



Christchurch City Council Our Community Plan 2006-2016 – Christchurch O-Tautahi

Volume 1 of 2 Long Term Council Community Plan
For the Ten Year Period Beginning
1 July 2006

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Cautionary Note

The forecast financial statements in this plan were prepared on the basis of best estimates available at the time of preparing the accounts. Actual results are likely to vary from the information presented and the variations may be material.

The purpose of this plan is to inform the community on the spending priorities outlined within the plan, and may not be appropriate for any other purpose. This plan was adopted on 30 June 2006.

Comparative Information

The 2005/06 comparative information is based on the 2005/06 Annual Plan. The comparative numbers for the Balance Sheet have been adjusted to reflect Council's position at 30 June 2005 under New Zealand Equivalents to International Financial Reporting Standards.

Authorisation for Issue

This document was authorised by Council on, and is dated, 30 June 2006.



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Introduction from the Mayor



Our future city

A famous Maori leader, Sir Apirana Ngata, once said,

He aha te mea nui i te ao

Maku e ki atu

He tangata he tangata he tangata

What is the most important thing in the world?

I say to you

It is people, it is people, it is people

I am proud of this community plan.

I want to congratulate my fellow councillors, community board members and the great many people, groups and organisations who took time to think about where we are as a city, about where they want us to be in 10 years and give us such thoughtful feedback. I'd also like to thank the City Council staff members who have so diligently supported us throughout the process and ensured it ran smoothly and well.

To plan our future city while preserving the best of the present and past calls for many hands. I'm grateful so many of those hands are capable, constructive and caring.

With the inclusion of Banks Peninsula, Christchurch City now stretches from the Waimakari River at McLeans Island to the Akaroa Heads. It is a great place to call home, a great place to work or set up in business and it's a great place to relax, play and learn. We all want to keep it that way and this plan is the City Council's best estimate of how it can contribute to that vision.

The Council is making a commitment to ensure the standards of service are maintained, or in many cases improved, and to confront the big issues facing our quality of life such as traffic congestion, growth pressure and environmental issues.

Every issue has to be approached in a sustainable way. In fact, sustainable development has to become a reality for Christchurch. Like the rest of the global community we face rising energy costs that will inevitably lead to major changes in how we live. As this huge issue develops, with the massive economic and political impacts it will have, we need to strengthen our stance as a

Introduction from the Mayor



Peace City, so we can advocate for stability and peace.

We have listened to the wave of feedback which rejected an idea about moving away from small community libraries. As a result, we are going back to the drawing board on this one. There will be no closures. We have budgeted instead for funds to work on developing our urban villages so that we promote world-class urban planning right through the city. Personally, I think the “city of villages” idea makes better sense and perhaps the way forward is a stronger network of small libraries rather than a smaller number of big ones. That decision is for a later day and for the whole Council to discuss and decide.

We’ve put more money aside for roads and footpaths. We’ve also put funds aside for more cycleways. We’re providing for collecting our waste in a different way and have set up a working party to plan for this. The people said urban sprawl isn’t what they want and the Council has listened. We will be building some of the proposed swimming pools earlier than first planned.

We have continued with the funding for the regeneration of the Botanic Gardens so that when the 150th anniversary occurs in 2013, they will again be world class. We also made a decision which may free up more money each year for projects to further enhance our Garden City image. We have heard loud and clear that the Garden City identity is one you want us to take forward with renewed emphasis and we’ve put extra money aside for this as well.

Our plan includes substantial sums which will allow us to act quickly if land that is important to the city’s future livability comes on the market. As we grow, we need to pay attention to the need for local parks and other open spaces. We heard from many environmental groups, many of them with wonderful ideas, and we will be calling them together to try to agree some priorities and see how best we can all work together on these issues.

Another area that caused some unease but resulted in a good outcome was our proposal to ask the developers of the city to shoulder more of the cost that growth brings. When a new subdivision goes in, or a large section is redeveloped into an apartment complex, it adds to the load on basic infrastructure such as roads, wastewater treatment, water demand and so on. What the Council is saying is that more of that extra cost should be borne by the people who are buying those new sections or flats. From the feedback we got it seems that the model we put up needs some adjustment. Most of those who made submissions on this agreed that some rebalancing is needed

and we will be working with developers over the next year on that.

Achieving the kind of future that ensures our and our children’s prosperity cannot be the sole responsibility of local government, however. We read many submissions from people with interesting ideas about health, education and other areas which are traditionally the job of central government. We will make sure the right people hear these messages. We will be calling together the heads of government departments to talk about many issues you raised in submissions.

As Mayor, I will be spending more time publicly, and privately, making our voice heard in Wellington for a more generous slice of the funding cake.

The vision I’ve taken away from hearing you speak on our city is that Christchurch should stay a safe city, with more tree-lined streets, superb urban design and sustainable energy and waste management plans; a city that cherishes its heritage and enjoys its events and festivals; a city of diversity with an education system that gives our children an entry ticket to prosperity and attainment.

We also need to consolidate our thinking on our economic realities. Christchurch is the engine room for Canterbury and the South Island economy. It is a trading city that can, and does, link up well with the rest of the world. To keep it that way we must invest wisely and progressively, in our infrastructure so our businesses can easily link to the port, the airport and to what must become a first-class telecommunications network.

This long-term community plan sets out the road ahead for the City Council. Like all budgets, the financial information in this plan is bulging with facts and figures. Ultimately, still, it is as I said at the start, all about human activity, us, as we want to see ourselves develop.



Garry Moore

Mayor of Christchurch



A vision for our future Christchurch

This vision describes how the Christchurch City Council sees the long-term future of Christchurch and its community.

It provides an over-arching set of future themes which represent the Council's long-term focus and priorities in contributing towards achieving the Community Outcomes.

The themes of this vision are guided by the Community Outcomes, and are reflected in, and implemented through, the Council's Strategic Directions and Activities detailed in this Community Plan.

Together, these future themes provide a clear focus for the Council to work with the community and with its city partners towards a vital and sustainable future Christchurch.

Our future Christchurch is a **world-class**
boutique city, where people enjoy a
sustainable lifestyle, a healthy environment,
a **strong economic base** *and the*
diverse landscapes *of the*
city and peninsula.



Christchurch will be...

... a place where people enjoy living



We're making the most of our place in the world, while keeping our distinct local character. Our people enjoy diverse living environments, from thriving urban villages and a vibrant central city to the hills, harbours and open spaces of the peninsula. We're leaders in heritage protection and urban renewal, and at the forefront of innovative urban design that reinforces our sense of community.

... the most attractive city in New Zealand



Our Garden City reputation is second to none. Visitors and locals alike delight in our iconic parks and gardens, and the kaleidoscope of creative arts, festivals, events, sports and recreation that make the place hum. As the world's gateway to the South Island and Antarctica, we offer world-class accommodation choices and an array of attractions that provide unforgettable experiences for our visitors.

... a place of inclusive communities



People are the heart of our communities. We work alongside others to support health and wellbeing, and to ensure all citizens are safe and supported. We're proud to be a 'peace city' – committed to diversity, tolerance and social equity. People have opportunities to make positive contributions through paid and voluntary work, and enjoy access to healthy leisure and lifestyle choices.

... a global economic destination



Our city has found its niche in the global economy. We're expanding our traditional economic base, but also investing in global connections to support emerging technologies, and to attract investment in creative, knowledge-based industries. We offer world-class education and training to give our children future-proof skills, and we're attracting the world's sharpest thinkers and innovators.

... a thriving, healthy environment



Our distinctive environment and landscapes have been protected through sound, sustainable development. We've maintained the abundant recreational, social and economic opportunities across the city and peninsula for future generations, while safeguarding our natural resources – and we continue to enjoy clean water in our homes and waterways, and clean air in the city.



Introduction from the Chief Executive



Introduction from the Chief Executive

Plan reflects community's involvement

The Christchurch City Council's community plan for the next 10 years is the Council's response to what the community has told us it wants in terms of outcomes.

It is the result of the elected members and Council staff working with the community to produce a way forward that is sound, deliverable and a good fit with our vision and goals.

Many other agencies and bodies will contribute to these outcomes. It is important that the Council works alongside and in partnership with them and understands their plans and strategies too. The Council also supports and relies on the many voluntary and community groups which play a key role in creating healthy communities. We have worked closely with the former Banks Peninsula District Council and welcome its inclusion with the Christchurch City Council.

In this plan, our second, we include fewer performance measures, but they are more meaningful. They will better determine how our organisation is meeting the service levels that the Council has decided on to deliver the Community Outcomes.

Given the positive results already achieved it is important that we continue our direction, always reassessing and improving how we deliver the best service to our ratepayers by the most efficient and effective means possible

We have moved into a new era of scrutiny and accountability. Our community plan is the Council's core response to operating under the current legislation. The thrust of the Local Government Act 2002 is to create greater certainty around long term infrastructure planning.

Everyone in the Council, both staff and councillors, now understands the reality of meeting this legislation. This Act has fundamentally shifted the role of local government in New Zealand and changed the way we operate.

We can no longer set the agenda for our community and dictate how we deliver it. The onus is now on us to consult with you, our community, and be far more responsive to your needs. Our residents' requirements, in addition to our regulatory role, then drive our plans, projects, services and budgets which are all reflected in the rates paid by the community.

The Council is delighted with the extremely high level of engagement from the community to produce this plan. The Council clearly put the issues to the public in its draft plan earlier this year. There was a sound process around consultation and elected members worked well together; listening to and balancing the public feedback to produce a consistent set of decisions for the final plan. In reading or listening to the submissions the passion and commitment that our residents have for their city was evident.

The Council is constantly being asked for more, such as enhanced facilities at the Botanic Gardens and improved roading infrastructure. All of these demands place considerable pressure on our budget. The situation is exacerbated further by unprecedented cost increases in certain key sectors of the economy.

We need to look after the overall needs of the community, which means that not every individual's wish list can be met. Part of this is about affordability, but Council must also take a city-wide view when it makes its decisions.

A key challenge is where we are going as a city – what is it we aspire to for Christchurch? What sort of city we see it becoming in the future? – 10, 20, 30 years on.

Will it be the sort of place our grandchildren will want to live in?

In making these decisions, we've looked at what we can afford to do today to shape the direction that future takes. We've valued your input and the onus is now on us to deliver this plan. We have talented and dedicated staff at the Council who are committed to serving the community through their elected members.



Dr. Lesley McTurk

Chief Executive



REPORT TO THE READERS OF CHRISTCHURCH CITY COUNCIL'S LONG-TERM COUNCIL COMMUNITY PLAN FOR THE TEN YEARS COMMENCING 1 JULY 2006

The Auditor-General is the auditor of Christchurch City Council (the City Council). The Auditor-General has appointed me, Devan Menon, using the staff and resources of Audit New Zealand, to report on the Long-Term Council Community Plan (LTCCP), on his behalf.

The purpose of an LTCCP, as set out in section 93(6) of the Local Government Act 2002 (the Act), is to:

- describe the activities of the local authority;
- describe the community outcomes of the local authority's district or region;
- provide integrated decision making and co-ordination of the resources of the local authority;
- provide a long term focus for the decisions and activities of the local authority;
- provide a basis for accountability of the local authority to the community; and
- provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the local authority.

Opinion

Overall Opinion

In our opinion the LTCCP of the City Council incorporating volumes 1 to 2 dated 30 June 2006 provides a reasonable basis for long term integrated decision-making by the City Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the City Council.

It is not our responsibility to express an opinion on the merits of any policy content within the LTCCP.

In forming our overall opinion, we considered our opinion on specific matters required by the Act, which is set out below.

Opinion on Specific Matters Required by the Act

The Auditor-General is required by section 94(1) of the Act to report on:

- the extent to which the LTCCP complies with the requirements of the Act;
- the quality of information and assumptions underlying the forecast information provided in the LTCCP; and
- the extent to which the forecast information and performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

In terms of our obligation to report on the matters outlined in section 94(1) of the Act, in our opinion:

- the City Council has complied with the requirements of the Act in all material respects demonstrating good practice for a Council of its size and scale within the context of its environment;
- the underlying information used to prepare the LTCCP provides a reasonable basis for the preparation of the forecast information;
- the assumptions set out within the LTCCP are based on best information currently available to the City Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information is presented in accordance with generally accepted accounting practice in New Zealand;
- the extent to which the forecast information and performance measures provide an appropriate framework for the meaningful assessment of the actual levels of service provision reflects good practice for a Council of its size and scale within the context of its environment.

Audit Opinion

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 30 June 2006, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the City Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000 (revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTCCP does not contain material misstatements, and provides a reasonable basis for long term integrated decision-making by the public and the City Council about the activities of the City Council, and for subsequent accountability to the community about the activities of the City Council.

Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTCCP, determining compliance with the requirements of the Act, and evaluating the overall adequacy of the presentation of information.

We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Council and the Auditor

The City Council is responsible for preparing an LTCCP under the Act, by applying the City Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The City Council's responsibilities arise from Section 93 of the Act.

We are responsible for expressing an independent opinion on the LTCCP and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

Independence

When reporting on the LTCCP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than this report and in conducting the annual audit, we have no relationship with or interests in the City Council.



Devan Menon
 Audit New Zealand
 On behalf of the Auditor-General
 Christchurch, New Zealand

How to use this document

This document is Christchurch City Council's Long-Term Council Community Plan (LTCCP). Under the new Local Government Act 2002, all local authorities are required to produce a community plan every three years in consultation with their community.

Our Community Plan gives a picture of all the things a council does (its activities and services) and how they fit together. This plan shows what the Council will be doing over the 10-year period of the plan, why the Council is going to do these things, and what the costs will be.

The LTCCP is the main way that the community can influence what their council does. The draft of this plan was available for public consultation from 28 March 2006 to 5 May 2006.



What's in this plan?

- **Our Community Today:** an overview of Christchurch as we know it today. This presents key facts about our people, our environment and our economy.
- **Christchurch's Community Outcomes:** these describe what sort of city we want to live in. Christchurch City Council must ensure that all its activities contribute towards achieving these Community Outcomes.
- **Strategic directions:** these set out Council's priorities when working towards Community Outcomes.
- **Changes from Draft to Final:** a summary of the public consultation process, and the changes to the draft plan which are incorporated in this final LTCCP.
- **Financial overview:** a snapshot of the Council's budget for the next 10 years. This summarises where the Council's income will come from and where it will spend money. The implications for rates, as a result of the Council's activities, are provided.
- **Capital works programme:** this details the projects on the Council's 10-year capital programme.
- **Council activities and services:** all of the work that the Council will do over the next 10 years is divided into 12 groups of activities, and for each of these groups, an activity plan describes the services and activities that will be provided. The group of activity plans also provide a description of how these activities contribute towards achieving the Community Outcomes, and the financial details of how much each activity will cost.

It is important that for all activities that the Council undertakes, there is a way to measure their success, and that the costs are included in the budgets. For ease of reading, we have abbreviated each of the nine Community Outcomes with an icon and a single word description. The following is the key to the icons and description which will appear in the groups of activities.

- As required by the Local Government Act 2002, this document includes an assessment of the Council's services, including water supply, public conveniences, waste-water collection and treatment, stormwater, cemeteries and crematoria, as well as our waste-management strategy.

How to use this document



It is important that for all activities that the Council undertakes, there is a way to measure their success, and that the costs are included in the budgets. For ease of reading, we have abbreviated each of the nine Community Outcomes with an icon and a single word description. The following is the key to the icons and description which will appear in the groups of activities.

They are as follows:



Safety
A Safe City



Health
A Healthy City



Community
A City of Inclusive and Diverse Communities



Recreation
A City for Recreation, Fun and Creativity



Environment
A City of People who Value and Protect the Natural Environment



Knowledge
A City of Lifelong Learning



Governance
A Well-Governed City



City Development
An Attractive and Well-Designed City



Prosperity
A Prosperous City

As required by the Local Government Act, this document includes an assessment of the Council's services, including water supply, public conveniences, waste-water collection and treatment, stormwater, cemeteries and crematoria, as well as our waste-management strategy.





We have listened



We have listened



We have listened

It was a privilege to receive feedback from residents on our draft 2006-16 Long-Term Council Community Plan. In the more than three weeks we spent listening to and deliberating on the excellent range of submissions, we considered all the issues raised.

When you read this document you will see that we have been able to incorporate much of what was raised into our final 2006-16 plan. For example, your feedback reinforced our decision to keep our suburban libraries open, and to continue the mobile library service.

While we made significant changes from the draft to the final plan, we could not meet everyone's wish list at this time.

However, some issues that are not in the plan are still on the agenda for further discussion and investigation. We regard these issues as important. Every matter raised by our residents has been documented, with some already referred back to portfolio or special working groups.

The Garden City

What came through very strongly in the submissions was the love Christchurch residents have for their parks and gardens. As a city we're rightfully proud of our Garden City and the Council has provided \$500,000 a year over the next three years to enhance this.

One of the major projects in the years ahead is the work that will be undertaken following the release of our Hagley Park-Botanic Gardens draft masterplan. This should be out for consultation later this year and, given the interest already, we're expecting a passionate response from residents to our consultation. We've allocated funds for a new visitors' centre and operational facilities. We want this to be ready in time for the 150th anniversary of the Botanic Gardens in 2013.

Many of the city's trees are aged and to ensure that Christchurch retains its environmental heritage, we have planned an extensive tree renewal programme over the next 10 years. A suggestion was to instigate a sponsorship programme for new trees and we're looking into this.

Water

As councillors we want to make a strong statement in this Community Plan about the value we place on our water resources. The high quality of water that Christchurch residents enjoy is non-negotiable. Some of the submissions raised the possibility of charging for this resource which is often taken for granted.

Water is such a valuable resource in Canterbury – and so much of this high-quality product is wasted. We want to look at the possibility of reusing water, such as grey water (from roads and gutters) and waste water. There is no need to use our superb drinking-quality water for the likes of irrigation and industrial cooling.

We're committed to enhancing our streams, rivers, Lake Forsyth, our unique estuary and other waterways. The Avon-Heathcote Estuary Ihtai Trust identified a number of excellent projects to restore and beautify the estuary, the environment of which will be enhanced greatly when treated waste water is moved to our Ocean Outfall discharge in 2009. The Council has a long-term commitment to the future management of the Styx River catchment through its Styx River Vision.

Sports and Recreation

The large response we received from sports organisations to the draft plan indicates the strong role the Council plays in providing facilities for and fostering sport and recreation.

We recognise the passion among some of our water and multisport enthusiasts for a new flat-water facility. However, funds have not been set aside in this plan for such a facility at Lake Isaac. Given its proximity to Christchurch International Airport, the location is not appropriate and we urge those wanting this sporting facility to investigate other possible sites.

The Council has delivered a plan for providing aquatic facilities over the next 30 years after consultation with the public. Given the interest in this consultation, it's appropriate to insert the summarised changes in the table below. The Aquatic Facilities Plan is available at Council offices, on the Council's website, or by post upon request by phoning 941 8999.



Changes planned for assets

Level of Service for Aquatic Facilities				
North-west	Major Actions	Major Actions/ Timing	Closures	Date
North-west	Complete the Jellie Park redevelopment	2005/6 to 2007/8	Sockburn Pool and Recreation Centre	2006
North	Negotiate a land deal and support Papanui partnership (with Papanui High School and Northlands Mall) for an aquatic facility and school gym at Papanui High.	2006/7 to 2008/9	Papanui Pool Belfast Pool Edgeware Pool	2006 2009 2006
South	Add a children's shallow pool to the existing Pioneer Facility	2008/9 to 2009/10		
West	Develop new facility in the Hornby or Halswell area	2015/16 to 2017/18		
East	Develop new area facility in Linwood or Woolston areas, or retention of aquagym	2017/18 to 2019/2020		

Note:

- The Templeton Pool will be reviewed in 2011
- Woolston Pool will continue to operate as a schools-only pool

Council will continue a review of all its sporting facilities which includes the possibility of relocating netball from Hagley Park, using the Hagley Netball Courts in summer for tennis (a growth sport in Canterbury), and upgrading Cowles Stadium for multiple sports use.

QEII is one facility that has benefited from a large Council investment in recent years. It was the official home of the 1974 Commonwealth Games, is an international standard sport and recreation facility and a hub for the local community.

Traffic and Public Transport

Traffic congestion is a problem in cities around the world and is already being experienced in Auckland. We're planning now to avoid similar problems in the future. Feedback from the public to the Greater Christchurch Urban Development Strategy is also shaping our thinking about the region's future development, which includes transport issues.

Rising fuel prices is another reason why the use of public transport is expected to increase. We're working with Environment Canterbury on the issues raised around the buses, including routes and dedicated bus lanes. We have set aside funding for a new bus exchange, given that the present exchange has reached capacity.

New projects associated with the Southern Motorway are not in this plan and details will be known for the 2009/19 plan.

Schools have given a clear signal that they favour 40 km/h speed restrictions outside their gates as a safety precaution. The Council wants to meet all needs and is seeking a report back from staff on cheaper options for setting up these safety zones.

Christchurch has many icons and one is the ChristChurch Cathedral. The Cathedral Foundation applied for funding and we are considering whether the application for a grant can be considered outside the long-term community plan process. The city makes great use of the cathedral, both as a building and as the centrepiece of the city's logo and image. We are also looking at a relationship with the cathedral that acknowledges this contribution to our civic life.

Banks Peninsula

One of the exciting aspects of this document is that for the first time Banks Peninsula is now part of the wider Christchurch City Council. Its inclusion brings a new perspective to our plan for the next 10 years. Christchurch City is now a good mix of urban and rural communities whose residents have the benefit of a stunning natural environment area.

We've given the green light to such projects as the Lyttelton Marina, the Akaroa Water Upgrade, Lyttelton Harbour Basin Effluent Disposal, the Lyttelton Inner Harbour Road and an alternative access road to the Lyttelton Port. We'll also be reviewing the state of the jetties on Banks Peninsula and have recognised the need for a new landing at the Akaroa Wharf.

We have listened



We have also reinstated the funding for the Akaroa Museum storage facility to the 2008/09 year – about half of the \$500,000 required is expected to come from external funding sources. The Council will also support the Lyttelton Harbour Basin Green Waste Programme to the tune of \$5000 a year for waste minimisation. And from a cultural perspective, we're looking to include the Akaroa French Festival and Banks Peninsula's Agricultural and Pastoral shows into our festivals strategy.

We have a wonderful community in Christchurch, in part due to the contribution of voluntary groups in the city whose supporters help so much in enabling us to achieve our Community Outcomes. Their efforts show we are a compassionate city, committed to our older people and our youth and families. We have strong and growing links with our migrant communities and welcome their contributions to the city's vibrancy and cultural diversity.

Consultation with Maori

The Council enjoys a strong working relationship with local Maori and continues to work at developing processes to provide for Maori to contribute to its decision-making processes. A review is being undertaken in consultation with Maori to ensure that the new arrangements will meet the best interests of all parties.

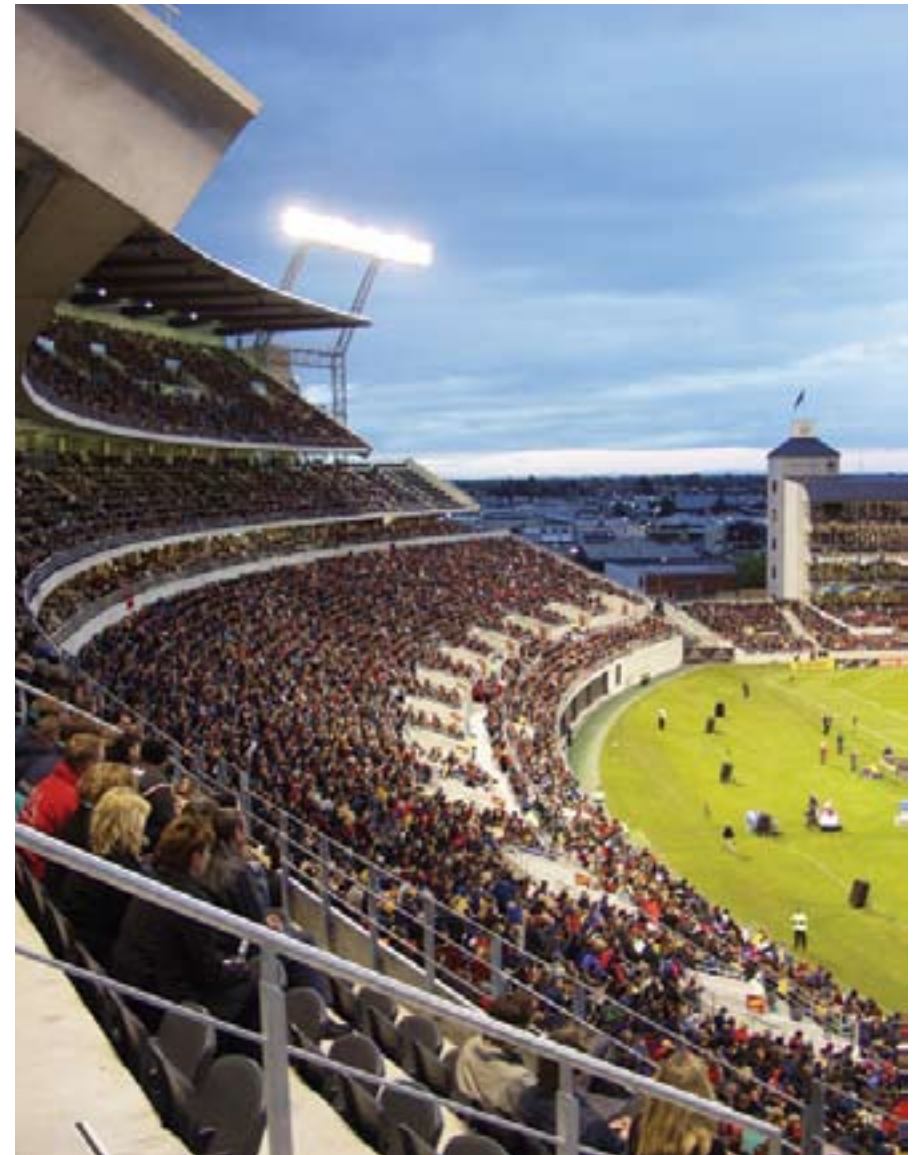
We want residents in all parts of the city to have access to our learning facilities and all councillors have recognised the merit of the proposed Aranui Learning Centre. We will support the Burwood Pegasus Community Board in its application to the Government for funding. While the proposed centre is not in our capital works programme, it will be included in the Libraries 2025 Plan.

Christchurch has some exciting things happening in the future, including the 2011 Rugby World Cup. We have started planning for this already.

The Council values the role you've all played in putting this plan together. We consulted with you and you told us clearly the sort of city you want. We are committed to ensuring that our city continues to be a great place to live, work and play.

The Christchurch City Council:

Garry Moore, Carole Evans, Helen Broughton, Sally Buck, Graham Condon, Barry Corbett, David Cox, Anna Crighton, Pat Harrow, Bob Parker, Bob Shearing, Gail Sheriff, Sue Wells and Norm Withers



Changes from draft to final



Changes from draft to final



Summary of public consultation

Public consultation on the draft of this LTCCP took place over a 5½ week period, from Tuesday 28 March to Friday 5 May 2006.

Two approaches were used to consult with the public:

1. City-wide discussions with regional or national bodies, large sector groups and interest groups with representation across the city (for example the Canterbury Employers Chamber of Commerce, Manufacturers Association, Sustainable Otago Christchurch, Council of Social Services, Kiwi Able Recreation Network, Ethnic Council). Seventeen meetings were either hosted by the Council or had staff attending a group's meeting.
2. Engagement at local level through Community Boards.
Each Community Board shaped local consultation in their ward to reflect the needs of their communities and special groups within them. Fifty one local meetings or information forums were held in wards across the city.

The approaches described above were supported by the following activities:

- News media advertising and interviews, and discussion (including in languages apart from English);
- Distribution of print materials containing submission forms (16,000 summary documents, 1,000 full draft documents), and flyers in 4 non-English languages;
- Distribution of digital information (1,000 CDs containing both the summary and full document, 50 CDs for the visually impaired);
- Availability of LTCCP documents on the internet, and an on-line submission form; and
- An exhibition, at Our City Otago, of 45 works of art by members of the community representing different areas of responsibility that the Council has for the city.

All submitters were given the opportunity to present their submission at a hearing in front of councillors.

The consultation resulted in around 1,900 submissions from members of the public, 400 of which were also presented at a hearing between 6 and 9 June.

Submissions were received on about 150 different issues. Many of the submissions referred to only one issue, while others cover a wide range of issues. The shortest submission was four words, the longest 138 pages.

All submissions received were considered by the Council and used to inform decisions made and changes that are incorporated into this final LTCCP.



Changes from draft to final

The final LTCCP - What changes were made?

Rates increases

The changes described in this section all have implications for future rates levels – some contribute to rates increases, while others contribute towards offsetting rates increases.

The overall rates increases included in this final LTCCP are shown in the table below, as well as the proposed rates increases that were included in the draft plan (figures include inflation).

	2006/07	2007/08	2008/09	2009/10	2010/11
Final LTCCP	8.20%	6.78%	8.77%	9.02%	8.20%
Draft LTCCP	8.55%	7.03%	10.75%	8.93%	5.21%

	2011/12	2012/13	2013/14	2014/15	2015/16
Final LTCCP	2.74%	2.46%	1.65%	0.46%	-0.51%
Draft LTCCP	3.03%	2.37%	1.64%	0.70%	-0.21%

Libraries

The Council decided against closing any existing community libraries and against ending the mobile library service. Further to this, there will be no closures made or new library buildings developed, until the libraries 2025 plan is completed.

Maintaining the current levels of service including community and mobile libraries adds \$530,000 per year back onto the Council's expenses (which would have been saved under the closure scenario).

Pools and aquatic leisure facilities

Provision for an indoor pool and sports hall in Papanui was confirmed. The Council also decided to:

- Continue to operate the Templeton pool. This will be reviewed in 2011 as part of the first five-year review of the Aquatic Facilities Plan. The cost of running this pool has been added back into the final LTCCP.
- Continue to operate the Belfast pool, until the Papanui pool is complete. The cost of running this pool for 2006/07 and 2007/08 has been added back into the final LTCCP.
- Continue to operate the Woolston pool as a schools-only pool.
- Close Edgeware pool (it has structural faults that cannot be repaired). This avoids spending at least \$360,000 and possibly as much as \$1.6m if it were to be replaced.
- Close Sockburn pool and Sockburn Recreation Centre, due to low attendance numbers, its operating costs and availability of alternatives. This will avoid \$203,000 unbudgeted capital spending and provide \$418,000 to offset operating costs on new facilities at Papanui and Jelly Park.

The overall impact on the 10-year budgets is increased spending of \$1.5 million over the draft LTCCP.

Changes from draft to final



Capital programme schedule changes

The proposed capital programme was reviewed, and a number of projects have been rescheduled to ensure proper planning and allow for resource consent issues. Approximately \$15 million worth of work on 2005/06 projects will remain work in progress at 30 June 2006, with completion in 2006/07. The overall impact is a re-allocation of \$34 million of expenditure from 2006/07 and 2007/08, into 2008/09 and 2009/2010. Please refer to page 26 for more detail.

The financial impact of these schedule changes (including depreciation and interest) is to lower the rate required in 2006/07, 2007/08 and 2008/09, by \$670,000, \$838,000 and \$1.5 million respectively. However from 2009/10, the impact will reverse.

Kerb and channel replacement capital programme

The kerb and channel programme has been adjusted as part of the overall capital programme changes. The current level of service is 21 kilometres per year. As a result of the Land Transport NZ funding criteria and our proposed programme of work being out of alignment, the Council has reviewed the first three years of the programme to meet commitments made to date. This has resulted in the following revised targets:

2006/07	15 km
2007/08	17 km
2008/09	19 km
2009/10	21 km
2010-16	23 km
Total	210 km over ten years

Budget implications are reflected in the capital reprogramming. See page 26.

Southern Motorway – associated projects

This year's central government budget announced increased funding allocated to roading. One of the results for Christchurch is that our Southern Motorway is now planned for 2009 (earlier than expected). Christchurch City Council has identified a number of projects that are associated with the motorway, however these projects have not yet been costed, or budgeted for. They will be included in the 2009/19 LTCCP.

Waste minimisation

Christchurch City Council has been charging waste minimisation levies since 2004. On 31 March 2006, the High Court ruled that councils in New Zealand could no longer impose waste minimisation levies. This means a loss of projected revenue to Christchurch City Council of \$2.8 million in year 1 and \$3.4 million annually thereafter. The Council had previously used this levy as a "waste minimisation fund" to pay for waste initiatives and activities.

Central government is discussing the concept of a national waste levy, from which councils can obtain funds, however, this idea needs further development before any possible income can be included in our LTCCP.

The financial impact is a loss of income to the Council of \$3.5 million per year, representing about 1.5% of rates.

Loan repayment period

The Council decided to extend its loan repayment period from 20 to 30 years. The 30-year term is in line with the Council's liability policy. This change has a significant financial and rates impact on the year it is introduced; thereafter it is only an incremental change. Repaying debt over a longer term will clearly impact on our debt position, however net debt is still well within our target ratios.

The financial impact is \$2 million in savings from deferred repayments in 2006/07, offsetting rates increases by 1%.

City Mall upgrade

The timing of expenditure on the City Mall upgrade has been changed to reflect likely planning and resource consent processes. The upgrade is still planned for completion in 2008/09, but the timing of spending will be more towards the year of completion.

The Council also determined that as the central city is a place for everyone to use and visit, it is more appropriate to fund an upgrade through general rates rather than a targeted rate. City Mall retailers will be strongly encouraged to buy into a collective marketing and hours of business policy.

Maintenance of Civic Offices building

The Council's Tuam Street offices are sub-standard and conditions are raising significant health and safety concerns. The Council has taken a minimalist approach towards spending money on the building since 2000, in anticipation of moving into new accommodation. However, it is now evident that the current building will be used for another four to five years, and that some funds must be spent to meet fundamental health and safety issues.

The Council will spend an additional \$200,000 per year on maintenance for 2007-2009 and \$2 million per year on capital in 2006/07 and 2007/08.

Tree renewal

The Council reduced the annual capital budget on this from \$1.5 million to \$1 million per year (ex inflation).

Botanic Gardens

Capital expenditure on the visitor centre and upgraded staff facilities was confirmed, and scheduled for completion in 2010.

The Council increased the operating budget by \$100,000 for 2006/07 and 2007/08, to address immediate maintenance issues to meet health and safety requirements.

Museum funding

\$833,000 of capital expenditure budgeted for 2006/07 was deferred to 2007/08.

Akaroa Museum storage funding

\$527,500 of capital expenditure budgeted for 20012/13 was brought forward to 2008/09.

Development Contribution Policy

The policy has been amended to reflect a transitional implementation process for 2006/07. This will effectively see development contributions revenues for 2006/07 at similar levels to the 2004 policy.

The development contribution revenues for 2006/07 will be approximately \$7.0 million less than in the draft LTCCP.

As a result of the capital reprogramming, the amounts and timing of the revenue received have changed in the final LTCCP. Over the 10 years, the forecast contributions have increased by \$11 million to \$241 million due to an increase in the growth component within several Greenspace projects.

Emergency capital fund

Christchurch City Council established an emergency fund many years ago, to set aside funds that would be available in case of an emergency / natural disaster. The fund balance currently sits above the Council's minimum level of \$5 million and is accumulating interest which has not been available for rates. The need for this fund will be reviewed, given the strong balance sheet and other funds (such as the Capital Endowment Fund) which could be drawn upon in an emergency. In the meantime, the Council has determined that interest earned from the fund should be made available to offset rates increases.

Interest earned from the fund will make an additional \$5.9 million available over the 10 year period, to offset rates increases.

Changes from draft to final



Transwaste dividend

Dividend revenue has been increased \$7.7 million over the 10 year period to reflect Transwaste's updated dividend forecasts.

Other changes to net operating expenditure

Various changes have been made to both operating expenditure and revenue to reflect better information which has become available since the draft LTCCP was compiled. Included within the changes are annual figures of \$0.4 million, previously classified as a capital cost, \$0.7 million which is the result of updated contract costs within City Water and Waste and Streets, \$0.5 million relating to changes in depreciation, \$0.3 million of additional landfill gate charges, and \$0.9 million which is the effect of a change in accounting method for City Solutions charges. These changes fluctuate but in total average \$3.4 million each year.

Community Services

Housing rental income have been reduced by \$0.3 million per year to reflect the Council's decision to increase housing rentals by a lower figure than that recommended by the staff. Because housing is separately self funded there is no impact on rates. Maintenance costs have also been reduced by \$0.9 million per year reflecting identified savings in reactive maintenance work.

Land Transport New Zealand funding

Capital revenues have reduced by \$29 million over the 10 year period as a result of changes to the timing of, and funding criteria for the capital programme.

Funding of the new Civic offices

Funding for the new offices will be provided by Christchurch City Holdings Limited to the Council and on lent to the Council controlled company, Tuam Limited, instead of flowing directly between CCHL and Tuam Limited.

As a result the Council's debt is increased by \$113 million with an offsetting increase in the value of its investments. This in turn has the effect of increasing the values of the financial ratios, although all still remain well within their limits. As a result of the change, interest revenue and interest expense have both increased by \$79.3 million over the 10 year period. There is no rates impact from this change.





Changes from draft to final

Capital Programme Adjustments

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Water Supply			
Replacement of Rail Tunnel Water Pipeline			
Draft LTCCP	-	-	906
<i>Final LTCCP (refer note 1)</i>	-	-	-
Rapaki Reservoir			
Draft LTCCP	264	-	-
<i>Final LTCCP</i>	53	219	-
Akaroa Water Upgrade			
Draft LTCCP	1,055	1,094	566
<i>Final LTCCP</i>	158	219	1,526
Heathcote New Well			
Draft LTCCP	47	514	-
<i>Final LTCCP</i>	-	49	532
Westmorland Reservoir			
Draft LTCCP	100	513	-
<i>Final LTCCP</i>	-	104	531
Wastewater			
Little River Wastewater Reticulation and Treatment Plant			
Draft LTCCP	127	2,805	-
<i>Final LTCCP</i>	127	132	1,131
Wainui - Wastewater Scheme			
Draft LTCCP	2,805	-	-
<i>Final LTCCP</i>	127	437	2,418
Lyttelton Harbour Basin effluent disposal			
Draft LTCCP	-	-	566
<i>Final LTCCP</i>	158	164	226

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Western Interceptor Pipeline Stage One			
Draft LTCCP	5,390	518	-
<i>Final LTCCP</i>	3,390	2,591	-
CWTP Trade Waste Receiving Tanks			
Draft LTCCP	450	985	-
<i>Final LTCCP</i>	50	1,399	-
CWTP Bio-Solids Thermal Drying Facility			
Draft LTCCP	400	10,365	12,434
<i>Final LTCCP</i>	400	6,219	16,722
Reticulation Portable Odour Control Unit			
Draft LTCCP	40	-	-
<i>Final LTCCP</i>	-	-	43
Worsleys Spur Sewage Scheme			
Draft LTCCP	675	-	-
<i>Final LTCCP</i>	500	181	-
Transport and City Streets			
City Mall Upgrade			
Draft LTCCP	3,000	7,256	-
<i>Final LTCCP</i>	500	3,628	6,431
Overall Programme (excl City Mall)			
Draft LTCCP	52,815	63,695	79,497
<i>Final LTCCP</i>	41,515	51,257	83,785

Changes from draft to final



	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Recreation Facilities			
Jellie Park Aqualand Development			
Draft LTCCP	2,710	8,428	-
<i>Final LTCCP</i>	<i>2,100</i>	<i>9,061</i>	<i>-</i>
New North-West Pool			
Draft LTCCP	1,500	4,146	3,216
<i>Final LTCCP</i>	<i>300</i>	<i>4,146</i>	<i>4,502</i>
Strategy and Planning			
Urban Regeneration			
Draft LTCCP	10,000	5,701	5,360
<i>Final LTCCP</i>	<i>-</i>	<i>-</i>	<i>5,360</i>
General			
Akaroa Museum			
Draft LTCCP			
<i>Final LTCCP (refer note 2)</i>	<i>-</i>	<i>-</i>	<i>566</i>
Social Housing			
Draft LTCCP	4,810	2,281	2,309
<i>Final LTCCP</i>	<i>7,245</i>	<i>1,863</i>	<i>1,876</i>
Banks Peninsula planning projects			
Draft LTCCP	158	-	-
<i>Final LTCCP (refer note 3)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Banks Peninsula property maintenance expenditure			
Draft LTCCP	272	254	192
<i>Final LTCCP (refer note 3)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Robert McDougall Art Gallery building			
Draft LTCCP	833	-	-
<i>Final LTCCP (refer note 4)</i>	<i>-</i>	<i>-</i>	<i>-</i>

Share Purchase - Tuam Limited

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Draft LTCCP	-	-	-
<i>Final LTCCP</i>	<i>2,000</i>	<i>2,000</i>	<i>-</i>

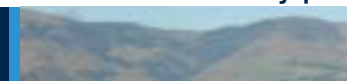
Notes:

- (1) This project has been reprogrammed to the 2009/2010 year
- (2) This project was planned for 2012/2013 in the draft LTCCP
- (3) This expenditure has been re-classified as operating since the draft LTCCP
- (4) Expenditure has been deferred for one year and is now planned in 2009/2010



Overview





Our Community Plan - Overview

Rates are the main source of funds for the Christchurch City Council to carry out its activities (other funds come from fees and charges, government subsidies, interest and dividends). These activities maintain the day-to-day operations of essential infrastructure and community services in the city, as well as planning and constructing the major capital projects needed to accommodate the continuing growth of the city.

As Christchurch continues to grow, the Council must plan to ensure that adequate infrastructure is provided to support the quality of life that residents expect.

Many of the major infrastructure costs incurred by the Council are for essential “business as usual” projects which ensure the city keeps up with basic needs – like maintaining and renewing our roads, parks, water and sewerage networks, or developing the infrastructure for new subdivisions.

Business as usual also means absorbing increasing responsibilities resulting from the city growing. For example, since 2001 our roading network has increased by 51 km (averaging about 14 km per year) and our areas of parks and open space are increasing by 80 hectares per year for regional parks, and eight hectares per year for urban parks.

Additionally, over time, the community has called for investments in new projects, such as improvements and enhancements to city assets, environmental improvements or the development of new community facilities such as libraries or leisure centres.

Early last year the independent magazine *Consumer* undertook a major survey involving about 8,000 readers, examining 48 councils around New Zealand, including the Christchurch City Council. The results showed that the Christchurch City Council scored above average in all five categories surveyed: household services, community services, community facilities and staff and public relations. Of all the country’s large cities, only Christchurch scored above average in every category. *Consumer* also made a rates comparison, based on comparing the same “basket” of services for each council. Christchurch rates were lower than those in all other major urban centres.

