
**ORDINARY MEETING
OF
PŪRORO RANGARANGA | SOCIAL, CULTURAL AND
ECONOMIC
AGENDA**

Time: 9:30am
Date: Thursday, 4 August 2022
Venue: Ngake (16.09)
Level 16, Tahiwī
113 The Terrace
Wellington

MEMBERSHIP

Mayor Foster
Deputy Mayor Free
Councillor Calvert
Councillor Condie
Councillor Day (Chair)
Councillor Fitzsimons
Councillor Foon
Liz Kelly
Councillor Matthews
Councillor O'Neill
Councillor Pannett
Councillor Paul
Councillor Rush
Councillor Woolf
Councillor Young (Deputy Chair)

Have your say!

You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8337, emailing public.participation@wcc.govt.nz or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

AREA OF FOCUS

The Pūroro Rangaranga | Social, Cultural and Economic Committee has the following responsibilities:

- Arts, Culture, and Community Services
- Wellington City Social Housing
- Council's City Events
- Parking Services
- Parks, Sport and Recreation
- Community resilience
- Economic development
- Māori Strategic Development.

The Committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

Whakataka te hau ki te uru,	Cease oh winds of the west
Whakataka te hau ki te tonga.	and of the south
Kia mākinakina ki uta,	Let the bracing breezes flow,
Kia mātaratara ki tai.	over the land and the sea.
E hī ake ana te atākura.	Let the red-tipped dawn come
He tio, he huka, he hauhū.	with a sharpened edge, a touch of frost,
Tihei Mauri Ora!	a promise of a glorious day

At the appropriate time, the following karakia will be read to close the meeting.

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana, te wairua	Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind
I te ara takatū	
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

1.2 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

1.3 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.4 Confirmation of Minutes

The minutes of the meeting held on 2 June 2022 will be put to the Pūroro Rangaranga | Social, Cultural and Economic Committee for confirmation.

1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

Matters Requiring Urgent Attention as Determined by Resolution of the Pūroro Rangaranga | Social, Cultural and Economic Committee.

The Chairperson shall state to the meeting:

-
1. The reason why the item is not on the agenda; and
 2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Rangaranga | Social, Cultural and Economic Committee.

Minor Matters relating to the General Business of the Pūroro Rangaranga | Social, Cultural and Economic Committee.

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Rangaranga | Social, Cultural and Economic Committee for further discussion.

1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to public.participation@wcc.govt.nz, by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

2. Petitions

PETITION: CALL FOR PUBLIC TOILETS AT IAN GALLOWAY BMX/SKATE/DOG PARK

Whakarāpotopoto | Summary

Primary Petitioner: Deb King

Total Signatures: 337

**Relevant Previous
decisions**

Financial considerations

Nil Budgetary provision in Annual Plan / Long-term Plan Unbudgeted \$X

Risk

Low Medium High Extreme

Taunakitanga | Officers' Recommendations

That the Pūroro Rangaranga | Social, Cultural and Economic Committee:

1. Receive the information and thank the petitioner.

Takenga mai | Background

1. Wellington City Council operates a system of petitions whereby people can electronically petition the Council on matters related to Council business.
2. Deb King opened a petition on the Wellington City Council website on 11 April 2022.
3. The Petition details are as follows:

Ian Galloway (Skate Park/Dog Park/Bike Park): This area should be categorised as a destination sport and recreation hub for older children and young adults, and it needs TOILETS.

The background information provided for the petition was:

Use of these facilities over the last year since the creation of the BMX track/dog park has skyrocketed with estimates of approximately 3000 people per week using the area.

The area is currently completely lacking in amenities - there is no toilet, shade or shelter, and the parking is insufficient to accommodate increased use (which has been exacerbated by the popularity of the dog exercise area)

People who live near the facility advise that they regularly see park users using the trees and bushes at the rear of the site for toileting, which is unacceptable.

4. The petition closed on 10 May 2022 with 337 authenticated signatures. The list of authenticated signatures is presented as **Attachment 1**.

Whakautu | Officers' response

Whakarāpopoto | Executive Summary

5. Currently there is no funding allocated to Ian Galloway Park in the 2021-3031 Long Term Plan.
6. A landscape plan was conceptually developed in 2015 to determine further facility development after the implementation of the BMX track. This plan was revised in 2020 after discussion around a pump track in this location. Both plans included toilets for the area. However, no further development is currently funded.

Takenga mai | Background

7. Funding included in the 2021-31 long term plan for additional public toilet facilities is as follows:
 - Provision of funding in the current Long-Term plan for two additional public toilets in the northern suburbs as a response to planning for growth (Years 6 and 7 – also including in the previous LTP)
 - Provision of funding for one additional facility in year 3 as part of the Outer Green Belt Management Plan Implementation.
 - Provision of funding for one additional public toilet facility based in Linden in Year 4. The inclusion of this funding into the Draft Long-Term Plan as part of the Annual Plan/Long Term Committee amendments on 4th of March 2021, as follows:

“36. Moved Councillor Sparrow, seconded Councillor Woolf, the following amendment Resolved That the Annual Plan / Long-term Plan Committee: 36. Agree that \$350,000 be included in year 4 of the capex budget for a public toilet to be built in Linden. Carried”
 - Provision of public toilets is also being considered as part of the scope for the additional funding of 1 million in the Long-Term Plan for the Huetepara Project at Lyall Bay.

Kōrerorero | Discussion

8. The recent approval of the Spatial Plan for Wellington means the Council now has a range of new work to start to ensure there is suitable infrastructure planning and delivery in place to keep pace with anticipated population growth and change that will be enabled by the new District Plan.
9. This includes the review of the Councils Open Space and Recreation Strategy (Our Capital Spaces) and community facilities planning. Both of these projects will get underway this financial year.

-
10. Ian Galloway Park is a community park that will be considered as a site for further investment as part of this review. Master planning and investment priorities will be considered across the full network of parks across the city.

Ngā mahinga e whai ake nei | Next actions

11. A masterplan for Ian Galloway Park is currently on the work programme for 2023/24. Officers support the installation of public toilets as part of this work, and the planning exercise will determine the best location.

Attachments

Attachment 1. [Signature list - Public Toilets at Ian Galloway Park](#)  

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Author	Myfanwy Emeny, Open Space and Parks Manager
Authoriser	Paul Andrews, Manager Parks, Sports & Rec Kym Fell, Chief Customer and Community Officer

Signatory Details

Name	Suburb	City
Barry Howard	Northland	Wellington
Patricia James	Northland	Northland
Mark Casson	Northland	Wellington
Margaret Graham	Wellington	Wellington
Laurie Walmsley	Karori	Wellington
Antony Walker	Northland	Wellington
Chrid Lovatt	Waikanae	Wellington
Adelle Lovatt	Waikanae Beach	Waikanae
Maddy Lovatt	Johnsonville	Wellington
Amber Bell	Waiwhetu	Lower Hutt
Rhys Bell	Waiwhetu	Lower Hutt
Erin Henderson	Northland	Wellington
Angela Mansell	Northland	Wellington
Andrew Connochie	Wallaceville	Upper-hutt
Bev Hosking	Northland	Wellington
Fiona Knight	Northland	Wellington
Gerald Sutton	Wellington	Wellington
Fay Furness	Northland	Wellington
Shona De Sain	Northland	Wellington
Jo Coombes	Trentham	Upper Hutt
Imogen Clare Cecil Gibson	Northland	Wellington
Katriona Christie	Ngaio	Wellington
maggie haggerty	Wellington	Wellington
vaughan stagpoole	northland	Wellington
Catherine Scott	Northland	Wellington
Wayne Newman	Wellington	Wellington
Rosemary Tomlinson	Northland	Wellington
Ian Stockwell	Wellington	Wellington
Nick Russ	Karori	Karori
Leoni Hawkins	Northland	Wellington
Julia Ball	Northland	Wellington
Nicky Butler	Makara	Wellington
Justine Edmonds	Newlands	Wellington
Rachael Wilkinson	Northland	Wellington
William Guest	Karori	Wellington
Craig Christensen	Wadestown	Wellington
Jessica OBrien	Wadestown	Wellington
James Soligo	Kelburn	Wellington
Trudy Dalziel	Karori	Wellington
Justine Dearsley	Northland	Wellington
Ana Hislop	Highbury	Wellington
Alison Adams-Smith	Eltham	Eltham

Name	Suburb	City
Christina Whitehead	Ngaio	Wellington
Van Le	Karori	Karori
Sean Thompson	Wilton	Wellington
Zane Bennett	Northland	Wellington
Tereza Yarrall	Wellington	Wellington
Bastiaan van der Scheer	Northland	Wellington
Mary Swainson	Northland	Wellington
Melissa Spicer	Karori	Wellington
Bronwyn Morrison	Northland	Wellington
Tamrynne Peyper	Karori	Wellington
Yvonne Tippett	Karori	Wellington
Nicole Doolan	Northland	Wellington
Antonia Milkop	Northland	Wellington
Libby Mcculloch	Karori	Wellington
Charlotte McGrath	Khandallah	Wellington
EMILY WHITE	NORTHLAND	WELLINGTON
Stephen Gallagher	Northland	Wellington
Louise Aitken	Wellington	Wellington
Hilary Phillips	Northland	Wellington
Fiona Groube	Northland	Wellington
Alecia Holt	Northland	Wellington
Marissa Beckett	Northland	Wellington
Siew Hwei Khor	Karori	Wellington
James North	Khandallah	Wellington
Nicole Winters	Northland	Wellington
Glenn Pocknall	Karori	Wellington
Michelle Ward	Karori	Wellington
Suzanne Keen	Northland	Wellington
Anna Stichbury	Wellington	Wellington
Miranda Allen	Northland	Wellington
David Gempton	Northland	Wellington
Rachel Hay	Northland	Wellington
Annie Graham	Khandallah	Wellington
Anna Breeze	Karori	Wellington
Penny Hope	Northland	Wellington
Yani Widjaja	Karori	Wellington
Maria Nunns	Northland	Wellington
Andrea OBrien	Crofton Downs	Wellington
Nicole Stanton	Karori	Wellington
Maria Moran	Wellington	Wellington
Anna Simonsen	Miramar	Wellington
Sally Beccard	Wellington	Wellington
Ella Burge	Seatoun	Wellington
Teresa Christianson	Northland	Wellington

Name	Suburb	City
Pauline Lipscombe	Karori	Wellington
Laura Milward-Jones	Wilton	Wellington
Emma Palmer	Karori	Wellington
Campbell Means	Northland	Wellington
Jen Mudge	Karori	Wellington
Penny Darwin	Wellington	Wellington
Natalia Cleland	Northland	Wellington
Cat Wilson	Karori	Wellington
Cameron Crawford	Karori	Wellington
Jeffrey Day	Aro valley	Wellington
Emma Medina	Aro Valley	Wellington
Talani Meikle	Wilton	Wellington
William Alcock	Karori	Wellington
Deborah Bowler	Wellington	Wellington
Vic Tyler	Wadestown	Wellington
Paul Press	Wadestown	Wellington
Barry Burke	Northland	Wellington
Heather Kirkham	Northland	Wellington
Elizabeth Newman	Wellington	Wellington
Kahurangi Brown	Karori	Wellington
Natalie Mason	Wellington	Wellington
Mark Smith	Wellington	Wellington
Nicky Smith	Wellington	Wellington
Emerson Yee	Ngaio	Wellington
Paul Newman	Wadestown	Wellington
Louis Newman	Wadestown	Wellington
Jennifer Soundy	Karori	Wellington
Tracey Henderson	Crofton downs	Wellington
Aimee Milne	Karori	Wellington
Emma Anscombe	Wellington	Wellington
Nicola Topley	Crofton Downs	WELLINGTON
Rachel Robertson	Northland	Wellington
Georges Nour	Karori	Wellington
Suzanne Plumridge	Karori	Wellington
Novia Mead	Karori	WELLINGTON
Wendy Jackson	Wilton	Wellington
Susanna Leung	Karori	Wellington
Vanessa Kirkham	Karori	Wellington
Emily Eden	Johnsonville	Wellington
Hayden Rogers	Karori	Wellington
Anna Griffin	Karori	Wellington
Brooke McPheat	Khandallah	Wellington
Rachel Beard	Karori	Wellington
Jill Bell	Karori	Wellington

Name	Suburb	City
Kirk McDowall	Wilton	Wellington
Heather Garside	Northland	Wellington
Virginia Atkin	Karori	Wellington
Tim Swan	Karori	Wellington
Gemma Dawson	Karori	Wellington
Janice Roseingrave	Karori	Wellington
Reece Poutawera	Karori	Wellington
Horne Sarah	Karori	Wellington
Bridie Atkins	Karori	Wellington
Julie Atkin	Karori	Wellington
Emma Davies	Wellington	Wellington
Vanessa Haggerty	Karori	Wellington
Paul Jonson	Karori	Wellington
Dez Martin	Karori	Wellington
Lucinda Lendrum	Karori	Wellington
Benjamin Cherry	Wilton	Wilton
Catherine Whitehead	Wilton	Wellington
Hamish Hill	Northland	Wellington
Jenny Cochrane	Kelburn	Wellington
Anita Downey	Ngaio	Wellington
Nicla Gallione	Karori	Wellington
Leah Smith	Karori	Wellington
Eleanor Harkness	Brooklyn	Wellington
Will Patterson	Karori	Wellington
April Bain	Karori	Wellington
Annette Wardle	Northland	Wellington
Melanie Cranko	Northland	Wellington
Thean Choon Tan	Karori	Wellington
Helene Peyroux	Karori	Wellington
josephine kennington	Karori	Wellington
Kay Burgess	Karori	Wellington
Aaron Mishkin	Karori	Wellington
Stacey Wilson	Karori	Wellington
Fritha Keith	Peka Peka	Waikanae
Saskia Manktelow	Karori	Wellington
Emma Hughes	Karori	Wellington
Peter Thompson	Northland	Wellington
Louise Harvey	Karori	Wellington
Alex Carter	Karori	Wellington
David Spencer	Kilbirnie	Wellington
LeeAnn Warr	Hutt Central	Lower hutt
Emma Warr	Wainuiomata	Lower Hutt
Mrs H Watt	Crofton Downs	Wellington
Andrew Watt	Crofton Downs	Wellington

Name	Suburb	City
Martin Warr	Hutt Central	Lower Hutt
Georgia Cottrell	Karori	Wellington
Shona Russell	Grenada Village	Wellington
Alexandra Glen	Karori	Wellington
Denise Rongo-Raea	Karori	Wellington
Shane Wood	Wellington	Wellington
Nikki Stigley	Karori	Wellington
Aidan Stigley	Karori	Karori
Fiona Findlay	Crofton Downs	Wellington
Liam Mountford	Karori	Wellington
Paul Swift	Avalon	Lower Hutt
Lottie Stevenson	Northland	Wellington
Philippa Wareing	Karori	Wellington
Lachy Waugh	Kaiwharawhara	Wellington
Maddi Ryan	Kaiwharawhara	Wellington
Victoria Anderson	Kelburn	Wellington
Carol Morton	Karori	Wellington
Sam Ashton	Wilton	Wellington
Harland Wilson	Wellington	Wellington
Rebecca Plant	Northland	Wellington
Piet Pompies	Thorndon	Wellington
Alistair vH	Te Aro	Wellington
Chris Birkinshaw	Thorndon	Wellington
Kirsty Farrant	Wilton	Wellington
Matt McKee	Wellington	Wellington
Oliver Martin	Wadestown	Wellington
Greer Jacobs	Karori	Wellington
Cara O'Neill	Northland	Wellington
Demelza Gallen	Karori	Wellington
Trudy Goodman	Crofton Downs	Wellington
Ryan Kaden	Owhiro bay	Ridgewood
Lizette Standish	Te Aro	Wellington
James Stonehouse	Crofton Downs	Wellington
Graham O'Hanlon	Crofton Downs	Wellington
Rebecca Bentley	Crofton Downs	Wellington
Morgan Walker	Karori	Wellington
Fleur Chalk	Wainuiomata	Lower Hutt
Nicole Keane	Newtown	Wellington
Helen Maddox	Korokoro	Lower hutt
Kim Thwaites	Ngaio	Wellington
Ryan Clarke	Northland	Wellington
Jessica Wilson	Ngaio	Wellington
Rich H	Brooklyn	Wellington
Jonny Dixon	Karori	Wellington

Name	Suburb	City
Omid Yassaie	Karori	Wellington
George Mckendry	Aro valley	Poneke
Fraser Punt	Tawa	Wellington
Richard Kyle	Ngaio	Wellington
Lauree Rickard	Brooklyn	Wellington
David Bevan-Smith	Vogeltown	Wellington
Simon Holmes	Wellington	Wellington
Lenz Toheriri	Newtown	Wellington
David Read	Johnsonville	Wellington
Chanelle Rodeka	Northland	Wellington
Julia Holman	Karori	Wellington
Arna Cunningham	Newtown	Wellington
Taruna Trivedi	Karori	Wellington
Matt Stockford	Boulcot	Lower Hutt
Holly Smith	Newlands	Wellington
Max Olijnyk	Wellington	Wellington
Daroll clark	New Brighton	Christchurch
Jamie McMahan	Karori	Wellington
Brett Waite	PEKAPEKA	Wellington
Frankie M	Birkdale	Auckland
Aaron Black	Wellington	Wellington
Erica Townend	Karori	Wellington
Sarah Bainbridge	Paekakariki	Paekakariki
Rachel Drew	Karori	Wellington
Jacob Copeland	Churton Park	Wellington
Wendy Anscombe	Crofton Downs	Wellington
Chantal Martin	Paekakaiki	Wellington
Chris Wood	Karori	Wellington
Roel Verschueren	Karori	Wellington
Sarah Breen	Karori	Wellington
Kerry Consedine	Karori	Wellington
David Stockton	Karori	Wellington
Jane Roberts	Karori	Wellington
Aaron Graham	Johnsonville	Wellington
Lauren Langford	Wadestown	Wellington
Erin Robinson	Crofton Downs	Wellington
Chloe Luscombe	Thorndon	Wellington
Yvette Elliston	Khandallah	Wellington
Kirsty Joiner	Crofton Downs	Wellington
Heather Sharpes	Northland	Wellington
Sharon Ludford	Karori	Wellington
Richele McKenzie	Karori	Wellington
Rose Charlotte	Newlands	Wellington
Lisa Hawthorne	Karori	Wellington

Name	Suburb	City
Angela Gordon	Karori	Wellington
Kylie Redgrave	Northland	Wellington
Hayley Heather	Northland	Wellington
Veronica Huntington	Karori	Wellington
Laura Tangaere	Wilton	Wellington
John Redgrave	Northland	Wellington
Carly Harrison	Karori	Karori
Jonathan Moulds	Karori	Wellington
Anna Baines	Karori	Wellington
Kate Morris	Wilton	Wellington
Clint Brandon	Karori	Wellington
Charlotte Sinclair	Karori	Wellington
Victoria Kopua	Karori	Wellington
Lachlan Patterson	Karori	Wellington
Jill Matthews	Northland	Wellington
Richelle Kench	Khandallah	Wellington
Susan Pryor	Northland	Wellington
James Dwyer	Karori	Wellington
Emma Drysdale	Wadestown	Wellington
Ijaana Hamilton	Karori	Wellington
Terese Murphy	Karori	Wellington
Izzy Cresswell	Brooklyn	Wellington
Sheenagh Jackson	Karori	Wellington
Angus Howden	Wadestown	Wellington
Gina Lockyer	Karori	Wellington
Simone Horo	Wadestown	Wellington
Rachel Boys	Wadestown	Wellington
Emma Marriott	Ngaio,	WELLINGTON
Emily Ireland	Houghton Bay	Wellington
Carla Wild	Karori	Wellington
Pip Leech	Karori	Wellington
Henry Collingridge	Karori	Wellington
Sue Paterson	Northland	Wellington
Garth Gregory	Wellington	Wellington
Philip Clark	Northland	Wellington
Duncan Ashton	Northland	Wellington
Dione Miller	Wilton	Wellington
Bruce Hodges	Northland	Wellington
Dany Hovinga	Northland	Wellington
Fraser Lovell	Northland	Wellington
Ken Douglas	Levin	Levin
Andrea Bergstrom	Kelburn	Wellington
Greg Whitfield	Paraparaumu Beach	Paraparaumu
David Johnson	Eastbourne	Lower Hutt

Name	Suburb	City
Glen Leonard	Northland	Wellington
Chris Betterton	Wilton	Wellington
Alastair Mcilhone	Seatoun	Wellington
Adrian Mcnabb	Waterloo	Lower Hutt
Ilona Bowron	Northland	Wellington
Rebecca Edwards	Lower Hutt	Lower Hutt
Katherine Luke	Karori	Wellington
Olivia Levens	Judgeford	Wellington
Darcy Mellsop	Khandallah	Wellington
Stephen Southey	Waikanae Beach	Kapiti Coast
David Walmsley	Paparangi	Wellington
David Harkness	Brooklyn	Wellington
Hamish Gordon	Northland	Wellington
Teresa Jordan	Wilton	Wellington
Nicola Parsons	Northland	Wellington
Stefanie Dixon	Northland	Northland
Sara Clarke	Northland	Wellington
Nat Dunn	Karori	Wellington
Phil OConnell	Karori	Wellington
Liz Howe	Karori	Wellington
Grace Rippingale	Northland	WELLINGTON
Jane C Ross	Notthland	Wellington
karen simcox	Karori	wellington
Andrew Miller	Karori	Wellington
Ingrid McDuff	Karori	Wellington
Mandy Harrald	Karori	Wellington
Natasha Bastion	KARORI	Wellington
Andrea Skews	Karori	Wellington
Ruth Harper	Northland	Wellington
Catherine Ryan	Johnsonville	Wellington
Davey RYNNE	Hutt central	Lower hutt

3. General Business

NEW GROUND LEASE - WELLINGTON TENNIS CLUB INCORPORATED

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Rangaranga | Social, Cultural and Economic requests approval to commence public consultation for two new ground leases for Wellington Tennis Club Incorporated on Wellington Town Belt land at 182a Alexandra Road, Newtown and on Reserve land at 21 Wesley Road, Kelburn.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|---|
| <input type="checkbox"/> Sustainable, natural eco city | <input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| <input type="checkbox"/> People friendly, compact, safe and accessible capital city | <input type="checkbox"/> Affordable, resilient and safe place to live |
| <input checked="" type="checkbox"/> Innovative, inclusive and creative city | <input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| <input type="checkbox"/> Dynamic and sustainable economy | <input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

Council approved a new lease for Wellington Tennis Club Incorporated in 2012

Significance

The decision is **rated low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

2.

