

1.1.0

*INTRODUCTORY  
INFORMATION*



**GUIDE TO THE DRAFT CORPORATE PLAN : 2005 EDITION**

The Corporate Plan is large and complex and to make it more user friendly, the following format has been developed. The main features of this format are:

**1. Introductory Section**

Consists of the budget tables (budget summaries) together with other background information.

**2. Unit Budgets**

The remainder of the Corporate Plan is made up of the budgets and plans for each of the Council's Business Units.

The Unit's budgets and plans can be divided into the following sections:

**Key Changes (Summary Pages)****(a) Committed Costs (Operational)**

These are costs which the Council is committed to. They may relate to the operating costs on a new Council facility built in the previous year or compliance costs which have been imposed on Council by Central Government. They may also represent a commitment which the Council has made subsequent to the adoption of the previous Corporate Plan and prior to the adoption of this Plan.

**(b) Items Committed by Council during the year (Operational)**

This represents those items which have been approved by the Council since the 2004 Financial Plan was adopted on 15 July 2003.

**(c) Costs Due to Growth**

Costs which are directly attributable to the growth in the cities population and the consequential increase in demand for Council services.

**(d) New Operating Initiatives**

These are new items which were not allowed for in the long term financial model. They reflect changing priorities and are a Council response to meet changed conditions.

**(e) Efficiency Gains / Additional Revenue**

This schedule highlights all the efficiency gains and cost savings which have been reflected In Unit budgets.

**(f) Restructuring of Budgets**

This section draws attention to any major restructuring of Unit budgets. Details of the 2003/04 situation are noted and are followed by the changes for 2004/05.

(g) **New Capital Initiatives and Matching Substitutions**

Like the new operating initiatives these items were not allowed for in the long term financial model. They may reflect a response to changed conditions or they may relate to meeting health and safety requirements.

This format change is intended to highlight in summary form the significant changes for each sub budget.

**Budget Summary**

The output classes are in upper case and in bold. Outputs which are a subset of output classes are in lower case. Where there are sub outputs, the outputs are in upper case but not in bold.

Capital expenditure is termed “Capital Outputs” and is shown “below the line” on the summary page.

**3. 10 year Capital Programme**

This section projects capital expenditure forward for the next 10 years. Whereas the first five years are detailed on a line by line basis, the remaining five years are general provisions which are not supported by detailed projects.

Capital expenditure has been grouped under the following “output headings”:

Renewals and Renewals  
Asset Improvements  
New Assets

**4. Fees Schedule**

Although now at the back of each Unit plan and budget, the fee schedules are of no less importance. As was the case in previous Corporate Plans, managers have been asked to calculate the projected revenue from the fees as a percentage of total cost. This has been included in the schedule in order to highlight those services which are not fully recovered by fees.

**CHRISTCHURCH CITY COUNCIL****MAYOR**

Garry Moore CA

**DEPUTY MAYOR**

Councillor Lesley Keast QSM JP

**COUNCILLORS**

Oscar Alpers LLB Notary Public  
 Carole Anderton  
 Paddy Austin MA(Hons) PhD  
 Ron Wright JP MPMI  
 Helen Broughton MA DipEd(GC)  
 Sally Buck MEd

Graham Condon QSM JP  
 Barry Corbett  
 David Cox  
 Anna Crighton JP MA(Hons)  
 Carole Evans QSO JP  
 Megan Evans

Ishwar Ganda JP  
 Pat Harrow DipHort  
 Alister James LLB  
 Denis O'Rourke LLB  
 Gail Sheriff  
 Barbara Stewart

Ingrid Stonhill  
 Sue Wells BA  
 Chrissie Williams BTech(Hons)  
 Norm Withers  
 Linda Rutland JP

**MEMBERSHIP OF COMMUNITY BOARDS****Burwood-Pegasus**

Don Rowlands (Chair)	Alister James LLB (Cr)
Bob Andrews ANZIM	Caroline Kellaway JP
Glenda Burt	Andy Lea JP
Carole Evans QSO JP (Cr)	Gail Sheriff (Cr)
Carmen Hammond	Chrissie Williams BTech(Hons) (Cr)

**Hagley-Ferrymead**

Bob Todd OBE JP (Chair)	John Freeman JP MA
Brendan Smith MB ChB	Yani Johanson
Rod Cameron	Denis O'Rourke LLB (Cr)
David Cox (Cr)	Linda Rutland JP
Anna Crighton JP MA(Hons) (Cr)	

**Spreydon-Heathcote**

Phil Clearwater MA(Hons) (Chair)	Paul de Spa BA DipTchg
Oscar Alpers LLB Notary Public (Cr)	Sonia Gill BA ATCL AREINZ
Carole Anderton* (Cr)	Elizabeth Maunsell
Lynda Carter	Sue Wells BA (Cr)
Barry Corbett (Cr)	

**Fendalton-Waimairi**

Mike Wall (Chair)	Pat Harrow DipHort (Cr)
Sally Buck MEd (Cr)	Yiyi Ku MMus(Dist)
Val Carter	Mark Kunnen JP
Cheryl Colley JP MA(Hons)	Barbara Stewart (Cr)
BBS DipTchg	Ron Wright JP MPMI (Cr)
George Hampton BA	

**Shirley-Papanui**

Yvonne Palmer QSM JP (Chair)	Dennis Hills JP BSc FNZIC FIM
Myra Barry QSO JP	FAPRI CContEd MRSNZ
Robin Booth	Ingrid Stonhill (Cr)
Anne Carroll	Steve Wright
Graham Condon QSM JP (Cr)	Norm Withers
Megan Evans (Cr)	

**Riccarton-Wigram**

Mike Mora (Chair)	Ishwar Ganda (Cr)
Paddy Austin MA(Hons) PhD (Cr)	Lesley Keast QSM JP (Cr)
Neville Bennett BSc(Hons) PhD	Peter Laloli
Helen Broughton* MA DipEd (GC) (Cr)	Bob Shearing
Ken Cummings	

\*Denotes member elected to both Council and Community Board

**EXECUTIVE TEAM**

Dr Lesley McTurk BA MBA (Auck) PhD (Glas)  
 Chief Executive

Stephen McArthur BA, DipRRP  
 General Manager, Community Services

Bob Lineham BCom FCA FNZIM  
 Director, Strategic Investment

Ian Hay CA ACIS AFNZIM  
 General Manager, Strategic Development

Peter Mitchell LLB(Hons)  
 General Manager, Regulation & Democracy Services

Ken Lawn BA DipTP MNZPI  
 Transition Manager

Philippa Jones MA Dip I/O Psych  
 General Manager, Human Resources

Stephen Hill DipBus Studies  
 General Manager, Public Affairs

Jane Parfitt BA (COM), FNZIM, MCILT  
 General Manager, City Environment

Roy Baker CA, INFNZ  
 General Manager, Corporate Services

## Draft Statement of Community Outcomes

Community outcomes describe the kind of society, community, environment and economy the people of Christchurch want to live in. They are those things which the community think are important for it's well being.

Overall the outcomes for Christchurch are:

### **Sustainable Christchurch**

- Learning City
- Prosperous City
- Well Governed City

### **a city**

- with Inclusive and Diverse Communities, with a Strong Sense of Place and Identity
- with Healthy and Active People
- which is Safe
- which is Cultural and Fun
- which is Liveable
- with Excellent Built and Natural environment

The pages which follow develop the above themes in more detail.

First is a table, which explains the implications of each outcome for our people, our place, and our prosperity. The table also shows how sustainability is an overarching theme – that in achieving our outcomes our communities and businesses will protect, enhance and restore our natural and social capital to maximise quality of life without undermining the ability generations to meet their own needs.