Rate levels for the next few years will be challenging. The average increases in rates for the next three years are projected to be:

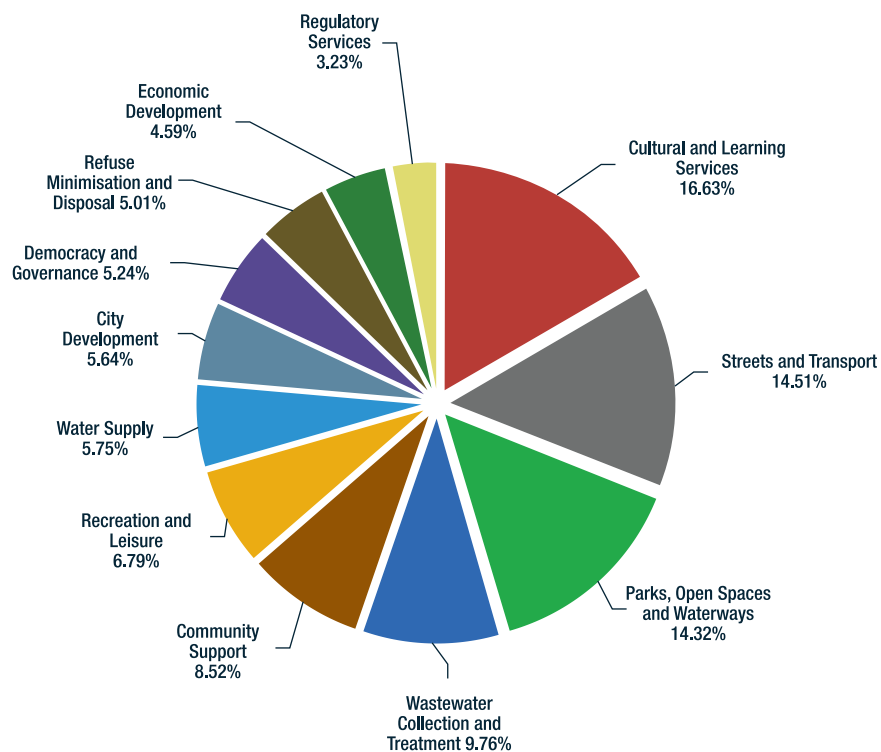
2006/07	2007/08	2008/09
8.20%	6.78%	8.77%

As with many other local authorities we are not able to maintain rates at the Consumer Price Index (CPI) without a significant drop in service levels. While 8.20% is the largest for many years for the “average” ratepayer, it represents an additional \$1.85 a week. The recently-announced Government Rate Rebate Scheme, which sees the maximum rebate increased from \$200 to \$500 and income thresholds also increased, will significantly assist many ratepayers. It is estimated that up to 30,000 Christchurch ratepayers could be eligible for this rebate.

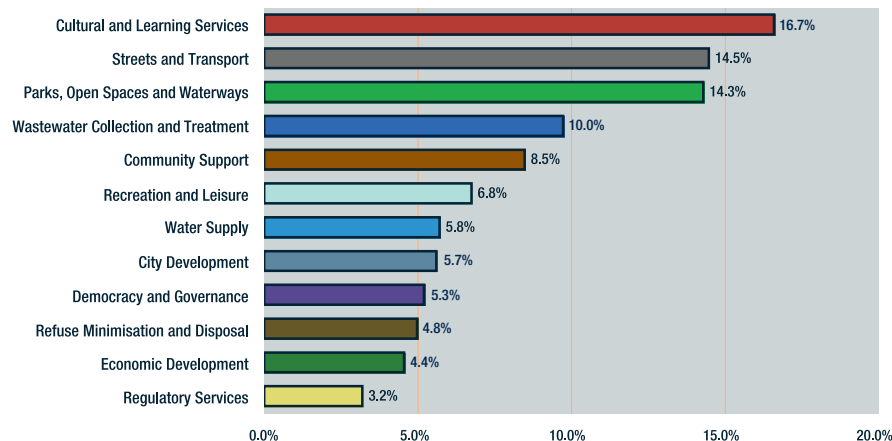
Overview

The following graphs show how the proposed rates revenue for 2006/07 will be allocated to fund the range of Council activities.

The Proposed 2006/07 Rates Contribution for each Group of Activities



Where Your Rate Dollars Go



How your rates will be spent 2006/07

	GROUP OF ACTIVITY	Net Cost (million)	Percentage	Rates per Dollar	Ave Resdn Rates/week
1	Cultural and Learning Services	\$38,802	15.4%	15.43c	\$3.47
2	Streets and Transport	\$42,310	16.8%	16.83c	\$3.79
3	Parks, Open Spaces and Waterways	\$36,572	14.5%	14.55c	\$3.28
4	Wastewater Collection and Treatment	\$26,034	10.4%	10.35c	\$2.34
5	Community Support	\$19,645	7.8%	7.81c	\$1.76
6	Recreation and Leisure	\$18,011	7.2%	7.16c	\$1.62
7	Water Supply	\$13,568	5.4%	5.40c	\$1.22
8	City Development	\$15,186	6.0%	6.04c	\$1.36
9	Democracy and Governance	\$9,814	3.9%	3.90c	\$0.88
10	Refuse Minimisation and Disposal	\$14,893	5.9%	5.92c	\$1.34
11	Economic Development	\$10,550	4.2%	4.20c	\$0.95
12	Regulatory Services	\$6,044	2.4%	2.40c	\$0.54
		\$251,430	100.00%	100.00c	\$22.55



Underpinning this LTCCP is a comprehensive set of activity management plans, which describe the levels of all services that ratepayers and residents of Christchurch receive from the Council. The activity management plans are summarised in the “Groups of Activities” section of this document beginning on page 91. All business-as-usual activities undertaken by the Council must be clearly stated, with targets for the next 10 years, and measures to assess our performance against those targets. Examples of activities include the provision of clean water, a sewerage system and the collection and transfer of solid waste to landfill. For each activity in the activity management plans, the Council must also provide detailed financial information for the next three years, and longer term financial forecasts for the following seven years.

Business as usual also includes retaining three service centres on Banks Peninsula – at Akaroa, Little River and Lyttelton – for a minimum of five years. They will provide the same over-the-counter services that were available from Banks Peninsula District Council at the time of amalgamation. For services apart from those delivered from service centres, the City Council has agreed to the levels of service being ring-fenced for five years from the date of reorganisation. In the interests of consistency and efficiency, the City Council’s intention is, over time, to align services with those it provides for city residents. The City Council appreciates that situations will arise where exact mirroring of existing city services may be impractical or inefficient and in such cases it intends to work with Peninsula communities to develop mutually acceptable and practical outcomes.

The levels of service described in our activity management plans determine the Council’s cost structure. There is currently tremendous pressure on costs, particularly in those areas of Council business that relate to the construction industry, or that require the consumption of non-renewable resources. These escalating costs are far beyond cost increases reflected in the Consumer Price Index (CPI) and affect about 40% of the Council’s operating expenditure. For example, street cleaning costs have increased by nearly \$2 million per year, which alone equates to a 1% increase in rates.

In this Community Plan, the Council is treating inflation in our financial forecasting differently from previous years. The standard allowance of 2% for capital inflation and less for operating expenditure, has clearly proven to be insufficient in recent years when compared to what has actually happened in the market place. For example, Council has experienced increases of up to 50% for water and sewerage pipes alone. The Local Government Act 2002 and generally

accepted accounting practice requires financial forecasts that reflect forecast price increases. Business and Economic Research Limited (BERL) has developed a range of inflation factors for New Zealand councils to use as guidelines/benchmarks, and Christchurch City Council is using the BERL figures (for a long-run trend in the average) to shape the decision on where to set the rate of inflation for our forecasts. The actual inflation figures used are set out on page 209.

Perhaps the biggest factor in any rates increase is the Council’s capital programme, which is the construction and development of major infrastructure projects. In developing Our Community Plan, the Council has reviewed and prioritised a range of community and infrastructure projects. The result totals \$1.9 billion worth of projects over the next 10 years (please see page 84 for more detail).

It is important to note that the impact on rates from these projects is *on top of* any other rates increases arising from normal pressures such as inflation, city growth and increased day-to-day operating costs. Because of this the Council has redefined how it views capital expenditure.

Our proposed capital programme include projects which focus on maintaining public assets at the agreed standard; they are reviewed by the Council each year. These are primarily renewal and replacement programmes, and are described in the “Groups of activities” section of this document. There are also capital projects which improve existing or create additional assets. Please see the “Capital works programme” on page 84.

The capital works programme supports our Community Outcomes. With the city continuing to grow, demand for our base capital programme likewise increases. The impact of this is that for any level of capital expenditure set by the Council, the amount available for any other capital projects is somewhat limited.

As part of formulating this LTCCP, the Council reviewed all activity management plans and the service levels provided, searching for areas where cost savings could be made and rates increases moderated. The proposed savings were consulted upon and as a result net operating costs have been reduced by \$13.9 million.

Overview

The Council has requested a review of a number of key strategies to determine where it can deliver more, or differently for the same cost, in the future. Some of the strategy areas for review include parks, open spaces and waterways, major festivals and events, community grants and water conservation.

It is important to signal in this LTCCP that other reviews may take place to consider how best to deliver housing, water and waste. Any proposals for change relating to how the Council will deliver these services will be presented to the public as an amendment to this LTCCP or in the 2009 to 2019 LTCCP to be prepared in three years.

While water and waste services are critical for all ratepayers, the capital requirement for them is \$499 million over the next 10 years. It is worthwhile investigating these services to identify if any improvements can be made. For example, other major cities have separated their water supply activity into a Council Controlled Trading Organisation - CCTO.



This LTCCP sees us make changes to four major policies:

Policy on Determining Significance

The guidance level for budget decisions for allocating expenditure has been increased from \$0.5 to \$1 million, to better reflect an operation of our size with a turnover in excess of \$380 million.

Development Contributions Policy

This has undergone a complete review. The changes are significant, and the Council's new policy is published as Volume 2 of this plan. The policy adopts the principle that "growth should fund growth". The Council believes that where growth is a contributing factor, developers must pay their share towards financing the capital costs incurred through this growth (for example new roads, water and sewerage infrastructure), rather than the general ratepayer meeting all the costs. However Council has determined that the 2006/07 year will operate with a transitional arrangement in place with regards to the level of development contributions charged. Please refer to Volume 2 for more detail.

Revenue and Financing Policy

The inclusion of Banks Peninsula into the city has seen us make a slight change to our rating policy relating to Maori land (where the Banks Peninsula District Council had numerous Maori land units, the city only had one).

The Council has also established that when determining its capital-expenditure financing, it will move away from its 20-year average capital expenditure approach. Fully rating for depreciation has been reinforced. The average approach worked well with a one-year focus, but is restrictive (and tended to underestimate the size of the capital programme) when used for the 10-year approach required under the Local Government Act 2002.



Liability Management Policy

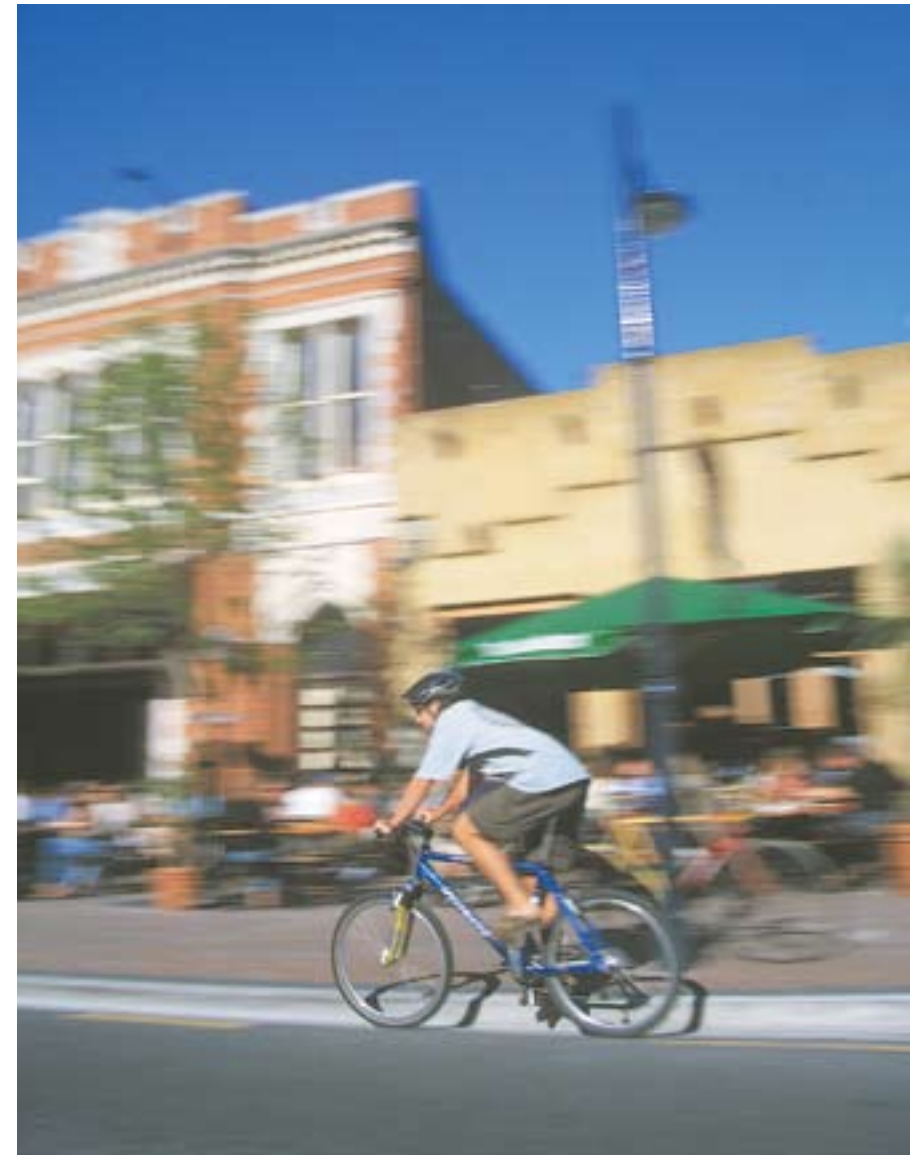
We have also reviewed our Liability Management Policy and determined that it is more prudent to have the ability to repay loans on assets that have a long life such as streets, water and sewer pipes, and leisure facilities, over a longer term of up to 30 years (previously 20 years). This spreads the cost of an asset over the several generations of people who will benefit from it.

Conclusion

The Council is confident that in putting this plan together staff and elected members have worked hard to find efficiencies and, where possible, offset the effects of increased costs. The elected members were encouraged by the feedback from ratepayers during the consultation period. While some suggestions have directly impacted this final version, many suggestions have been passed to staff to address and will shape the Council's thinking in the years ahead.

However, while we have been able to provide rate levels over the first three years of this plan below those in the draft, the factors mentioned already in this section, coupled with lower than average rate increase since the early 2000s, still culminated in a significant rate increase for 2006/07 and projections for increases for the next few years above those experienced in the past. Rates increases from 2010 to 2016 are forecast to return to more usual levels.

This LTCCP shows the Council adopting a very much back-to-basics approach to ensure that it can deliver the challenging capital programme that is proposed. Despite cost pressures, the Council will continue to provide an agreed level of service to the community. It is well placed to deliver an ambitious program for the future while remaining in a strong financial position.



How the Council works



How the Council works



The Council and Community Boards

Fourteen councillors (including the Mayor) represent the people of Christchurch. These 14 elected members govern the Council's activities, and oversee and consider plans and strategies for Council staff to deliver. Representation at a more local level is provided by the members of the City's eight community boards.

Each community board comprises five elected board members and two Council-appointed councillors, except the Banks Peninsula Community Board which has only one councillor.

In local body elections, every three years, voters across the city, including Banks Peninsula, elect the Mayor, and the city is divided into seven wards for the election of the 13 councillors. The seven wards are:

- Burwood/Pegasus;
- Fendalton/Waimairi;
- Hagley/Ferrymead;
- Spreydon/Heathcote;
- Shirley/Papanui;
- Riccarton/Wigram; and
- Banks Peninsula (Lyttelton/Mt Herbert and Akaroa/Waiwera.)

Ward boundaries reflect communities of interest (please see the map on page 39: Christchurch City Council – Ward Boundaries and Service Centres).

The Community Boards represent and advocate on behalf of the interests of their communities, deal with issues sent to them by the Council, and are responsible for some funding and projects within their areas.

The City Council meets weekly, while Community Boards meet either fortnightly or monthly. The City Council's meeting timetable is available on the Council website at www.ccc.govt.nz/Council/Members/Meetings/ScheduleOfMeetings.pdf

Community Board meeting dates and venues are available at www.ccc.govt.nz/Council/CommunityBoards/Meetings/.

Each of the 13 city councillors are also members of one or more of three Portfolio Groups. The responsibilities of these groups correspond with and seek to further the Council's Strategic Directions. The portfolio groups are:

- Creating Strong Communities;
- Environmental Diversity;
- Liveable City.

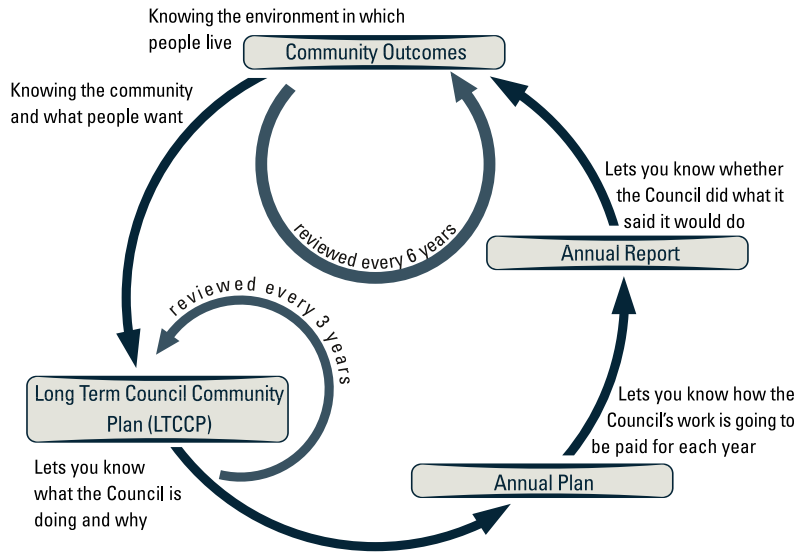
The portfolio groups initiate reviews and updates of strategies and monitor the progress of work as it is being prepared for presentation at full Council meetings.

The Council and Community Board meetings are generally open to the public.

The Council also regularly holds seminars for elected members. At seminars, staff and others present material to inform the elected members. These are not decision-making meetings and are generally open to the public.

How the Council works

The Council's planning cycle



The Local Government Act 2002 made changes to the way councils work with their communities. The Act sets out a clear purpose for local government – to promote their community's social, economic, cultural and environmental well-being.

Community Outcomes provide a way for the community to have its say about what it wants the city to be like in the future. The outcomes identified by the community are used to guide and help inform central government and others about community needs.

The **Long Term Council Community Plan (LTCCP)** sets out the activities the Council intends to undertake over the next 10 years, then publishes these as a draft plan for community consultation. Feedback from residents and business is used in determining the final plan.

The LTCCP demonstrates why the Council chooses to undertake its activities, what the costs will be and what standard of performance is expected over the 10-year period of the plan. The LTCCP is the main way people can influence what their council does.

Every three years the community has a chance to share their views on this plan. During interim years Council publishes an **Annual Plan**, focussing on year-to-year budgets.

The **Annual Report** shows how well Council has performed against its LTCCP undertakings each year and what it has spent to do so.



How the Council works



Economic strength

The Council holds controlling stakes in a number of trading companies which form part of the city's key infrastructure, including the port and airport, electricity delivery, public transport and general city facilities such as the Convention Centre, Jade Stadium and Westpac Centre. These council-controlled trading organisations (CCTOs) are managed for the long-term benefit of the community and aim to help ensure a healthy regional economy. Together, these companies pay about \$30 million a year to the Council in dividends and so help reduce the Council's reliance on rates to fund its activities. Over the last 10 years, the companies have also paid to the Council more than \$600 million in special dividends and capital returns.

Christchurch City Holdings Ltd, the Council's investment arm, has been working with business and community leaders to consider the region's long-term infrastructural needs. The aim is to use this to test the effectiveness of current investments, identify possible gaps over the next 10 to 20 years, and as a tool for weighing up future investments.

The trading companies are run commercially, at arm's length from the Council. Details may be found on page 238. For more information, look online at

www.ccc.govt.nz/ChristchurchCityHoldings.

Through the Canterbury Development Corporation (CDC), the Council seeks to promote economic growth by attracting business to the city and offering a wide range of free services and advice to commercial and community organisations.

With its support of the regional tourism organisation, Christchurch and Canterbury Marketing, the Council seeks to ensure tourism continues to play a positive, sustainable role in the local economy by boosting the numbers of visitors, their length of stay and how much they spend while here.

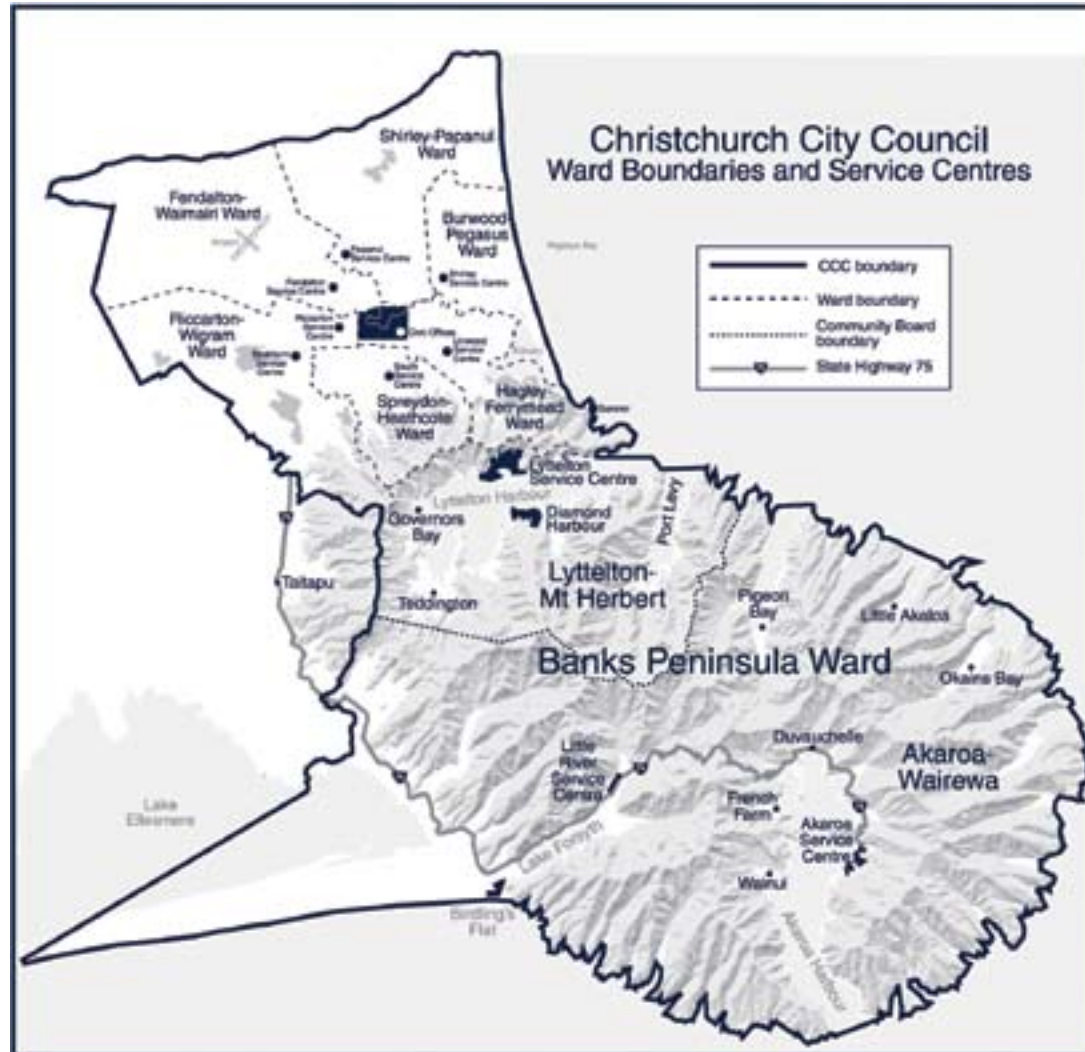
Christchurch and Banks Peninsula Map



Christchurch and Banks Peninsula Map



Christchurch City Council - Ward Boundaries and Service Centres



Source: Christchurch City Map

Our community today



Our community today



Our Community Today

Introduction

There is archaeological evidence that Maori were in the Christchurch area 1,000 years ago. These first inhabitants were moa-hunting tribes. They were followed by the Waitaha, who migrated from the east coast of the North Island in the 16th century, 500 years ago. This migration was joined by the Ngati Mamoe and Ngāi Tahu people and continued until about 1830.

The first Europeans landed in Canterbury in 1815, 45 years after Captain James Cook sighted what is now known as Banks Peninsula from his ship, the *Endeavour*. He incorrectly named it “Banks Island” after the expedition’s famous botanist, Joseph Banks.

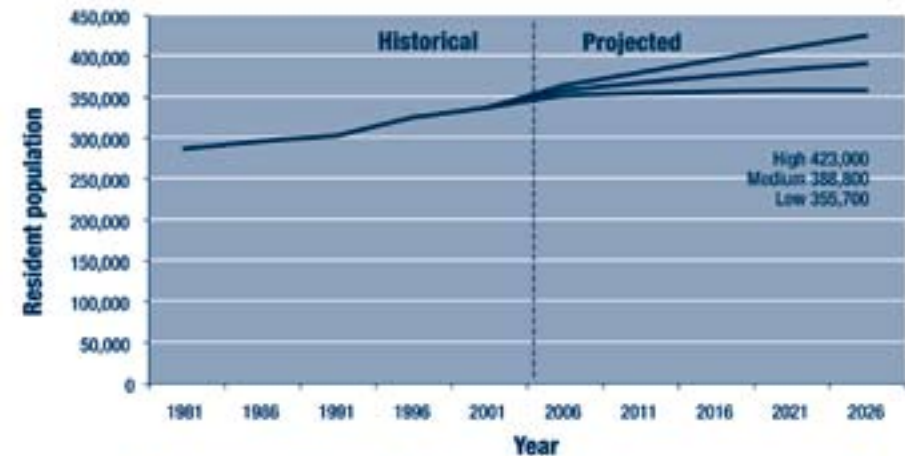
In the late 1840s the City of Christchurch was planned, from England, to be a model Anglican (church) settlement. The city’s English links are still evident in the design of our older buildings and gardens. Christchurch became a city by Royal Charter on 31 July 1856, making it officially the oldest established city in New Zealand. The original municipal district was bounded by the “four avenues”; Bealey Avenue, Moorhouse Avenue, Fitzgerald Avenue and Rolleston Avenue. It was laid out in a north/south, east/west grid patternⁱ.

Our Community Today

- Christchurch is the largest city in the South Island, with a population of 344,100 peopleⁱⁱ. It is the second largest city in New Zealand.
- Christchurch’s population increased by nearly 12% between 1991 and 2001, and is projected to grow by another 16% by 2026 (to 388,800, medium projection). Population growth is projected to occur at 2.3% per annum between 2001 and 2016, and then at a slower annual rate of 0.8% between 2016 and 2026ⁱⁱⁱ. The main reason for the city’s population growth is external migration.

Please note that, unless otherwise stated, “Christchurch” and “the city” refer to Christchurch City Council’s entire area, including Banks Peninsula.

Christchurch Historical and Projected Population (2001 Base)

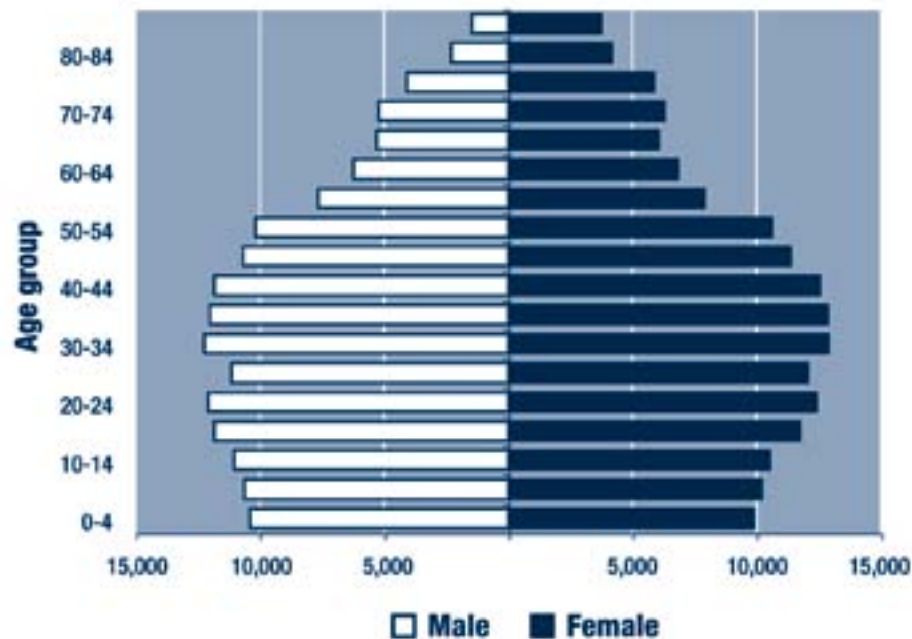


Note: Historical figures are estimates. Pre 1996 figures are for the March year and exclude Census undercount. Post 1996 figures are for the June year and include Census undercount.

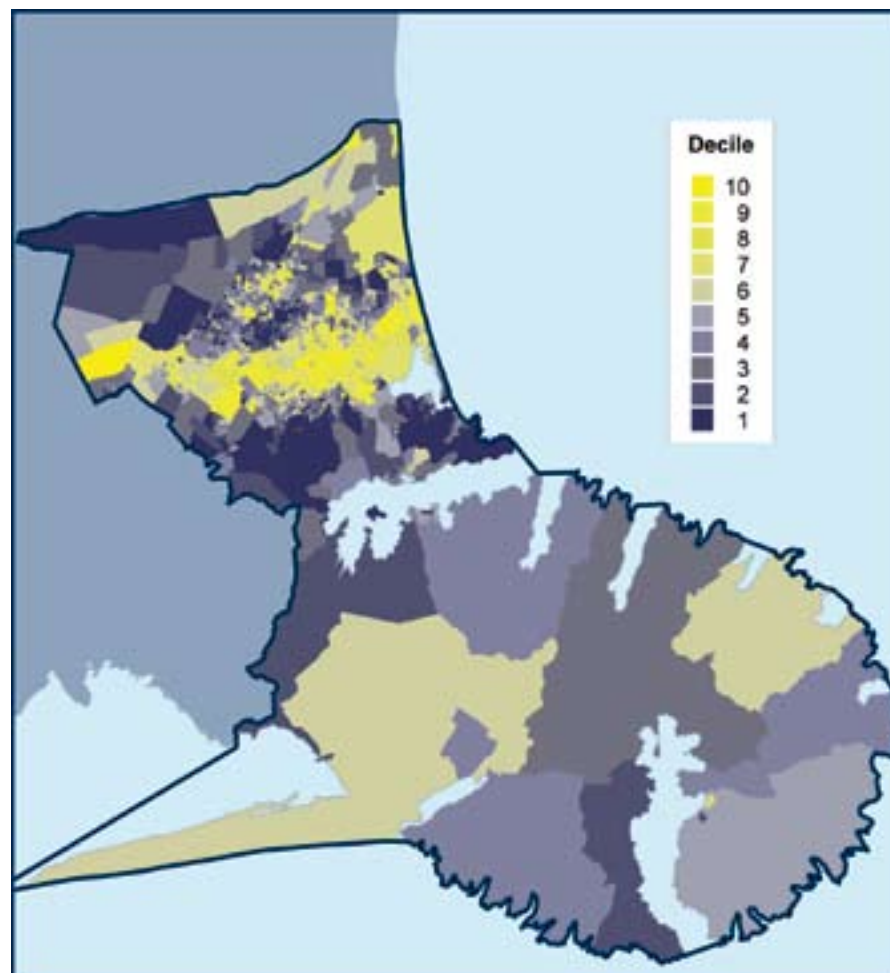
- Christchurch’s population is less ethnically diverse than the New Zealand population. It is dominated by Europeans, with this group making up 90% of the city’s population. Maori make up 7% of the population, Asians 6%, Pacific people 2.5%, and other ethnicities 3%. In comparison, 70% of the New Zealand population identify as Europeans, 8% Maori, 5% Pacific people and 6% Asian. (Note percentages can add to more than 100% as people can identify with more than one ethnicity)ⁱⁱⁱ.
- The city has an ageing population, which is consistent with national trends. Christchurch’s median age was 35.5 years in 2001, compared with 34.8 for all of New Zealandⁱⁱ. By 2026, Christchurch’s median age is projected to be 42.5 yearsⁱⁱⁱ.
- Christchurch has a larger proportion of older people and a smaller proportion of younger people than the national average. By 2016 the elderly (65 years and over) will outnumber children (under 15 years) in Christchurchⁱⁱⁱ.

Our community today

Age and Gender, 2001



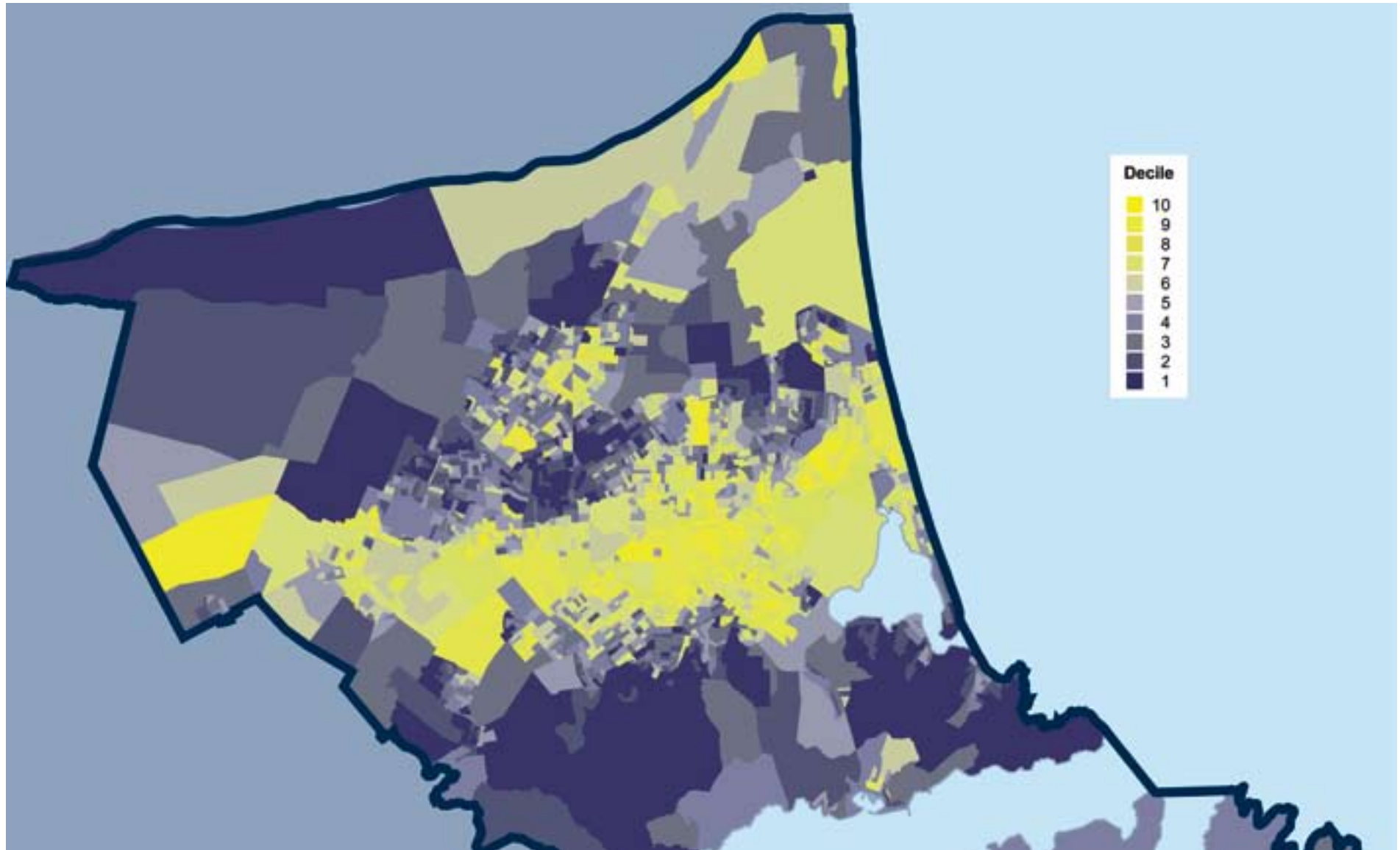
New Zealand Social Deprivation Index 2001



- In 2001, 29% of Christchurch residents aged 15 years and over had some form of tertiary qualification, compared with 28% nationally. The proportion without a qualification was slightly lower than the national average (23% compared with 24%)ⁱⁱ.
- Christchurch has less poverty than New Zealand as a whole. Thirteen percent of Christchurch residents live in areas of high deprivation (deciles 9 and 10), compared with 20% nationally^{iv}. Twenty-one percent of people live in the least deprived areas of Christchurch (deciles 1 and 2).

Source: Health Services Research Centre, Victoria University
(See next page for more details)

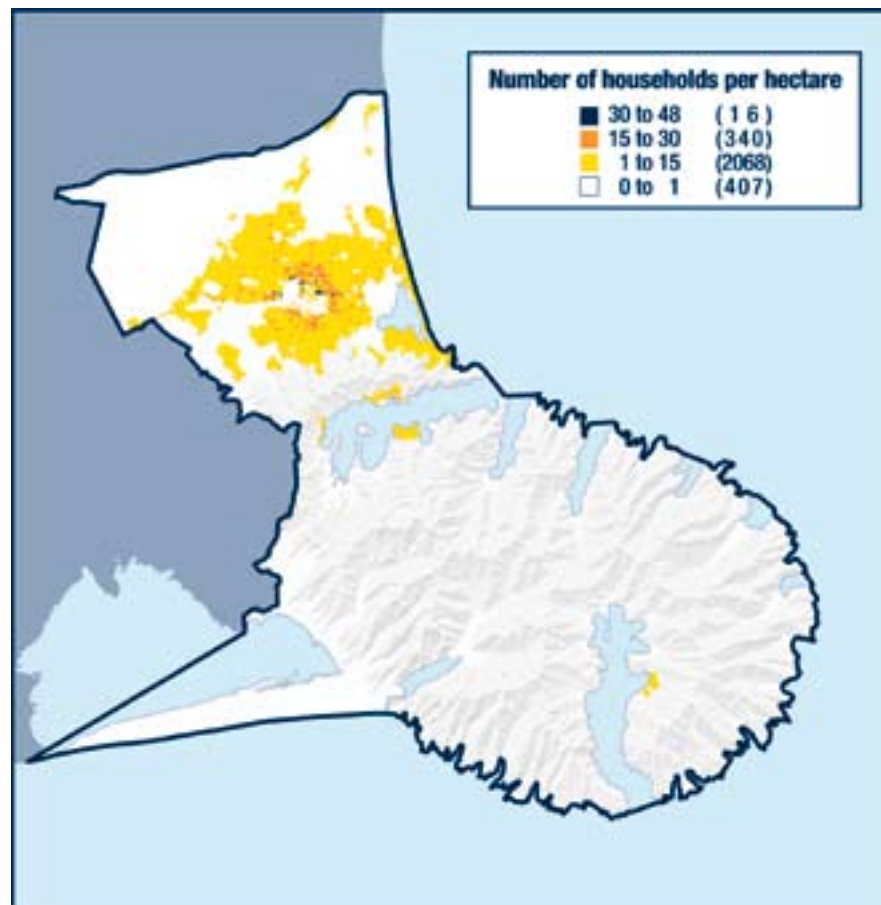
Our community today



Our community today

- Ninety-seven percent of the city's population is concentrated within the urban area, which covers about one third of the land area of the city (excluding Banks Peninsula).
- The city's population density increased from 20.3 to 20.9 people per hectare between 1996 and 2001 (figures exclude Banks Peninsula). Areas close to the central city or around some of the suburban commercial centres (such as Riccarton) tend to have higher population densities. Banks Peninsula has a comparatively low population density of 2.5 people per hectare.
- The average number of people living in each household is getting progressively smaller. In 1981, there was an average of 2.9 people per household, decreasing to 2.6 in 2001. It is projected to drop to 2.4 people by 2021^v. This reflects a nationwide decrease in household size.
- One-person households make up an increasing share of total households. In the 10 years to 2001, the proportion of one-person households grew from 23% to 26% of all households. During this time there was a national increase from 20% to 23%.
- High-density housing (30 to 48 households per hectare), surrounds the central city, becoming less dense towards the outskirts. Banks Peninsula has a sparse household density. Lyttelton and Akaroa areas have the least sparse household density on the peninsula with one to 15 households per hectare.

