

**Report of the Strategy and Policy Committee  
Meeting of Tuesday 21 June 2005**

**MEMBERS:** Mayor Prendergast, Councillors Armstrong (Chair), Ahipene-Mercer, Cook, Foster, Gill, Goulden, McKinnon, Morrison, Pepperell, Ritchie, Ruben, Shaw, Wain, Wade-Brown.

This report provides for the adoption of the Annual Plan 2005/06 in line with the recommendations of the Strategy and Policy Committee.

**THE COMMITTEE RECOMMENDS:**

1. **ITEM 183/05P ESTABLISHMENT OF THE ARTS CENTRE TRUST:  
ADOPTION OF THE STATEMENT OF PROPOSAL**  
(1215/52/IM) (REPORT 4)

*THAT Council:*

1. *Note that the Council approved the "Statement of Proposal" and initiated the special consultative procedure to establish the Arts Centre Trust (required under ss56(1) and 88(2) of the Local Government Act 2002) at its meeting on 10 February 2005.*
2. *Note that the proposal to 'Establish the Arts Centre Trust' was publicly notified on 20 April 2005 concurrent with the 2005/06 Draft Annual Plan consultation process.*
3. *Note that 27 submissions were received on the proposal to establish the Arts Centre trust, and that 74% (20 out of 27) of the submissions were in favour of the proposal.*
4. *Note that the Residents' Satisfaction Survey of May 2005 resulted in 59% of respondents being in favour of the proposal with 29% neutral and 13% opposed.*
5. *Adopt the proposal to establish the Arts Centre Trust attached as appendix A.*

6. *Note that there are a number of further steps to be taken to document and establish the Trust and that the expected timing for completion of those steps is February 2006.*

2. **ITEM 184/05P ESTABLISHMENT OF THE INDOOR SPORTS CENTRE: ADOPTION OF THE STATEMENT OF PROPOSAL (1215/52/IM) (REPORT 5)**

*THAT Council:*

1. *Note that the Council approved the "Statement of Proposal" and initiated the special consultative procedure to establish the Indoor Stadium Development Trust (required under ss56(1) and 88(2) of the Local Government Act 2002) at its meeting on 10 February 2005.*
2. *Note that the proposal to 'Establish the Indoor Stadium Development Trust' was publicly notified on 20 April 2005 concurrent with the 2005/06 Draft Annual Plan consultation process.*
3. *Note that 82 submissions were received on the proposal to establish the Indoor Stadium Development trust, and that 80% (66 out of 82) of the submissions were in favour of the proposal.*
4. *Note that the Residents' Satisfaction Survey of May 2005 resulted in 68% of respondents being in favour of the proposal with 17% neutral and 15% opposed.*
5. *Adopt the proposal to establish the Indoor Stadium Development Trust attached as appendix B.*
6. *Note that there are a number of further steps to be taken to document and establish the Trust and that the expected timing for completion of those steps is September 2005.*

3. **ITEM 185/05P DEVELOPMENT CONTRIBUTIONS POLICY: AMENDMENT TO THE 2003/04 LONG TERM COUNCIL COMMUNITY PLAN - ADOPTION (1215/52/IM) (REPORT 6)**

*THAT Council:*

1. *Note that the Council approved the draft Development Contributions Policy and amendments to the Revenue and Financing Policy and 2003/04 LTCCP capital expenditure budgets for consultation on 7 April 2005.*
2. *Note that 26 submissions were received.*

3. *Confirm the key principle that development contributions fund 100% of growth related expenditure, but that the Council retains the option of departing from this principle for particular infrastructure or reserves if the Council were to be of the view, following the consideration of section 101(3) LGA 2002 factors, that there is a demonstrable case supporting a variation.*
4. *Notwithstanding recommendation 3 above, agree there are no fees for particular infrastructure (whether Citywide or catchment specific) where there is a demonstrable case supporting departure from the key funding principle that development contributions fund 100% of growth related capital expenditure.*
5. *Agree to amend the draft Development Contributions Policy to reflect the decisions made by the Strategy and Policy Committee on 22 June 2005, and as reflected in the policy attached at Appendix C.*
6. *Adopt the Development Contributions Policy (as amended and attached at Appendix C and subject to any minor editorial changes made under recommendation 5) as an amendment to the 2003/04 LTCCP and to replace the current policy in the 2003/04 LTCCP.*
7. *Delegate the Chief Executive Officer and the Chair of the Development Contributions Subcommittee the authority to make any minor editorial changes that may be required to the Development Contributions Policy prior to publishing the Development Contributions Policy.*
8. *Amend the 2003/04 LTCCP to update the 10 year Capital Expenditure figures to include 2004/05 and 2005/06 Annual Plan Capital Expenditure figures as set out in Appendix D (subject to any amendments required to reflect 2005/06 Annual Plan decisions).*
9. *Amend the Revenue and Financing Policy to record that Development Contributions will be used as the main way to fund growth related capital expenditure for water, wastewater, stormwater, roads and reserves as attached in Appendix E.*

4. **ITEM 181/05P ADOPTION OF THE ANNUAL PLAN 2005/06**  
(1215/52/IM) (REPORT 2)

*THAT Council:*

1. *Note that the Draft Annual Plan 2005/06 was developed following a line-by-line assessment of budgets, a review of Asset Management Plans and service levels, and has been the subject of a special consultative procedure and deliberations by the Strategy and Policy Committee.*

2. *Agree the fees and charges for the 2005/06 year as outlined in Appendix F for inclusion in the 2005/06 Annual Plan.*
3. *Agree the transition in the general rates differential from commercial to residential at 5.4:1 to 4.9:1 for the 2005/06 year in accordance with the Revenue and Financing Policy adopted by Council on 28 June 2004 as an amendment to the 2003/04 LTCCP.*
4. *Agree the performance measurement framework (as detailed in Report 3 of the Strategy and Policy Committee agenda 21 June 2005) for inclusion in the 2005/06 Annual Plan.*
5. *Agree the projects and programmes (reflecting the decisions of the Strategy and Policy Committee) at the budget levels set out in Appendix G for inclusion in the 2005/06 Annual Plan.*
6. *Agree the Forecast Financial Statements (Appendix H) and Funding Impact Statement (contained in appendix 1 of Report 2 “Setting of Rates for 2005/06”) for inclusion in the 2005/06 Annual Plan.*
7. *Having adopted the 2005/06 Draft Annual Plan for consultation on 15 March 2005, undertaken the special consultative procedure and undertaken deliberations, adopt the Annual Plan for 2005/06.*
8. *Agree to delegate to the Chief Executive Officer the authority to make any minor editorial changes that are required as the publication is prepared.*

**Robert Armstrong**  
**Chair**