

## CHANGES FROM DRAFT TO FINAL PLAN

Listed below are the changes from the draft to the final Plan. These changes, which were made after the submissions on the draft Plan had been heard, were adopted by the Council on Thursday 12 July 2001.

FINANCIAL CHANGES	2001/02	2002/03	2003/04	2004/05	2005/06
	\$	\$	\$	\$	\$
<b>Operating Adjustments - Expenditure</b>					
<b>Carparking</b>					
Integrated Carparking Development	171,500				
Investigation - Real time and other signage options	20,000				
<b>City Streets</b>					
Anti-Litter Campaign	50,000				
Street Racing By-law Signs Maintenance	10,000	10,000	10,000	10,000	10,000
Real Time Information System Depreciation	200,000	200,000	200,000	200,000	200,000
Underground Wiring Conversion - Cost Share Basis	100,000	100,000	100,000	100,000	100,000
Amenity Cleaning Contract	(808,331)	(708,331)	(508,331)	(508,331)	(508,331)
<b>City Water &amp; Waste</b>					
Redesigning Resources Conference	25,000				
Onyx Refuse and Recycling Contract - Diesel instead of Gas/Electric	(205,500)	(205,500)	(205,500)	(205,500)	(205,500)
Water Supply - Map Basing Work	(125,000)	(125,000)	(125,000)		
Liquid Waste - Biosolids to Forests (Delay due to Resource Consent)	(100,000)				
Solid Waste - Kerbside Recyclables (delay due to Technical Issues)	(150,000)				
City Care Contract Reduction	(238,000)	(238,000)	(238,000)	(238,000)	(238,000)
<b>Community Relations - Central City Rate - Reversed</b>					
Central City Promotion	(600,000)	(600,000)	(600,000)		
Christchurch Community House Project	85,000	85,000	85,000	85,000	85,000
Kimihia Youth Skills Trust	10,000	10,000	10,000		
<b>Corporate Expenses</b>					
ACC Premium Savings	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)
Lyttelton Marina - Public Facilities & Breakwater	150,000				
Museum Trust Board Building & Development Project Grant	1,000,000	1,000,000			
<b>Economic Development &amp; Employment</b>					
Canterbury Innovation Incubator - Manchester St Parking Grant	7,500	7,500	7,500	7,500	7,500
<b>Grants Budget</b>					
Aranui Primary School Hall Project	30,000				
Beneficiary Advisory Service	5,000	5,000	5,000	5,000	5,000
Birdlands Sanctuary Trust	30,000	30,000	30,000		
Canterbury Opera	12,000				
Ferrymead Heritage Park - Carpenter Position	35,000				
Events Seeding Fund	50,000				
Christchurch Safer Community Council	10,000	10,000	10,000	10,000	10,000
NZ Conservation Trust - Kiwi Breeding Programme	10,000				
Crighton Cobbers	10,000	10,000	10,000		
<b>Parks &amp; Waterways</b>					
Artificial Reef - Contribution toward Feasibility Study	20,000				
City Outfall Drain	200,000	400,000			
<b>Property - Housing</b>					
Aranui Community Renewal Project	50,000	50,000	50,000		
<b>Total Operating Adjustments - Expenditure</b>	<b>31,169</b>	<b>7,669</b>	<b>(1,192,331)</b>	<b>(567,331)</b>	<b>(567,331)</b>
<b>Operating Adjustments - Revenue</b>					
<b>Car Parking</b>					
Manchester Street carpark (additional revenue)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
<b>City Water &amp; Waste</b>					
Review of refuse tonnages (revenue reductions)	165,000	165,000	165,000	165,000	165,000
<b>Total Operating Adjustments - Revenue</b>	<b>157,500</b>	<b>157,500</b>	<b>157,500</b>	<b>157,500</b>	<b>157,500</b>

