

GOVERNANCE

OUR ROLE

We guide Wellington's development in line with the needs and aspirations of its people.

The Council is made up of 14 elected councillors and a mayor. They're supported by a chief executive and more than 1,500 staff. Under the Local Government Act 2002, our statutory roles are:

- to enable democratic local decision-making and action by, and on behalf of, the people of Wellington
- to promote the social, economic, environmental, and cultural well-being of the people of Wellington, in the present and for the future.

There are several different ways we can work to promote community wellbeing.

We provide a wide range of services to promote community wellbeing – such as water supply, drainage, and transport networks. We also provide facilities such as pools, libraries, recreation centres, community halls and social housing. In addition, under various laws, we're responsible for controlling and regulating activities such as building, land use, noise, food preparation, liquor sales, and ownership of dogs and other animals.

We take different approaches to promoting community wellbeing depending on the circumstances. Often, instead of providing a service ourselves, we work with others to achieve common aspirations. This may involve funding or contracting other organisations that are better placed to deliver a service than we are. Or it may involve work by councillors and staff to bring people together and facilitate projects, or to advocate on behalf of the city.

Councillors set the city's overall direction and priorities and monitor the organisation's performance.

'Governance' is about setting direction and priorities, and about providing oversight. This is the essence of the role played by elected councillors. The Council's chief executive is appointed to deliver the services needed to fulfil the direction the elected Council has set.

Under the Local Government Act 2002, certain powers are reserved for the elected Council. They include setting bylaws and rates, setting the city's overall direction and budget through long-term and annual plans, setting policies required under the Act, appointing the chief executive, making decisions about borrowing money and buying or selling assets, setting up and giving powers to Council committees or joint committees with other organisations, determining how council meetings will be run, setting a Council code of conduct, and adopting annual reports.

In addition, the elected Council has kept certain other powers, such as setting strategies, setting the content of the District Plan which guides development in the city, approving our triennial agreement with other Wellington local authorities on how we'll work together, promoting legislation or changes to legislation, making recommendations to the Remuneration Authority about councillors' pay, and certain financial decisions including approval for financial guarantees or compensation claims over \$1 million.

Subject to these powers, day-to-day management of Council services and operations is delegated to the chief executive, with councillors monitoring progress.

Councillors also spend time with their communities and advocate on behalf of community interests.

Councillors are elected from areas of the city known as wards, and the councillors' duties include meeting people and organisations from their wards and advocating on their behalf or addressing any issues they may face.

However, when councillors come together to make decisions in the Council or a council committee or subcommittee, they are required to put aside local interests and exercise their powers in the best interests of the city as a whole.

SETTING OUR PRIORITIES

Democratic decision-making means the Council represents the people of Wellington.

In a community of over 190,000 people, decisions can't be made by consensus. Councillors are elected to represent the people of Wellington, acting and making decisions on their behalf.

In this role, councillors often have to weigh up competing views and interests. This might include balancing the interests of one part of the community against another, or balancing community aspirations against financial constraints.

As an example, in managing the transport network, the Council has to balance the requirements of different types of road user – buses, cycles, pedestrians, people in cars, and businesses moving goods. In balancing these requirements, it has to consider environmental concerns, safety, impacts on lifestyle choices (for example, whether people walk or take the car) and on where people will choose to live, limits imposed by the city's hilly landforms and the existing road structure, and costs to ratepayers.

Another example is our Urban Development Strategy, which seeks to focus future urban growth around key transport networks and town centres. Focusing growth in these areas creates areas for integrated living, working and leisure, and makes greater use of existing infrastructure and transport networks, while reducing the need for urban sprawl.

Councillors also have to balance short-term and long-term interests.

Decisions made today can have implications immediately or sometime in the future. Often, councillors will have to decide whether to take action now in order to provide future benefits or prevent future harm.

