

annual report highlights

Report for the year ended 30 June 2001

This Annual Report provides an opportunity for the Council to give account of what has been achieved during the year ended 30 June 2001. It enables the community to judge the Council's performance in achieving the objectives set out in its 2000 Plan.

Christchurch – A Great Place to Live

The Council believes Christchurch is a great place to live and work and is aware that citizens are also proud of the city and that most contribute personally, as well as collectively through the Council, to this progress. In 2001 the survey of public opinion carried out for the Council indicated that 92 per cent of citizens are satisfied or very satisfied with Christchurch as a place to live, work and spend spare time. This continuing high level of satisfaction is particularly pleasing, as many commentators suggest that as a society the sophistication of our expectations is steadily rising.

Central City Revitalisation

Work has continued on this Mayoral initiative including the completion of a city-wide public consultation exercise leading to Council adopting, in March 2001, a vision and framework for revitalising the Central City. A number of projects were underway as of June 2001 including redevelopment of two inner-city retail sites integrated with Council car parking, heritage precinct improvements, heritage grants, streetscape/public space improvements, development of a central city transport strategy, and working with private developers on projects to increase residential and business activity.

Leisure

Christchurch successfully hosted seven major sporting events which were supported by the Christchurch City Council in one form or another. A further eight bids were successful for events to be hosted in early 2002 through to 2003. This positive trend is expected to continue as Christchurch's reputation as a popular destination and successful sport event host is recognised and promoted.

The admission numbers at our two new Leisure Centres are continuing to grow, with these facilities meeting a big demand in the community. Further growth is anticipated with the completion of the QE II Leisure Pool.



One of the many events at the Children's Millennium Games

The Turning Point 2000 activities were highlighted during the year with the Canterbury 150th Celebrations and the Children's Millennium Games. The Trust was responsible for generating a number of significant assets for the city including the Waka, the Chalice, erected in August 2001, and the Commemorative Tapestry. Other activities are still continuing such as the Millennium Bridge and Global Net 2000.

The New ASB Bank Starry Nights, part of the SummerTimes programme, proved to be highly successful and received excellent public feedback and media coverage. The audience was over 20,000 people.

Recreation programme participation continued to grow with the development of four new programmes for young people (10–14 year olds) plus two new programmes for older adults and a significant increase in numbers for Kiwiabie programmes. "Push Play with Active Christchurch", a partnership comprised of a number of key Christchurch recreation and health agencies, continued to promote the physical activity message.

Opening of Halswell Quarry Sister Cities Gardens



The opening of the Sister Cities Gardens took place on 17 February 2001. There were about 70 international guests present. Each Sister City Committee had raised funds or in-kind sponsorship to develop a section of the Halswell Quarry into a unique park with individual gardens representing the character and beauty of plants from its sister city. There is also a Canterbury native plant garden. Artworks have also been donated from our Sister Cities for installation in the gardens. The project won the Air New Zealand Sister Cities Award for the "Best Cultural Project".

TRENZ 2001

The first Tourism Rendezvous New Zealand was held in Christchurch in 2000. The success of that event ensured the decision was made to hold the 2001 event in Christchurch.

The 2001 event was the biggest Tourism Trade Show that New Zealand has ever held. There were in excess of 1300 people in attendance. The Christchurch Convention Centre and the WestpacTrust Centre were the key facilities, although other venues were used for media events and special functions. TRENZ 2004 will be held in Christchurch.

Heritage Buildings

The first stage in the refurbishment of the former Municipal Council Chambers, corner Worcester Street and Oxford Terrace, to house "Our City, Past Present and Future" has now been completed. The project is due for completion mid 2002 and will from that date, be open to the public.

In June 2001 the Council agreed to assist the Sydenham Heritage Trust with a loan to purchase the former Sydenham Methodist Church. The Trust is now raising further funds for the continued conservation of the building.