Risk

- | | | | |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

3.

Authors	Sanjay Patel, Sports and Clubs Partnership Lead Parrish Evans, Community Recreation Leases Advisor
Authoriser	Paul Andrews, Manager Parks, Sports & Rec Kym Fell, Chief Customer and Community Officer

Taunakitanga | Officers' Recommendations

That Pūroro Rangaranga | Social, Cultural and Economic:

- 1) Receive the information
- 2) Agree that officers commence public consultation for a new ground lease for Wellington Tennis Club Incorporated at 182a Alexandra Road, Newtown, pursuant to the Leases Policy for Community and Recreation Groups and the Wellington Town Belt Act 2016
- 3) Agree that officers commence public consultation for a new ground lease for Wellington Tennis Club Incorporated at 21 Wesley Road, Kelburn, pursuant to the Leases Policy for Community and Recreation Groups and Reserves Act 1977.
- 4) Pursuant to the Wellington Town Belt Act 2016, officers will report back to the Pūroro Rangaranga | Social, Cultural and Economic Committee on the outcome of public consultation.
- 5) Pursuant to the Wellington Town Belt Act 2016, officers will recommend that Pūroro Rangaranga | Social, Cultural and Economic Committee refer the new lease to Council for approval, if no sustained objections arise from public consultation for 182a Alexandra Road, Newtown.
- 6) Note that the Pūroro Rangaranga | Social, Cultural and Economic Committee holds the delegation to approve leases on land managed under the Reserves Act 1977, however approval of leases on land managed under the Wellington Town Belt Act 2016 is delegated to Council.
- 7) Agree that legal and advertising costs are met by the lessee (where applicable)

Whakarāpopoto | Executive Summary

1. This report recommends two new ground leases are granted to the Wellington Tennis Club ("WTC").
2. Salamanca Tennis Club ("STC") was established in 1945 and were granted a new 10-year lease at 21 Wesley Road, Kelburn ending in June 2026. The lease area includes two hard surface courts. The club owns the building on site.
3. Lack of members and funding for STC over recent years had instigated the club to look for partners to share the leased facilities with no success.
4. STC have now agreed to dissolve as an incorporated society and transfer its assets and membership to Wellington Tennis Club Incorporated, should the Pūroro Rangaranga Committee agree with the recommendations in this report.
5. Wellington Tennis Club Incorporated ("WTC") unanimously voted to proceed with the acquisition of STC's assets and membership.
6. In 1970's, the Newtown Tennis Club and Wellington Lawn Tennis Club amalgamated into WTC and has leased Wellington Town Belt land at 182a Alexandra Road since then. The leased area includes four artificial tennis courts. The club owns two buildings on site.
7. WTC offers many opportunities for the community to utilise their courts and engage in the club. They offer a range of competition levels and social events.

8. With the proposed disestablishment of Salamanca Tennis Club, Wellington Tennis Club have requested a new lease for 21 Wesley Road, Kelburn.
9. The proposed leased area at 21 Wesley Road, Kelburn measures approximately 1267m² on land legally described as Part Lot 1 DP 8530 CFR WN48a/126. Rent will be charged at \$1221.51 + GST per annum as per Council's Lease Policy for Community and Recreation Groups. Officers recommend a new lease term of ten years with one renewal term of ten years, the standard tenure under the Leases Policy for Community and Recreation Groups ("Leases Policy") and is consistent with the requirements of tenure from the Reserve Act 1977.
10. In 2012 WTC was granted a lease for 10 years on Wellington Town Belt land at 182a Alexandra Road, Newtown. In December 2022 the lease will expire, and the Club has requested a new lease.
11. The proposed leased area at 182a Alexandra Road, Newtown, measures approximately 3557m² on land legally described as Part Lot 1 DP 8519 WN48B/341. Rent will be charged at \$2194.83 + GST per annum as per Council's Lease Policy for Community and Recreation Groups. Officers recommend a new lease term of ten years with one renewal term of ten years, the standard tenure under the Leases Policy for Community and Recreation Groups ("Leases Policy") and the maximum tenure permitted under the Wellington Town Belt Act 2016.

Takenga mai | Background

12. STC had a change of governance in 2021 which led to a independent arbitrator review of the committee. An interim committee was established to decide on the future of the facility and club. Over years the club has struggled with membership and generating revenue
13. In October 2021, the STC Committee made an informal proposal to WTC about taking over their facilities and members. This was initiated by STC as they believed WTC to be one of the strongest tennis clubs in Wellington and one that would complement their current member's culture.
14. On the 3rd of November 2021 at the Salamanca Tennis Club AGM members agreed; to endorse the committee to pursue a merger with WTC; that STC dissolve its incorporated society and merge with WTC, and the assets would go to WTC.
15. Officers have been working with both Club since the end of last year to help transition the two clubs as they progress to a merger.
16. WTC has increasingly grown their membership over several years but are now at capacity and are limited by their current facilities in Newtown. The club has determined that the criteria for future growth would be based on a location that is closer to the city and to have hard surfaced courts for their junior and senior competitive players to practice at. Currently the club is at 223 active memberships including members who were originally at Salamanca Tennis Club.

17. Tennis Central, the Regional Sporting Organisation (RSO) for Tennis also have provided support for the recommendations.

Kōrerorero | Discussion

19. Officers assess applications for a new lease on Wellington Town Belt following the Wellington Town Belt Act 2016 (“the Act”), the Wellington Town Belt Management Plan (“the Management Plan”), and the Leases Policy.
20. Officers assess applications for a new lease at the Botanic Gardens following the Reserve Act 1977 (“the Reserve Act”), the Botanic Gardens of Wellington Management Plan, and the Leases Policy.
21. The Club’s use of the land for recreation aligns with the purpose of Wellington Town Belt and reserve land.

Leases Policy Compliance

The Leases Policy sets out the criteria to consider when assessing a new lease application:

- a. Strategic Fit: The group’s purpose and activities must be consistent with the Council’s strategic direction to promote healthy lifestyles and build strong communities
The Club offers a recreational activity – They promote active lifestyle and provide a facility for members of the community to play tennis. They achieve this by providing tennis to the community year-round including evenings and winter.
- b. Organisational structure: The group must be an incorporated society or trust
The Club is an incorporated society.
- c. Membership: The group must be sustainable in terms of membership and/or users of the service for the term of the lease.

The Club has 223 active members (This total includes the previous Salamanca Tennis Club members) led by a committee of nine including a former member of the Salamanca Tennis Club and at least four members covering the following portfolio: Juniors, Memberships, Member Engagement, Property, Grant Applications. In addition, the number of members has been consistently high, and are pushing the capacity of their current four courts at Newtown. This is due in part to a strong social culture of the club, strong interclub and competitive opportunities, and support by strong coaching services.

- d. Financial and maintenance obligations: The group must be in a financial position to fulfil its lease obligations for the term of the lease, including but not exclusive to rent, insurance and building and grounds maintenance

Officers have been working closely with the Club to ensure that they are in a financial position to maintain the buildings and leased area to a suitable standard. The club has healthy cash reserves and an achievable maintenance plan for the next 10 years.

- e. Utilisation: The land and/or buildings must be utilised to the fullest extent practicable
The club has strong utilization of the courts and clubhouses. Wellington Tennis Club at Newtown has two clubhouses, one is used for the main activities associated with the club and the other is used for coaching and training session. The courts are played on seven days a week and are well utilized. Salamanca Tennis Courts has two hard courts that WTC has been using for their junior and senior competitive

players as well as their casual lunch time players. Salamanca Tennis Courts also has a small club house that is used by the players and coaching staff.

- f. Environmental Impact: The activity cannot have the potential to adversely affect open space values or other legitimate activities

Tennis is a recreation activity and therefore a legitimate fit for Wellington Town Belt land. The courts and outdoor seating area are well maintained by their volunteers and have sought to regenerate native plants in the area. The courts are also open for public to walk through and view the outdoor areas.

- g. Community demand: There must be demonstrated support and need within the community for the activity

The Club's strong community membership and engagement support Wellington Tennis Clubs application for a new lease. Wellington Tennis Club incorporates Tennis NZ vision of Tennis is to be accessible to all and to build community through tennis, in their approach to decision making.

Kōwhiringa | Options

22. Pūroro Rangaranga | Social, Cultural and Economic Committee has the following options:

- Agree that officers commence public consultation for a new lease for the Club on Wellington Town Belt land in Newtown for ten years with one right of renewal for ten years
- Agree that officers commence public consultation for a new lease for the Club on Reserve land for ten years with one right of renewal for ten years
- Decline Wellington Tennis Clubs Incorporated application for a new lease on Town Belt land (not recommended).
- Decline Wellington Tennis Clubs Incorporated application for a new lease on Reserve Land (not recommended).

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

23. The proposed new leases for the Club are consistent with the Management Plans and Leases Policy.

Engagement and Consultation

24. The approval of a new lease for an existing lessee is assessed as low significance per the Significance and Engagement Policy.

-
25. If the recommendations in this report are supported, officers will begin public consultation as per the Leases Policy and Wellington Town Belt Act requirements, including:
- Letters to mana whenua
 - Letters to relevant residents' groups
 - Notice on WCC website "Have Your Say"
 - Notice in the Dominion Post
26. The period for public consultation will be 30 days. Following the receipt of feedback officers will meet with submitters as required to discuss any matters raised.

Implications for Māori

27. Matairangi Mt Victoria is an area of cultural significance to mana whenua and includes several specific sites of significance to Māori identified in the Draft District Plan. There are no specified sites of significance in the immediate vicinity of the leased area. Mana whenua will be formally consulted on the new lease pursuant to the Leases Policy.
28. Paekākā Wellington Botanic Garden is an area of cultural significance to mana whenua and includes several specific sites of significance to Māori identified in the Draft District Plan. There are no specified sites of significance in the immediate vicinity of the leased area. Mana whenua will be formally consulted on the new lease pursuant to the Leases Policy.

Financial implications

29. This application is for ground leases and there are no significant financial implications for Council.

Legal considerations

30. The application is consistent with the Wellington Town Belt Act 2016 and Reserve Act 1977.

Risks and mitigations

31. This proposal is rated as low risk on the Council's risk framework.

Disability and accessibility impact

32. Salamanca Tennis Courts and club house have accessible access. Both Wellington Tennis Clubs clubhouses do not have accessible access, however the courts are. Any future works to WTC clubhouses that trigger the building code will require accessibility improvements to be made.

Climate Change impact and considerations

33. This application is for the continuation of an existing activity. There are no specific climate change impacts or considerations.

Communications Plan

34. As per above, this application will be publicly notified as per Council's Leases Policy and the Wellington Town Belt Act.

Health and Safety Impact considered

35. The Club has an updated Health and Safety plan

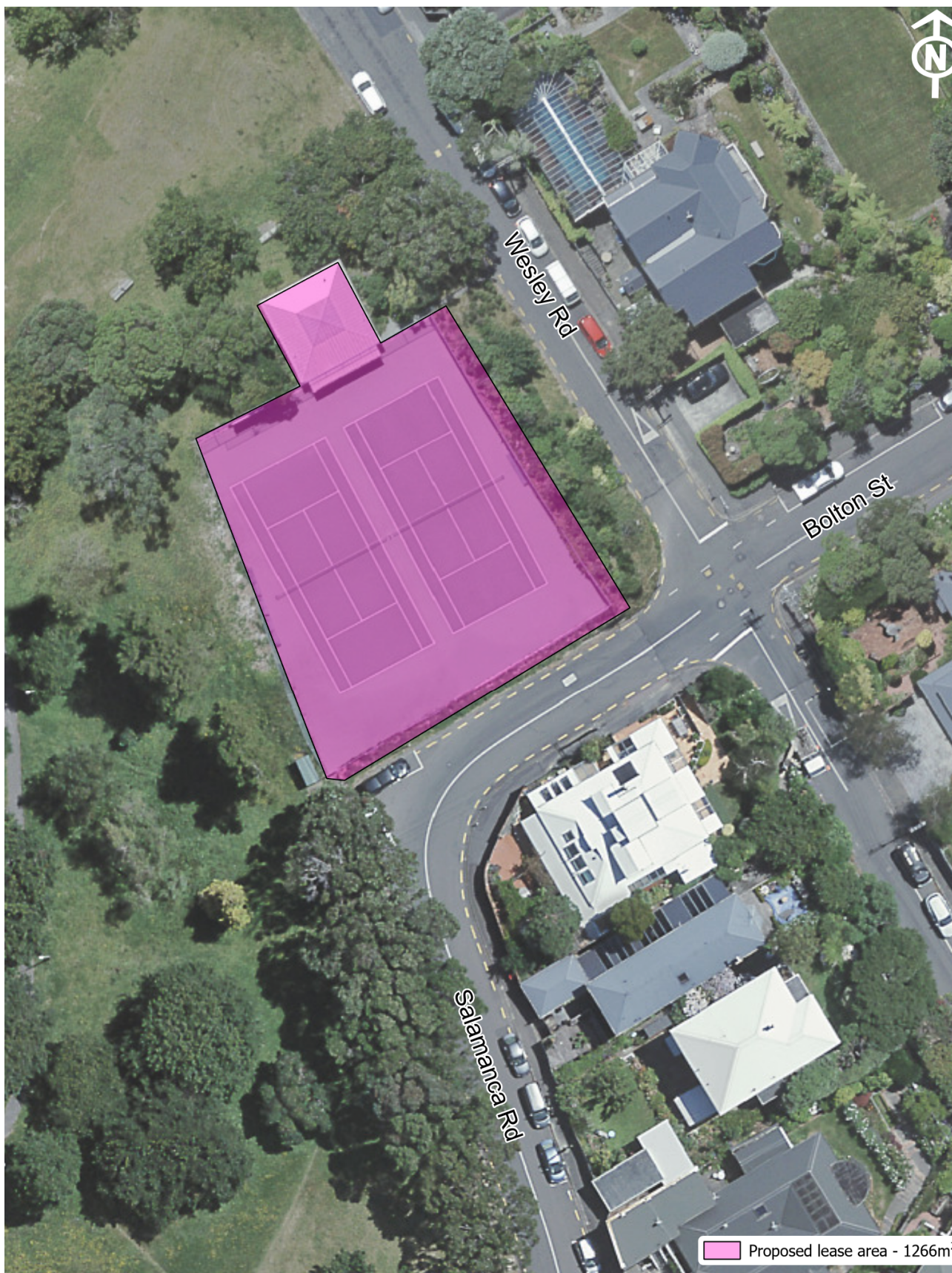
Ngā mahinga e whai ake nei | Next actions

36. Following committee's approval, officers will undertake the following next steps:
- Public consultation of the proposed lease as required under the Wellington Town Belt Act and Leases Policy.
 - The outcome of consultation will be reported back to Pūroro Rangaranga | Social, Cultural and Economic Committee
 - Pūroro Rangaranga | Social, Cultural and Economic Committee's decision will be referred to Council for approval
 - If Council approves the lease, the lease document will be negotiated, drafted, and signed.

Attachments

- Attachment 1. [Salamanca Tennis Club](#)  
Attachment 2. [Wellington Tennis Club Inc Courts](#)  

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Salamanca Tennis Club site, 21 Wesley Road, Kelburn

Property boundaries, 20m Contours, road names, rail line, address & title points sourced from Land Information NZ. Crown Copyright reserved. Property boundaries accuracy: +/-1m in urban areas, +/-30m in rural areas. Census data sourced from Statistics NZ. Postcodes sourced from NZ Post. Assets, contours, water and drainage information shown is approximate and must not be used for detailed engineering design. Other data has been compiled from a variety of sources and its accuracy may vary but is generally +/- 1m.

MAP PRODUCED BY:
 Wellington City Council
 101 Wakefield Street
 WELLINGTON, NZ

ORIGINAL MAP SIZE: A4
 AUTHOR: presto2j
 DATE: 11/07/2022

Absolutely Positively Wellington City Council
 Me Heke Ki Pōneke



Wellington Tennis Club site, 182 Alexandra Road, Newtown

Property boundaries, 20m Contours, road names, rail line, address & title points sourced from Land Information NZ. Crown Copyright reserved. Property boundaries accuracy: +/-1m in urban areas, +/-30m in rural areas. Census data sourced from Statistics NZ. Postcodes sourced from NZ Post. Assets, contours, water and drainage information shown is approximate and must not be used for detailed engineering design. Other data has been compiled from a variety of sources and its accuracy may vary but is generally +/- 1m.

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**Absolutely Positively
Wellington City Council**
Me Heke Ki Pōneke

CITY HOUSING SUSTAINABILITY: DETAILED CHP DESIGN AND TRANSITION

Purpose

1. Following the adoption of the City Housing LTP amendment on 30 June 2022, this paper seeks the Committee's agreement to aspects of detailed design and implementation of the Community Housing Provider (CHP).

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|--|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input type="checkbox"/> Sustainable, natural eco city |
| | <input checked="" type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input checked="" type="checkbox"/> Innovative, inclusive and creative city |
| | <input type="checkbox"/> Dynamic and sustainable economy |
| | <input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input checked="" type="checkbox"/> Affordable, resilient and safe place to live |
| | <input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input checked="" type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input checked="" type="checkbox"/> Strong partnerships with mana whenua |

Relevant Previous decisions

In October 2021, Pūroro Rangaranga agreed to a preferred CHP design and agreed to consult on options to resolve City Housing's sustainability through an LTP amendment as part of the 2022/23 Annual Plan. The Committee directed officers to report back on further aspects of CHP design and this paper fulfills that requirement.

In June 2022, following community consultation, the AP/LTP Committee adopted an LTP amendment to establish a CHP to resolve City Housing's financial sustainability challenges. The Committee requested advice in August on detailed design and transition and this paper fulfils that requirement.

Significance

The decision is **rated high significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy. The proposal meets the following criteria: Importance to Wellington City, Community Interest, and Impact on Council's Capacity and Capability.

Financial considerations

- | | | |
|------------------------------|---|---|
| <input type="checkbox"/> Nil | <input checked="" type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|------------------------------|---|---|

Risk

- | | | | |
|------------------------------|---------------------------------|--|----------------------------------|
| <input type="checkbox"/> Low | <input type="checkbox"/> Medium | <input checked="" type="checkbox"/> High | <input type="checkbox"/> Extreme |
|------------------------------|---------------------------------|--|----------------------------------|

Authors	Katherine Meerman, Chief Advisor Kayla Davies, Executive Assistant
Authoriser	Kym Fell, Chief Customer and Community Officer

Taunakitanga | Officers' Recommendations

Officers recommend that the Pūroro Rangaranga | Social, Cultural and Economic Committee:

- 1) Receive the information
- 2) Note that, in June 2022, Council adopted an LTP amendment to establish a CHP, and directed officers to report back on detailed CHP design and a plan for transition
- 3) Note Recommendations 4 to 16 seek agreement to the core governance provisions that will be included in the Trust Deed used to establish and govern the CHP

CHP purpose and objectives

- 4) Agree that the CHP is established:
 - a. to advance the charitable purposes of relieving poverty and providing benefits to the community by way of providing community housing, social housing, public housing, and/or affordable rental housing, including (but not limited to) the following activities:
 - acquiring and leasing community housing, social housing, public housing, and affordable housing accommodation
 - providing associated housing services
 - carrying out any other activities that may assist or support community housing, social housing, public housing, and affordable housing schemes
 - engaging with local and central government authorities in relation to potential housing acquisitions or projects and
 - registering as a community housing provider under the Public and Community Housing Management Act 1992
 - b. to undertake activities:
 - for the benefit of the wider community with a focus on those who qualify for community housing, social housing, public housing and/or affordable housing as a result of their financial position and income
 - with regard to the principles of Te Tiriti o Waitangi, tikanga Māori and te ao Māori
 - c. to undertake these activities in New Zealand, with a primary focus on the Wellington region
- 5) Note that the purpose set out in Recommendation 4 allows the CHP to support a range of future tenants, including those who may not be eligible for public housing

Governance arrangements

- 6) Agree that the CHP be registered:
 - a. As a charity under the Charities Act 2005, to qualify for double income tax exemption (that is, being income tax exempt as a charity and as a CHP), for reputational advantages, for potential funding and grant advantages, and for increased ability to receive bequests from deceased estates
 - b. As a charitable trust board via the Companies Office, establishing the CHP as a separate legal entity so it can hold property and enter into contracts in its own name

-
- c. As a donee organisation recorded on the Inland Revenue register of donee organisations, to allow for any donations made to the CHP to qualify for tax deductions or tax credits
 - d. As a Registered Community Housing Provider in accordance with the Public and Community Housing Management Act 1992
 - 7) Note that officers are discussing governance partnership opportunities with mana whenua (i.e., through the provision of mana whenua-appointed Trustees) and will provide a further update, and any resulting changes to the advice in this paper, to the Committee in September 2022
 - 8) Agree that the CHP's Board of Trustees is to have the following composition:
 - a. **Number of Trustees:** A minimum of five and a maximum of nine Trustees in total
 - b. **Council-Appointed Trustees:** A minimum of one and a maximum of three Council-Appointed Trustees (with the number of Council-Appointed Trustees dependent on the overall size of the Board and representing a minority of the total number of Trustees)
 - c. **Independent Trustees:** A minimum of three and maximum of six Independent Trustees, with, subject to the outcome of conversations with mana whenua, one to two Independent Trustee(s) to be appointed by mana whenua
 - 9) Agree that appointment of:
 - a. Council-Appointed Trustees will be made by Council in accordance with the Council's Appointments Policy, in accordance with the requirements of the Local Government Act.
 - b. Independent Trustees:
 - i. subject to (ii) below, will be made by a Board Appointments Panel, which is likely to comprise the Chair, one other Trustee (which following appointment of the first independent Trustees, must be an independent Trustee appointed by the Board Appointments Panel), one mana whenua-appointed Trustee, and two independent governance experts
 - ii. may be made by mana whenua in relation to one to two Independent Trustee(s)
 - c. The Chairperson will be made initially by Council, but should in the ordinary course be appointed by the Board of Trustees (once a sufficient number of Independent Trustees form a majority of the Board)
 - 10) Agree that, in appointing Trustees, the Board Appointments Panel, Council and mana whenua should have regard to specified skills and experience to ensure the Board comprises a mix of suitably skilled Trustees to meet requirements for registration and the CHP's ongoing effectiveness
 - 11) Agree that, at any time, the relevant appointing party (i.e., Council, the Board Appointments Panel and mana whenua) can remove its appointed Trustees
 - 12) Agree that the process for appointment of the original Trustees will be as follows:
 - a. the Council will appoint one to three Council-Appointed Trustee(s)
 - b. if applicable, mana whenua will appoint one to two Independent Trustee(s)

with the Board Appointments Panel to be constituted, and appointment of Independent Trustees made by the Board Appointments Panel, as soon as practicable following the establishment of the CHP. The Trust Deed will provide that no decision making will be able to be made by the Board until the Board Appointments Panel has appointed a sufficient number of Independent Trustees to form a majority of the Board (together with the mana whenua appointed Independent Trustees).