For example, councillors frequently have to consider the short-term cost to ratepayers of repairing or replacing an asset alongside the potentially greater future costs if that asset fails. Often, this will result in a decision to spread the costs of replacing an asset over its expected life. This ensures that all those that benefit from the asset contribute a proportion of its cost.

We know we can't keep everyone happy all the time...

Whatever decisions councillors make, some people will like it better than others – that's the nature of representative democracy. In addition, Council decisions are made in an environment where public organisations are scrutinised more than ever before, and trust in public organisations is generally declining.

...but we can make sure our decision-making processes are worthy of your trust and confidence.

Before councillors make any decision, they – with advice from council staff – examine it from every angle. Uppermost in their minds is the wellbeing and collective needs and aspirations of Wellington's people.

In addition, they have to consider legal requirements and contractual obligations. And, before they commit to spending ratepayers' money, they'll consider how the proposal fits in with the Council's strategic direction and policies, and whether it's a prudent use of ratepayer funding. They'll ask themselves questions such as: how much will it cost? how can it be funded? will someone else do the work if we don't? will the benefits be significantly less or the costs significantly greater if we wait? And are there any risks involved?

Altogether, we believe our decision-making processes are fair, transparent and robust.

LISTENING TO YOUR VIEWS

To help us make sound decisions, we seek input and advice from the city's communities.

We can only make sound decisions if we have a good understanding of the needs and wishes of the people affected by those decisions. We seek input from anyone interested or affected – whether that's an individual, a group, a neighbourhood or the entire city.

GOVERNANCE PRINCIPLES

The principles under which councillors exercise their powers and perform any duties are set down under legislation and include:

- conducting council business in an open, transparent and democratically accountable manner
- conducting council business in an efficient and effective manner
- making themselves aware of, and having regard to, the views of all of the city's communities
- recognising community diversity when making decisions
- taking account of the interests of future generations
- taking account of the impact of any decision on current and future well-being of communities in all aspects – social, environmental, economic and cultural
- involving Maori in decision-making
- cooperating and collaborating with other agencies to advance the wellbeing of the city's communities
- undertaking all business transactions in accordance with sound business practice
- ensuring the prudent stewardship and the efficient and effective use of resources in the interests of the city.

CONSULTATION PRINCIPLES

The Local Government Act outlines 'consultation principles' that must be followed if the Council decides to consult. These principles are included in the commitment the Council makes to do the following:

- encourage early involvement in a decision
- ensure the process is clear and open
- encourage input and information from a diversity of views
- give people enough time to provide comments
- provide all relevant information
- ensure all information is accessible
- acknowledge all responses and provide feedback.

One of the more common ways you help with our decision-making is when you have your say on a proposal we are consulting on. This year, we consulted formally on more than 20 proposals, including our long term plan, town centre plans, Adelaide Road Framework, changes to traffic rules, and changes to policies and bylaws. Altogether, we heard from more than 3,000 people through formal submissions. There has been improvement in recent years in resident satisfaction with the Council's consultation processes.

We also heard from people through forums and reference groups, through electronic petitions, calls to our Call Centre, letters, emails and meetings. We also seek public input through surveys and focus groups.

The type of consultation depends on the decision being made.

All Wellingtonians can have input on our overall direction, our budgets and priorities for each year, decisions about bylaws, and any other significant decisions affecting the city and its people.

On decisions that affect specific locations or groups of people, all stakeholders can have a say. The stage at which we ask for input from different people and groups depends on the extent to which they are affected by or interested in the issue we're considering.

Decisions on consultation are determined by: the requirements of the Local Government Act 2002; our consultation policy; the significance and nature of the decision to be made; the level of public interest in the matter; the potential impact on affected and interested parties; the urgency of the matter; and the extent to which the views of the community are already known to the Council.

We act on the feedback we receive – we don't just file it away.

When we consult on an issue, we consider each submission carefully – the arguments in the submissions influence our views. After submissions were received on our 2008/09 annual plan, we made changes to our proposals. For example: we committed funding to bring high speed broadband internet to the city; we decided to hold marina fees at current levels; and we decided not to go ahead with a feasibility study for an orchestral scoring stage in the city.