Housing Density 2001



Source: Statistics New Zealand, 2001 Census of Population and Dwellings.
(See next page for more details)

ⁱ <http://www.christchurch.org.nz/About/>

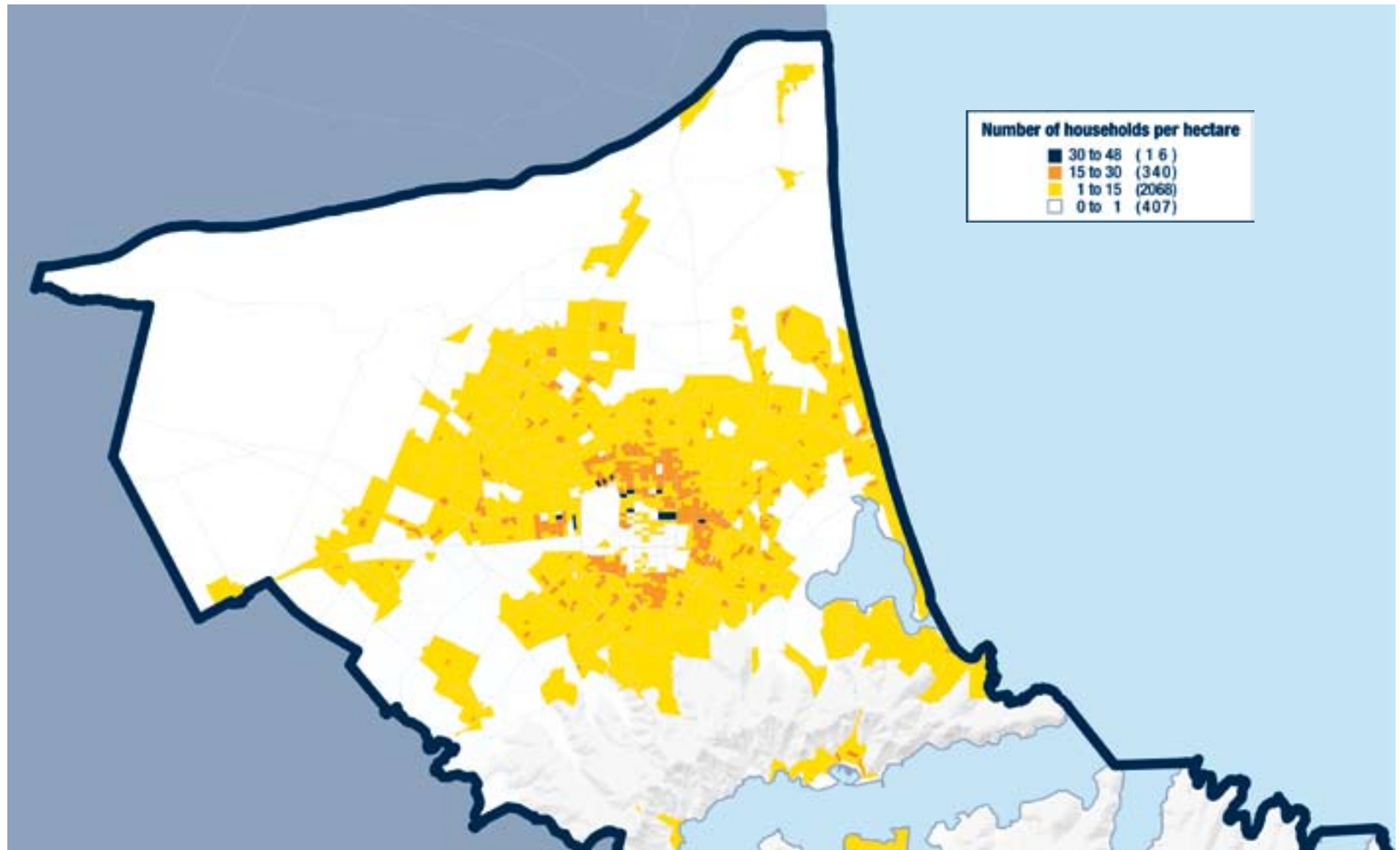
ⁱⁱ Statistics New Zealand, Census of Population and Dwellings, 2001

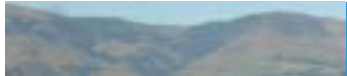
ⁱⁱⁱ Statistics New Zealand, Sub-National Population Projections, 2001 base, February 2005

^{iv} The New Zealand Index of Deprivation was developed by the Health Services Research Centre, Victoria University. The Deprivation Index is split into 10 deciles with decile 1 being the least deprived and decile 10 being the most deprived. Each decile contains 10% of the national, usually resident, population.

^v Statistics New Zealand, Sub-National Household Projections (2001 base).

Our community today





Our environment today

Our Environment Today^{vi}

Christchurch was an extensive wetland area and a good source of mahinga kai (food and other resources) for Maori. The early Europeans' impression of the original settlement site was of "heavy wet land" and "rank swamp grasses"^{vii}

Introduction

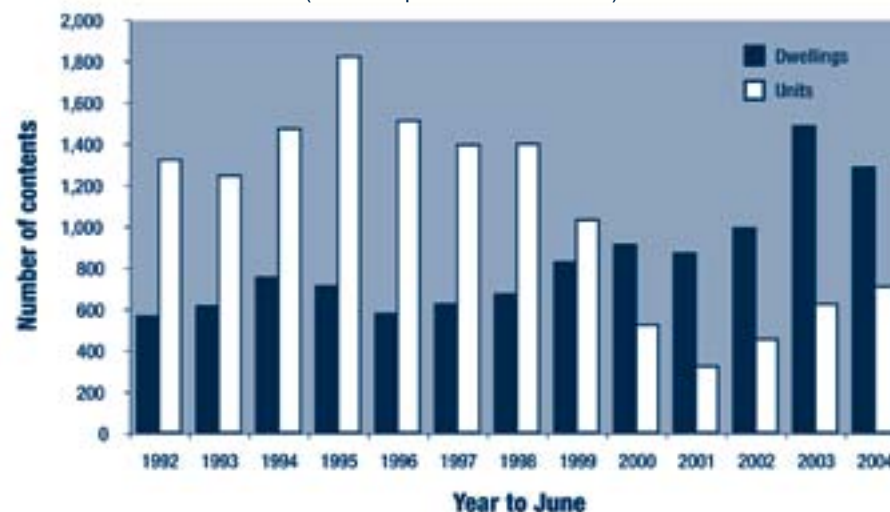
Much of the city's natural habitat was modified by the European settlers. They drained the wetlands and cleared bush, scrub and tussock. Riccarton Bush (Putaringamotu) is all that remains of the wetland podocarp forest in Christchurch. The changes made by the settlers reduced the number of natural sites available for indigenous fish, bird and invertebrates. This caused a significant decline (and, in some cases, extinction) of some plant and animal species.

Our Environment Today

- Christchurch City Council covers an area of 152,837 hectares. Of this, 44,223 hectares (29%) are in urban use and 108,614 hectares (71%) in non-urban use. The majority of the land in non-urban use is located on Banks Peninsula.
- The city's boundaries are the Waimakariri River to the north, the Pacific Ocean to the east and Banks Peninsula to the south. To the west, the city's boundary includes McLeans Island, Templeton, Islington, Halswell West and Kennedy's Bush area units. It does not include Prebbleton.
- Christchurch is within the Canterbury region. The region extends from the Clarence River in the north to the Waitaki River in the south. The Main Divide (Southern Alps) forms the western boundary and the region extends 12 nautical miles into the Pacific Ocean to the east.
- Significant geographical features of the city include the Avon-Heathcote estuary, the characteristic volcanic peaks of the Port Hills and Banks Peninsula and the coastline and dry plains to the north-west.
- The city has an average annual rainfall of 650mm and an average of 2,100 sunshine hours a year. The average daily temperature during summer is 21°C and during winter it is 10°C.

- Within Christchurch (the area excluding Banks Peninsula), 70% of the land is zoned for housing, 13% for industrial and commercial activity, and the remainder for a variety of uses such as schools and open spaces. Within the Banks Peninsula area, 1% is zoned residential with 88% of the land zoned rural. About 3% of the land on Banks Peninsula is zoned conservation.
- The number of residential building consents has remained around 2,000 a year between 1992 and 2004, except for the period between 2000 and 2001 where the number of residential building consents dropped to below 1,500 per year (excludes consents issued in Banks Peninsula).
- Since 2000, building consent trends have reversed, with consents for dwellings outnumbering consents for units^{viii}. This may reflect a trend away from infill housing (because there are fewer sub-divisible properties) and the increased supply of residential land on the outskirts of the city's urban fringe, due to amendments to the City Plan in 1999.

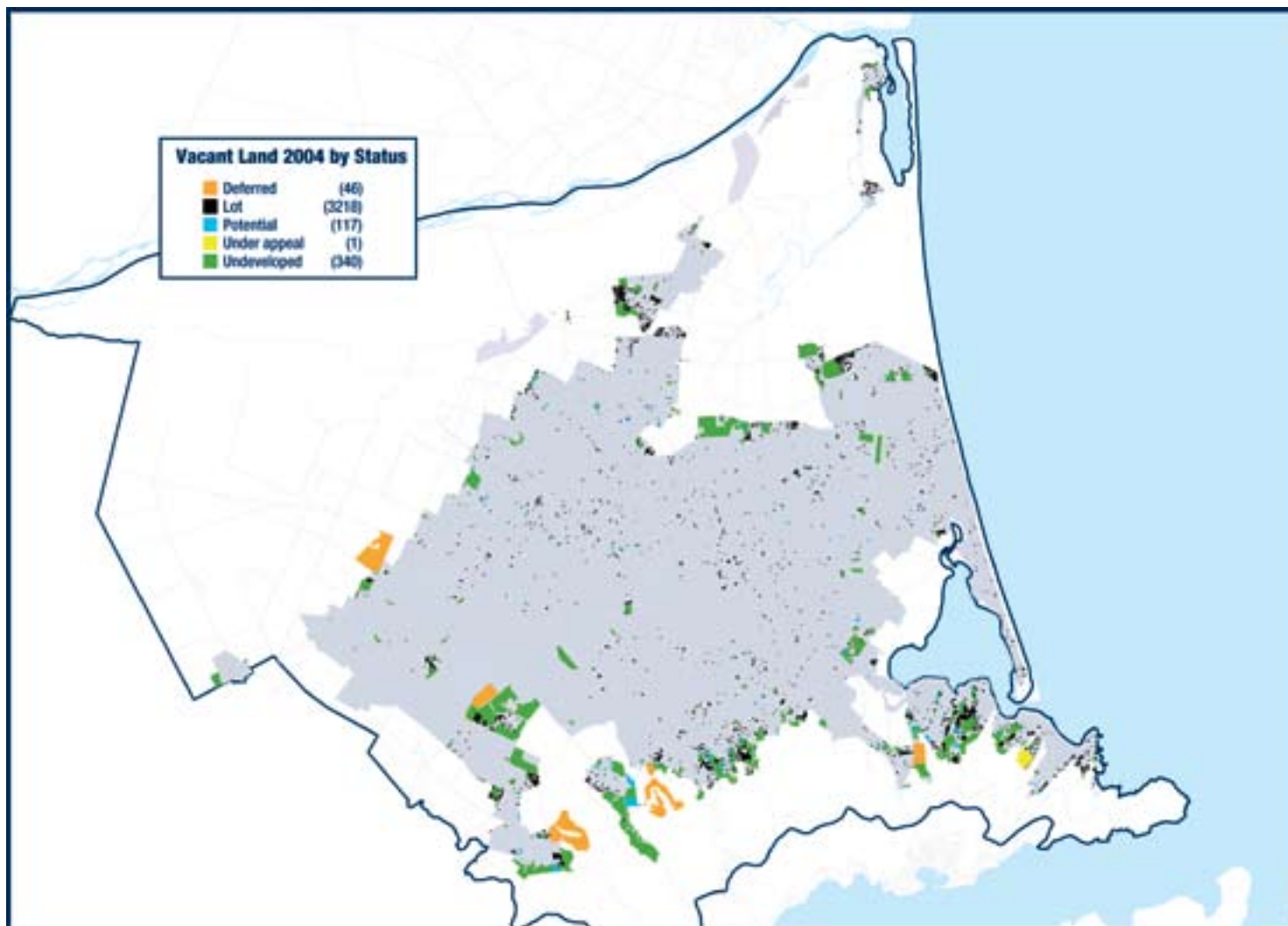
New Residential Development
(Excludes figures for Banks Peninsula)



- There were 1,462 hectares of vacant residential land ready to be either built on or developed in June 2004.

Our environment today

Vacant Residential Land 2004



Source: Christchurch City Council, Vacant Land Register 2004

Our environment today

- The City deserves its reputation as “The Garden City”. There are over 3,000 hectares of parkland in Christchurch (not including Banks Peninsula), with 13 major metropolitan parks (including the Botanic Gardens and Hagley Park), 89 major district parks and about 300 local and neighbourhood reserves. Banks Peninsula also has a significant number of parks and conservation reserves, equating to about 3,000 hectares also.
- Almost 800 buildings, places or objects have been identified as having heritage value worth protecting in the city.
- Christchurch is a centre for wading birds and sea birds. Both the Avon-Heathcote Estuary and Te Waihora (Lake Ellesmere) are of international importance as they support a large and varied wildlife population. The estuary and oxidation ponds regularly support over 1% of the world’s population of at least 17 species or sub-species of wetland birds.
- There are 395 native plant species growing in the city. Of these, 31 have been identified as threatened.
- Christchurch has over one-third of New Zealand’s 35 indigenous freshwater fish species.
- During winter, the Christchurch metropolitan area experiences poor air quality. On an average of 28 days each winter, the level of pollution (smog) exceeds the guideline set by the Ministry for the Environment.
- The growth and changing lifestyles of Christchurch’s population is creating pressures on the city’s infrastructure and natural environment. A growing population, increasing urban development, the growth of private motor car use and sustainability issues, such as energy and resource consumption and waste generation, provide many challenges for the protection and enhancement of the environment.

^{vi} Information in this section is from the Christchurch City Council, Christchurch City Draft Environmental Trends Report, 2003: <http://www.ccc.govt.nz/reports/2003/environmentalTrendsReport/>

^{vii} Christchurch City Council, Draft Citywide Planting Strategy.

^{viii} Unit development falls into three major categories: two or more units built on a new site, two or more units built on a site where a house may have been demolished (i.e. redevelopment), and units added to a section with an existing house (i.e. infill).



Our economy today



Our Economy Today

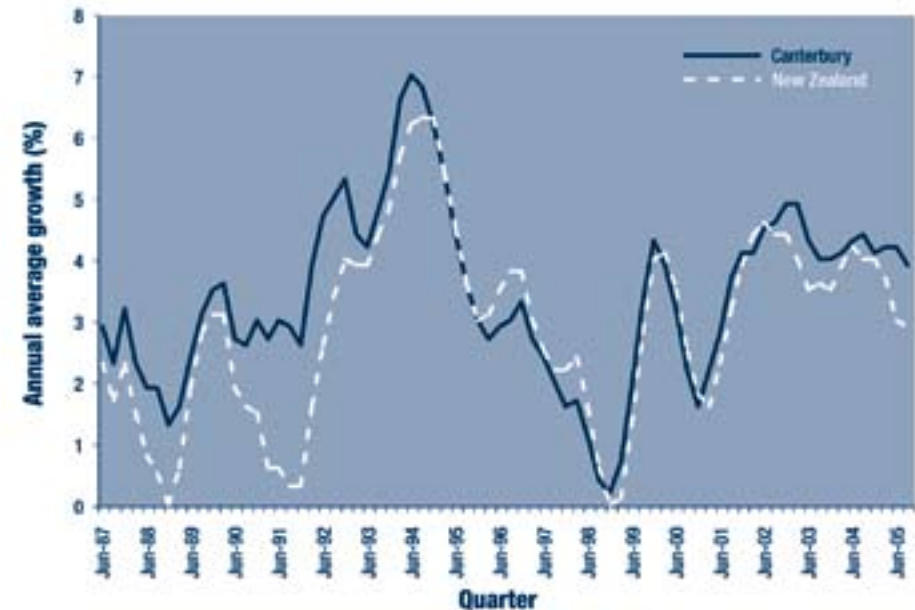
Introduction

Sealers and then flax traders were the first Europeans to exploit the resources of Christchurch, on Banks Peninsula in 1815. The first significant trading links were established between Europeans and Maori from 1836 when American, French, English and Australian whaling ships began to use the bays and harbours for bay whaling and for shore whaling stations. However, Canterbury's regional economy was built on the production of primary goods and it was recognised for a long time as living "off the sheep's back". Although its economic beginnings were in refrigerated sheep and dairy products, Canterbury now has a diversified regional economy, with growth across a range of "new economy" sectors such as tourism, software development, electronics and education.

Our Economy Today

- The strength of Christchurch's economy is built on a long association with the large rural economy of the Canterbury Region, and the city's export-oriented manufacturing.
- The Canterbury Region's Gross Domestic Product (GDP) was estimated to be almost \$16 billion in 2005. This equates to just under 13% of national GDP^x.

Economic Growth June 1990 to June 2005
Average annual growth by quarter

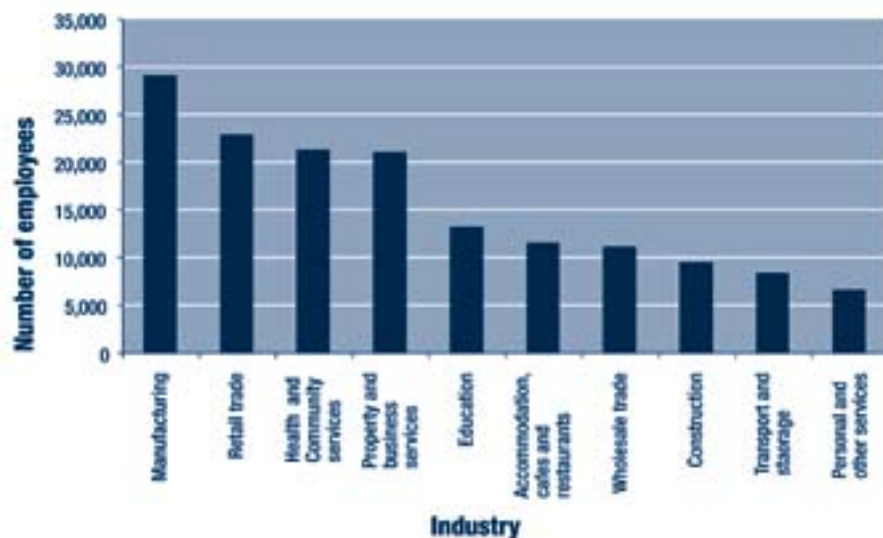


- In the five years to March 2005, total employment in Canterbury increased by almost 24% to 233,350 workers. Construction, property and business, agriculture, and forestry and fishing, all had significant increases in employment during this period^x.
- In September 2005, the unemployment rate in Canterbury was 2.7%. For Christchurch (excluding Banks Peninsula), the unemployment rate was 3.5%, slightly higher than the national average of 3.2%^{xi}.
- For the March 2005 quarter, the average annual income of wage and salary earners in Christchurch (excluding Banks Peninsula) was \$38,200, compared with \$40,000 for all of New Zealand, \$44,600 for Auckland and \$50,800 for Wellington^{xii}.

Our economy today

- Canterbury's average annual household income was \$59,600 in 2003, compared with \$60,900 for the whole country^{xiii}.
- During the year ended June 2001, each household in Christchurch (excluding Banks Peninsula) spent an average of \$779 per week, 7.3% lower than the national average of \$840 per week^{xiv}.
- Manufacturing and retail trade are the two industry sectors that employ the most workers in Christchurch and Canterbury^x.

Employment by Industry Chart

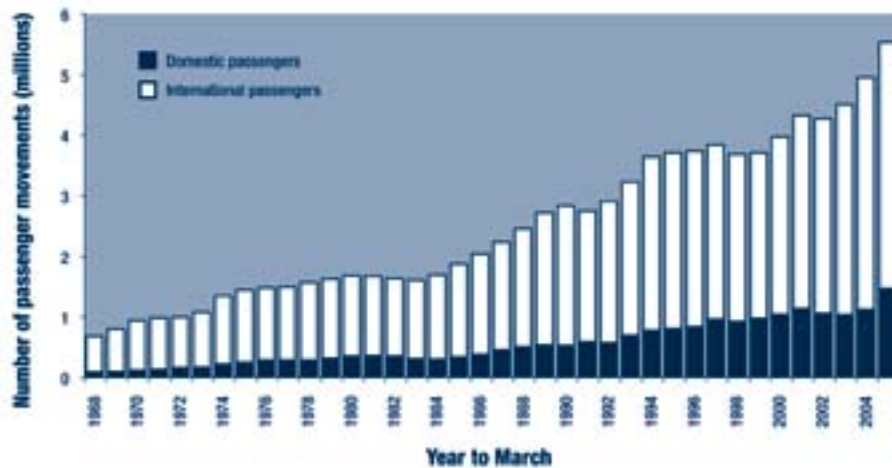


- Christchurch's central city continues to have the greatest concentration of workers in the city, with 29% of the city's employees working within the four avenues^x.
- Banks Peninsula had an employee count of 4,029 people in 2001ⁱⁱ with Lyttelton's employee count making up a large proportion of this figure (1,680 people in 2004⁴).
- The central city is the largest retail centre in Christchurch, employing 25% of people who work in retail. This is almost four times the size of the city's largest suburban centre at Northlands. However, retailing in suburban centres is growing at a much higher rate than in the central city.
- Christchurch is the main distribution centre for the South Island, with its international airport, main roads, rail links and nearby sea port at Lyttelton, which exports \$2,034 million of goods per year.
- Tourism continues to be a significant component of the city's economy. The number of nights spent in the city's accommodation in March 2005 was almost 1.2 million, 60% higher than in March 1997^v. Christchurch's position as the "Gateway to the Antarctic" has contributed significantly to the city's reputation and tourism earnings.

Our economy today

- Christchurch International Airport has seen a continual increase in the number of domestic and international passenger movements from 1968 to 2005. Since 2000, passenger movements have increased by 28% at Christchurch International Airport.

Airport Passenger Movements, Christchurch International Airport



- Ngāi Tahu is the Maori tribe of the southern islands of New Zealand. Te Runanga o Ngāi Tahu is the governing body of the Ngāi Tahu tribe, within which Ngāi Tahu Holdings Corporation holds significant land and sea-based assets, and operates businesses in tourism, property, equities and seafood sectors.



^{ix} Infometrics New Zealand, Christchurch City GDP Estimates, February 2006.

^x Statistics New Zealand, Annual Business Frame Update, February 2004 by 1-digit ANZSIC Industry Code, 1997 Survey Coverage (excludes ANZSIC 01 Agriculture).

^{xi} Statistics New Zealand, Household Labour Force Survey, June 2004

^{xii} Statistics New Zealand, Quarterly Economic Survey, March 2005. Figures are calculated by multiplying the average weekly earnings for each city by 52 to produce an average annual income. These figures are indicative only due to a limited sample size.

^{xiii} Statistics New Zealand, New Zealand Income Survey, 2003. This data is based on the three months prior to June 2003. It is calculated by multiplying the average weekly household income by 52 weeks.

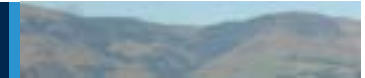
^{xiv} Statistics New Zealand, Household Economic Survey, 2001.

^{xv} Statistics New Zealand, Accommodation Survey, March 2005.

Community outcomes



Community outcomes



Community Outcomes for Christchurch to 2012

Community Outcomes describe the kind of society, community, environment and economy that the people of our community want to live in. They are the things which the community thinks are important for its wellbeing.

The Council has led a process to find out what we, as a community, wish for Christchurch now and in the future. These Community Outcomes belong to the people of Christchurch - they were identified by, and belong to, the community. The whole community will need to work together to achieve these outcomes - individuals, as well as many groups and organisations, including the Council.

A list of indicators, or outcome measures, has been developed to track progress towards the outcomes we all want to achieve. Achieving the outcomes means working with other agencies such as the Department of Conservation, Ministry of Social Development and Ministry of Housing.

Identifying Community Outcomes

For the LTCCP 2006 to 2016, work was undertaken to bring together what people of Christchurch have been telling us for the past few years about the community they want to live in. We reviewed information gained through consultation on proposed Community Outcomes for 2006 to 2012 in mid-2005, from prior council consultations on plans and strategies and research, including:

- Results from monitoring trends and other information (more than 500 measures);
- Reviews of prior consultations (5000 submissions, 54 reports);
- Reviews of reports and literature (300 reports);
- Reviews of government strategies (187 strategies);
- Review of existing Council strategies and Community Board statements;
- Stock-take of existing services and funding from the Council and government agencies;
- Interviews with key stakeholders;

- Interviews and workshops with elected members;
- Research with key groups such as people with disabilities, Maori and Pacific people;
- A review of the Banks Peninsula Community Outcomes 2006 to 2012;
- Discussion papers developed with external stakeholders and reference groups;
- Feedback on the 2004 to 2014 LTCCP and the Community Outcomes developed in 2004;
- Feedback from a specially designed section on the Council's website.

There is already a degree of alignment between the Community Outcomes and other Council planning documents and processes. The Council's significant policies and its City Plan, are themselves the products of processes which involved the community. Submissions on these policies and plans were considered along with background research done when identifying the Community Outcomes. The outcomes may, therefore, be regarded as a high-level affirmation of principles included in other policies.



A draft set of Community Outcomes was developed from the information gathered and following discussions with elected members. The final Community Outcomes were released to the Christchurch community in July 2005. They will be reviewed in 2012.

All Community Outcomes need to have indicators which measure progress towards achieving the outcomes. The Council has already gathered together some information against which we will measure our progress in contributing towards achieving the Community Outcomes. The Council will produce an initial Community Outcomes Report in February 2007 (which will include 2006 Census data) with information about monitoring our progress and noting the situation in 2006. It is a requirement that this report be redone in 2009 so that progress on attaining the outcomes is reported on.

More information about community Outcomes is on the Council website at www.ccc.govt.nz/communityoutcomes.




Community outcomes



Community Outcome	We will know we are succeeding when	Progress will be measured using these headline indicators
 A Safe City		
<p>We live free from crime, violence, abuse and injury. We are safe at home and in the community. Risks from hazards are managed and mitigated.</p>	<p>Rates of crime and injury decline. People feel safe at all times in Christchurch. We have excellent safety networks, support people and services.</p>	<ul style="list-style-type: none"> • Hospital treatment for accidents • Total offences • Notifications to Child Protection Agencies • Perceptions of safety • Road casualty statistics
 A City of Inclusive and Diverse Communities		
<p>Our diversity is seen, heard, valued and celebrated. All people feel a sense of belonging and participate in the community.</p>	<p>Our city is built on strong communities. A diverse range of people feel at home in Christchurch. Everybody is able to participate, particularly those who are most vulnerable.</p>	<ul style="list-style-type: none"> • New Zealand Deprivation Index • Income gap between low and high income earners • Perceptions of ethnic diversity • Maori language speakers • Perceptions of quality of life • Perceptions of community support
 A City of People who Value and Protect the Natural Environment		
<p>Our lifestyles reflect our commitment to guardianship of the natural environment in and around Christchurch. We actively work to protect, enhance and restore our environment for future generations.</p>	<p>Everybody takes responsibility for their impact on the natural environment. Biodiversity is restored, protected and enhanced. We manage our city to minimise damage to the environment.</p>	<ul style="list-style-type: none"> • Tonnes of waste to landfill • Liquid waste • Total ground water use • Renewable versus non-renewable energy consumption • Waste recycling • Recreational water quality • Number and area of ecological heritage sites




Community outcomes



Community Outcome	We will know we are succeeding when	Progress will be measured using these headline indicators
 A Well-Governed City		
<p>Our values and ideas are reflected in the actions of our decision-makers.</p> <p>Our decision-makers manage public funds responsibly, respond to current needs and plan for the future.</p>	<p>Everybody actively participates in public decision-making.</p> <p>Everybody feels represented by their decision-makers.</p> <p>Our decision-makers plan for a sustainable Christchurch.</p>	<p>Confidence in council decision-making.</p> <p>Representation on school boards of trustees.</p> <p>Census response rates.</p> <p>Voter turnout at council elections.</p> <p>Voter turnout at general elections.</p>
 A Prosperous City		
<p>We have a strong economy that is based on a range of successful and innovative businesses.</p> <p>We value sustainable wealth creation, invest in ourselves and in our future.</p>	<p>Christchurch has a strong, healthy economy.</p> <p>Standards of living improve for everyone. Our economic development prioritises future wellbeing.</p>	<ul style="list-style-type: none"> • Economic Activity Index • Full and part-time employment rates • Unemployment rate • Personal, family and household income • Volume of commercial waste recycling
 A Healthy City		
<p>We live long, healthy and happy lives.</p>	<p>We all have access to affordable health services that meet our needs.</p> <p>More people in Christchurch live healthy lifestyles.</p> <p>Our city environment supports the health of the community.</p>	<ul style="list-style-type: none"> • Self reported health status • Life expectancy • Frequency of physical activity • Type 2 diabetes rates • Barriers to accessing medical services • Number of days exceeding air quality guidelines

Community outcomes



Community Outcome	We will know we are succeeding when	Progress will be measured using these headline indicators
 A City for Recreation, Fun and Creativity		
<p>We value leisure time and recognise that the arts, sports and other recreational activities contribute to our economy, identity, health and wellbeing.</p>	<p>More people participate in leisure activities. More people participate in physical and sporting activities. Everybody is included in the creation and enjoyment of the arts.</p>	<ul style="list-style-type: none"> • Main leisure pursuits in free time • Satisfaction with free time • Numbers of people taking part in the arts • Culturally rich and diverse arts scene
 A City of Lifelong Learning		
<p>Our learning opportunities help us to participate in the community and the economy. Quality education is available for people of all ages.</p>	<p>Everybody receives a good basic education. Christchurch people are skilled people. A broad range of learning opportunities is available in Christchurch.</p>	<ul style="list-style-type: none"> • Highest qualification gained • Numbers of children who have attended early childhood education • School leavers with no qualifications • Literacy and numeracy performance
 An Attractive and Well-designed City		
<p>Christchurch has a vibrant centre, attractive neighbourhoods and well-designed transport networks. Our lifestyles and heritage are enhanced by our urban environment.</p>	<p>Christchurch is attractive and well-maintained. Our heritage is protected for future generations. We design our city to meet current needs and future challenges.</p>	<ul style="list-style-type: none"> • Perceptions of look and feel of the city • Bus patronage figures • Modes of transport to work • Residual income after housing costs • Hectares of public open space • Perceptions of problems in Christchurch • Number of heritage buildings, sites and objects

Community outcomes



Strategic directions



Strategic directions



Strategic Directions

Christchurch City Council must ensure that everything it does - all its activities - contribute towards achieving the Community Outcomes. Four strategic directions are used by the Council to use when defining its role in achieving the outcomes. Under each strategic direction, there is a broad set of goals and objectives.

The strategic directions are:

- Strong Communities
- Healthy Environment
- Liveable City
- Prosperous Economy

The strategic directions will be finalised as part of the Long Term Council Community Plan process. Once final, they will guide the Council's planning and its delivery of services.

Strategic Direction - Strong Communities

Strong communities give people a sense of belonging and encourage them to take part in social, cultural, economic and political life. This participation and the support that such communities can offer in times of stress promote the wellbeing of individuals and families/whanau. Because strong communities make good use of their members' skills, they are also more able to attract and generate the resources they need, to adapt to change, and to manage their social, cultural, economic and natural assets for the long-term benefit of everyone. The stronger our many communities become, the more dynamic and fun Christchurch will be as a place to live.

Goals and Objectives

1. Increase involvement in lifelong learning, by:

- Providing resources and information, through libraries and websites;
- Providing learning facilities, programmes and activities;
- Advocating for high quality education and training;
- Encouraging people of all ages to take advantage of learning opportunities.

2. Work to improve people's standard of living without endangering the quality of life of future generations, by:

- Supporting economic development that meets the needs of the city's people and environment;
- Providing affordable housing for those on low incomes and with limited means.

3. Promote participation in democratic processes, by:

- Advocating for the rights of all citizens;
- Making it easy for people to understand and take part in Council decision-making processes;
- Providing readily available and easily understood information about Council services and structures.

4. Help communities to meet their needs, by:

- Targeting those who are most disadvantaged;
- Providing accessible and welcoming public buildings, spaces and facilities;
- Funding and supporting community organisations, initiatives and festivals that help to achieve the city's Community Outcomes;
- Initiating and supporting community development projects;
- Helping public, private and community agencies work together to address key areas of social need;
- Advocating for social support to meet people's needs;
- Encouraging people to take part in community groups and voluntary activities;
- Encouraging people to take responsibility for themselves and their families.

5. Encourage healthy and active lifestyles, by:

- Providing parks, public buildings, and other facilities that are accessible, safe, welcoming and enjoyable to use;
- Providing and supporting sport, recreation and leisure activities;
- Providing water supply, waste, and waste-water services;
- Maintaining and improving environmental health.

6. Reduce injury and crime, and help people feel safer, by:

- Working with partners to prepare the city for hazards and emergencies;
- Working with partners to reduce crime, help people avoid injury and help people feel safer;
- Using and regulating urban design to maintain and improve public safety.

7. Celebrate and promote Christchurch's identity, cultures and diversity, by:

- Providing and supporting a range of arts, festivals and events;
- Supporting cultural groups and organisations;
- Setting an example in equal opportunities through the Council's own activities;
- Protecting and promoting the heritage character and history of the city.

8. Encourage residents to enjoy living in the city and to have fun, by:

- Providing and supporting a range of arts, festivals and events;
- Providing and supporting sport, recreation and leisure activities;
- Providing a variety of safe, accessible and welcoming local parks, open spaces and waterways.

Key challenges

- An ageing population.
Like the rest of New Zealand, Christchurch's population is ageing. Demand for housing, health, and other services for older people will increase. Council needs to make sure not only that these services are available but also that older people can participate in and contribute to society.
- Increasing cultural and ethnic diversity.
As Christchurch becomes more diverse, it is important that all cultural and ethnic groups feel part of the city and want to participate in its social, cultural, economic and political life, and that different groups are able to live together successfully.
- Differing levels of disadvantage between population groups.
Maori and Pacific Island people in particular are more disadvantaged in social and economic terms, but other groups also face barriers to participation in the life of the city.
- The complexity of factors which contribute to social exclusion.
"Social exclusion" means a lack of access to opportunities that enable an individual to have, or aspire to, a decent standard of living. The underlying causes of social exclusion are many, including poverty, poor health, mobility problems, lack of education and employment opportunities, and discrimination. These factors can work independently or together resulting in a continuing cycle of social exclusion.
- The capacity of voluntary and community groups.
Community groups do not always have the skills and resources they need to be effective. Changing work patterns and lifestyles may affect people's willingness or ability to get

Strategic directions

involved in community and voluntary groups.

- Decreasing civic engagement.
As with elsewhere in the development world, people are becoming less involved in local democratic processes in Christchurch.

Who we need to work with

A wide range of government agencies contribute to the creation of strong communities. These include the Ministry of Social Development, the Department of Internal Affairs, the Ministry of Health, the District Health Board, the Police, Creative New Zealand and Sport and Recreation New Zealand (SPARC). The Council will work closely with these agencies to ensure that our programmes are complementary and effective.

Voluntary and community organisations are also crucial to the success of Council's Strong Communities' strategy. One of the strategy's key aims is enabling communities, whether they are based on common location, shared interests, culture or beliefs, to identify and meet their own needs. The Council therefore needs to understand the capabilities and limitations of voluntary and community groups and to help them, where appropriate, to improve their capabilities.

The Council needs to work with iwi and other Maori groups, as well as with other organisations representing the many cultures in Christchurch.

Strategic Direction - Healthy Environment

The natural environment sustains all human activity, and therefore a healthy environment is essential to achieving Council's social, cultural and economic goals. Christchurch people are proud of the beauty of the natural environment. But if Council is to protect that environment for our children and grandchildren to enjoy, we face some major challenges. These include limiting or reducing the amount of natural resources we use (such as water and fossil fuels), reducing pollution and waste, and protecting and restoring our city's ecosystems.

In 1999, the Council adopted the Natural Step, which defines a sustainable society as one in which nature is not subject to:

- Increasing concentrations of substances extracted from the earth's crust, for example oil, coal, and metals such as lead;
- Increasing concentrations of substances produced by society, for example dioxins, DDT and PCBs;
- Physical degradation, for example through using resources such as water faster than it can be replenished, or through soil erosion;
- And in which human needs are met world-wide.

The Natural Step helps us to assess the sustainability of activities in the city. It also provides a framework to help align efforts in Council operations and in the business and community sectors, to improve the sustainability of Christchurch.

Goals and Objectives

1. Provide reliable and efficient water supply, waste, and wastewater services that support the health of the community and protect the environment, by:

- Supplying water at an appropriate quality and quantity;
- Encouraging water conservation;
- Providing safe and environmentally sound collection, treatment and disposal of waste;
- Encouraging waste reduction, reuse and recycling.

2. Contribute actively to improved air quality and energy efficiency, by:

- Clearly identifying and agreeing the Council's roles;
- Planning land use and transport in a way that minimises pollution;
- Encouraging energy efficiency;
- Encouraging the use of sustainable energy sources.

3. Manage water and land drainage systems efficiently, and contribute towards landscape, ecology, recreation, heritage and cultural values, by:

- Reducing the risk of flooding;
- Protecting and enhancing natural waterways;
- Managing land use to minimise its impact on surface and groundwater;
- Providing ways for the community to learn about and care for streams.

4. Play an active role in preparing the city for hazards and emergencies, by:

- Identifying and assessing present and future hazards;
- Reducing the likelihood and impact of hazards and emergencies;
- Encouraging our communities and emergency response agencies to be prepared for hazards and emergencies;
- Responding effectively to emergencies;
- Enabling communities to rebuild after emergencies.

5. Strengthen the Garden City image, by:

- Providing a variety of safe, accessible and welcoming local Parks, open spaces and waterways;
- Maintaining the levels of open space that we currently have;
- Reducing litter;
- Providing street landscapes and open spaces that enhance the character of the city;
- Protecting and enhancing significant areas of open space within the metropolitan area;
- Designing and maintaining open spaces in ways that reduce the use of natural resources.

6. Identify, protect and enhance the city's native and exotic ecosystems, by:

- Working with partners to protect existing habitats for native species and establish new ones;
- Encouraging the community to learn about and care for biodiversity and ecosystems;
- Supporting biodiversity research and monitoring.

Key challenges

- Protection of natural resources from over-use and pollution. Water resources in aquifers, open space, the air that we breathe and other natural resources, need to be protected from over-use and pollution.
- Erosion /destruction of ecosystems and loss of biodiversity. Individual species cannot survive without the habitats that support them. To protect existing species and reintroduce other species to the city, we need to ensure that there is a range of habitats of the right type, size, and location. We need to work towards these ecosystems becoming self-sustaining.
- Increasing pressure on the environment from projected population growth. The ongoing development of Christchurch needs to be planned and managed so that it is sustainable.

Strategic directions

- **Climate change.**
To lessen the effects of global warming, we need to reduce our reliance on fossil fuels and switch to renewable energy sources such as solar and wind energy.
- **Biosecurity.**
Introduced pests threaten both native and exotic species and habitats.
- **Understanding the impact of our actions on the environment.**
Ongoing research is needed to improve our grasp of how our actions affect the environment, and to find solutions to environmental problems.
- **Taking responsibility for environmental protection.**
Everyone has a part to play in protecting the environment. We need to encourage individuals and businesses to take responsibility for their own effects on the environment.

Who we need to work with

The Council will work with government departments, such as the Ministry for the Environment and the Department of Conservation, to understand and contribute to national and international initiatives to tackle climate change, pollution, the physical degradation of natural resources, and the protection of ecosystems and biodiversity. It will also work with Environment Canterbury and neighbouring local authorities to address environmental issues at the city and regional level.

The following partnerships will also be important in achieving our environmental goals:

- Working with Maori to understand and give consideration to their culture, traditions, and other taonga;
- Working with research centres such as Landcare, National Institute of Water and Atmospheric Research (NIWA) and Canterbury and Lincoln Universities, to improve our understanding of the environmental issues we face, and find ways of dealing with them;
- Working with conservation and recreation organisations on projects to protect and restore the environment;

- Working with education institutions to increase people's knowledge about the impacts of development on the environment.

Ultimately, the health of the environment is everyone's responsibility. The Council will therefore encourage and assist households and businesses to understand and reduce their impact on the environment.



Strategic Direction - Liveable City

A good built environment improves people's quality of life in a number of ways:

- It ensures that people have the mix of houses and other buildings and spaces they need;
- It makes it easier and safer for them to get around and provides them with a range of leisure activities;
- It sustains and enhances their sense of cultural identity, through the protection of heritage buildings and through the integration of the arts into their urban surroundings.

A good built environment also has economic benefits, by facilitating the more efficient movement of people and goods; reducing management, energy and maintenance costs for buildings; creating safer and more productive workplaces; and attracting skilled workers and dynamic entrepreneurs and companies.

The quality of the city's utilities (water supply, waste and wastewater), its transport system and other infrastructure, and its buildings, streets and public spaces has a major effect on our quality of life.

The Council contributes to Christchurch being a liveable city by practising and promoting good urban design, by planning and regulating, and by providing utilities and other services.

Goals and Objectives

1. **Lead the urban development of Christchurch to ensure that it balances the needs of people and the environment, by:**
 - Working with other agencies to manage growth and address environmental challenges;
 - Providing for the sustainable operation and development of key infrastructure;
 - Managing land use to support and encourage sustainable transport systems.

2. **Provide reliable and efficient water-supply, waste, and waste-water services that support the health and wellbeing of the community and protect the environment, by:**

- Supplying water at an appropriate quality and quantity;
- Encouraging water conservation;
- Providing safe and environmentally-sound collection, treatment and disposal of waste;
- Facilitating waste reduction, re-use and recycling services.

3. **Provide safe, efficient and affordable transport systems, that:**

- Ensure access to goods and services, work and leisure opportunities;
- Complement other land uses;
- Address environmental challenges including climate change, resource consumption, and air quality;
- Encourage efficient business practices and active lifestyles;
- Ensure good links to regional, national and international markets and destinations.

4. **Maintain and enhance the quality of development, and renewal of the city's built environment, by:**

- Championing high quality urban design;
- Improving people's sense of community identity and their feelings of safety;
- Encouraging better accessibility in public and commercial buildings;
- Protecting Christchurch's heritage buildings and neighbourhood character;
- Improving the way in which public and private spaces work together;
- Working with other organisations to ensure that Christchurch people live in homes that meet their social, health and economic needs.

5. **Play an active role in preparing the city for hazards and emergencies, by:**

- Identifying and assessing present and future hazards;
- Reducing the likelihood and impact of hazards and emergencies;

Strategic directions

- Encouraging our communities and emergency response agencies to be prepared for hazards and emergencies;
- Responding effectively to emergencies;
- Enabling communities to rebuild after emergencies.

Key challenges

- **Managing the city's projected growth.**
The metropolitan area and greater Christchurch are projected to grow significantly in the next two decades. This development needs to be sustainable, and its benefits—greater opportunities and an improved quality of life—need to be shared among all residents.
- **Integrating land use planning with the planning of transport, utilities and social infrastructure.**
For example new subdivisions need water-supply, stormwater and sewerage systems, roads and footpaths. They also need to provide access to work, leisure and social services, potentially placing more stress on already-congested roads. Decisions about land use therefore need to take into account these wider planning issues.
- **Ensuring that the city and region's transport infrastructure meets current and future needs.**
Increasing congestion threatens key transport routes in and out of Christchurch. Building more roads will not, by itself, solve congestion problems. A mix of transport options for people and freight will therefore be needed.
- **Energy and materials efficiency in construction.**
When constructing buildings and infrastructure, we need to make use of technology that will reduce energy costs, waste and pollution.
- **Integrating new development with the existing built environment.**
New development needs to be integrated in a sensitive way with the heritage buildings and older houses and neighbourhoods that are an important part of Christchurch's identity. It is also important not to leave older neighbourhoods and commercial areas

(such as the central city) to deteriorate as new areas develop.

- **Ensuring that all residents have appropriate, healthy, affordable housing, in well-planned neighbourhoods.**
Poor housing affects people's health and can contribute towards poor educational attainment. Living in poorly-planned neighbourhoods can also make it difficult for people to get to work, social services, and leisure facilities. It can leave them feeling isolated.