- 13) Agree that the CHP's Trust Deed will include a provision restricting the Trust from becoming a Council-Controlled Organisation and require that it maintains its independence from the Council and any other third party
- 14) Note that the CHP will be a Council Organisation and Council will regularly undertake performance monitoring of the CHP in accordance with the requirements of the Local Government Act to ensure it is delivering on its objectives and desired outcomes.
- 15) Agree that in the event that Trustees unanimously vote to wind up the Trust, the CHP's remaining assets:
 - a. must be applied to further the specified charitable purposes set out in the Trust Deed; and
 - b. in doing so, the Trustees will offer the Council the first right to accept the transfer of such assets provided the Council applies such assets to further the Trust's specified charitable purposes
- 16) Note the Trust Deed will also contain additional procedural provisions (which are not expected to be controversial) and officers will provide further advice on these in September 2022

CHP capitalisation

- 17) Note that, as per the LTP amendment, the CHP would be provided by Council with \$35m upfront capital (made up of \$25m cash and \$10m property) to enable it to invest in new social housing supply projects
- 18) Agree that the capitalisation is provided to the CHP as follows:
 - a. Cash component – by providing the CHP with a suspensory loan that would not ordinarily require repayment, unless the CHP was wound up or other extraordinary events occurred (e.g. the CHP became insolvent).
 - b. Property component – by providing the CHP with a small number of suitable City Housing sites (indicatively three to four), in the form of a suspensory loan (i.e., a “gift”) that would not ordinarily require payment, unless the CHP was wound up or other extraordinary events occurred (e.g., the CHP became insolvent), subject to any external lender's right to exercise any security they hold over the properties.
- 19) Note officers will report back to the Council by February 2023 on the details of the suspensory loan agreement and specific sites recommended for capitalisation

Major maintenance fund and financing the upgrade programme

- 20) Note the Council has previously agreed that the CHP would provide a “full service” offering, initially providing tenancy management and minor maintenance, with a transition to responsibility for delivery of major maintenance over time
- 21) Agree that the details of the transfer of major maintenance responsibility from the Council to the CHP will be agreed by the CHP and Council in stage 2 of the transition, through the development of the asset management strategy for the portfolio

-
- 22) Agree to establish a ring-fenced major maintenance fund, sitting on the Council's balance sheet, to fund all major maintenance required on the leased portfolio
- 23) Agree the operating principles for the ring-fenced maintenance fund will be drafted into the lease agreement between the CHP and Council, including:
- a. The requirements for a joint asset management strategy
 - b. The ability for the Council to recover the following from the fund over time from surplus revenue (i.e., after the Council has met all its responsibilities e.g., insurance, major maintenance):
 - i. costs for HUP2 which exceed the \$180m Deed of Grant commitment (approximately \$106m) that the Council has prepaid into the fund
 - ii. any contribution the Council is required to make to the fund to ensure its financial sustainability
- 24) Agree that officers explore the opportunity to raise HUP2 debt as sustainable or social finance from the Local Government Funding Authority

Lease arrangements

- 25) Note, as per the LTP amendment, the Council's preferred CHP model involves a long-term leasehold arrangement with the CHP, with the Council remaining the asset owner
- 26) Agree that the following be drafted into the lease agreement between the CHP and the Council:
- a. The term of the lease will be between 30 to 35 years
 - b. The lease can be terminated under the following circumstances:
 - i. By the CHP or the Council with five years notice
 - ii. By the Council with two years notice, only in the event of a material change in government policy settings that would significantly benefit tenants under a Council-run housing service
 - c. Details of the Lease Payment set out in Recommendation 27
- 27) Agree that the Lease Payment to the Council will be comprised of a:
- a. Fixed Base Payment set in year one at the rent received from the final year of the Council-operated service, indexed at CPI (or appropriate index), less the CHP's operating costs, plus
 - b. Variable Payment calculated as an agreed share of the CHP's Operating Surplus relating to the leased properties, where the Operating Surplus is split between the CHP (20%) and Council (80%)
- 28) Agree the terms of the lease agreement and suspensory loan agreement are reviewed by the CHP and Council within two years to determine whether changes are needed, with a particular focus on the following:
- a. Lease Payment structure
 - b. Lease term and termination rights
 - c. Impact of the agreements on the CHP's ability to deliver new supply and borrow independently
 - d. Impact of the agreements on the Council's security position and any additional support provided by the Council

- e. Allocation of risk and responsibilities between the Council and CHP
- f. Sustainability of the ring-fenced fund.

29) Note officers will continue to work through the details of the lease agreement and next provide an update to the Council by February 2023

Support for existing tenants

30) Note all existing tenancies are secure under a CHP model as the CHP is required to meet tenancy requirements under the Residential Tenancies Act

31) Agree that the following will be included in the lease agreement to provide certainty for tenants about their rental terms and conditions:

- a. The Council's current rental policy (or relevant components of the current rental policy) will, to the extent it is possible to do so, apply to existing tenants, who transfer across to the CHP at the point of establishment, as long as they remain tenants of the CHP and remain within current policy eligibility
- b. The Council's decision to freeze rents for 2022/23, confirming rent cannot be increased until September 2023
- c. Any review of the rental policy for existing tenants must be jointly carried out by the CHP and Council and should consider:
 - i. Any changes in government policy or other settings that have impacted (either positively or negatively) tenants' rental affordability
 - ii. The impact of the new tenant support fund (Recommendation 34)
 - iii. The financial position of the CHP
 - iv. The ongoing affordability of the rental policy for the Council, given the Council will be funding the operating shortfalls from the policy
 - v. Other factors the CHP and the Council consider to be relevant.

32) Note that officers will report back to the Committee by February 2023 on how the Council's rental policy will apply to the CHP through the lease agreement as referred to above, having considered various requirements, including the Residential Tenancies Act and Local Government Act.

33) Note the current rental policy will generate an operating shortfall over the transition period and rates funding is included in the LTP amendment to meet this shortfall

34) Agree to establish an additional \$8-10m tenant support fund, to be administered by the CHP, to provide rental relief and/or cost-of-living support for existing tenants who transition across to the CHP

35) Agree the cost of the tenant support fund will be met from Tranche 1 of the Three Waters 'Better Off' funding, which will be available, following application, from July 2022

36) Note the Council could contribute further to the tenant support fund in July 2024, should it choose to do so, if Tranche 2 funding is made available by the government

37) Note officers will work with central government to update the Deed of Grant to recognise the CHP's establishment and decisions taken in this paper

38) Note the transition plan for the CHP's establishment would proceed in three stages:

- a. Stage 1: Council led – July 2022 to February 2023

-
- b. Stage 2: Joint Council and CHP led – February 2023 to July 2023
 - c. Stage 3: Transition to new BAU arrangements – July 2023 onwards
- 39) Direct officers to report back to Pūroro Rangaranga in September 2022 on:
- a. Remaining details required in the Trust Deed
 - b. Any update on partnership opportunities with mana whenua
 - c. Any remaining decisions or delegations required to enable officers to continue working in line with the transition plan between trienniums.

Whakarāpopoto | Executive Summary

2. City Housing has a long-standing sustainability issue that is now critical. Limited income and growing cost pressures means City Housing runs an operating deficit and cannot generate sufficient funding for the investment necessary to upgrade the housing assets. Additionally, changes are needed to improve rental affordability for tenants over time. Following community consultation, in June 2022, the Council adopted an LTP amendment to establish a CHP to resolve these challenges.
3. In June 2022, the AP/LTP Committee directed officers to report back to Pūroro Rangaranga on detailed CHP design and implementation of the LTP amendment. This paper fulfils that requirement (as well as the request by Pūroro Rangaranga in October 2021 for further advice on CHP design). In developing this advice, officers have continued to draw on the lessons learned in the establishment and operation of Ōtautahi Community Housing Trust (ŌCHT) in Christchurch.
4. This paper seeks the Committee's agreement to the following:
 - CHP's purpose and operational scope
 - Composition of the Board of Trustees
 - Relevant registrations the CHP must maintain (e.g. registering as a charity)
 - Relevant provisions for assets if the Trust is wound up
 - Details of the capitalisation of the CHP to enable new housing supply
 - How major maintenance responsibility is transferred to the CHP over time
 - Details of the lease agreement (e.g. lease term, Lease Payment to Council)
 - Support for existing tenants who transfer to the CHP
 - CHP transition and establishment plan.
5. The first step in establishing the CHP is the development of the Trust Deed, which is the CHP's core governing document. The Trust Deed will set out the charitable purpose(s) for which the Trust is being established, details about the legal status of the Trust to give effect to its purpose, and the details of the governance arrangements.
6. It is critical that the Trust Deed is drafted to be an enduring document that will remain fit-for-purpose as the Trust grows and develops as an entity. The Trust Deed needs to be drafted to retain sufficient flexibility while also balancing the need to provide certainty around factors that are important to the Council.

-
7. This paper seeks the Committee's decisions on the most significant aspects of the Trust Deed to enable drafting to begin, including the:
- Purpose and operational scope of the CHP
 - Size and composition of the Board of Trustees
 - Processes that will apply for appointing Trustees
 - Skills and experience that are necessary for a high-performing skills-based Trust Board
 - Treatment of the CHP's assets in the event the Trust is wound up.
8. This paper also provides further advice on the design detail of the CHP including:
- Capitalisation to enable new supply – under the adopted CHP model, the Council will provide the CHP with \$35m of upfront cash and property (\$25m cash and \$10m property) to enable it to invest in new supply.

This paper provides advice on how that cash and property should be provided to the CHP to ensure, particularly the property, could return to Council in the event the CHP is wound up.
 - Responsibilities for delivery of major maintenance, including how the ring-fenced major maintenance fund would operate.

The paper recommends that decisions on the transfer of delivery responsibility for major maintenance are made jointly by the CHP and the Council as part of the asset management planning required for CHP registration. The paper also recommends the establishment of the ring-fenced major maintenance fund on the Council's balance sheet and that the Council is enabled to recover the costs of HUP2 above the \$180m Deed of Grant commitment from the ring-fenced fund over time, as surplus funds allow.
 - Details of the lease agreement between CHP and the Council, in particular how the Lease Payment for the housing assets would be structured.

The Lease Payment structure is important because it determines the incentives on the CHP to manage its costs, provides certainty for the Council about its revenue overtime, and determines how increasing income from the portfolio is applied to covering the costs of operating, insuring, maintaining and upgrading the portfolio. The paper recommends the Lease Payment is made up of a combination of a fixed Base Payment, providing the Council with certainty of a core payment, and a Variable Payment that is the Council's share of an Operating Surplus which is split between the CHP and the Council. Importantly, all revenue will remain ring-fenced and applied to portfolio costs.
9. A key theme from consultation was the need to provide existing tenants with certainty over their future rental terms and to consider ways to support existing tenants' rental affordability. This paper recommends that, to the extent it is possible to do so, Council includes the current rental policy (or relevant components of the current rental policy) in the lease agreement to provide certainty for tenants. It also recommends establishing a new tenant support fund, using Three Waters 'Better Off' funding, to provide the CHP with funding to support existing tenants' rental affordability or costs of living over time.

10. Finally this paper provides an overview of the transition plan to establish the CHP. Overall, officers are working to have the CHP operational in the first quarter of 2023/24. This is an achievable timeframe based on our understanding of the ŌCHT process.
11. The transition would proceed in three stages and there would be clear milestones that would trigger the move to each next stage. Stage 1 would be led by the Council and would be expected to run until February 2023. In Stage 1, the Council would complete the Trust Deed and settlement (i.e. establishment) of the Trust, make initial Trustee appointments, including an interim Chairperson, scope transition requirements for Council staff and systems, and develop a transition support plan for tenants. Stage 1 also includes making changes to the Deed of Grant in light of the CHP's establishment.
12. Once Stage 1 milestones are met, the Council and CHP, via its new initial Trustees, would jointly oversee the transition through Stage 2. Officers will come back to the Council with further advice on these shared Stage 2 leadership arrangements, which would be in place until the CHP is registered with the regulator. From then on (July 2023 onwards), the Council and CHP would operating under new business-as-usual arrangements and officers will provide further advice on these in February 2023.
13. Through Budget 22, the government provided interim financial support for the establishment of the CHP, and agreed to fund 380 IRRS places building up over two years. While this initial funding is capped, the government and the Council have committed to continue to work together on longer-term funding arrangements. This work will be a key priority over the transition period.

Takenga mai | Background

14. City Housing has a long-standing financial sustainability issue that is now critical. Limited income and growing cost pressures means City Housing runs an operating deficit (\$10m per annum and growing) and cannot generate sufficient funding for the investment needed to upgrade the housing assets. Additionally changes are needed to improve rental affordability for tenants over time. The costs of the required housing upgrades will be at least \$286m, much higher than the \$180m commitment in the Deed of Grant. These HUP2 costs estimates are also based on a 2020 QS assessment meaning, with current construction pressures, actual costs will likely be higher.
15. The Council has taken steps to address City Housing's sustainability over several years, including operational changes to reduce costs and improve efficiency, establishing a programme to reinvest proceeds from targeted divestment into ongoing upgrades, and leasing properties to other providers to increase revenue.
16. While these changes improved the financial situation, more significant change was needed. In April, the Council began consultation with the community on the options to resolve the portfolio's sustainability and, in June, the Council resolved to establish a CHP, based on the preferred model presented in consultation.
17. A CHP can contribute strongly to improving housing and social outcomes for individuals and communities across Wellington, including for Māori who are disproportionately represented in housing figures. A CHP will contribute to managing the government's public housing waitlist, by taking tenants off the public housing register as it has houses available. These tenants will have access to the IRRS meaning their rent will be capped at 25% of income. The public housing waitlist is

growing significantly over time, with Māori currently making up more than 50% (and growing) of those on the register. Through access to other government funding, the CHP will also be able to add much needed housing social and affordable housing supply in Wellington and, through the opportunities for partnership, the CHP will be well placed to ensure it can deliver housing and related services that are well-targeted to meet the needs of individuals, whanau and communities that most need its support.

18. The CHP model adopted by Council is an independent community housing trust, with Council representation on the board of trustees. The housing assets will be leased to the trust via a leasehold agreement and the CHP will be capitalised with upfront cash and property to enable it to invest early in new social housing supply. The CHP will deliver a “full” service offering and be responsible for tenancy management, minor/reactive maintenance, and major maintenance, with major maintenance responsibility formally transferred to the CHP over time. As the asset owner, the Council will retain some control on major asset maintenance and upgrades through the establishment of a ring-fenced major maintenance fund.
19. When adopting the LTP amendment, the Council directed officers to report back on a number of aspects of detailed design and first steps in CHP transition. This paper fulfils that requirement, as well as the request from Pūroro Rangaranga in October 2021 for further advice on key aspects of CHP design.
20. Alongside community consultation, the Council continued to have discussions with central government about City Housing’s position and options for financial support. In Budget 22, the government provided initial funding to support the establishment of a CHP and committed to continue to work with the Council on longer-term funding arrangements. Ongoing work with central government will also include making necessary changes to the Deed of Grant in light of the CHP establishment.
21. The Budget provides for 380 funded IRRS places, which build up over a two-year period, an arrangement similar to the one taken with ŌCHT at its establishment. While this is currently a time-limited funding provision, the Council and government are continuing to work on arrangements beyond that to ensure both the sustainability of the portfolio and the ability to grow social housing supply in Wellington. This will be a key priority workstream for officers through the transition period.

Kōwhiringa | Options

Detailed CHP design and first steps in transition

22. This paper provides the Committee with advice on the following aspects of CHP detailed design and transition:
 - CHP’s purpose and operational scope
 - Composition of the Board of Trustees
 - Relevant registrations the CHP must maintain (e.g. registering as a charity)
 - Relevant provisions for assets if the Trust is wound up
 - Details of the capitalisation of the CHP to enable new housing supply
 - How major maintenance responsibility is transferred to the CHP over time

- Details of the lease agreement (e.g. lease term, lease payment to council)
- Support for existing tenants who transfer to the CHP
- CHP transition and establishment plan.

23. Officers have continued to have conversations with both ŌCHT and the Christchurch City Council in developing this advice – as organisations that are six years ahead in this process, their experiences are exceptionally valuable. As an entity that is now moving beyond “start-up” into a growth phase, recent changes ŌCHT has made, or is making, have been influential in shaping the advice in this paper.

CHP purpose and governance arrangements

24. A critical first step in establishing the CHP is the development of the Trust Deed, which is the CHP’s core governing document. The Trust Deed sets out the charitable purpose(s) for which the Trust is being established, details about the legal status of the Trust to give effect to its purpose (e.g., registration as a charity), the details of the governance arrangements (e.g., the size and composition of the Trust Board and Trustee duties and powers), how decisions are made, and provisions that determine what happens in the event the Trust is wound up.

25. This paper seeks the Committee’s decisions to the most fundamental aspects of the Trust Deed to enable drafting to begin, as well as the commencement of other work streams (i.e., preparing documentation for relevant registrations). There will be further procedural and non-controversial provisions that the Committee will also need to take decisions on in September 2022.

26. It is critical that the Trust Deed is drafted to be a long-term and enduring document that will govern the Trust’s activities as it grows and develops as an entity. Changing a trust deed can be difficult as it involves a number of considerations, including whether the terms of the trust deed allow for such variation in the first place. Depending on the variation, it may require a unanimous decision of the Trustees, which may in some circumstances be challenging to obtain. It can also bring with it additional administrative tasks, such as notifying relevant registration bodies of the amendments – and where the purpose of the Trust is amended, then the authorities are likely to review that change to consider whether the Trust’s new amended purpose is still charitable. For these reasons, the Deed needs to be drafted broadly and flexibly so that it is not overly restrictive and remains fit-for-purpose over time.

27. Recent ŌCHT experience demonstrates why a flexible Trust Deed is important. As drafted in 2016, the ŌCHT Trust Deed specifies that the Trust is operating for the benefit of the Christchurch City community. As the Trust has grown, it is now seeking to develop housing in Selwyn and Waimakariri Districts to meet community needs and support the Greater Christchurch Partnership’s housing aspirations, but is prevented from doing so by the Trust Deed. To address this, ŌCHT is now considering setting up a new/separate Trust to deliver housing in the wider Canterbury region.

CHP/Trust purpose

28. The Trust Deed sets out the purpose(s) for which the Trust is being established – this purpose statement essentially sets the scope of the Trust’s operations, meaning all its activity, service delivery, and housing development must be consistent with that purpose. The purpose also provides limits within which Trustees must exercise their

powers and discretions, and limits how the Trust's assets may be distributed if the Trust were to be wound up. If the CHP is registered as a charity (refer paragraphs 34 and 35), the purpose should align with a recognised charitable concept (e.g., providing relief from poverty and benefits to the community). It is important the purpose be kept as broad as possible to avoid unintended limitations on the Trust's activities.

29. There are three components of the Trust's purpose that this paper seeks the Committee's agreement to – its core activities, geographic focus, and beneficiaries of its services. Officers recommend that the Trust is established:
- a. to advance the charitable purposes of relieving poverty and providing benefits to the community by way of providing community housing, social housing, public housing, and/or affordable rental housing, including (but not limited to) the following activities:
 - acquiring and leasing community housing, social housing, public housing, and affordable housing accommodation
 - providing associated housing services
 - carrying out any other activities that may assist or support community, housing, social housing, public housing, and affordable housing schemes
 - engaging with local and central government authorities in relation to potential housing acquisitions or projects, and
 - registering as a community housing provider under the Public and Community Housing Management Act 1992
 - b. to undertake activities:
 - for the benefit of the wider community with a focus on those who qualify for community housing, social housing, public housing and/or affordable housing as a result of their financial position and income
 - with regard to the principles of Te Tiriti o Waitangi, tikanga Māori, te ao Māori
 - c. to undertake these activities in New Zealand, with a primary focus on the Wellington region.
30. The above purpose will enable the CHP to provide support and housing to a range of future tenants, not just those who qualify for public housing (IRRS). In particular, this could include elderly or disabled tenants who do not qualify for IRRS, but may also not be able to afford market housing. The CHP's registration with the government regulator enables it to receive IRRS, but it does not require that all new tenants are from the public housing register.
31. It is also important to note that, while point a) above would enable the CHP to assist its tenants to access additional services to help them sustain a tenancy (e.g., by linking them to budgeting, employment or training services or health-related support services) alongside its core housing services, the Community Housing Regulatory Authority (CHRA) which registers and monitors the CHP would require the CHP to demonstrate an organisational separation between the housing arm and the support services arm.
32. Drafting of the Trust Deed will also incorporate operating principles, reflecting, or similar to, those in Tākai Here, as important ways of operating in delivering on the

Trust's purposes, in particular its commitment to Te Tiriti o Waitangi. While the principles will reflect those in Tākai Here, they are intended to apply to and guide the Trust as an independent entity, not to direct Council or mana whenua-appointed Trustees in carrying out their roles.

Registrations and restrictions

33. As well as registering as a CHP in accordance with the Public and Community Housing Management Act 1992, officers recommend that the Trust completes three forms of registration that will enable it to be most effective in delivering on its objectives and to maximise available financial benefits. The requirements to achieve these registrations and take any necessary steps to maintain these registrations over time should be set out in the Trust Deed. These registrations include:
- Registration as a charity under the Charities Act 2005
 - Registration as a charitable trust board under the Charitable Trusts Act 1957
 - Registration as a donee organisation with Inland Revenue.
34. CHPs are not required to be registered as charities under the Charities Act 2005 but there are some significant advantages to doing so. These include:
- double income tax exemption, which means the Trust would be income tax exempt as a charity and also as a CHP. This gives some protection in case one of the income tax exemptions is lost
 - reputational advantages in the community and confidence that the entity will operate with charitable intentions and community benefit in mind
 - increased ability to receive bequests from deceased estates (e.g., many wills have distribution clauses that are restricted to charitable organisations), and
 - potential advantages in accessing grants or other sources of funding only available for registered charities
35. The main disadvantage of being registered as a charity is that it adds an additional layer of administration and paperwork. Aside from the initial registration process, the primary obligation is to prepare a compliant annual return which is made available on the public register. However, given the CHP will need to prepare financial statements for audit and regulatory purposes, the amount of additional work to maintain charitable status is likely to be minor. As a registered charity, the Trust would also need to notify Charities Services of key changes in its operations e.g., changes to the Trust Deed.
36. Registration as a charitable trust board under the Charitable Trusts Act 1957, which is separate from registration as a charity, would be made via the Companies Office and would incorporate the Trust as a separate legal entity so it can hold property and enter into contracts in its own name. This is a fairly straightforward process and is likely to be desirable for any Trust that intends to hold land or property assets – this is because the record of title of any property owned by the Trust would not need to change each time the trustees on the Board change. As with charities registration, the only disadvantage is that there are some additional layers of compliance and administration but, again, these are minor and mainly involve updating certain changes to the Companies Office (such as changes to the Trust Deed).