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FINANCIAL CHANGES	2001/02	2002/03	2003/04	2004/05	2005/06
	\$	\$	\$	\$	\$
<b>Capital Adjustments</b>					
<b>Car Parking</b>					
Integrated Carparking Development	106,000				
<b>City Streets</b>					
<b>Neighbourhood Improvements</b>					
O'Halloran Drive	(45,000)				
Dominion/Milton	(40,000)				
Projects to be prioritised			(21,000)		
Banks/McBratneys	106,000				
<b>Kerb &amp; Channel Renewal</b>					
Tyne/Pope	(1,540)	(142,700)	5,000	150,700	
Wainoni (Avonside-Shortland)	1,540	142,700			
Wainoni (Avonside-Shortland)		(20,100)	(135,600)		
Grants Rd (Papanui-Rayburn)		(20,100)	(241,200)		
Grants Rd Stage 2 (Rayburn-Culvert)			(5,000)	(150,700)	
Grants Rd (Papanui-Culvert)		40,200	376,800		
Station Rd (Flavell-Martindales)		(101,900)	101,900		
<b>Road Network Improvements</b>					
Fendalton Rd Construction	(704,103)	704,103			
Fendalton Rd Landscaping	(133,820)	133,820			
McDougall/Papanui	(30,600)				30,600
<b>Road Network Improvements</b>					
Linwood/Dyers Signalisation	(225,000)	205,000			
Blenheim Rd Deviation Contingency (net)		(820,000)			
Blenheim Rd Deviation	750,000	750,000			
Blenheim Rd Contribution (revenue)	(540,000)				
<b>Signs</b>					
Heavy Vehicle Ban Signs (Hornby)	20,000				
Street Racing By-Laws Signs	25,000				
Woolston Burwood Expressway - Stage I	585,000				
Property Sales - Unspecified	(585,000)				
Carriageway Surfacing - Briggs Rd	75,000				
Carriageway Surfacing reduction		(75,000)			
Underground wiring conversion - cost share basis	30,000	30,000	30,000	30,000	30,000
<b>Aranui Community Renewal Project</b>					
Wainoni Park - Pavilion and Toilets - bring forward		56,100	(56,100)		
Carisbrooke Reserve - Playground Renewal - bring forward		20,000			(20,000)
<b>Parks &amp; Waterways Unit</b>					
Avon River - Central City Feature Lighting	30,000				
Tramway Society - Carpark re-seal	5,000				
<b>Total Capital Adjustments</b>	(571,523)	902,123	54,800	30,000	40,600



The recently developed entranceway to Riccarton House

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## OTHER CHANGES

In addition to the financial changes listed on the pages 18 and 19, the Council also made some other changes. These are noted below.

### Jade Stadium Ltd

The amount that will be on-lent to Jade Stadium Ltd (JSL) has been revised down from \$43M to \$41M. Jade Stadium Ltd have advised that on the basis of their project cash flow, their borrowing requirement will be \$41M.

In addition, as a result of hedging arrangements to minimise interest costs, the capital repayment programme has been advanced, as set out below:

	2001/02	2002/03	2003/04	2004/05	2005/06
Draft Budget		\$ .925M	\$ 1.32M	\$ 1.43M	\$ 1.54M
Revised Budget	\$ 1.50M	\$ 1.50M	\$ 1.50M	\$ 1.50M	\$ 1.50M

### Establishment of Capital Endowment Fund

The Council noted the endorsement in the Citizens' Survey, City Scene and general submissions of:

- The principle of using the \$175M for debt repayment and an endowment fund.
- The majority support for using \$100M for debt repayment.
- The majority support for an endowment fund of \$75M.

Up to 100% of the available income from the fund be allocated in year 1 and up to 75% be allocated for subsequent years.

Income from the fund be generally allocated each year in the following way:

- Economic development - 70%
- Civic and community projects - 30%.

The above categories be reviewed on a three yearly cycle. If desired, funding for a particular category be carried forward to another year.

Civic and community projects which have a cost of less than \$100,000 in any one year not be funded from the Capital Endowment Fund.

No single project be funded for more than three years, except in exceptional circumstances.

The Council also resolved to enlist the assistance of Canterbury Development Corporation (CDC), the Canterbury Manufacturers' Association (CMA) and the Canterbury Employers' Chamber of Commerce (CECC) in developing criteria for judging the priorities for the economic development projects.

The criterion to assess the economic development projects will include economic activity and job creation.

The Council also resolved that in the allocations to local community projects the Council follow the principle that all parts of the city benefit, over a period, from local projects.

### Central City Rate Survey

The majority of respondents to the survey opposed the implementation of a separate rate to fund the promotion and marketing of the central city. Of those surveyed, 68.5% opposed the implementation of a separate rate while only 25.4% supported it.