Following the table, each outcome is explained in detail, including:

- The outcomes for our people, place and prosperity as identified in the table.
- Challenges and opportunities related to achieving the outcomes.
- How progress in achieving the outcomes will be monitored. More information on the monitoring programme may be found in Appendix A to this volume.
- How the Council will contribute to achieving the outcomes. This will involve continuing some council activities, and changing the way we do some things over time. Details of the Council's specific activities may be found in Sections 2.2 and 2.3 below.

## Our Community Outcomes

	<b>Our People</b>	<b>Our Place</b>	<b>Our Prosperity</b>	<b>Sustainability</b> – Our communities and businesses protect, enhance and restore our natural and social capital to maximise quality of life without undermining the ability generations to meet their own needs
<b><i>A Sustainable Natural Environment ...</i></b>	Our people value and enjoy our natural environment and take responsibility for protecting and restoring it	Our city 's natural resources, bio diversity, landscapes, and ecosystem integrity are protected and enhanced	Our economy recognises that our natural environment plays a critical role in our prosperity and businesses ensure that negative impacts on the environment are reduced	
<b><i>A Learning City...</i></b>	Our people have the knowledge and skills needed to participate in society and value lifelong learning	Our city provides diverse opportunities for learning and innovation	Our economy thrives on skills, knowledge and innovation	
<b><i>A Prosperous City...</i></b>	Our people have access to adequate income and opportunities to contribute to the city's well-being	Our city has the infrastructure and environment to support a job rich economy while protecting and enhancing our essential natural capital	Our economy is based on a range of businesses which enable wealth creation and employment opportunities for all	
<b><i>A Well Governed City...</i></b>	Our people participate in decision making and enjoy the rights and responsibilities of living in a democracy	Our city's infrastructure and environment is managed effectively, is responsive to changing needs and has a focus on long term sustainability	Our economy thrives on strong, proactive and ethical leadership	
<b><i>Inclusive Communities...</i></b>	Our people participate in community life, have a sense of belonging and identity and have opportunities to contribute to city well-being	Our city encourages a diversity of lifestyles, a sense of social connection, place and identity	Our economy provides opportunities for all people to participate in wealth creation, develop a sense of belonging and make a contribution	
<b><i>Healthy and Active People...</i></b>	Our people live long and healthy lives	Our city provides the natural and built environments that enable people to enjoy long and healthy lives	Our economy is based on practices that promote and improve health	
<b><i>A Safe City...</i></b>	Our people are free from crime, violence, abuse, and injury	Our city's urban form and infrastructure maximises safety and security for all people from crime, injury and hazards.	Our economy invests in mitigating against threats to safety and security	
<b><i>A Cultural and Fun City...</i></b>	Our people value leisure time and recognise that arts and leisure pursuits contribute to identity, connectedness and well-being	Our city's infrastructure, facilities, open space and natural environments support a diverse range of arts and leisure activities	Our economy is strengthened by the arts and leisure sectors	
<b><i>A Liveable City...</i></b>	Our people have appropriate housing and live in attractive and well designed neighbourhoods and city	Our city provides a choice of housing, easy mobility and access to open spaces and a range of utilities that allow people to enjoy an acceptable quality of life	Our economy invests in and benefits from enhancing the liveability of our city	
<b>Partnerships - Our partners work together to ensure appropriate and integrated responses to community issues and needs</b>				

## A Sustainable Natural Environment

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>Our people value and enjoy our natural environment and take responsibility for protecting and restoring it</li> <li>Our city 's natural resources, bio diversity, landscapes, and ecosystem integrity are protected and enhanced</li> <li>Our economy recognises that our natural environment plays a significant role in our prosperity and businesses ensure that negative impacts on the environment are reduced</li> </ul>	<ul style="list-style-type: none"> <li><b><u>Reducing what we take from the earth</u></b></li> <li><b><u>Waste Minimisation</u></b></li> <li><b><u>Protection of Natural Environment</u></b></li> </ul>

### Measuring Our Progress

Indicators and their associated measures and targets have been attached to our City's Leadership and Governance Outcomes, including

Land cover	Amount of green waste composted by Christchurch City Council
Waste to landfills	Amount of waste recycled or reused
Surface water quality	Residential population density
Hectares of versatile soils	Number of hectares of residential, commercial, industrial and other urban land uses
Total abstraction (ground water)	Square kilometres of conservation zoned land
Energy consumption for Christchurch by renewable vs non-renewable sources	Number of ecological heritage sites
Per capita energy consumption	Area of ecological heritage sites
Energy consumption by sector	Indicator species
Ecological Footprint for Christchurch	Perceptions of the natural environment
Quantity of landfill waste	Level of CO <sub>2</sub> emissions

### How will Council Contribute to the Outcomes

#### What we take from the earth

What we'll keep doing

- Promote and implement efficient use of fossil fuels and metals
- Assisting businesses, particularly Council subsidiary companies and contractors, to join energy reduction programs
- Work with relevant authorities to monitor and improve air quality within the City
- Promote energy efficient transport modes

#### What we'll do differently

- Assist RMF to work with local manufacturers to set up recycling industries for metals and fossil fuel based materials
- Promote urban forms that facilitate cycling, walking and public transport
- Promote policies which provide an incentive for more effective recycling of metals and elimination of heavy metals from trade waste and stormwater discharge



## Pollutants and Waste

### What we'll keep doing

- Promote and implement increase in recycling and material recovery
- Encouraging both residents and businesses to adopt waste reduction strategies for solid waste, waste water and energy
- Supporting businesses waste reduction through information, advice and seminars,
- Strengthen sustainable purchasing policy throughout Council and its agencies using clear sustainability criteria, to accelerate uptake of sustainable practices by suppliers and contractors.

### What we'll do differently

- Compile and make available information on available alternatives to common persistent unnatural substances
- Assess how effective trade waste management policies and practices are at preventing release of such substances into waterways
- Introduce bylaw requiring all waste to go to the Kate Valley through Council Refuse Stations
- Assist RMF to work with local manufacturers to set up recycling industries for paper and other resources from living systems
- Advocate to government to strengthen legislation promoting reduction of resource use and minimisation of waste

## Protection of Natural Environment

### What we'll keep doing

- Acquire and manage land to preserve, protect and enhance natural areas
- Protect and improve the City's bio diversity
- Identify opportunities for and encourage planting habitat creation projects, including street 'corridors' and planting
- Work with other TLAs to maintain production potential of fertile soils
- Protect artesian water resources
- Encourage composting and waste reduction strategies for solid waste and waste water

### What we'll do differently

- Implement a planting strategy to maintain garden city image and our natural bio diversity heritage
- Calculate our ecological footprint and act to reduce it
- Work with other TLAs to protect significant natural features of the physical environment, open spaces and landscape elements, native habitat and ecosystems, significant building and sites and other taonga.
- Work with Maori to spread the concept of kaitiakitanga, or nurturing the natural environment and recognising the benefits that it provides
- Work in partnership with suppliers and contractors to achieve the required improvements and document and share examples of good practice.
- Support schools and universities in teaching environmental stewardship, kaitiakitangi and social sustainability
- Work collaboratively with others promoting sustainable business and household practices.

