programme`*
  - *Financial Statements*
  - *Accounting Policies*
  - *Significance and Engagement Policy \**
  - *Revenue and Financing Policy \**

**COUNCIL 12. 03. 2015**  
**CHRISTCHURCH CITY COUNCIL 26. 02. 2015**

- 3 -

- *Policy on Remission and Postponement of Rates\**
- *Funding Impact Statement (including general rates differentials) \**
- *Rating Policy*
- *Significant Forecasting Assumptions.*
- *Treasury Risk Management Policy*
- *Council-controlled Organisations*
- *Fees and Charges \**
- *Development of Maori Capacity to Contribute to Council Decision-making Processes*
- *Variation between the Long Term Plan and Assessment of Water and Sanitary Services and Waste Management Plans*
- *Reserves and Trust Funds*
- *Capital Endowment Fund*
- *Rating Base Information.*

Full versions of this information can be found at the following link:

<http://www.ccc.govt.nz/ltpdocs>

*\*Subject to consultation being carried out concurrently with the Consultation Document*

6.1.3

- (a) *Note resolution 6.2 of the minutes of the Council meeting of 5 December 2014, that the Council investigate over the next 3 months the additional levers identified in the staff report and that in the event these options are not found to be viable then the council will further divest from its asset base*
- (b) *As a result of that investigation;*
- (i) *Confirms the release of \$551 million capital as agreed on 5 December 2014*
- (ii) *Agrees to the release of an additional \$200 million capital making a total of \$750 million to ensure the Council solve for the worst case scenario.*
- (c) *Prior to the release of any capital, Council resolves to review and consider independent expert advice on the optimal capital release programme, and resolves that during the course of the consultation on the ten year plan we will:*
- *review all aspects of the capital programme; and*
  - *request the Chief Executive to report on the Council's ability to deliver the capital programme budgeted in each financial year, minimising carry forward amounts, with a view to budgeting only for that which is deliverable, and to report on further optimisation of operational expenditure prior to the conclusion of the consultation period.*
- (d) *Adopts the rates increases for Years 1 – 4 of the LTP period as follows:*
- | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------|---------|---------|---------|
| 8.75    | 8.5     | 8.5     | 7.5     |
- (e) *Adopt the draft Financial Strategy*

6.1.4 *Resolve that having regard to section 100 (2) of the Local Government Act 2002 it is financially prudent to set operating revenues that are 182% and 139%, of operating expenses in 2016 and 2017, 97% in 2020 and 99% in 2021.*

6.1.5 *Authorise the Chief Financial Officer and the Chair of the Audit and Risk Management Committee to make any amendments to the information for the purpose of ensuring its alignment with the Auditor-General's report.*

6.1.6 *Delay the usual 3 yearly review of the Capital Endowment Fund and requests staff to provide advice on winding up the Fund and the implications of so doing.*

6.1.7 *Note the recommendations from the Audit and Risk Management Committee.*

**COUNCIL 12. 03. 2015**  
**CHRISTCHURCH CITY COUNCIL 26. 02. 2015**

- 4 -

6.1.8 *Resolve to hold an Extraordinary meeting at 9.30 am on Tuesday 10 March to consider the consultation document for the 2015/25 Long Term Plan.*

*Councillor Johanson moved by way of amendment, seconded by Councillor Turner:*

1. *That the Council resolve to modify the capital works programme by deferring the start of the stadium contribution to the 2025/26 financial year.*
2. *Delete 6.1.3 (b) (ii) are replace with:*  
  
*That the Council resolve to solve for any potential funding shortfall by saving at least \$200 million dollars of capital expenditure in the worst case scenario.*
3. *That the Council request staff to modify the draft financial strategy to include credible alternative options that save capital expenditure instead of releasing capital and increasing rates.*

The meeting adjourned at 12.41 pm and resumed at 12.50 pm.

The Mayor ruled amendments 1 and 3 out of order.

Amendment 2 when put to the meeting was declared **lost** on electronic vote No. 1 by 6 votes to 8, the voting being as follows:

**For (6):** Councillors Chen, Clearwater, Cotter, Johanson, Livingstone and Turner.

**Against (8):** The Mayor and Councillors Buck, East, Gough, Jones, Lonsdale, Manji and Scandrett.

The original motion when put to the meeting was declared **carried** on electronic vote No. 2 by 8 votes to 6, the voting being as follows:

**For (8):** The Mayor and Councillors Buck, East, Gough, Jones, Lonsdale, Manji and Scandrett.

**Against (6):** Councillors Chen, Clearwater, Cotter, Johanson, Livingstone and Turner.

**7. NOTICES OF MOTION**

Nil.

**8. RESOLUTION TO EXCLUDE THE PUBLIC**

At 1.30 pm it was **resolved** on the motion of the Mayor, seconded by Councillor Scandrett, that the resolution to exclude the public set out on page 41 of the agenda be adopted.

**CONFIRMED THIS 12<sup>TH</sup> DAY OF MARCH 2015**

**MAYOR**