Public Transport

This year has seen the completion of the new Bus Exchange in Lichfield Street and a progressive move of the bus services to using the exchange and the peripheral termini. A real time information system has also been installed to provide a modern and efficient service for all bus users. The Bus Exchange has received consistent warm reviews from users, and is operating very well. Ongoing minor improvements continue to be made to this unique facility for New Zealand. Bus patronage in Christchurch has increased 10%.

A fourth free shuttle bus was added to the central city route late in the year with the aim of ensuring a better than 10 minute frequency at all times.

City Streets

The second stage (1b) of the Woolston–Burwood expressway between New Brighton Road and Wainoni Road was completed during the year. There had been delays in construction because of foundation problems with the bridge but the end result is a striking new addition to the city's bridges.



Overall 141 different capital works projects were completed during the year. These ranged from the installation of pedestrian islands and traffic signals to full reconstruction of the road with new kerbs, footpaths and landscaping. There has also been increased activity and disruption on the streets with TelstraSaturn installing cables across the whole city.

Council approved a project to deviate Blenheim Road at Mandeville Street so it connects directly to Moorhouse Avenue. The property required for the project has been purchased and the consent process is underway. Plans for upgrading the remaining section of Fendalton Road were also approved.

During the year the Council adopted the Living Streets charter that emphasises that "streets are for living" and that quality of life factors are an essential element in undertaking street improvements. A series of Living Streets pilot projects have been adopted for construction over the next three years. The Council received an award from Creative NZ for the development of Peverel Street as a Living Street.

Cathedral Square

Following some adverse public reaction to aspects of the Cathedral Square redevelopment, Ian Athfield (Architect) and James Lunday (Urban Designer) were engaged to suggest ideas for improvements and completion of the Cathedral Square project. Following extensive consultation involving both the public and adjacent Cathedral Square landowners, ideas towards completing the Square were presented to the Council in May. With general support from the Council to progress the ideas further, Ian Athfield and a staff team have initially proceeded to implement some further "greening" of the Square with additional trees and planters, prior to further developing the overall concepts, including working with adjacent landowners to "repopulate" their properties.

Housing

Tommy Taylor Courts



The Council has added to its significant social housing portfolio through the completion of two housing complexes: Hornby Courts, a 23 unit development for the elderly, and Tommy Taylor Courts, a 25 unit development in Waltham catering for a broad age range of tenants.

Both these developments have a high standard of fitout including a lift at Hornby, sprinkler systems for fire

protection, carpets and drapes, whiteware and double glazing. These developments confirm the Council's commitment to its vision:

"To contribute to the community's social well being by ensuring safe, accessible and affordable housing is available to people on low incomes, including elderly persons and people with disabilities".

Libraries

The new library in Fendalton was opened in July 2000 and during its first year of operation has increased its issues by 32% to 660,010 items. General comment is very favourable and customers appreciate the spaciousness and the services available.



In April 2001 the revamped Library website went live complete with access to a range of significant premium databases. These include electronic access to encyclopaedias, the Oxford English Dictionary, magazine databases and specialist resources for biographies, literature, the arts, science and business. Many of these are available remotely to Library members from a computer at home, work or school. External access to both the Library's catalogue and its website continues to grow and a total of 4.15 million pages of information was downloaded from these in 2000-01. We have received many compliments worldwide for the extent of our website and for its clean layout and easy to navigate information structure.

Two projects contributed to celebrating the 150th anniversary of Canterbury. They were the publishing of a work by Genealogy Librarian, Richard Greenaway entitled *Rich Man, Poor Man, Environmentalist, Thief*. It contains biographies of lesser known but colourful characters from the city's past. Also, the launch of *Imprints: Fragments of Canterbury History*, which comprises a collection of digitised historic resources. The Burke manuscript, early photographs of Christchurch, and the chronology of Christchurch are all available on line at: <http://library.christchurch.org.nz/heritage/imprints.asp>

Ti Kouka Whenua is an electronic resource of local Maori history and is a significant contribution to making local Maori history available to a wider audience.

