Next Steps for Responding to Christchurch City Council Consenting Issues

Portfolio: Local Government

On 8 July 2013, Cabinet:

Background

1 noted that Christchurch City Council (the Council) has had its building consent authority accreditation revoked, effective from 5 July 2013, after a long documented history of compliance and performance issues;

2 noted that on 4 July 2013, the Council requested that the Minister of Local Government appoint a Crown Manager under section 258D(1)(b) of the Local Government Act 2002 to manage the Council’s consenting issues;

Terms of reference for the Crown Manager

3 noted that the Minister of Local Government has developed Terms of Reference, attached to the submission under CAB (13) 385, for the Crown Manager, with the following key features (subject to minor amendments that may be agreed by the Minister):

3.1 the management period will commence on 11 July 2013 and expire on 31 December 2014;

3.2 the Crown Manager will focus on the urgent need for implementing broad performance improvements ensuring the Council has adequate processes and capability to fulfil its building control functions to the extent necessary to facilitate a timely, high quality and cost efficient rebuild of Christchurch;

3.3 the Crown Manager’s role will include overseeing the Council’s building control functions and ensuring that the Council regains accreditation as a building consent authority;

3.4 the Crown Manager will take into account the interface of building control functions with other related Council regulatory functions;
4 noted that the Crown Manager may request assistance from the Ministry of Business, Innovation and Employment, the Department of Internal Affairs and other parties as necessary to fulfil the Terms of Reference;

5 noted that the Crown Manager is authorised to direct the Council to address the issues set out in the Terms of Reference and provide any relevant information;

6 noted that the Crown Manager does not replace or supplant the councillors or Council management and the Council retains legal liability for any and all operations while the Crown Manager is in place;

Appoint ment of the Crown Manager

7 noted that the Minister of Local Government intends to appoint Douglas MARTIN to the role of Crown Manager for a period commencing on 10 July 2013 and expiring on 31 December 2014, to address consenting issues within the Council;

8 noted that the position of Crown Manager is classified as a Group 4, Level 1 body in the Cabinet Fees Framework and the maximum remuneration provided for under the Framework is $1,062 per day;

9 authorised the Minister of Local Government and the Minister of State Services to agree to the final rate of remuneration up to $2,000 per day;

10 noted that the costs of the Crown Manager’s remuneration and disbursements will be met by the Council under section 258W of the Local Government Act 2002 (recovery of expenses from local authority);

Reporting and additional points

11 noted that the Crown Manager will provide the Minister for Canterbury Earthquake Recovery, the Minister of Local Government and the Minister for Building and Construction with an initial action plan within four weeks of the beginning of the management period and thereafter will report monthly (unless directed otherwise) to these Ministers;

12 noted that the Crown Manager will commence an audit, including a technical review, of consents issued;

13 noted that RiskPool, a mutual insurer for local authorities, is in discussion with the Council over the insurance implications arising from its loss of accreditation and the appointment of a Crown Manager;

14 noted that prior to the publication of the Gazette notice and public notice of the appointment and Terms of Reference, the Minister of Local Government will issue a press statement announcing the appointment.

Rebecca Kitteridge
Secretary of the Cabinet

Reference: CAB (13) 385

Distribution (see over):