Everyone who submits on any of our consultations is responded to with a letter outlining the decisions made in relation to the issues they raised.

Forums and advisory groups help specific sectors of the community to have their say and guide us in our work.

Our advisory groups consist of members of the community with specialist knowledge in a specific area of council responsibility. Their role is to help their communities to understand Council processes and participate in the Council's decision-making processes, and to help the Council understand the needs of their particular communities and how those needs may be addressed.

The advisory groups are: the Pacific Advisory Group; Disability Reference Group; Safe and Sustainable Transport Reference Group; Environmental Reference Group; and the Youth Council.

We also work closely with the Moa Point Wastewater Treatment Plant Group and the Southern Landfill Community Liaison Group which were established through the resource management approach for the landfill and the treatment plant.

We also hold a number of forums each year: a hui, Pacific Island forums, ethnic forums, retailers forum and a sports forum. These forums, which are always well attended, allow elected members and staff to hear directly from specific sectors of the community.

Community boards help us understand the needs of local areas.

Our two community boards – Tawa and Makara/Ohariu – consist of elected community representatives, and in the case of Tawa two councillors, who are appointed. The boards reflect the unique history and requirements of their areas and help the Council to understand and meet the communities' needs. The boards advise the Council and have limited decision-making functions.

Treaty partnerships ensure tangata whenua have a voice.

The Council's treaty partners provide advice on matters relating to Maori. They are non-voting members of the Strategy and Policy Committee where they can contribute to the discussion on any item they have an interest in (see the Engagement chapter for more about these partnerships).

CHECKS AND BALANCES

Our structure ensures that every proposal gets thorough scrutiny.

Before a proposal gets to the Council, it will first have been thoroughly considered by Council management and staff. In their roles as advisers to the Council, they prepare reports explaining the costs, options, and implications of any proposal. They also seek community input as appropriate, and take account of all other relevant factors.

The preferred option will then be considered and agreed by a committee or subcommittee, who will also weigh-up the need for consultation. If they agree to consult, a proposal will be published and made available for submissions. These will in turn be reviewed and heard by a committee or panel of councillors. Final decisions are either made by the full Council or the Strategy and Policy Committee by simple majority.

Some committees consider the broad issues facing the city, while others cover specialist areas.

The Council has three committees and six subcommittees. All councillors are members of the Strategy and Policy Committee, which meets regularly and considers most key decisions relating to the Council's direction and activities. The other committees are: the Regulatory Processes Committee and the Performance Review Committee (to oversee the chief executive's performance).

There are subcommittees on Grants, Performance of Council Controlled Organisations, Development Contributions, Temporary Road Closures, Annual Plan/Long-term Plan Hearings, and Audit and Risk Management.

These committees and subcommittees all report directly to the Council and/or to the Strategy and Policy Committee.

Their main purposes are to discuss and set policy, and to monitor management activity to ensure the affairs of the Council and related organisations are being conducted in accordance with legislation and the Council's strategic objectives.

The Council's committee structure ensures that all decisions take account of the wider issues facing the city.

All services are linked, so it makes good sense to consider them all together. Urban development decisions, for example, affect the transport network and the environment. Our decision-making structure – with the Strategy and Policy Committee playing a lead role – ensures that all councillors are aware of the full range of issues facing the city.

The beginning of each meeting is set aside for members of the public to have their say.

Some subcommittees have professional experts to help guide their work.