Who we need to work with

In planning for the future development of Christchurch, the Council needs to work closely with neighbouring local authorities and Environment Canterbury, as well as government organisations, such as the Ministry of Transport, Land Transport New Zealand, Housing New Zealand and the Department of Building and Housing. It also needs to ensure that the city's needs and interests are addressed in local and national policies in areas such as housing, urban design and regional development.

Professional bodies (e.g. NZ Planning Institute, NZ Institute of Architects and NZ Institute of Landscape Architects), sector organisations (e.g. NZ Historic Places Trust), and educational and research institutions are important partners in good urban design and planning at a national and local level.

Private developers, and the wider business community, who plan and build much of the urban environment, are crucial to the quality of Christchurch's development. The Council therefore needs to work effectively with them, through a mixture of regulation, co-ordination, partnerships and incentives, to ensure that development enhances the qualities that make Christchurch a special place to live, work and play.

The Council will work with Maori and other groups to understand and give consideration to their culture and traditions in the planning and development of the city.

Strategic Direction - Prosperous Economy

Our social, cultural and environmental goals cannot be achieved without a prosperous economy. Our city's attractiveness as a place to live, work and play is vital to our ongoing economic development. The Council acts as a facilitator/catalyst of economic development. It also has a responsibility to ensure that economic development is sustainable, that it provides all people with the opportunity for improved standards of living, and that all citizens share in the city's prosperity.

Goals and Objectives

1. **Develop business and other links to promote economic development that is consistent with the needs of Christchurch's people and environment, by:**
 - Strengthening international civic relationships to provide positive business links;
 - Taking part in national economic initiatives;
 - Helping businesses in key industries work together to become more internationally competitive.
2. **Encourage businesses that provide high value jobs, by:**
 - Promoting higher levels of investment in innovation, research and development;
 - Adopting purchasing practices that reflect economic, social and environmental needs.
3. **Enhance business activity in the city by investing in, managing and encouraging provision of infrastructure, by:**
 - Working to provide safe, efficient and affordable transport systems;
 - Working to ensure safe and efficient port facilities are available through Lyttelton Port;
 - Ensuring Christchurch International Airport provides for increasing domestic and international air services;
 - Encouraging energy efficiency and supporting the availability of a secure and reliable supply of energy;
 - Facilitating the provision of a 'next generation' communications infrastructure.
4. **Work in partnership with business and education sectors to attract and train people with diverse skills that meet businesses' needs, by:**
 - Promoting the city as an attractive place to live, learn and work;
 - Supporting the development of trade and professional skills to meet current and future needs;
 - Encouraging people with desired skills to immigrate to the region;
 - Encouraging people to take part in lifelong learning to make the workforce more skilled and adaptable;
 - Promoting and teaching entrepreneurship and the values of business to the community;
 - Supporting the work of tertiary education providers.
5. **Use Christchurch's special qualities to enhance economic activity and attract skilled workers, by:**
 - Promoting the city's quality of life;
 - Promoting the city as a visitor destination and as a place to learn and do business.
6. **Promote environmentally-sustainable business practices, by:**
 - Using sustainable development approaches in the Council's own activities;
 - Encouraging businesses to adopt and report on sustainable development approaches.

Strategic directions



Key challenges

- **Globalisation.**
The Christchurch economy is increasingly part of the global economy. Globalisation creates opportunities for businesses to expand beyond the relatively small local and/or national market, but it also poses challenges.
- **The need for co-operation.**
Christchurch has an economy of small to medium-sized businesses. Collaboration and clustering could help them to compete globally.
- **Investing in innovation.**
An improved standard of living for all New Zealanders depends on a shift from an economy based on primary production to one based on knowledge and innovation. We therefore need to invest more in research and development and to get better at taking good ideas to the market.
- **Ensuring that we have skilled people.**
Businesses need skilled, knowledgeable people, and Christchurch must compete with other parts of New Zealand and the world for them. We need to ensure that skill shortages do not hamper the city's economic development.
- **Ensuring that development is environmentally sustainable.**
We cannot keep pursuing economic development at the expense of the environment, because this will mean a lower quality of life for future generations. Protecting the environment must be a high priority in our development strategy.

Who we need to work with

Much of the Council's economic development work is carried out through 'arm's length' organisations such as Canterbury Development Corporation, Christchurch and Canterbury Marketing, and Christchurch City Holdings Ltd. These organisations, and the Council itself, need to work with others to achieve the community's economic goals. They will work with the Crown Research Institutes, Tertiary Education Commission, New Zealand Trade and Enterprise, Foundation for Research, Science and Technology, Ministry of Research, Science and Technology, Ministry of Economic Development, the Ministry of Foreign Affairs and Trade, and the Ministry of Social Development, to ensure that regional economic development strategies, international trade delegations and employment programmes are beneficial to Christchurch.

The Council will also work with individual businesses, and business groups such as the Canterbury Employers' Chamber of Commerce and the Canterbury Manufacturers' Association, to identify and address issues of concern to them, to facilitate collaboration, and to assist them in becoming more environmentally sustainable. Sustainable business networks will also be important partners in helping to promote environmentally responsible business practices.

As a significant shareholder in a number of key Christchurch or Canterbury infrastructure companies, the Council helps to provide a platform for the operations of many other businesses. In most cases the Council's activities are only part of a larger infrastructure network. It therefore needs to maintain good relationships with other public and private sector providers of infrastructure such as electricity and telecommunications.

Financial overview





Financial Management Overview

Financial Analysis

The financial overview has been developed within the parameters set out in the Revenue and Financing policy and is supported by detailed budgets for each of the Council's activities. There is an underlying assumption of continuing business.

The paragraphs which follow give an overview of the factors influencing the financial reports as shown in the following tables.

Inflation has been provided on operating revenue, operating expenditure and capital expenditure with the resulting flow through to the balance sheet. Weighted average calculations have been made based on inflation forecasts provided by Business and Economic Research Limited, (BERL). The adjusters used for each year are set out on page 209.

Operational Revenue

The primary operating revenue is and will be property based rates. Rates revenue is projected to grow from a base of \$203.0 million in 2006/07 to \$328.5 million in 2015/16. Other operating revenues include user charges, Land Transport New Zealand (LTNZ) subsidies, development contributions, interest, and dividends from Christchurch City Holdings Limited (CCHL). Land Transport New Zealand capital subsidies and development contributions are used to fund the capital projects to which they relate.

Dividends from the Council's subsidiaries and associates are projected to rise gradually from \$33 million in 2006/07 to \$45 million in 2015/16.

Operational Expenditure

Operational expenditure includes all the day-to-day costs necessary to run a large multi-function organisation.

Operational expenditure is made up of:

- Direct operating costs. These costs include staff costs, insurance, energy, computing and maintenance work on the city's infrastructural assets.
- Significant new operating items included within this Community Plan include:
 - New Bio-solids plant - \$1.96 million per annum from 2008/09
 - Bus exchange expansion - \$1.1 million per annum from 2010/11
 - New Botanic Gardens facility - \$0.4 million per annum from 2010/11
 - Waste minimisation initiative - \$1.5 million per annum from 2010/11
 - Metropolitan Christchurch Transport Strategy - \$22.8 million over 10 years
- Debt servicing costs. These costs are the interest costs incurred as a result of the Council's borrowing programme. These are projected to increase from \$8.4 million in 2006/07 to \$28.1 million in 2011/12, reducing back to \$27.2 million in 2015/16. This increase reflects the Council's borrowing programme which will be initiated once Debt Repayment Reserve Funds have been fully utilised.
- Depreciation. This has also been included within the operating costs and is explained in more detail in the next section.

Financial overview



Depreciation

This is charged on both operational and infrastructural assets. Depreciation is on a straight line basis.

The total for all depreciation for 2006/07 is \$83.0 million growing to \$132.8 million by 2015/16. The growth in the depreciation provision can be directly linked to the significant increases in the value of our assets since the 2004/14 LTCCP. The resulting depreciation charge, together with our growing capital programme will add \$10 million extra to our cost structure for the 2006/07 year. The capital programme averages \$191.9 million over the 10 year period.

The Council has confirmed the need to fully account (and rate) for depreciation. Revenue raised to fund depreciation is used to fund the renewal of assets.

Surpluses

The financial forecasts show (ordinary) operating surpluses, increasing from \$7.6 million to \$66.1 million over the ten year period.

Included within the surplus are capital revenues, such as funding from LTNZ and Development Contributions, which are applied against capital expenditure either in the current year or transferred to a reserve to be used for future capital projects. Because they are “capital” they are not available to subsidise general rates.

The surplus also includes an annual contribution towards the repayment of debt.

Finally, the surplus also includes the net proceeds of the Council’s Housing and Dogs activities which are not funded from rates.

In the past Council has used funds generated from a combination of depreciation (less funds appropriated back to reserves and separate accounts) plus the balance of the operating surplus (in excess of debt repayment provision) to fund a percentage of the average annual forecast capital expenditure calculated from the next 20 year capital programme. This has resulted in some inconsistencies, one, because of the effect of the averaging on large capital projects, and two, because it is difficult to accurately forecast and cost capital projects 20 years in advance.



This year the Council has replaced the average figure with the current year's capital programme. It is funded in the first instance with the funds generated by rating for depreciation, (as above), along with capital revenues and specific capital reserves which relate to the projects. The balance is borrowed.

The generation of an operational surplus also ensures that the Council complies with Section 100 of the Local Government Act 2002. This section of the Act, which is sometimes referred to as the 'Balanced Budget Requirement', ensures that the Council has adequate funding for the ongoing maintenance of service levels.

Capital Expenditure

The capital expenditure programme includes a number of large projects which are detailed on page 81 of this plan. Details of the first three years only are to be found in the capital works programme on page 84.

Borrowing and Consolidated Debt

Provision for the repayment of Council debt is made by annual contributions to sinking fund and loan repayment reserves. These contributions are calculated to ensure parcels of debt are repaid no later than 30 years after they are initially borrowed.

Our capital programme peaks over the 2008 to 2010 period. This sees us having to raise around \$190 million over the first four years and hence our term debt increases. In addition we are borrowing a further \$113 million to fund the new civic offices. This borrowing is offset by an increase in the value of our investments as the money has been on lent to Tuam Limited. For the remaining period through to 2016 debt levels drop slightly as a result of increasing depreciation and lower levels of capital expenditure. Contributing towards our funding of capital expenditure are increasing funds from Development Contributions and LTNZ capital revenues.

By 2015/16 our gross debt is \$358 million, offset by \$325 million in cash and cash equivalents, \$104 million of which is the Capital Endowment Fund, (refer to page 304) and \$115 million of which is in the loan repayment and debt repayment reserves.

The reserve funds which are set aside, along with borrowing which is available under our existing limits means that the Council is well placed to carry out projects which may arise in the future and which will benefit the community.

The financial model assumes loan repayment reserves are accumulated in perpetuity whereas in practice opportunity may be taken to repay portions of the debt from these accumulated funds as shorter term maturities are refinanced, typically each 3 to 5 years.

Intergenerational Equity

The Council has put in place the following mechanisms to ensure intergenerational equity:

- All assets are depreciated at a rate assessed to reflect the life of particular assets.
- Loans raised to fund capital works are repaid over a 20 to 30 year period. For this plan we have assumed all loans will be repaid over 30 years.
- Revenue of the Council is required to be sufficient to meet the operational expenses in each year including:
 - depreciation on capital assets employed
 - interest on outstanding debt
 - debt repayment contributions sufficient to fund the repayment of outstanding debt over a maximum 30 year cycle.
 - Asset Management Plans have been developed for all major assets types to ensure that an appropriate rate of renewal of existing assets is planned for and carried out. This renewal work is generally funded by a first call on depreciation funds generated by revenue.

This means that ratepayers pay their share of the use of assets plus pay for the acquisition of assets over a reasonable period. The effect of this policy is that current ratepayers will leave a legacy for the future.



Financial overview

Credit Rating

In 1993 the Council received an AA+ international credit rating from Standard and Poor's. This rating was last reviewed and confirmed by Standard and Poor's in 2005.

This high rating reflects the strong overall financial position of the Council and the commitment to achieve an annual operating surplus and control the level of debt through a clearly defined debt management policy.

Financial Ratios

A key part of the Council's risk management strategy is its four key financial ratios. These ratios relate to the Christchurch City Council and CCHL combined and define the limits within which the Council must maintain its balance sheet and borrowing ratios.

The four key ratios and the maximum limits are:

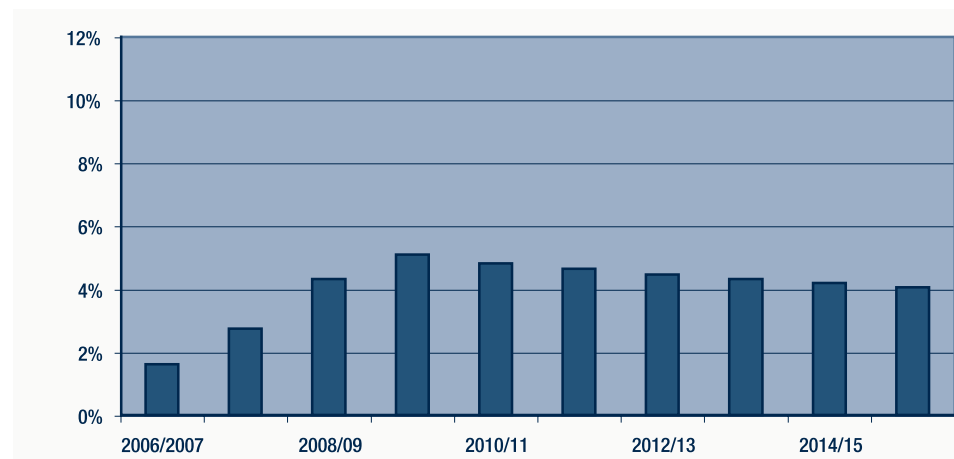
	Policy Limit
Total external debt as a percentage of the total Council/CCHL assets	Maximum 12%
Total external debt of the Council/CCHL as a percentage of realisable assets, (all assets excluding infrastructure and restricted)	Maximum 33%
Net interest paid on the total Council/CCHL term debt as a percentage of consolidated gross revenue	Maximum 8%
Net Debt of the Council/CCHL in relation to funds flow from operations	Maximum 5 times

Note 1: 'term debt' is defined as total external debt less dedicated debt repayment reserves, and 'net debt' is total external debt less all cash reserve funds.

Note 2: when calculating financial management ratios, the debt levels and liquid investments of Christchurch City Holdings Limited, parent only, are added to the Council figures. Similarly, any reference to consolidated figures means the sum of the Council and CCHL parent only, numbers.

The 10 year projections are well within the ratio limits (see ratio graphs following).

External Debt to Total Assets
Ratio Policy Limit 12%



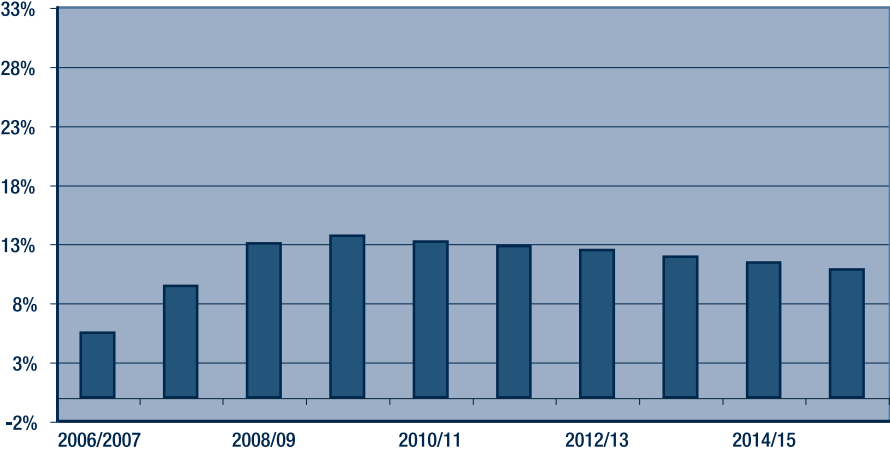
This graph compares the total external debt of the Council with the total assets of the Council/CCHL and sets a maximum of 12%. It is equivalent to measuring your mortgage against all of your assets.

The ratio is currently 1.6%, reaches a peak of 5.1% in 2009/10 and then falls to 4.1% in 2015/16.

Financial overview



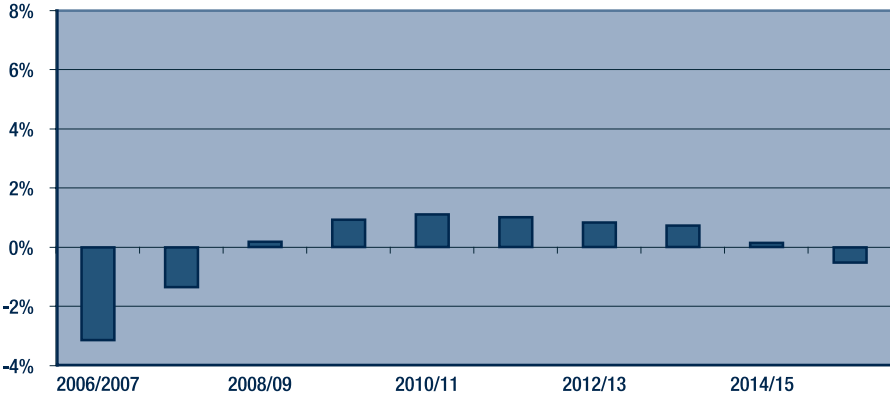
External Debt to Realisable Assets
Ratio Policy Limit 33%



This graph compares total external debt of the Council/CCHL with a significantly reduced category of assets. The assets excluded from the calculation are those which are basic to the needs of the city, such as roads, sewers, parks and water supply; the assets included are property, vehicles and trading investments.

The ratio is currently 5.7% and reaching a peak of 13.8% in 2009/10 before dropping back to 11.0% in 2015/16.

Net Interest to Operating Revenue
Ratio Policy Limit 8%



This graph measures how much of the Council’s income is spent on interest.

It is like comparing how much of your income goes towards servicing your mortgage.

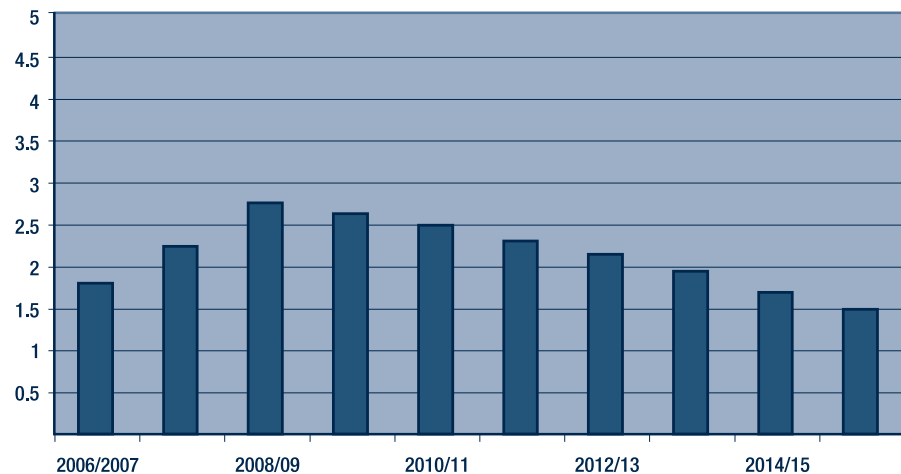
The ratio maximum is 8%.

The ratio is currently –3.1%, peaking at 1.2% in 2010/11 before dropping back to –0.4% in 2015/16.



Financial overview

**Net Debt to Funds Flow
Policy Limit 5 Times**



Net debt is total external debt less all cash reserve funds which the Council holds. The graph compares this with the annual cash flow of the Council.

It is like checking how many year's total income it would take to repay your mortgage.

The ratio is currently 1.8 times and reaches a peak of 2.7 times in 2008/09. By 2015/16 it has fallen back to 1.5 times.

Financial Statement Projections

The detailed long term projections are to be found in the financial statements beginning on page 180. They should be read in conjunction with the Statement of Accounting Policies which follow the financial statements.

The financial projections have been prepared in accordance with FRS 41 and FRS 42.



Financial overview



Financial Overview

	Plan 2006/07	Plan 2007/08	Plan 2008/09	Forecast 2009/10	Forecast 2010/11	Forecast 2011/12	Forecast 2012/13	Forecast 2013/14	Forecast 2014/15	Forecast 2015/16
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Operating Summary										
Operating expenditure	277,053	280,563	289,276	300,018	315,803	322,590	330,066	337,732	343,680	350,100
Depreciation	82,980	89,888	98,050	108,267	113,289	118,974	124,621	130,091	133,072	132,823
Interest expense	8,443	10,502	18,600	26,583	27,533	28,147	28,075	27,828	27,438	27,205
Total operating expenditure	368,476	380,953	405,926	434,868	456,625	469,711	482,762	495,651	504,190	510,128
funded by:										
Fees, charges and rates penalties	84,173	87,489	90,192	92,756	95,547	97,521	99,674	102,061	103,471	105,296
Development contributions	9,093	20,504	23,843	27,299	30,867	31,504	32,156	32,756	33,282	33,821
Grants and subsidies	18,843	25,305	39,670	44,042	32,762	37,658	36,105	34,642	30,778	31,458
Dividends and interest received	60,983	57,928	59,942	65,044	64,983	67,354	67,993	70,589	73,564	77,176
Total operating revenue	173,092	191,226	213,647	229,141	224,159	234,037	235,928	240,048	241,095	247,751
Required operating surplus (before vested assets)	7,568	30,189	50,193	61,880	60,323	68,225	67,602	67,063	64,067	66,107
Rates required	202,952	219,916	242,472	267,607	292,789	303,899	314,436	322,666	327,162	328,484
Net annual impact of activities undertaken:										
Percentage (%) rate increase including growth and inflation	8.20%	6.78%	8.77%	9.02%	8.20%	2.74%	2.46%	1.65%	0.46%	-0.51%
Percentage (%) rate increase including growth only	8.20%	2.80%	5.11%	5.75%	5.46%	0.10%	-0.05%	-0.72%	-1.61%	-2.55%
Required operating surplus consists of:										
Revenues to fund capital expenditure	20,243	37,888	55,285	62,711	54,570	59,754	58,497	57,278	53,591	54,547
Funding for Debt repayment provision	3,613	2,233	3,276	4,778	5,528	6,079	6,513	6,986	7,467	7,981
Funding for landfill aftercare expenditure	165	219	1,315	512	512	512	512	512	512	512
Removal of separately funded activities results	-1,952	-2,178	-2,246	-2,212	-2,384	-2,399	-2,394	-2,387	-2,383	-2,073
Operational transfers to/from special funds	-14,501	-7,973	-7,437	-3,909	2,097	4,279	4,474	4,674	4,880	5,140
Operating Surplus (before vested assets)	7,568	30,189	50,193	61,880	60,323	68,225	67,602	67,063	64,067	66,107
Capital Funding Summary										
Capital expenditure	183,964	223,930	245,383	208,523	180,360	187,596	185,501	179,386	159,427	165,156
funded by:										
Depreciation rated for	78,465	85,230	93,310	103,560	108,552	114,216	119,887	125,361	128,342	128,396
Sale of assets	5,670	7,239	1,404	5,871	1,491	1,531	1,568	1,603	1,634	1,666
Landfill aftercare funded from rates and reserves	1,715	1,515	1,315	512	512	512	512	512	512	512
Funding from debt repayment reserve	66,092	22,882	718	766	817	871	930	-7,827	-27,109	-22,652
Funding for capital from other reserves	11,029	2,012	1,910	1,738	1,736	1,660	1,693	1,709	1,707	1,937
Revenues for capital projects	20,243	37,888	55,285	62,711	54,570	59,754	58,497	57,278	53,591	54,547
Total funding available	183,214	156,766	153,942	175,158	167,678	178,544	183,087	178,636	158,677	164,406
Borrowing required	750	67,164	91,441	33,365	12,682	9,052	2,414	750	750	750



Financial overview

Operating Budget Summary

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Revenue										
City development	1,004	1,036	1,067	1,091	1,119	1,146	1,170	1,192	1,212	1,233
Community support	13,798	14,191	14,617	15,020	15,404	15,769	16,103	16,412	16,685	16,966
Cultural and learning services	3,545	3,678	3,808	3,913	4,013	4,108	4,195	4,276	4,347	4,419
Democracy and governance	-	330	-	-	358	-	-	382	-	-
Economic development	167	172	177	182	155	157	161	163	167	169
Parks, open spaces and waterways	7,769	10,574	11,417	12,273	13,142	14,143	14,583	15,007	15,403	15,810
Recreation and leisure	9,240	10,270	10,704	11,122	11,538	11,854	12,114	12,356	12,571	12,788
Refuse minimisation and disposal	4,678	4,986	5,242	5,387	5,524	5,653	5,774	5,886	5,983	6,083
Regulatory services	19,082	19,496	20,002	20,553	21,080	21,576	22,033	22,457	22,831	23,213
Streets and transport	31,063	41,480	56,883	62,299	52,063	57,553	56,450	55,407	51,923	52,987
Wastewater collection and treatment	6,138	10,334	11,863	13,379	14,943	14,567	14,726	14,858	14,951	15,045
Water supply	5,416	6,277	6,960	7,526	8,104	8,066	8,192	8,301	8,391	8,481
	101,900	122,824	142,740	152,745	147,443	154,592	155,501	156,697	154,464	157,194
Other revenue										
Rates	202,952	219,916	242,472	267,607	292,789	303,899	314,436	322,666	327,162	328,484
Dividends	33,019	34,189	35,041	37,041	37,541	39,541	40,041	42,041	43,541	44,928
Interest	27,964	23,739	24,901	28,003	27,442	27,813	27,952	28,548	30,023	32,248
Other income	10,209	10,474	10,965	11,352	11,733	12,091	12,434	12,762	13,067	13,381
	274,144	288,318	313,379	344,003	369,505	383,344	394,863	406,017	413,793	419,041
Total operating revenue	376,044	411,142	456,119	496,748	516,948	537,936	550,364	562,714	568,257	576,235

Financial overview



Operating Budget Summary

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Expenditure										
City development	16,191	14,377	13,901	14,411	13,817	13,933	13,987	14,087	14,384	14,455
Community support	33,445	33,105	34,633	35,606	36,970	37,791	38,436	38,997	39,674	39,964
Cultural and learning services	42,345	43,781	46,089	48,351	50,655	51,962	53,079	54,332	55,691	56,942
Democracy and governance	9,814	13,000	12,468	12,651	14,165	13,490	13,629	15,003	14,224	14,276
Economic development	10,717	10,410	10,915	11,622	12,294	12,665	13,060	13,423	13,774	14,116
Parks, open spaces and waterways	44,340	45,595	47,295	48,832	50,441	51,510	52,617	53,521	54,437	53,805
Recreation and leisure	27,250	27,232	29,503	31,046	32,539	33,468	34,324	35,076	35,785	36,325
Refuse minimisation and disposal	19,571	20,475	21,749	24,641	25,603	25,862	26,427	26,948	27,417	27,720
Regulatory services	25,126	25,697	26,370	27,147	28,092	28,682	29,248	29,664	30,065	30,485
Streets and transport	73,374	77,570	83,669	92,183	99,368	103,622	107,752	112,029	113,966	115,953
Wastewater collection and treatment	32,172	34,486	37,894	40,751	43,408	45,622	47,695	49,706	51,391	52,280
Water supply	18,985	19,691	20,879	22,134	23,154	24,016	24,474	24,637	25,295	25,863
	353,330	365,419	385,365	409,375	430,506	442,623	454,728	467,423	476,103	482,184
Other expenditure										
Corporate	15,146	15,534	20,561	25,493	26,119	27,088	28,034	28,228	28,087	27,944
Total expenditure	368,476	380,953	405,926	434,868	456,625	469,711	482,762	495,651	504,190	510,128
Operating surplus	7,568	30,189	50,193	61,880	60,323	68,225	67,602	67,063	64,067	66,107



Financial overview

Capital Budget Summary

Capital Expenditure Summary	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
City development	1,224	537	5,914	6,101	6,280	7,034	621	634	646	659
Community support	8,869	7,901	2,399	2,063	2,127	2,089	2,186	2,247	2,294	2,893
Cultural and learning services	6,837	6,589	6,943	6,711	7,266	7,440	7,797	8,296	7,503	7,433
Democracy and governance	16	17	17	18	18	19	19	20	20	20
Economic development	343	90	80	136	147	207	139	142	95	147
Parks, open spaces and waterways	29,273	35,402	34,170	32,458	27,778	24,061	24,252	24,921	25,824	26,439
Recreation and leisure	5,957	14,957	6,500	4,338	3,399	2,685	2,616	2,677	2,725	4,685
Refuse minimisation and disposal	4,728	1,769	23,197	802	813	820	811	1,227	998	868
Regulatory services	200	389	415	36	117	404	40	40	41	42
Streets and transport	45,910	61,624	92,227	92,249	71,878	82,132	79,097	76,660	69,561	71,771
Wastewater collection and treatment	53,820	68,873	47,642	32,837	28,809	29,316	40,189	34,134	21,183	21,821
Water supply	8,037	9,498	13,043	14,811	18,813	13,315	11,491	13,571	13,522	12,694
Corporate	18,750	16,284	12,836	15,963	12,915	18,074	16,243	14,817	15,015	15,684
Total capital programme	183,964	223,930	245,383	208,523	180,360	187,596	185,501	179,386	159,427	165,156

Financial overview



Key Assets / Liabilities of Christchurch City Council and Christchurch City Holdings Ltd

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Gross debt	95,748	173,092	299,048	372,519	373,033	379,297	372,346	366,794	362,580	358,169
<i>less sinking funds, debt and loan repayment reserves</i>	29,664	9,098	12,415	16,640	22,209	27,909	34,464	50,309	85,290	115,964
Term debt	66,084	163,994	286,633	355,879	350,824	351,388	337,882	316,485	277,290	242,205
Gross debt (CCC and CCHL)	177,628	299,780	432,710	486,181	483,695	485,809	474,081	462,246	450,891	436,980
Total assets (CCC and CCHL)	6,111,528	6,455,989	6,835,866	7,264,346	7,606,488	7,917,720	8,128,820	8,336,649	8,527,335	8,714,576
Realisable assets (CCC and CCHL)	3,102,954	3,197,097	3,322,724	3,518,958	3,665,465	3,780,476	3,811,639	3,853,729	3,909,587	3,957,487

Capital works programme



Capital works programme



Major Capital Projects

The Council will spend \$1.9 billion over the next 10 years to deliver an extensive capital projects programme.

Of this \$1.9 billion, \$132.5 million has been allocated to various projects in Banks Peninsula. This reflects the Council's adoption of the capital projects as agreed in the memorandum of understanding relating to the merger with Banks Peninsula District Council.

Included in the capital projects programme are projects which relate to the Council's renewal and replacement programme. Large renewals and replacement projects to be done include the ocean outfall, the Blenheim Road deviation, buying Hendersons Basin land for stormwater management, new digesters at the Christchurch Waste Treatment Plant and various upgrades to the sewage treatment, water, roading and stormwater systems.

All projects marked with an asterisk (*) will form part of Council's contribution to the proposed Greater Christchurch Urban Development Strategy, which plans for long-term growth and change. This Strategy is in partnership with Selwyn and Waimakariri district councils, Environment Canterbury (the Regional Council), and Transit NZ.

Please note that funding amounts are adjusted for inflation.

Expansion of Christchurch Waste Treatment Plant*. Additional capacity is required at the plant to meet city growth and waste treatment loads. Failure to carry out this project would put the council at risk of breaching consent conditions relating to the quality of the plant's discharge. Funding of \$18.1 million has been provided in the years 2011 to 2014.

Biosolids drying facility*. The Council proposes to build a new biosolids drying facility, as after 2006/07 it will not be able to dispose of sludge into the Burwood Landfill. To transport and dispose of material into Kate Valley after 2006/07 would cost \$2 million a year. The new facility will require \$22.6 million from 2007 to 2009.

New Bus Exchange*. The present exchange in Lichfield Street has already reached capacity and is unable to meet the growth in public transport use. Expansion is necessary in the next three to five years to meet present needs and projected growth. The new facility is scheduled to open in

late 2010 at a capital cost of \$59.7 million. Capital contributions from Central Government will be received to contribute to this project and are estimated at \$32 million. Development contributions will contribute a further \$25 million, leaving \$2.1 million to be rates funded.

Replacing stormwater pipes*. Large sections of the Christchurch sewer network need replacing. The main concern is 55 km of aged timber and concrete-lined drains which are near the end of their useful life. Over the next 10 years this city-wide project requires \$11.5 million.

Christchurch Art Gallery air-conditioning plant upgrade. This involves spending on a second boiler, and a chiller. An upgrade is required for climate control in the Art Gallery. The current boiler is running at capacity and a second boiler is needed to meet demand but also to allow for planned maintenance to the existing boiler. This project is timed for completion in 2012/13 with funding of \$189,000 required.

Fitout for new Civic Offices. This involves the normal cost for tenants for fitout of offices, for example office fixtures. It does not include funding to build new Civic Offices, as alternative funding arrangements have been made. There is no provision in the budget for capital expenditure on the present Tuam Street offices should the Council decide not to move. Funding for the fitout of \$4.3 million has been provided during the years 2007 to 2010.

Tree renewal. Many of the city's trees are old and need replacing. The aim is to replace 1% of the city's trees each year. Funding of \$11.4 million has been provided over the next 10 years.

Replace old waste-water pipelines*. Some of the old brick barrel pipelines need renewing. Funding of \$3.4 million has been provided in 2014 to 2016.

Civil Defence building. A review of Civil Defence operations in Canterbury carried out with Environment Canterbury identified potential issues. This project includes providing a separate Civil Defence building, and is a cost-share with Environment Canterbury. \$3.6 million in funding has been allocated in 2007/08.



Strategic land purchases*. The council plans to buy land over time to meet strategic objectives set for city development of open space, conservation, stormwater management and urban regeneration. This will include the recommendations from the Greater Christchurch Urban Development Strategy when agreed to and adopted. A specific loan (**\$60 million**) will be raised to create a revolving reserve fund for land purchases. The funds will be invested until needed. Funding of **\$39.5 million** has been provided for the period **2007 to 2016**.

Central City Transport Strategy projects*. The recently-adopted Central City Transport Concept provides a framework for improving our travel to, from and around the central city. A range of improvements to the central city transport system are proposed. These include the development of a core zone focusing on a high-quality pedestrian-friendly environment, improving the Lichfield-Tuam corridor, supporting a new Bus Exchange and introducing themed street designs. Some changes in the way central city parking is managed and developed are also included in the improvements. Overall, these improvements would reduce the impact of traffic on the central city, making it a more enjoyable place to live, work and play. Funding of **\$6.8 million** has been provided over the next **10 years**.

A programme of streets and transport improvements*. This is a package of improvements that is driven by and supports the Metropolitan Christchurch Transport Strategy (MCTS) and other related strategies. It covers all improvements to (as opposed to replacements of) main roads, cycleways and public transport infrastructure, as well as safety improvement projects. These works are needed to cater for our growing city and increasing travel needs. They also aim to address increasing traffic congestion and improve safety on our roads. Funding of **\$194.4 million** is provided over the next **10 years**.

Snellings No.2 Drain. Improvements are required to the city's stormwater network and management of the waterways into which it discharges. This particular group of improvements will enhance capacity of the old No 2 Drain that serves the Marshland area. It involves replacing the existing drain through Christchurch Golf Course, which is a top priority for replacement under the Asset Management Plan due to its age. It is proposed that additional drainage capacity will be provided to meet future growth in the Marshland/Burwood area by using ponds on Christchurch Golf Club land and recently purchased rural land north of Queen Elizabeth II Drive. This scheme will also divert surface water away from Snellings Drain, which in high rainfall events takes the overflow

from the old No.2 drain and will reduce the pressure on the Snellings Drain system serving new subdivisions in the Waitikiri area. The diversion will also lessen the impact on the timber-lined drain through the Westhaven subdivision. Funding of **\$2.6 million** has been provided in **2007 to 2008**.

School safety zone infrastructure*. A 40 km/h school zone is a designated area around a school, where motorists are legally required to slow down to 40 kilometres an hour when electronic 40 km/h signs are operating. The signs operate at times when children are either arriving at or leaving school. In 2000, when the first Christchurch zones were introduced, it was thought that only a small number of schools would require them. Instead, the signs' success at slowing traffic outside schools and raising motorists' awareness of schools and school crossings has meant that after introducing zones for 15 schools, Christchurch City Council has a long-waiting list of schools. It costs at least \$30,000 to introduce a 40 km/h school zone including static signs on intersecting roads in the zone and flashing 40 km/h electronic signs on either side of school road crossings. Funding of **\$1.05 million** is provided in over the next **10 years**.

Avon River - Central City Strategy*. How should we look after the Avon River and its central city surroundings so that they remain a showpiece of our Garden City? Christchurch City Council has developed a master plan for the river corridor, within the four avenues, that will help to do this. The Avon River/Otakaro (Central City) Master plan sets out a course of action for the use and management of the Avon River corridor through the central city so that it remains very much the same as it is today but with a few enhancements. It features improvements to water quality, possible road closures, upgrading of walkways and cycleways including a new promenade, conservation plans for heritage features and places for more artworks along the river banks. The improvements are designed to meet goals for preserving and enhancing natural heritage, cultural heritage, the Garden City image, urban landscape and enjoyment of the river. Implementing all of the work could take 25 years. Funding of **\$1.7 million** is provided over the next **10 years**.

New leisure centres*. The Aquatic Facilities Plan (available on request) was the first city-wide report to identify current and future needs for aquatic facilities in Christchurch. It looked at the city's needs for the next 30 years. The plan identifies the need to build 3 new aquatic facilities. In the period covered by the LTCCP – 2006 to 2016 – it is proposed to construct a new indoor leisure centre at Papanui, which would be the sixth for the city. This facility would replace existing

Capital works programme



outdoor swimming pools at Belfast, Papanui and Edgware, all of which are nearing the end of their operational life. The new centre is considered important to serve the current and future population growth in this part of the city. Another facility is needed in the west of the city – at a location yet to be determined, and depending on priorities. These priorities will be reviewed at 5-year intervals. It is proposed that construction of this facility would not begin until 2015. A third new facility required is the new learn-to-swim pool at Pioneer Leisure Centre. Funding of **\$12.5 million** has been provided from **2007 to 2016**.

Waste minimisation*. The management and reduction of waste is a major issue facing Christchurch. The Council has been revising its Waste Management Plan and considering possible options for the kerbside collection of household waste including recycling and organics collections. In 2005 a new regional landfill was opened at Kate Valley. The equivalent of 50 busloads of Christchurch rubbish is sent to the landfill every day. The draft Waste Management Plan 2005 considered goals and targets to reduce various types of waste going to landfill.

Three options for future kerbside services were put out for public consultation in late 2005. However in February 2006, the Council decided to explore other solutions to achieve its goals of waste reduction, and formed a working party consisting of Councillors, staff and interested parties. While no specific option has yet been decided, it is important to make funding provisions for an important waste-minimisation initiative. The council has budgeted **\$21.4 million in 2008/09**.

Botanic Gardens project*. During the development of a master plan for the Botanic Gardens and Hagley Park, it has been estimated that \$10 million would be needed to replace the Botanic Gardens visitors' centre and upgrade staff facilities. Money for these two projects was included in the 2004-14 LTCCP. The Hagley Park-Botanic Gardens master plan is expected to be available for public consultation and sign-off from the Council later in 2006. Preparatory planning is underway to celebrate the 150th anniversary of the Botanic Gardens in 2013. Funding of **\$11.1 million** has been provided from **2008 to 2010**.

City Mall renovation*. City Mall is one of downtown's more important streets for both shopping and community life. Despite the important civic and iconic role that the City Mall has within the life of the city, it faces severe competition from suburban development. The City Mall renovation seeks to reverse this tide by re-establishing City Mall as a premier retailing and public destination.

Renovation efforts will focus on improving the physical features of the mall and enhancing retail management and co-ordination. This is in the current LTCCP. Councillors have determined the **\$10.5 million** will be paid for by general rates.

Lyttelton Marina. Banks Peninsula District Council and Covington Group entered into a development agreement in June 2005 to develop council land at Naval Point as a safe marina for up to 400 boats. The Council is to retain 2.6ha of land which is to be developed for the public's benefit. This includes a foreshore reserve, public boat ramps, small boat launching facilities, promenades and parking. In addition Covington Group will purchase an area of land for commercial and residential development.

Council's obligations under this agreement are to develop the public areas. Funding of **\$8.5 million** has been provided.

Akaroa water upgrade. Funds have been allocated to improve the quality of public water supply and for improved security of the supply during periods of extended dry weather. The proposed work includes treatment upgrades, improved system management and the securing of additional water sources to supplement existing stream supplies. The Council has budgeted **\$15.3 million** from **2009 to 2012**.

Lyttelton Harbour Basin effluent disposal*. The objective of this project is to review and, if necessary, upgrade the existing treatment and disposal facilities at the three council wastewater schemes at Diamond Harbour, Governors Bay and Lyttelton. Funding of **\$13.2 million** has been provided from **2009 to 2012**.

Lyttelton inner harbour road* **\$5.1 million** has been allocated over the **10 year period** for pavement seal widening and carriageway improvement along with the construction of new sections of footpath to furnish a continuous link from Charteris Bay to Purau.

Lyttelton Port alternative access* **\$9.6 million** has been allocated over the period **2007 to 2012** to build a new access road to the proposed new marina and for the construction of a new roadway for heavy traffic to access the port container area.