## A Learning City

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people have the knowledge and skills needed to participate in society and value lifelong learning</li> <li>• Our city provides diverse opportunities for learning and innovation</li> <li>• Our economy thrives on skills, knowledge and innovation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase Educational Achievement for all</b></li> <li>• <b>Ensure Skilled and Flexible Workforce</b></li> <li>• <b>Encourage Lifelong Learning</b></li> <li>• <b>Foster Research, Innovation and Technology</b></li> </ul>

## Measuring Our Progress

Indicators and their associated measures and targets have been attached to our Learning City Outcomes, including

Levels of Educational qualifications	Participation in community education and lifelong learning
School leavers with no qualifications	Library patronage
School exclusion levels	Employment in research and technology
Literacy and numeracy levels	People training through apprenticeships

## How will Council Contribute to the Outcomes

### Educational Achievement

#### What we'll keep doing

- Provide access to books, electronic and other information through the city's public libraries network
- Facilitate education and learning opportunities especially pre-schools and pre-employment activities
- Advocate for quality and accessible education and training

#### What we'll do differently

- Promote and facilitate links and partnerships between education institutions, business and the community to improve education pathways and transitions
- Promote and facilitate a emphasis on foundation and literacy skills for all
- Work through Mayors for Jobs initiative to improve educational and training outcomes from children and young people

### Skilled and Flexible Workforce

#### What we'll keep doing

- Facilitate and provide opportunities for young people to improve their skills, particularly through the use of technology
- Provide information and advice on employment and job creation
- Promote and facilitate partnerships between schools, tertiary training and business community

#### What we'll do differently

- Promote industry based training initiatives
- Work with business and public sector agencies to identify skill shortages and training options
- Advocate for staff development programmes within private, community and public sector industries
- Review the role and resourcing of CDC
- Investigate options for local immigration policies that address existing and anticipated skills shortages/deficiencies.

### Lifelong Learning

#### What we'll keep doing

- Provide access to books, electronic and other information through the city's public libraries network
- Support community education initiatives

**What we'll do differently**

- Advocate for a broad approach to lifelong learning
- Provide IT facilities in community hubs, such as libraries and malls
- Support development and delivery of basic literacy and numeracy skills.

**Research, Innovation and Technology****What we'll keep doing**

- Leverage research for practical and commercial use
- Maximise e-learning opportunities through library, learning centres and community facilities
- Promote and facilitate business take up of technology
- Promote international links to access international developments into Christchurch
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**What we'll do differently**

- Support Prosperous Christchurch initiatives aimed at developing industry/alumni/research nodes
- Work with universities and colleges to promote unique areas of excellence and ensure national and international recognition.
- Develop partnership with Crown Research Institutes, tertiary institutions and researchers
- Foster research and innovation for sustainable living and product and service development

**A Prosperous City**

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people have access to adequate income and opportunities to contribute to the city's well-being</li> <li>• Our city has the infrastructure and environment to support a job rich economy while protecting and enhancing our essential natural capital</li> <li>• Our economy is based on a range of businesses which enable wealth creation and employment opportunities for all</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase Wealth Creation</b></li> <li>• <b>Increase number and range of Quality Jobs</b></li> <li>• <b>Maintain and develop Essential Infrastructure</b></li> <li>• <b>Reduce Economic exclusion</b></li> </ul>

**Measuring Our Progress**

Indicators and their associated measures and targets have been attached to our Prosperous City Outcomes, including

Proportion of working age population currently in full and part time employment	Gross weight and dollar value of overseas cargo
Percentage of people in labour force by industry grouping	Percentage increase or decrease in the total number of businesses
Median household, family and personal income	Percentage share of total national employment
Main sources of personal income	Total domestic and international air passenger movements
Business Confidence	Unemployment rate
Economic Activity	Workplace injuries and fatalities
Regional (or city) GDP	Hours worked per week

## **How will Council Contribute to the Outcomes**

### **Wealth Creation**

#### **What we'll keep doing**

- Promote the contribution the public, private, Maori and voluntary sectors make to the local economy
- Promote cooperation within and between sectors.
- Support for business start-ups as well as investment in local firms and local entrepreneurs
- Assist local businesses to improve product design and utility and develop export markets
- Develop public private partnerships to enhance level of incubation /commercialisation opportunities to support growth of Christchurch strategic clusters
- Improve linkages with international trade agencies which assist exchange of information and assist export activities
- Attract tourism investment and tourists by building on and promoting the City
- Invest in sustainable economic development initiatives

#### **What we'll do differently**

- Support Prosperous Christchurch Strategy
- Support businesses to minimise their negative effects natural capital.
- Develop and nurture products and services that promote sustainability
- Develop new ways to measure and assess well-being
- Develop and implement 'early warning system' to identify companies/ industries in trouble.
- Review the Canterbury Regional Economic Development Strategy (CREDS)

### **Quality Jobs**

#### **What we'll keep doing**

- Assist businesses to grow sufficiently to employ additional workers
- Provide venture capital that prioritises new employment potentials
- Facilitate and promote public works projects
- Provide training and retraining programs to support entry into job market, re-entry and job transition
- Administer Government funded work experience, training and subsidised employment schemes, case management and information support
- Work with other agencies and community groups to co-ordinate employment activities and initiatives

#### **What we'll do differently**

- Review existing employments and economic development services and ensure they are delivering good value
- Advocate for and facilitate good labour market planning and evaluation
- Support Mayors for Jobs and Prosperous Christchurch initiatives

### **Essential Infrastructure**

#### **What we'll keep doing**

- Ensure high quality utilities (water supply, sewerage, and waste and storm water management) meet the reasonable service demands of residents at efficient prices.
- Develop a network of roads, cycle ways, footways and passenger transport to provide both for personal mobility and the needs of commerce and industry
- Provide well located short term public car parking
- Ensure provision of quality convention and entertainment facilities

**What we'll do differently**

- Develop comprehensive performance management systems for Council and Council businesses
- Work with business community to ensure privately owned infrastructure is operated effectively
- Achieve competitive and affordable access to broadband infrastructure in the City.
- Promote efficient transportation systems for people and industry; including easy walking and cycling; and reducing dependence on fossil fuels
- Review allocation of transport fund to promote more sustainable modes

**Economic inclusion****What we'll keep doing**

- Advocate or provision of social and income support that is adequate to meet residents needs and allow them to participate in the life of the community
- Provide support to those suffering hardship through the Mayors Welfare Fund
- Advocate for provision of social and income support that is adequate to meet residents needs and allow them to participate in the life of the community
- Provide funding to some groups working to address impact of exclusion

**What we'll do differently**

- Monitor and review Council pricing structure to ensure our services remain affordable for all
- Work in partnership with government agencies and business to create employment initiatives
- Review our community capacity building and community development services and funding

**A City of Inclusive and Diverse Communities**

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people participate in community life, have a sense of belonging and identity and have opportunities to contribute to city well-being</li> <li>• Our city encourages a diversity of lifestyles, a sense of social connection, place and identity</li> <li>• Our economy provides opportunities for all people to participate in wealth creation, develop a sense of belonging and make a contribution</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ensure Vibrant Voluntary Sector</b></li> <li>• <b>Strengthen Communities and Neighbourhoods</b></li> <li>• <b>Maintain and Build Sense of Identity and Place</b></li> <li>• <b>Reduce Social Inequalities</b></li> </ul>

**Measuring Our Progress**

**Indicators and their associated measures and targets have been attached to our City Outcomes, including**

Sense of community	Sense of pride in Christchurch
Perceptions of community spirit	Number of hours of unpaid work outside the home
Ethnicity breakdowns for Christchurch	Percentage of people engaged in unpaid work
Perceptions regarding growing diversity	Contact with people in neighbourhood
Peoples social networks and groups	Satisfaction with quality of the built environment
Sense of loneliness or isolation	Number of heritage buildings, sites and objects
Satisfaction with the way city looks and feels	

## **How will Council Contribute to the Outcomes**

### **Vibrant Voluntary Sector**

#### **What we'll keep doing**

- Provide funding and support for some voluntary sector agencies
- Support and enhance collaboration between agencies
- Provide grant rate remissions for some agencies
- Manage a database of community information about local clubs, organisations and courses.
- Recognise and celebrate the contribution of volunteers