On this basis the Council resolved not to implement a separate rate for the purpose of marketing and promotion of the central city at this time. The Council also resolved that Council staff work with the retail and business sub groups to assist them develop an effective structure for a central city business association. This was in response to the support shown for this initiative.

### Revision of Transitional Modifier

The only changes to the Funding Policy allocations since the draft plan was promulgated were:

- Some changes to actual costs;
- The rate sector for Council-operated utilities has been changed to the Residential and Other Properties Rating Sector;
- An increase in the valuation of utilities and a change in proportions of values between Council operated and externally operated utilities.

The changes in the transitional modifier reflects the desire to avoid significant adjustment difficulties for the rural and institutional sectors. The unmodified rate allocation produced unacceptable rate increases for some sectors.

	2001/02 No Modifier	% Change	2001/02 With Modifier	% Change
<b>Commercial/ Industrial</b>	\$38.35M	- 3.17%	\$40.74M	1.54%
<b>Residential</b>	\$111.58M	3.39%	\$110.43M	2.32%
<b>Rural</b>	\$2.86M	41.48%	\$2.22M	9.85%
<b>Institutions</b>	\$1.48M	18.42%	\$1.38M	10.42%

### Rating for Utility Networks

Rating of utility networks will commence from 1 July 2001. This includes the Council's network utilities (water, sewerage and stormwater) and those of private sector utility companies.

Whereas the draft Plan had included all utility networks in the Commercial/Industrial Rating Sector at the meeting to adopt this Financial Plan, the Council resolved to place the utilities it operates in the Residential Rating Sector. The rationale for this was based on the following:

- The utility networks of the private sector are by their character commercial assets of the owners. They are assets essential for the operation of commercial businesses no different from any other operational property of those businesses. As such they should be rated as commercial.
- The Council's operated utility assets operate in a 'not for profit' mode, seeking only cost recovery from the consumers, therefore it is appropriate to rate them in the rating sector known as the "Residential and Other Properties Sector". There are several other 'not for profit' ratepayers in this differential group.

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### Allowances for Water Charges

The changes to the water rates which were highlighted in the Draft Plan would have resulted in the water allowances doubling for commercial and institutional excess users. As part of finalising this Financial Plan the water allowance has now been set closer to the average cost of supply. The new allowance which will be calculated on the basis of 27cents per cubic meter will be effective in 2001/02.

### Lyttelton Marina

The Council resolved that \$150,000 be made in 2001/02 for planning, investigation and design work for public facilities and a breakwater.

It was also noted that a capital contribution will be considered subject to the outcome of the investigation and consultation and agreement being reached with other parties.

### Council Staff Bus Pass

This initiative was proposed in response to a Council request to explore opportunities for meeting the Council's sustainability goals. The Council resolved:

- That as part of the Council's "Sustainable Christchurch Initiatives", the proposal for free bus passes for Council employees who travel to work be endorsed, subject to agreement from bus operators for a discount of 30%.
- That a sum of \$65,000 be included in the Financial Plan for 2001/02, and \$95,000 for 2002/03 and 2003/04, and these sums be provided in a rates neutral way and the Director of Finance be authorised to make the appropriate adjustments.

- That urgent representations be made to the Ministers of Finance, Environment and Energy to waive fringe benefit tax on this and similar schemes.
- That discussions be held with other employers to encourage their participation in the scheme.
- That the Council explore initiatives to increase bus patronage by way of a family bus subsidy.

### Greenwaste Charges

The current system of a flat fee for domestic users and a charge by weight for commercial users was considered discriminatory. On this basis the Council resolved to put in place a payment by weight for all greenwaste accepted at refuse stations.

### Festival of Flowers

The Council resolved that:

- That funding of \$70,000 be provided in the Financial Plan for the Festival of Flowers.
- That a balance of \$19,564 be added to the \$51,150 provided in the 2000/01 Plan for garden city marketing, carried forward to 2001/02 and be allocated to the Festivals and Events Advisory Board for the development of a major floral/lifestyle festival. That no commitment be given to funding the festival beyond 2002.
- That the Garden City Trust work with the Festivals and Events Advisory Board in the development of the new festival.
- That Councillor Barbara Stewart be appointed as a member of the Advisory Board.



The prize winning garden from the 2000 Garden Competition

