

7. **WATERWAYS AND WETLANDS NATURAL ASSET MANAGEMENT STRATEGY: VOLUME 2
IMPLEMENTATION OCTOBER 2000 - EXECUTIVE SUMMARY**

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Corporate Plan Output: Waterways and Wetlands	

INTRODUCTION

The purpose of this report is to provide an executive summary of a larger document of the same name presented to Committee members at a seminar on 6 October. Two documents make up the proposed asset management strategy:

Volume 1 is entitled 'Waterways and Wetlands Natural Asset Management Strategy 1999'. It outlines statutory obligations and relevant parts of Regional and City Plans, how the strategy approach was developed, an overall vision and specific visions and strategies for 14 individual project areas that cover Christchurch District.

Volume 2, entitled 'Waterways and Wetlands Natural Asset Management Strategy, Implementation 2000', explains that the strategy's context is not simply maintaining an asset to a pre-determined condition. It is essentially a means of satisfying a range of resource management objectives.

A copy of this document has been separately circulated to Councillors.

A process has now been completed that has determined the nature, present condition and desired future conditions of the waterways and wetlands of Christchurch. The strategy takes a creative, visionary approach to waterway and wetland long term management in a way that maximises potential benefits. It satisfies the Council's resource management and financial planning responsibilities.

It is an investment in sustainability with long-term environmental, social and economic benefits. Part of the investment needs to occur before subdivision and development and additional funding in the first ten years is necessary.

It is an alternative to a reactive utilitarian approach. This latter approach is a default option that occurs when advance planning is not done. It would have few benefits and would be a burden to future generations.

CONTEXT

The main issues surrounding management of the city's surface and ground water resources include:

- urban growth
- flooding
- birdlife
- water ecology and biodiversity
- objectives expressed in the City Plan relating to the wise management of the city's surface and ground water resources

STRATEGY OBJECTIVE

The broad strategy objective is the sustainable management of the natural and physical resources that make up Christchurch's system of waterways, wetlands and drainage.

In arriving at the strategies illustrated in Volume One the main requirements for inclusion were to satisfy:

1. the Council's resource management policies and objectives
2. the long-term financial planning and hence asset management requirements of the Local Government Amendment Act No 3, and
3. presenting the strategy in a form that can be understood and responded to by the community.

TYPES OF INVESTMENT AVAILABLE TO IMPLEMENT THE STRATEGY

The investments need to be made under a variety of circumstances including:

- Greenfields urban development
- Redevelopment to higher densities
- Large industrial and commercial developments

- Strategic river corridors
- Tributary waterways and wetlands
- Waterway restoration within public land and waterway restoration within private property

Each investment type is achieved by a combination of the two elements of integrated management and cost share by developers, private property owners, commercial and community interests and the Council. The greatest opportunity for securing space for a well-managed surface water system, lies in rural areas that are likely to be developed in the longer term. However, rural subdivision to minimum lot size is occurring continuously. Negotiations for land therefore need to occur before subdivision consents are granted.

CRITERIA AND PROCESS TO ESTABLISH INVESTMENT PRIORITIES

The projects identified in the strategy are subject to a process that has in-built investment criteria as follows:

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|--------------------|--|
| Strategic analysis | • The investment should be part of a vision of the future |
| Affordability | • The total cost of the strategy needs to be within total council expenditure parameters determined by loan and rate take limits, other asset management strategies and major projects |
| Acceptability | • The investment should be acceptable to private enterprise, local committees, key stakeholders and other units of the Council's organisation |
| Programming | • The investment has to withstand the scrutiny of 5 and 10-year capital expenditure programme reviews |
| Approval | • Approvals are required for items such as land purchase and consent applications |