Capital works programme

Capital Works Programme

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
City Development						
Technical Projects	152	19	19			
Local Projects	1,072	518	5,895			
	1,224	537	5,914			
Community Support						
Technical Projects	1,627	5,109	527			
Local Projects						
Gowerton Place Housing Complex	4,840	-	-			
Banks Peninsula Social Housing	317	218	175			
Social Housing	2,085	1,641	1,697			
Metropolitan Projects						
Porritt Park Upgrade	-	933	-			
	8,869	7,901	2,399			
Cultural and Learning Services						
Technical Projects	5,522	6,303	6,644			
Local Projects	990	-	-			
Metropolitan Projects						
Artwork Acquisitions	325	286	299			
	6,837	6,589	6,943			
Democracy and Governance						
Technical Projects	16	17	17			
	16	17	17			
Economic Development						
Technical Projects	343	90	80			
	343	90	80			
Parks, Open Spaces and Waterways						
Technical Projects	15,260	17,751	13,331			
Local Projects						
Bridges and Buildings	972	459	493			
Carparks, Driveways, Pathways	384	143	105			
Cemeteries	145	98	102			
Harbour Structures	65	110	34			
Landscape and Tree Planting	1,391	1,334	1,486			
Park Lighting	80	88	97			
Playgrounds and Recreational Facilities	819	647	608			
Reserves Development	2,070	2,089	2,323			
Revegetation Projects	112	99	93			
Walkways and Track Development	58	60	104			
Waterways and Wetlands Restoration	3,245	5,027	2,633			
Metropolitan Projects						
Botanic Gardens / Hagley Park	102	161	59			
Botanic Gardens Entry Pavilion	175	-	5,360			
Coast Care Development	160	176	182			
District Sports Park Purchases	260	269	279			
Inner City Park Development	75	104	107			
Inner City Riverbanks	180	186	193			
Lyttelton Marina	139	4,227	4,126			
Mona Vale	10	10	11			
Neighbourhood Reserve Purchases	918	498	515			
Strategic Reserve Purchases	2,653	1,866	1,929			
	29,273	35,402	34,170			
Recreation and Leisure						
Technical Projects	2,887	1,750	1,998			
Metropolitan Projects						
Jellie Park Aqualand Redevelopment	2,770	9,061	-			
Northwest Pool Facility	300	4,146	4,502			
	5,957	14,957	6,500			

Capital works programme



	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Refuse Minimisation and Disposal							
Technical Projects	2,930	166	170				
Metropolitan Projects							
Closed Landfills Aftercare	1,715	1,515	1,315				
SW Kerbside Recycling Bins	83	87	91				
Transfer Stations - Renewal Programme	-	1	183				
Waste Minimisation Initiatives	-	-	21,438				
	4,728	1,769	23,197				
Regulatory Services							
Technical Projects	200	389	415				
	200	389	415				
Streets and Transport							
Technical Projects	19,633	22,374	27,092				
Local Projects							
Street Renewals	14,569	15,857	18,264				
Cycleways	618	1,458	1,621				
Road Network Improvements	460	878	729				
Street Light Upgrading	493	279	289				
Neighbourhood Improvements	532	-	965				
Metropolitan Projects							
Antigua / Moorhouse	-	5	54				
Avonside / Fitzgerald	349	1,140	-				
Beale / Carlton / Harper	5	26	43				
Blackspot Remedial Works	-	170	176				
Blenheim Road Deviation	5,299	1,772	-				
Blenheim / Middleton	-	5	316				
Bromley School Safety	172	-	-				
Bus Exchange	25	2,073	30,013				
Bus Priority Routes	360	1,544	889				
Chattertons / Old West Coast	5	285	-				
Ctrl City Dev Strategy Projects	76	767	793				
	45,910	61,624	92,227				
Wastewater Collection and Treatment							
Technical Projects	5,235	3,035	5,920				
Local Projects	2,070	3,063	7,290				
Metropolitan Projects							
Ocean Outfall Pipeline	26,100	38,091	12,863				
CWTP Digesters	8,189	7,410	-				
CWTP Upgrade Projects	5,518	12,468	19,117				
Western Interceptor Pipeline	3,675	2,591	-				
Pump Station #11 Tie In	1,167	-	-				
Pumping Main #11	789	-	-				
Reticulation Network	1,077	2,215	2,452				
	53,820	68,873	47,642				

Capital works programme

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Water Supply			
Technical Projects	5,133	3,796	6,440
Local Projects	2,075	2,566	3,098
Metropolitan Projects			
Reticulation Network	665	2,348	2,975
Wells and Headworks	164	788	530
	8,037	9,498	13,043
Corporate			
Technical Projects			
Asset Management Programme	4,704	7,866	3,389
Computer and Other IT Equipment	8,806	4,304	4,250
Fitout - New Civic Offices	1,000	-	1,072
Office Furniture and Equipment	280	140	148
Other Expenditure	2,960	2,937	2,905
Vehicle Replacement Programme	1,000	1,037	1,072
	18,750	16,284	12,836
Total Capital Programme	183,964	223,930	245,383

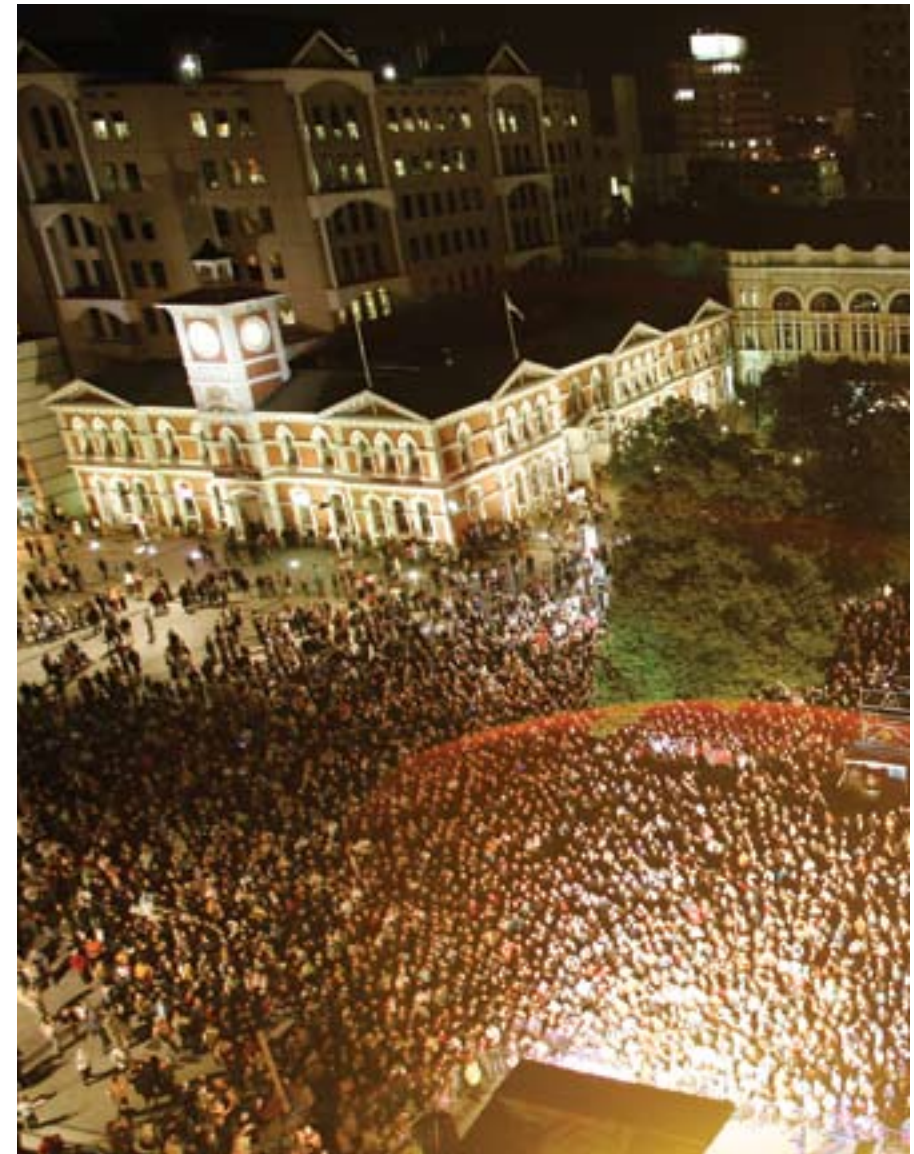
Capital Works Programme - By Category

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Base Capital Programme			
Infrastructural			
City Water and Waste	66,186	74,647	45,723
Greenspace	25,137	29,211	24,801
Transport and City Streets	41,991	47,371	45,579
Operational	40,767	38,684	23,842
Total Base Capital Programme	174,081	189,913	139,945
Essential Capital Items			
Infrastructural			
City Water and Waste			
CWTP BioSolids Drying Facility	400	5,493	16,722
Greenspace			
Ageing Stormwater Pipe Infrastructure	1,000	1,037	1,072
Tree Renewal - 1% annual replacement target	585	606	627
Transport and City Streets			
Bus Exchange Expansion	25	2,073	30,013
Street Tree Renewal	415	430	445
Operational			
Civic Building Fitout	1,000	-	1,072
Civil Defence Building	-	3,628	-
Total Essential Capital Items	3,425	13,267	49,951
Priority Capital Items			
Infrastructural			
City Water and Waste			
Waste Minimisation Initiative	-	-	21,438
Greenspace			
Strategic Land Purchases	1,000	1,037	1,072
Avon River - Central City Strategy	150	155	161
Botanic Gardens Facility	175	-	5,360

Capital works programme



	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's
Snellings No. 2 Drain	250	2,332	-
Transport and City Streets			
Central City Transport Strategy Projects	76	767	793
40 km/h School Zones	-	104	107
City Mall Upgrade	500	3,628	6,431
Metropolitan Christchurch Transport Strategy	4,007	8,581	10,263
Operational			
Urban Regeneration Purchases	-	-	5,360
New North West Pool	300	4,146	4,502
Total Priority Capital Items	6,458	20,750	55,487
Total Capital Programme	183,964	223,930	245,383



Proposals presented in the Draft to reduce spending and increase revenue in the Council budget

The Council has identified a number of proposals to help minimise rates increases over the next 10 years. These proposals would achieve almost \$2 million per annum of potential savings through service reductions, and generate additional revenue of \$1.6 million per annum through raising Council fees.

The proposals, which were adopted for consultation by the Council during its deliberations of the draft LTCCP in February, include the closing of some suburban outdoor swimming pools, sub-agencies, suburban libraries and community halls. They also include increasing parking fees and cemetery charges, and the sale of Papanui pool land.

Some of these proposals, if adopted, may lead to changes in the levels of service provided. Any decisions on changing levels of service will be made only after the feedback received from public consultation has been considered by the Council.

Services and activities considered for reduction

- 20% fewer community halls – Saving \$397,000.
Some of the city's 42 community halls are run-down and require considerable maintenance. Others are not well used. The Council proposes that the number of community halls could be rationalised.
- Rationalise community libraries (e.g. closing Redwood, Bishopdale and Spreydon) – Saving up to \$450,000.
As part of the early thinking about the 2025 Libraries Plan, rationalisation of some libraries is being considered. A number of new libraries have been built which provides the opportunity to assess whether all of the current libraries are required to meet community needs.
- Exit mobile library – Saving \$80,000.
The number of mobile library stops made, and the number of items issued has been decreasing, especially with the opening of new libraries at Parklands and Upper

Riccarton. This service is therefore to be reviewed.

- Use New Zealand Post for all Council payments – Saving \$300,000.
The Council will investigate the feasibility of outsourcing its payment transactions, such as rates, dog registrations. New Zealand Post has an extensive network of outlets, which would give residents more options for where to pay their accounts.
- Close Riccarton and Hornby sub-agencies – Saving \$77,000.
If payment options are outsourced, there needs to be a rationalisation of sub-agencies at Riccarton and Hornby.
- Close Sockburn pool – Saving \$130,000.
This ageing asset has high operational costs. In 2004/05, the pool had only 23,000 users. Many of the services are now offered by other providers and will also be provided at the redeveloped Jellie Park.
- Close or lease Sockburn Recreation Centre – Saving \$70,000.
This facility no longer provides an acceptable level of service. It has low user numbers, and is in need of \$150,000 of essential repairs. Also, services offered by the centre are replicated by other providers in the locality.
- Close four suburban pools (Edgware, Belfast, Templeton and Woolston) – Saving \$130,000.
These small outdoor suburban pools attract between 2,000 and 6,000 users each year, with a cost per swim of between \$25 and \$35. Current and planned indoor facilities will meet user needs.
- Reduce the number of City Scene – the Council's regular newsletter to residents – issues per year from 10 to 9 – Saving \$22,000.
The Council proposes that reducing the number of issues by one per year would not affect the readership of this publication.

Council's proposed savings



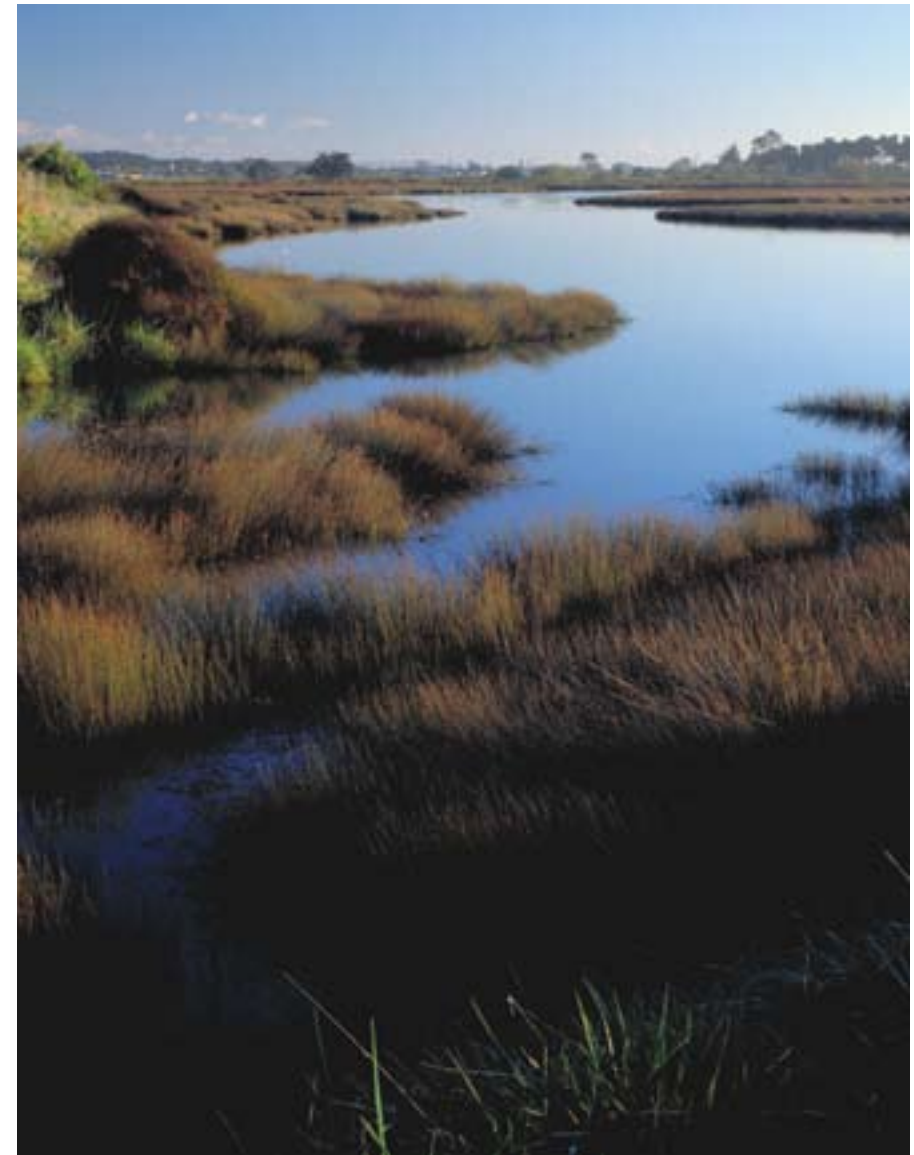
Areas considered for raising fees

- Increase off-street parking charges by 10% to \$2.20 per hour – Increased revenue \$800,000.
It will be two years since the Council increased the fees for its parking buildings. These are considerably lower than in most main cities.
- Raise on-street parking charges to \$2.50 per hour – Increased revenue \$750,000.
It will be two years since the Council increased its fees for on-street parking. These are considerably lower than in most main cities.
- Increase cemetery charges by 10% – Increased revenue \$63,000.
With increases in maintenance, contract and administration costs during the past two years, the Council considers it timely to increase charges. These have remained the same since August 2004.

Sale of assets

- Sell Papanui pool land – \$400,000.
Papanui pool was decommissioned in 2005. This land is now surplus to requirements.

After listening to the feedback received from the public consultation process, the Council has made several decisions regarding these proposed savings. The decisions made by the Council with regard to a number of the proposals referred to in this section are included on pages 20-27 of this LTCCP (“Changes from draft to final”).



Introduction to activities





Christchurch City Council Our Community Plan 2006-2016 – Christchurch O-Tautahi

The following pages contain Council activities and services.





City development



Growth goes both ways. It's good because it brings different things, new cultural aspects and means the city can develop new parts and things like museums. On the other side it means less room. We're losing our green edges and it's making things like schools more crowded.

The city centre's speciality shops are an attraction but I've got three little kids and it's hard getting around in there and parking's a pain so we don't go very often. Almost wherever you live in the city there's a mall pretty close by with free parking and oodles of shops, all close together.

Rebecca Cross

Mother/business operator
North New Brighton

City development



Why is the Council involved in city development?

The Council aims to help improve Christchurch's urban environment and revitalise the central city. The Council also provides urban development activities to ensure sustainable planning for development and management of the city's natural and physical resources, while meeting the needs of current residents and the anticipated needs of future generations.

What activities are included in city development?

Urban renewal

The Council undertakes projects and initiatives to improve Christchurch's urban environment.








Central city revitalisation

The Council promotes, markets and is involved in projects that aim to revitalise the central city.

Heritage protection

The Council provides leadership, advocacy, resources, grants and conservation covenants to conserve and rehabilitate heritage items.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Safety	By developing the urban environment in a way that reduces the opportunities for criminal activity and promotes safety.	✓✓✓
 Community	By developing the urban environment in a way that meets people's needs and reflects their cultures, and by helping people relate to and feel part of the city.	✓
 Environment	By planning for the sustainable use and protection of the city's natural and physical resources.	✓✓✓
 Prosperity	By promoting the city centre as a vibrant and prosperous place to do business. By planning an urban environment that promotes excellent lifestyles and facilitates the carrying out of business.	✓✓✓
 Health	By developing the urban environment in a manner that enables people to live healthy lifestyles.	✓✓
 Recreation	By incorporating elements of arts and culture into the urban environment while including the necessary space and facilities for people to recreate.	✓
 City Development	By ensuring our heritage is protected for future generations, maintaining the attractiveness of the city, and designing our city to meet current and future challenges.	✓✓✓



City development

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To promote and achieve good urban design.	<p>Strategies:</p> <ul style="list-style-type: none"> • Central City Revitalisation Strategy • Greater Christchurch Transport Strategy <p>Policies:</p> <ul style="list-style-type: none"> • Heritage Conservation Policy 	Providing information and advice, and working in partnership with other parties.	Continue to do the same.	Continue to do the same.	<p>Increased perception of the attractiveness of the city.</p> <p>Increase in residents' satisfaction with overall city and environmental planning.</p>
To strengthen the city centre as a vibrant place to live, work and do business.	<p>Drivers:</p> <ul style="list-style-type: none"> • City Plan • Urban Design Protocol • Crime Prevention Through Urban Design (CPTUD) • Resource Management Act 1991 	Marketing the central city.	Implement a business retention and development programme to increase commercial activity.	Continue to do the same.	<p>Reduced crime rates in neighbourhoods implementing CPTUD principles in the central city.</p> <p>Increased rate of growth in the central city compared to city-wide.</p>
	<ul style="list-style-type: none"> • Growth, demography and diversity of the city • Protection of heritage items • Community expectations / aspirations 	Creating and improving public spaces and streetscapes in the central city.	Continue to do the same.	Continue to do the same.	
To retain heritage items.	<ul style="list-style-type: none"> • Environmental sustainability • Developers' intentions • Government legislation • Economic climate • Climate change 	Providing information, advice and funding for city heritage and heritage conservation.	Continue to do the same.	Continue to do the same.	Increase in heritage awareness.



Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Residents' survey results: Satisfaction with "look and feel of the city".	94%	95%	95%	95%	Ongoing target – 95%						
% who agree that building or land development has not made their area worse*.	79%	80%	80%	80%	Ongoing target - 80%						
Satisfaction with overall city and environmental planning.	64%	65%	65%	65%	Ongoing target - 65%						
% increase in awareness of heritage issues.	70%	72%	74%	74%	Target 75%						
Rate of growth in the number of businesses in the central city compared to city-wide (per year).	Central city growth is 25% of city-wide.	Central city growth is 40% of city-wide.	Central city growth is 45% of city-wide.	Central city growth is 50% of city-wide.	Rate of growth in the number of businesses in the central city exceeds the city-wide growth rate, by 2016.						
% change in the number of pedestrians in the central city compared to base in 1993.	6% decrease	1% decrease	2% increase	6% increase	15% increase in pedestrian numbers in Central City compared to 1993 by 2016.						

* Survey question to be redesigned by September 2006



City development

What negative effects can occur in relation to city development?

<i>Negative effects</i>	<i>Mitigation options</i>
Forward planning for the city may curtail individual aspirations.	Ongoing consultation with stakeholders.

The Council's key assets relating to city development

Changes Planned for Assets

<i>Driver</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	Office equipment Central city project (sale)	17	18	19	150
Increased levels of service	Purchases of strategic land	10,000	5,700	5,360	
	Urban renewal	250	259	268	2,089
	Non-conforming uses	250	259	268	2,088
Increased demand					

City Development capital expenditure is primarily involved in strategic land purchases for urban regeneration and urban renewal projects. As such there is no on-going maintenance.



City development



City development

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Central city revitalisation	2,742	-	2,742	2,086	1,895	1,790	1,615	1,655	1,690	1,719	1,745	1,770
City and community forward planning and urban renewal	7,508	158	7,666	6,898	6,830	7,267	6,765	6,758	6,666	6,639	6,822	6,790
Heritage protection	5,783	-	5,783	5,393	5,176	5,354	5,437	5,520	5,631	5,729	5,817	5,895
Total expenditure	16,033	158	16,191	14,377	13,901	14,411	13,817	13,933	13,987	14,087	14,384	14,455
Activity operational revenue -												
Central city revitalisation	273	-	273	282	290	298	306	313	320	326	331	337
Heritage protection	722	9	731	754	777	793	813	833	850	866	881	896
Total operational revenue	995	9	1,004	1,036	1,067	1,091	1,119	1,146	1,170	1,192	1,212	1,233
<i>Fees and charges</i>	<i>785</i>	<i>9</i>	<i>794</i>	<i>819</i>	<i>844</i>	<i>861</i>	<i>883</i>	<i>904</i>	<i>923</i>	<i>940</i>	<i>956</i>	<i>972</i>
<i>Grants and subsidies</i>	<i>210</i>	<i>-</i>	<i>210</i>	<i>217</i>	<i>223</i>	<i>230</i>	<i>236</i>	<i>242</i>	<i>247</i>	<i>252</i>	<i>256</i>	<i>261</i>
Total operational revenue (by source)	995	9	1,004	1,036	1,067	1,091	1,119	1,146	1,170	1,192	1,212	1,233
Net operational cost	15,038	149	15,187	13,341	12,834	13,320	12,698	12,787	12,817	12,895	13,172	13,222
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	15,038	149	15,187	13,341	12,834	13,320	12,698	12,787	12,817	12,895	13,172	13,222
Capital expenditure												
Renewals and replacements	18	-	18	19	19	20	20	21	22	22	22	23
Improved service levels	1,206	-	1,206	518	5,895	6,081	6,260	7,013	599	612	624	636
Increased demand	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	1,224	-	1,224	537	5,914	6,101	6,280	7,034	621	634	646	659

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

Revenue is sought from sponsorship and subsidies where possible. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities. Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Community support



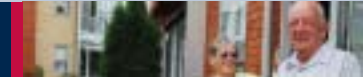
I'm a long-time paraplegic and you can see there's a definite drift to Christchurch because of the social scene and the transportation. The buses are just superb. If you've got good housing, good transportation and good public facilities, it's a win for the whole community because it gives people a chance to contribute and give something back. That's what I'm on about.

The Council's reference groups are a great idea. They give communities like ours a way to influence things and allows us to get things right the first time. There's a willingness to listen and when we have struck problems we talk about it and nine times out of 10 they can sort it.

Graham Tapper

Rehabilitation programme
coordinator, Papanui

Community support



Why is the Council involved in community support?

The Council provides community support activities to enhance opportunities for meeting and socialising, and to develop strong and inclusive communities in Christchurch.

What activities are included in community support?

Halls and conveniences

The Council provides a range of community facilities to meet community needs. It also provides social, recreational, cultural and vocational programmes in local communities.

Early Learning Centres

The Council provides and operates three early-learning centres where children aged under five are safe, well cared for and nurtured. It also provides an additional 13 facilities that are operated by the community. The Council is looking at this service over the next year and the Council's role in how it is to be delivered.

Community support

The Council works with community organisations to strengthen them so that communities can take responsibility for themselves. It provides or facilitates programmes and activities which recognise the needs of 'target' groups (children, youth, older adults, people with disabilities, ethnic communities and low income communities) and the key social issues in the city. Through communication and consultation with the community, people are encouraged to be actively involved with Council activities.

Community grants

The Council provides a number of contestable funding schemes which help community groups contribute towards achieving Christchurch's Community Outcomes and the Council's 'Strong Communities' Strategic Direction.

Housing

The Council provides and maintains a portfolio of housing complexes, and it provides tenancy management and welfare services. The Council will be reviewing Housing in the next year to decide how this can be expanded with new partners (e.g. Housing New Zealand) to continue meeting the needs of the Christchurch housing market.

Civil Defence and Rural Fire Fighting




The Council participates in the Canterbury Civil Defence Emergency Management Group, as well as providing a response to rural fires in its area of jurisdiction. Council also supports the city in planning for pandemic influenza.

How does the Council's work contribute towards our Community Outcomes?

	<i>Community Outcomes</i>	<i>How the Council contributes</i>	<i>How much?</i>
	Safety	By coordinating the Safer Christchurch inter-agency group, and implementing the Safer Christchurch Strategy.	✓✓
	Community	By working with community organisations to help them support their communities. By providing funding and staff advice to community organisations.	✓✓✓
	Governance	By helping community organisations and individuals be involved in Council decision-making processes through appropriate consultation and participation.	✓✓✓
	Prosperity	By helping communities stand on their own feet, so that they are better able to prosper.	✓✓✓
	Health	By providing assistance which enables more people to participate in leisure, physical and sporting activities, as well as emergency management.	✓✓



Community support

Community Outcomes	How the Council contributes	How much?
 Recreation	By enabling more people to participate in leisure, physical and sporting activities. Everybody is included in the creation and enjoyment of the arts.	✓✓
 Knowledge	By supporting community networks and organisations helps share information and leads to a more connected society.	✓✓
 City Development	By providing housing and community grants.	✓✓



What does the Council plan to do in the future?

What is the Council's objective?	What policies, strategies or drivers support this objective?	What is the Council already doing?	What will we do in years 1 to 3?	What will we do in years 4 to 10?	How will we know if we achieve our objective?
To provide early-learning centres with a safe cultural and emotional environment.	<ul style="list-style-type: none"> Ministry of Education regulations and legislation Early Childhood Education Strategy 	Providing 16 early learning centres, and operating 3 of these.	Subject to review.	Subject to review.	Subject to review. Average occupancy rate across the three owned and operated centres. Satisfaction with level of care provided.
To provide advice, training and support for community organisations.	<ul style="list-style-type: none"> Strong communities target-group policies Social well-being and community policies 	Working with community groups, giving advice and support.	Continue to do the same.	Continue to do the same.	Satisfaction with quality of support.
Providing social housing, and a tenancy management service.	<ul style="list-style-type: none"> Council's Housing Policy Residential Tenancies Act 1986 	2,620 housing units provided. 96.5% occupancy of units.	90-97% occupancy of units.	Continue to do the same. Continue to do the same.	Number of housing units provided by the Council. Rental unit occupancy rates. Satisfaction with housing service.

Community support

Measuring our achievements

<i>Measures and targets</i>	<i>Current performance</i>	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>15/16</i>
Occupancy rates of owned and operated early learning centres.	75-85% occupancy rate across three centres.	Subject to review.	Subject to review.	Subject to review.	Subject to review.						
Satisfaction with child education and environment provided by the Council.	90%	Subject to review.	Subject to review.	Subject to review.	Subject to review.						
% satisfaction with quality of support provided to target community groups.	Not currently measured.	80 - 85% range	Maintain	Maintain	Maintain						
Christchurch housing rental stock provided by Council.	2,620 units provided.	21 additional units	Maintain	Maintain	Maintain						
Occupancy rates of housing units.	96.5% of rental units occupied.	90 - 97% range	Maintain	Maintain	Maintain						
Tenant satisfaction with management service.	Tenant satisfaction survey to be undertaken this year.	75 - 80%	Maintain	Maintain	Increase satisfaction to 80 – 85%						

What negative effects or risks can occur in relation to community support?

<i>Negative effects</i>	<i>Mitigation options</i>
Not meeting public expectations	<ul style="list-style-type: none"> • Clarify and communicate levels of service. • Train and resource voluntary facility management committees. • Clarify and communicate grant applications and decision-making processes.
Expectations of ongoing support	
Perception of inequality in support provided.	



The Council's key assets relating to community support

Housing complexes – 110, comprising 2,620 units

Community halls – 42

Public conveniences – 171

Early Learning Centres – 16 (including three operated by the Council)

Maintaining our assets

Renewal of the housing complexes, community halls and conveniences, and early learning centres is based on the overall condition of these assets and their usefulness in meeting the needs of the community. These are maintained based on an Asset Management Plan which has been developed to ensure assets are maintained to a high standard.



Changes Planned for Assets

<i>Reason for change</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and Replacements	Housing	2,310	2,281	2,309	17,660
	Civil Defence building		3,628	103	
	Porritt Park Stadium		933		
	Other	367	181	523	1,969
Increased Levels of Service					
Increased Demand	Gowerton Place Development	2,000			
	Partnership Initiatives	500			



Community support

Community support

Cost of proposed services

	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Civil defence and rural fire	1,480	152	1,632	1,879	2,128	2,178	2,253	2,287	2,326	2,368	2,410	2,450
Community grants	5,289	153	5,442	4,625	5,116	5,400	5,694	5,847	6,008	6,152	6,286	6,413
Community support	8,270	-	8,270	7,899	8,327	8,534	8,793	8,977	9,003	8,996	9,156	9,324
Early learning centres	1,655	51	1,706	1,761	1,809	1,852	1,917	1,958	2,000	2,037	2,069	2,099
Halls and conveniences	2,008	455	2,463	2,385	2,198	2,261	2,347	2,399	2,453	2,501	2,544	2,580
Housing	13,353	579	13,932	14,556	15,055	15,381	15,966	16,323	16,646	16,943	17,209	17,098
Total expenditure	32,055	1,390	33,445	33,105	34,633	35,606	36,970	37,791	38,436	38,997	39,674	39,964
Activity operational revenue -												
Civil defence and rural fire	180	7	187	193	199	204	209	214	219	223	227	231
Community grants	198	10	208	166	171	176	180	185	189	192	195	199
Community support	1,322	-	1,322	1,364	1,405	1,444	1,481	1,516	1,548	1,578	1,604	1,631
Early learning centres	77	50	127	131	135	139	142	146	149	152	154	157
Halls and conveniences	11,665	289	11,954	12,337	12,707	13,057	13,392	13,708	13,998	14,267	14,505	14,748
Total operational revenue	13,442	356	13,798	14,191	14,617	15,020	15,404	15,769	16,103	16,412	16,685	16,966
<i>Fees and charges</i>	<i>12,465</i>	<i>356</i>	<i>12,821</i>	<i>13,183</i>	<i>13,579</i>	<i>13,953</i>	<i>14,311</i>	<i>14,648</i>	<i>14,958</i>	<i>15,246</i>	<i>15,500</i>	<i>15,759</i>
<i>Grants and subsidies</i>	<i>977</i>	<i>-</i>	<i>977</i>	<i>1,008</i>	<i>1,038</i>	<i>1,067</i>	<i>1,093</i>	<i>1,121</i>	<i>1,145</i>	<i>1,166</i>	<i>1,185</i>	<i>1,207</i>
Total operational revenue (by source)	13,442	356	13,798	14,191	14,617	15,020	15,404	15,769	16,103	16,412	16,685	16,966
Net operational cost	18,613	1,034	19,647	18,914	20,016	20,586	21,566	22,022	22,333	22,585	22,989	22,998
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	18,613	1,034	19,647	18,914	20,016	20,586	21,566	22,022	22,333	22,585	22,989	22,998
Capital expenditure												
Renewals and replacements	2,768	-	2,768	7,901	2,399	2,063	2,127	2,089	2,186	2,247	2,294	2,893
Improved service levels	761	-	761	-	-	-	-	-	-	-	-	-
Increased demand	5,340	-	5,340	-	-	-	-	-	-	-	-	-
Total capital expenditure	8,869	-	8,869	7,901	2,399	2,063	2,127	2,089	2,186	2,247	2,294	2,893

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges and rents for services and accommodation provided are collected at a level considered reasonable by the Council. For some services, making a user charge would counter Council's policy of open access to services. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities.

Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Cultural and learning services



We're starting to become a multicultural society. For 18-year-olds like me we've grown up in it and it's cool; you're mixing in it all the time and everyone has friends with all kinds of backgrounds and you learn about other cultures naturally. I think it's a really important thing for us – learning more tolerance and acceptance.

Sustainability's another goal we need to keep working at and learning about. The school resources the Council provides are great and it definitely has a role there, making sustainability a part of everything it does and setting a good example.

Rohan Negi

Student
Cashmere

Cultural and learning services



Why is the Council involved in cultural and learning services?

The Council provides these activities so that residents of Christchurch have access to cultural activities and information throughout the city.

What activities are included in cultural and learning services?

Art gallery

The Council provides and cares for a collection of art works for current and future generations, and hosts a variety of exhibitions, programmes and events which contribute to the learning, identity and enjoyment of our residents and visitors to the city.

Libraries

The Council provides access to information through its network of libraries offering a collection of books, music, videos and on-line services.

Museums

As required by the Canterbury Museum Trust Board Act 1993, the Council provides funding to the Canterbury Museum to enable proper care of its heritage collection items, to provide lifelong learning and research, and to welcome residents and visitors to explore our cultural heritage and the diversity of the natural world.

Our City O-Tautahi

The Council provides this venue for exhibitions, and hires it to the public as a vehicle to inform and educate the city about particular issues. This activity also includes the management of the Canterbury Provincial Council Buildings.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
Community	By providing accessible and welcoming public buildings, spaces and facilities. By providing and supporting a range of arts, festivals and events.	✓✓✓
Recreation	By providing and supporting a range of arts, festivals and events.	✓✓✓
Knowledge	By providing resources and information through libraries, websites and other means. By providing facilities, programmes and activities for learning, and encouraging people of all ages to take advantage of learning opportunities. By providing books, art works and many other products.	✓✓✓
City Development	By protecting and promoting the history and heritage character of the city. By providing attractive and leading-edge contemporary public buildings.	✓✓



Cultural and learning services

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To present a variety of exhibitions, programmes and events at the Christchurch Art Gallery, that reach a wide range of audiences.	<ul style="list-style-type: none"> • Lifelong Learning Strategy • Customer expectations • Paradigm Shift Plan for the Art Gallery • Collection Development Policy for the library • Christchurch Libraries' Reference Service Policy • Standards for New Zealand Public Libraries • Canterbury Museum Trust Board Act 1993 • Our City O-Tautahi business plan and memorandum of understanding • Building conservation plans for historic buildings 	Providing the Christchurch Art Gallery, with a range of exhibitions, programmes and events. Maintaining the gallery's collection of art works.	Continue to do the same.	Continue to do the same.	<p>Number of visits to the art gallery and net cost of providing this service.</p> <p>Customer survey of visitor satisfaction with the quantity and quality of programmes.</p>
To provide a library network that meets information, learning and recreational needs.		Providing 14 libraries with books and other stock for reference and/or borrowing. Providing an information service through the libraries.	Continue to do the same.	Continue to do the same.	<p>Achievement of national average for collection items per capita.</p> <p>Satisfaction with library service.</p>
To provide funding to the Canterbury Museum.		Providing the required funding required by legislation to the Canterbury Museum.	Continue to do the same.	Continue to do the same.	Funding provided as per the legislation.
To enable the community to use Our City O-Tautahi as a resource.		Providing opportunities and support for the community to use Our City as a venue.			Number of visits, exhibitions and special events per year.

Cultural and learning services

Measuring our achievements

<i>Measures and targets</i>	<i>Current performance</i>	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>15/16</i>
Number of visits to the art gallery and net cost of providing the service.	289,097 visits at \$23 per visit	350,000 at < \$23	375,000 at < \$23	390,000 at \$19	400,000 visits costing \$16 each, by year 5, and in following years.						
Visitor satisfaction with the quantity and quality of art gallery programmes.	85%	80 - 85%	Maintain	Maintain	Maintain at 80 - 85%						
Size of general library collection (items per capita of City population).	3 items	3 - 3.5 items	Maintain	Maintain	Maintain at 3 - 3.5 items						
Number of library items issued, per capita of city population, per year.	16.4 items, national average 14.2	Achieve national average or better	Maintain	Maintain	Maintain national average or better						
Customer satisfaction with the library service.	88%	85 - 90%	Maintain	Maintain	Maintain at 85 - 90%						
Number of visitors to Our City O-Tautahi	Not measured	14,000 visitors	Maintain	Maintain	Growth in visitor numbers.						

What negative effects or risks can occur in relation to cultural and learning services?

<i>Negative effects</i>	<i>Mitigation options</i>
Inability to meet customer demand and changing expectations.	<ul style="list-style-type: none"> • Community consultation • Select and train staff to an appropriate level.
Lack of experienced specialist personnel.	<ul style="list-style-type: none"> • Develop current personnel.
Facility failure.	<ul style="list-style-type: none"> • Develop and implement the Asset Management Plan to minimise failures.
Art gallery does not meet visitor numbers or cost per visit targets.	<ul style="list-style-type: none"> • Continually critique programmes and make changes as required.
Reliance on vulnerable international visitor market.	<ul style="list-style-type: none"> • Develop programmes that attract more Christchurch residents and domestic visitors.



Cultural and learning services

The Council's key assets relating to cultural and learning services

The Christchurch Art Gallery, with artworks worth \$65 million.

Fourteen libraries, with library books and other stock worth \$20 million.

Our City O-Tautahi.

Maintaining our assets

The cost of maintaining the city's cultural and learning services is expected to keep increasing over the next 10 to 15 years. The current assets are continually assessed to ensure that they meet the demands of the community.

Maintenance of cultural and learning services' assets is primarily carried out under a facilities maintenance management contract.

Conservation of the city's art works is carried out by specialist conservators within the Christchurch Art Gallery.

Assets such as libraries are renewed based on their condition and changing expectations of the community. Renewal projects are tendered. Asset renewal may also result in improvements, for example, joint venture initiatives and sustainability features have been incorporated in library renewals.

Our City O-Tautahi is in a heritage building which requires specific conservation for maintaining the fabric of the building.

Typical renewal/replacement periods (approximate) for key assets include:

- Library books and other stock - yearly, based on condition and demand;
- Library buildings – every 50 years;
- Our City / Canterbury Provincial Council Buildings heritage buildings - maintained annually.

Changes Planned for Assets

<i>Reason for change</i>	<i>What change will be made?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements required.	<ul style="list-style-type: none"> • Library Stock • Building Maintenance 	4,640 1,371	4,865 1,439	4,690 1,388	39,132 11,573
To increase levels of service.	Art acquisitions	325	285	299	2,379
Increased customer demand.	Current assets will meet requirements of increasing demand.	500			

Cultural and learning services

Cultural and learning services

Cost of proposed services

	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Art gallery	7,935	-	7,935	8,237	8,636	8,949	9,019	9,244	9,451	9,711	9,959	10,083
Libraries	27,256	359	27,615	28,478	29,534	30,768	32,274	32,762	33,035	33,467	34,006	34,471
Museums	5,990	290	6,280	6,587	7,427	8,131	8,842	9,426	10,052	10,603	11,167	11,822
Our City O-tautahi	515	-	515	479	492	503	520	530	541	551	559	566
Total expenditure	41,696	649	42,345	43,781	46,089	48,351	50,655	51,962	53,079	54,332	55,691	56,942
Activity operational revenue -												
Art gallery	1,175	-	1,175	1,232	1,288	1,324	1,358	1,390	1,419	1,447	1,471	1,495
Libraries	2,253	9	2,262	2,334	2,405	2,471	2,534	2,594	2,649	2,700	2,745	2,791
Museums	1	78	79	82	84	86	89	91	93	94	96	97
Our City O-tautahi	29	-	29	30	31	32	32	33	34	35	35	36
Total operational revenue	3,458	87	3,545	3,678	3,808	3,913	4,013	4,108	4,195	4,276	4,347	4,419
<i>Fees and charges</i>	<i>3,162</i>	<i>87</i>	<i>3,249</i>	<i>3,373</i>	<i>3,493</i>	<i>3,589</i>	<i>3,681</i>	<i>3,768</i>	<i>3,848</i>	<i>3,922</i>	<i>3,987</i>	<i>4,054</i>
<i>Grants and subsidies</i>	<i>296</i>	<i>-</i>	<i>296</i>	<i>305</i>	<i>315</i>	<i>324</i>	<i>332</i>	<i>340</i>	<i>347</i>	<i>354</i>	<i>360</i>	<i>365</i>
Total operational revenue (by source)	3,458	87	3,545	3,678	3,808	3,913	4,013	4,108	4,195	4,276	4,347	4,419
Net operational cost	38,238	562	38,800	40,103	42,281	44,438	46,642	47,854	48,884	50,056	51,344	52,523
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	38,238	562	38,800	40,103	42,281	44,438	46,642	47,854	48,884	50,056	51,344	52,523
Capital expenditure												
Renewals and replacements	5,981	31	6,012	6,304	6,644	6,396	6,942	7,107	7,456	7,947	7,148	7,071
Improved service levels	325	-	325	285	299	315	324	333	341	349	355	362
Increased demand	500	-	500	-	-	-	-	-	-	-	-	-
Total capital expenditure	6,806	31	6,837	6,589	6,943	6,711	7,266	7,440	7,797	8,296	7,503	7,433

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

Due to the customer focus of this activity, user charges are collected for services at a level considered reasonable by the Council, in line with Council's policy of open access to services. Revenue is also sought from grants and subsidies where possible. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities. Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Democracy and governance



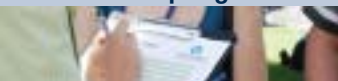
In the main I think we're well served, but I wish there was a way for Frieda and Fred Bloggs to get to know Councillors better so that when the elections come around we have a better idea who we're voting for. Councillors need to get out of their cars and ride the buses, ride bikes and walk around this city and talk to people and find out what makes them tick.

At the school where I teach we've become an Enviroschool and are working to create a sustainable environment. The aims are very good and the programme's a good example of the Council working together with the regional council and government. I think helping young children to become aware about long-term issues like sustainability is very important.

Shirley Langrope

Primary teacher
New Brighton

Democracy and governance



What is the Council's role in democracy and governance?

The Council develops strategies and policies which set the direction for the future of Christchurch. Aspects of this work are subject to legislative and consultation requirements. The Council generally exceeds these requirements in finding the most appropriate and effective means of informing the public, generating feedback and involving people in the decision-making process.

