

**Draft 3**  
7 August 2006

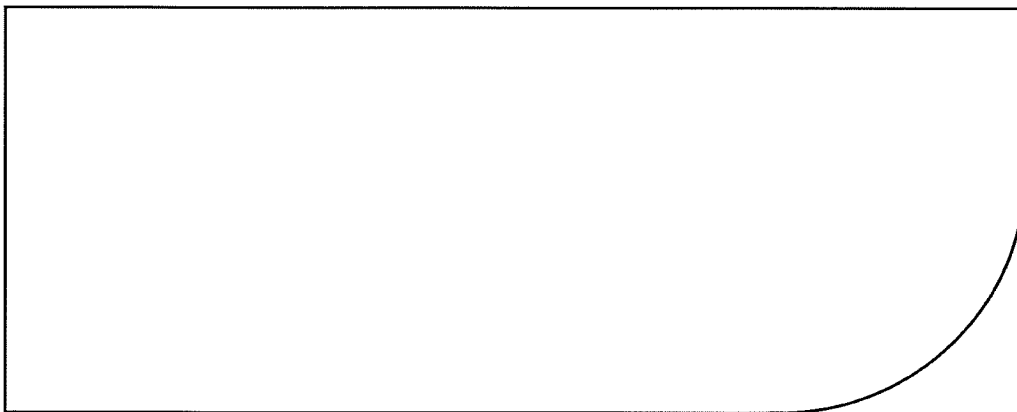


50-64 Customhouse Quay  
PO Box 2791  
Wellington  
New Zealand  
DX SP20002 Wgtn  
Tel +64 4 472 6289  
Fax +64 4 472 7429  
[www.phillipsfox.com](http://www.phillipsfox.com)

Adelaide  
Brisbane  
Canberra  
Melbourne  
Perth  
Sydney  
Auckland  
Wellington  
Hanoi  
Ho Chi Minh City

## **Wellington Regional Strategy - Memorandum of Understanding**

Wellington Regional Council  
Wellington City Council  
Hutt City Council  
Upper Hutt City Council  
Porirua City Council  
Carterton District Council  
South Wairarapa District Council  
Masterton District Council  
Kapiti Coast District Council



## Table of contents

<b>Parties</b> .....	<b>1</b>
<b>Background</b> .....	<b>1</b>
<b>Operative provisions</b> .....	<b>2</b>
<b>1 Guiding principles</b> .....	<b>2</b>
<b>2 Term and Review</b> .....	<b>2</b>
<b>3 Establishment and operation of interim GW Committee</b> .....	<b>3</b>
Establishment .....	3
Membership .....	3
Chairperson.....	4
Operation of Committee.....	4
Interim role and functions of Committee.....	4
GW's role.....	5
Terms of Reference .....	6
<b>4 Announcements</b> .....	<b>6</b>
<b>5 Dispute resolution</b> .....	<b>6</b>
<b>6 Termination</b> .....	<b>6</b>
<b>7 Execution</b> .....	<b>7</b>
<b>8 Definitions and interpretation</b> .....	<b>7</b>
Definitions .....	7
<b>Execution and date</b> .....	<b>8</b>
<b>Schedule 1</b> .....	<b>11</b>
Terms of reference.....	11
<b>Schedule 2</b> .....	<b>12</b>
Address for notices .....	12

## Parties

**Wellington Regional Council (GW)**

**Wellington City Council (WCC)**

**Hutt City Council (HCC)**

**Upper Hutt City Council (UHCC)**

**Porirua City Council (PCC)**

**Carterton District Council (CDC)**

**South Wairarapa District Council (SWDC)**

**Masterton District Council (MDC)**

**Kapiti Coast District Council (KCDC)**

## Background

- A The Councils have been working together to develop the Wellington Regional Strategy (WRS) which is intended to:
- provide a framework for the sustainable economic development of the Region with a focus on prosperity and quality of life.
  - Foster economic development for the Regional good, and
  - Minimise barriers to achieving Regional outcomes.
- B The draft WRS including proposals in regard to its future governance, implementation and funding are nearing completion for public consultation. The Councils wish to record their agreement in regard to:
- How consultation on the WRS will be achieved.
  - The establishment of a committee by GW to manage the consultation process and to hear submissions.
  - The initiation of a process under section 16 LGA2002 to consult on a proposal that GW undertakes a significant new activity in regard to the future governance, implementation and funding of the WRS.
  - Initiation of consultation on other measures required to effect the new activity, should it proceed.

