



Report 06.417
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Committee Council
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Policy and Strategy

Wellington Regional Strategy Draft Memorandum of Understanding

1. Purpose

To seek approval of a Memorandum of Understanding that sets out key elements of the interim governance arrangements for the Wellington Regional Strategy.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

In response to a request by the Wellington Regional Strategy (WRS) Forum the Council established an Interim Wellington Regional Strategy Committee at its meeting on the 8th August 2006. The Terms of Reference agreed by the Council (**Attachment 1**) provide for the Committee to advise and assist the Council on a special consultative procedure for the Wellington Regional Strategy, and the proposed governance and funding model for the strategy.

In order to record the agreement of the region's councils on the proposed governance and funding model, and the consultation process to be undertaken by Greater Wellington (GW), a draft Memorandum of Understanding (MoU) has been developed. This has been done at the request of the WRS Forum.

4. Comment

Draft Memorandum of Understanding

A copy of the draft MoU is in **Attachment 2**. The draft MoU is consistent with the Terms of Reference for the Interim WRS Committee. The MoU records the Forum's agreement on:

- how consultation on the WRS will be achieved
- the establishment of the committee by Greater Wellington to manage the consultation process
- the initiation of the section 16 Local Government Act process by the GW committee
- the initiation of consultation on other measures required to effect the new activity, should it proceed by the WRS committee.

The MoU confirms the Interim WRS Committee will finalise and recommend a draft Statement of Proposal to the Council for consultation which proposes that:

- GW via the WRS Committee takes responsibility for the WRS
- GW establishes a council controlled organisation to deliver economic development initiatives in the WRS
- the funding proposal including amount, allocation and transition of a recommended new targeted rate be consulted on
- GW will implement the recommended targeted rate from 1 July 2007.

Term of the Memorandum of Understanding

The draft MoU will terminate once the Statement of Proposal process has been completed, under the provisions set out in section 6. If the Council's final decision is to confirm the WRS governance and funding proposal (and therefore retain the WRS Committee) the MoU will be replaced by a new multilateral agreement between the nine councils. This will record the governance and funding arrangements going forward. It is likely that the WRS Forum (essentially a joint committee of the councils) will be tasked to prepare the multilateral agreement.

If the Council decides following the consultation process that it will not take on the new WRS role the Interim WRS Committee will be discharged. This will terminate the MoU.

Process for Signing the Memorandum of Understanding

The draft MoU is currently being considered by the nine councils in the region. The Council will provide feedback following these meetings and the MoU will then be amended as appropriate. If the changes are not substantial a final MoU will be sent to the councils for their signing. If significant changes are requested a further round of consultation will be made.

Given the discussions within the WRS Forum and the almost unanimous support for the establishment of the Interim WRS Committee it is expected that at least a majority of the councils will agree to sign the MoU without significant change. The MoU is not a binding agreement. The purpose is to record the councils' agreement on the process to consult with the regional communities on the WRS and the proposed governance and funding. In this respect the establishment and work of the Interim Committee is not conditional on a signed MoU.

The Council will be provided with an update on the feedback from the region's councils at the meeting. At this time it should be known if any of the councils will not be party to the MoU.

5. Communication

A press statement will be prepared, in consultation with the other councils, once the MoU has been confirmed and signed. The press statement will highlight the significance of the signing of the MoU as it confirms the region is working together to progress the economic development of the Wellington region.

6. Recommendations

That the Committee:

1. ***Receives*** the report.
2. ***Notes*** the content of the report.
3. ***Notes*** that the draft Memorandum of Understanding will be replaced by a further agreement between the councils at the conclusion of the consultation process or it will expire if the Interim WRS Committee is disbanded.
4. ***Agrees*** to be a signatory to the draft Memorandum of Understanding in Attachment 1.
5. ***Authorises*** the Chairperson to sign the Memorandum of Understanding, provided any changes made after feedback from the parties are not materially significant.

Report prepared by:

Report approved by:

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Attachment 1: Terms of reference – Interim Wellington Regional Strategy Committee

Attachment 2: Draft Memorandum of Understanding