
MINUTES

FRIDAY 20 JUNE 2008

1.04PM

**Committee Room One
Ground Floor, Council Offices
101 Wakefield Street
Wellington**

PRESENT:

Mayor Prendergast
James Ogden (Chair)
Councillor Coughlan
Councillor Foster
Alan Isaac
Councillor Ritchie

APOLOGIES:

011/08FM **APOLOGIES**
(1215/52/02IM)

RESOLVED:

THAT the Council Controlled Organisation Performance Subcommittee:

- 1. Accept apologies for lateness from Mayor Prendergast and early departure from Councillor Ritchie.*

012/08FM CONFLICT OF INTEREST DECLARATIONS
(1215/52/02IM)

NOTED:

1. Councillor Coughlan declared a conflict of interest in relation to Carter Observatory and Positively Wellington Tourism.
2. Councillor Foster declared a conflict of interest in relation to Capacity and Karori Wildlife Sanctuary.
3. Mayor Prendergast declared a conflict of interest in relation to Wellington International Airport.

013/08FM PUBLIC PARTICIPATION
(1215/52/02IM)

NOTED:

There was no public participation.

014/08FM DEPUTATION
(1215/52/02IM)

1. Pat Stewart, Chief Executive Officer, Viv Beck, Board Chair, of the Museums Trust spoke on behalf of the Trust. They outlined their vision for the Trust to take visitor attractions to a new level. They see huge potential in exciting new exhibitions that reflect the strong interest from customers in culture and heritage. The Trust does not expect all funding to come from the Wellington City Council, recognises that the Council needs to take a leadership role to ensure donors and sponsors come forward.

(Mayor Prendergast joined the meeting at 1.28pm)

2. Ian Pike spoke to the Subcommittee on behalf of Wellington Waterfront Limited. He noted a number of projects that had been successfully undertaken on the waterfront. These included Waitangi Park, the refurbishment of three derelict buildings on Taranaki Street Wharf, Frank Kitts Park and the Chinese Garden proposal, Queens Wharf and the Olympic Museum, and the award winning Kumutoto Precinct. Mr Pike noted that there are a number of projects that have been delayed due to issues that are beyond the control of Wellington Waterfront Limited. This, coupled with ongoing costs associated with maintaining and further developing the waterfront, mean Wellington Waterfront Limited have envisaged a deficit. Operational costs are

covered only partly by income that is generated from car parking, facility hire and leases. Wellington Waterfront Limited suggested that the operating deficit should be funded by the Wellington City Council; and that the existence of an operating deficit was incorporated within the Waterfront Framework.

(Councillor Foster left the meeting at 1.57pm.)
(Councillor Foster rejoined the meeting at 2.16pm.)

(Councillor Foster left the meeting at 2.39pm)
(Councillor Foster rejoined the meeting at 3.00pm)

(Councillor Ritchie left the meeting at 3.00pm.)

(The meeting adjourned at 3.00pm for afternoon tea
(The meeting reconvened at 3.17pm.)

015/08FM WELLINGTON WATERFRONT LIMITED 10 YEAR FINANCIAL FORECAST

Report of Sarah Polaschek, Portfolio Manager, Council Controlled Organisations
(1215/52/02IM)

(REPORT 1)

Moved Councillor Foster, seconded Councillor Coughlan the substantive motion, amended as follows:

2. Raised the following issues that officers should consider in their September 2008 report to the Strategy and Policy Committee on options for the waterfront:
 - a. A comparison of the operating costs of the project if the project is managed by Wellington Waterfront Limited or Wellington City Council.
 - b. Acknowledging the ongoing operational funding deficit to maintain the Waterfront operations, and assessing how this should be funded in the future.
 - c. An analysis of the depreciation and any differences in accounting treatment if the project was run by Wellington Waterfront Limited or Wellington City Council.
 - d. An analysis of the ongoing wharf maintenance costs.
 - e. An assessment of the ability to reduce, change, speed up or slow down public space development including the possibility of staging Frank Kitts Park and the desirability of the planned Taranaki Street Wharf public space.
 - f. A sensitivity analysis of the quantum and timing of commercial receipts and the associated impact on public space expenditure.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Council Controlled Organisation Performance Subcommittee:

1. *Receive the information.*
2. ***Raised the following issues that officers should consider in their September 2008 report to the Strategy and Policy Committee on options for the waterfront:***
 - a. ***A comparison of the operating costs of the project if the project is managed by Wellington Waterfront Limited or Wellington City Council.***
 - b. ***Acknowledging the ongoing operational funding deficit to maintain the Waterfront operations, and assessing how this should be funded in the future.***
 - c. ***An analysis of the depreciation and any differences in accounting treatment if the project was run by Wellington Waterfront Limited or Wellington City Council.***
 - d. ***An analysis of the ongoing wharf maintenance costs.***
 - e. ***An assessment of the ability to reduce, change, speed up or slow down public space development including the possibility of staging Frank Kitts Park and the desirability of the planned Taranaki Street Wharf public space.***
 - f. ***A sensitivity analysis of the quantum and timing of commercial receipts and the associated impact on public space expenditure.***
3. *Raise any issues that the Subcommittee wishes the Council to consider at its meeting on 27 June 2008.*

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The Subcommittee added the words in **bold**.