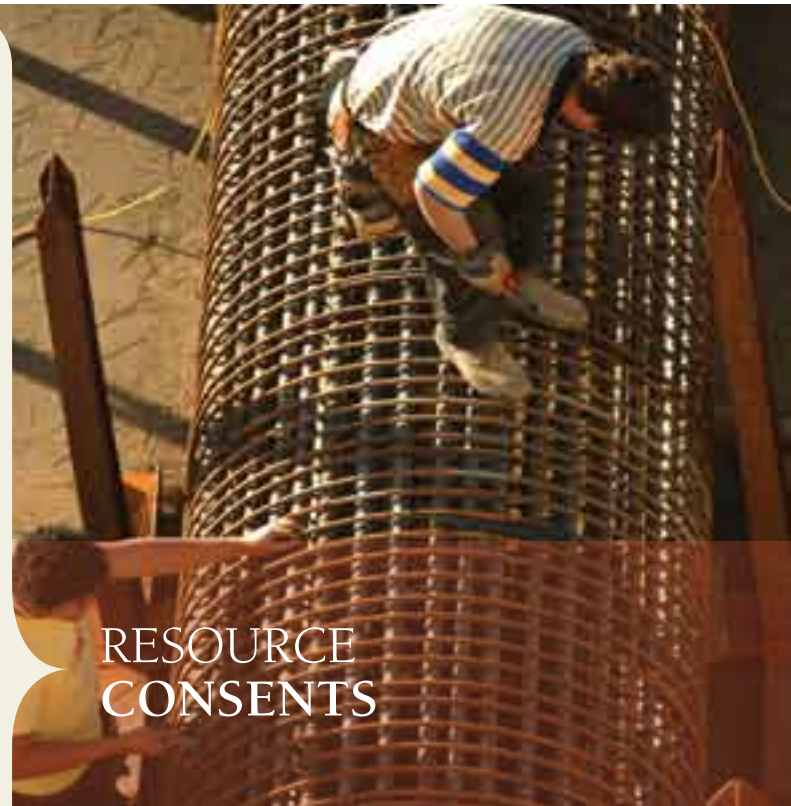
From time to time, the Council appoints external members to its subcommittees. These external members are often professional experts or people who represent particular sectors of the community.

They bring a unique perspective to the meetings and help elected members with their decision-making. Appointed members of Council subcommittees receive pay reflecting their responsibilities.

Strong communication links are maintained between the mayor, councillors and management.

The mayor and councillors meet with Council officers regularly to be briefed about upcoming agendas and reports. This provides an opportunity to ask questions and seek clarification before decisions are made.

Councillors who are responsible for particular portfolios – such as the environment, culture or urban development and transport – have regular meetings with relevant managers and staff to discuss progress on work programmes and any other matters relating to their portfolio. Work programmes for each portfolio area are agreed collectively by the mayor and all councillors.



RESOURCE CONSENTS

We have processes to ensure that resource consent decisions are considered independently and conflicts of interest are avoided.

The Resource Management Act requires us to regulate land use in the city to minimise environmental harm from such things as noise, earthworks, new subdivisions and land developments, plans to clear native bush, changes to historic buildings, and other rules set out in the District Plan.

A resource consent is required for any proposal that is not permitted as of right under the District Plan. If a consent is required, the process varies depending on how much environmental impact a proposal has and who is affected. Where the effects are not minor the consent is publicly notified, which allows affected parties and members of the public to have their say.

Decisions about publicly notified resource consents are made by a panel of commissioners, which may include elected members. The hearing of resource consents is a quasi-judicial process and extensive training is provided before appointments are made to a hearings panel.

If we are a party in the resource consent proceedings, if particular skills or expertise are required, or if there is any possibility of a conflict of interest, we appoint independent commissioners to these hearings panels. Our *Guidelines for the Appointment of Hearing Panels* sets down the specific criteria for determining whether independent commissioners are needed.

COUNCILLORS' CONDUCT

Councillors have to meet standards of behaviour in relation to each other and the wider community.

The Council's Code of Conduct provides guidance on the standards of behaviour that are expected from elected members. It applies to their dealings with each other, the Council's chief executive and staff, the media, and the wider public. The code describes the roles and responsibilities of elected members generally and those of the mayor and deputy mayor. It also sets out the steps to be taken when the code is breached. There were no formal censures by the Council during 2008/09.

Elected members may not vote or take part in Council discussions on issues where they might be influenced by financial or other personal interests.