What activities are included in democracy and governance?



Democracy and governance

The Council provides opportunities for public participation in decision-making, and it receives and processes the community's input to ensure effective decision-making.

Elected member representation

The Council provides comprehensive logistic support so that the Mayor, Councillors and Community Board members can carry out their functions, duties and powers.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Community	By ensuring everyone's views are heard before decisions are made. By facilitating deputations and consultation. By providing face-to-face contact with customers at service centres.	✓✓✓
 Governance	By making decisions that respond to or plan for current and future community needs. By leading the development of a vision for the city. By having the role of "caretaker" of the city's resources for today's and future generations. By forming partnerships with other city/regional agencies. By holding elections which allow communities to choose their representatives. By facilitating deputations and consultation.	✓✓✓



Democracy and governance

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To develop strategies and policies which set the direction and work for the future of Christchurch.	<ul style="list-style-type: none"> Local Government Act 2002 Local Government Official Information and Meetings Act 1987 Local Electoral Act 2001 Standing orders Code of Conduct Council's decision-making process Community requests that views be heard/taken into consideration Public expectations Elected members' expectations 	<p>Supporting elected members:</p> <ul style="list-style-type: none"> With policy guidance and background information needed to support sound decision-making. By arranging and providing support for meetings (e.g. agendas, minutes, advice) and panel hearings. Collating and processing submissions. 	<p>Comply with statutory requirements in terms of:</p> <ul style="list-style-type: none"> Providing agendas on time, and Panel hearings. <p>Continue to do the same.</p>	<p>Continue to do the same.</p> <p>Continue to do the same.</p>	<p>Agendas and minutes are produced within statutory timeframes.</p> <p>Council meetings publicly notified on time.</p> <p>Resident satisfaction that Council makes decisions in the best interests of Christchurch.</p>
	<ul style="list-style-type: none"> Confidence in representation Recognition of governance role Remuneration Authority decisions 	Co-ordinating deputations and petitions.	Continue to increase awareness of Council processes through deputations and petitions.	Continue to do the same.	Increase in number and diversity of deputations.
		Facilitating opportunities for Maori to participate.	Review Iwi management plans in relationship to the Council decision-making processes.	Implement the process outlined to engage Maori in decision-making.	Residents' satisfaction with the way the Council involves the public in decision-making.
			Develop a memorandum of understanding with the Maori community.		
			Look at a variety of mechanisms to meet the different needs of the community.		
			Establish processes for effective ethnic minority participation in decision-making.	Implement processes for ethnic minority involvement in decision-making	

Democracy and governance

		Conducting triennial elections and any intervening by-elections and polls.	Conduct 2007 elections including 1 councillor and 2 Community Boards for Banks Peninsula.	Conduct 2010 triennial elections and any intervening by-elections and polls.	All elections, polls and decisions are held or made in full compliance with relevant legislation.
		Ensuring that Community Board decision-making is carried out within delegations.	Compliance with statutory requirements.	Continue to do the same.	
		Remunerating members for governing the city.	Continue to do the same.	Continue to do the same.	
		Providing funding to support community initiatives via Community Board discretionary and project funds and Mayoral projects.	Continue to do the same.	Targeting funding to our community outcomes.	

Measuring our achievements

<i>Measures and targets</i>	<i>Current performance</i>	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>15/16</i>
% of residents satisfied with the way the Council involves the public in decision-making.	Target 75% Actual 47%	75%	75%	75%	Ongoing target 65%						
% of residents satisfied that the Council makes decisions in the best interests of Christchurch.	Target 75% Actual 57%	75%	75%	75%	Ongoing target 75%						
% of Council meetings that are publicly notified at least 10 working days prior to meeting.	100%	100%	100%	100%	Ongoing target 100%						
% of agendas and reports available from Council 2 clear working days prior to each meeting.	100%	100%	100%	100%	Ongoing target 100%						



Democracy and governance

What negative effects or risks can occur in relation to democracy and governance?

<i>Negative effects</i>	<i>Mitigation options</i>
Interest groups may dominate a decision-making process.	Wider consultation with options of support for those who do not speak English.
Poor voter turnout.	Make information on voting available through various channels.

The Council's key assets relating to democracy and governance

The Council does not hold assets to provide democracy and governance activities and services.

The minor capital purchases detailed on the next page are for office furniture and equipment.





Democracy and governance

Democracy and governance

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Democracy and governance support	5,652	-	5,652	6,619	5,921	5,949	7,229	6,416	6,407	7,653	6,764	6,712
Elected member representation	3,545	617	4,162	6,381	6,547	6,702	6,936	7,074	7,222	7,350	7,460	7,564
Total expenditure	9,197	617	9,814	13,000	12,468	12,651	14,165	13,490	13,629	15,003	14,224	14,276
Activity operational revenue -												
Democracy and governance support	-	-	-	330	-	-	358	-	-	382	-	-
Total operational revenue	-	-	-	330	-	-	358	-	-	382	-	-
<i>Fees and charges</i>	-	-	-	330	-	-	358	-	-	382	-	-
<i>Grants and subsidies</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total operational revenue (by source)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>330</i>	<i>-</i>	<i>-</i>	<i>358</i>	<i>-</i>	<i>-</i>	<i>382</i>	<i>-</i>	<i>-</i>
Net operational cost	9,197	617	9,814	12,670	12,468	12,651	13,807	13,490	13,629	14,621	14,224	14,276
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	9,197	617	9,814	12,670	12,468	12,651	13,807	13,490	13,629	14,621	14,224	14,276
Capital expenditure												
Renewals and replacements	16	-	16	17	17	18	18	19	19	20	20	20
Improved service levels	-	-	-	-	-	-	-	-	-	-	-	-
Increased demand	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	16	-	16	17	17	18	18	19	19	20	20	20

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

There are few opportunities for direct revenue from these activities. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities. Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Economic development



I certainly think there's a role for local government in economic development. Regions have to compete for business, but the difficulty is how you go about it. Is it worth spending on? You have to look at each business case and ask honestly what do you hope to achieve from it.

I think working out what it takes to make sure companies don't want to leave is as important as attracting new ones. Here, there's a strong tie between the university's engineering school and the electronics firms and infrastructure has a lot to do with why companies decide to remain in a place.

Roger Brough

Engineer
Avonhead

Economic development

Why is the Council involved in economic development?

In order to achieve our social, cultural and environmental goals, a sound, even-growing economy is essential. A degree of economic prosperity, shared fairly among all Christchurch residents, enables adequate access to health care, education and other services and events that make up the city's social and cultural life. An economy based increasingly on technology and adding value places fewer demands on the natural environment.

What activities are included in economic development?

City promotions

The Council produces and distributes promotional material.

International relations

The Council develops international relations programmes for Christchurch.

Business support

The Council develops business capability to aid economic development.

Regional economic development

The Council promotes and manages economic development in the region.



Employment support

The Council promotes and manages employment development in the region.

Visitor marketing

The Council markets Christchurch and the Canterbury region as a destination of choice to international and domestic visitors.

How does the Council's work contribute towards our community outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Community	By developing international relations to provide greater cultural understanding.	✓
 Prosperity	By promoting Christchurch to local and international people as a good place to live, work, visit and do business. By helping to ensure that Christchurch and Canterbury have a healthy economy. By promoting sustainable employment.	✓✓✓



Economic development

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To increase the capability of business in the region.	Strategies <ul style="list-style-type: none"> • Canterbury Regional Economic Development Strategy • Central City Revitalisation • Greater Christchurch Visitor Strategy • NZ Tourism Strategy 2010 • Sister Cities Strategy • Prosperous Christchurch • Statement of Intent with Christchurch City Holdings Limited Drivers <ul style="list-style-type: none"> • Skills and education required to fully participate in sustainable employment • Inability of businesses to market the city/region • Social and economic conditions 	Assisting in business start-ups through: <ul style="list-style-type: none"> • Mentoring, • Coaching, • Assessments, • Assistance in raising capital, and • Globalisation services. 	Continue to do the same.	Continue to do the same.	Business mentoring and coaching takes place Business start-ups.
To promote and manage regional economic development.		Acting on key points from Canterbury Regional Economic Development Strategy and Prosperous Christchurch.	Continue to do the same.	Continue to do the same.	Overseas students studying in Christchurch. Number of skilled migrants re-located per annum.
To promote sustainable employment.		Develop and deliver initiatives that address employment issues including: <ul style="list-style-type: none"> • Youth employment, • Youth entrepreneurship, • Community group employment support, and • Apprenticeship promotion. 	Continue to do the same.	Continue to do the same.	Participation in sustainable education, training and work.
Attract international and domestic visitors to Christchurch.		Coordinate and host media and trade shows to increase awareness of Christchurch as a destination.	Continue to do the same.	Continue to do the same.	Visitor numbers.
		Engaging in joint venture promotional initiatives with industry operators.	Continue to do the same.	Continue to do the same.	Visitors' length of stay and spend.



Economic development

Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Number of business start-ups per year.	500	500	500	500	Target 500 per year						
Business mentoring and coaching.	1,000 hours of coaching.	1,000 hours of coaching.	1,000 hours of coaching.	1,000 hours of coaching.	Target - 1,000 hours of coaching						
	400 mentor matches.	400 mentor matches.	400 mentor matches.	400 mentor matches.	Target - 400 mentor matches						
Growth in International Visitor numbers.	Visitor numbers to Christchurch exceeded National growth percentage by 102% Christchurch growth +8.1% National growth +4.0%	Achieve national growth rate at all times. Exceed year-end national growth percentage by 10%. (i.e if national growth rate is +4%, we aim for minimum +4.4%).	Achieve national growth rate at all times. Exceed year-end national growth percentage by 10%. (i.e if national growth rate is +4%, we aim for minimum +4.4%).	Achieve national growth rate at all times. Exceed year-end national growth percentage by 10%. (i.e if national growth rate is +4%, we aim for minimum +4.4%).	Achieve national growth rate at all times. Exceed year-end national growth percentage by 10%. (i.e if national growth rate is +4%, we aim for minimum +4.4%).						
Increase in international Visitors' length of stay, and their spend.	Achieved 15.8% of Regional Tourism Spend (this is a market share gain of 0.8%).	Aim that market share of Regional Tourism Organisational spend is not less than 15.4% of national total.	Aim that market share of Regional Tourism Organisational spend is not less than 15.4% of national total.	Aim that market share of Regional Tourism Organisational spend is not less than 15.4% of national total.	Aim that market share of Regional Tourism Organisational spend is not less than 15.4% of national total.						
Increase in domestic visitor numbers.	Development and successful implementation of research, action plans and results.	Will be determined as an outcome of Greater Christchurch Visitor Strategy by September 2006.									
Number of skilled migrants relocated per year.	40	40	40	40	Target 40						

**Please note: due to national and international economic variables, economic development targets are liable to change.



Economic development

What negative effects or risks can occur in relation to economic development activities?

<i>Negative effects</i>	<i>Mitigation options</i>
Pressure on Christchurch's infrastructure.	Planning and implementation of national and local government strategies.
Pressures on our social framework and the environment.	Planning and implementation of national and local government strategies, and education.

The Council's key assets relating to economic development

The Council holds minimal assets for these activities. The capital purchases set out on the next page are for material to promote the city.





Economic development

Economic development

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
City promotion and international relations	1,165	-	1,165	1,185	1,194	1,243	1,305	1,323	1,341	1,373	1,392	1,405
Economic development	5,516	-	5,516	5,347	5,703	6,227	6,681	6,894	7,119	7,323	7,517	7,711
Employment development	2,020	-	2,020	2,087	2,143	2,194	2,271	2,318	2,366	2,408	2,445	2,478
Visitor promotions	1,825	191	2,016	1,791	1,875	1,958	2,037	2,130	2,234	2,319	2,420	2,522
Total expenditure	10,526	191	10,717	10,410	10,915	11,622	12,294	12,665	13,060	13,423	13,774	14,116
Activity operational revenue -												
City promotion and international relations	17	-	17	18	18	19	19	19	20	20	21	21
Economic development	120	-	120	124	128	131	134	138	141	143	146	148
Visitor promotions	30	-	30	30	31	32	2	-	-	-	-	-
Total operational revenue	167	-	167	172	177	182	155	157	161	163	167	169
<i>Fees and charges</i>	<i>147</i>	<i>-</i>	<i>147</i>	<i>151</i>	<i>155</i>	<i>159</i>	<i>131</i>	<i>134</i>	<i>137</i>	<i>140</i>	<i>142</i>	<i>144</i>
<i>Grants and subsidies</i>	<i>20</i>	<i>-</i>	<i>20</i>	<i>21</i>	<i>22</i>	<i>23</i>	<i>24</i>	<i>23</i>	<i>24</i>	<i>23</i>	<i>25</i>	<i>25</i>
Total operational revenue (by source)	167	-	167	172	177	182	155	157	161	163	167	169
Net operational cost	10,359	191	10,550	10,238	10,738	11,440	12,139	12,508	12,899	13,260	13,607	13,947
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	10,359	191	10,550	10,238	10,738	11,440	12,139	12,508	12,899	13,260	13,607	13,947
Capital expenditure												
Renewals and replacements	343	-	343	90	80	136	147	207	139	142	95	147
Improved service levels	-	-	-	-	-	-	-	-	-	-	-	-
Increased demand	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	343	-	343	90	80	136	147	207	139	142	95	147

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

There are few opportunities for direct revenue from these activities. Revenue is sought from grants and subsidies where possible. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities. Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Parks, open spaces and waterways



The city's gardens and parks are beautiful. Before I came to Christchurch they told me about the Garden City and I really like this aspect of the city; I wouldn't live anywhere else in New Zealand.

In Beijing, where I grew up, most of the parks are beaten earth and you normally have to pay to get into gardens, so the greenery and space of Christchurch is wonderful. They're such restful places, too. If you have a busy life, being able to go to a park or the gardens means you can relax and get rid of the stress. Even if you're having a bad day, having beautiful plants and flowers around will cheer you up and make everything seem OK.

Yvonne Zhang

Engineer
St Albans

Parks, open spaces and waterways



Why does the Council provide parks, open spaces and waterways?

The Council provides parks, open spaces and waterways to meet community and environmental needs. These include access to open space, protection of natural resources and scenic values, contribution to the city's landscape and its Garden City image, management of the land drainage network and providing places for burial and remembrance.

What is the Council doing regarding parks, open spaces and waterways?

Urban Parks

The Council provides and manages 709 parks within the city's urban area. These parks provide areas for recreation and organised sport, garden environments and green corridors, and contribute to the city's natural form, character and amenity values.

Regional Parks

The Council provides and manages 71 regional parks, including those within coastal areas, the Port Hills and the plains. These parks are used for informal recreation, conservation of natural resources and scenic values, and cultural and heritage preservation.

The Botanic Gardens

The Council provides and manages the Christchurch Botanic Gardens (21 hectares in size) so that residents and visitors to Christchurch can enjoy its garden environments and plant collections.

Cemeteries

The Council provides and manages nine operational cemeteries to meet the burial and remembrance needs of the community.

Waterways and Land Drainage

The Council provides and operates the city's stormwater system, manages the waterways into which it discharges, and it protects and enhances the life-supporting capacity of the city's waterways and wetlands.

How does the Council's work contribute towards our Community Outcomes?

	<i>Community outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
	Safety	By ensuring our Parks, open spaces and waterways are healthy and safe places, and by controlling and minimising flood and fire hazards.	✓✓
	Community	By providing welcoming areas for communities to gather and interact, and by meeting a range of community burial needs.	✓✓
	Environment	By offering opportunities for people to contribute to projects that improve our city's environment.	✓✓✓
	Governance	By involving people in decision-making about Parks, open spaces and waterways.	✓✓
	Prosperity	By contributing to Christchurch's Garden City image and attracting business, skills and tourism.	✓
	Health	By providing areas for people to engage in healthy activities. By managing surface water.	✓✓✓
	Recreation	By offering a range of active and passive recreation and leisure opportunities in Parks, open spaces and waterways.	✓✓✓
	Knowledge	By providing the opportunity to learn through social interaction and recreation.	✓
	City Development	By providing inviting, pleasant and well cared-for environments, and by ensuring the drainage network allows the city to function during rainfall.	✓✓✓



Parks, open spaces and waterways

What does the Council plan to do in the future?

<i>What is Council's objective?</i>	<i>What policies, strategies or drivers support this objective?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To provide a network of parks, open spaces, waterways and wetlands that meet community and environmental needs.	Policies and Strategies: <ul style="list-style-type: none"> • Recreation and Sports Strategy • Natural Asset Management Strategy • Environmental Policy • Heritage Conservation Policy • Waterways, Wetlands and Drainage Guide • Parks and Waterways Access Policy Drivers: <ul style="list-style-type: none"> • The Garden City image • Environmental conservation • Management and conservation plans • Code of Urban Development • City Plan/Resource Management Act 1991 • Reserves Act 1977 • Burial and Cremation Act 1964 	Providing parks.	Continue at the same level.	Continue at the same level.	The level of parks provided is, at least, maintained.
		Maintaining parks, waterways and wetlands in a clean and tidy condition.	Continue to do the same.	Continue to do the same.	The level of customer satisfaction with appearance of parks, waterways and wetland areas is, at least, maintained.
		Providing a variety of recreation opportunities and facilities in parks.	Continue to do the same.	Continue to do the same.	The level of customer satisfaction with the variety of opportunities is, at least, maintained. The range of recreation facilities is at least maintained.
		Providing the Christchurch Botanic Gardens.	Continue to do the same.	Continue to do the same.	The gardens remain a top attraction for residents and visitors.
		Providing cemeteries which can meet the city's burial needs.	Continue to do the same.	Continue to do the same.	Council cemeteries continue to meet current and future burial demands.
		Providing and maintaining land drainage infrastructure.	Continue to do the same.	Continue to do the same.	Proportion of properties with no nuisance flooding during a normal rain event. Satisfaction with appearance of waterways and wetlands.

Parks, open spaces and waterways



Measuring our achievements

Measures and Targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Area of urban park per 1,000 population (ha = hectares).	4.7 ha (total 1,616 ha)	4.7 ha (total 1,623 ha)	4.7 ha (total 1,631 ha)	4.7 ha (total 1,638 ha)	4.7 ha per 1,000 population (total 1,685 ha).						
% of urban residences within 400 metres of a park.	90%	90%	90%	90%	90%						
Area of regional park per 1,000 population.	13 ha (total 4,460 ha)	13.1 ha (total 4,460 ha)	13.2 ha (total 4,620 ha)	13.4 ha (total 4,700 ha)	14 ha per 1,000 population (total 5,020 ha).						
Customer Satisfaction with appearance of parks and with range of recreation opportunities available in parks.	91% 85%	>90% 85%	>90% 85%	>90% 85%	>90% 85%						
Provision of Recreation Facilities: Playgrounds per 1,000 children,	>4	>4	>4	>4	5 playgrounds per 1,000 children.						
Youth facilities per 1,000 youth,	>1	>1	>1	>1	>1 youth recreation facility per 1,000 youth.						
Playing fields per 1,000 sports participants.	14 winter 7 summer	14 winter 7 summer	14 winter 7 summer	14 winter 7 summer	15 winter fields per 1,000 sports participants, 8 summer fields per 1,000 sports participants.						
Number of people visiting the Botanic Gardens per year (m = million).	1.2 m	1.2 m	1.2 m	1.2 m	1.2 m						
Capacity of Council cemeteries.	13,500 full plots (20+year capacity). 3,500 ash plots (20+ year capacity).	14,000 full plots (20+year capacity). 3,500 ash plots (20+ year capacity).	13,500 full plots (20+year capacity). 3,500 ash plots (20+ year capacity).	16,000 full plots (25+year capacity). 3,400 ash plots (20+ year capacity).	15,900 full plots (20+year capacity). 2,500 ash plots (20+ year capacity).						
% of non-flooding properties.	99%	99%	99%	99%	99%						
Residents' satisfaction with the appearance of waterways and wetlands.	73%	75%	75%	75%	75%						



Parks, open spaces and waterways

What negative effects or risks can occur in relation to our Parks, open spaces and waterways?

<i>Negative effects</i>	<i>Mitigation options</i>
Trees damage paving, disturb underground and overhead services, and block drains. They may shade neighbouring properties.	Root cutting, tree pruning, tree removal, appropriate tree location and species selection. Remove leaf litter from drainage grates.
Vandalism and graffiti to park assets.	Fix vandalism damage, remove graffiti, and work to prevent these activities.
Anti-social behaviour in parks.	Meet appropriate safety guidelines and carry out audits. Provide lighting and appropriate surveillance.
Noise disturbance to neighbours.	Comply with City Plan boundary set-back requirements for structures or facilities.
Contamination of soil or water from use of agrichemicals.	Limit the use of agrichemicals where possible and/or substitute with organic or mechanical measures. Ensure agrichemicals are applied in accordance with product requirements and to industry standards.
Fire hazard to adjoining properties.	Use land management practices that reduce fire hazard, seasonal fire controls, and ready response available for rural fires.
Contaminants from many sources travel in the stormwater system.	Monitor and investigate stormwater quality and sources of contaminants.
Maintaining and altering streams and rivers banks can affect habitats.	Review grass cutting on river banks. Use stream restoration projects to provide some additional habitat.

Parks, open spaces and waterways



The Council's key assets relating to Parks, open spaces and waterways

Parks (including the Botanic Gardens) 781, land area 6,097 ha	Stormwater pipes 729 km
Paths and walkways/tracks 391 km	Stormwater pumping stations 32
Park specimen trees 48,213	Rivers 124 km
Planted areas (shrubs and tree groups) 138 ha	Wetlands approximately 1,000 ha
Park furniture 6,132 items	Drains and tributaries 290 km
Play and sport facilities 407	Cemeteries nine operational (74 ha)

Maintaining our assets

The cost of maintaining the city's parks, open spaces and waterways is expected to keep increasing over the next 10 to 15 years. More assets will be required to meet the city's growth, and to respond to local needs. The current assets will need to be renewed when they reach the end of their functional lives.

Maintenance on parks and open space assets is primarily carried out by a service provider under a long-term contract. Some asset areas have shorter term maintenance contracts.

Maintenance on the utility and natural waterways is carried out under a number of specialist contracts of medium duration. The cost of maintaining waterways will increase as additional assets are acquired and as a result of external factors such as fuel and dumping costs.

Assets such as playgrounds, structures and carparks are renewed based on their condition and service utility. Renewal projects are usually competitively tendered. Asset renewal may also result in improvements, for example where natural stream values are restored as part of a drain renewal.

Typical renewal/replacement periods (approximate) for key assets include:

- Play equipment - every 20-25 years
- Paths (surfaces) - every 20 years
- Park trees - every 100 years
- Shrub beds - every 10-15 years
- Seating - every 35 years
- Timber-lined drains - every 40 years
- Stormwater pipes - every 100 years



Parks, open spaces and waterways

Changes planned for assets

<i>Driver</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	Assets are maintained in accordance with the parks, open spaces and waterways asset management plan, including stormwater management systems, tree replacement, playgrounds, park structures, car - parks and bridges.	8,229	12,612	12,964	74,423
Increased levels of service	Service improvements are planned in the areas of foreshore development, riverbank works, cemeteries and re-vegetation projects.	650	659	671	6,289
Increased demand	Assets will be added in accordance with the parks, open spaces and waterways asset management plan including fencing, lighting, walkways, paths, landscaping, a new facility in the Botanic Gardens and major strategic land purchases for stormwater management and the purchase and development of new reserves associated with growth.	15,616	21,928	20,252	102,373



Parks, open spaces and waterways



Parks, open spaces and waterways

Cost of proposed services

	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Cemeteries	1,310	61	1,371	1,383	1,412	1,444	1,459	1,491	1,525	1,555	1,582	1,582
Regional parks	6,098	590	6,688	6,987	7,291	7,563	7,598	7,705	7,834	7,970	8,117	8,033
The botanic gardens	4,894	-	4,894	4,821	4,870	5,007	5,534	5,643	5,756	5,850	5,943	5,931
Urban parks	16,717	811	17,528	18,233	18,948	19,588	20,014	20,485	20,972	21,303	21,698	20,926
Waterways and land drainage	13,482	377	13,859	14,171	14,774	15,230	15,836	16,186	16,530	16,843	17,097	17,333
Total expenditure	42,501	1,839	44,340	45,595	47,295	48,832	50,441	51,510	52,617	53,521	54,437	53,805
Activity operational revenue -												
Cemeteries	711	18	729	752	775	796	817	836	854	870	885	899
Regional parks	559	70	629	649	669	687	705	721	737	751	763	776
The botanic gardens	164	-	164	169	174	179	184	188	192	196	199	202
Urban parks	497	203	700	722	744	765	784	803	820	835	849	864
Waterways and land drainage	18	20	38	39	40	42	43	44	44	45	46	47
Capital revenues	4,990	519	5,509	8,243	9,015	9,804	10,609	11,551	11,936	12,310	12,661	13,022
Total operational revenue	6,939	830	7,769	10,574	11,417	12,273	13,142	14,143	14,583	15,007	15,403	15,810
<i>Fees and charges</i>	<i>6,924</i>	<i>830</i>	<i>7,754</i>	<i>10,559</i>	<i>11,402</i>	<i>12,257</i>	<i>13,124</i>	<i>14,125</i>	<i>14,565</i>	<i>14,989</i>	<i>15,385</i>	<i>15,791</i>
<i>Grants and subsidies</i>	<i>15</i>		<i>15</i>	<i>15</i>	<i>15</i>	<i>16</i>	<i>18</i>	<i>18</i>	<i>18</i>	<i>18</i>	<i>18</i>	<i>19</i>
Total operational revenue (by source)	6,939	830	7,769	10,574	11,417	12,273	13,142	14,143	14,583	15,007	15,403	15,810
Net operational cost	35,562	1,009	36,571	35,021	35,878	36,559	37,299	37,367	38,034	38,514	39,034	37,995
Vested assets	9,780	-	9,780	10,279	10,630	17,201	11,321	18,639	11,682	11,940	12,171	12,407
Net cost of services	25,782	1,009	26,791	24,742	25,248	19,358	25,978	18,728	26,352	26,574	26,863	25,588
Capital expenditure												
Renewals and replacements	7,553	699	8,252	13,206	12,242	8,581	9,496	9,859	10,175	10,571	11,009	11,309
Improved service levels	670	-	670	660	672	745	821	899	921	941	959	978
Increased demand	20,351	-	20,351	21,536	21,256	23,132	17,461	13,303	13,156	13,409	13,856	14,152
Total capital expenditure	28,574	699	29,273	35,402	34,170	32,458	27,778	24,061	24,252	24,921	25,824	26,439

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges for certain services, such as cemeteries and ground hire, are collected at levels considered reasonable by the Council. In many areas, such as providing access to open spaces, charging is not feasible.

The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy.

Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Recreation and leisure



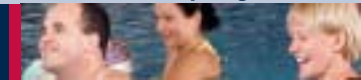
I chat on the net with my friends and hang around the mall and stuff or in town. It's pretty safe, but we need more places to go. Lots of places cost heaps and so do the buses. They've just gone up.

Some of the places you can go at night aren't very safe because there's people doing drugs and stuff. Now, there's only pretty much the malls. Maybe if they're making new malls the Council could get them to build in some decent space where it's OK to hang out and you're not always getting hassled to keep moving.

Carmen Wilkinson

High school student
Burwood

Recreation and leisure



Why is the Council involved in recreation and leisure?

The Council is involved in recreation and leisure activities in order to promote healthy and active lifestyles for everyone.

What activities are included in recreation and leisure?

Pools, leisure centres, stadia and sporting facilities

We provide accessible pools and leisure centres, stadia and sporting facilities so that people can participate in sport and physical activity at whatever level they choose, including local, national and international sport.

Recreation programmes

The Council provides a range of accessible recreational, arts and sporting programmes for the community to participate in at all levels.







Sports support and promotion

We assist clubs, associations and event organisers to promote Christchurch as a national and international sports destination.

Events and festivals

The Council delivers a year-round calendar of free or accessible events for all in Christchurch to attend. For festivals and events that are delivered by other organisations, the Council provides process and regulation support, and makes funding available for events held in the Christchurch area.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Safety	By providing opportunities to learn personal and community safety skills.	✓✓
 Community	By giving everybody the opportunity to participate in sport and physical activity, particularly those who are most vulnerable.	✓✓✓
 Environment	By managing recreation and leisure activities to minimise damage to the environment.	✓
 Prosperity	By providing economic benefits to the city through its involvement in events and festivals, and hosting of sporting events.	✓✓✓
 Health	By encouraging people in Christchurch to live healthy and active lifestyles.	✓✓✓
 Recreation	By encouraging more people to participate in leisure, physical and sporting activities. By providing effective process support for events and festivals to enable quality implementation. By positioning Christchurch as an event-friendly city.	✓✓✓



Recreation and leisure

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support this objective?</i>	<i>What is the Council doing now?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To provide accessible aquatic and dry sporting and recreational experiences at all levels.	<ul style="list-style-type: none"> Recreation and Sport Policy Physical Recreation and Sport Strategy Sports Facilities Strategy Aquatic Facilities Plan Occupational Health and Safety Industry standards and legal requirements Recognised industry best practice Size and demographic makeup of the community 	Providing a range of pools, leisure centres, stadia and sporting facilities.	Continue to do the same.	Continue to do the same.	Attendance at leisure centres, aquatic facilities, stadia and sporting facilities is, at least, maintained. WSNZ "PoolSafe" accreditation for indoor and summer pools.
	<ul style="list-style-type: none"> Changing customer preferences and expectations Changing target groups within the community 	Providing a range of accessible recreational programmes.	Continue to do the same.	Continue to do the same.	Customers are satisfied with the range and quality of aquatic facilities, stadia and sporting facilities. Maintaining, at least, attendance numbers, and satisfaction with programmes.
To ensure that events and festivals contribute to the enjoyment of living in Christchurch.	<ul style="list-style-type: none"> Events Strategy Public Affairs Group business plans 	Delivering and supporting events and festivals. Evaluating delivery options for events.	Develop an up-to-date events strategy.	Implement the events strategy.	Resident satisfaction with the quality of events provided.
To deliver economic benefits to the city by hosting sporting events.	<ul style="list-style-type: none"> Canterbury Regional Economic Development Strategy Prosperous Christchurch 	Hosting sporting events.	Continue to do the same.	Continue to do the same.	Value of economic benefits provided to the city by hosting sporting event each year.
To provide a high level of expertise and support to ensure successful sports bidding and hosting.	<ul style="list-style-type: none"> Physical Recreation and Sport Strategy Expectations from sports organisations Professional / established practice Bid requirements 	Supporting sports bidding and hosting.	Continue to do the same.	Continue to do the same.	Number of successfully-hosted national/international sporting events.

Recreation and leisure



Measuring our achievements

<i>Measures and targets</i>	<i>Current performance</i>	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>15/16</i>
Number of customer visits to leisure centres per year.	2.5 million	2.6 million	Over 2.6 million	Maintain	Increase to at least 2.7 million visits per year.						
Provision of 1 multi-use leisure centre per 50,000 population.	5 centres	Maintain	6 centres	Maintain	Maintain.						
Area of pool provided per capita (m ² = square metres).	1m ² per 105 persons	Maintain	Maintain	Maintain	Maintain 1m ² pool area per 105 persons.						
Facilities meet legislative requirements measured by WSNZ "PoolSafe" accreditation.	All indoor pools are PoolSafe accredited.	All indoor and summer pools are PoolSafe accredited.	Maintain	Maintain	Maintain						
Attendance numbers at Council recreation, arts and sporting programmes per year.	570,000 attendees.	Maintain	Maintain	Maintain	570,000 attendees at programmes per year.						
% of customers satisfied with range and quality of recreation, arts and sporting programmes.	90%	Maintain	Maintain	Maintain	Maintain at 90%.						
Number of customer visits per year to Council - operated stadia and sporting facilities.	400,000 visits	410,000 visits	Maintain	Maintain	Maintain at 410,000 visits per year.						
% satisfaction with the quality of major festivals and events provided.	96.5%	At least 90%	Maintain	Maintain	Maintain at least 90% satisfaction.						
Number of national or international events hosted in Christchurch per year.	6 international events 12 national events	Maintain	Maintain	Maintain	Maintain 6 international and 12 national events per year.						
\$ value of economic benefits delivered to the city per year, through hosting of sporting events.	\$17 million	At least \$18 million	At least \$20 million	At least \$22 million	Maintain at least \$22 million benefit per year.						



What negative effects or risks can occur in relation to our recreation and leisure activities?

<i>Negative effects</i>	<i>Mitigation options</i>
Higher costs of meeting health and safety standards, and legal obligations.	<ul style="list-style-type: none"> • Proactive management and anticipating future requirements to meet future health and safety standards, and legal obligations.
Increasing costs of energy and other raw materials.	<ul style="list-style-type: none"> • Sustainable energy initiatives.
Asset failure and/or retaining aged facilities.	<ul style="list-style-type: none"> • On-going programme of asset maintenance and renewal, and exploring ways to deliver more efficiently.
Activities fail to meet the changing needs of the community.	<ul style="list-style-type: none"> • Design and adapt programmes to meet changing customer needs. Improve accessibility of programmes and facilities.
Loss of economic benefits due to inability to retain international reputation as a host city.	<ul style="list-style-type: none"> • Maintain the reputation for providing high levels of service. • Continue to promote special strengths of Christchurch. • Keeping up-to-date with requirements and trends to remain competitive.



Recreation and leisure



The Council's key assets relating to recreation and leisure

Pools - 13 (four indoor, nine outdoor)

Leisure centres - five (QEII, Pioneer, Centennial, Wharenui and Jellie Park)

Stadia - three (QEII, Cowles and Pioneer)

Maintaining our assets

The cost of maintaining the city's recreation and leisure services is expected to keep increasing over the next 10 to 15 years. The current assets are continually assessed to meet the demands of the community.

Maintenance on recreation and leisure assets is primarily carried out by a service provider under

a long-term contract. Some maintenance is provided under short-term contracts as required.

Assets are renewed based on their condition and changing expectations of the community. Renewal projects are tendered. Asset renewal may also result in improvements, for example: QEII's last renewal included development of the Atlantis theme pool.

Typical renewal / replacement periods (approximate) for key assets include:

- Leisure pool refurbishment – every 6 to 12 years
- Building refurbishment – every 15 to 20 years; building replacement - every 30 to 50 years
- Plant refurbishment at pools and recreational facilities – every 10 to 20 years

Some assets are owned and maintained by external parties for example, the hydroslides at QEII.

Changes Planned for Assets

<i>Driver</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	<ul style="list-style-type: none"> • Refurbishment of Jellie Park. • Pools and leisure centres, replacement of swimming pools and plant. • Stadia and sporting facilities. 	2,710	8,428	1,446	17,594
Increased levels of service	<ul style="list-style-type: none"> • New northern area pool. • New childs' pool at Pioneer as per the Aquatic Facilities Plan. 	1,500	4,146	3,216	1,683
Increased demand	<ul style="list-style-type: none"> • Above changes to assets will meet the requirements of increasing demand. 				



Recreation and leisure

Proposed Changes for Aquatic Facilities

Council has been developing a plan for the provision of aquatic facilities over the forthcoming 30 years. As a result there are changes proposed to the levels of service in regards to aquatic facilities. Changes are summarised in the table below.

Changes planned for assets

<i>Proposal to Change Levels of Service for Aquatic Facilities in the Aquatic Facilities Plan</i>				
<i>City Area</i>	<i>Major Actions</i>	<i>Major Action Timing</i>	<i>Suggested Closures</i>	<i>Closure</i>
Northwest	Complete the Jellie Park redevelopment	2005/6 to 2007/8	Sockburn	2006 onward
North	Negotiate a land and support Papanui partnership with Papanui High School and Northlands Mall for an aquatic facility and school gym at Papanui High.	2006/7 to 2008/9	Papanui Belfast Edgeware	2006 onward
South	Add a children's shallow pool to existing Pioneer facility.	2008/9 to 2009/10		
West	Develop new area facility in the Hornby or Halswell area.	2015/16 to 2017/18	Templeton	2006 onward
East	Develop new area facility in Linwood or Woolston area, or retention of aquagym.	2017/18 to 2019/2020	Woolston	2006 onward

Reasons for the proposal to change levels of service are:

- To offer a long term planning framework for the provision of aquatic facilities that caters to current need and anticipated growth.
- To plan the provision from a city wide perspective and, over time, provide an indoor facility in every broad geographical area of the city.
- To provide a comprehensive network of facilities throughout the city, one multi use aquatic facility per 50,000 population.
- To provide the opportunity to participate in all major swimming pool sports.
- To support existing provision and to increase participation rather than switch participation from one facility to another.
- To close facilities that will no longer meet community need.

A comprehensive analysis of the options for change that have lead to this proposal is contained within the Aquatic Facilities Plan. Options relate to the location, timing and features of new aquatic facilities and the timing of the closure of facilities that no longer meet community need.

Copies of the Aquatic Facilities Plan may be obtained from the Council offices.





Recreation and leisure



Recreation and leisure

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Pools and leisure centres, stadia and sporting facilities	18,281	303	18,584	19,186	21,228	22,577	23,763	24,507	25,164	25,742	26,296	26,705
Recreation and leisure	2,931	-	2,931	2,956	3,038	3,109	3,220	3,285	3,356	3,417	3,470	3,512
Recreation programmes	3,896	-	3,896	3,162	3,229	3,303	3,427	3,503	3,585	3,658	3,725	3,781
Sports support and promotion	1,839	-	1,839	1,928	2,008	2,057	2,129	2,173	2,219	2,259	2,294	2,327
Total expenditure	26,947	303	27,250	27,232	29,503	31,046	32,539	33,468	34,324	35,076	35,785	36,325
Activity operational revenue -												
Pools and leisure centres, stadia and sporting facilities	8,371	33	8,404	8,673	8,933	9,172	9,407	9,629	9,833	10,022	10,189	10,359
Recreation and leisure	216	-	216	223	230	236	242	248	253	258	262	266
Recreation programmes	618	-	618	638	657	675	692	709	724	738	750	762
Sports support and promotion	2	-	2	2	2	2	2	2	2	2	2	2
Capital revenues	-	-	-	734	882	1,037	1,195	1,266	1,302	1,336	1,368	1,399
Total operational revenue	9,207	33	9,240	10,270	10,704	11,122	11,538	11,854	12,114	12,356	12,571	12,788
<i>Fees and charges</i>	<i>8,849</i>	<i>33</i>	<i>8,882</i>	<i>9,900</i>	<i>10,324</i>	<i>10,731</i>	<i>11,138</i>	<i>11,443</i>	<i>11,695</i>	<i>11,928</i>	<i>12,136</i>	<i>12,348</i>
<i>Grants and subsidies</i>	<i>358</i>	<i>-</i>	<i>358</i>	<i>370</i>	<i>382</i>	<i>391</i>	<i>400</i>	<i>411</i>	<i>419</i>	<i>428</i>	<i>435</i>	<i>440</i>
Total operational revenue (by source)	9,207	33	9,240	10,270	10,706	11,122	11,538	11,854	12,114	12,356	12,571	12,788
Net operational cost	17,740	270	18,010	16,962	18,799	19,924	21,001	21,614	22,210	22,720	23,214	23,537
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	17,740	270	18,010	16,962	18,799	19,924	21,001	21,614	22,210	22,720	23,214	23,537
Capital expenditure												
Renewals and replacements	5,555	5	5,560	10,817	2,063	3,507	2,545	2,685	2,616	2,677	2,725	2,778
Improved service levels	382	15	397	4,140	4,437	831	854	-	-	-	-	1,907
Increased demand	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	5,937	20	5,957	14,957	6,500	4,338	3,399	2,685	2,616	2,677	2,725	4,685

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges for certain services, such as entry fees and hire, are collected at levels considered reasonable by the Council, in line with Council's policy of providing open access to services.

The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy.

Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Refuse minimisation and disposal



The idea of getting everything out of the waste stream that can be reused is right, but a lot more legwork's needed. At home we have all the bins for separating stuff out, at school all the kids are learning about it and I think the community's ready to take the next step.

It's important for our environment that the Council and community really need to work harder and push it along. Our old landfill's chokka and we've paid a fortune for this new one at Kate Valley. I don't mind paying a bit more if we really can make sure it's the last dump we're going to need.

Lisa Rakatau

Computer operator
Bromley

Refuse minimisation and disposal



Why does the Council provide refuse minimisation and disposal?

The Council encourages waste reduction, reuse and recycling, to support the health of the community and the environment, and to encourage the sustainable use of our natural resources. The Council also provides solid waste collection, treatment and disposal services in order to protect the community and the environment.

What activities are included in refuse minimisation and disposal?

Waste minimisation

The Council provides programmes to encourage reusing and recycling, and to motivate behaviour change. The Council provides kerbside recycling, green-waste composting and recycling drop-off facilities at refuse stations. This activity also includes business resource efficiency programmes.

Refuse transfer and disposal

The Council provides for the safe, convenient and environmentally-sound disposal of solid waste.

Black bag collection and disposal

The Council provides a reliable collection and disposal service for official Council black rubbish bags.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
Safety	By collecting and disposing of refuse.	✓✓
Community	By providing equal access to refuse disposal services.	✓
Environment	By providing safe collection and disposal of refuse. By encouraging waste minimisation.	✓✓✓
Governance	By providing the opportunity for the community to participate in decision-making through consultation on waste management plans.	✓
Prosperity	By meeting commercial needs for dealing with waste.	✓✓
Health	By the collection and disposal of refuse.	✓✓✓
Knowledge	By providing waste minimisation education.	✓✓
City Development	By removing litter and refuse from our city.	✓✓



Refuse minimisation and disposal

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support this objective?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To encourage waste reduction, reuse and recycling, to support the health of the community and the environment and to encourage the sustainable use of our natural resources.	Strategies: <ul style="list-style-type: none"> • Solid Waste Management Plan Drivers: <ul style="list-style-type: none"> • Population demographics • Number of properties • Economic activity • Recycling and waste disposal behaviour 	Providing programmes that avoid waste generation, encourage reusing and recycling, and motivate behaviour change. Programmes include business resource efficiency programmes.	Continue to do the same.		Refuse stations are open at convenient times.
		Providing kerbside recycling, green-waste composting and recycling drop-off facilities.	Continue to do the same. A Zero Waste Working Party will report back to Council later in 2006 on how best to advance on the Council's waste minimisation targets.	Pending findings of the Zero Waste Working Party.	Rubbish bags and recycling crates are collected each week.
To provide a safe and environmentally sound solid waste collection, treatment and disposal service.		Providing for the safe, convenient and environmentally sound disposal of solid waste.	Continue to do the same.		Zero breaches of resource consents occur for the operation of waste facilities. Programmes are provided that reduce waste in line with the Solid Waste Management Plan 2005.