#### **What we'll do differently**

- Evaluate the effectiveness of grant funding and ensure good accountability process are in place
- Work with other funders to ensure collaborative funding and reduce compliance costs
- Review community database to ensure it facilitates greater access, collaboration and referral

### **Strong Communities and Neighbourhoods**

#### **What we'll keep doing**

- Provide funding and support for community initiatives, festivals and community organisations
- Support communities to plan, organise and carry out initiatives that reflect their needs and aspirations
- Facilitate collaboration between public, private and community agencies to address key areas of social need
- Undertake or commission community research to provide specific information on needs, priorities, and the community skills, abilities and capacities
- Manage, support and promote community facilities as a means of providing opportunities for residents to participate in community life and have a sense of belonging and identity
- Provide community information and learning opportunities and facilities

#### **What we'll do differently**

- Promote urban design and developments that facilitates community cohesiveness, for example urban village concept
- Promote and develop skills of neighbourhood leaders and groups
- Review our community research processes to ensure they are focused and well defined

### **Sense of Identity and Place**

#### **What we'll keep doing**

- Value and promote cultural heritage of all people
- Ensure the city retains its heritage buildings, objects, sites and other taonga as a key components in maintaining our sense of place and belonging
- Protect significant natural features of the physical, open spaces and landscape elements, native habitat and ecosystems including restoring biodiversity in some areas while retaining distinctive exotic plantings in others
- Celebrate and promote the strong sense of identity and community of Christchurch residents

**What we'll do differently**

- Ensure development and implementation of city wide planting strategy
- Identify and promote community focal points such as facilities, icon building, objects and sites
- Review our services and funding to ensure they are accessible to people from all cultures
- Expand community revitalisation initiatives to stimulate increased private sector investment in urban regeneration, facade and streetscape improvements, neighbourhood beautification and biodiversity restoration projects.
- Improve the accessibility of the city's special natural and built places for the enjoyment of citizens.

**Inequalities****What we'll keep doing**

- Support community initiatives aimed at reducing inequalities
- Provide a balanced mix of universal and targeted services.
- Supporting refugee and new migrant services
- Provide affordable quality housing
- Promote effective cross-sectoral and cross-agency collaboration to respond to the complex needs of society

**What we'll do differently**

- Review Council's community development role
- Ensure employment initiatives are integrated with social development initiatives
- Investigate ways to support community based literacy and numeracy services

**A Healthy and Active City**

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people live long and healthy lives</li> <li>• Our city provides the natural and built environments that enable people to enjoy long and healthy lives</li> <li>• Our economy is based on practices that promote and improve health</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase Healthy lifestyles</b></li> <li>• <b>Ensure we have Healthy Homes</b></li> <li>• <b>Improve Environmental Health</b></li> <li>• <b>Reduce Health Inequalities</b></li> <li>• <b>Improve Mental Well-being</b></li> <li>• <b>Ensure Effective Health Services</b></li> </ul>

## Measuring Our Progress

Indicators and their associated measures and targets have been attached to our city's Health Outcomes, including

Mortality rate	Recreational water quality
Life expectancy at birth	Drinking water quality guidelines
Infant mortality	Perceptions of air quality
Rate of low birth weight babies	Perceptions of noise
Number of exceedences of air quality guidelines for PM <sub>10</sub>	Self rated Emotional health and well being
Self reported health status	Self rated stress levels
Barriers to participation in leisure activities	Rate of suicides
Frequency of physical activity	Rate of hospitalisations for attempted suicide
Self reported Healthy lifestyles	Access to GPs
Rate of Type 2 Diabetes	Barriers to accessing primary care
Rate of obesity	Trust and confidence in public health system
Access to sports grounds, stadiums and swimming pools	

## How will Council Contribute to the Outcomes

### Lifestyles

#### What we'll keep doing

- Provide and promote leisure activities and community recreation programmes
- Provide of public health information, for example through Libraries
- Provide recreation and sport facilities - swimming pools, leisure centres, sports fields, walkways, parks, waterways and wetlands
- Advise, assist and facilitate to enable other groups to provide recreation and sports activities.
- Advocate to central government, SPARC etc on recreation and sports needs

#### What we'll do differently

- Undertake a review of citywide recreational infrastructure, programmes and services to ensure alignment to current and future community needs
- Promote physical activity and active transport modes through urban design including walkways, cycle ways, parks, transportation infrastructure, street design, promotion, events and education etc.

### Healthy Homes

#### What we'll keep doing

- Develop strategies and services that ensure affordable, secure and safe housing for those on low incomes.

#### What we'll do differently

- Advocate for energy efficient housing
- Advocate to central government on fuel poverty issues
- Better integrate housing, recreation and community services
- Advocate for sustainable housing which is energy efficient, soundly constructed from sustainable resources and contain no toxins.



## **Environmental Health**

### **What we'll keep doing**

- Work with other TLAs to maintain water quality in streams and rivers
- Continue to develop and provide waste disposal and minimization projects
- Manage land use to minimise adverse impacts on water and air quality and the impact of noise§ Ensure clean water through the safe collection, treatment and disposal of water and a clean environment.
- Work with others to dispose of hazardous waste.
- Provide specialist health and environmental health information
- Implement policies requiring the provision of land, or contributions, for parks and open space for new development
- Administer environmental health statutes, including food licensing, dangerous goods, offensive trades and hazardous substances
- Develop transport system and infrastructure to assist minimisation of transport emissions

### **What we'll do differently**

Work with ECAN on reasonable, sensible air quality guidelines

## **Reduce Health Inequalities**

### **What we'll keep doing**

- Advocate for accessible and appropriate services for people from lower socio-economic groups
- Identify and support community-driven initiatives that reduce health inequalities
- Support policies and initiatives promoting access to high-quality education and training.
- Support policies that reduce income inequalities and ensure an adequate income for all.

## **Improve Mental and Emotional Well-being**

### **What we'll keep doing**

- Advocate for improved responsiveness of mental health services
- Continue to provide support for community initiatives aimed at enhancing social connectedness
- Provide housing for people with mental health problems
- Advocate for and support initiatives aimed at tackling drug and alcohol misuse

## **Ensure Effective Health Services**

### **What we'll keep doing**

- Advocate for and facilitate community and health services users' involvement at all levels of service provision and decision making
- That the Council continue to support the Healthy Christchurch initiative, as way to collaborating on addressing the wider determinants of health

### **What we'll do differently**

- Advocate for quality health and disability services.
- Advocate for a balance between prevention and treatment services
- Rationalise and focus partnership work to ensure effective use of limited resources.
- Ensure the Council and other agencies focus on results.