## Operative provisions

### 1 Guiding principles

- 1.1 The Councils agree that sustainable economic growth in the Wellington Region can only be achieved if the Councils work together at a local governance level. To achieve this, the Councils have agreed the following guiding principles to direct the future development of the WRS, its consultation and the subsequent actions by the respective Councils in regard to governance, implementation and funding.
- 1.2 The Councils agree to work together to:
- 1.2.1 Foster economic development for the Regional good.
  - 1.2.2 Minimise barriers to achieving Regional outcomes.
  - 1.2.3 Foster levels of delivery that the various communities of the Region desire and are willing to pay for.
  - 1.2.4 Ensure that appropriate mechanisms and processes relating to shared benefits (ie making sure no one falls behind) are established and maintained to ensure:
    - (a) a collective agreement on funding;
    - (b) that participants in collective decisions are those parties (or their representatives) who bear costs and risks of such decisions.
  - 1.2.5 Ensure that the processes by which this agreement to work together evolves is transparent, unbiased towards any person or party and in particular:
    - (a) limits the potential for any party to amend the agreement in a manner that introduces unjustifiable bias; and
    - (b) balances the interests of all parties.
  - 1.2.6 Ensure that any future multilateral agreement reached between the Councils in regard to the WRS is robust and enforceable and complies with law and in particular the requirements of the LGA 2002.

### 2 Term and Review

- 2.1 The understanding and agreements recorded in this document shall commence on the Operative Date and each of the Councils shall perform their respective obligations in accordance with this document from that date and until this agreement is reviewed or replaced.

- 2.2 The Councils agree to review this document at the conclusion of the consultation process, with the intention that any agreement reached between the Councils at the conclusion of the section 16 LGA 2002 process is recorded in an updated agreement executed by the relevant Councils with appropriate amendments also made to the triennial agreement required by s 15 LGA2002 .

### **3 Establishment and operation of GW Committee**

#### **Establishment**

- 3.1 The Councils agree that Greater Wellington will establish a standing committee to be known as the 'Wellington Regional Strategy Committee' to conduct a special consultative procedure to consult on:
- 3.1.1 The proposed WRS document;
  - 3.1.2 Proposals outlined in this document in regard to the future implementation, governance and funding of the WRS.

#### **Membership**

- 3.2 Full membership of the Committee shall comprise 12 persons.
- 3.3 GW is responsible for appointment of the Committee and will ensure that the membership is made up as follows:
- 3.3.1 One Regional Councillor appointed by GW (who shall be the interim chairperson until such time as all other appointees are in place).
  - 3.3.2 One person nominated by WCC.
  - 3.3.3 One person nominated by HCC.
  - 3.3.4 One person nominated by UHCC.
  - 3.3.5 One person nominated by PCC.
  - 3.3.6 One person nominated by KCDC.
  - 3.3.7 One person nominated jointly by MDC, CDC and SWDC, to represent the interests of the Wairarapa.
  - 3.3.8 Five non local government individuals recommended by the Local Government Members of the Committee and appointed by GW, provided that at least one of the non local government appointees must be a suitable person to represent the interests of Maori.
- 3.4 For the avoidance of doubt the membership of the Committee shall comprise the above appointees or their alternates only and shall not include any additional members, whether co-opted or otherwise.

### **Remuneration**

- 3.5 Each Council shall be responsible for remunerating its representative on the Committee for the cost of that person's participation in the Committee.
- 3.6 The remuneration of the Non Local Government Members will be determined and approved by the GW Council, following consideration of any recommendation by the Committee.

### **Chairperson**

- 3.7 The Committee shall appoint and may remove the Chairperson and the deputy Chairperson.
- 3.8 For the purposes of the proceedings of the Committee and the relevant GW standing orders, in the case of inequality of votes, the Chairperson shall not have a casting vote.

### **Operation of Committee**

- 3.9 The Committee shall meet at such times as determined by the Chairperson from time to time and/or as determined by the Committee, such meetings to be conducted in accordance with the terms of reference attached at Schedule 1 of this document or as otherwise agreed by the Committee from time to time.

### **Interim role and functions of Committee**

- 3.10 The Councils agree that the Committee's initial role and functions will be:
- 3.10.1 To oversee selection and recommendation of five (5) Non Local Government Members for appointment to the WRS Committee.
  - 3.10.2 On behalf of GW (acting on behalf of the Region) and at the request of the Councils to conduct the special consultative procedure under s83 LGA2002 to consult on:
    - (a) The proposed WRS document
    - (b) The following proposals in regard to the future implementation, governance and funding of the WRS.
  - 3.10.3 To finalise and recommend a draft statement of proposal to GW for consultation, to propose:
    - (a) That GW via the WRS Committee takes responsibility on behalf of the Region for overall guidance of the Wellington Regional Strategy and in doing so takes on a significant new activity on behalf of the Region.
    - (b) That GW establishes or becomes a participant in a GW CCO to be responsible for delivering the economic development initiatives outlined in the strategy.