37. The third registration officers recommend is registering the Trust as a donee organisation recorded on the Inland Revenue register of donee organisations. This means any donations made to the Trust by individuals or organisations would qualify for tax deductions or tax credits. There are no ongoing filing or administrative requirements so there is no material disadvantage to having this status other than needing to make sure that valid donation receipts are provided for any donation. Donee status is usually granted automatically following the registration of an entity as a charity where the application form indicates that the entity may receive donations.
38. As previously indicated to the Committee in October 2021, under the Public and Community Housing Management (Community Housing Provider) Regulations 2014, a CCO or CCO subsidiary is not permitted to register as a CHP. On this basis, officers recommend that the Trust Deed include a specific provision restricting the CHP from becoming a CCO or subsidiary and a requirement to maintain its independence from Council and any other third party.
39. While the CHP will not be a CCO or CCO subsidiary, it will be a Council Organisation as Council will have the right to appoint one to three Trustees. Officers note that Council will need to ensure it appoints Council-Appointed Trustees in accordance with the Council Appointments Policy and that it regularly undertakes monitoring of the CHP, in each case in accordance with the requirements of the Local Government Act.

Trust Board composition and appointments

40. The Committee needs to make five key decisions on the composition of the Trust Board for inclusion in the Trust Deed:
 - The total number of Trustees
 - The composition of the Board (i.e., number of Council-appointed Trustees and Independent Trustees (including mana whenua-appointed Trustees))
 - The appointment process for Independent Trustees
 - The considerations relevant to the appointment of Independent Trustees
 - The process for appointing the original Trustees.

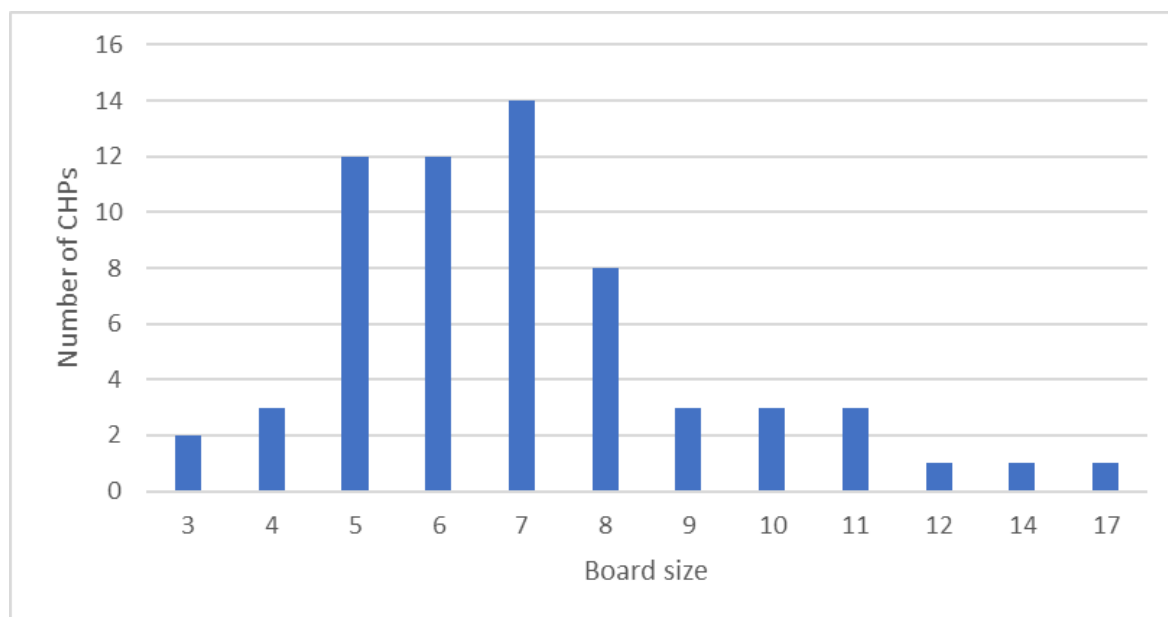
Number of Trustees

41. Officers' recommendations on the size and composition of the Board and the processes for appointment are based on regulatory standards set by CHRA and on our understanding of the way CHRA applies those standards in their consideration of applications, as well as on the experiences of other CHPs, particularly ŌCHT.
42. CHRA sets standards for how CHP governance. It does not prescribe the exact size of a Board, but will assess the extent to which a structure enables good decision making.
43. A key factor CHRA will consider will be the proportion of Council-Appointed to Independent Trustees. While the Council must at all times hold a minority of the Trustee positions, the Committee's decisions about the Board need to consider more than the number of seats that the Council can hold. Decisions about the size and composition of the Board need to consider how the Trust may change and grow over time, and therefore how its governance may need to adapt to ensure it is fit-for-purpose and that the entity is well-run. For example, if the Trust was expanding in terms of its

housing development and/or delivery of new services, the size and/or skill mix of the Board may need to change to ensure the right skills were on the Board to successfully manage this expansion.

44. Generally, CHRA prefers a board size no greater than nine, with a preference for slightly smaller (i.e. seven), but at least four. Most registered CHPs have between five and eight board members, with seven being the most common. Larger boards (above 10 members) are most usually associated with Iwi-affiliated organisations. Figure 1 below shows the variation in CHP board sizes (as at early 2022).
45. Officers recommend that the Trust Deed allows for a range of the number of Trustees, rather than a fixed number, to provide maximum flexibility. Officers recommend the Trust have at all times a minimum of five and a maximum of nine Trustees in order to provide capacity on the Board to cover a range of circumstances, including initial establishment, overlap between incoming/outgoing Trustees, Trust growth, acquiring and maintaining the necessary expertise on the Board over time, and to enable partnership with mana whenua.

Figure 1: CHP Board sizes



Composition of the Board

46. Similarly, for flexibility, the Trust Deed should provide for a range in the number of Council-Appointed Trustees and Independent Trustees:
 - Officers recommend a minimum of one and a maximum of three Council-Appointed Trustees are provided for in the Trust Deed, noting that the number of Council-Appointed Trustees will be dependent on the overall size of the Board and will always represent a minority of the total number of Trustees. Table 1 below sets out how the Council-Appointed Trustees would vary according to overall Board size.

- The number of Independent Trustees will also need to be set out in the Trust Deed as a range and officers recommend a minimum of three and a maximum of six Independent Trustees.
47. The Trust Deed may also provide that, within the number of Independent Trustees, there may be a specified number of Trustees appointed by mana whenua. Officers are having initial discussions with mana whenua to explore whether mana whenua wish to partner in the governance of the Trust. Given the range of Independent Trustees is proposed to be between three and six, officers consider (subject to the outcome of further discussion with mana whenua) that the Trust Deed should enable between one and two of the Independent Trustees to be appointed by mana whenua.
48. The Trust Deed will need to include a provision that deals with the situation that may arise (e.g., as a result of routine changes in Board members) where the Council has temporary majority control over the Trust. In this case the Trust Deed will provide that no decision making is allowed other than to change the Board composition to restore the Council to a minority position and to attend to essential administrative matters.

Table 1: Council-appointed Trustees

Size of Board	Number of Council-appointed Trustees
5	1-2
6	1-2
7	1-2
8	2-3
9	2-3

Appointment of Trustees and Chair

49. The Trust Deed will also need to specify the appointments process for Council-Appointed Trustees, Independent Trustees (including mana whenua-appointed Trustees) and the Chair. For Council-Appointed Trustees, the Council will have discretion as to who it appoints (subject to having regard to the specified skills and experience in the Trust Deed – see paragraph 58), and these appointments will be made in accordance with the Council Appointments Policy (as required by the Local Government Act). Appointments could be either elected members, staff, or other suitably qualified people that the Council chooses to appoint (subject to the requirements of the Local Government Act – e.g., that the Council considers the relevant appointee will contribute to the objectives of the CHP). The Council Appointments Policy is being updated and officers will consider whether any changes are needed to address the CHP’s requirements.
50. Officers have considered four options for the appointment of Independent Trustees, which are set out in Table 2 below. Officers recommend a combination of the Board Appointments Panel and Partner Organisation appointment rights.

Table 2: Options for appointing Independent Trustees

Option	Description	Example
Board Appointment Panel	<ul style="list-style-type: none"> • A panel comprised of suitable members (e.g., Chairperson, one Board member appointed by the Board and two independent governance experts appointed by the Board) who assess the suitability of potential new Independent Trustees and make appointments 	Current ŌCHT approach

Partnership organisations appointment rights	<ul style="list-style-type: none"> Specified “partner” organisations are provided with rights to appoint a certain number of Trustees to represent their organisation 	Original ŌCHT approach, Community Shelter Manawatu Trust
Majority resolution of the Board	<ul style="list-style-type: none"> Appointment of a new/replacement Independent Trustee is made by a majority resolution of the Board of Trustees. Simple approach but not recommended – does not benefit from external and independent governance expertise that would be valuable to help the Trust consider its governance needs and skills mix over time. There is also a risk the Trust would be considered a CCO with this approach. 	Queenstown Lakes Community Housing Trust (noting that QLDC only appoints one of four Trustees)
Independent agency	<ul style="list-style-type: none"> Appoint an independent agency with relevant expertise to manage the process of appointing all Independent Trustees (e.g. Institute of Directors or the CEO of the government agency responsible for administering the Charities Act. Not recommended – likely to be difficult to get external agencies agreement and no known examples of CHPs using this as a primary approach. 	No known examples (except for ŌCHT as a backstop position)

51. Under a Board Appointment Panel approach, a panel would be constituted that would likely comprise five members to conduct the search and appointment process for Independent Trustees (excluding any mana whenua-appointed Independent Trustee(s)). The panel would include:
- The Chair
 - One other Trustee appointed by the Board (who, following appointment of the initial Independent Trustees by the Board Appointments Panel, must be an Independent Trustee appointed by the Board Appointments Panel)
 - One mana whenua-appointed Trustee
 - Two independent governance experts appointed by the three Trustees referred to above.
52. As the Board Appointment Panel would be the body tasked with appointing Independent Trustees (excluding mana whenua-appointed Trustees), it would be important for its membership to be as independent from Council as reasonably practicable. This is why the Board Appointment Panel composition does not provide for a specified role for a Council-Appointed trustee, noting however that if a Council-Appointed Trustee was the Chair, Council would have a representative on the Board Appointment Panel.
53. As discussed above, officers are having initial conversations with mana whenua to explore their interest in partnering in the CHP’s governance. To provide for the possibility that mana whenua chose to partner with the Council in this way, either at the point of establishing the CHP or in the future, officers recommend that the Trust Deed provides Partnership Appointment Rights for mana whenua. These appointments would be made directly by mana whenua through their own determined appointments process, (but subject to having regard to the specified skills and experience in the Trust Deed – see paragraph 58), not through the Board Appointments Panel (but noting they

would also have an appointment right in respect of one member of the Board Appointments Panel).

54. The Trust Deed would also ensure that each appointing party (i.e., Council, Board Appointment Panel and mana whenua) has the right to remove their appointed Trustees at any point. The Trust Deed would also provide the other ways in which a Trustee may cease to be, or be removed from being, a Trustee (including for e.g., if they resign or fail to fulfil their Trustee duties).
55. Practically, the Chair will initially need to be a Council appointment and officers will engage external governance advice to recommend an interim Chair to the Council for appointment. This interim Chair should operate as the Chairperson until a sufficient number of Independent Trustees have been appointed to form a majority of the Board, at which time the Trustees shall appoint one of their number as the Chairperson (replacing the interim Chairperson). The Trust Deed will not restrict the Chairperson to being a specific “type” of Trustee. For example, a Council-Appointed Trustee may be appointed as the Chairperson.
56. ŌCHT began operating with a Board of seven members, with three Council-Appointed Trustees and four Independent Trustees appointed by partner organisations. They have recently made two key changes to their Board reflecting their growth over the past six years and their increasing focus on housing development. These changes include:
 - Lifting the upper limit on the size of the Board from seven to nine Trustees to enable the Board to add Trustees with necessary skills in financing housing developments during a phase where they are looking to grow their housing development activity. This change was made with no accompanying change to the number of Council-Appointed Trustees, to more clearly demonstrate ŌCHT’s independence
 - Changing the process for appointing Independent Trustees from a partnership-based approach to a Board Appointment Panel to enable a stronger focus on necessary skills and experience in the Board appointments process.

Consideration of relevant skills and experience

57. CHRA’s focus is on ensuring a CHP’s governance is effective and supported by sound business processes and strategies. The registration and performance standards guide the make-up of the Board and require that a CHP’s board is comprised of suitably skilled people with a range of skills, expertise and experience required for the good governance of a CHP.
58. The key areas of expertise that CHRA will require in the Board are social tenancy management, property development, strategy development and business planning, financial management and literacy, legal and risk management. Alongside these core skills, officers consider there are other areas of expertise that would be beneficial to have represented in the CHP’s Board, including:
 - Experience in community, social or affordable housing
 - An empathy with the communities in the locations where the Trust intends to provide housing
 - An understanding of the Trust’s charitable purposes

- Management or governance in any or all of tenancy management, property development, asset management and social services
- Governance experience in either not-for-profit or business organisations
- Legal experience in either not-for-profit or business organisations
- Experience in strategy development, policy development, risk management or organisational growth and change
- Experience in operations or service delivery
- Knowledge and understanding of Te Tiriti o Waitangi, te ao Māori and tikanga
- Financial literacy relevant to the financial and economic issues related to the Trust; and
- Any other attributes deemed necessary or desirable.

59. While skills and experience are not always set out in the governing documents, officers recommend including a set of broadly-defined skills in the Trust Deed to ensure the Board maintains the core skills required to deliver on the CHP's purposes and maintains balanced and diversified views through time. As each appointing party (i.e., Council, mana whenua and the Board Appointment Panel) carries out the appointments of Trustees, it will have regard to these skills and ensure it is satisfied that a candidate possesses the relevant skills and experience. This would not mean that all candidates need to strictly meet all criteria, but it would mean the relevant appointing party would need to consider how the Board overall meets and reflects these skills requirements.

60. Table 3 below sets out some examples of other CHPs that have listed their skills requirements in their Deeds to show the level of detail that would be provided.

Table 3: Examples of CHPs' skill requirements

CHP	Skills listed
Matawhaahui Trust	Capable of assisting the Board to carry out its objectives by their skill expertise or profession
Manawatu Community Housing Trust	Provision/maintenance of rental accommodation, expertise/knowledge of community service, business management and financial skills
Ōtautahi Community Housing Trust	Adequate financial literacy, relevant experience in governance or management of social/affordable/community housing, prior governance experience and other matters desirable under the Charitable Trusts Act and HRTMA
Tauranga Community Housing Trust	Knowledge, experience and understanding of: disabilities, housing, governance practice, tikanga Māori, accountancy, financial management, law, community development, or such other skills as the Trustees believe would benefit the Trust.

Appointment of the original Trustees

61. The Trust Deed also needs to outline the process for appointing the original Trustees. The original Trustees will work alongside the Council in the transition process and establishment of the Trust.
62. In line with the general approach to appointments set out in paragraphs 49 to 55 above, officers recommend the following approach to appointing the original Trustees:

- the Council will appoint one to three Council-Appointed Trustees
 - if applicable, mana whenua will appoint one to two Independent Trustees.
63. Once the Trust is established (following the Trust Deed being signed by the original Trustees and Council as the Settlor of the Trust), the Board Appointment Panel would then be constituted (paragraph 51) and the Board Appointment Panel would then proceed to appoint further Independent Trustees (excluding mana whenua-appointed Trustees) until Independent Trustees (including mana whenua-appointed Trustees) constitute a majority of the Board. The Trust Deed will provide that no decisions will be able to be made by the original Trustees until the Board Appointments Panel has appointed a sufficient number of Independent Trustees to form a majority of the Board (together with mana whenua appointed Trustees).
64. Following this, and the completion of other necessary milestones in the transition (paragraphs 147 to 157), the Board will assume full governance responsibility for the CHP, and the Council and CHP will move to new business-as-usual operating arrangements.

CHP wind up

65. The Trust Deed must include direction on how the CHP's excess assets are to be distributed in the event the CHP is wound up by the Trustees or fails. This provision must ensure that the assets are distributed to an organisation with similar charitable purposes. This does not mean the assets need to be distributed to another *registered* charity, but the transfer does need to further the Trust's charitable purposes (e.g., a transfer of social housing assets back to Council, with the Council continuing to deliver the same level of accommodation and support for tenants would be permitted).
66. Officers recommend that the Trust Deed specify that if the transfer of the assets to Council would further, or be similar to, the charitable purposes, the Council be offered the first right to accept a transfer of assets. Where any assets are transferred to the Council, the transfer will be subject to the Trustees and Council formalising the terms of the transfer in writing, which would include an obligation for the Council to continue to utilise the assets in a way that would further, or be similar to, the charitable purposes.
67. These provisions would not distinguish between assets the Council may have gifted or loaned to the Trust and assets that the Trust has bought or built itself – this would mean there is more flexibility for all remaining assets to be distributed to the Council on any winding-up.

CHP capitalisation

68. In adopting the LTP amendment, the Council agreed to provide the CHP with \$35m of capital, provided over five years in a combination of cash (\$25m) and property (\$10m) to enable the CHP to deliver new social housing supply projects. The cash component includes \$2m for the CHP's establishment costs. As well as contributing upfront capital, the adopted LTP amendment provides the ability for the CHP to retain a portion of revenue (over and above its operating costs) to build reserves to fund new housing supply (discussed further in Lease Payment – paragraphs 101 to 112).

69. This total value (\$35m) and breakdown between cash (\$25m) and property (\$10m) has been partially based on ŌCHT’s experience in delivering new housing supply projects in the early years of their operation. The phasing of the funding is based on the expected spending profile of typical developments and what could be feasible over a five-year period. However, the actual drawdown would be based on the timing of the CHP’s development proposals, and any acceleration of this funding would be subject to a decision by the Council. Table 4 sets out the funding profile in the LTP amendment.

Table 4: Capitalisation funding

	CHP YR 0	CHP YR 1	CHP YR 2	CHP YR 3	CHP YR 4	CHP YR 5
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Land/property		\$10m				
Cash		\$3m	\$3m	\$7m	\$7m	\$3m
Establishment costs	\$1.5m	\$0.5m				

70. Officers recommend that the cash is provided to the CHP as a suspensory loan that would not be repayable by the CHP, unless the CHP was wound up or in the case of other extraordinary circumstances that would be set out in the loan agreement (e.g. the CHP became insolvent).
71. As well as cash, the CHP will be provided with approximately \$10m worth of property to use to begin housing development projects and to progressively build its own balance sheet. This aspect of the capitalisation will be met by providing the CHP with a small number (indicatively three to four) of City Housing sites.
72. Officers recommend these properties are also provided to the CHP on the basis of a suspensory vendor loan, which, from the CHP’s perspective, would have the practical effect of being a “gift”, while also providing some ability for the Council to recover the loan or properties in certain circumstances. The loan agreement will include provisions that enable the CHP to borrow against the properties from external lenders and the assets would sit on the CHP’s own balance sheet – both these factors mean the CHP should be able to successfully leverage these properties to develop the sites and add new housing supply. The loan agreement, or potentially related security documents, would include a provision to enable this “gifted” property to be returned to the Council if the CHP was wound up or other extraordinary events occurred (e.g., the CHP became insolvent), subject to any external lender’s right to exercise any security they hold over the properties.
73. Given the CHP would own these properties, it would retain all revenues associated with properties and meet all the associated costs. This means none of the revenue would flow into the ring-fenced fund as part of the Lease Payment and the ring-fenced fund would not be used to fund upgrade work on the properties.
74. From a tenancy management perspective, the CHP will manage these properties in the same way as the rest of the portfolio meaning there is no difference for tenants regardless of where they live.
75. Officers are working to determine the most appropriate sites to provide for capitalisation. In broad terms, the most suitable sites could be either bare land or sites with existing properties on them, and should likely be relatively small so that initial development projects are manageable, and have good amenity value (connection to transport and services).

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76. There is no immediate need to identify specific sites – there would be benefit in understanding the specific upgrade needs and development prospects of each site before any decisions are made. This work is currently being done across many sites as part of HUP2 planning. Officers will report back to the Council to seek agreement on specific sites in early 2023, before the end of Stage 1 of the transition (paragraphs 147 to 157).

Major maintenance and funding the HUP2 upgrade programme

Responsibility for delivering major maintenance

77. The Council has previously determined the CHP would have a full set of service delivery responsibilities – including all tenancy management, minor/reactive maintenance and major maintenance. The CHP will be responsible for tenancy management and minor/reactive maintenance immediately upon establishment and will pick up responsibility for delivery of major maintenance from the Council when it is ready to do so.
78. ŌCHT was initially established with no responsibility for any maintenance (i.e., solely as a tenancy manager) and no confirmation from Council that it would ever pick up maintenance responsibilities. This uncertainty created difficulties for ŌCHT in its organisational planning and, as a result, ŌCHT negotiated early with the Council to progressively pick up maintenance responsibility as it developed its internal capability. In practice, ŌCHT then picked up responsibility for minor maintenance within its first year and has just recently taken on responsibility for major maintenance, approximately six years after establishment. Feedback from ŌCHT has been that the transfer of responsibility has resulted in cost and delivery efficiencies.
79. The Committee needs to determine the timing and approach to transferring major maintenance. Before the transfer takes place, the Council needs to be confident that the CHP has the systems and processes to manage the responsibilities and has built the necessary capabilities. These considerations need to be balanced against the additional complexity that will be created by having two parties with maintenance responsibility for a period of time and the resulting need to define what constitutes minor vs. major maintenance, which can be difficult to do in practice.
80. Officers' view is that the transfer should happen as quickly as possible, once the Council has the necessary assurance that the CHP has the capability to deliver. The exact detail of how this transition will occur should be negotiated between the CHP and the Council as part of developing the asset management strategy for the portfolio.
81. The asset management strategy needs to be developed prior to the CHP's registration and submitted as part of the application to the regulator (CHRA). The development of the strategy will need to be overseen by the CHP's Trustees and the Council, and produce a plan for the scope of works, budgets and timing for maintenance, renewals and upgrades on the properties. Given there are a number of different approaches that could be taken to transferring major maintenance responsibility, it is likely to be clearer which approach would be most effective within the context of detailed asset planning.
82. Regardless of the general decision made about major maintenance, the Council has indicated through consultation that it will retain responsibility for delivering the HUP2

programme given its size and complexity. This is also consistent with the Deed of Grant agreement with the Crown to complete HUP2 work. As a result of this, one option the Council and CHP may consider is to transfer major maintenance responsibility for HUP1 properties earlier, followed by HUP2 properties after HUP2 work is completed.