Compiled by Library staff from print and other resources it provides information about places and tribes in the greater Christchurch area. It can be viewed at <http://www.ccc.govt.nz/Library/TiKoukaWhenua/>

A new Library for South Christchurch

After several fruitless years spent trying to plan extensions to the Spreydon Library on a restricted site and to secure land for the building of a new library at St Martins, the Council approved the building of a new facility to replace both these expansion options, on the site of the current Beckenham Service Centre. Construction is scheduled to start this year.

Art Gallery

Progress with the design and construction of the new Christchurch Art Gallery proceeded to the point where tenders for the new building were called in August 2000, and construction started in December 2000. The expected completion date for the construction project is November 2002, followed by the fit-out and formal opening in April 2003.

The total budget for the new Art Gallery project is \$38.1 million. The fundraising target was \$13.05 million, and remarkably \$13.8 million has now been raised. The largest components of this sum were generous contributions of \$6.2m and \$3.8m from the New Zealand Government and the Community Trust respectively. One of the prominent fundraising events was a joint art auction with the Centre for Contemporary Art, which netted \$40,000 for the new Gallery project.

In acknowledgement of the Sesquicentenary, the Gallery installed a series of critically acclaimed "Canterbury Vignettes", highlighting key Canterbury artists from European settlement to the present day. In addition, the Gallery published a special sesquicentennial book, "A Concise History of Art in Canterbury 1850-2000".

The temporary and touring exhibitions programme was suspended in February 2001 with the closure of "Treasures from Christ Church, Oxford: Old Master drawings and rare works in precious metals" - the first time the Oxford collection of priceless drawings and Cathedral and College plate had been permitted to travel to the southern hemisphere. The Gallery team are now focused on the massive task of conserving, crating and storing the collections for the relocation to the new building, and preparing exhibitions and public programmes for its inauguration in 2003.

QE II Park Development



The new 51 metre competition pool opened on target in January 2001 with the old pool and hydroslide being dismantled and demolished making way for construction of the new leisure and teaching pools and mezzanine floor.

Construction was well advanced at year end on the new entry, lift/stairs and changing rooms and these were completed in August 2001. The dive pool re-opened in October 2001. The remaining areas (leisure pool, teaching pool and mezzanine floor) will be completed by April 2002.

English Park Redevelopment

The tender for the \$2.8m redevelopment of English Park, was approved by Council in June 2001. Demolition of the existing grandstand, soccer pitch and cycle track commenced in August 2001. The redeveloped English Park will include a fully landscaped park/play area at the north end of the site, a cycleway linking Cranford Street with Sheppard Place and the reopening and enhancing of the St Albans Creek.

A new pavilion will be constructed with seating for 526, offices for Canterbury Soccer, a multi-purpose lounge overlooking the repositioned pitch, and improved lighting. Following community consultation, the pavilion will also include community facilities such as a fitness room, meeting room and café. This will make it a building to be used by the wider community and not just Canterbury Soccer. The existing carparks are being reconstructed and additional carparks are being provided. One of the carparks will also be used as a hard-court area for netball and tennis. The project will be completed in May 2002.

Jade Stadium

The Council's Major Projects Co-ordinator has continued in the role of Project Director for the Jade Stadium redevelopment, reporting to the Board of the Council-owned Jade Stadium Limited. Construction work on the West Stand is progressing well and is on programme for completion in March 2002.

Economic Development and Employment

The Canterbury Development Corporation (CDC) works with the Council to develop and deliver a range of services in the areas of economic development and employment creation.

More than 2000 small and medium sized firms received targeted advice and assistance in the form of referrals to other agencies, business education, training and mentoring. Over 3000 individuals attended the BIZ training programme with overwhelming endorsement of the training being received. Supporting this and other programmes, CDC's network of 180 business mentors provided one on one support for companies.