016/08FM **REVIEW OF THE PERFORMANCE OF ALL COUNCIL CONTROLLED ORGANISATIONS FOR THE QUARTER ENDED 31 MARCH 2008**

Report of Council Controlled Organisation Team.
(1215/52/02IM)

(REPORT 2)

Moved Mr Ogden, seconded Councillor Coughlan the substantive motion

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Council Controlled Organisations Performance Subcommittee:

1. *Receive the information.*
2. *Note any issues for the chair to raise with the Strategy and Policy Committee in regard to this report.*
3. *Note any issues for the Chair to raise with the entities covered by this report.*

017/08FM **MINUTES FOR CONFIRMATION**
(1215/52/02IM)

RESOLVED:

THAT the Council Controlled Organisation Performance Subcommittee:

1. *Approve the minutes of the meeting held on Tuesday 29 April 2008be taken as read and confirmed as an accurate record of that meeting.*

018/08FM **FINANCIAL STATEMENTS OF INTENT FOR COUNCIL
CONTROLLED ORGANISATIONS FOR THE YEAR 2008/09**
Report of Council Controlled Organisations Team
(1215/52/02IM) (REPORT 3)

**Moved Councillor Foster, seconded Mr Isaac, the substantive motion,
amended as follows:**

4. Agree to recommend that the Strategy and Policy Committee approve the following Statements of Intent as outlined below:
 - a) Basin Reserve Trust
 - b) Capacity - Wellington Water Management Limited
 - c) Positively Wellington Tourism
 - d) St James Theatre Trust
 - e) Wellington Cable Car Company, subject to the adoption of an appropriate dividends policy.
 - f) Wellington Museum Trust
 - g) Wellington Zoo Trust
 - h) Wellington Regional Stadium Trust
 - i) Karori Wildlife Sanctuary Trust

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Council Controlled Organisations Performance Subcommittee:

1. *Receive the information.*
2. *Note that officers will continue to work with all CCOs to further improve the quality of the Statements of Intent over time.*
3. *Note that following the last Subcommittee meeting the Chair wrote to the CCOs requesting changes to be made in their Statements of Intent and that many of these changes have been included in the final documents.*
4. *Agree to recommend that the Strategy and Policy Committee approve the following Statements of Intent as outlined below*
 - j) *Basin Reserve Trust*
 - k) *Capacity - Wellington Water Management Limited*
 - l) *Positively Wellington Tourism*
 - m) *St James Theatre Trust*
 - n) *Wellington Cable Car Company, **subject to the adoption of an appropriate dividends policy.***
 - o) *Wellington Museum Trust*
 - p) *Wellington Zoo Trust*
 - q) *Wellington Regional Stadium Trust*
 - r) *Karori Wildlife Sanctuary Trust*
5. *Agree to recommend that the Strategy and Policy Committee approve the Wellington Waterfront Limited Statement of Intent subject to:*
 - a) *the Council decision on 27 June 2008 on the draft Waterfront Development Plan and short-term advance, and*
 - b) *the report to the Strategy and Policy Committee in September, detailing the waterfront development options for inclusion in the 2009/10 LTCCP.*

NOTED:

The resolution differs from the recommendations in the officer's report as follows:

The Subcommittee added the words in **bold**.

019/08FM **REVIEW OF THE 2006/07 ANNUAL REPORTS AND FINANCIAL STATEMENTS OF COUNCIL CONTROLLED ORGANISATIONS AND OTHER ENTITIES**

Report of Allan Prangnell – Manager, Council Controlled Organisations
(1215/52/02IM) (REPORT 4)

Moved Mr Ogden, seconded Mayor Prendergast the substantive motion.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Council Controlled Organisation Performance Subcommittee:

1. *Receive the information.*
2. *Confirm that there are no issues for the Chair of this Subcommittee to raise with the Council Organisations.*
3. *Confirm that there are no issues to raise with the Strategy and Policy Committee.*

020/08FM **FORWARD PROGRAMME**

Report of Allan Prangnell, Manager, Council Controlled Organisations.
(1215/52/02IM) (REPORT 5)

Moved Mr Ogden, seconded Councillor Foster the substantive motion.

The substantive motion was put and declared CARRIED.

RESOLVED:

THAT the Council Controlled Organisations Performance Subcommittee:

1. *Receive the information.*
2. *Agree to the forward programme attached as Appendix One to the officer's report.*

021/08FM **RESOLUTION TO EXCLUDE THE PUBLIC**

(1215/52/02/IM)

Moved Councillor Foster, seconded Mr Ogden the resolution to exclude the public.

RESOLVED:

THAT the Council Controlled Organisations Performance Subcommittee:

Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following parts of the proceedings of this meeting namely:

Report 2: Review of the performance of all Council Controlled Organisations for the quarter ended 31 December 2007

Wellington International Airport Limited

Grounds: S48(1)(a) That public conduct of this item will be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.

Reason: S7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

(The meeting moved into public excluded at 4.36pm.)

(For item 022/08FM, please see the public excluded minutes.)

The meeting concluded at 4.39pm.

Confirmed: _____
Chair
/ /