Legislation sets out members' responsibilities in relation to financial conflicts of interest and the sanctions for failing to comply, which can include financial penalties and removal from office. In addition, elected members must meet the obligations of common law to identify and declare non-financial conflicts. The Council has established the following practices:

- We maintain a conflict of interest register to help members monitor potential conflicts of interest.
- We prompt members at the beginning of every meeting to declare any conflicts in relation to the items on the agenda.
- We provide members with a conflict of interest guidebook.
- We hold workshops to keep members up to speed with requirements.

These steps guard against members directly or inadvertently abusing the advantages of their public office for personal gain. When a conflict is declared, this is noted in the minutes of the meeting.

Elected members also register any gifts they receive.

Elected members may not abuse the advantages of their official position for personal gain, or solicit or accept gifts, entertainment, rewards or benefits that might compromise their integrity.

The exchange of gifts during official international or inter-council visits is an accepted practice. These gifts are generally regarded as being to the office rather than the individual elected member. Any gifts that are received are entered in the elected members' gift register.

MAKING OURSELVES ACCOUNTABLE

Our decision-making is open and transparent.

We comply with the Local Government Official Information and Meetings Act 1987 to make sure our work is transparent and open for public and media scrutiny.

All meeting agendas and reports are publicly available two days before meetings in any of our 12 libraries, at our service centre, and online at www.Wellington.govt.nz.

While the provisions of the Local Government Official Information and Meetings Act allows us to exclude the public from meetings on special grounds (e.g. commercial sensitivity) we seek to make use of these provisions as infrequently as possible.

Minutes of meetings are made publicly available on our website.

We also ensure any decisions are communicated effectively to the community – through media releases, web alerts, the 'Our Wellington' page in the Dominion Post, and our website – with explanations of what decision was made and why.

We provide information so that residents can hold us to account for our actions.

We make ourselves accountable in many ways. This annual report is one. It explains what we did during 2008/09, how our work contributed to the city, what it cost, and whether our performance met the expectations we set ourselves. Its contents have been thoroughly scrutinised by Audit New Zealand to ensure they fairly reflect our financial performance and position, and the services we've provided. We also produce quarterly reports which are available to members of the public and media.

In addition, we're held to account through complaints to our Issues Resolution Office and by simply being available to answer your questions.

And, every three years, elected members are held to account during local elections.

HOW WE DID

A majority of residents are happy, both with the services and facilities the Council provides and with the way the Council consults. In our May 2009 Resident Satisfaction Survey:

58% said they were satisfied that the Council consults them the right amount

64% considered the extent of their influence on Council decision-making 'about right'

39% were satisfied with the way the Council involves people in decision-making

73% felt the Council's performance was good or very good.

The Council has made efforts to improve engagement with residents, through online initiatives such as ePetitions and through regular forums for sector and interest groups. See the Engagement/Governance section for more detail.

CASE STUDY: INDOOR COMMUNITY SPORTS CENTRE



The Council's decision to proceed with the planned Indoor Community Sports Centre followed extensive consultation and independent reviews.

A final decision to proceed with the community sports centre in Kilbirnie was made in June 2009. The history of this proposal highlights the extensive checks and balances Council decisions are subject to, ranging from consultation with sports groups and the community to formal budgeting and planning to the resource consent process.

The Indoor Community Sports Centre at Cobham Park will provide 12 courts and seating for up to 1,000 spectators, providing a venue for indoor sports such as volleyball, basketball, netball, handball, and athletics, as well as school sports and recreation events.

Initial discussions with sports groups over the centre had begun as far back as 1999, when indoor sports groups started advocating for an indoor facility to meet rapidly growing demand for court space and to encourage fitness and recreation. In 2001, the Council provided a grant to the Wellington Recreation Trust for a study to determine whether a sports centre was needed.

Residents have been asked for views on the proposal as part of the annual planning process each year since 2004, with initial consultation focused on the need for a sports centre and more recent feedback sought on its location, size and budget.