Funding and planning major maintenance

83. The funding and oversight of major maintenance work would be managed through the establishment of a ring-fenced major maintenance fund. The fund would sit on the Council's balance sheet but remain ring-fenced for internal purposes, much like City Housing is now, to ensure that all income from housing (including IRRS income and tenant rent) is only used on housing. In sitting on the Council's balance sheet, the revenue that flows into the fund from the CHP (and the HUP2 borrowing that goes into the fund) will contribute to the Council's debt-to-income ratio for internal and external reporting purposes.
84. Both the CHP and the Council would contribute funding into the fund to cover the costs of major works – the Council would put HUP2 funds in the fund and the Lease Payment from the CHP would also go into the fund (see paragraphs 101 to 112). The fund will grow over time and be used to fund all major maintenance on an ongoing basis.
85. As the Council remains the owner of the housing assets and the CHP will be the entity carrying out property maintenance, it is critical that both the Council and CHP take an active role in decisions about the planning and funding of major maintenance works. Joint development of the asset management strategy provides the way to do this as the strategy will determine what is funded, timing of work, and quality standards, with the Council retaining final decision making over major investment decisions.
86. Officers recommend that the specific requirements for the asset management strategy be set out in the lease agreement – this will enable the Council and CHP to agree any particular requirements of the strategy that might be over and above those needed for regulatory purposes (i.e., for registration with CHRA).

Funding HUP2 work

87. In October, the Committee asked for further advice on the options available to finance the HUP2 work, while noting officer advice that the Council borrowing directly was probably the most straightforward option.
88. Having reconsidered the alternative options which include the CHP borrowing directly or borrowing via an intermediary (e.g., an SPV) where the debt would sit outside the Council's borrowing constraints, officers' advice remains that the Council should borrow the full costs of HUP2 directly. The CHP is likely to find borrowing the quantum required difficult given the portfolio's deficit will take some time to reverse as IRRS numbers increase, and an SPV would face similar challenges. This advice is consistent with what was included in the LTP amendment.
89. Officers consider there is a good opportunity to raise HUP2 debt as sustainable or social funding through the LGFA. This would follow a similar process and have similar requirements to the green funding negotiated to fund Tākina. The benefits of this form of financing are that it is likely to have a slightly discounted cost of lending, and it

provides the opportunity to contribute to Te Atakura targets and demonstrate to the community that the Council (and CHP) is meeting its ESG obligations.

90. Given the debt would be technically be a different class of debt than the Council typically raises, the borrowing would come with greater compliance requirements, including the need to be able to demonstrate a clear connection between HUP2 upgrade work and improved social and/or environmental outcomes in the community. But meeting compliance requirements is not expected to be overly difficult given the health, social and community benefits associated with warm, dry, high-quality housing.
91. While officers' view remains that direct Council borrowing is the most straightforward option, it will be possible to recover a portion of the HUP2 costs from the ring-fenced fund over time (as the flow of lease revenue into the fund builds up). Officers recommend the Council is enabled to recover a portion of HUP2 costs that Council contributes into the fund. This is because the intention in establishing the major maintenance fund is that it will be able to fund all renewal and upgrade requirements for the portfolio over time. If the fund had reached a sustainable position, there would be sufficient funding to meet HUP2 requirements, without the need for the Council to borrow. Given this position has not been reached, the Council needs to borrow the HUP2 costs in order to carry out the work in line with Deed of Grant timeframes.
92. The Deed of Grant anticipated the Council meeting a \$180m HUP2 cost, and actual HUP2 costs are now expected to be at least \$286m (or even higher, given this estimate is based on a 2020 QS assessment). On this basis, officers recommend the Council is enabled to recover the costs above \$180m (i.e., \$106m), should it choose to do so.
93. Should the Council ever be required to contribute other funding into the fund to ensure its sustainability, officers recommend recovery of these contributions is also enabled through the lease agreement. While Council support is not expected to be required, it should be provided for in the eventuality that the fund faces significant difficulty reaching a sustainable position for reasons outside the CHP's or Council's control (e.g., lower than expected revenue or significant unanticipated maintenance costs).
94. Officers recommend these recoveries are enabled, but not required, to allow the Council to make decisions at the time about whether to recover its costs or let the revenue continue to build up in the fund to support further housing redevelopment and new supply. The lease agreement would set out some overarching principles for cost recovery to ensure that all reasonable maintenance costs could be met before any funds are applied to the repayment of Council contributions into the fund.

Lease arrangements between Council and CHP

95. Under the Council's adopted CHP model, the Council remains the owner of the housing assets and leases these to the CHP under a long-term lease agreement. The lease agreement between the CHP and Council will need to set out a number of key details, including the term of the lease, the basis on which each party could terminate the lease, and the structure (or calculation) of the Lease Payment that the CHP would make to the Council for its use of the housing assets. The Lease Payment would be paid by the CHP into the ring-fenced major maintenance fund.

Lease term and termination rights

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96. As set out in the LTP amendment, the term of the lease between the Council and CHP will be between 30 and 35 years and this will be drafted into the lease agreement. A long-term lease is important for two key reasons:
- It will provide the CHP with greater certainty when undertaking new supply projects that the remainder of its operation is not at risk. Cancelling the lease would likely lead to the CHP no longer being financially viable (not at least without a fundamental organisational transformation)
 - It will provide certainty to third party lenders that may provide the CHP with finance for new supply that the CHP will remain a going concern for the period of the loan. A lender is likely to consider this to be 'certain' only for the length of the cancellation period.
97. On the other hand, some flexibility in the lease agreement is likely to be desirable or necessary. This flexibility can be achieved by setting out in the agreement the terms under which each party could terminate the lease, should they choose to do so. In the Council's case, the most likely reason why the Council may consider terminating the lease could be a material change in government policy settings that leads the Council to choose to reestablish a Council-operating housing service.
98. It is important to note that even the existence of break clauses (whether or not they are used) will have an impact on the CHP and, therefore, the Council needs to consider this carefully in determining whether to put them in the agreement. Having break clauses is likely to mean that the CHP would need to be able to manage any lending from a third party for new development on a standalone basis, rather than relying on any support from the income earned from the existing Council portfolio which may be challenging. The alternative to financing the development on a standalone basis would be that lenders would seek reassurance from the Council that it would meet the CHP's outstanding obligations, should Council choose to break the lease. This could come at a significant cost to the Council.
99. The termination clauses therefore need to appropriately balance the need for both parties to be able to respond to changing circumstances as well as the need for long-term certainty, particularly for the CHP, to plan and invest in service delivery and housing development. In light of this, officers recommend that the lease can be terminated under the following circumstances:
- By the CHP or the Council with five years notice in all circumstances other than the situation below
 - By the Council with two years notice, only in the event of a material change to government policy settings that would significantly benefit tenants under a Council-run housing service.
100. The termination of the lease would be a significant decision. In that eventuality, the Trustees would need to decide whether to wind up the Trust or continue to operate on a much smaller scale, if it had developed its own housing assets and if it could do viably. From the Council side, if the lease was terminated by either party, the Council would return to running the housing service and would need to reestablish all Council tenancy and property management services, with back-office systems and support. It would also need to consider the impact of the termination on tenants who may no

longer be considered public housing tenants and my loose access to support provided to public housing tenants (e.g., the IRRS).

Lease Payment

101. There are a number of ways to structure the Lease Payment. The way in which the payment is structured is important because this will determine the incentives on the CHP to manage its costs, provide certainty for the Council about its revenue overtime, and determine how the income from the portfolio will cover the costs of operating, insuring, maintaining and upgrading the existing portfolio vs. investing in new supply.
102. In determining how best to structure the payment, officers have also looked closely at the ŌCHT example and have discussed the way this works with both ŌCHT and Christchurch City Council, and have considered this structure against Haumaru Housing in Auckland which takes a different approach.
103. The following principles have guided officers' recommendations on the payment. The way in which the payment is calculated should:
 - Ensure a fair allocation of funding to the CHP to develop new supply and the Council (via the ring-fenced fund) to maintain the existing portfolio
 - Incentivise the CHP to operate efficiently and manage its costs well
 - Incentivise the CHP to maintain a low vacancy rate (i.e., the financial risk of vacant units should sit with the entity best placed to manage that risk – the CHP)
 - Incentivise the CHP to maximise the level of revenue that it is receiving (i.e., that it is setting 'market rent' appropriately for the units)
 - Not make the Council financially worse-off than if it had retained the properties.
104. Given these principles, officers recommend the Lease Payment is a combination of a fixed Base Payment and a Variable Payment, calculated in Figure 2 below.

Figure 2: Calculation of Council Lease Payment

<p><i>Lease Payment = Base Payment + 80% of Operating Surplus</i></p> <p><i>where the</i></p> <p><i>Base Payment = Rent from final year of Council operation (annually indexed at CPI or similar index) – CHP operating costs</i></p> <p><i>Operating Surplus = Revenue – CHP operating costs – Base Payment</i></p> <p><i>Revenue = IRRS + Tenant Rent + Any other Revenue received by the CHP related to the leased portfolio</i></p>
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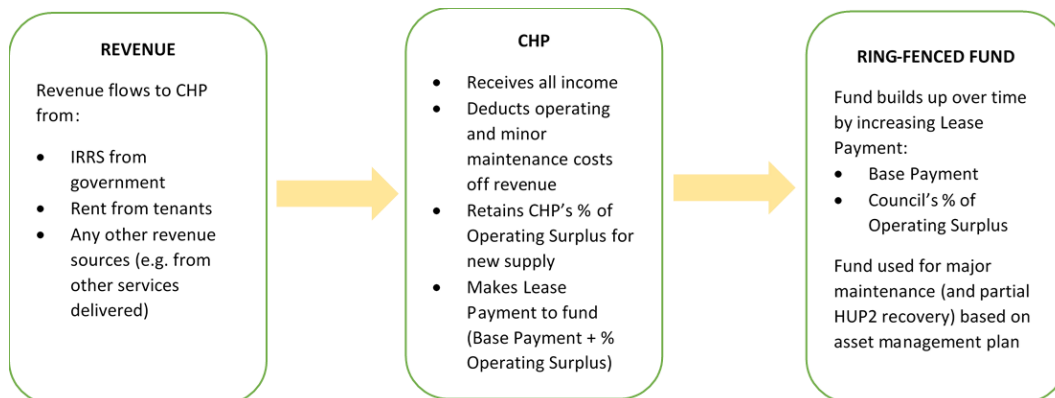
105. The fixed Base Payment would provide the certainty for Council of a core level of revenue through time, with the initial Base Payment set at the value of the rental income earned by Council in the last year of the Council-operated service and indexed at CPI (or other appropriate index) to generate an increased payment over time. It is important to note that the last year of the Council service will have a rent freeze in place. This means the starting point for the Base Payment will be the frozen rent level and this will have an ongoing impact on the Lease Payment the Council receives.

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106. The CHP and the Council/ring-fenced fund would then share the Operating Surplus according to a percentage split. The Council's percentage of the Operating Surplus is the variable component of the Lease Payment.
107. By splitting the Operating Surplus between the CHP and Council/ring-fenced fund, the CHP is incentivised to maximise revenue (i.e., through managing vacancies well and ensuring it is receiving maximum IRRS entitlement) and efficiently manage its costs. In doing so, both the Council's and CHP's share of the Operating Surplus is maximised.
108. The CHP retains its share of the Operating Surplus to build up funding over time to add to new housing supply. To ensure the CHP uses its share of the Operating Surplus for new supply, a reporting requirement can be incorporated into the lease agreement. The Council's share of the Operating Surplus goes into the ring-fenced fund to be used to fund the maintenance, upgrades and HUP2 costs on the existing portfolio.
109. Officers recommend the Council retains 80% of the Operating Surplus in the ring-fenced fund and the CHP retains 20% of the Operating Surplus for new supply. Given core assumptions about revenue and costs, the CHP's share of the Operating Surplus would be expected to grow to \$15m over 10 years and, when supported by additional external borrowing, could potentially enable the development of up to 50 to 60 new units over 10 years from the Operating Surplus share alone (noting these numbers are indicative given uncertainty in long-term forecasts and construction costs). Setting the CHP's share of the surplus at 20% would bring the Council's total financial support for the CHP to approximately \$50m (\$35m upfront capitalisation and \$15m Operating Surplus share) after 10 years.
110. The recommended structure of the Lease Payment is slightly different to the structure used for the LTP amendment, but with similar overall financial outcomes. The key difference in the updated proposal is the inclusion of the Base Payment to provide the Council with more certainty about the flow of revenue into the ring-fenced fund. The inclusion of the Base Payment has been made as a result of conversations with ŌCHT/CCC and further consideration of desired outcomes.
111. The structure proposed has one key difference to the ŌCHT/CCC arrangement. The CCC Lease Payment is capped at a specified dollar value where the payment covers all the Council's social housing costs. This effectively means that, once that dollar value is reached, ŌCHT retains 100% of the Operating Surplus above that point. Officers' view is that the rationale for the cap is unclear and, in the Wellington case, all Operating Surplus generated should be shared by the CHP and the ring-fenced fund. This will ensure the CHP's and Council's interests remain aligned and will maximise the funding available for reinvestment in the existing portfolio (which will continue to have considerable ongoing funding requirements) through the ring-fenced fund.
112. Figure 3 illustrates how the funding will flow from tenants and the government through to the CHP and the Lease Payment. At a high level:
- All income flows first to the CHP – including the IRRS received from the government, rent from tenants, and any other income the CHP may generate over time (e.g., from properties they own or other services provided)
 - The CHP deducts its operating costs and the costs of minor/reactive maintenance relating to the properties leased from Council. There will be a

provision in place for the Council to review operating and minor maintenance budgets to ensure these are reasonable, but the Council will not set the budget

- Then the CHP pays the Base Payment to the ring-fenced fund, as well as the Council's share of the Operating Surplus
- The CHP retains its own share of the Operating Surplus, in relation to the Council properties
- The CHP keeps all revenue (and incurs any costs) associated with properties that it owns or other activities not related to the leased portfolio (i.e., not subject to the Lease Payment).

Figure 3: How funding flows to CHP and Council



Provision for review of lease and loan agreement

113. Given the impact of the lease and loan agreements on both the CHP and Council and their long-term nature, officers consider there is benefit in including a review protocol in both agreements. This would mean that the CHP and Council were enabled to review, on a good faith basis, the lease and loan terms to ensure they are working effectively after an initial period of operation.
114. An important focus of the review should be the impact of the settings on the CHP's ability to deliver new supply. Enabling new supply has been one of the Council's key considerations in designing the CHP. While the Council has given the CHP the best tools possible (e.g. upfront capitalisation, the ability to retain a share of the Operating Surplus), the CHP will still face challenges borrowing at scale for a number of years given the starting size of its balance sheet, the slow build up of IRRS, and the magnitude of the investment needed in the existing portfolio. These challenges are unavoidable – any transition from the Council's current financial position to a sustainable new model will be challenging. But it will be important to ensure that the decisions on lease and loan settings are not unnecessarily exacerbating the challenges and are appropriately balancing both the Council's and the CHP's objectives.
115. There is no clear cut timeframe by which to review the agreements – there would need to be enough time for each party to have built up necessary understanding and experience of the arrangements and to see how these are impacting the CHP's operations and performance and the CHP's and Council's financial position.

116. On balance, officers recommend a review is undertaken within two years of establishment and cover the following issues:

- Lease payment structure
- Lease term and termination rights
- Impact of the agreements on the CHP's ability to deliver new supply and borrow independently
- Impact of the agreements on the Council's security position and any additional support provided by the Council
- Allocation of risk and responsibilities between the Council and CHP
- Sustainability of the ring-fenced fund.

Supporting rental affordability for existing tenants

117. A key theme from consultation was the need to provide existing tenants with certainty over their future rental terms and to consider whether there are additional ways to support existing tenants' rental affordability. Officers recommend the Council respond to this feedback in two ways:

- Firstly, confirm that the existing rental policy will be included in the lease agreement between the CHP and Council to provide necessary certainty for tenants (this approach was taken by Christchurch City Council and ŌCHT) and
- Secondly, establish a new tenant support fund to provide for future rental or cost-of-living support for existing tenants.

118. In considering how best to respond to consultation feedback, officers have considered several ways in which the Council could provide financial support for existing tenants over and above current rental settings, and also a number of other factors, including:

- The effectiveness and/or adequacy of current rental policy in managing existing tenants' rental affordability over time
- The impact of any changes in rental settings on tenants' eligibility for central government entitlements, including ensuring that the Council does not inadvertently step in and end up funding central government's existing support for tenants
- Long-term affordability for Council, given the Council will already be funding the loss from current rental policies through the CHP's transition
- The ability to target support to those tenants most in need
- Administrative simplicity.

Providing certainty of rental terms

119. Through its existing policy settings, the Council provides a number of rental subsidies that support tenants' rental affordability, including a 30% starting discount on all tenants' rent, annual rental increase caps, a permanent rent freeze for tenants who are 80+ years old, and the Affordable Rent Limit Subsidy (ARL) that is available on application and caps rent at 35% income for those who are eligible for the subsidy.

120. Combined with increases in benefit levels and the living wage in the last two years, these rental settings have been effective in maintaining more affordable rent levels. Currently 71% tenants pay less than 35% of their income in rent, compared to 37% in 2019. Following the recent efforts to more actively promote the ARL, 67 tenants are now receiving the subsidy (compared to 38 in March 2022) and feedback through tenancy advisors is that the subsidy is making a real difference to affordability. With continued promotion to ensure tenants know about the subsidy and are supported to apply, the ARL will be an important tool in ensuring ongoing affordability for tenants.
121. The decision taken by the Council in February 2022 to freeze rents for the 2022/23 year is yet to take effect – this freeze will apply from September 2022 to September 2023 and have a further long-term impact on affordability by reducing the base from which any future increases are calculated. Additionally, the government is currently reviewing the Accommodation Supplement – while the outcome of this review is not yet clear, it is possible that changes to AS rules or entitlements will make a further positive change to the rental picture for existing tenants.
122. Table 5 shows the impact of annual rent increase caps, with the majority of tenants now benefiting from the cap each year and an increasing level of subsidisation of rent by the Council. For example, in 2021, had rent increase caps not been in place 61% of tenants would have had a bigger rent increase than what they did, which would have resulted in those tenants paying \$962,000 more in rent that year. As market rents continue to increase, these caps will be more beneficial to tenants (and more costly to the Council), by continuing to move tenant rent away from the starting 70% market rate towards rents based more on income and affordability.

Table 5: Impact of annual rent increase caps

Year	Percent of tenants receiving rent cap	Value of subsidy to tenants (or cost to Council)
2017	2%	\$10,000
2018	4%	\$27,000
2019	22%	\$175,000
2020	COVID rent freeze	COVID rent freeze
2021	61%	\$962,000

123. Table 6 below shows the combined effect of the rental subsidies by showing rental income the Council would have received had the rental policy been simply to charge tenants 70% of market rates (i.e. the starting rental rate) compared to the rental income that was actually received following the application of the full set of rental settings.

Table 6: Impact of combined rental policy settings

Year	Rental revenue using 70% market	Actual rental revenue	Value of subsidy
2017	\$19.9M	\$19.7M	\$200k
2018	\$21.8M	\$21.6M	\$100k
2019	\$23.3M	\$22.7M	\$500k
2020	\$23.6M	\$21.9M	\$1.7M
2021	\$24.6M	\$23.2M	\$1.4M

124. On the basis that the settings are maintaining relatively affordable rent levels, officers recommend that the current core rental policy (or relevant components of the current rental policy) be included (to the extent it is possible to do so) in the lease agreement to

provide certainty for existing tenants transferring across to the CHP. This includes the 30% starting discount on rent, rent increase caps, the ARL and the 80+ rent freeze. The lease agreement would also include the Council's decision on the 2022/23 rent freeze, confirming that annual rent increases cannot begin again until September 2023. The reference to the 2022/23 rent freeze would be included in the agreement assuming the CHP is established prior to September 2023 but if, for whatever reason, this was not the case, this provision would not be included.

125. As well as confirming the existing rental policy in the lease agreement, officers recommend that the agreement specifies that any review of the rental policy for existing tenants must be jointly carried out by the CHP and Council.
126. It is prudent to allow for some future review of the policy settings, but the review must balance the need for certainty for tenants with the flexibility for the Council and CHP to make changes in response to changing circumstances. The current rental policy has remained unchanged since 2010 and some aspects (e.g., value of rent caps) have been in place since the 1990s.
127. The lease agreement would specify the factors that the review should weigh in considering any changes to the policy. Officers recommend the Council and CHP are required to consider:
 - Any changes in government policy or other settings that have impacted (either positively or negatively) tenants' rental affordability
 - The impact of the new tenant support fund (paragraph 132)
 - The financial position of the CHP
 - The ongoing affordability of the rental policy for the Council, given the Council will be funding the shortfalls from the policy through the transition period
 - Other factors the CHP and the Council consider to be relevant.
128. Officers will report back to the Committee by February 2023 on how the Council's rental policy will apply to the CHP through the lease agreement as referred to in paragraphs 124 to 127 above, having considered various requirements, including the Residential Tenancies Act and the Local Government Act.
129. As is the case currently, the rental settings referred above would apply as long as existing tenants remain 'within policy'. If tenants' circumstances change (e.g., they have a significant increase in income) to such an extent that they would otherwise be ineligible for housing under the current eligibility criteria, they retain their tenancy but shift to paying market rent. Currently 3% of current tenants pay market rent because their circumstances mean they have moved out of policy.
130. Further, if in the future the CHP determines that a portion of the portfolio (either existing or new properties) are to be used for community or affordable housing (i.e., housing that is not public housing that attracts IRRS income), the CHP will be free to set what it considers to be an appropriate rental policy for any future affordable or community housing tenants.
131. It is also important to note that, regardless of any changing circumstances, all existing tenants' tenancies are secure in the establishment of a CHP. A CHP is required to manage tenancies in line with the Residential Tenancies Act, as the Council is now.

