

### 3. OMNIBUS REPORT

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#### PURPOSE OF REPORT

1. The contents of this report were presented to the Council at a seminar held on Thursday 22 February 2007 where the Council considered and discussed each of the items in this report. The staff recommendations contained below have arisen as a result of the consensus discussion at that seminar by the Councillors.

#### STAFF RECOMMENDATIONS

It is recommended that the Council adopt the report.

#### SUMMARY OF RECOMMENDATIONS

##### 1. Inflation:

It is recommended that Council accept the report on inflation.

##### 2. Parking

###### *On-Street Parking:*

It is recommended that Council note that:

1. Based on the information provided we have budgeted the following revenues for the 2007 / 2008 fiscal year:
  - Parking meter revenue of \$3,947,850 (\$300k up on the 05/06 budget) but \$1.9M (32%) less than the projected LTCCP budget)
  - Infringement fee revenue of \$2,501,680
  - Court recovery revenue of \$2,320,000
2. The parking meter revenue figures are conservative and will be reviewed as more information becomes available over the next few months.
3. There are opportunities to work to increase compliance through marketing and enforcement and these will be explored.

###### *Hospital Car Park Charges:*

It is recommended that Council note that, subject to consultation with the CDHB, from 1 July 2007 the charges in the Hospital Car Park will increase in line with other car parks and with Council policy.

##### 3. Streets and Roading Maintenance Contracts

It is recommended that Council:

- Continue with restrictions on contractor "discretionary" work.
- Request staff to review the KPIs in the LTCCP to determine if any levels of services are impacted for the draft Annual Plan and then a review of the Level of Service for contracts if changes are made.
- Request staff to report back on suitable action (including increased surveillance, enforcement and education) to reduce the volume of illegal roadside litter.
- Note that staff are conducting a contracting strategy review to address issues for the 2008/09 year.

### ***Kerb and Channel Programme***

It is recommended that Council continue with the current programme of kerb and channel renewals as included in the LTCCP, but endeavouring to bring forward kerb and channel projects that will provide the maximum subsidy level possible. In addition undertake an in depth review of the total renewals programme as part of the Asset Management Plan update to inform the next review of the LTCCP.

#### **4. Banks Peninsula Issues**

It is recommended that Council give direction on its preferred option(s):

##### ***Option 1 - Rates Increase***

Address the shortfall through increasing rates by approximately 0.7%.

##### ***Option 2 - Targeted Rate***

Introduce a special targeted rate in the original BPDC area; the impact of this is still to be calculated.

##### ***Option 3 – Substitution for Capex Needs***

Recent correspondence to the Mayor from the Lyttelton Port Company indicates they do not support a new roadway for heavy traffic to access the port container area. \$4.2M is budgeted between years 2007 and 2011 for this. Some of this budget could be substituted to cover extra Banks Peninsula CAPEX (\$905k). If this, or any other substitution, is the preferred direction, staff would need to prepare a comprehensive report covering all issues prior to final decisions being made.

#### **5. Cemetery Land Purchase**

It is recommended:

1. Should the negotiations produce a suitable block (or blocks) for the expansion of these Cemeteries, that they be purchased and the Capex programme increase by \$500k.
2. That staff investigate the potential disposal of the Wigram Road block, with the view to using any funds generated for purchasing further cemetery land, and offsetting any purchase under 1. above.

#### **6. Centre of Excellence**

It is recommended that Council allocate \$300,000 per year for five years (Centre of Excellence \$200k and Events \$100k).

#### **7. Capital Endowment Fund and Economic Development Investigations**

It is recommended that:

- The 25% funding restriction for commitment of funds be removed.
- \$250,000 per annum be set aside from the Economic Development Activity funding to cover Council costs relating to monitoring and investigation of Economic initiatives.

#### **8. Events and Visitor Strategies**

##### ***Events Strategy***

It is recommended:

That Council establish a Concert Fund of \$300,000 per annum to attract significant concert events to Christchurch as part of the Event Strategy.

### ***Visitor Strategy***

It is recommended:

- That Council approve funding of \$500,000 per annum for three years to support the domestic visitor campaign identified in the Proposed Visitor Strategy, provided that equal funding is matched by the Christchurch Visitor Industry sector.
- That the \$500,000 per annum funding be made up of \$200,000 per annum drawn from the Capital Endowment Interest Fund in recognition of the economic benefit to the city of a vibrant domestic visitor market, and \$300,000 per annum be drawn from rates.

### ***Proposed Australia Campaign***

It is recommended:

- That Council declines to provide any funding to support a campaign to attract Australian tourists to Christchurch.

### **9. UDS**

It is recommended:

- That a sum of \$200,000 be funded from the Economic Development Activity 2008 to undertake the UDS Strategic Economic Inputs Study.

### **10. Transwaste Dividend**

It is recommended that Council:

- Note the reduced dividend stream for the 2007/08 year and also projected lower dividend for 2008/09.
- Review the governance, monitoring and financial reporting arrangements with Transwaste Canterbury Ltd to enable better access to information.

### **11. CCHL Dividend**

It is recommended that, as a shareholder, Council needs to consider whether it should require more dividend income to minimise rate increases.

### **12. Development Contributions Programme and Capital Programme**

It is recommended that Council defers consideration and review of its remaining eight year capital programme until the 2009/19 LTCCP.

### **13. Bus Exchange**

It is recommended that Council considers the funding requirements of this project as part of its review of the whole LTCCP eight year capital programme.

### **14. Jade Stadium Upgrade**

It is recommended that Council note the report on the Jade Stadium Upgrade will be before Council and that if approved by Council, will need to be included in the Annual Plan/Amended LTCCP.

## **15. Christchurch Cathedral**

Council notes:

- (a) that officers have received an application from Christchurch Cathedral seeking a grant of \$1.1m for the electrical project for the Cathedral.
- (b) The Emergency Capital Fund had previously been identified as a funding source, which if used will impact rates by 0.04%.

## **16. Depreciation**

Council notes that:

- (a) the revaluation of the streets and water assets is estimated to increase depreciation charges by \$4m more than budgeted.
- (b) as it is unclear whether or not the trend for revaluation will continue to exceed our budgeted provisions (which were based upon the BERL estimates), then Council will fully account for the increase but not rate for the increase for 2007/08.
- (c) if the trend continues above our forecasts in the 2008/09 year, or does not from a cumulative perspective approximate our budget provisions for 2007/08 and 2008/09, then Council will need to review its assumptions for this cost element, and it is likely that the 2008/09 rates will need to rise to accommodate the necessary catchup.

## **17. Adoption of Draft Annual Plan**

The recommendation is that Council move the scheduled date for consideration and adoption of the 2008/09 annual plan and amended LTCCP from 15 March to 22 March to enable staff to effect the above resolutions and the Council decisions pertaining to the Development Contributions Policy.