In early 2006, the Council proposed and budgeted for an eight-court centre at Cobham Park. While residents strongly supported the proposal, many wanted a larger facility. The Council decided to proceed, but to increase the size to 12 courts. An option on CentrePort land was subsequently considered but ruled out on the basis of cost, proximity to schools (which will be among the main users) and relationship fit with other sports facilities.

In public consultation as part of the Council's annual planning process in 2007, Wellingtonians again supported a 12-court Cobham Park proposal, and in June of that year a final decision was made to proceed. After an independent peer review concluded that Cobham Drive was superior to an alternative on the city's Stadium Concourse, public meetings were held to discuss preliminary designs and traffic management, and 26 submissions were received. Sports groups and local residents were kept informed of developments as designs were completed and a resource consent sought.

Three independent commissioners (with expertise in planning/resource management, and traffic engineering) heard the resource consent application. The consent was granted in January 2009, with some conditions including controls on noise and traffic, and limits on the number of large events (2,600+ people) that can be held each year.

Two appeals to the Environment Court were subsequently lodged but later withdrawn or resolved after an independent review, led by Sir John Anderson, confirmed the Cobham Park option as the "obvious" choice with the alternative option – of building the indoor community sports centre on top of the Stadium Concourse – as "completely unsuitable" on the basis of cost, poor car parking, potential clashes with stadium events, and issues with fire egress.

After almost a decade of discussion, consultation and review, the way was cleared for construction of the indoor community sports centre to begin.

ELECTING THE COUNCIL

Council elections are held every three years. Wellington city residents and non-resident ratepayers aged 18 and over are entitled to vote. Elections are run in line with legislation by an independent, statutorily-appointed electoral officer.

The current Council was elected on 13 October 2007 under the single transferable vote system (STV).

The mayor is elected by voters from across the city. The 14 councillors are elected from five geographical areas called wards. Community representatives to the Tawa and Makara/Ohariu community boards were also elected at the same time.

Election turnout in 2007 was 40% – down from 42% in 2004 and 49% in 2001.

The next election will be held in October 2010.

ELECTORAL SYSTEM

The STV system has been used for two elections. Wellington voters were polled during 2008/09 to determine whether they wanted to retain the system or make a change for the next elections in 2010.

A total of 132,762 voting papers were mailed out to registered voters on 5 September 2008. Some 44,024 were returned, reflecting a turnout of 33.16%. Of those, 22,209 supported the STV system, marginally ahead of the 21,733 voters who supported a return to first past the post.

The referendum was binding on the Council, meaning that STV will be used for at least the 2010 and 2013 Wellington City Council elections.

SETTING COUNCILLORS' PAY

The Remuneration Authority determines the 'remuneration pool' for each Council – that is, the total amount that each Council can spend on salaries for its mayor, councillors and community board members. The size of the pool depends on the city's population, and council's operational spending, and gross value of its assets.

The Council then determines how that pool is divided up among councillors based on their roles and responsibilities. The Remuneration Authority sets the salary for the mayor.

The authority's determination takes effect on 1 July each year. For details of elected members' remuneration, see the notes to the financial statements on page 160.

COUNCIL CONTROLLED ORGANISATIONS

In order to achieve our objectives for Wellington, we have established several council controlled organisations – Wellington Zoo Trust, Positively Wellington Tourism, St James Theatre Charitable Trust, Wellington Museums Trust, Basin Reserve Trust, Wellington Cable Car Ltd, Capacity, Wellington Stadium Trust, and Wellington Waterfront Ltd. These organisations were set up to independently manage council facilities, deliver significant services or oversee developments.

Council-controlled organisations can provide a range of benefits including focus and expertise in particular areas such as water management or tourism, and ability to attract external funding.

Their objectives are outlined in statements of corporate intent and their performance is monitored quarterly by our Council Controlled Organisation Performance Subcommittee. Performance results for each organisation are set out on pages 189 to 198. More detailed results for each organisation are contained in their own annual reports.