## A Safe City

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>Our people are free from crime, violence, abuse, and injury</li> <li>Our city's urban form and infrastructure maximises safety and security for all people from crime, injury and hazards.</li> <li>Our economy invests in mitigating against threats to safety and security</li> </ul>	<ul style="list-style-type: none"> <li><b>Improve Road Safety</b></li> <li><b>Reduce Crime</b></li> <li><b>Ensure Safe Neighbourhoods and Children, Young People and Families</b></li> </ul>

### Measuring Our Progress

Indicators and their associated measures and targets have been attached to our City's Safety Outcomes, including

Perceptions of safety	Contaminated sites
Hospitalisations for unintentional injuries	Road injuries and fatalities
Hospitalisations for intentional injuries	Cycle and pedestrian fatalities
Crime levels	Youth offending levels
Perceptions of child safety	Child abuse and neglect levels
Perceptions of issues affecting perceptions of safety	

### How will Council Contribute to the Outcomes

#### Safe Roads

##### What we'll keep doing

- Promote road safety through monitoring traffic, parking and crash patterns, related research, physical and operational changes to roads and traffic signal and education programmes
- Promote cycle safety especially through school training programmes
- Implement procedures for traffic calming in local residential streets
- Enforce City Plan traffic and natural hazard requirements
- Administer the Road Safety Coordinating Committee
- Maintain and implement Safer Roads Strategy

#### Reduce Crime

##### What we'll keep doing

- Promote partnerships between key agencies involved with drug and alcohol misuse
- Enhance safety through urban design

##### What we'll do differently

- Advocate to government on early intervention
- Identify crime hotspots
- Work in partnership with other agencies to develop and implement Community Safety Strategy

## Safe Neighbourhoods and Families

### What we'll keep doing

- Support for neighbourhood and community initiatives, including neighbourhood support and Neighbourhood Week
- Monitor and enforce public safety policies and bylaws
- Mitigate, where possible, adverse effects of both natural and technological hazards on people, property and environment
- Enforce legislation, such as Fencing of Swimming Pools Act and Building Act requirements
- Provide neighbourhood gathering places
- Avoid or mitigate, where possible, adverse effects of both natural and technological hazards on people, property and environment
- Support implementation of Family Violence Prevention Strategies
- Support youth intervention initiatives

### What we'll do differently

- Implement and monitor the Council Safe Parks policy
- Ensure that issues of community safety and crime prevention are adequately considered in land use, development and redevelopment activities and other private and public projects
- Work in partnership with other agencies to develop and implement Community Safety Strategy

## A Cultural & Fun City

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people value leisure time and recognise that arts and leisure pursuits contribute to identity, connectedness and well-being</li> <li>• Our city's infrastructure, facilities, open space and natural environments support a diverse range of arts and leisure activities</li> <li>• Our economy is strengthened by the arts and leisure sectors</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase Participation in the Arts and Cultural Activities</b></li> <li>• <b>Encourage Sense of Identity through Arts and Leisure Activities</b></li> <li>• <b>Develop Arts and Cultural Infrastructure</b></li> </ul>

### What we will do differently

- Identify gaps in current provision of opportunities for arts participation

## Arts, Leisure and Identity

### What we will keep doing

- Ensure arts and cultural festivals and events reflect cultural diversity and heritage
- Encourage active and creative street life
- Develop initiatives that ensure Christchurch is recognized as NZ's leading cultural centre
- Support and encourage the recognition, maintenance and development of nga toi Maori and te reo Maori
- Support events and arts activity that celebrate the diversity and meaning of Christchurch communities, cultures and lifestyles
- Encourage arts and cultural activities that express and celebrate our relationship with our environment.

## Arts and Cultural Infrastructure

### What we will keep doing

- Encourage the development of both new and established arts organisations that support and train artists and art workers at all levels of their development.
- Continue to fund the arts and arts organizations (where appropriate) focusing support on those with the greatest ability and potential to deliver the Council's arts goals.
- Provide information and opportunities, in conjunction with others, for artists and arts groups to strengthen administrative, marketing, technology and management skills.
- Facilitate and promote the provision of a range of venues, facilities and events that support a flourishing arts sector.
- Resource the Art Gallery, Museum, marae and libraries to maintain, display, preserve and provide information on the City's arts heritage and develop contemporary arts

### What we'll do differently

- Work with universities and other tertiary institutions to establish Christchurch as the incubator for local and international creative industries
- Ensure affordable space is available within the city through Creative Industries Precincts

## A Liveable City

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people have appropriate housing and live in attractive and well designed neighbourhoods and city</li> <li>• Our city provides a choice of housing, easy mobility and access to open spaces and a range of utilities that allow people to enjoy an acceptable quality of life</li> <li>• Our economy invests in and benefits from enhancing the liveability of our city</li> </ul>	<ul style="list-style-type: none"> <li>• <b><u>Ensure Appropriate and Affordable Housing</u></b></li> <li>• <b><u>Develop Liveable Neighbourhoods</u></b></li> <li>• <b><u>Ensure Effective Transport System</u></b></li> </ul>

### Measuring Our Progress

Indicators and their associated measures and targets have been attached to our Liveable City Outcomes, including

Socio-economic deprivation	Expenditure on domestic energy
Proportion of children under 16 years living in low income households	Hectares of public open space
Median dwelling sales prices	Access to public open space
Home Mortgage Affordability	Accessibility of key local services
Median weekly rents	Bus patronage
Household expenditure spent on housing costs	Number of cars
Satisfaction with their city as a place to live in regard to the availability of housing	Total length of roads
Household crowding	Total kilometres of cycle ways
Dwelling type	Modes of transport to work and education
Number of people living in temporary private dwellings	Traffic congestion
Percentage of Council owned and Housing New Zealand houses	

## **How will Council Contribute to the Outcomes**

### **Appropriate and Affordable Housing**

#### **What we'll keep doing**

- Support housing regeneration initiatives
- Provide safe, accessible and affordable housing to people on low incomes including elderly persons and people with disabilities
- Work with government, non-government agencies and the community sector to ensure there is a diversity of housing tenures and types
- Ensure that tenant support is facilitated, in order to assist City Housing tenants to live independently, and achieve a good quality of life.

#### **What we'll do differently**

- Gain and picture of current and future housing needs
- Explore the possibility of rent to own housing
- Encourage public and private sector medium and high-density residential development in the central city and other areas throughout the City
- In collaboration with other relevant agencies, sponsor/develop appropriate housing which is energy efficient and built of sustainable materials
- Promote adoption of sustainable design principles for all local construction

### **Liveable Neighbourhoods**

#### **What we'll keep doing**

- Identify ways to implement Council/private partnerships in urban design
- Work with local communities on urban renewal and neighbourhood development
- Ensure high quality utilities (water supply, sewerage, and waste and stormwater management) meet the reasonable service demands of residents at efficient prices
- Ensure a balanced system of open lands, natural areas, recreation spaces, and parks through good urban planning

#### **What we'll do differently**

- Gain greater understanding of how different groups of the community use and perceive public space and environments

### **Transport System**

#### **What we'll keep doing**

- Provide high quality and effective transport system and network
- Explore and promote more alternatives to car travel
- Maintain and implement a current Asset Management Plan for transport infrastructure
- Promote safe road use
- 

#### **What we'll do differently**

- Extend cycleways throughout the city
- Work with ECAN to improve access to and use of bus services

## A Well Governed City

Outcomes	Challenges And Opportunities
<ul style="list-style-type: none"> <li>• Our people participate in decision making and enjoy the rights and responsibilities of living in a democracy</li> <li>• Our city's infrastructure and environment is managed effectively, is responsive to changing needs and has a focus on long term sustainability</li> <li>• Our economy thrives on strong, proactive and ethical leadership</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Develop Leadership</b></li> <li>• <b>Improve Consultation and Participation</b></li> <li>• <b>Encourage Civic Responsibility</b></li> <li>• <b>Strengthen Treaty Relationship</b></li> <li>• <b><u>Improve Stewardship</u></b></li> <li>• <b><u>Build Collaborative Agencies</u></b></li> <li>• <b>Develop Triple Bottom Line Reporting</b></li> </ul>

### Measuring Our Progress

Indicators and their associated measures and targets have been attached to our City's Leadership and Governance Outcomes, including

Community involvement in Council decision making	Representation on local decision making bodies
Confidence in Council decisions	Census response rates
Levels of satisfaction with the way the Council involves the public in the decisions	Voter turnout at Local and General elections
Trust in government	Relationships with Maori
Trust in other people	Christchurch City Council Standards and Poors rating
Awareness of the city's community outcomes	Number of Cross sector agency relationships
Agreement with community outcomes	