This means all existing tenants will move across the CHP with security of tenure. Tenants will not need to move house, unless required to do to enable HUP2 work to be completed (in which case they will be provided with other accommodation, with any additional costs funded by the Council).

Providing future rental support

132. In addition to confirming the existing rental policy in the lease agreement, officers recommend establishing a tenant support fund, which would be administered by the CHP, and would support existing tenants' rental affordability or costs of living over time.
133. The Council could set some high-level parameters around how the fund is used (and what it cannot be used for), but as the day-to-day tenancy manager, the CHP will be in the best position to determine how to support existing tenants over the course of their tenancy. If desired, the Council could also require the CHP to report on the use of the fund as part of their regular reporting to Council.
134. Officers considered a range of options to support existing tenants, including changes to the current rental settings. The advantages of establishing a fund over other options considered are:
- Unlike changes to current rental policy settings, this form of support would not impact tenants' eligibility for various support payments from central government, including the Accommodation Supplement (and any changes to AS settings that may occur following the government's current policy review). It would also mean that the Council does not end up stepping in and funding current central government support
 - The Council has certainty about the cost of the support, both now and in the future (should the Council chose to put in additional funding at a future point)
 - It enables the CHP to make decisions over time about the best ways to support tenants as these may change, and to target support to tenants most in need.
135. The cost for any tenant support over and above existing rental conditions is not included in the LTP amendment so the Council will need to decide how to fund this tenant support, should it choose to provide it.
136. Officers recommend that the Council uses the Three Waters 'Better Off' funding to establish the tenant support fund. Alongside this paper, in this meeting the Committee is also considering a paper with officer recommendations for other projects to fund from the first allocation of funding and an overview of the funding application process.
137. 'Better Off' funding will be available from the government, following application, in two tranches – Tranche 1 funding will be available from July 2022 and Tranche 2 funding from July 2024 (subject to government decisions). Wellington's allocation is expected to be \$57.69m – \$14.42m in Tranche 1 and \$43.27m in Tranche 2.
138. Timeframes for applications for Tranche 1 funding are tight – applications must be approved by DIA by 30 September 2022, otherwise Tranche 1 funding will be held up and released with Tranche 2 funding in 2024. In order to enable sufficient time for DIA's application and assessment process, the Council will need to submit the application by mid-August at the latest.

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139. 'Better Off' funding is intended to be used to support community wellbeing and would be well suited to use for social housing, and specifically to support tenants. Officers have had initial discussions with DIA officials who are strongly supportive of its use for this purpose. Specifically, two of the three key funding criteria are:
- Delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield and infill development opportunities
 - Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.
140. Officers recommend that \$8-10m of Tranche 1 funding is allocated to create a tenant support fund, to be made available to the CHP on establishment. The exact size of the fund will depend on the other projects approved by Council for Tranche 1 funding.
141. A further allocation to the fund could be made from Tranche 2 funding, if the Council chose to do so, having considered this alongside other potential projects. Should the Council wish to accelerate the CHP's investment in new supply, it could also consider utilising Tranche 2 funding for that purpose.
142. If 'Better Off' funding was not available, the options available to the Council are to borrow to create the tenant support fund or not to establish the fund. Borrowing for the fund is not desirable but could be investigated further if the 'Better Off' funding application was unsuccessful.

Tenant wellbeing under a CHP model

143. As the Council knows, the CHP will be required to comply with a strong regulatory framework to ensure it is well-run and that it delivers the outcomes expected by tenants, the community, and the Council. CHRA requires CHPs to meet performance criteria which cover governance, management, tenancy management, financial viability, and property and asset management. A significant part of the transition plan below will be preparing the necessary documentation to demonstrate that the CHP will meet the regulatory requirements and has been set up for success.
144. CHRA will require the CHP to have strong processes to ensure tenants can directly hold the CHP to account for its performance and participate in decisions that affect them. A registered CHP is required to have a tenancy complaints process and tenant feedback and participation policies. Tenant participation policies could include a tenant advisory group, tenant project working groups and/or other informal ways for tenants to provide feedback, such as tenant community meetings.
145. CHPs also tend to deliver a range of wellbeing or tenant community initiatives to meet the needs of their particular tenant communities. While the CHP will be operationally independent to determine exactly what it does in this regard, being able to see many other examples of initiatives in the community housing sector should provide confidence that the CHP will deliver meaningful support to the community and be responsive to tenants' needs.
146. As well as CHRA's regulatory requirements, as a CO, the Council will be required under the LGA to undertake performance monitoring of the CHP to ensure it is delivering on its objectives and desired outcomes. Officers will develop a new monitoring and oversight framework as part of the transition plan that will give effect to these requirements and any reporting and oversight requirements in the lease and loan

agreements, while also ensuring the Council's need for oversight is balanced against the CHP's independence.

CHP transition and establishment plan

147. The transition and establishment of the CHP will proceed in three stages, with an overall plan to have the CHP operational in the first quarter of the 2023/24 year. This is an achievable timeframe based on our understanding of the process followed to establish ŌCHT. Table 7 below summarises the key stages of the transition and the key milestones that will trigger the move from one stage to another.

Stage 1: Council led – July 2022 to February 2023

148. Stage 1 would be led by the Council and would be expected to run until February 2023. This is the longest stage in the transition, reflecting the fact that decisions will span two trienniums and there will be a break in the Council's ability to take decisions while a new Council is inducted. In this stage, the project would continue to be delivered and managed by Council staff and external advisers, reporting to relevant Council committees for decision making.

149. The key priorities for Stage 1 are:

- Make remaining design decisions about the CHP contained in this paper (Council decision)
- Complete the development of the Trust Deed and settle (ie., establish) the Trust (Council decision)
- Appoint initial Council-Appointed Trustees, including an interim Chairperson (Council decision)
- Begin the change process for City Housing staff and scope the requirements for the transition of systems and services (e.g. IT, HR, finance) from Council to the CHP (management responsibility)
- Develop a transition support plan for tenants (management responsibility)
- Submit application for 'Better Off' funding to secure funding for tenant support (management responsibility).

150. The work around initial Trustee appointments would include continuing the conversation about potential governance partnership with mana whenua and, subject to the outcome of those conversations, mana whenua making their initial Trustee appointments alongside the Council's appointments. Once the CHP's core governing document is in place and initial Trustees are appointed, Stage 1 would be complete.

151. Given the time available in Stage 1, officers would do as much preparatory work as is possible for Stage 2, where that was appropriate for the Council to do that. This is likely to include initial development of material for registration that would be finalised and signed out in Stage 2.

Stage 2: Joint Council and CHP led – February 2023 to July 2023

152. Stage 2 would be jointly led by the Council and CHP, via its new Trustees. The project would likely continue to be delivered largely by a project team of Council staff and external advisers but they would report to a joint CHP/Council decision making body.
153. There are a number of options for how this shared leadership could work, including how decisions would be made, and officers will provide the Council with further advice on this before February 2023. If the model was based on the ŌCHT example, there would be a joint committee established comprising governance and senior management representation from both the CHP and the Council and this committee would oversee the transition and make relevant decisions.
154. The key priorities in Stage 2 are the completion of the lease agreement, preparing all the relevant documentation for the registration application, appointment of remaining Trustees, recruitment of the CHP Chief Executive and senior management, and developing new monitoring and reporting arrangements that would be the basis of the new business-as-usual relationship between the CHP and Council.
155. Decisions around transition of Council systems and services (e.g. IT, HR, finance) would need to be made, tenants transitioned across to new tenancy agreements, and the change process completed with City Housing staff. Once the lease agreement is signed and the registration approved, the CHP can pick up responsibility for tenancy management and Stage 2 would be complete.

Stage 3: Transition to new BAU arrangements – July 2023 onwards

156. From the first quarter of 2023/24, the Council and CHP would move to new business-as-usual arrangements and officers will provide further advice on what these would be in February 2023.
157. In this stage, the CHP would become the key interface for tenants and would be managing all tenancy services and minor maintenance. Depending on decisions made in Stage 2, the Council may continue to provide the CHP with access to back-office support services (e.g., IT, office space, finance) for a determined period of time and over this period the CHP and Council would work together to complete the handover and close out of these services.

Table 7: CHP transition and establishment plan

Transition stage	Timeframes	Handover milestones	Working structure
Stage 1: Council led	July 2022 to February 2023	<ul style="list-style-type: none"> Complete all Council decisions on design and establishment Settle the Trust and complete Trust Deed Appoint interim Trustees 	<ul style="list-style-type: none"> Council governance through relevant Committees
Stage 2: Jointly managed	February to July 2023	<ul style="list-style-type: none"> Complete Trustee appointments Recruit CEO (and senior staff) Complete registration Complete lease agreement 	<ul style="list-style-type: none"> Governance through a joint arrangement with details to be confirmed Some decisions (e.g., lease approval) will still sit with Council
Stage 3: CHP managed	July 2023 onwards	<ul style="list-style-type: none"> Complete remaining transition 	<ul style="list-style-type: none"> CHP trust board Council oversight to be

(new BAU)			confirmed (e.g., new liaison function, council committee oversight)
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Ngā mahinga e whai ake nei | Next steps and work programme

158. Subject to the Committee's agreement to the recommendations in this paper, the next steps are to:
- Continue to progress work in line with the transition plan set out above, including development of the Trust Deed and scoping the change management plan for City Housing staff and the transition plan for Council systems and services (e.g. IT, finance etc)
 - Communicate with tenants to confirm the Council's decision and provide them with the necessary assurances that the Council will develop a full plan to support them through the transition
 - Continue to progress necessary Deed of Grant discussions with government and begin conversations with the CHRA about the CHP registration process.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

159. The recommendations in this paper are consistent with the priorities in the LTP – particularly the 'affordable, resilient, and safe place to live' and 'fit-for-purpose community spaces'. The proposals are also consistent with the Council's 'people friendly, compact, safe and accessible capital city' strategic priority.
160. Through the LTP process, the Council signalled City Housing's financial challenges and noted that the Council would consult the public on options to address these issues. The LTP also indicated the Council's intention to find an alternative operating model for City Housing within three years, enabling costs from year four to be met under a new funding arrangement.

Engagement and Consultation

161. The proposal is rated high significance in accordance with Schedule 1 of the Council's Significance and Engagement Policy. The proposal meets the following criteria – Importance to Wellington City, Community Interest, and Impact on Council's Capacity and Capability.
162. The AP/LTP Committee agreed to consult with the community on the options available to address City Housing's financial challenges. Consultation ran from mid-April to end of May and the AP/LTP Committee deliberations were held on 1 June 2022. A full engagement plan accompanied the consultation to ensure high-levels of participation. A particular focus of the engagement was City Housing tenants to ensure tenants understood the proposals and were supported to participate in providing feedback. On 30 June 2022, the AP/LTP Committee/Council adopted the LTP to establish a CHP.

163. Officers will develop a full transition plan for the CHP's establishment which will include a communications and engagement strategy focused on tenants and ensuring they understand what the decisions mean for them and that they will be well supported through the establishment process.

Implications for Māori

164. A key objective guiding the development and choice of options for City Housing is to create opportunities for partnerships in the delivery of housing services and development. In particular, the Council's preferred CHP option has been designed to facilitate the opportunity for partnership with iwi in improving housing outcomes in Wellington, consistent with the Tākai Here partnership agreement.
165. These opportunities can include shared governance, partnering in service delivery of tenancy and housing support services, and/or partnering in the redevelopment of housing stock.

Financial implications

166. The financial implications of the advice in this paper are all included in the LTP amendment the Council adopted on 30 June 2022.

Legal considerations

167. Officers have worked alongside external legal advisors in the development of the advice in this paper.

Risks and mitigations

168. The key risk to achievement of the proposals in this paper are the timeframes for resolving City Housing's financial challenges. Successfully establishing a CHP will take a further 12-15 months work. The timeframes for transition and establishment are tight but achievable – we are continuing to draw on the experience of the transition planning and delivery in Christchurch which is helping to mitigate the timing risks.

Disability and accessibility impact

169. Not applicable.

Climate Change impact and considerations

170. Not applicable.

Communications Plan

171. As above under Engagement and Consultation.

Health and Safety Impact considered

172. Not applicable.

Attachments

Nil

BETTER OFF FUNDING APPLICATION

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Rangaranga | Social, Cultural and Economic seeks the Committee's approval to apply for the Three Waters Better off Support Package funding, and to allocate it to the recommended projects.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
- People friendly, compact, safe and accessible capital city
- Innovative, inclusive and creative city
- Dynamic and sustainable economy

- Functioning, resilient and reliable three waters infrastructure
- Affordable, resilient and safe place to live
- Safe, resilient and reliable core transport infrastructure network
- Fit-for-purpose community, creative and cultural spaces
- Accelerating zero-carbon and waste-free transition
- Strong partnerships with mana whenua

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

Relevant Previous decisions

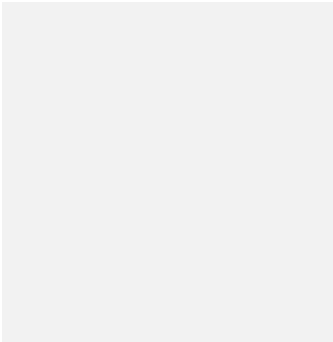
The Three Waters Better off Support Package funding has no previous decisions relating to it directly. Within this paper we describe four discrete projects which have the following previous decisions relating to them.

In June 2022, following community consultation, the AP/LTP Committee adopted an LTP amendment to establish a CHP to resolve City Housing's financial sustainability challenges. One of the outstanding decisions was what to offer as tenant support and how to fund that support.

The Subsurface Digital twin project has been introduced as part of the Economic Wellbeing Strategy adopted by the Council in June 2022. The strategy directs investment in the Digital Twin to help deliver a revitalised and regenerating city.

Pūroro Āmua / Planning And Environment Committee have been briefed on the Johnsonville project as the Housing team have progressed through to negotiation phase for Infrastructure Acceleration Funding. The latest update was provided to the committee on 9th June 2022.

Te Atakura was first adopted in June 2019 as part of the declaration of a climate and ecological emergency. Community engagement and



climate action education activities are outlined in that plan and subsequent updates.

Three waters briefings outlining available support packages provided by DIA to the Pūroro Waihanga / Infrastructure Committee. The most relevant presentation was provided on 27 April 2022 by Dougal List (Programme Director – water reforms for Wellington region). This paper provided a high level summary as an introduction to the detailed criteria set out in this paper.

Significance

The decision is **rated low significance** in accordance with schedule 1 of the Council’s Significance and Engagement Policy. The proposal affects a limited number of individuals, is of low consequence for Wellington City as a whole and is a strong logical step from a prior decisions.

Financial considerations

Nil
 Budgetary provision in Annual Plan / Long-term Plan
 Unbudgeted \$14.42

2.

Risk

Low
 Medium
 High
 Extreme

3.

Authors	Elizabeth Steel, Funding Manager Sarah Houston-Eastergaard, Treasurer
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga | Officers' Recommendations

Officers recommend that the Pūroro Rangaranga | Social, Cultural and Economic Committee:

- 1) Receive the information relating to the application criteria and process for applying for Tranche 1 of the Better off Funding.
- 2) Agree that the \$14.42m available to Wellington City Council under Tranche 1 of the Better off Funding should be applied for.
- 3) Agree that ~\$4m of the Better off Funding available under Tranche 1 be applied for in relation to Project 1: **Sub-surface digital twin**.
- 4) Agree that up to \$1m of the Better off Funding available under Tranche 1 be applied for in relation to Project 2: **Johnsonville Wastewater upgrade design and project works**.
- 5) Agree that \$3m of the Better off Funding available under Tranche 1 be applied for in relation to Project 3: **Scale up community engagement activities outlined in Te Atakura**.
- 6) Agree that the balance of the Better off Funding available under Tranche 1 be applied for in relation to Project 4: **Social Housing CHP tenant support fund**.
- 7) Instruct Officers to complete the Better off Funding Package Funding Proposal in application for the above projects immediately to ensure the application can be completed in time to meet the deadlines set out by DIA.
- 8) Once review and negotiation has been completed with DIA, instruct Officers to execute Better off Funding Package Funding Agreement with DIA with the assistance of Crown Infrastructure Partners.
- 9) Delegate authority to submit Better Off Funding Package Funding Proposal and sign/authorise Better Off Package Funding Agreement to the Chief Executive.

Whakarāpopoto | Executive Summary

1. The Government has developed a detailed plan to ensure the future of the three waters system in New Zealand is fit for purpose and meets the requirements of the population into the future.
2. One of the support mechanisms provided by the Government is the Better off Funding Package that is offered in two tranches to Councils, the first tranche is currently available to be applied for.
3. Criteria for qualifying projects and the application process have been set out in the guidance material provided by DIA. This paper has summarised the detail set out in that and other relevant guidance materials.
4. The headline criteria for the application are as follows:
 - a) Supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards.
 - b) Delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available.

-
- c) Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.
5. The guidelines and subsequent Q&A's received from DIA have emphasised that this funding should be used towards projects that are ready to be stood up already or soon after the funding agreement has been approved, but do not currently have a funding source. All projects recommended have sufficient planning documentation available to meet this criteria.
 6. Officers have developed a short list of projects, detailed in the following paper to help guide decision making and to ensure we receive the full entitlement of funding allocated to Wellington City Council.
 7. Better off Funding applications can be made up until 30 September 2022 and Officers recommend that this funding is applied for to support four discrete projects that all fit the criteria set out in the Better off Support Package Guidance supplied by DIA.
 8. Project 1: **Sub-surface digital twin** has a requirement for ~\$4m.
 9. Project 2: **Johnsonville Wastewater upgrade design and project works** has a requirement for up to \$1m.
 10. Project 3: **Scale up community engagement activities outlined in Te Atakura** has a requirement for \$3m.
 11. The remainder of the funding is recommended to be utilised for Project 4: **Social Housing CHP tenant support fund**. A detailed funding plan to support existing tenants is being developed with recommendations for the form of this being prepared by the Housing team responsible for the wider CHP design work that is taking place in parallel to this process. The initial estimate out of this workstream is \$10m so this project will accept any funding that is available from the Better off Funding package.

Takenga mai | Background

12. The Government has developed a detailed plan to ensure the future of the three waters system in New Zealand is fit for purpose and meets the requirements of the population into the future.
13. As part of this transition, the Government has made available two support packages to Councils – one a better off package which is an allocation of funding that can be applied for to put Councils in a better off state post water reform. This paper addresses the first tranche of that funding. The second of the support packages is the no worse off funding package. This package is not contemplated in this paper and has not yet been finalised by the Crown.
14. The Better off Funding package, Tranche 1, is available to Council to apply for now, until 30 September 2022 and we have been allocated \$14.42m to spend on initiatives or projects that fit into the criteria outlined by the DIA and discussed in paragraph 23 - 34.
15. Note a decision was made to apply for \$10m of this funding for WWL overspends for FY 2023 and 2024, however this decision was overturned during the Annual Plan

setting process, therefore this paper contemplates the application for the full \$14.42m allocated to Wellington City Council.

16. In anticipation of providing a Funding Application to the DIA, Officers have applied the following approach to produce a short list of 4 projects that will meet the criteria of putting the Council in a better off position.
 - a) A long list of criteria was developed using all the criteria set out within the guidance outlined in the discussion at paragraph 23-34.
 - b) Inputs to this long list included reviewing all projects within the 2021-31 LTP where funding was available in years 3-4, thereby accelerating programs of work, and where these projects looked to have sufficient resourcing to enhance or accelerate progress, they were included. For example, there could have been an acceleration of spend in the Electric vehicle space to bring forward budget in the LTP from years 3-4 to meet our Te Atakura commitments early.
 - c) Other inputs were included from across Council where projects were being scoped and assessed but no funding had yet been assigned.
 - d) Some large infrastructure builds were also included on the long list to accommodate overspend or add enhancements to the existing project.
17. The selected projects were then presented to various stakeholders, including ELT and worked through with project sponsors to receive any feedback that was relevant based on their understanding of the projects. We also looked to confirm suitable amounts of funding to allocate across the projects to ensure we spend the full \$14.42m in an equitable manner and to ensure that there is not an ongoing burden for Council in the form of ongoing costs and an increase in unbudgeted capex or opex.
18. The following four projects are recommended by officers to be used in the Funding Proposal to DIA for Better Off Funding. These are each discussed further in the Discussion section in paragraph 35 – 49.
19. Project 1: **Sub-surface digital twin** This project was introduced to Council as part of the Economic Wellbeing Strategy adopted by council in June 2022 where the City committed to a Digital Twin City. The strategy directs investment in the Digital Twin to help deliver a revitalised and regenerating city.
20. Project 2: **Johnsonville Wastewater upgrade design and project works** relating to housing development support. The substantial portion of this project is to be funded via the Infrastructure Acceleration Fund through Kainga Ora and had been presented to Council throughout that contestable funding process. The most recent update was provided to the Pūroro Āmua / Planning and Environment Committee on 9 June 2022.
21. Project 3: **Climate action focused community engagement** – this is an acceleration and scaling up of funding currently provided for in the Long term plan for community support activities outlined in Te Atakura.
22. Project 4: **Social Housing CHP tenant support fund for existing tenants** in social housing as the CHP is stood up. Officers recommend this funding is provided in the form of a back to back grant, provided to the CHP to enable support for existing tenants to enable a level of equality with new tenants that are eligible for IRRS support (discussed with Council at this meeting).

Kōrerorero | Discussion

23. The guidance for application of funding is detailed below:
24. The Better off Package is an investment by the Crown into the future for local government and community wellbeing; and
25. The Better Off package is provided in recognition of the significance to the local government sector (and the communities they serve) of the transfer of responsibility for water service delivery.
26. The use of the funding supports councils to transition to their role post-reform meeting some or all of the following criteria, as laid out in the Heads of Agreement:
 - a) Supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards.
 - b) Delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available.
 - c) Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.
27. Funding criteria is set out as follows:
 - a) The programme must support one or more of the criteria set out above in section 26 a,b,c.
 - b) Funding proposals must be for either new initiatives/projects; or to accelerate, scale up and/or enhance the quality of planned investment.
 - c) The duration of the programme of expenditure must be 5 years or less.
 - d) The total maximum amount payable must be equal or less than \$14.42m.
28. The funding proposal to be submitted to DIA needs to cover the following elements:
 - a) A programme overview (work to be done, cost summary, milestones, dates etc)
 - b) Demonstration that engagement was undertaken with iwi/Maori on the use of funding for all projects.
 - c) How the programme meets the criteria and conditions set out in section 26 a,b,c.
 - d) A wellbeing assessment setting out expected benefits of the programme (including Social, Economic, Environmental and Cultural Wellbeings).
29. To assist with identifying and prioritising Council initiatives, the guidance sets out the following prioritisation factors:
 - a) **Value for money** – Do the identified wellbeing outcomes justify the cost?
 - b) **Strategic plans** – Is there existing strategic planning documentation to support this initiative?