Refuse minimisation and disposal



Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Zero breaches of resource consents by the Council's solid waste facilities.	Achieved	Continue to achieve zero breaches.									
Opening hours of refuse stations - 8.5 hours per day, 7 days per week (excluding public holidays).	Achieved	Continue to open 8.5 hours per day, 7 days per week.									
Percentage of black rubbish bags and recycling crates collected weekly.	99%	Maintain collection of $\geq 99\%$ of recycling crates.									
Kilogrammes of waste sent to landfill per capita, per year.											
Domestic: (target maximum of 170 kg per capita by 2020).	320 kg	310 kg	300 kg	290 kg	280 kg	270 kg	260 kg	250 kg	240 kg	230 kg	220 kg
Commercial: (target maximum of 235 kg per capita by 2020).	443 kg	430 kg	415 kg	400 kg	385 kg	370 kg	355 kg	340 kg	325 kg	310 kg	295 kg
Total amount of waste (tonnes) sent to landfill per year.	264,000 tonnes	260,000 tonnes $\pm 5\%$			230,000 tonnes $\pm 8\%$			210,000 tonnes $\pm 10\%$			

What negative effects or risks can occur in relation to refuse minimisation and disposal?

Negative effects	Mitigation options
Pollution and noise generated by refuse collection, and transportation.	Waste minimisation programmes. Alternative methods of collection and transportation.
Too much waste is sent to landfill, and the amount is increasing.	Increased recycling, composting, education and support for businesses to reduce waste.
The current green recycling crate is at capacity for many households, which can lead to litter and collection difficulties.	Provide a 140 litre wheeliebin kerbside collection of recyclables.
Effects of landfilling including the occupation of land, methane and leachate generation.	Waste minimisation programmes. Alternative treatment and disposal of waste.
Moving to direct charging for refuse disposal may reduce the affordability of the service.	Waste minimisation programmes. Encourage the separation of material for reuse or recycling as a way to avoid refuse disposal charges.



Refuse minimisation and disposal

The Council's key assets relating to refuse minimisation and disposal

Refuse stations (land and buildings) – three

Compost manufacturing plant – one

Part share in regional landfill – one

Kerbside recycling crates – 160,000

Closed landfills (liability) – 51

Maintaining our assets

Maintenance of assets is provided by service providers under long-term contracts. The development of new infrastructure is competitively tendered.



Changes planned for assets

<i>Reason for change</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	Assets are maintained in accordance with the Solid Waste asset management plan including landfill rehabilitation and refuse station capital replacements.	2,004	783	796	5,450
Increased levels of service	Service improvements are planned to the three refuse stations and a waste minimisation initiative in 2008/09.	1,139	169	21,616	1,416
Increased demand	Assets will be added in accordance with the Solid Waste asset management plan.	14	21	21	166

Refuse minimisation and disposal



Refuse minimisation and disposal

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Black bag collection and disposal	7,274	179	7,453	7,736	8,051	8,246	8,539	8,717	8,903	9,063	9,201	9,333
Refuse transfer and disposal	3,272	534	3,806	4,148	4,313	4,379	4,621	4,446	4,554	4,682	4,812	4,791
Waste minimisation	8,167	145	8,312	8,591	9,385	12,016	12,443	12,699	12,970	13,203	13,404	13,596
Total expenditure	18,713	858	19,571	20,475	21,749	24,641	25,603	25,862	26,427	26,948	27,417	27,720
Activity operational revenue -												
Black bag collection and disposal	2,276	15	2,291	2,468	2,648	2,721	2,791	2,856	2,917	2,973	3,023	3,073
Refuse transfer and disposal	1,896	-	1,896	2,008	2,069	2,126	2,180	2,231	2,279	2,323	2,361	2,401
Waste minimisation	491	-	491	510	525	540	553	566	578	590	599	609
Total operational revenue	4,663	15	4,678	4,986	5,242	5,387	5,524	5,653	5,774	5,886	5,983	6,083
<i>Fees and charges</i>	4,663	15	4,678	4,986	5,242	5,387	5,524	5,653	5,774	5,886	5,983	6,083
<i>Grants and subsidies</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total operational revenue (by source)</i>	4,663	15	4,678	4,986	5,242	5,387	5,524	5,653	5,774	5,886	5,983	6,083
Net operational cost	14,050	843	14,893	15,489	16,507	19,254	20,079	20,209	20,653	21,062	21,434	21,637
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	14,050	843	14,893	15,489	16,507	19,254	20,079	20,209	20,653	21,062	21,434	21,637
Capital expenditure												
Renewals and replacements	1,735	-	1,735	1,584	23,000	608	615	619	609	1,015	788	660
Improved service levels	2,951	-	2,951	165	176	173	177	180	181	190	188	186
Increased demand	42	-	42	20	21	21	21	21	21	22	22	22
Total capital expenditure	4,728	-	4,728	1,769	23,197	802	813	820	811	1,227	998	868

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges are collected for services considered reasonable by the Council to fulfil the objectives of the service and within the constraints of the market, e.g., sale of bags and disposal fees.

The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy.

Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Regulatory services



I like living in the “People’s Republic of Christchurch.” It’s a positive city and we enjoy showing people around when they come to visit. I think the Council’s helping make sure it stays a good place to live. The Garden City concept carries through and that’s great, but I sometimes think we could do with fewer slogans.

We had a change at an intersection near here and I was worried it would increase speeds. I was listened to and answered and that’s good. I didn’t get what I wanted but I was allowed to have my say and I’m sure it was considered.

Allan Campbell

Retired
Burwood

Regulatory services



Why is the Council involved in regulatory services?

The Council administers and enforces the statutory regulations for building and development work, the health and safety of licensed activities and the keeping of dogs, with minimal compliance costs. In addition, complaints about nuisances and non-compliance are investigated and the potential effects of various activities are assessed.

What activities are included in regulatory services?

Enforcement and inspection activities

The Council minimises potential hazards and nuisances from dogs and wandering stock, investigates complaints about nuisances and non-compliance, assesses the potential effects of various activities, registers food premises and issues sale of liquor licences.





Regulatory approvals

The Council processes applications for project information memoranda (PIMs), land information memoranda (LIMs), land use resource consents, subdivision consents, building consents, code compliance certificates and building warrants of fitness in accordance with relevant statutes.

Maintaining and reviewing the City Plan

The Council plans and provides for the sustainable management, development and protection of natural and physical resources of the city, as required by Section 5 of the Resource Management Act 1991.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Safety	Legislative requirements are enforced to ensure the safety and health of people. Nuisances and adverse effects on people and the environment are minimised or eliminated. Consent processes ensure safe buildings. Hazards from aggressive or wandering dogs or livestock are minimised.	✓✓✓
 Environment	The City Plan identifies and protects the key elements of the natural environment from the adverse effects of use and development. Consent processes ensure an attractive built environment and minimise adverse effects on the environment.	✓✓✓
 Health	Legislative requirements are enforced to ensure the health and safety of people. Nuisances and adverse effects on people and the environment are minimised or eliminated.	✓✓✓
 City Development	The City Plan provides the planning framework for Christchurch that it continues to be attractive, and that new development enhances it. Consent processes ensure an attractive built environment with safe buildings and minimise adverse effects on the environment.	✓✓✓



Regulatory services

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To administer and enforce the statutory regulations for building and development work, the health and safety of licensed activities, and the keeping of dogs, with minimal compliance costs.	<p>Strategies:</p> <ul style="list-style-type: none"> • Liveable City Strategy • Healthy Environment Strategy • Safer Communities Strategy • Strong Communities Strategy • Urban Development Strategy • Urban Design Protocol • Central City Strategy <p>Drivers:</p> <ul style="list-style-type: none"> • Legislative requirements (Acts, regulations and by-laws) • National environmental standards • Public expectations • Public health and safety • Freedom from excessive nuisance • Elimination of harmful situations • Evaluation of adverse effects 	Processing applications for PIMs, LIMs, land use resource consents, subdivision consents, building consents, code compliance certificates and sale of liquor licences, in accordance with relevant statutes.	Continue to do the same.	Continue to do the same.	All applications processed within statutory time limits.
		Carrying out inspections to ensure building work meets approved building consents.	Continue to do the same.	Continue to do the same.	Building work is inspected.
		Providing professional advice on regulatory activities.	Continue to do the same.	Continue to do the same.	Customer satisfaction with service received.
		Administering the occupancy provisions of the Building Act (Building Warrants of Fitness).	Continue to do the same.	Continue to do the same.	
		Investigating and monitoring activities and projects to ensure compliance with the Building Act, Council by-laws and the City Plan, and mitigating any adverse effects on the environment and people.	Continue to do the same.	Continue to do the same.	
		Investigating and responding to any situations likely to affect human health or safety, to be objectionable, or to cause a nuisance.	Continue to do the same.	Continue to do the same.	Complaints about nuisances are promptly investigated.
		Investigating and resolving complaints about nuisances caused by dogs and wandering stock.	Continue to do the same.	Continue to do the same.	Complaints about dogs and wandering livestock are promptly responded to and investigated.
		Inspecting food premises to promote and conserve public health and monitoring compliance with all statutory requirements.	Continue to do the same.	Continue to do the same.	Sale of liquor and food premises are inspected.
To investigate complaints about nuisances and non-compliance, and assess the potential effects of various activities.		Carrying out an ongoing programme of improvements to enhance the City Plan, including plan changes.	Continue to do the same.	Continue to do the same.	Increase in residents' satisfaction with overall city and environmental planning.

Measuring our achievements

<i>Measures and targets</i>	<i>Current performance</i>	<i>06/07</i>	<i>07/08</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>15/16</i>
% of walk-in customers satisfied with service received.	Not currently measured	80%	80%	80%	Ongoing target 80%						
% of all regulatory applications processed within statutory time-frames.	Target 100% Actual 69%	100%	100%	100%	Ongoing target 100%						
% of responses to complaints or requests for investigations completed; • within 10 working days (simple request), • 60 working days (complex request).	Simple - 37% (target 80%) Complex - 64% (target 80%)	Simple 100% Complex 80%	Simple 100% Complex 80%	Simple 100% Complex 80%	Ongoing targets: Simple 100% Complex 80%						
% of responses to complaints of excessive noise within an average of 30 minutes.	100%	100%	100%	100%	Ongoing target 100%						
% of Priority 1 complaints (wandering stock and aggressive behaviour by dogs) responded to within 2 hours.	100%	100%	100%	100%	Ongoing target 100%						
% of Priority 2 complaints (other complaints about dogs) commenced within 24 hours.	100%	100%	100%	100%	Ongoing target 100%						
% of potentially higher risk food premises inspected at least once a year.	69% (target 100%)	100%	100%	100%	Ongoing target 100%						



Regulatory services

What negative effects or risks can occur in relation to regulatory services?

<i>Negative effects</i>	<i>Mitigation options</i>
Costs are borne by registered dog owners - unregistered dog owners do not pay.	<ul style="list-style-type: none">• House-to-house surveys to detect unregistered dogs.
Costs imposed on licensed operators, property owners and applicants.	<ul style="list-style-type: none">• A cost-effective service is provided to customers.
Costs and land use constraints imposed on landowners.	<ul style="list-style-type: none">• Costs and benefits of regulatory intervention are assessed.

The Council's key assets relating to regulatory services

The Council holds a minimum of assets in providing regulatory services activities and services.

The capital purchases detailed on the next page are for parking enforcement, noise monitoring and office furniture.





Regulatory services

Regulatory services

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Enforcement and inspection activities	8,938	221	9,159	9,350	9,635	9,923	10,272	10,489	10,683	10,780	10,900	11,048
Maintaining and reviewing the City Plan	1,636	423	2,059	1,987	1,983	1,996	2,061	2,125	2,169	2,207	2,239	2,271
Regulatory approvals	13,058	850	13,908	14,360	14,752	15,228	15,759	16,068	16,396	16,677	16,926	17,166
Total expenditure	23,632	1,494	25,126	25,697	26,370	27,147	28,092	28,682	29,248	29,664	30,065	30,485
Activity operational revenue -												
Enforcement and inspection activities	8,191	112	8,303	8,449	8,703	8,943	9,172	9,388	9,587	9,771	9,934	10,100
Maintaining and reviewing the City Plan	30	-	30	31	32	33	34	34	35	36	36	37
Regulatory approvals	10,269	480	10,749	11,016	11,267	11,577	11,874	12,154	12,411	12,650	12,861	13,076
Total operational revenue	18,490	592	19,082	19,496	20,002	20,553	21,080	21,576	22,033	22,457	22,831	23,213
<i>Fees and charges</i>	<i>18,490</i>	<i>592</i>	<i>19,082</i>	<i>19,496</i>	<i>20,002</i>	<i>20,553</i>	<i>21,080</i>	<i>21,576</i>	<i>22,033</i>	<i>22,457</i>	<i>22,831</i>	<i>23,213</i>
<i>Grants and subsidies</i>	-	-	-	-	-	-	-	-	-	-	-	-
Total operational revenue (by source)	18,490	592	19,082	19,496	20,002	20,553	21,080	21,576	22,033	22,457	22,831	23,213
Net operational cost	5,142	902	6,044	6,201	6,368	6,594	7,012	7,106	7,215	7,207	7,234	7,272
Vested assets	-	-	-	-	-	-	-	-	-	-	-	-
Net cost of services	5,142	902	6,044	6,201	6,368	6,594	7,012	7,106	7,215	7,207	7,234	7,272
Capital expenditure												
Renewals and replacements	200	-	200	389	415	36	117	404	40	40	41	42
Improved service levels	-	-	-	-	-	-	-	-	-	-	-	-
Increased demand	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	200	-	200	389	415	36	117	404	40	40	41	42

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges are collected for services considered reasonable by the Council. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. Costs are generally recovered in full. The balance of the net operating cost is funded by General rates, as the whole community benefits from these activities.

Capital expenditure is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Streets and transport



It's definitely getting busier on the streets, especially in the mornings and late afternoons, and the city's only going to get bigger. I reckon we need to look at other options, like trains.

I've just converted to a bike for commuting and it's a bit scary at times. I was driving for a few years and in a car you never really notice until you get on a bike how much drivers don't look out for you. It would definitely be better if we could get more people onto bikes; better for the environment and safer for riders too because drivers would be more aware of them.

Tahu Brown

Retail assistant
Linwood

Streets and transport



Why does the Council provide streets and transport?

The Council provides streets and transport so that people can have safe, easy and comfortable access to homes, shops, businesses and many recreational and leisure destinations. Street corridors also provide access for power, telecommunications, water supply and waste disposal activities.

What activities are included in streets and transport?

Streets - road corridors

The Council provides carriageways, road drainage facilities (for example, kerbs and channels), footpaths, on-street marked cycleways, street lighting, landscaping and traffic management.

Cycle and pedestrian linkages

The Council provides off-street linkages throughout the city for cyclists and pedestrians.

Public pedestrian malls

The Council provides attractive outdoor spaces for pedestrians, particularly in the central city.

Off-street parking

The Council provides parking buildings at strategic locations in and near the central city, and other off-street parking at some suburban commercial locations.

Public transport

The Council supports the bus system by providing bus stops, the bus exchange and bus shelters, and it provides the inner-city shuttle service.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Safety	By providing a safe transport system.	✓✓✓
 Community	By providing easy access to facilities.	✓✓
 Environment	By helping to reduce energy consumption in our community.	✓✓
 Governance	By providing the opportunity for the community to participate in decision-making through consultation on plans and projects.	✓✓
 Prosperity	By providing everyone with access to an efficient and affordable transport system.	✓✓
 Health	By contributing to improved air quality, through the promotion of alternative transport modes, the provision of assets for these modes, and the consequent reduction in vehicle numbers.	✓✓
 Recreation	By providing access to recreational facilities throughout the city.	✓✓✓
 Knowledge	By providing education programmes, for example cycle safety.	✓
 City Development	By providing a well-designed, efficient transport system and attractive street landscapes.	✓✓✓



Streets and transport

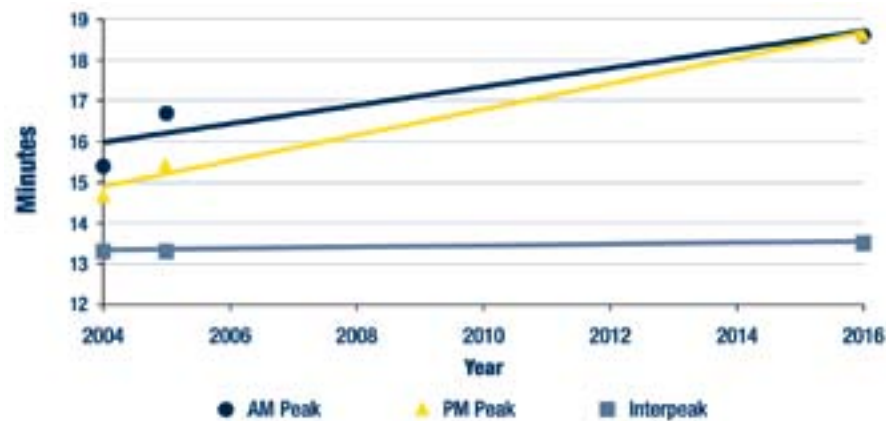
What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
<p>To provide public street frontages to properties.</p> <p>Residential streets (urban) To provide a sustainable network of streets connecting the main traffic routes with properties, while contributing to the liveable environment.</p> <p>Collector / arterial streets (urban) To provide a sustainable network of streets, which distribute traffic between neighbourhoods, and connect to major localities within and beyond the city.</p> <p>Country streets (rural) To provide a sustainable network of streets which enable higher vehicle speeds.</p> <p>To provide off-street cycle and pedestrian linkages.</p> <p>To provide outdoor pedestrian malls.</p> <p>To provide off-street parking facilities.</p> <p>To provide public transport infrastructure and the Shuttle Bus.</p>	<p>Policies and strategies:</p> <ul style="list-style-type: none"> • NZ Transport Strategy • Regional Land Transport Strategy • Metropolitan Christchurch Transport Statement • Christchurch Road Safety Strategy • Christchurch Public Passenger Transport Strategy • Cycling Strategy • Pedestrian Strategy for Christchurch City • Parking Strategy • Safer Christchurch Strategy <p>Drivers:</p> <ul style="list-style-type: none"> • City Plan • Living Streets charter • Changes in population /urban form /location of businesses • Safety • Access /connectivity • Legislative requirements • Modal change • Environmental and economic sustainability 	<p>Providing street frontages for property/land.</p> <p>Providing and maintaining a street system for land-based transport and services/utilities.</p> <p>Providing and maintaining infrastructure such as roads and bridges, footpaths and shared paths, on and off-street cycleways, on- and off-street parking facilities, outdoor pedestrian malls, and public transport infrastructure such as bus stops and shelters.</p> <p>Providing systems and devices to support user safety, for example traffic signals.</p> <p>Providing drainage facilities to meet site-specific requirements.</p> <p>Providing street landscaping and trees, on-street open spaces.</p> <p>Providing the Shuttle Bus.</p>	<p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p>	<p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p> <p>Continue to do the same.</p>	<p>Congestion, comfort and quality measures.</p> <p>Services/utilities access requirements.</p> <p>Number of crashes per 10,000 people; cyclist and pedestrian casualties.</p> <p>'Journey to work by mode' targets.</p> <p>Residents' satisfaction with congestion levels, ease of navigation, facilities and street appearance.</p> <p>Response rates, cleanliness and renewal target rates.</p> <p>Shuttle bus measures.</p>

Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
% resident satisfaction with the safety of streets.	Not currently measured.	---	---	Results will be reported as they become available, and future targets will be based on these results. Baseline measures will be established 2008/09.							
Accident statistics provided by Land Transport NZ. Aim for ongoing downward trend, within specific targets: Number of vehicle crashes per 10,000 people - 5-year rolling average. Number of cyclist casualties - 5-year rolling average. Number of pedestrian casualties - 5-year rolling average.	22 112 95	<22 <112 <95	<22 <112 <95	<22 <112 <95	Targets to be reassessed from 09/10 onwards.						
Average travel time for a 10 km trip (minutes:seconds), based on average speeds for monitored portion of network. See graph below.	2004 AM Peak 15:20 PM Peak 14:40 Interpeak 13:20 2005 AM Peak 16:40 PM Peak 15:20 Interpeak 13:20			2016 AM Peak 18:30 PM Peak 18:30 Interpeak 13:30							

Average travel time for 10 km





Streets and transport

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
% resident dissatisfaction with general road congestion.	Not currently measured.	---	---		New measure - Baseline measures will be established in 08/09.						
Land Transport NZ Smooth Travel Exposure measure. % vehicle travel on smooth roads.	87%	>87%	>87%		Initial target is 87%, Target to be reassessed from 09/10 onwards.						
Kerb and channel renewal (remove dished channels by 2023).	Renew 21 km of kerb and channel.	Renew 15 km of kerb and channel.	Renew 17 km of kerb and channel.	Renew 19 km of kerb and channel.	Total 210 km of kerb and channel to be replaced over the 10 years covered by the plan.						
% resident satisfaction with quality of cycleways.	68%	>65%	>65%		Ongoing target >65%						
% resident satisfaction with quality of pedestrian malls.	63%	>65%	>65%		Ongoing target >65%						
% user satisfaction that cars are safer in off-street parking facilities than parked on street.	69%	>66%	>66%		Ongoing target >65%						
% user satisfaction with the Council's off-street parking facilities.	Not currently measured.				New measure - Baseline measures will be established in 08/09.						
Number of shuttle bus passenger trips per year.	857,312	>850,000	Maintain		Maintain						
% resident satisfaction with the quality of bus signs, shelters and seats.	65%	>65%	>65%		Ongoing target >65%						

What negative effects or risks can occur in relation to our streets and transport?

Negative effects	Mitigation options
User safety issues.	<ul style="list-style-type: none"> • Manage/implement safety strategies/standards. • Designs to allow separation between user groups; clarity of user function through the provision of traffic signals, signage, and road markings; skid-resistant surfaces. • Promotion and education programmes.
Implications of land acquisitions (land not available for other uses; affects demand /property market).	<ul style="list-style-type: none"> • Aim for land purchases to complement other land uses; and for management of land use to support and encourage sustainable transport systems.

Streets and transport

Negative effects	Mitigation options
Pollution - motor vehicle emissions, noise, vibration, sediment, light, air, water, chemicals (including trade-waste and wash-down water, and water-borne sediments).	<ul style="list-style-type: none"> • Manage air, water and soil pollutants: <ul style="list-style-type: none"> • Management of congestion which generates air pollutants • Landscaping treatments as pollutant 'sinks' • Manage stormwater run-off quality from street surfaces with on-street stormwater treatment systems • Manage soil quality/disposal • Manage on-street activity and adjacent construction to minimise pollution. • Management of stormwater run-off quality from adjacent properties, trade wastes and public and private off-street pre-treatment systems. Provision and management of on-street management systems. • Limit the use of agrochemicals. Manage hazardous spills.
Effects during construction – energy use, noise, vibration, nuisance, sediments, pollutants, disruptions, the use of non-renewable resources, public and site staff safety issues and production of waste.	<ul style="list-style-type: none"> • Design projects around economies of scale, control of construction site issues, safe traffic management, use of recycled resource materials, and responsible waste disposal.
Impact on adjacent property owners/residents – post-construction.	<ul style="list-style-type: none"> • Consultation/implementation processes to ensure awareness of impacts. • Design and construction solutions that minimise impacts such as severance and loss of amenity.
Consumption of energy by streetlights and traffic signals – increasing use and costs.	<ul style="list-style-type: none"> • Energy use reductions by operational and design management to ensure efficiency and efficacy gains over time.
Use of non-renewable resources.	<ul style="list-style-type: none"> • Minimise congestion and travel times. • Meet standards for upward waste light and light spill for streetlights. • Recycling of road construction materials.
Unclean or unhealthy elements such as litter and stagnant water.	<ul style="list-style-type: none"> • Manage street cleanliness and potential health issues.

The Council's key assets relating to streets and transport

Streets	1,608 km
Footpaths	2,314 km
Cycleways	73 km off-street, 58 km on-street
Kerbs and channels Structures – bridges, culverts and retaining walls	2,725 km 911
Amenity Areas/outdoor pedestrian malls Traffic signals Street lights	57,000m ² 202 sets 31,500
Parking Buildings (9) On-street metered parking spaces Bus Shelters	3299 spaces 2,444 333



Maintaining our assets

Renewal of the roads, footpaths, and other streets assets, is based on a mix of factors including the overall condition and the useful life of the asset. Renewals occur at fairly regular intervals.

Typical renewal/replacement periods (approximate) for key assets include:

- Road surfaces – every 10-20 years
- Concrete kerbs and channels – every 80 years
- Footpath surfaces – every 23 years
- Paint markings – every nine months
- Street light fittings and poles – every 20-40 years (bulbs every three to four years)
- Bridges – approximately 100 years
- Street trees – approximately 100 years

Annual renewals include eight to ten km of carriageway (road), 70 to 90 km of road surfacing, 95 km of footpath surfacing, and an average of 21 km of kerb and channel. One bridge is renewed every four years.

An entire street, including the underlying base materials, is renewed about every 80 years. When this happens, the opportunity is taken to address all aspects from boundary to boundary across the street. This may allow for street landscaping, traffic safety initiatives and addressing cycling and pedestrian needs.

Changes planned for assets

<i>Reason for change</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	Assets are maintained in accordance with the Streets and Transport asset management plan including replacement of kerb and channel (total of 210 km over the 10 years covered by the plan), carriageway sealing, footpaths, bridges, parking building equipment, berms, signs and traffic signals, depending on the age and condition of the asset.	40,071	40,034	40,913	325,529
Increased levels of service	Service improvements are planned in the areas of major amenities (including City Mall), traffic signals, signage, street lighting and implementing the Metropolitan Christchurch Transport Strategy initiatives.	11,357	18,910	11,585	117,421
Increased demand	Assets will be added in accordance with the Streets and Transport asset management plan including major road network improvements (including Blenheim Rd deviation and Ferrymead bridge), implementation of the Metropolitan Christchurch Transport Strategy passenger transport initiatives and expansion of the Bus Exchange.	4,098	16,778	25,826	96,552



Streets and transport

Streets and transport

Cost of proposed services	CCC	BPDC	Total Plan	Plan	Plan	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2006/07	2006/07	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Activity operational cost -												
Cycle and pedestrian linkages - off-street	744	-	744	820	885	971	1,073	1,178	1,242	1,312	1,418	1,521
Off-street parking	5,357	-	5,357	5,630	5,939	6,224	6,566	6,808	6,975	7,069	7,214	7,376
Pedestrian malls - off-street	2,647	-	2,647	2,829	3,306	3,828	4,125	4,361	4,613	4,852	5,034	5,289
Public passenger transport	4,216	-	4,216	4,583	4,976	8,505	11,330	11,812	12,673	13,505	14,328	15,075
Streets	55,279	5,131	60,410	63,708	68,563	72,655	76,274	79,463	82,249	85,291	85,972	86,692
Total expenditure	68,243	5,131	73,374	77,570	83,669	92,183	99,368	103,622	107,752	112,029	113,966	115,953
Activity operational revenue -												
Cycle and pedestrian linkages - off-street	75	-	75	80	87	93	99	105	112	119	126	130
Off-street parking	6,377	-	6,377	6,942	7,154	7,351	7,540	7,717	7,881	8,032	8,166	8,303
Pedestrian malls - off-street	12	-	12	12	13	13	13	14	14	14	15	15
Public passenger transport	496	-	496	549	600	715	858	935	1,020	1,116	1,223	1,261
Streets	13,536	1,155	14,691	15,039	15,564	16,073	16,564	17,037	17,483	17,907	18,297	18,673
Capital revenues	8,096	1,316	9,412	18,858	33,465	38,054	26,989	31,745	29,940	28,219	24,096	24,605
Total operational revenue	28,592	2,471	31,063	41,480	56,883	62,299	52,063	57,553	56,450	55,407	51,923	52,987
<i>Fees and charges</i>	<i>14,077</i>	<i>-</i>	<i>14,077</i>	<i>18,092</i>	<i>19,187</i>	<i>20,284</i>	<i>21,382</i>	<i>22,024</i>	<i>22,521</i>	<i>22,983</i>	<i>23,397</i>	<i>23,819</i>
<i>Grants and subsidies</i>	<i>14,515</i>	<i>2,471</i>	<i>16,986</i>	<i>23,388</i>	<i>37,696</i>	<i>42,015</i>	<i>30,681</i>	<i>35,529</i>	<i>33,929</i>	<i>32,424</i>	<i>28,526</i>	<i>29,168</i>
Total operational revenue (by source)	28,592	2,471	31,063	41,480	56,883	62,299	52,063	57,553	56,450	55,407	51,923	52,987
Net operational cost	39,651	2,660	42,311	36,090	26,786	29,884	47,305	46,069	51,302	56,622	62,043	62,966
Vested assets	9,631	-	9,631	9,978	7,092	7,315	7,527	5,585	5,720	5,846	5,960	6,075
Net cost of services	30,020	2,660	32,680	26,112	19,694	22,569	39,778	40,484	45,582	50,776	56,083	56,891
Capital expenditure												
Renewals and replacements	28,538	3,170	31,708	36,262	39,172	41,993	45,204	48,781	48,059	48,805	48,641	51,367
Improved service levels	10,022	712	10,734	17,633	19,371	13,728	16,678	19,583	19,080	17,305	13,754	13,343
Increased demand	3,446	22	3,468	7,729	33,684	36,528	9,996	13,768	11,958	10,550	7,166	7,061
Total capital expenditure	42,006	3,904	45,910	61,624	92,227	92,249	71,878	82,132	79,097	76,660	69,561	71,771

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges for certain services, such as parking fees, are collected at levels considered reasonable by the Council. Subsidies will be claimed from Land Transport New Zealand for both operational and capital expenditure to the maximum allowed. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by General rates, with a loading on the Business sector.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy.

Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Wastewater collection and treatment



I'm very selective about what I put down the kitchen waste disposal. It all has to be treated doesn't it? I've got a worm farm; they're my silent workers, wonderful. I feed them scraps and use the "worm wine" they produce, diluted, on the garden. It's terrific.

I worry a bit about putting the treated wastewater out to sea, but I suppose the other options would be too expensive. We had a place on Marshland Road and got a treatment system where the final water was used to feed trees. I wonder if we couldn't have something like that on a larger scale for the city.

Marcia Topp

Nurse
Burwood

Wastewater collection and treatment

Why does the Council provide wastewater collection, treatment and disposal?

The Council provides these activities to support the health and wellbeing of the community and the environment.

What activities are included in wastewater collection, treatment and disposal?

Wastewater collection

The Council provides for the continuous collection and transportation of the city's wastewater from properties, via an underground piped sewerage network, to treatment facilities.

Wastewater treatment and disposal

The Council provides for the treatment and disposal of the city's sewage, in compliance with resource consent conditions.

How does the Council's work contribute towards our Community Outcomes?

Community Outcome	How the Council contributes	How much?
Safety	By providing a sanitary wastewater collection and treatment service.	✓✓✓
Community	By providing equal access to wastewater services.	✓
Environment	By protecting the environment through wastewater treatment.	✓✓✓
Governance	By providing the opportunity for the community to participate in decision-making through consultation on wastewater plans and projects.	✓
Prosperity	By meeting commercial wastewater needs.	✓✓
Health	By providing a sanitary wastewater collection and treatment service.	✓✓✓
Knowledge	By providing water conservation programmes.	✓✓
City Development	By the beautification and enhancement of the wastewater ponds and management of sewer overflows.	✓



Wastewater collection and treatment

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
<p>To collect, treat and dispose of the city's wastewater, so that residues comply with resource consent conditions and do not endanger the health of the community or the environment.</p>	<p>Strategies:</p> <ul style="list-style-type: none"> • Wastewater Asset Management Plan <p>Drivers:</p> <ul style="list-style-type: none"> • Protection of public and environmental health • Commercial wastewater disposal needs • Urban form and extent • Population growth • Climate and season 	<p>Collecting, treating and disposing of the city's wastewater.</p>	<p>Continue to do the same.</p> <p>Major sewer upgrade project to increase capacity and reduce the risk of overflows. Ocean outfall pipeline to release treated effluent directly into the ocean to minimise risks to the community and environment. To be completed by year 3.</p>	<p>Non-occurrence of public health issues attributable to the wastewater system or ocean outfall.</p> <p>Number of major or persistent breaches of the resource consent by the wastewater treatment plant.</p> <p>The Ocean Outfall Development proceeds within the Council approved budget and timeframe.</p> <p>Mains blockages and non-consented overflows.</p> <p>Number of ongoing incidents of objectionable odour from the treatment plant.</p> <p>Number of wet weather sewer overflows into rivers and waterways, per year.</p>	

Wastewater collection and treatment

Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Number of public health issues attributable to the wastewater system.	Zero reported by the Ministry of Health.	Maintain zero reported by the Ministry of Health.									
Number of major or persistent breaches of the resource consent by the wastewater treatment plant (e.g. for pathogen control, nutrients and odour).	One breach (due to ammonia).	Ongoing									
Each year the Ocean Outfall Development proceeds within the Council approved budget and timeframe.	Budget revised and on time.	On budget and on time.			Project completed						
% of mains blockages and non-consented overflows responded to within one hour of Council notification.	90% responded to within one hour.	Maintain 90% responded to within one hour.									
Number of widespread and/or ongoing incidents reported, per year, of objectionable odour from the treatment plant.	5	Maintain	Maintain	Maintain	Maximum of 1 incident, per year, of objectionable odour.						
Number of wet weather sewer overflows into rivers and waterways, per year (10-year rolling average).	3	4 or fewer	Maintain	Maintain	Maintain	Maximum of 1 overflow event every 2 years, based on a 10 year rolling average.					

What negative effects or risks can occur in relation to wastewater collection, treatment and disposal?

Negative effects	Mitigation options
Sewage overflows during wet weather.	<ul style="list-style-type: none"> • Increase wastewater collection and transportation capacity (e.g. major sewer upgrade project). • Improved monitoring and control of the collection system.
Greater quantities of wastewater due to increasing population and business activity.	<ul style="list-style-type: none"> • Improvements to the treatment facilities to increase the capacity and the level of treatment applied to the wastewater and the release of wastewater into the sea. • A new pipeline from the Belfast facility to the Bromley treatment plant.
Environmental impact of discharging wastewater into the estuary.	<ul style="list-style-type: none"> • Improvements to the treatment facilities to increase the level of treatment applied to wastewater. • The ocean outfall development will release treated wastewater directly into the sea.



Wastewater collection and treatment

The Council's key assets relating to wastewater treatment, collection and disposal

Wastewater collection system - 1,600 km

Wastewater treatment plant - 1 (Bromley)

Maintaining our assets

Maintenance of the assets is provided by service providers under long-term contracts. The development of new infrastructure is competitively tendered.

Typical renewal/replacement periods for key assets include:

- Wastewater mains - every 50 to 150 years
 - Wastewater laterals - every 50 to 150 years
 - Pump station equipment - every 25 to 50 years
 - Wastewater treatment plant - buildings every 30 years
- treatment equipment every 20 years
- } Depending on the size and type of material



Changes planned for assets

<i>Reason for change</i>	<i>What will be done?</i>	<i>Year 1 cost (\$ 000)</i>	<i>Year 2 cost (\$ 000)</i>	<i>Year 3 cost (\$ 000)</i>	<i>Years 4 to 10 cost (\$ 000)</i>
Renewals and replacements	Assets are maintained in accordance with the Wastewater Asset Management Plan including replacement of pipes (3.2 km per year), pump stations and treatment facilities, depending on the age and condition of the asset.	17,087	11,967	11,351	156,903
Increased levels of service	Assets will be added in accordance with the Wastewater asset management plan including new pipes, pump stations and treatment facilities.	22,781	37,745	17,190	30,226
Increased demand	Sewer improvements are planned in the areas of pumping systems, treatment plant automation and aeration, treatment enhancements and the ocean outfall project.	15,067	23,412	11,049	15,824

Wastewater collection and treatment

Wastewater collection and treatment

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Wastewater collection	20,059	-	20,059	20,939	22,028	23,343	24,778	25,872	26,811	27,749	28,576	29,277
Wastewater treatment and disposal	10,540	1,573	12,113	13,547	15,866	17,408	18,630	19,750	20,884	21,957	22,815	23,003
Total expenditure	30,599	1,573	32,172	34,486	37,894	40,751	43,408	45,622	47,695	49,706	51,391	52,280
Activity operational revenue -												
Wastewater collection	16	-	16	17	17	17	18	18	19	19	19	20
Wastewater treatment and disposal	3,443	-	3,443	3,553	3,663	3,764	3,861	3,952	4,035	4,113	4,181	4,251
Capital revenues	2,606	73	2,679	6,764	8,183	9,598	11,064	10,597	10,672	10,726	10,751	10,774
Total operational revenue	6,065	73	6,138	10,334	11,863	13,379	14,943	14,567	14,726	14,858	14,951	15,045
<i>Fees and charges</i>	<i>6,065</i>	<i>73</i>	<i>6,138</i>	<i>10,334</i>	<i>11,863</i>	<i>13,379</i>	<i>14,943</i>	<i>14,567</i>	<i>14,726</i>	<i>14,858</i>	<i>14,951</i>	<i>15,045</i>
<i>Grants and subsidies</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total operational revenue (by source)	6,065	73	6,138	10,334	11,863	13,379	14,943	14,567	14,726	14,858	14,951	15,045
Net operational cost	24,534	1,500	26,034	24,152	26,031	27,372	28,465	31,055	32,969	34,848	36,440	37,235
Vested assets	1,799	-	1,799	1,865	1,928	1,989	2,047	2,103	2,154	2,201	2,244	2,287
Net cost of services	22,735	1,500	24,235	22,287	24,103	25,383	26,418	28,952	30,815	32,647	34,196	34,948
Capital expenditure												
Renewals and replacements	14,612	516	15,128	12,244	14,172	27,999	25,215	25,018	28,764	22,829	18,471	19,076
Improved service levels	23,620	5	23,625	35,016	20,182	2,578	2,198	2,712	7,939	8,338	1,443	1,484
Increased demand	14,967	100	15,067	21,613	13,288	2,260	1,396	1,586	3,486	2,967	1,269	1,261
Total capital expenditure	53,199	621	53,820	68,873	47,642	32,837	28,809	29,316	40,189	34,134	21,183	21,821

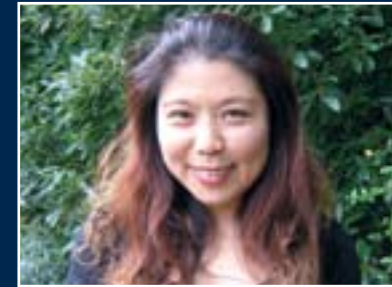
Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges for certain services, such as trade waste, are collected at levels considered reasonable by the Council. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by a targeted rate on serviced properties based on capital value.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Water supply



Compared to other places the water here's fantastic. We have to take more care of it and think how lucky we are; we get mineral water quality from the tap here. There's almost no other city in the world where that happens.

In the summer people are using this wonderful water on gardens and I think we should be doing more to conserve it. When I'm washing rice, I collect the water in a bucket and use that on the plants. I have another friend who has rearranged their spouting system and they collect some of the rain water to use for watering the garden. That's a good idea too.

Yuko Natsuhara

Artist
Fendalton

Water supply



Why does the Council provide water supply activities?

The Council provides the water supply to support the health and well being of the community, the needs of commercial users and fire-fighting requirements. Water conservation programmes are used to ensure the long-term availability and quality of the city's water supply.

What activities are included in water supply?


Water supply

The Council provides a continuous supply of fresh and wholesome water to properties by sourcing it from aquifers, and managing a network of wells, reservoirs, pumps and pipelines. It maintains sufficient water supply for fire-fighting purposes.

Water conservation

The Council provides education programmes to domestic and commercial users, which aim to reduce water consumption.

How does the Council's work contribute towards our Community Outcomes?

<i>Community Outcome</i>	<i>How the Council contributes</i>	<i>How much?</i>
 Safety	By maintaining sufficient water for fire-fighting purposes.	✓✓✓
 Community	By providing equal access to water.	✓
 Environment	By conserving water and encouraging others to do so too.	✓✓✓
 Governance	By providing the opportunity for the community to participate in decision-making through consultation on plans and projects.	✓
 Prosperity	By meeting commercial water needs.	✓✓✓
 Health	By providing drinking water to the community.	✓✓✓
 Recreation	By providing water for swimming pools and gardens.	✓✓
 Knowledge	By providing water conservation education.	✓
 City Development	By providing water for gardens and landscaping.	✓✓✓



Water supply

What does the Council plan to do in the future?

<i>What is the Council's objective?</i>	<i>What policies, strategies or drivers support these objectives?</i>	<i>What is the Council already doing?</i>	<i>What will we do in years 1 to 3?</i>	<i>What will we do in years 4 to 10?</i>	<i>How will we know if we achieve our objective?</i>
To provide a reliable supply of quality water to properties through a network of underground pipes.	<p>Strategies:</p> <ul style="list-style-type: none"> • Water Supply Asset Management Plan <p>Drivers:</p> <ul style="list-style-type: none"> • Public health, commercial and fire-fighting needs • Amenity and recreational needs • Urban form and extent • Population growth • Climate and season 	Supplying quality water to households and businesses.	Continue to do the same.		Number of unplanned shutdowns. Time to repair leaks. Ministry of Health water supply grade. Customer satisfaction with water quality and taste. Water pressure and flow
To conserve and protect the long-term availability and quality of the city's water.			A strategy for the sustainable management of the city's water supply will be developed and presented to the Council in year 2.		Residents' satisfaction with water appearance, taste, pressure and flow. Quality water is available for the future needs of the city.



Water supply

Measuring our achievements

Measures and targets	Current performance	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
Number of unplanned shutdowns (over 4 hours) with loss of water, due to reticulation, pumps or reservoirs.	1 unplanned shutdown on average per week.	Maintain ≤ 1 unplanned shutdown on average per week.									
95% of leaks reported to be in the Council's reticulation system are repaired within the following schedule: a) Major/urgent leaks contractor on site within one hour of the leak being reported; b) Medium magnitude leak repaired within one working day; c) Minor leaks and faults repaired within three working days.	95%	≤ 95% of the time									
Achievement of the highest Ministry of Health water supply grade possible without treatment of the water.	Due for regrading by Ministry of Health in 2006/07.	Maintain the highest grade possible without treatment.									
% customer satisfaction with water quality and taste.	90% satisfaction.	>90% satisfaction.									
% of properties where an ordinary water connection at the boundary can supply 25 litres per minute (based on complaints received and corrective action taken).	98%.	Maintain at ≥ 98%.									
Domestic consumption of water per capita (litres per day). To ensure the long term availability of water, domestic consumption should remain below 300 litres per person per day by 2020, on a 5 year-rolling average).	321 litres	≤ 319 litres	≤ 318 litres	≤ 316 litres	≤ 315 litres	≤ 313 litres	≤ 312 litres	≤ 310 litres	≤ 309 litres	≤ 307 litres	≤ 306 litres
Commercial consumption of water per capita (litres per day). (To ensure the long term availability of water, commercial consumption should remain below 94 litres per person per day by 2020, on a 5 year rolling average).	101 litres	101 litres	100 litres	100 litres	99 litres	99 litres	98 litres	98 litres	97 litres	97 litres	96 litres
Total water used by the city per year (million cubic metres M cu, on a 5-year rolling average).	53 M cu	53 M cu +/- 6	Maintain	Maintain	Maintain	Maintain	Maintain	Maintain	Maintain	Maintain	Maintain



Water supply

What negative effects or risks can occur in relation to water supply?