Actionworks, Canterbury Development Corporation's youth employment service, continues to case-manage 2000 young jobseekers. In a new initiative it will visit over 1500 senior secondary school students to develop the project "Moving

On", a school leavers database, which will track school leavers for a six month period, to ensure the transition from school to employment, training or further education.

Target Employment Initiative is aimed at assisting employers, via a subsidy, to recruit people returning to the workforce, migrants and refugees, and people with disabilities.

Adult Community Employment (ACE) continues to support community agencies via a six months subsidised work placement. The project has excellent long term work outcomes for those people initially placed using the ACE subsidy.

Under a contract with the Ministry of Education to develop and implement partnerships between secondary schools and industry, CDC added a further four new partnerships to the existing base of 12 in the region.

The contract extended to both Blenheim and the West Coast where all schools in these regions have been engaged in creating education and industry partnerships. Exposure to the workplace via partnership provides opportunities for "real life" learning, career options, access to resources and expertise as well as professional development opportunities for teachers.

Overseas businesses continue to show strong interest in trade and investment opportunities in Canterbury with CDC hosting 18 delegations to the city, principally from Asian and European countries. An additional 28 overseas individuals and 17 companies received business cases promoting investment in Canterbury.

During the year CDC also played a lead role in the bringing on stream of Cii (Canterbury Innovation Incubator) that will hothouse the development of small high tech businesses while also successfully negotiating opportunities to locate two leading edge research laboratories in Christchurch. \$130,000 of Government funding was secured for the incubator.



Clean Renewable Energy for City Services

A 10-year contract for the purchase of wind-generated electricity has been signed with Windflow Technology Ltd, a Christchurch company building wind turbines. It is expected to start using wind energy for city services from October 2002.

City Plan

The Council has negotiated 95 references (appeals) on the Proposed City Plan and has had them determined by the Environment Court, with another 20 pending. Eleven other appeals have been heard by the Environment Court. However, it is not expected that the City Plan will be completed until 2004 at the earliest.

Christchurch Wastewater Treatment Plant

The Council has continued the upgrade of the Bromley Wastewater Treatment Plant. Contracts totalling \$24.5m have been let for the plant covering the additional capacity and upgraded odour control works. \$18.5m of this work has been completed.

New resource consents for the Christchurch Wastewater Treatment Plant for discharges to air, water and land were notified in July. The main issue is the Treatment Plant discharge of treated liquid wastewater. The Council's proposal is to continue discharge to the estuary of wastewater. It is proposed to disinfect it by UV radiation to achieve bathing standard as it emerges from the discharge pipe and also to enhance the existing ponds and estuary wetland edge (the "Green Edge" development). The cost estimate for this proposal is \$32m.

Solid Waste

During the year the Council approved a short list of companies to tender for a start-up undercover compost plant that will give the capability to recycle food wastes that are currently landfilled. These food wastes originate either from industry and commercial sources or are in black refuse bags collected at the kerbside. Selection of the appropriate technology here will be a crucial decision as it is possible that this new plant could compost or recycle other wastes such as paper, biosolids and the like.

Progress this year by our joint venture regional landfill company (Transwaste Canterbury Ltd) has been mainly focussed on investigation of a potential site at Tirimoana, Kate Valley, near Waipara, which has been purchased by the company.

This has appeared promising and an announcement is expected towards the end of 2001 on whether or not this will be the favoured site.

Parks and Waterways

In addition to the ongoing maintenance and development of 689 parks and 940 kilometres of waterways and stormwater pipes, a number of projects stand out. Travis Wetland Nature Heritage Park has received further restoration and enhancement, including the creation of a central wildlife pond and construction of a "leading edge" visitor and education centre. The excellent work carried out at Travis Wetland Nature Heritage Park was recognised with the inaugural World Wetland Award 2000.