### How will Council Contribute to the Outcomes

#### Leadership

##### What we'll keep doing

- Conduct activities with the highest standards of ethics and integrity
- Take responsibility for decisions, performance and achievements of agreed outcomes
- 

##### What we'll do differently

- Ensure professional development of leaders/governors in all fields
- Set goals and targets and monitor and evaluate progress
- Refine decisions making processes and develop greater clarity between governance and management
- Review and improve LTCCP development process
- Encourage and promote a common understanding of the essential conditions for a sustainable society
- Use a strong sustainability model to guide the reporting of economic, social and environmental performance

## **Consultation and Participation**

### **What we'll keep doing**

- Create mechanisms for citizen's participation in decision-making and policy development
- Support the formation of local Residents' Groups
- Seek and use feedback from customers to improve service delivery

### **What we'll do differently**

- Further develop communication methods
- Encourage better consultation
- Make available on line all relevant Council services by 2006
- Develop e-consultation capacity

## **Treaty Relationship**

### **What we'll do differently**

- Develop mutually acceptable consultation procedures with the Maori.
- Consider the aspirations of Maori in all the planning and delivery of all Council activities
- Identify alternative ways to increase iwi/Maori participation in decision making processes at a governance and management level.

## **Stewardship**

### **What we'll keep doing**

- Establish clear objectives for each of our activities and policies;
- Measures our performance regularly against stated objectives;
- Use Council resources in a responsible, efficient and cost effective way
- Manage operational and infrastructure assets to optimise their value and usefulness over the long-term
- Maintain asset and investment base and ensure appropriate levels of income match commitments

### **What we'll do differently**

- Use existing facilities and resources more efficiently; including making better use of existing facilities
- Develop facilities that are sustainable and flexible in their use over the longer term

## **Collaborative Agencies**

### **What we'll keep doing**

- Promote inter-sectoral coordination and integration of service planning and delivery
- Develop cross-sector networks at local, regional and national level which will deliver positive outcomes for the people of Christchurch.

### **What we'll do differently**

- Investigate the establishment share services arrangements
- Improve collaboration in areas of planning, policy development and evaluation

## **Triple Bottom Line Reporting**

### **What we'll keep doing**

Report on Triple Bottom Line impact in our annual report

### **What we'll do differently**

Identify appropriate indicators and data sources for international benchmarking and evaluation of progress, including evaluation/ benchmarking performance  
Report on our progress towards sustainability in our annual report, using strong sustainability criteria to identify present position and to develop goals and objectives.



## STATEMENT OF ACCOUNTING POLICIES

### Reporting Entity

The Christchurch City Council is a territorial authority under the Local Government Act 2002.

### Measurement Base

The measurement base adopted is that of historical cost as modified by the revaluation of certain assets.

### Accounting policies

The following accounting policies which materially affect the measurement of financial performance and the financial position have been applied.

#### *A. Associates and Joint Ventures*

##### **Associate Organisations**

Associate organisations are accounted for by the Equity method, which records the Council's share of profits and losses for the period in the Statement of Financial Performance, and shows the amount of equity held in Investments in the Statement of Financial Position. An associate organisation is one in which the Council has an equity interest of between 20% and 50% and the capacity to significantly influence the policies of that organisation.

##### **Joint Ventures**

Joint Ventures are incorporated into the parent's financial statements using the proportionate method.

#### *B. Operational and Fixed Assets*

- (a) The following operational assets were valued as at 30 June 1991 by Harcourts Valuations Ltd.  
     Chattels  
     Mobile Plant (including vehicles)  
     Plant  
     Valuations above were based on depreciated replacement value. This is deemed to be cost.
- (b) Land and Buildings were valued by Simes Ltd at 30 June 2002 to fair value by reference to their highest and best use.
- (c) Library Books are shown at a valuation by Harcourts Valuations Ltd at 30 June 1992. The valuation was based on the lower of the net current replacement cost, and the recoverable amount. This is deemed to be cost.

Operational Assets are valued as follows:

All plant, chattels and library books

Land and buildings

At initial valuation and cost for subsequent purchases.

Revalued every three years by external valuers

Assets purchased since valuation, have been recorded at cost.

### ***C. Infrastructural Assets***

Stormwater Infrastructural Assets have been valued using the optimised depreciated replacement cost method at 30 June 2002, by Meritec Limited. Sewerage Infrastructural Assets have been valued using the optimised depreciated replacement cost at 30 June 2003 by GHD Limited. Roothing and Water Reticulation Infrastructural Assets (including Traffic Signals & Bus Shelters) have been valued using the optimised depreciated replacement cost method at 30 June 2001 by Meritec Limited. Land under roads was valued at 30 June 1992, by Quotable Value NZ at the value used for rating purposes. This is deemed to be cost. Additions to Infrastructural Assets since valuation are recorded at cost. This includes vested assets that are recorded at the cost to the subdivider.

### ***D. Assets under Construction***

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion, and then depreciated.

### ***E. Restricted Assets***

These assets are:

Land and Buildings with restrictions on sale - eg Parks and Reserves

Library Books - New Zealand Collection

Properties held in trust for other organisations

These assets have been valued on the same basis as Operational Assets with vested Reserve Land additions recorded at the cost to the subdivider.

Heritage Assets

These assets have been valued at optimised depreciated reproduction cost as at 30 June 2003 by Plant & Machinery Valuers Limited or at cost to the Council if they were recorded prior to this date.

Works of Art:

Works of Art have been valued at market value by the Senior Curator of the Robert McDougall Art Gallery as at 30 June 2003 with this revaluation peer reviewed by Marshall Seiffert, an experienced valuer of New Zealand artworks.

### ***F. Investment and Development Property***

The Council has no properties purchased or acquired for the primary purpose of earning capital gains or rental income.

### ***G. Depreciation***

Depreciation provided in respect of Operational and Infrastructural Assets is intended to write off the cost of assets over their estimated useful lives. The straight line method is used. The main bases are the following periods:

#### **Operational assets**

Buildings	15-100 yrs
Office and Computer Equipment	4-5 yrs
Mobile Plant including Vehicles	2-30 yrs
Sealed Surfaces (other than roads)	30-100 yrs
Leasehold Land Improvements	10-100 yrs
Library Books	3-10 yrs

**Infrastructural Assets**

Pavement Sub-base	Not depreciated
Basecourse	50-90 yrs
Surface	-2-63 yrs
Streetlights & Signs	25 yrs
Kerb, Channel, Sumps & Berms	80 yrs
Bridges	70-150 yrs
Bus Shelters & Furniture	20-40 yrs
Water Supply	55-130 yrs
Water Meters	20-25 yrs
Stormwater	30-120 yrs
Waterways	15-120 yrs
Sewer	50-130 yrs
Treatment Plant	10-50 yrs
Pump Stations	10-80 yrs

**Restricted Assets** are not depreciated except for Historic Buildings, Artworks and Heritage Assets that are depreciated at 1%, 0.1% and 0.1% on a straight line basis respectively.

***H. Landfill After Care Costs***

As operator of the Burwood Landfill, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill site after closure. To provide for the estimated cost of aftercare, a charge is made each year to spread the costs over the life of the landfill.

The estimated cost is calculated based on estimates of:

- (i) Total current cost  
This is defined as the amount that would be paid if all equipment, facilities and services included in the estimate were acquired during the current period.  
The estimate has been based on costs of closure of similar landfills by other local authorities.
- (ii) Total capacity  
The estimated length of time needed for post-closure care is 30 years.

The Council also has a legal obligation to provide ongoing maintenance and monitoring services for the closed landfill sites of the former amalgamating authorities. The estimated future costs to perform this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for closure and post-closure treatment.