- (c) The funding proposal to be consulted on including the proposed amount and allocation of a recommended new targeted rate, to be recommended to GW following appointment of the 5 Non Local Government Members.
- (d) That GW (on behalf of the Region) will fund the existing and new economic development initiatives outlined in the WRS by the implementation of a recommended targeted rate from 1 July 2007, to be proposed initially as an amendment to the GW Revenue and Financing Policy.
- 3.10.4 To receive and hear submissions (via a sub-committee if necessary) arising from the consultation.
- 3.10.5 To make a recommendation to GW following the consultation on all aspects of the proposal.
- 3.10.6 To recommend to GW a rate level for proposed amendment to its Revenue and Financing Policy and for adoption from 1 July 2007.
- 3.10.7 To liaise with the Councils to record any agreed outcomes and the Committees future role (if any) in regard to the future implementation, governance and funding arrangements for the WRS.

#### **GW's role**

- 3.11 GW agrees to support the objectives of the Councils and the guiding principles recorded in this document by ensuring that:
- 3.11.1 It appoints the Committee and establishes the Committee's terms of reference in accordance with this document.
- 3.11.2 It will not act independently of the Committee.
- 3.11.3 Any recommendations of the Committee that GW is unable (for whatever reason) to support will be referred back to the Committee for further consideration.
- 3.11.4 The Committee will have full delegations to achieve its role and the functions outlined at clause 3.10 of this document, except those delegations that cannot be made under LGA 2002.
- 3.11.5 Each member of the Committee will have one equal vote, and decisions will be made by a simple majority, except decisions on the recommended quantum of funding and the recommended funding policy and targeted rate which will require a two thirds majority vote.
- 3.11.6 GW will ensure by resolution passed in accordance with clause 30(7) Schedule 7 LGA 2002 that the Committee will not be deemed to be discharged following each triennial general election.

## Terms of Reference

3.12 The Committee shall be established with the terms of reference attached at Schedule 1 of this document.

3.13 GW undertakes not to make any significant change to the terms of reference without first seeking and obtaining the consent of the other Councils to the proposed change.

DRAFT

## 4 Announcements

4.1 Each of the Councils agree that:

4.1.1 They will not make any public announcements or media releases in connection with or on behalf of the other Councils or the Committee. Nothing in this provision shall prohibit or restrict a Council from making public announcements or media releases in connection with a Councils own implementation of or involvement with the WRS or policies in relation to the WRS.

4.1.2 Only the Chairperson or his or her nominee shall be authorised to make public announcements or media releases in connection with or on behalf of the other Councils or the Committee in relation the WRS generally.

4.1.3 Such announcements or releases will be circulated to member councils prior to release for comment.

## 5 Dispute resolution

5.1 If a dispute arises in relation to this document, any party may give the others a notice requiring that an attempt be made to resolve the dispute with the help of a mediator to be appointed in accordance with section 16 LGA 2002.

5.2 Each of the parties must cooperate fully with the mediator. Each of the parties must pay a proportionate share of the fees and expenses the mediator is entitled to.

## 6 Termination

6.1 This document will continue until the earlier of the following :

6.1.1 The date the interim functions of the Committee described at clause 3.10 of this document have been completed and a new agreement between the relevant Councils has been developed to replace this document, or

6.1.2 The date the Committee is discharged by GW.



## 7 Execution

- 7.1 This document is properly executed if each party executes either this document or an identical document. This document takes effect when each of the Councils that sign the document return their signed copy to GW.

## 8 Definitions and interpretation

### Definitions

- 8.1 In this document the following definitions apply:

**Chairperson** means the chairperson of the Committee appointed from time to time by the Committee.

**Councils** means the Councils that are parties to this document.

**Committee** means the Committee referred to in clause 3 to be established by GW.

**CCO** means a council-controlled organisation as defined in the LGA 2002.

**Non Local Government Members** means the 5 members of the Committee appointed in accordance with clause 3.3.8 of this document.

**LGA 2002** means Local Government Act 2002.

**Local Government Members** means the 7 members of the Committee appointed following the nominations of the relevant Councils in accordance with clause 3.3 of this document .

**Operative Date** means the date of this document .

**Region, Regional and Wellington Region** means the region defined in clause 4 of the Local Government (Wellington Region) Reorganisation Order 1989 referred to at Schedule 2 LGA 2002.

**Wellington Regional Forum** means the joint committee of the nine local authorities of the Region and other external members known as the Wellington Regional Strategy Forum established to develop the WRS.

**Working Day** means a working day as defined by section 5 of the LGA 2002.

**WRS** means the Wellington Regional Strategy as developed by the Wellington Regional Forum and consulted on in accordance with this document.

**Execution and date**

Executed as a deed.

Date: 2006

The common seal of )  
**Wellington Regional Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

DRAFT

The common seal of )  
**Hutt City Council** )  
was affixed pursuant to a resolution of )  
Council in the presence of:

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

The common seal of )  
**Upper Hutt City Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

The common seal of )  
**Porirua City Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

DRAFT

The common seal of )  
**Carterton District Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

The common seal of )  
**South Wairarapa District Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

The common seal of )  
**Masterton District Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory

DRAFT

The common seal of )  
**Kapiti Coast District Council** )  
was affixed in the presence of: )

\_\_\_\_\_  
Authorised signatory

\_\_\_\_\_  
Authorised signatory