PRIORITISING STRATEGY PROJECTS

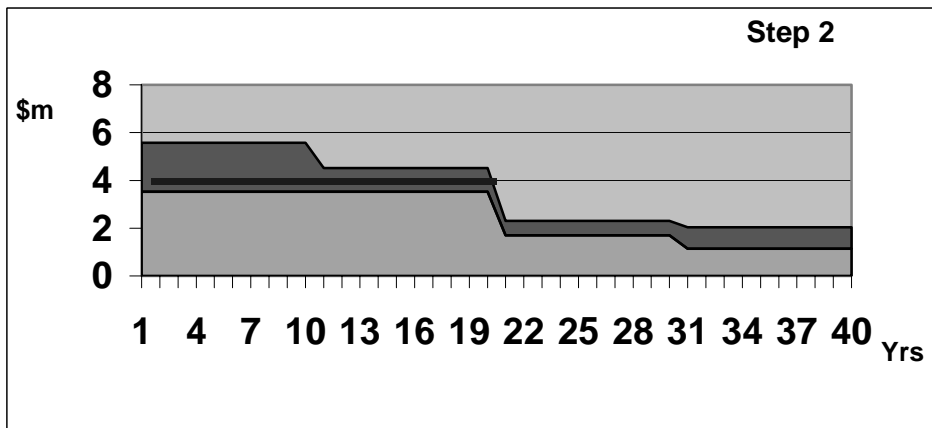
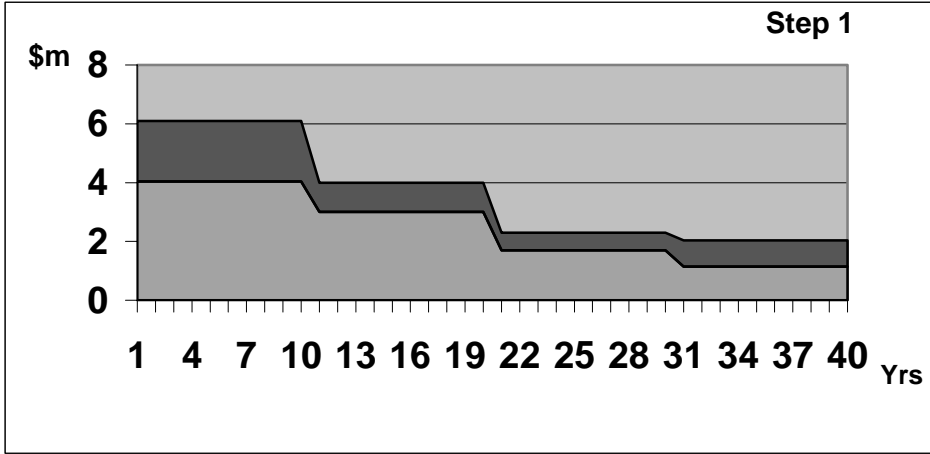
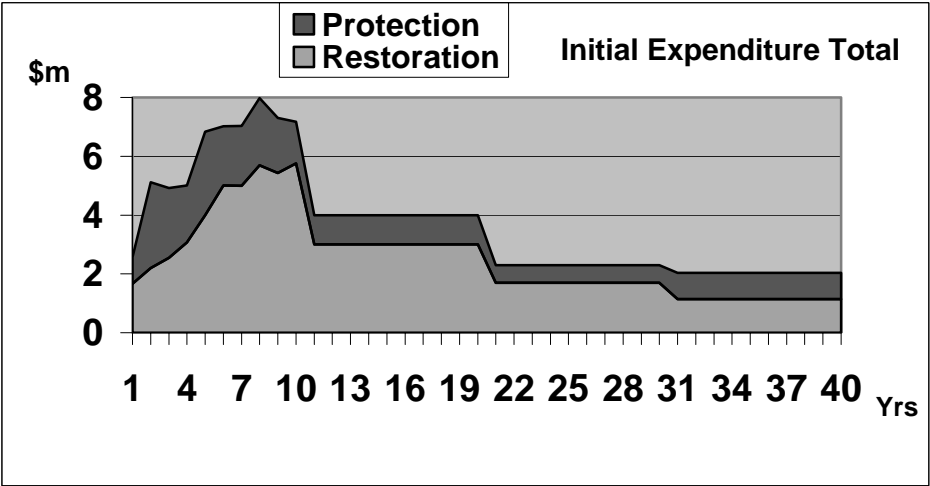
The strategy identifies a total of 300 projects spread within 14 project areas. The nature of the projects, their cost and timing have been determined by staff guided by many considerations. These considerations include the priorities and criteria discussed in the foregoing, together with feedback from committee and community board members. The total cost over 40 years has been reduced by approximately \$50M by this process.