An area of the Travis Wetlands Nature Heritage Park

Some significant areas of land have been purchased for reserve purposes. 159 hectares of land near McLeans Island was purchased for scenic reserve purposes to protect a remnant of Canterbury Plains grasslands that is of national significance. The proposal to protect these grasslands was jointly developed between the Council and Environment Canterbury and will ensure the conservation of a dry land ecosystem that supports 18% of the city's total plant biodiversity and over 250 invertebrate species.

A total of 89 hectares of the Canterbury Agricultural Park site has been purchased by Council which, with the adjoining Nga Puna Wai Reserve, will provide an open space area close to the size of Hagley Park. Through a partnership with the Agricultural and Pastoral Association the site will continue to be used for the annual Canterbury A&P Show and opportunities are being explored to make the existing facilities available for wider public use.

Adoption of the Natural Asset Management Strategy for Waterways and Wetlands by Council in October 2000 was a significant event. This strategy provides a 40 year framework for the sustainable management of the city's waterways and wetlands.

A vision document for the future management of the Styx River has been prepared in partnership with the community, scientific institutions and local authorities. The vision includes the creation of a source to sea experience and the development of a "living laboratory" as an on-site research centre for ecosystem monitoring and education purposes.

Financial Performance

Parent (Council)

The financial performance of the Council has been very pleasing for the year under review considering the scale and diversity of the operations.

The turnover of the Council for the year was approximately \$259.5 million and the operating expenditure was \$240.5 million, which has resulted in an operating surplus of \$19.4 million which is ahead of the budgeted surplus by \$4.4 million. This can be largely accounted for by subvention payments received from subsidiary companies in return for accumulated tax losses from Council operations in previous years. The value of assets vested in the Council through development activities exceeded the forecast amount by \$9.4 million and this has further added to the bottom line result although these are physical rather than cash transactions.

There have been variations in expenditure and revenue for the various significant activities but the overall net difference from budget is a \$0.8 million surplus.

Taken in the context of a total expenditure for the significant activities of \$234 million, this variation from budget can be considered to be very satisfactory at a low 0.3%.

The Statement of Financial Position for the parent Council continues to be very strong with a growth in equity of \$7 million. Non-current operational, infrastructural and restricted assets have grown by \$202 million after the provision of depreciation of \$47 million. The reduction in the value of investments is a result of capital repaid from trading subsidiaries, which is reflected in the lower than budgeted non current liabilities and increased current assets. The only borrowing by Council during the year has been for equity investments, or loans to Jade Stadium Limited.

Graphs on page 15 illustrate, in pictorial form, some of the key ratios which measure the health of the financial position against maximum policy limits established in 1993.



The Council's financial position is expected to be further enhanced in the near future as further capital is repatriated from the proceeds of Orion's sale of its North Island gas assets. Council's decision to use these funds to further reduce debt and for investment of the balance in a long term Capital Endowment Fund has been recognised since balance date by Standards and Poors, the international credit rating agency. They have increased the Council's long term credit rating from "AA" to "AA+", which is very pleasing and an indication of the strength of the Council's finances.

Group

The Council has been able to maintain and grow its extensive range of activities while keeping its rates at moderate levels in comparison to other major cities because of the income it derives from its trading subsidiaries.



PRINZ Conference dinner at the Christchurch Convention Centre

The following key figures illustrate the size and strength of the whole group:

Turnover	\$769.1 million
Dividends received by Parent	\$25.7 million
Net Surplus Before Tax	\$316.4 million
Total Assets	\$3,731.5 million
Total Debt *	\$290.2 million
Total Equity	\$3,275.3 million

(* Of the Group's total debt of \$290 million, \$205 million lies within the Council's companies).

Garry Moore
Garry Moore - MAYOR

David Close
David Close - CHAIRMAN, STRATEGY AND RESOURCES COMMITTEE

Mike Richardson
Mike Richardson - CITY MANAGER