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- c) **Iwi/Maori support** – has the council engaged with iwi/Maori on the intended use of the funding?
 - d) **Risk Analysis** – Does your risk analysis show any undue concerns in completing the project – for example are the resources required readily available?
 - e) **Community support** – Does the initiative have rate-payer and local community support?
30. Other considerations outlined in the guidance are as follows:
- a) **Relationship between tranches** – the first tranche of funding is available from July 2022. It is distinct from the second tranche, however councils are expected to consider how the first tranche could support funding proposals for the second tranche.
 - b) Council does not have to apply for the full amount of tranche 1 at this time, any funding not applied for under the 2022 application can be carried forward and added to tranche 2 for the 2024 application. The same funding criteria are expected to apply.
 - c) **Prior funding applications** – If Council has a project that meets the Better off Funding criteria, and has previously been submitted and reviewed through another contestable funding source, we may be able to re-use the prior application. Examples of other funding sources include Infrastructure Acceleration Fund, National Land Transport Programme, IRG Shovel Ready.
31. Administration process – Key considerations are set out below:
32. Release of funding – Council will receive 10% as an initial disbursement on approval of the funding proposal and executed funding agreement. Council then receive the balance as a disbursement on receipt of progress payment requests.
33. Monitoring and reporting – reporting is provided by Council on a half yearly basis. CIP will monitor Council's progress against the funding proposal and provide assurance that crown funding is being spent as intended.
34. Project substitution – substitution is considered on a case-by-case basis by CIP.
- 35. Project descriptions are in the following section:**
36. Project 1: **Sub-surface digital twin**
37. Officers are recommending that ~\$4m of Better off Funding is applied for to support this project.
38. This project meets criteria set out in the DIA Guidance, including:
- a) It is a new initiative, not currently funded via other funding sources available to Council.
 - b) Headline Criteria of “Delivery of infrastructure and/or services that support local place-making and improvements in community well-being” by improving our knowledge of Wellington’s subsurface infrastructure providing an opportunity to begin a paradigm shift in efficiency for the city’s critical infrastructure – one which would be a gift to our future city and powerfully support the success of the

Long Term Plan. This tool would facilitate a “no surprises” policy in enabling infrastructure in our city.

- c) It meets the test of being good value for money as this spend will enable projects to be undertaken with full knowledge of what is beneath the city (current projects are undertaken knowing that there will likely be delays due to unknown topography below ground). The business case suggests savings of up to \$6m per year for Council and further benefits to other users which are currently unquantified. On an ongoing basis (once the initial investigation is completed, a user pays system has been suggested to ensure long run liabilities to the Council are subsidised by other users).
- d) Planning strategy documentation has been provided by the Network planning team and was presented to the Council within the Economic Wellbeing Strategy in June 2022. This project has strong links to the Above Ground Digital Twin project which has already been completed and for which Wellington City Council won the Bloomberg Global Mayors Challenge.
- e) This project also meets a number of wellbeing criteria – including; social, economic and environmental criteria.
- f) Given this is not currently funded but has been identified as a key enabler for our city infrastructure, the project meets the definition of making the city Better Off and will be a new initiative as required to meet the funding criteria.

39. **Project 2: Johnsonville Wastewater upgrade design and project works**

40. Officers are recommending that up to \$1m of Better off Funding is applied for to support this project.

41. This project meets the criteria set out in the DIA Guidance, including:

- a) It is a new initiative, not currently funded via other funding sources available to Council (co-funding arrangements are currently being negotiated with Kainga Ora through the Infrastructure Acceleration Fund).
- b) This project meets the headline criteria of “Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.” Through the development and delivery of new/growth infrastructure that will unlock housing development.
- c) It also meets the headline criteria of “Delivery of infrastructure and/or services that enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available.” The work performed on this project will enable development of approximately 2000 new housing units to be developed on the brownfield sites in the centre of Johnsonville.
- d) The co-funding arrangement between Wellington City Council and Kainga Ora is looked at favourably under the Better of Funding Criteria and is also specifically called out by Kainga Ora as demonstrating a commitment from Council to ‘meet our fair share’ of the project as this is one of the key principles of co-funding. This application would demonstrate to both Kainga Ora and DIA our commitment in funding this project despite there being no allowance for it in the 2021/31 LTP.

- e) Planning is taking place in parallel to this application so the Wellington City Council Treasury Team would need to work closely with the Housing team at Council to ensure the deadlines are met to include this project in line with the Tranche 1 application.
- f) The DIA Guidelines also call out linking of a project between the two tranches of Better off Funding whereby they look favourably on tranche 1 being used for enabling or scoping works, with the intention to use Tranche 2 to deliver project infrastructure. There could be scope within this project to look at what additional enabling works need to be budgeted for and include these in the Tranche 2 application, should that eventuate.

42. Project 3: Climate action focused community engagement

- 43. Officers are recommending that \$3m of Better off Funding is applied for to support the acceleration and scaling up of the city-wide engagement activities described in Te Atakura.
- 44. These city-wide engagement activities are designed to empower Wellingtonians to take climate action by identifying what we can do individually and collectively to make a meaningful difference. Activities include facilitating forums and conversations to co-create specific community- and place-based solutions. Over time, these activities will generate conversations in the community, accelerate social change and shift cultural norms around climate action, creating deep and lasting impact through powerful messaging and community empowerment.
- 45. This initiative includes:
 - a) Bringing forward community forums on reducing Wellington's carbon emissions through a neighbourhood and community based approach to empower Wellingtonians to co-create climate action solutions that suit their specific circumstances.
 - b) Accelerating planned facilitation of community-scale adaptation planning across coastal communities and communities at risk of inland flooding.
 - c) Accelerating our planned climate action education and information activities to ensure Wellingtonians have the information they need to take action on climate change.
 - d) Greater support for individuals to change their behaviour to significantly less carbon intensive habits, building on our existing behaviour change programmes of work across transport and waste.
- 46. This project meets criteria set out in the DIA Guidance, including:
 - a) This project meets the headline criteria of "Supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards" by educating Wellingtonians on how they can have a meaningful impact on the city's commitment to achieving net zero by 2050 and 57% by 2030.
 - b) This project includes accelerating planned Te Atakura activities across community engagement, community place-based forums, facilitated solution

development, support for individuals wanting to take action, and information and education around what is possible.

- c) This work will enhance the outcomes of the infrastructure investments we are making to support a transition to a low-emissions economy – primarily our investments in Wellington’s transport system that create zero-carbon transport options (the bike network plan, LGWM projects, EV chargers, etc).
- d) Communities have anecdotally expressed a desire for more support from Council in developing neighbourhood specific climate action solutions, both in personalising carbon reduction and in adapting to the expected impacts of climate change. Council have committed to community empowerment in Te Atakura and accelerating and scaling up this work would be well-received by the high percentage of Wellingtonians who are anxious about climate change.
- e) This work also supports part of Action 10.4 in the national Emissions Reduction Plan that states “Provide people and businesses with information and education to support behaviour change as we transition to a low-carbon economy”.
- f) The \$3m commitment will accelerate climate action and adaption planning in Wellington, with the potential to deliver further community support under tranche 2 of the Better off Funding from July 2024.

47. Project 4: **Social Housing CHP tenant support fund**

48. Officers are recommending that the remaining funding ~\$6.5m (assuming the approval of all other projects/initiatives) of Better off Funding is applied for to support this project.

49. This project meets criteria set out in the DIA Guidance, including:

- a) This project meets the headline criteria of “Delivery of infrastructure and/or services that support local place-making and improvements in community well-being” as it would support existing tenants to manage through the transition and ensure we can maintain a level of support across all of our tenants. It would do this through establishing a fund that supports rental affordability and/or cost-of-living pressures.
- b) Council has now committed to setting up a CHP after consultation and a long term plan amendment, however, there is a gap in the funding for support of existing tenants.
- c) A theme of consultation was finding ways to appropriately support existing tenants who transfer to the CHP and Council has indicated it wants to find a way to respond to this feedback (given funding was not included for tenant support in the LTP amendment).
- d) One of the Better off Funding requirements is for funding proposals to accelerate, scale up and/or enhance the quality of planned investment. Funding this project would be classed as an enhancement in the now planned investment in the CHP to enable social housing to be a service Wellington City Council can sustain into the future with an equitable balance of support for existing and new tenants.
- e) This project meets the Social, Economic and cultural wellbeing criteria via the support we will provide for our tenants.

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- f) There has been a significant amount of risk analysis and engagement undertaken on this issue which meets a number of the prioritisation factors discussed in paragraph 29.

Kōwhiringa | Options

50. This paper provides the Committee with background information and advice on the options available to utilise Wellington City Council's allocation of Better off Funding, available under three waters reform.
51. The options in response to this paper are:
- a) Agree to all the projects and funding allocation outlined in Discussion section paragraph 35-49 (**recommended**).
 - b) Agree to some of the projects and funding allocations outlined in Discussion section paragraph 35-49 and hold the remainder of the funding over to July 2024 when tranche 2 of the Better off Funding may be made available.
 - c) Agree to some of the projects and funding allocations outlined in Discussion section paragraph 35-49 and distribute the remaining funding to Social Housing CHP tenant support funding, noting this project has capacity to absorb more funding that is set out in paragraph 48.
 - d) Agree to not fund any of the projects outlined in Discussion section paragraph 35-49 and hold off applying for the funding until the second tranche of funding in 2024 (noting that there is a risk that that funding may not eventuate if three waters reform is retracted or materially changed).

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

52. Funding has been made available to Council through a legislative process that is outside of the control of Council. We have the opportunity to apply for the funding based on criteria set out by DIA and have therefore relied on external policies to direct the work in this area.

Engagement and Consultation

53. Consultation has been performed on some of the projects set out in the paper, however, there is no legislative requirement to consult on the allocation of the Better off Funding.

Implications for Māori

54. Partnering opportunities and input is being undertaken via each of the recommended projects.

Financial implications

55. As this funding is being granted to the Council from the Crown for new, accelerated or enhanced projects, it sits outside of rates funding as well as debt funding of any capex items.
56. Officers have been careful to select projects that will not create material ongoing costs to the Council that cannot be funded by sources outside of LTP funding allocations:
- a) The Johnsonville project was selected as this will enable Infrastructure Acceleration Funding from Kainga Ora through co-funding principals where the Council will pay their “fair share” of costs relating to the “eligible infrastructure project”.
 - b) The climate action community engagement initiative was chosen as it a one off amount to accelerate work that is not currently funded but is set out in Te Atakura.
 - c) The subsurface digital twin is being proposed as a test case to enable a national roll out of the technology so the ongoing spend will be picked up by another entity (potentially the Crown).
 - d) With the remaining spend going towards a CHP Tenant support package, this is intended as a one off injection in to the CHP, in the form of a grant. This is not intended to be duplicated or enhanced in the future without the approval of Council.

Legal considerations

57. There will be a legal review performed over the Funding agreement before it is finalised.

Risks and mitigations

58. Risks and mitigations are outlined within the paper.

Disability and accessibility impact

59. Not applicable

Climate Change impact and considerations

60. A number of the projects will align with Te Atakura and our goals to meet Wellington City’s zero carbon goal.
61. The climate action focused community engagement acceleration will help us to achieve our stated goals by educating and empowering our communities to help us achieve the city wide objectives of meeting our net zero targets.
62. The sub-surface digital twin will have ongoing enabling impacts to ensure future city is being built in a sustainable manner.

Communications Plan

63. There will not be a specific communications plan relating to this paper, however each relevant initiative will have their own approach to communications.

-
64. For example, the Tennant support initiative will be included in the community engagement relating to the CHP as that develops.
 65. Also, the climate change community engagement initiative will directly involve communications with the community.

Health and Safety Impact considered

66. Consistent with the previous section, each project approved for funding will have a dedicated health and safety plan in place.

Ngā mahinga e whai ake nei | Next actions

67. Once approval is received from this Committee (of the whole) as per the options set out in paragraph 50-51, Officers will submit a single Funding Proposal for all approved projects to DIA (with the assistance of Crown Infrastructure Partners).
68. DIA will take up to six weeks to make a decision on the projects for which Council applies for funding and accept/ reject or negotiate for more information.
69. Council and DIA will then enter into a funding agreement setting out the ongoing commitment and obligations on both parties to facilitate the drawdown of funding over the available funding period.
70. The deadline for the agreement to be in place is 30 September 2022. If this deadline is not met the funding will be held over until the second tranche is available in July 2024.
71. Once the Funding agreement is in place, a detailed budget allocation will be brought to Council for approval.
72. There will be ongoing reporting requirements for each of the projects and funding will be made available on a milestone reimbursement basis.

Attachments

Nil

ACTIONS TRACKING

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides an update on the past actions agreed by the Pūroro Rangaranga | Social, Cultural and Economic Committee at its previous meetings.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
- People friendly, compact, safe and accessible capital city
- Innovative, inclusive and creative city
- Dynamic and sustainable economy

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- Functioning, resilient and reliable three waters infrastructure
- Affordable, resilient and safe place to live
- Safe, resilient and reliable core transport infrastructure network
- Fit-for-purpose community, creative and cultural spaces
- Accelerating zero-carbon and waste-free transition
- Strong partnerships with mana whenua

Relevant Previous decisions

Not applicable.

Financial considerations

- Nil
 | Budgetary provision in Annual Plan / Long-term Plan
 | Unbudgeted \$X

Risk

- Low
 | Medium
 | High
 | Extreme

Author	Alisi Puloka, Democracy Advisor
Authoriser	Kym Fell, Chief Customer and Community Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Rangaranga | Social, Cultural and Economic Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. This report lists the dates of previous committee meetings and the items discussed at those meetings.
3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
 - In progress: Resolutions with this status are currently being implemented.
 - Complete: Clauses which have been completed, either by officers subsequent to the meeting, or by the meeting itself (i.e., by receiving or noting information).
4. All actions will be included in the subsequent monthly updates but completed actions will only appear once.

Takenga mai

Background

5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
6. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.
7. For the month of July, an automated action tracking process has been trialled. The resulting attachment is formatted slightly differently, but contains the same information as previous attachments to this report.
8. Notable changes include the separation of clause number and clause text in each resolution, and any resolution containing subclauses is now listed in its own row.

Kōrerorero

Discussion

9. 42 in progress actions were carried forward from the last action tracking report. Of these:
 - 20 are complete.
 - 22 are still in progress.
10. Further detail is provided in Attachment One.

Attachments

Attachment 1. Actions Tracking  

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ID	Date	Title	Clause number	Clause	Status	Comment
185	Wednesday, 2 June 2021	2.5 Affordable Housing Supply and Development	4	Agree that officers will report back to Pūrora Āmua Planning and Environment Committee in October 2021 with further advice on: a. An updated position on the Housing Acceleration Fund b. Progress on discussions with HUD and KO on how we can deliver more affordable housing supply at scale and pace.	Completed	Update on government funding applications were provided at the PEC update in June. Officers will continue to identify funding and partnership opportunities with HUD and KO and report to PEC when these arise.
186	Wednesday, 2 June 2021	2.5 Affordable Housing Supply and Development	9	Agree that Build Wellington will progress with further assessment and feasibility on the potential for development, under a joint venture approach, of the five sites identified for divestment under the Strategic Housing Investment Plan (SHIP) that have capacity for redevelopment	Completed	Any future development of City Housing sites will be considered following establishment of the CHP.
187	Wednesday, 2 June 2021	2.5 Affordable Housing Supply and Development	10	Agree, that subject to agreement of recommendation 9, officers engage early with Ngāti Toa Rangatira and Taranaki Whānui ki Te Upoko o te Ika on opportunities to undertake a joint venture approach to redevelopment	Completed	Officers are regularly engaging with mana whenua on joint venture and other opportunities. Project-specific updates will be provided separately.
188	Tuesday, 22 June 2021	2.2 Cemeteries Management Plan	6	Note that options for non-perpetual plots will be reported back to Council for approval within the next three years.	In progress	The management plan was approved in 2020 and is being implemented. The question about non-perpetual rights is still pending investigation.
189	Thursday, 2 September 2021	3.1 Pōneke Promise safety initiatives	5	Agree that Council officers approach DCM, Take Ten, the Ministry of Social Development, the Ministry of Housing and Urban Development, Kainga Ora, Capital and Coast District Health Board and the tertiary institutions and students' associations in Wellington with a view to them becoming partners. Note that this is not an exhaustive list. It is anticipated that other appropriate organisations may wish to become partners over time, the Council will encourage this.	In progress	Over the next 2 months we will engage with our stakeholders and agree on a process for this. Estimated to be completed by December.
190	Wednesday, 2 June 2021	3.1 Pōneke Promise safety initiatives	6	Note that for public sector agencies, the provision of agreed actions, services, resourcing and/or funding should form part of the relevant MOU.	In progress	Estimated to be completed by December.
191	Thursday, 7 October 2021	2.1 Reserves Act 1977: Stormwater Attenuation Easement - 33 Ladbroke Drive, Newlands (Waihinahina park - In Memory of Dennis Duggan)	2	Agree to grant an easement in perpetuity over land at Waihinahina Park - in Memory of Dennis Duggan, being part of Lot 2 DP 303502 (ROT 14039), pursuant to s48 of the Reserves Act 1977.	In progress	Currently waiting for detailed designs from applicant.

192	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	2	Note, following direction by Pūroro Rangaranga in June, officers are pursuing two parallel tracks to resolve City Housing's financial sustainability challenges, including: a. direct discussions with the Crown seeking opportunities to partner in new social housing supply and Crown financial support for City Housing (particularly access to the Income Related Rent Subsidy (IRRS)) to resolve City Housing's financial sustainability challenges b. beginning design work to establish a new Community Housing Provider (CHP) c. Note the community requests for the Income Related Rent Subsidy (IRRS) for Wellington City Council tenants and agree to make further representations to Government to share these views.	In progress	Next report back will be a paper on detailed CHP design and transition on 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations. May 2022 budget confirmed 380 IRRS places for the new CHP.
193	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	5	Note that following this meeting, officers are actively working with the Ministry of Housing and Urban Development (HUD) and Kāinga Ora to consider ways in which the Crown and Council may work together to resolve City Housing's financial situation (Crown Support Option)	Completed	May 2022 budget confirmed 380 IRRS places for the new CHP. Initial discussions held between WCC and HUD regarding required changes to the Deed of Grant resulting from the CHP decision.
194	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	6	Note that there is currently no certainty about if or when a decision on the Crown Support Option would be made by the government	Completed	The information was noted by the committee.
195	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	7	Note that, given the limited time between now and 2022/23, the two workstreams (discussions with the Crown and CHP design) need to continue to progress in parallel	Completed	The information was noted by the committee.
196	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8a	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Tenant wellbeing: Improve the rental affordability and social outcomes for existing and future social housing tenants	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
197	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8b	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Financial sustainability: Return the social housing service and portfolio to a stable, long-term financial footing, while minimising any adverse impact on the Council's financial position and/or borrowing capacity	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
198	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8c	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Increase supply: Increase the supply of social housing in the Wellington region	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.

199	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8d	8. Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Housing upgrades: Meet the Council's commitment under the Deed of Grant to deliver the second half of the upgrade programme and meet its \$180m share of the cost	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
200	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8e	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Partnerships: Create opportunities for community partnership in the delivery of social housing and other services and housing development	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
201	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8f	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Feasibility: Ensure the solution is feasible to deliver and implement in the short-term	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
202	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	8g	Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams: Flexibility: For CHP options only, provide Council with flexibility to adjust the design of the CHP in the future, subject to the CHP's performance, or to take advantage of future opportunities	In progress	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. Further detail in CHP design and transition paper 4 August 2022.
203	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	9	Note that, in designing a CHP, the Council needs to make five key decisions: i. What kind of legal entity should the CHP be – this determines its ownership and governance arrangements, and the Council's role in governance ii. Should the Council transfer housing assets to the CHP – this determines the extent to which the CHP can pursue new supply and redevelopment objectives and the Council's ownership of the portfolio iii. Aside from housing assets, should the Council provide the CHP with an upfront capital injection – this determines the pace at which it can advance the upgrade work and pursue new supply and redevelopment objectives iv. What services should the CHP provide – this determines whether the CHP only provides tenancy services and manages minor/reactive repairs or whether it also manages major property maintenance and upgrades. A CHP could also offer an expanded range of support services by tendering for government social service contracts	In progress	These decisions are addressed in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.

204	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	10	Note that this paper seeks decisions on questions i-iv. and that question v. will be brought back to the Committee for consideration, along with further advice, in May 2022	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
205	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	11	Note officers have developed three shortlisted CHP options and assessed these against the objectives in Recommendation 8: a. Option 1 (“Maximum” CHP): Independent community-owned trust (or limited partnership or company), with full asset transfer, no additional capital injection, and a full-service offering (not officer preferred) b. Option 2 (“Intermediate” CHP): Independent community-owned trust (or limited partnership or company), with leasehold assets, “medium” capital injection, and a transition to a full-service offering (with Option 2 – independent community-owned trust (Option 2 – ICT) as officer preferred) c. Option 3 (“Minimum” CHP): Independent community-owned trust (or limited partnership or company), with leasehold assets, “low” capital injection, and limited service offering (not officer preferred)	Completed	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. The consultation supported Option B. This Option was ratified for adoption at the Council LTP meeting in June 2022.
206	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	12	Agree that Option 2 – ICT is the Council’s preferred CHP option, on the basis that it best meets the prioritised objectives set out in Recommendation 8	Completed	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. The consultation supported Option B. This Option was ratified for adoption at the Council LTP meeting in June 2022.
207	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	13a	Agree to consult through a Special Consultative Procedure (with a consultation document and corresponding LTP amendment) as part of next year’s Annual Plan, on the reasonably practicable options to address City Housing’s financial sustainability, being: a. Three shortlisted CHP options set out in Recommendation 11 above (with Council preference indicated for Option 2 – ICT)	Completed	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. The consultation supported Option B. This Option was ratified for adoption at the Council LTP meeting in June 2022.
208	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	13b	Agree to consult through a Special Consultative Procedure (with a consultation document and corresponding LTP amendment) as part of next year’s Annual Plan, on the reasonably practicable options to address City Housing’s financial sustainability, being: b. Fully funding the operating deficit through rates and debt funding the capital programme	Completed	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. The consultation supported Option B. This Option was ratified for adoption at the Council LTP meeting in June 2022.