In time, the strategy will be reviewed and refined. The project programme it contains can be regarded as a step between the vision and approved capital expenditure programming. In other words, the strategy is a starting point for budget preparation, not an end point. Future projects and reviews of projects currently listed will be subject to the same criteria. The above criteria can therefore be seen as a checklist for both Councillors and staff.

STRATEGY COSTS

To achieve an average annual expenditure as close as possible to the current budget allocation costs are smoothed (averaged over strategic time periods). Protection costs are not able to be smoothed to quite the same extent as restoration costs because the first ten years represent the need to satisfy long term urban growth and purchase of waterway corridors prior to rural subdivision particularly in the Halswell-Wigram growth area. This investment needs to take place while land is available and before land prices escalate to urban rates.

This 'investment in sustainability' represents an additional \$1.4M per annum for the first ten years but will result in lower annual costs in later years offsetting the early protection expenditure so that the total expenditure over 40 years is \$160M. This represents an average annual rate of expenditure of slightly less than the current budget allocation of \$4.2M per annum.



FUNDING SOURCES

The greatest proportion of the strategy cost can be funded from the waterways and wetlands capital expenditure budget. Cost share contributions can be expected from developers, other Council units and a Strategic Open Space fund if created.

The 'investment in sustainability' could be funded by a variety of sources including: Orion money, increase loan limit and deferment of some capital expenditure by other units as part of the budget review process. The restoration component over this period could be reduced by: private sector contributions, voluntary CO₂ reduction through tree planting (UK Example), Central government work schemes, spreading acquisition over a longer period by, e.g. City Plan designations, conditions of purchase or implementing a catchment wide mitigation contribution from developers.

CITY SUSTAINABILITY

By taking a value-based approach the Asset Management Strategy for Waterways and Wetlands is well placed to accommodate triple bottom line reporting and to move forward with the Council as a vehicle towards achieving a sustainable city. The cost and multiple benefits of the sustainable pipe replacement policy have been expressed in Waterways and Wetlands Council reports and publications since its inception in 1996. The strategy has to date involved substantial community input, as mentioned. Community consultation is planned to continue - a task made easier and more relevant to communities because of its project area approach.

CONCLUSION

A process has now been completed that has determined the nature, present condition and desired future conditions of the waterways and wetlands of Christchurch. The strategy takes a creative, visionary approach to waterway and wetland long-term management in a way that maximises potential benefits. It satisfies the Council's resource management and financial planning responsibilities.

It is an investment in sustainability with long-term environmental, social and economic benefits. Part of the investment needs to occur before subdivision and development and additional funding in the first ten years is necessary.

It is an alternative to a reactive utilitarian approach. This latter approach is a default option that occurs when advance planning is not done. It would have few benefits and would be a burden to future generations.

- Recommendation:**
1. That this report, together with the companion document entitled 'Waterways and Wetlands Natural Asset Management Strategy 1999', be adopted with the following conditions:
 - (a) That it be subject to review at three-yearly intervals.
 - (b) That a copy of the report be forwarded to the Annual Plan Working Party; the City Manager; Directors of Finance, Policy and Operations with the request that:
 - (i) The investment in sustainability and multiple values be noted.
 - (ii) Ways be found for providing the additional capital budget allocation of \$1.4M per year required in the first ten years.
 - (iii) The anticipated reduction in costs in the longer term be noted.
 - (c) That the Strategic Open Space component of the strategy be pursued separately.
 - (d) That the opportunity for a contribution per lot for catchment-wide mitigation be investigated.
 - (e) That public response to the suite of projects identified in the strategy for each area be sought consistent with "Seeking Community Views".
 - (f) That the projects identified do not necessarily represent a commitment by the Council to proceed with the project.
 2. That the Waterways and Wetlands Asset Management Strategy conform with the approved city-wide planting strategy.

[Councillor Corbett requested that his vote against recommendation against Recommendation 1(b)(ii) be recorded.]