MEETING ATTENDANCE

There were 106 formal Council, committee and subcommittee meetings in the 2008/09 financial year. The adjacent table shows councillors' attendance at these meetings and at the Strategy and Policy Committee pre-meeting session (which is used to brief councillors about items on the meeting's agenda).

Councillors provide apologies for meetings they cannot attend in their entirety, or in part, and these are recorded in the minutes. From time to time apologies are given because a councillor is attending another event at the request of the Council.

All councillors are members of the Strategy and Policy Committee and up to three other decision-making bodies. The number of times a committee or subcommittee meets during a year varies and for elected members this means a small variance in the total number of meetings they can attend as a member.

Committee meetings are only one of the duties of elected members. They are also appointed to council controlled organisations, community boards, advisory groups and other external bodies. A number of these bodies meet on a monthly basis. In the course of their work, they may also attend workshops, briefings and meetings within the community, and sit on District Plan or resource consent hearings.

COUNCILLOR	MEETINGS HELD OF WHICH THE COUNCILLOR IS A MEMBER		MEETINGS ATTENDED		STRATEGY AND POLICY COMMITTEE PRE-MEETING SESSIONS	PRE-MEETING SESSIONS ATTENDED	
	NUMBER	NUMBER	PERCENTAGE	NUMBER	NUMBER	PERCENTAGE	PERCENTAGE
Ahipene-Mercer	68	60	88%	19	16	84%	
Best	72	70	97%	19	19	100%	
Cook	68	62	91%	19	16	84%	
Coughlan	64	54	84%	19	16	84%	
Foster	69	63	91%	19	17	89%	
Gill	68	68	100%	19	18	95%	
Goulden	77	68	88%	19	15	79%	
McKinnon	67	67	100%	19	18	95%	
Morrison	77	70	91%	19	13	68%	
Pannett	68	64	94%	19	18	95%	
Pepperell	62	62	100%	19	19	100%	
Ritchie	71	67	94%	19	17	89%	
Wade-Brown	70	68	97%	19	13	68%	
Wain	68	59	87%	19	12	63%	

¹ Mayor Prendergast is an ex-officio member of all committees and subcommittees. Although the conduct of her other Mayoral duties does restrict her ability to attend meetings of all these bodies, she attended 71 out of the 106 meetings of which she is an ex-officio member and 12 out of the 19 Strategy and Policy Pre-meeting sessions held during the year.

MAYOR AND COUNCILLORS



Kerry Prendergast
(Mayor)
City-wide



Ray Ahipene-Mercer
Eastern



Ngaire Best
Northern



Stephanie Cook
Lambton



Jo Coughlan
Onslow-Western



Andy Foster
Onslow-Western



Leonie Gill
Eastern



Rob Goulden
Eastern



Ian McKinnon
(Deputy Mayor)
Lambton



John Morrison
Onslow-Western



Iona Pannett
Lambton



Bryan Pepperell
Southern



Helene Ritchie
Northern



Celia Wade-Brown
Southern



Hayley Wain
Northern

COMMUNITY BOARD MEMBERS

TAWA COMMUNITY BOARD MEMBERS

Robert Tredger (Chair)
Graeme Hansen (Deputy Chair)
David Darroch
Chris Reading
Dennis Sharman
Graeme Sutton

MAKARA/OHARIU COMMUNITY BOARD MEMBERS

Ruth Paul (Chair)
Gavin Bruce (Deputy Chair)
Christine Grace
John Hume
Ralph Jorgensen
Craig Shepherd

APPOINTED MEMBERS OF COUNCIL SUBCOMMITTEES

APPOINTED MEMBERS

John Milne
David Pilkington
James Ogden (Chair)
Alan Isaac

DECISION-MAKING BODY

Audit and Risk Management Subcommittee
Audit and Risk Management Subcommittee
CCO Performance Subcommittee
CCO Performance Subcommittee