209	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	14	Note the proposals for consultation will note that: a. Feedback is being sought on the public's preferred way forward if the Crown does not provide support or if the Crown Support Option is insufficient to return the portfolio to a financially sustainable footing b. If, following completion of the consultation process, the Crown does provide support, then further consultation may occur, if required, in relation to the Crown Support Option	Completed	Public consultation occurred as part of the LTP process. Council decision minuted at June Council meeting as part of LTP adoption. The consultation supported Option B. This Option was ratified for adoption at the Council LTP meeting in June 2022. Crown support in May 2022 budget limited to 380 IRRS places.
210	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	16	Direct officers to report back to the AP/LTP Committee by March 2022 with the following: a. Consultation document, Statement of Proposal (and corresponding LTP amendment) and engagement programme for review, prior to audit of the consultation material	Completed	
211	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17a	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: a. CHP governance arrangements, including partnership opportunities (further detail on question i)	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
212	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17b	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: b. Source, form and timing of CHP capitalisation (further detail on question iii)	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
213	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17c	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: c. Design of a ring-fenced major maintenance fund (further detail on question iv)	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
214	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17d	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: d. Options to finance the upgrade programme (question v)	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.

215	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17e	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: e. CHP registration process and requirements	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
216	Thursday, 7 October 2021	2.2 City Housing sustainability: CHP design options	17f	Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on: f. A CHP transitional support package that will meet the Council's financial commitments under the Deed of Grant and provide early support for the CHP while the IRRS revenue stream increases over time.	In progress	Detail provided in June 2022 CHP paper. Further information in CHP design and transition paper 4 August 2022. A further paper is scheduled 1 September 2022 which will detail further residual trust deed recommendations.
217	Thursday, 7 October 2021	2.3 Economic wellbeing strategy - engagement approach	3	Agree to Option 2: Co-creation of draft strategy – the co-creation approach of developing the draft Economic Wellbeing Strategy as outlined in the report.	Completed	A paper seeking approval to consult is scheduled to come to this committee on 3 February 2022.
218	Thursday, 7 October 2021	2.3 Economic wellbeing strategy - engagement approach	4	Note that officers will bring a co-created draft Economic Wellbeing Strategy to the December committee meeting.	Completed	A paper seeking approval to consult is scheduled to come to this committee on 3 February 2022. This has been rescheduled due to the heavy workload of the committee in December.
219	Tuesday, 2 November 2021	2.4 Easement for telecommunication purposes over Council reserve - Carter Park and Centennial Reserve, Maupuia	3	Instruct officers to finalise the terms and conditions of the easement which will be broadly similar to the terms and conditions in the existing easement to Telecom.	In progress	
220	Tuesday, 2 November 2021	3.1 Report of the Kāwai Whakatipu Grants Subcommittee Meeting of 13 October 2021	1	Agree to bring forward \$100,000 of allocated funding for Wellington Tennis Inc from the 2022-23 financial year and allocate from the 2021-22 Sports Partnership Fund budget	Completed	Completed, grant funding paid in 2021-22 financial year.
221	Tuesday, 2 November 2021	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	2	Agree that Council publicly consult on the proposal to build a new mountain bike track in Matairangi/ Mount Victoria (outlined in Attachment 1).	In progress	Consultation docs being prepared - due to consult in Jan and Feb 2022.
222	Tuesday, 2 November 2021	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	3	Agree that hearings will be held on the track proposal if this is requested by submitters	In progress	Consultation docs being prepared - hearings likely to be in March following submissions in Jan & Feb.
223	Tuesday, 2 November 2021	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	4	Agree that officers will return to the committee to report back on submissions and with recommendations on the track proposal.	In progress	Offices planning to return to committee in April, following consultation.
224	Tuesday, 2 November 2021	2.6 Trading and events in public places policy	3	Agree to adopt the new Trading and Events in Public Places Policy 2021 and revoke the Footpath Management Policy (2007) and Trading in Public Places Policy (2006).	Completed	Policy due to take effect July 1 2022 - still working with old policies until then
225	Tuesday, 2 November 2021	2.6 Trading and events in public places policy	4	Agree to authorise public consultation on the revised “pre-approved” trading and event activities for the identified Wellington Town Belt and reserve sites (as set out in Attachment three).	Completed	Consultation docs being prepared - due to consult from Nov 29-Feb 11 2022
226	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	4	Agree that the cost is met by running down City Housing's cash reserves, noting this would be reflected in City Housing's Annual Plan budget through lower revenue for 2022/23 and future years.	In progress	

227	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	5	Agrees to freeze rents for all tenants in 2022 and fund this through the City Housing's cash reserves	In progress	
228	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	8	Recommend to the Pūroro Maherehere Annual Plan / Long-term Plan Committee that the tenants welcome pack is translated into Arabic, Tamil, Farsi, Mandarin/Cantonese, Spanish, Samoan, Russian, Cambodian and Hindi.	In progress	
229	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	9	Agrees that officers will prepare advice for how to end the ring fencing of city housing finances and operations in time for deliberations for the Pūroro Maherehere Annual Plan / Long-term Plan 2022/2023.	In progress	
230	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	10	Request officers to provide advice through the Annual Plan process on remitting rates back to City Housing to assist with long term financial sustainability issues.	In progress	
231	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	11	Restate the long standing position of this Council requesting that Council tenants can access IRRS.	In progress	
232	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	12	Agree to support the Mayor's Taskforce on Social Housing.	In progress	
233	Friday, 4 February 2022	2.2 City Housing interim tenant support measures	13	Agree to Council officers providing support to the mayoral taskforce on housing where consistent with existing agreed work programmes and Council policy.	In progress	
234	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	2	Recommend that the Pūroro Maherehere Annual Plan / Long-term Plan Committee agree to a budget of up to \$1.5 million remove, upgrade, or develop the building and grounds of the former NWBC site for community use, dependent on the results of community engagement described at 3 below	Completed	
235	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	3	Agree that Council run an expression of interest process for community groups or related parties, wishing to use or manage the site, including groups who may need assistance from Council.	In progress	EOI Process to commence in late 2022 following community led engagement process initiated by Newtown Community and aimed at understanding community aspirations for site.
236	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	4	Agree that officers report to the Pūroro Maherehere Annual Plan / Long-term Plan Committee about the outcome of this process.	In progress	
237	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	5	Agree that Council officers will not limit the discussions with relevant community groups to a formal lease or new building arrangement.	In progress	
238	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	6	Request officers to maintain the building and grounds to a reasonable standard including security, while the community tender and design process is progressing.	Completed	
239	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	7	Request officers to engage with Kainga Ora as part of the consultation process regarding potential partnership or mutually beneficial opportunities for extended community use.	Completed	Kainga Ora not interested in formal partnership due to small size of adjacent property, however opportunities for tenants to use site to be considered through Community Engagement/EOI Process.

240	Friday, 4 February 2022	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	8	Request officers to engage with local community groups who are looking for space to enable temporary lease arrangements while the consultation design process is underway.	Completed	Temporary lease arrangements not permitted under Wellington Town Belt Act. Site available for casual use and temporary events.
241	Friday, 4 February 2022	2.1 Khandallah Pool Options Report	4	Refer to the Pūroro Maherehere Annual Plan / Long-term Plan Committee that a longer operating service (for March 2023) be considered	Completed	
242	Friday, 4 February 2022	2.1 Khandallah Pool Options Report	6	Agree that Khandallah Pool will be upgraded in line with Option B (clause 94- Increase level of service) of the report subject to further detailed design and community (place and interest) engagement and that Officers will report back with an achievable construction timeline at the Pūroro Rangaranga Committee in May 2022.	Completed	
243	Friday, 4 February 2022	2.1 Khandallah Pool Options Report	8	Refer the decision, to include the additional funds of \$7 million to be included in the 2023/24 budget, to this year's Pūroro Maherehere Annual Plan / Long-term Plan Committee.	Completed	
244	Friday, 4 February 2022	2.4 Land Exchange - 135 Makara Road and 129 Makara Road, Karori	2a	Recommend to Council that it: a. Authorise, pursuant to Section 15 of the Reserves Act 1977, the exchange of approximately 78m ² of land held as Local Purpose (Water Reservoir) Reserve (the Land) at 135 Makara Road Karori (being Part Lot 1 Application Plan 2142, ROT WN942/12) (the Land), for approximately 190m ² part of privately-owned land at 129 Makara Road, Karori (being Lot 14 DP 21009, ROT WN841/58) (the 129 Makara Road Land).	Completed	
245	Friday, 4 February 2022	2.4 Land Exchange - 135 Makara Road and 129 Makara Road, Karori	2b	Recommend to Council that it: b. Agree to dispose of the Land, in order to give effect to the exchange.	Completed	
246	Friday, 4 February 2022	2.4 Land Exchange - 135 Makara Road and 129 Makara Road, Karori	2c	Recommend to Council that it: c. Agree to acquire the 129 Makara Road Land, in order to give effect to the exchange.	Completed	
247	Friday, 4 February 2022	2.4 Land Exchange - 135 Makara Road and 129 Makara Road, Karori	2d	Recommend to Council that it: d. Delegate to the Chief Executive Officer the power to conclude all matters in relation to the disposal of the Land, and the acquisition of the 129 Makara Road Land, including all legislative matters, issuing relevant public notices, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.	Completed	
248	Friday, 4 February 2022	2.4 Land Exchange - 135 Makara Road and 129 Makara Road, Karori	2e	Recommend to Council that it: e. Note that the above approvals are conditional on public notification under section 15 of the Reserves Act 1977, and no sustained objections resulting from this public notification.	Completed	
249	Thursday, 7 April 2022	2.1 Name Change Proposal for the ASB Sport Centre	3	Agree to rename the building 'Akau Tangi'.	In progress	Branding and Design underway. New name to be officially launched with a blessing and event on 15/16 October
250	Thursday, 7 April 2022	2.1 Name Change Proposal for the ASB Sport Centre	5	Note that existing budgets will be reprioritised to update signage and collateral at the centre.	Completed	

251	Thursday, 7 April 2022	2.2 Trading and event sites on Wellington Town Belt and reserves	2	Agree to the amended “pre-approved” trading and event activities and the identified locations on Wellington Town Belt land held under the Wellington Town Belt Act 2016 and reserve sites held under the Reserves Act 1977 for the new approval framework (as set out in Attachment Four).	Completed
252	Thursday, 7 April 2022	2.2 Trading and event sites on Wellington Town Belt and reserves	7	Agree to review the approval framework in three years.	In progress
253	Thursday, 7 April 2022	2.4 Destination Skate Park Feasibility Study	7	Agree to recommend to the Annual Plan/Long Term Plan Committee that a further 5.64M of capital funding is budgeted in the 23/24 (2M) and 24/25 (3.64M) years for the development of a destination skate park.	Completed
254	Thursday, 5 May 2022	2.1 Tūpiki Ora Māori Strategy	3	Agree that Council support Māori Wardens in their important work around the city including finding them a base to operate from and supporting with equipment and support to operate.	In progress
255	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	2	Agree that a one new mountain bike trail in Matairangi will be built as per Attachment 1 and that the short section of track already used for walking near Hataitai saddle is retained as shared track and designed accordingly.	In progress
256	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	3	Note that officers will work with Trails Wellington to ensure the findings of the ecological and traffic impact assessments will be included in the detailed design.	In progress
257	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	4	Agree that officers will report back to Council through the Open Space and Recreation Strategy and the Open Space Access Plan to investigate and then develop in partnership with disabled people	In progress
258	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	5	Agree that an existing section of the City to Sea walkway is sealed and realigned to meet the accessibility needs for a broader audience on Matairangi.	In progress
259	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	6	Agree that officers will reassess walking and biking trails on Matairangi within the next 6 months, giving effect to existing plans and policies (such as Open Space Access Plan 2016) that prioritise walkers and investigate changing some existing trails to walking only.	In progress
260	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	7	Note that Council will plant native forest species around the entrance to mitigate noise and visual impacts.	In progress
261	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	8	Note that Council officers will work with Trails Wellington on a formal agreement under which they will operate	In progress

262	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	9	Note that Council officers will work to find an appropriate name for the trail in accordance with Te Māpihi Maurea (Wellington City Council Naming Policy).	In progress
263	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	10	Note that Council will work with Trails Wellington to continue closing illegal mountain bike trails on Matairangi, making the area safer for walkers.	In progress
264	Thursday, 5 May 2022	2.3 Trails Wellington Matairangi Track Proposal	11	Agree that after completion of this trail no new trails will be constructed on Matairangi focusing instead on realignment and improvement of existing tracks to increase user experience and to reduce conflict with walkers.	In progress
265	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2a	Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions: a. Community Participation Add to the covering letter: Community leadership and participation will be critical in ensuring Aotearoa adapts to climate change. Supporting communities to upskill will therefore be critical.	Completed
266	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2b	Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions: b. Question 3: Social Equality Add the following: i) In partnership with marginalised communities (Pasifika, other ethnic minorities, LGBTQI+, disabled people and so on) work on specifically tailored solutions to meet the challenge of adaptation that meet all groups' needs ii) Undertake investigation in how insurance products can be developed to meet the needs of socially disadvantaged groups iii) Investigate mechanisms to ensure socially marginalised groups can adapt to climate change including financial ones	In progress

267	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2c	<p>Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions:</p> <p>c. Question 5: Economic opportunities of climate change Add the following benefits:</p> <ul style="list-style-type: none"> i) More resilient and adaptable communities that can pivot to find new economic opportunities ii) More resilient and higher value buildings iii) New business opportunities to respond to climate problems iv) Opportunities to develop new products that assist communities to live a low carbon lifestyle 	In progress
268	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2d	<p>Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions:</p> <p>d. Question 21: Building Act Add: Reform of the Building Act to ensure all buildings become more resilient over time</p>	In progress
269	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2e	<p>Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions:</p> <p>e. Question 26: Green infrastructure Undertake policy work and more research and development to ensure more green infrastructure is developed to ensure more communities can adapt to climate change.</p>	In progress
270	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	2f	<p>Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission with the following additions:</p> <p>f. Question 44: Insurance Undertake further work to ensure New Zealanders are adequately covered by insurance is critical as well as engaging with the reinsurance industry globally to find creative solutions to protecting land and property.</p>	In progress

271	Thursday, 2 June 2022	2.1 Submission on Ministry for Environment Draft National Adaptation Plan and Managed Retreat	3	Delegate to the Chief Planning Officer the authority to amend the submission as per any proposed amendments agreed by the Committee at this meeting, and any minor consequential edits, prior to it being sent.	In progress	
272	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	1	Receive the information	Completed	
273	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	2	Note the submitter feedback as outlined in Attachment One.	Completed	
274	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	3	Note Oral Submission Summary in Attachment Two.	Completed	
275	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	4	Note the Economic Wellbeing Strategy has been updated to reflect the submitter feedback as outlined in Attachment Three.	Completed	
276	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	5	Adopt the Economic Wellbeing Strategy as provided in Attachment Four, and action plan in Attachment Five.	In progress	Council agreed to adopt. Leaving this as in progress until it is published and live on the website.
277	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	6	Agree to delegate to the Chair / CEO minor editorial changes as part of publication.	Completed	
278	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	7	Agree to archive the Economic Development Strategy 2011.	In progress	Will do this once the new one is published.
279	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	8	Request officers report back to the council with a high-level progress report on how the Economic Wellbeing strategy actions are tracking, along with officer recommendations for funding prior to the 2024 LTP.	In progress	we'll aim for March or April 2023
280	Thursday, 2 June 2022	2.2 Engagement summary and adoption of the Economic Wellbeing Strategy	9	Add to Outcome 3: A Business Friendly City Priority Actions <ul style="list-style-type: none"> • Work with the Wellington business community and Wellington NZ to advocate for better insurance outcomes. 	Completed	made the change to the final doc for publication
281	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	1	Receive the information	Completed	
282	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	2	Agree that officers commence public consultation for a new ground lease for Victoria Bowling Club Incorporated, pursuant to the Leases Policy for Community and Recreation Groups and the Wellington Town Belt Act 2016	In progress	Public consultation will commence jointly with Wellington Tennis Club & Salamanca Tennis Club (subject to Committee approval) in an effort to minimise clubs costs
283	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	3	Note that officers will report back to the Pūrora Rangaranga Social, Cultural and Economic Committee on the outcome of public consultation	In progress	

284	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	4	Note that if no sustained objections arise from public consultation, officers will recommend that Pūroro Rangaranga Social, Cultural and Economic Committee refer the new lease to Council for approval	In progress
285	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	5	Agree that legal and advertising costs are met by the lessee (where applicable)	In progress
286	Thursday, 2 June 2022	2.3 New lease for existing lessee: Victoria Bowling Club	6	Note that Victoria Bowling Club is in the process of procuring a detailed seismic assessment, condition assessment and 20-year maintenance plan for the club-owned buildings. Grant of a new lease will be conditional on the Club implementing the recommendations of these plans during the term of the lease.	In progress
287	Thursday, 2 June 2022	2.4 Access Licence over Wellington Town Belt to Ministry of Education (Ellice Street, Mount Victoria)	1	Receive the information	In progress
288	Thursday, 2 June 2022	2.4 Access Licence over Wellington Town Belt to Ministry of Education (Ellice Street, Mount Victoria)	2	Agree to grant a new licence to the Ministry of Education (subject to the usual terms and conditions noted below), over part of Wellington Town Belt at Mount Victoria 100 Alexandra Road being part of Section 1 SO 476360 (ROT 742966) pursuant to s17 of the Wellington Town Belt Act 2016	In progress
289	Thursday, 2 June 2022	2.4 Access Licence over Wellington Town Belt to Ministry of Education (Ellice Street, Mount Victoria)	3	Delegate to the Chief Executive Officer the power to carry out all steps to effect the licence	In progress
290	Thursday, 2 June 2022	2.4 Access Licence over Wellington Town Belt to Ministry of Education (Ellice Street, Mount Victoria)	4	Note that any approval to grant the licence is conditional on: a. Appropriate iwi consultation b. Public consultation under s16 Wellington Town Belt Act 2016 c. No sustained objections resulting from the above consultation d. Legal and advertising costs being met by the respective licensee along with a bond	In progress
291	Thursday, 2 June 2022	2.4 Access Licence over Wellington Town Belt to Ministry of Education (Ellice Street, Mount Victoria)	5	Note that the access will proceed in accordance with final Parks, Sport and Recreation agreement to all park management and traffic management plans.	In progress
292	Thursday, 2 June 2022	2.5 Built Heritage Incentive Fund - 2021-22 Round	2	Agree to the allocation of \$500,000 funding across the 15 applications in the table below. Further details of these are provided in Attachment One.	In progress

293	Thursday, 2 June 2022	3.1 Report of the Kāwai Whakatipu Grants Subcommittee Meeting of 24 May 2022	1	<p>Approve the allocation of multi-year contract funding (from 1 July 2022) for applications #3, #5, #6, #7, #9, #18, #19 being allocations greater than \$100,000, subject to the Arts and Culture Funds being available through the Annual and Long-Term Plans</p> <p>3. BATS Theatre Limited: \$100,000 p.a. for three years</p> <p>5. Circa Theatre Incorporated; \$186,385 p.a. for three years</p> <p>6. Creative Capital Arts Trust: \$155,510 p.a. for three years</p> <p>7. Katherine Mansfield Birthplace Society Incorporated: \$124,784 p.a. for three years</p> <p>9. Newtown Festival Trust: \$161,606 p.a. for three years</p> <p>18. The Royal New Zealand Ballet: \$167,238 p.a. for three years</p> <p>19. Wellington Regional Orchestra Foundation Incorporated (Orchestra Wellington): \$305,400 p.a. for three years</p>	In progress
294	Thursday, 2 June 2022	3.1 Report of the Kāwai Whakatipu Grants Subcommittee Meeting of 24 May 2023	2	<p>Approve the allocation of multi-year contract funding (from 1 July 2022) for applications #9, #12, #18, #19, being an allocation of greater than \$100,000 p.a., subject to the Social and Recreation Fund being available through the Annual and Long-Term Plans.</p> <p>9. Newtown Community & Cultural Centre: \$217,500 p.a. for three years</p> <p>12. Strathmore Park Community Centre Trust: \$167,600 p.a. for three years</p> <p>18. Citizens Advice Bureau Wellington Incorporated: \$225,000 p.a. for three years</p> <p>19. Community Law Wellington and Hutt Valley Trust: \$158,000 (\$85,000 p.a. for three years and \$73,000 in 2022/2023)</p>	In progress
295	Thursday, 2 June 2022	3.1 Report of the Kāwai Whakatipu Grants Subcommittee Meeting of 24 May 2024	3	<p>Approve the allocation of funding for application #9 (Kaicycle Incorporated: \$50,000), being a total allocation of over \$100,000, if as the recommendation for funding through the Waste Minimisation Seed Fund: Organics Diversion 2022 has been approved.</p>	In progress

FORWARD PROGRAMME

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides the Forward Programme for the Pūroro Rangaranga | Social, Cultural and Economic Committee for the next two meetings.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
 - People friendly, compact, safe and accessible capital city
 - Innovative, inclusive and creative city
 - Dynamic and sustainable economy
- Strategic alignment with priority objective areas from Long-term Plan 2021–2031**
- Functioning, resilient and reliable three waters infrastructure
 - Affordable, resilient and safe place to live
 - Safe, resilient and reliable core transport infrastructure network
 - Fit-for-purpose community, creative and cultural spaces
 - Accelerating zero-carbon and waste-free transition
 - Strong partnerships with mana whenua

Relevant Previous decisions

Not applicable.

Financial considerations

- Nil Budgetary provision in Annual Plan / Long-term Plan Unbudgeted \$X

Risk

- Low Medium High Extreme

Author	Alisi Puloka, Democracy Advisor
Authoriser	Kym Fell, Chief Customer and Community Officer

Taunakitanga

Officers' Recommendations

Officers recommend that Pūroro Rangaranga | Social, Cultural and Economic Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. The Forward Programme sets out the reports planned for Pūroro Rangaranga meetings that require committee consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

Kōrerorero

Discussion

4. Thursday 1 September
 - Advisory Group Annual Report and Forward Work Plan (Chief Strategy and Governance)
 - Tūpiki Ora Action Plan (Chief Māori Officer)
 - City Housing transition: Residual Trust Deed details (Chief Customer and Community Officer)
 - Regional Economic Development Plan (Chief Strategy and Governance Officer)
 - Grenada North Nominees Agreement (under Reserves Act 1977) (Chief Customer and Community Officer).

Attachments

Nil