***I. Revenue Recognition***

Rates revenue is recognised when levied. Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year end, are accrued on an average basis.

Transfund roading subsidies are recognised as revenue upon entitlement, that is, when the conditions related to eligible expenditure have been fulfilled. Other grants and bequests and assets vested in the Council, are recognised as revenue when control over the assets is obtained. Dividends are only recognised as income, net of imputation credits, when the dividends have been declared and have or are almost certain to receive the necessary shareholder approval.

#### ***J. Goods and Services Tax***

The financial statements have been prepared exclusive of GST with the exception of receivables and payables that have been shown inclusive of GST. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

#### ***K. Research and Development Costs***

Research and development costs are expensed in the period incurred. Development costs are deferred where it is probable that future benefits will exceed those costs. Deferred development costs are amortised over future periods in relation to expected future revenue.

#### ***L. Income Tax***

The income tax expense charged to the Statement of Financial Performance includes both the current year's expense and the income tax effects of timing differences applied on a comprehensive basis and calculated using the liability method.

A debit balance in the deferred tax account, arising from timing differences or income tax benefits from income tax losses, are only recognised when there is virtual certainty of realisation.

#### ***M. Inventories***

Inventories are valued at the lower of cost and net realisable value. Cost is determined by FIFO or weighted average methods. Some inventories are subject to restriction of title.

#### ***N. Leases***

- (i) Finance Leases  
These leases effectively transfer all the risks and benefits of ownership to the lessee. Finance Leases are included in liabilities at their current value. Assets purchased under such leases are included in fixed assets and depreciated at usual rates.
- (ii) Operating Leases  
Under these leases, the lessor effectively retains all the risks and benefits of ownership. These lease payments are charged as expenses in the periods in which they are incurred.

#### ***O. Employment Entitlements***

Provision is made in respect of the Council's liability for retiring gratuity allowances, and annual and long service leave. The liabilities for leave have been calculated on an actual entitlement basis at current rates of pay. The retiring gratuity liability has been assessed on an actuarial basis.

***P. Investments***

Shares in subsidiaries, apart from Christchurch City Holdings Ltd (CCHL), associates and shares in Local Government Insurance Corporation Limited, are valued at share of equity off the latest Statement of Financial Position. Shares in CCHL were revalued at 30 June 2003, based on a market valuation undertaken by KPMG of three of its subsidiaries. All other investments are stated at lower of cost and net realisable value.

***Q. Financial Instruments***

Christchurch City Council is party to financial instrument arrangements as part of its everyday operations. These financial instruments include Banking Funds, Bank Deposits, Short Term Investments, Accounts Receivable, Sinking Fund Investments, Accounts Payable and Term Debt.

Revenues and Expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position, with the exception of Guarantees and Contingent Assets and Liabilities, which are disclosed by way of note to the Financial Statements. Any income or expenditure arising from the exercising of a guarantee, or upon a contingency becoming an actual asset or liability, will be recognised in the Statement of Financial Performance at the time of confirmation. The following methods and assumptions were used to value each class of financial instrument:

- (a) Accounts Receivable and Long Term receivables are recorded at estimated realisable value.
- (b) Short Term Investments are valued at fair value.
- (c) Investments in Government and Local Authority Stock are valued at cost with premiums paid or discounts taken on acquisition amortised over the life of the investment. Income is recognised on a yield to maturity basis.
- (d) Loans to various sporting and cultural organisations are recorded at fair value.
- (e) All on the financial instruments, including Cash and Bank balances, Accounts Payable and Term Debt are valued at fair value.

***R. Debt Servicing Costs***

Debt Servicing Costs are apportioned on the basis on the book value of the Operational and Infrastructural Assets employed at 1 July 2004.

***S. Cost Allocations***

The costs of all internal service type activities are allocated or charged directly to external service type activities.

External service activities refer to activities which provide a service direct to the public.

Internal service type activities provide support for the external service activities. Where the user of a service can be identified, for example with City Solutions, the cost recovery is made by way of direct charge.

Where this has not been possible, the costs are allocated by way of corporate overhead.

The basis of the corporate overhead allocation is reviewed each year and every attempt is made to relate the allocation made with the service utilised. Internal service costs which are allocated out as corporate overhead include corporate services and financial services.

### ***T. Donated Goods and Services***

The Council receives the benefits of many services provided by volunteers. These services are greatly valued. They are, however, difficult to measure in monetary terms. From an accounting point of view these services are not considered material in relation to the Council's total expenditure.

Vested Land is included at current value and Infrastructural Assets are included at the cost to the subdivider.

### ***U. Third Party Transfer Payment Agencies***

The Council collects monies for many organisations including Environment Canterbury, Building Industry Authority and others. Where collections are processed through the Council's books, any monies held are shown as Accounts Payable in the Statement of Financial Position.

### ***V Financial Reporting Standard No. 29 (FRS-29) Disclosures***

In accordance with the Institute of Chartered Accountants of New Zealand Financial Reporting Standard 29, the following information is provided in respect of the Long Term Financial Strategy:

- (i) **Cautionary Note**  
The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.
- (ii) **Nature of Prospective Information**  
The financial information has been prepared on the basis of best estimate assumptions as to future events which the Council expects to take place. The financial information presented consists of both forecasts and projections. The financials for 2004/05 are forecasts which reflect the most probable outcome. The financials for 2005/06 and subsequent years are projections. They are based upon varying assumptions about the conditions that might exist and possible courses of action.
- (iii) **Assumptions**  
The principal assumptions underlying the forecasts and projections are noted in the Significant Forecasting Assumptions Section of this Plan. These assumptions were valid as at 18 March 2004, the date this draft Long Term Council Community Plan was adopted.
- (iv) **Extent to which Prospective Information Incorporates Actual Results**  
Although the period covered by the Long Term Council Community Plan contains no actual operating results, some financial information has however been extrapolated from the Council's audited Financial Statements as at 30 June 2003.
- (v) **Purpose for which the Prospective Information is prepared**  
The Long Term Council Community Plan is prepared in accordance with the Local Government Act 2002. The purpose of this legislation is to provide for democratic and effective local government that recognises the diversity of New Zealand communities and promotes the accountability of local authorities to their communities.

### ***W. Changes in Accounting Policies***

**There are no changes in Accounting Policies. These have been applied on a basis consistent with those used in previous years.**

**RATES SETTING****Rates Impact of 2004/2005 Rates Requirement through the Revenue Policy**

2003/04 comparisons increased by \$4.75M (GST Inc) for growth in rate base

	<b>Budget 2003/2004</b>	<b>Budget 2003/04 (adj. For growth)</b>	<b>Proposed 2004/2005</b>
GST Inclusive			
Uniform Annual Charge	\$105	\$105	\$105
Targeted Water Supply Fire Connection Rate	\$100	\$100	\$100
Business	43,482,513	44,592,079	46,626,014
Residential/Base	125,861,399	129,501,833	133,942,923
Rural	2,743,793	2,743,793	2,632,006
Non-rateable	2,166,860	2,166,860	2,292,236
<b>Total Rates</b>	<b>174,254,565</b>	<b>179,004,565</b>	<b>185,493,180</b>

**Sector Percentage**

Business	24.95%	24.91%	25.14%
Residential/Base	72.23%	72.35%	72.21%
Rural	1.57%	1.53%	1.42%
Non-rateable	1.24%	1.21%	1.24%
	100.00%	100.00%	100.00%

**Sector Percentage Change**

Business	Proposed 2004/05 compared to 2003/04 Actual adjusted for growth	4.56%
Residential/Base		3.43%
Rural		-4.07%
Non-rateable		5.79%
Total Rates Increase		3.62%

**Total Rates by Type**

General rate on Cap Val.	Business	112,531,594	64.58%	0.0057370	0.0059214	120,009,766	64.70%	3.21%
	Residential			0.0035609	0.0036843			3.47%
	Rural			0.0026358	0.0027632			4.83%
Uniform Annual General Charge		15,648,885	8.98%	\$105	\$105	15,853,950	8.55%	0.00%
<b>Total General Rate</b>		128,180,479	73.56%			135,863,716	73.24%	
Water Targeted Rate	Res / all	12,075,979	6.93%	0.00042564	0.00048479	14,353,952	7.74%	13.90%
Targeted Water Supply Fire Connection Rate		111,700	0.06%			70,300	0.04%	
Land Drainage Targeted Rate	All	11,035,327	6.33%	0.00039949	0.00042782	12,182,573	6.57%	7.09%
Sewer Targeted rate	Res / all	22,851,080	13.11%	0.00078738	0.00077008	23,022,638	12.41%	-2.20%
<b>Total Targeted Rate</b>		46,074,086	26.44%			49,629,463	26.76%	
<b>Total Rates</b>		174,254,565	100.00%			185,493,180	100.00%	

**Impact of Rates on Residential Properties:**

Capital Value	No of Ratepayers	Actual 2003/04 \$105	Proposed 2004/05 \$105	Change %
Uniform Annual General Charge				
<b>Residential &amp; Base - fully serviced</b>				
50,000	808	364	373	2.66%
60,000	793	415	427	2.80%
70,000	2,109	467	481	2.90%
80,000	3,504	519	534	2.98%
90,000	5,691	571	588	3.05%
100,000	8,196	622	642	3.11%
110,000	8,839	674	695	3.16%
120,000	10,229	726	749	3.20%
130,000	10,619	778	803	3.24%
140,000	11,227	829	856	3.27%
140,000	2001 Median	829	856	3.27%
150,000	9,243	881	910	3.30%
160,000	6,800	933	964	3.32%
164,170	2001 Average	954	986	3.33%
180,000	10,587	1,036	1,071	3.36%
200,000	7,190	1,140	1,178	3.40%
220,000	5,594	1,243	1,286	3.43%
240,000	4,768	1,347	1,393	3.45%
260,000	3,461	1,450	1,500	3.47%
280,000	2,584	1,554	1,608	3.49%
300,000	1,988	1,657	1,715	3.50%
400,000	4,809	2,174	2,252	3.56%
450,000	919	2,433	2,520	3.58%
500,000	630	2,692	2,788	3.60%
550,000	299	2,950	3,057	3.61%
1,000,000	769	5,278	5,472	3.67%
Over 1,000,000	184			
Total	121,840			



Capital Value	No of Ratepayers	Actual 2003/04 \$105	Proposed 2004/05 \$105	Change %
Uniform Annual General Charge				
<b>Commercial - Fully serviced</b>				
60,000	2,565	544	561	3.11%
100,000	957	837	865	3.37%
140,000	944	1,130	1,170	3.49%
160,000	477	1,277	1,322	3.54%
200,000	951	1,569	1,626	3.59%
300,000	1,444	2,302	2,386	3.68%
400,000	930	3,034	3,147	3.72%
500,000	607	3,766	3,907	3.75%
1,000,000	1,219	7,427	7,709	3.80%
Over 1,000,000	994			
20,000,000		146,544	152,186	3.85%
Total	11,088			
<b>Rural - Not paying Water, Sewerage, or Land Drainage Rate.</b>				
50,000	40	237	243	2.69%
100,000	34	369	381	3.46%
150,000	60	500	519	3.82%
200,000	116	632	658	4.03%
300,000	367	896	934	4.27%
400,000	453	1,159	1,210	4.40%
500,000	292	1,423	1,487	4.48%
1,000,000	322	2,741	2,868	4.65%
Over 1,000,000	70			
Total	1,754			

**CONTRA AGREEMENTS (1)**

<b>Unit</b>	<b>Company Name</b>	<b>Provision</b>	<b>Value (12 Months)</b>	<b>Details</b>	<b>Expiry Date</b>
<b>City Water &amp; Waste</b>	Telecom (Connectel) Orion (Connetics) Telstra/Saturn Frank Millar Ltd	Service Facility Maps	\$5,000 (approx)	Free exchange of maps detailing underground lateral and reticulation services	By agreement. No fixed contract term.
<b>City Streets</b>	Adshel NZ Ltd	Adshel Bus Shelters	\$100,000	Full advertising rights (with CCC conditions as to content)	2023
<b>Public Affairs - Marketing</b>	AB Equipment	SummerTimes	\$2,000	Provide free forklift hire x 2	
	The Copthorne Hotel	Association with SummerTimes festival Mention in brochure Banner at events	\$5,000	Provision of accommodation	
	TVNZ – TV2	Naming Rights for KidsFest festival	\$10,000 \$10,000	Cash, plus Television air time	
	Court Florist	Association with SummerTimes festival Mention in brochure	\$250	Provisional flowers for Classical Sparks	

<b>Unit</b>	<b>Company Name</b>	<b>Provision</b>	<b>Value (12 Months)</b>	<b>Details</b>	<b>Expiry Date</b>
	More FM	Logo in brochures/newspaper/ posters	\$116,000	Radio advertising	
	Croxley Ltd	Association with a KidsFest event	\$1,500	Crayola drawing products and prizes	
	Frucor Ltd	Association with a KidsFest event	\$1,500	TBC	
	Goodman Fielder	SummerTimes	\$800	Bluebird Chips	
	Mainland/Meadowfresh	SummerTimes	\$2,500	Nature's Energy Milk	
	Red Badge Security	SummerTimes	\$10,000	Contra/discount and communications	
	Lip Dip	SummerTimes	\$2,000	Free Product	
	Mr Sergios	Classical Sparks	\$900	Free Suit Hire	
	Sonya Smith	Classical Sparks	\$300	Free Dress Hire	
	Love in a Basket	Classical Sparks	\$250	Gift Baskets	
	The Press	SummerTimes	\$15,000	Advertising Space	
	Rick Armstrong Motors	Vehicles	\$4,000		

(1) The term 'contra' is used to cover any agreements for supply of services or goods to the Council in exchange for services or goods such as advertising, signage, etc.

**THE CAPITAL ENDOWMENT FUND**

	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Estimated Total Available Income From Fund after management expenses</b>	2,582,847	2,638,132	2,694,542
<b>Less not to be allocated until later years (25%)</b>		(659,533)	(673,631)
	-----	-----	-----
<b>Total available for allocation this year</b>	<b>2,582,847</b>	<b>1,978,599</b>	<b>2,020,893</b>
	=====	=====	=====
<b>Economic Development (60%)</b>	1,549,708	1,187,159	1,212,536
<b>Less already allocated:</b>			
Unspecified Economic Development – Canterbury Economic Development Fund	(1,449,708)	(1, 98,158)	(1,112,536)
CDC – New Economic Development Initiatives	(100,000)	(100,000)	(100,000)
	-----	-----	-----
<b>Balance available for Economic Development Projects</b>	<b>-</b>	<b>-</b>	<b>-</b>
	=====	=====	=====
<b>Civic and Community 40%</b>	1,033,139	791,440	808,357
<b>Less already allocated:</b>			
Unspecified Community Projects	(300,639)	(58,940)	(75,857)
Canterbury Museum Trust Board Building and Development Project Grant	(732,500)	(732,500)	(732,500)
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<b>Balance available for Civic and Community Projects</b>	<b>-</b>	<b>-</b>	<b>-</b>
	=====	=====	=====

(The policies relating to the Capital Endowment Fund are contained within the Investment Policy (see pages 139 of Vol 3 of the Long Term Council Community Plan.)