Negative effects	Mitigation options
Over abstraction of water from underground aquifers can result in lower river levels and the contamination of the aquifer with sea water and other less pure water in the ground.	<ul style="list-style-type: none"> Management of water use and abstraction, through water conservation and monitoring of the aquifer.
Water pipes can burst causing damage to land and property, and wasting water.	<ul style="list-style-type: none"> Maintenance and renewal of water pipelines and a quick response to reported leaks.

The Council's key assets relating to water supply

Water reticulation system (water pipes, connections and meters) - 3,000 km
 Wells and reservoirs - 240.

Maintaining our assets

Maintenance of the assets is provided by service providers under long-term contracts.
 The development of new infrastructure is competitively tendered.

Typical renewal/replacement periods for key assets include:

- Water mains - every 60 to 120 years
 - Water sub-mains - every 80 to 100 years
 - Water connections - every 80 years
 - Water meters - every 20 years
 - Pump station equipment - every 25 to 50 years
 - Reservoirs - every 100 years
 - Wells and well heads - every 60 years
- } Depending on the size and type of material

Changes planned for assets

Reason for change	What will be done?	Year 1 cost (\$ 000)	Year 2 cost (\$ 000)	Year 3 cost (\$ 000)	Years 4 to 10 cost (\$ 000)
Renewals and replacements	Assets are maintained in accordance with the Water Supply Asset Management Plan, including replacement of pipes (10 km per year), headworks and 1 well per year, depending on the age and condition of the asset.	5,621	6,333	6,358	48,959
Increased levels of service	Service improvements are planned in the areas of energy efficiency, noise mitigation, security, lifelines, pump stations and reservoirs.	1,554	2,524	2,995	23,037
Increased demand	Assets will be added in accordance with the Water Supply Asset Management Plan including new pipes, headworks and 1 new well every 2 years.	2,118	2,172	2,573	24,304



Water supply

Water supply

Cost of proposed services	CCC 2006/07 \$000's	BPDC 2006/07 \$000's	Total Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Activity operational cost -												
Water conservation	228	-	228	236	243	249	258	263	268	273	278	282
Water supply	17,452	1,305	18,757	19,455	20,636	21,885	22,896	23,753	24,206	24,364	25,017	25,581
Total expenditure	17,680	1,305	18,985	19,691	20,879	22,134	23,154	24,016	24,474	24,637	25,295	25,863
Activity operational revenue -												
Water conservation	-	-	-	-	-	-	-	-	-	-	-	-
Water supply	2,452	321	2,773	2,989	3,218	3,306	3,391	3,471	3,545	3,613	3,673	3,734
Capital revenues	2,571	72	2,643	3,288	3,742	4,220	4,713	4,595	4,647	4,688	4,718	4,747
Total operational revenue	5,023	393	5,416	6,277	6,960	7,526	8,104	8,066	8,192	8,301	8,391	8,481
<i>Fees and charges</i>	<i>5,023</i>	<i>393</i>	<i>5,416</i>	<i>6,277</i>	<i>6,960</i>	<i>7,526</i>	<i>8,104</i>	<i>8,066</i>	<i>8,192</i>	<i>8,301</i>	<i>8,391</i>	<i>8,481</i>
<i>Grants and subsidies</i>	-	-	-	-	-	-	-	-	-	-	-	-
Total operational revenue (by source)	5,023	393	5,416	6,277	6,960	7,526	8,104	8,066	8,192	8,301	8,391	8,481
Net operational cost	12,657	912	13,569	13,414	13,919	14,608	15,050	15,950	16,282	16,336	16,904	17,382
Vested assets	1,462	-	1,462	1,515	1,567	1,617	1,664	1,709	1,750	1,789	1,824	1,859
Net cost of services	11,195	912	12,107	11,899	12,352	12,991	13,386	14,241	14,532	14,547	15,080	15,523
Capital expenditure												
Renewals and replacements	4,959	360	5,319	6,151	5,981	6,168	8,813	6,060	6,119	8,067	7,323	7,414
Improved service levels	545	151	696	872	4,055	4,337	6,466	4,100	1,310	1,790	2,374	1,588
Increased demand	1,977	45	2,022	2,475	3,007	4,306	3,534	3,155	4,062	3,714	3,825	3,692
Total capital expenditure	7,481	556	8,037	9,498	13,043	14,811	18,813	13,315	11,491	13,571	13,522	12,694

Rationale for activity funding (see also the Revenue and Financing Policy, page 267)

User charges (technically classified as a rate) are made for excess water supplied at the average cost of water. The level of revenue sought from these activities by the Council for the 10 years covered by the LTCCP is illustrated above. The balance of the net operating cost is funded by a targeted rate on serviced properties based on capital value.

Development contributions are applied towards appropriate capital expenditure. The balance is funded corporately in accordance with the Revenue and Financing Policy. Refer to page 267 for a summary of the corporate funding approach for capital expenditure.



Community board funding

Community Board funding allocations for 2006/07

Community Boards are each authorised to distribute allocated project funds on behalf of the Council. The final allocation is approved by the Council as part of the LTCCP process, and as per the Council's Discretionary Funding Policy. Funds are allocated for projects in their respective parts of the city. The projects which have been allocated by each Community Board, and approved by the Council for the 2006/2007 financial year, are set out in the tables that follow in this section. The tables indicate which of the Council's four strategic directions each project is linked with.



Community board funding



Community Board funded projects

Fendalton/Waimairi Community Board	Funds allocated (\$)
Discretionary funds - (held for allocation during the year)	60,000
Strengthening Community Action Plans (SCAP) (held for future allocation)	40,000
Strong Communities	
Art Beat holiday programme (youth recreation programme)	5,000
Arts programme (youth recreation programme)	5,000
Avice Hill - arts and crafts fair (community event)	3,500
Avonhead Community Trust (salary community/youth worker)	15,000
Bishopdale Community Preschool (landscaping new play area)	5,000
Bishopdale Community Trust (community worker and volunteer co-ordinator)	18,250
Bishopdale School after school club (Te Ropu Tamariki service provider)	6,000
Christchurch Chinese Church (salary youth worker)	10,000
Christchurch Zhonghua Chinese Society (co-ordinator/community worker)	15,000
Community meetings facilitation	3,500
Community service awards	2,000
Crossfire Trust (salary youth worker and admin.)	8,000
Culture Galore (community event)	9,000
Fendalton Leisure Club (older adults' recreation)	4,000
In 4 Talk Trust (operating costs community classes)	3,000
Kiwanis of Waimairi (Terrific Kids Book awards)	720
Lets Go programme (youth recreation programme)	5,000
Neighbourhood Week activities	2,000
North West Mentoring Trust (wages co-ordinator)	15,000
Outdoor movies (community event)	7,000
Physical Sport and Recreation Fund (support minority sport/art groups)	33,770
St Stephen's Community Centre (family/community worker-centre liaison)	12,760
Youth Development Scheme	10,000
Youth events (youth recreation programme)	6,000

Fendalton/Waimairi Community Board	Funds allocated (\$)
Youth for Christ (Avonhead Rock Solid)	5,000
Youth for Christ (Youth Forever Club)	5,000
Youth Worker - Fendalton/Waimairi	22,000
Liveable City	
Heritage awards	6,000
Healthy Environment	
Community Garden Pride awards	2,500
Ilam Stream planting	10,000
Memorial Avenue/Roydvale colour planting	15,000
Waterway identification project	20,000
Total Fendalton/Waimairi project funding allocations	390,000



Community board funding

Riccarton/Wigram Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	60,000
Transport and Roothing Committee fund (held for allocation during the year)	30,000
Environment Committee fund (held for allocation during the year)	40,000
Strong Communities	
Broomfield/Hei Hei (community development worker)	17,500
Canterbury Fiji Social Services Trust (holiday programme)	9,000
Canterbury Fiji Social Services Trust (youth development worker)	10,000
Canterbury Fiji Social Services Trust (rent)	8,000
Christmas carols at Halswell Quarry	450
Community Board newsletter	9,000
Community Development Network (Riccarton community youth worker)	10,000
Community Development Network Trust (portacom)	7,500
Community Development Scheme top-up	10,000
Community events (3 events)	18,500
Community service awards	2,500
Community Watch Hornby (estimated utility costs)	5,000
Halswell Baptist Youth (New Youth Group)	1,500
Halswell Residents Association (ANZAC Day ceremony)	2,500
Holmes Park Croquet Club (Shade Sail)	2,000
Hornby Presbyterian Trust (children's holiday programmes)	1,000
Hornby Presbyterian Trust (Hornby holiday programme)	4,000
Hornby Presbyterian Trust (O.S.C.A.R programme)	3,000
Hornby Presbyterian Trust (Sockburn O.S.C.A.R - family subsidy)	1,000
Hornby youth 24/7 programme	8,500
Neighbourhood Week grants scheme	4,000
North Hornby healthy lifestyles project	15,000
Recreation and sport fund	30,000

Riccarton/Wigram Community Board	Funds allocated (\$)
Rewi Alley Chinese School	5,130
Riccarton Racecourse Bowling Cub (Shade Sail)	4,000
Small events fund	8,000
Spreydon youth 24/7 programme	10,400
Tangata 2 Tangata programme	11,520
Youth Development Scheme	5,000
Liveable City	
Christmas lights	5,000
Residents' groups (grants to groups)	3,000
Healthy Environment	
Community Garden Pride awards	5,000
Ilam Stream monitoring	8,000
Kyle Park Bush project	10,000
Racecourse Reserve extension project (Paparua Stream improvements)	5,000
Total Riccarton/Wigram project funding allocations	390,000

Community board funding



Spreydon/Heathcote Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	46,214
Strengthening Community Action Plans (SCAP) (held for future allocation)	40,000
Strong Communities	
Addington.net Inc (lease costs)	13,000
Alpha Impact Gymnastics (junior coach development)	608
Anglican Care (Sydenham community development worker's salary)	15,000
Board Communications with the Spreydon/Heathcote community	9,000
Caroline Reid Charitable Foundation (recreation programmes for children)	5,000
Cross Over Trust (Manaakitanga Clubs and Rowley Project Club)	4,000
Cross Over Trust (staff supervision costs)	2,000
Events fund	10,000
Community Garden Pride awards	1,500
Hoon Hay youth initiatives (Programme/activities for Hoon Hay youth)	10,000
Kingdom Resources Limited ("Men at Work" course)	5,000
Kingdom Resources Limited ("Taking the First Step" project)	6,000
Manuka Cottage (after school programme co-ordinator's salary)	9,500
Manuka Cottage (family and community development worker's salary)	17,500
Neighbourhood Week grants scheme	5,000
Older Adults fund	5,000
Opawa community garden (contribution to co-ordinator's salary)	8,500
Professional development fund	5,000
Project Esther - single mum's support service (family support worker salary)	10,000
Rowley OSCAR (funding towards programme costs)	12,000
SHARP (holiday programmes)	17,750
SHARP After school programme (staff costs of running programme)	5,000
Small events fund	3,000

Spreydon/Heathcote Community Board	Funds allocated (\$)
Spreydon Youth Community Trust (contribution to youth workers wages)	10,000
Spreydon Youth Community Trust (youth/leadership camp)	1,608
St Martins Bowling Club (promotions)	500
St Nicholas Youth Trust (contribution towards wages)	7,000
Strickland St Community Gardens (co-ordinators salary/operating costs)	20,000
Tangata 2 Tagata Ltd (Navigate programmes)	10,000
Te Roopu Tamariki (children's after school programme at Addington School)	4,000
Te Whare Roopu o Oterepo (community development worker's salary)	15,000
Waltham Youth Trust ("Get Real" programme)	4,740
Waltham Youth Trust (X-plode holiday programme)	4,000
Waltham Youth Trust (youth and family camps)	4,000
WOOSH (Waltham after school programme)	8,000
Youth and Community Service Awards scheme	1,500
Youth Development Fund	7,500
Liveable City	
Christmas lights (installation, repairs and maintenance)	3,000
Heritage Week Walk and Talk, and local history workshop	1,100
Addington Cemetery (historical research)	10,000
Healthy Environment	
Addington Bush Society Inc (volunteers support)	1,480
Arbor Day (Planting projects)	1,500
Heathcote River (Donkey Track Interpretation Panel)	2,500
Heathcote River environmental enhancements	7,000
Total Spreydon/Heathcote project funding allocations	390,000



Community board funding

Hagley/Ferrymead Community Board	Funds allocated (\$)
Discretionary funds - (held for allocation during the year)	44,829
Strong Communities	
Avebury House Trust (community worker salary/overhead expenses)	5,000
Bromley After School Programme (Woolston Developm't - salary/mgt costs)	24,000
Bromley Community Worker/Admin Support (Te Whare Roimata provider)	22,500
Community Development Scheme funding (supplement)	15,500
Community Events and Special Days fund	20,000
Community Garden - Te Whare Roimata Trust - (salary/operating costs)	22,500
Community Service awards	4,000
Community Sport and Recreation Fund	20,000
Family Support Worker (Woolston development service provider - salary)	10,000
Heritage Awards	5,000
Kimihia Youth Skills Trust (salary)	10,000
Linwood After School Programme (Woolston development - salary/mgt costs)	10,000
Linwood Youth Worker (198 Youth Health service provider salary/admin)	30,000
Neighbourhood Week	3,500
Older Adults Phillipstown Leisure Club	5,000
Older Adults Project (Te Whare Roimata Provider - salary/administration)	22,500
Older Adults Recreation Programmes (support fund)	5,000
Phillipstown Com Ctre Charitable Trust (Strengthening Community project)	10,000
Shoreline Youth Trust (Fuse youth café)	7,000
Te Ropu Tamariki (after school programmes)	12,000
Volunteer libraries grants (Redcliffs, Woolston, Heathcote)	3,750
Youth Development Fund - Hagley/Ferrymead	5,000
Youth Initiatives Trust (Diverse Youth Café)	18,546

Hagley/Ferrymead Community Board	Funds allocated (\$)
Liveable City	
Mt Pleasant Community Centre and Ratepayers' Assoc (level sealed access areas)	1,075
Sumner Community Centre including Historical Society and Plunket (heating)	15,000
Heritage plaques (installation)	3,000
Healthy Environment	
Brownlee Reserve (development)	10,000
Charlesworth Reserve (tidal wetlands and canal restoration project)	3,500
Community Pride garden awards	2,300
Linwood Cemetery (installation of block and plot markers)	15,000
Linwood Cemetery Working Party (administration)	1,000
Taylor's Mistake public toilet and changing room upgrade (landscaping)	3,500
Total Hagley/Ferrymead project funding allocations	390,000

Community board funding



Burwood/Pegasus Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	23,202
Strong Communities	
Agape Trust (Out of School programmes contribution)	11,000
Ambrosia Empowerment Trust (contribution towards wages, running costs)	20,000
Aranui Community Trust Inc Society (costs for co-ordinator salary)	31,000
Beach Blast community event	5,000
Burwood Day Care Centre for the Elderly (costs for co-ordinator's wages)	6,000
Community Watch Inc (contribution to operating costs)	5,000
Burwood Toy Library (contribution to rent)	3,900
Christmas events	4,500
Community Board quarterly newsletter	10,000
Community Response Assistance fund	5,000
Community Service awards	4,000
Crossroads With A Future Trust (costs for operating and administration expenses)	5,000
Dallington Community Cottage Trust (contribution to administration costs)	8,758
Family Fishing Day	2,000
Heritage Awards	1,000
Holiday Programme subsidy	18,500
Holiday Programme volunteer training subsidy	1,000
Homemade Partnership Trust (contribution to manager's salary)	10,000
Neighbourhood Support Canterbury Inc (programmes in Board area)	5,000
Neighbourhood Week	3,500
New Brighton and Districts Historical Society (costs for rental of building)	4,000
New Brighton Joint Youth Committee (contribution to youth worker salary)	3,500
New Brighton community development (contribution to wages/administration costs)	15,000
Older Adults programme	2,000

Burwood/Pegasus Community Board	Funds allocated (\$)
Parklands Baptist Church (community pottery room loan for rental)	2,640
Parklands Youth Trust Inc (Energisers programme)	12,000
Physical Sport and Recreation Fund	30,000
Project Environmental Employment Programme Scheme (supervisor salary)	10,000
St. Andrews Community House (costs for community development costs)	15,000
Te Kupenga O Aranui (contribution to youth/social workers)	15,000
Te Ora Hou Otautahi Inc (contribution to mentor programmes)	3,000
Te Ropu Tamariki (contribution to after school programmes)	6,000
The Brighton Gallery Trust (contribution to rent)	10,500
Wainoni/Avonside Community Services Trust(costs for co-ordinator's wages)	8,000
Whakaorangi Trust (contribution to out of school programmes)	5,000
World Buskers Festival, New Brighton	9,000
Youth Alive Trust (contribution to Safer Streets programme)	8,500
Youth Development Fund	5,000
Youth events fund	7,500
Liveable City	
New Brighton plaques	4,000
Healthy Environment	
Arbor Day	1,500
Community Garden Pride awards	2,500
Horseshoe Lake Reserve (community planting restoration)	6,000
Horseshoe Lake Reserve (weed removal and restoration)	6,000
New Brighton community centre and gardens (costs for co-ordinator's wages)	15,000
Total Burwood/Pegasus project funding allocations	390,000



Community board funding

Shirley/Papanui Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	60,000
Strengthening Community Action Plans (SCAP) (held for future allocation)	40,000
Strong Communities	
Belfast - OSCAR	2,000
Belfast Community Network (co-ordinators salary)	8,000
Community Board (two newsletters and calendar)	7,850
Community Development Scheme	15,000
Community events	38,900
Community Services Awards	3,000
Delta Community Support Trust (community worker)	15,000
Glenmoor - OSCAR	2,000
Hammersley Park - OSCAR	2,000
Heritage Awards	4,000
Mairehau research outcomes (advancement of research)	7,500
Neighbourhood Trust (community worker)	15,000
Neighbourhood Week	6,000
Northcote - OSCAR	2,000
Northgate Community Services Trust (youth community worker salary)	5,000
Older adults recreation fund	7,000
Papanui Baptist Community Services Freedom Trust (community support worker)	6,000
Papanui Youth Development Trust (Rock Solid co-ordinator)	2,000
Papanui Youth Development Trust (youth facility manager)	15,000
People with disabilities programmes	5,000
Shirley - OSCAR	2,000
Shirley Community Trust (operational and project costs)	11,250
Shirley Primary School (counsellor Service)	8,000
St James Croquet Club (refurbishment of lawns)	7,000

Shirley/Papanui Community Board	Funds allocated (\$)
St Matthews Church (children and youth leader)	6,000
Te Roopu Tamariki (after school programme)	8,000
Tweenager Holiday Programmes	12,000
Youth Development and Sport and Recreation fund	25,000
Youth recreation	27,000
Liveable City	
Host Responsibility awards	1,000
Healthy Environment	
Arbor Day	2,000
Community Garden Pride awards	2,500
Styx Living Laboratory Trust (operational and project costs)	10,000
Total Shirley/Papanui project funding allocations	390,000

Community board funding

Lyttelton/Mt Herbert Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	15,000
Project Funds (held for future allocation)	20,000
Total Lyttelton/Mt. Herbert project funding allocations	35,000

Akaroa/Waiwera Community Board	Funds allocated (\$)
Discretionary funds (held for allocation during the year)	15,000
Project Funds (held for future allocation)	20,000
Total Akaroa/Wairewa project funding allocations	35,000



Introduction to financial statements





Christchurch City Council Our Community Plan 2006-2016 – Christchurch O-Tautahi

The following pages contain forecast financial statements as required under the provisions of the Local Government Act and generally accepted accounting practice.

Impact Statement: Adopting New Zealand Equivalents to IFRS

In December 2002 New Zealand's accounting standard-setting bodies announced a significant change to financial reporting standards. Reporting entities have the option to adopt New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) for accounting periods beginning after 1 January 2005; with mandatory adoption required from 1 January 2007. The Council intends to adopt NZ IFRS for external reporting purposes (Annual Report and Long Term Council Community Plan (LTCCP)) for the accounting period commencing 1 July 2006.

Managing the Transition

In late 2004 the Council established a steering committee, comprised of staff and external consultants, to oversee the adoption of NZ IFRS. As part of this process the accounting policies of the Council were updated and the 1 July 2005 Balance Sheet restated to ensure they are fully NZ IFRS compliant.

Key Differences in Accounting Policies

As at the date of this impact statement, the project team has identified the following key differences in the Council's accounting policies that will have a material impact on the presentation of the Council's financial position in this LTCCP:

1. *Deferred Taxation*

In accordance with current NZ GAAP, deferred taxation is calculated on an income statement approach. Under NZ IFRS, deferred taxation will be calculated on the balance sheet approach. This method recognises deferred tax balances when there is a difference between the carrying value of an asset or liability, and its tax base.

Differences identified include a deferred tax liability on properties rented to subsidiary companies, and a deferred tax asset for unrecognised tax losses. For the 2005/06 year, this impact is estimated as a net deferred tax liability of \$12.4 million. This liability has been incorporated into the balance sheet for the years 2006/07 to 2015/16 on a pro-rata basis.

2. *Financial Instruments – Reclassification of Cash and Cash Equivalents*

Under current NZ GAAP, cash and cash equivalents includes short-term investments with a maturity of less than one year. Under NZ IFRS, cash and cash equivalents include short-term investments with maturity of less than 90 days.

The impact on the LTCCP is a reclassification of assets from Cash and Cash Equivalents to Current Financial Instruments. For the 2005/06 year, the amount reclassified is estimated as \$56.7 million. This reclassification has been incorporated into the balance sheet for the years 2006/07 to 2015/16 on a pro-rata basis.

3. *Investment Property*

The Council will disclose its investment properties separately from other operational assets. An adjustment has been made to the 2005/06 budget, in the amount of \$9.3 million, for this reclassification. This reclassification has been incorporated into the balance sheet for the years 2006/07 to 2015/16 on a pro-rata basis.

4. *Intangible Assets*

The Council will disclose its intangible assets separately from other operational assets. An adjustment has been made to the 2005/06 budget, in the amount of \$4.1 million, for this reclassification. This reclassification has been incorporated into the balance sheet for the years 2006/07 to 2015/16 on a pro-rata basis.

Cautionary Note

The information provided in this impact statement is for indicative purposes only. The actual impact of the transition to NZ IFRS on the LTCCP may vary from the information presented above. Accordingly, the impact of any variation from the information presented above may be material.

Financial statements

Christchurch City Council

Income Statement

Plan 2005/06* \$000's		Note	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
REVENUE												
153,684	Operating revenue	1	173,092	191,226	213,647	229,141	224,159	234,037	235,928	240,048	241,095	247,751
175,409	Rates levied		202,952	219,916	242,472	267,607	292,789	303,899	314,436	322,666	327,162	328,484
329,093	Total operating income		376,044	411,142	456,119	496,748	516,948	537,936	550,364	562,714	568,257	576,235
EXPENDITURE												
242,578	Operating expenditure		277,053	280,563	289,276	300,018	315,803	322,590	330,066	337,732	343,680	350,100
67,703	Depreciation		82,980	89,888	98,050	108,267	113,289	118,974	124,621	130,091	133,072	132,823
5,952	Interest		8,443	10,502	18,600	26,583	27,533	28,147	28,075	27,828	27,438	27,205
316,233	Total operating expenditure	2	368,476	380,953	405,926	434,868	456,625	469,711	482,762	495,651	504,190	510,128
12,860	Operating surplus before vested assets		7,568	30,189	50,193	61,880	60,323	68,225	67,602	67,063	64,067	66,107
15,000	Vested assets		22,672	23,637	21,217	28,122	22,559	28,034	21,307	21,777	22,199	22,629
27,860	Operating surplus before taxation		30,240	53,826	71,410	90,002	82,882	96,259	88,909	88,840	86,266	88,736
	Less tax expense / (benefit)		-	-	-	-	-	-	-	-	-	-
27,860	Surplus after taxation		30,240	53,826	71,410	90,002	82,882	96,259	88,909	88,840	86,266	88,736
27,860	Net surplus for year		30,240	53,826	71,410	90,002	82,882	96,259	88,909	88,840	86,266	88,736

*Prior period figures exclude Banks Peninsula District Council.



Christchurch City Council

Statement of Change in Equity

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
4,129,319	EQUITY AT JULY 1	4,783,884	4,917,001	5,139,127	5,375,864	5,626,061	5,858,660	6,096,945	6,316,706	6,526,795	6,721,293
	Net surplus attributable to:										
52,800	IFRS adjustment										
0	Revaluation reserve	102,877	168,300	165,327	160,195	149,717	142,026	130,852	121,249	108,232	110,141
27,860	Retained earnings	30,240	53,826	71,410	90,002	82,882	96,259	88,909	88,840	86,266	88,736
80,660	Total recognised revenues and expenses for the year	133,117	222,126	236,737	250,197	232,599	238,285	219,761	210,089	194,498	198,877
4,209,979	EQUITY AT JUNE 30	4,917,001	5,139,127	5,375,864	5,626,061	5,858,660	6,096,945	6,316,706	6,526,795	6,721,293	6,920,170

*Prior period figures exclude Banks Peninsula District Council.

Financial statements

Christchurch City Council

Balance Sheet

Plan 2005/06* \$000's		Note	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
4,209,979	Equity	3	4,917,001	5,139,127	5,375,864	5,626,061	5,858,660	6,096,945	6,316,706	6,526,795	6,721,293	6,920,170
	Non-current liabilities											
75,381	Financial liabilities		91,608	169,491	294,726	358,627	368,524	368,208	364,321	360,107	355,695	351,284
22,855	Provisions	4	19,922	18,552	17,945	17,379	16,796	16,198	15,585	14,958	14,320	13,669
12,385	Deferred tax liability		12,385	12,837	13,275	13,694	14,095	14,476	14,827	15,154	15,448	15,748
	Current liabilities	5										
41,461	Accounts payable		51,563	59,737	65,883	71,352	74,587	76,448	77,708	78,493	78,563	77,919
21,738	Financial liabilities		4,140	3,601	4,322	13,892	4,509	11,089	8,025	6,687	6,885	6,885
12,914	Provisions		12,745	12,909	12,414	12,727	13,026	13,303	13,566	13,806	14,015	14,226
4,396,713	TOTAL EQUITY AND LIABILITIES		5,109,364	5,416,254	5,784,429	6,113,732	6,350,197	6,596,667	6,810,738	7,016,000	7,206,219	7,399,901
	Represented by:											
	Current assets											
116,704	Cash and cash equivalents		152,976	135,179	134,258	136,467	142,708	150,117	157,968	172,053	199,476	224,035
24,482	Accounts receivable	6	35,100	40,664	44,848	48,571	50,773	52,040	52,897	53,432	53,479	53,041
1,831	Inventories		1,783	2,066	2,278	2,467	2,579	2,643	2,687	2,714	2,717	2,694
54,919	Financial instruments		71,988	62,347	60,946	61,105	63,468	66,574	69,976	76,387	89,184	100,728
	Non-current assets											
1,024,409	Investments		1,055,862	1,100,429	1,167,858	1,242,086	1,258,489	1,283,396	1,298,782	1,315,155	1,330,009	1,344,693
9,268	Investment property		12,481	13,027	13,745	14,018	14,244	14,467	14,580	14,621	14,633	14,704
4,066	Intangible assets		5,476	5,715	6,030	6,150	6,249	6,347	6,397	6,414	6,419	6,451
581,487	Operational assets		765,124	797,935	841,324	857,480	870,664	883,839	890,270	892,304	892,554	896,466
2,207,531	Infrastructural assets		2,549,785	2,771,611	2,996,976	3,193,267	3,359,349	3,519,784	3,672,383	3,811,347	3,920,312	4,031,986
372,016	Restricted assets		458,789	487,281	516,166	552,121	581,674	617,460	644,798	671,573	697,436	725,103
4,396,713	TOTAL ASSETS		5,109,364	5,416,254	5,784,429	6,113,732	6,350,197	6,596,667	6,810,738	7,016,000	7,206,219	7,399,901

*Prior period figures exclude Banks Peninsula District Council.

Financial statements

Christchurch City Council

Cash Flow Statement

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
OPERATING ACTIVITIES											
Cash was provided from:											
312,394	Rates, grants, subsidies, and other sources	315,061	347,367	391,782	427,791	449,651	469,250	481,469	491,563	494,643	499,519
18,522	Interest received	27,766	23,729	24,887	27,985	27,441	27,810	27,946	28,539	30,011	32,233
30,114	Dividends	33,019	34,189	35,041	37,041	37,541	39,541	40,041	42,041	43,541	44,928
-	- Net GST	-	-	-	-	-	-	-	-	-	-
361,030		375,846	405,285	451,710	492,817	514,633	536,601	549,456	562,143	568,195	576,680
Cash was disbursed to:											
276,968	Payments to suppliers and employees	278,768	273,594	284,232	294,801	312,853	321,051	329,155	337,334	344,040	351,184
5,950	Interest paid	8,443	10,501	18,600	26,582	27,534	28,147	28,075	27,828	27,439	27,205
282,918		287,211	284,095	302,832	321,383	340,387	349,198	357,230	365,162	371,479	378,389
78,112	NET CASH FLOW FROM OPERATIONS	88,635	121,190	148,878	171,434	174,246	187,403	192,226	196,981	196,716	198,291
INVESTING ACTIVITIES											
Cash was provided from:											
4,412	Sale of assets	5,670	7,239	1,404	5,871	1,491	1,531	1,568	1,603	1,634	1,666
-	- Investments realised	10,051	1,841	1,941	2,349	12,241	2,441	9,441	6,377	5,041	5,241
4,412		15,721	9,080	3,345	8,220	13,732	3,972	11,009	7,980	6,675	6,907
Cash was applied to:											
161,987	Purchase of assets	180,140	219,706	243,360	207,301	179,139	186,374	184,281	178,164	158,206	163,934
2,270	Purchase of investments	24,207	15,346	37,141	43,456	750	750	750	750	750	750
164,257		204,347	235,052	280,501	250,757	179,889	187,124	185,031	178,914	158,956	164,684
-159,845	NET CASH FLOW FROM INVESTING ACTIVITIES	-188,626	-225,972	-277,156	-242,537	-166,157	-183,152	-174,022	-170,934	-152,281	-157,777

*Prior period figures exclude Banks Peninsula District Council.

Financial statements

Christchurch City Council

Cash Flow Statement

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
FINANCING ACTIVITIES											
Cash was provided from:											
1,623	Raising of loans	24,648	79,802	127,874	76,111	12,723	9,091	2,455	791	791	791
1,623		24,648	79,802	127,874	76,111	12,723	9,091	2,455	791	791	791
Cash was applied to:											
1,683	Repayment of term liabilities	21,738	2,457	1,918	2,640	12,209	2,826	9,407	6,342	5,005	5,202
1,683		21,738	2,457	1,918	2,640	12,209	2,826	9,407	6,342	5,005	5,202
-60	NET CASH FLOW FROM FINANCING ACTIVITIES	2,910	77,345	125,956	73,471	514	6,265	-6,952	-5,551	-4,214	-4,411
-81,793	Increase/(decrease) in cash	-97,081	-27,437	-2,322	2,368	8,603	10,516	11,252	20,496	40,221	36,103
253,416	Add opening cash	267,126	152,976	135,179	134,258	136,467	142,708	150,117	157,968	172,053	199,476
-54,919	IFRS adjustment**	-17,069	9,640	1,401	-159	-2,362	-3,107	-3,401	-6,411	-12,798	-11,544
116,704	ENDING CASH BALANCE	152,976	135,179	134,258	136,467	142,708	150,117	157,968	172,053	199,476	224,035
Represented by:											
116,704	Cash and cash equivalents	152,976	135,179	134,258	136,467	142,708	150,117	157,968	172,053	199,476	224,035

*Prior period figures exclude Banks Peninsula District Council.

**Represents reclassification of short-term investments (91 - 365 day duration) from Cash and cash equivalents to Financial instruments on Balance Sheet.

Notes to the financial statements

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
NOTE 1											
SUMMARY OF OPERATING INCOME											
Summary of group of activities income											
	City development	1,004	1,036	1,067	1,091	1,119	1,146	1,170	1,192	1,212	1,233
	Community support	13,798	14,191	14,617	15,020	15,404	15,769	16,103	16,412	16,685	16,966
	Cultural and learning services	3,545	3,678	3,808	3,913	4,013	4,108	4,195	4,276	4,347	4,419
	Democracy and governance	-	330	-	-	358	-	-	382	-	-
	Economic development	167	172	177	182	155	157	161	163	167	169
	Parks, open spaces and waterways	7,769	10,574	11,417	12,273	13,142	14,143	14,583	15,007	15,403	15,810
	Recreation and leisure	9,240	10,270	10,704	11,122	11,538	11,854	12,114	12,356	12,571	12,788
	Refuse minimisation and disposal	4,678	4,986	5,242	5,387	5,524	5,653	5,774	5,886	5,983	6,083
	Regulatory services	19,082	19,496	20,002	20,553	21,080	21,576	22,033	22,457	22,831	23,213
	Streets and transport	31,063	41,480	56,883	62,299	52,063	57,553	56,450	55,407	51,923	52,987
	Wastewater collection and treatment	6,138	10,334	11,863	13,379	14,943	14,567	14,726	14,858	14,951	15,045
	Water supply	5,416	6,277	6,960	7,526	8,104	8,066	8,192	8,301	8,391	8,481
95,451	Activity results represented in income statement	101,900	122,824	142,740	152,745	147,443	154,592	155,501	156,697	154,464	157,194
Other income:											
Interest income:											
4,042	Subsidiaries	6,849	7,752	10,550	13,845	13,105	12,952	12,481	12,112	11,666	11,377
985	Loan repayment investments	198	10	14	18	1	3	6	9	12	15
11,474	Short term investments	16,151	11,248	9,724	9,567	9,813	10,387	11,051	12,074	14,057	16,592
2,321	Special and other fund investments	4,766	4,729	4,613	4,573	4,523	4,471	4,414	4,353	4,288	4,264
18,822	Total interest income	27,964	23,739	24,901	28,003	27,442	27,813	27,952	28,548	30,023	32,248
Dividend income:											
Christchurch City Holdings Ltd											
30,000	Ordinary	31,500	32,000	32,500	34,500	35,000	37,000	37,500	39,500	41,000	42,387
-	Special	-	-	-	-	-	-	-	-	-	-
114	Transwaste Ltd	1,519	2,189	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541
30,114	Total dividend income	33,019	34,189	35,041	37,041	37,541	39,541	40,041	42,041	43,541	44,928

*Prior period figures exclude Banks Peninsula District Council.

Notes to the financial statements

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
	Sundry income:										
2,080	Petroleum tax	2,282	2,355	2,426	2,493	2,557	2,617	2,672	2,724	2,769	2,815
1,200	Rate penalties	1,344	1,387	1,429	1,468	1,506	1,541	1,574	1,604	1,631	1,658
6,017	Other corporate income	6,583	6,732	7,110	7,391	7,670	7,933	8,188	8,434	8,667	8,908
9,297	Total sundry income	10,209	10,474	10,965	11,352	11,733	12,091	12,434	12,762	13,067	13,381
153,684	Total operating income	173,092	191,226	213,647	229,141	224,159	234,037	235,928	240,048	241,095	247,751
NOTE 2											
SUMMARY OF OPERATING EXPENDITURE											
Summary of group of activities costs											
	City development	16,191	14,377	13,901	14,411	13,817	13,933	13,987	14,087	14,384	14,455
	Community support	33,445	33,105	34,633	35,606	36,970	37,791	38,436	38,997	39,674	39,964
	Cultural and learning services	42,345	43,781	46,089	48,351	50,655	51,962	53,079	54,332	55,691	56,942
	Democracy and governance	9,814	13,000	12,468	12,651	14,165	13,490	13,629	15,003	14,224	14,276
	Economic development	10,717	10,410	10,915	11,622	12,294	12,665	13,060	13,423	13,774	14,116
	Parks, open spaces and waterways	44,340	45,595	47,295	48,832	50,441	51,510	52,617	53,521	54,437	53,805
	Recreation and leisure	27,250	27,232	29,503	31,046	32,539	33,468	34,324	35,076	35,785	36,325
	Refuse minimisation and disposal	19,571	20,475	21,749	24,641	25,603	25,862	26,427	26,948	27,417	27,720
	Regulatory services	25,126	25,697	26,370	27,147	28,092	28,682	29,248	29,664	30,065	30,485
	Streets and transport	73,374	77,570	83,669	92,183	99,368	103,622	107,752	112,029	113,966	115,953
	Wastewater collection and treatment	32,172	34,486	37,894	40,751	43,408	45,622	47,695	49,706	51,391	52,280
	Water supply	18,985	19,691	20,879	22,134	23,154	24,016	24,474	24,637	25,295	25,863
	Activity results represented in income statement	353,330	365,419	385,365	409,375	430,506	442,623	454,728	467,423	476,103	482,184
	Other expenditure:										
	Interest expense not allocated	7,574	8,484	11,295	14,698	13,970	13,826	13,364	13,005	12,571	12,294
	Other corporate expenditure	7,572	7,050	9,266	10,795	12,149	13,262	14,670	15,223	15,516	15,650
	Total other expenditure	15,146	15,534	20,561	25,493	26,119	27,088	28,034	28,228	28,087	27,944
316,233	Total operating expenditure	368,476	380,953	405,926	434,868	456,625	469,711	482,762	495,651	504,190	510,128

*Prior period figures exclude Banks Peninsula District Council.

Notes to the financial statements

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Specified expenses (included above):											
185	Audit fees	276	222	350	234	240	375	250	254	395	262
98,842	Employee benefits expense	105,477	108,125	111,000	113,915	116,917	119,405	121,765	123,915	125,791	127,688
12,784	Donations	18,046	17,902	18,083	19,007	19,675	20,205	20,708	21,182	21,614	22,055
NOTE 3											
Equity											
	Capital reserve	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853	1,733,853
	Reserve funds	204,257	173,637	170,761	176,674	185,439	194,490	204,420	223,702	263,584	299,925
	Asset revaluation reserves	2,150,333	2,318,633	2,483,960	2,644,155	2,793,872	2,935,898	3,066,750	3,187,999	3,296,231	3,406,372
	Retained earnings	828,558	913,004	987,290	1,071,379	1,145,496	1,232,704	1,311,683	1,381,241	1,427,625	1,480,020
4,209,979	Total equity	4,917,001	5,139,127	5,375,864	5,626,061	5,858,660	6,096,945	6,316,706	6,526,795	6,721,293	6,920,170
NOTE 4											
Non-current provisions											
15,314	Provision for landfill aftercare	12,896	11,526	10,919	10,353	9,770	9,172	8,559	7,932	7,294	6,643
7,541	Provision for employee entitlements	7,026	7,026	7,026	7,026	7,026	7,026	7,026	7,026	7,026	7,026
22,855	Total non-current provisions	19,922	18,552	17,945	17,379	16,796	16,198	15,585	14,958	14,320	13,669

*Prior period figures exclude Banks Peninsula District Council.

Notes to the financial statements

Plan 2005/06* \$000's		Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
NOTE 5											
Current liabilities											
33,035	Trade creditors	44,323	51,349	56,632	61,333	64,114	65,714	66,797	67,472	67,532	66,978
8,426	Owing to subsidiaries	7,240	8,388	9,251	10,019	10,473	10,734	10,911	11,021	11,031	10,941
41,461		51,563	59,737	65,883	71,352	74,587	76,448	77,708	78,493	78,563	77,919
21,738	Current portion of gross debt	4,140	3,601	4,322	13,892	4,509	11,089	8,025	6,687	6,885	6,885
1,985	Provision for landfill aftercare	1,515	1,353	541	555	568	580	592	602	611	620
10,929	Provision for employee entitlements	11,230	11,556	11,873	12,172	12,458	12,723	12,974	13,204	13,404	13,606
12,914		12,745	12,909	12,414	12,727	13,026	13,303	13,566	13,806	14,015	14,226
76,113	Total current liabilities	68,448	76,247	82,619	97,971	92,122	100,840	99,299	98,986	99,463	99,030
NOTE 6											
Receivables and prepayments											
5,196	Rates debtors	5,703	6,607	7,287	7,892	8,249	8,455	8,595	8,682	8,689	8,618
6,567	Other trade debtors	8,154	9,447	10,418	11,283	11,795	12,089	12,288	12,413	12,424	12,322
1,580	Amount owing by subsidiaries	1,289	1,493	1,647	1,784	1,865	1,911	1,943	1,962	1,964	1,948
7,743	Other receivables/prepayments	11,338	13,135	14,487	15,689	16,401	16,810	17,087	17,260	17,275	17,133
1,805	Dividends receivable	7,000	8,110	8,944	9,686	10,126	10,378	10,549	10,656	10,665	10,578
2,231	GST receivable	3,073	3,560	3,927	4,253	4,445	4,557	4,631	4,677	4,682	4,644
25,122		36,557	42,352	46,710	50,587	52,881	54,200	55,093	55,650	55,699	55,243
-640	Less provision for doubtful debts	-1,457	-1,688	-1,862	-2,016	-2,108	-2,160	-2,196	-2,218	-2,220	-2,202
24,482	Total receivables and prepayments	35,100	40,664	44,848	48,571	50,773	52,040	52,897	53,432	53,479	53,041

*Prior period figures exclude Banks Peninsula District Council.

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Christchurch City Council Accounting Policies

Reporting Entity

The Christchurch City Council (the 'Council') is a territorial authority under the Local Government Act 2002. The role of the Council is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

Purpose:

In general, these policies are intended to comply with New Zealand International Financial Reporting Standards (NZ IFRS).

These policies are intended as guidelines for financial accounting and also as the basis for preparation of notes to the financial statements.

Public Benefit Entity Treatment

Under NZ IFRS, Christchurch City Council is a public benefit entity (PBE). Where PBE treatment of specific issues differs from the usual treatment, this fact is noted in each policy.

1. Statement of Compliance

The forecast financial statements of Christchurch City Council have been prepared in accordance with New Zealand International Financial Reporting Standards. These standards have been consistently applied to all the years presented from 1 July 2006, unless otherwise stated.

2. Basis of financial statement preparation

The forecast financial statements are prepared for the Council parent only and do not reflect the consolidated position.

They are prepared under the historical cost convention, as modified by the revaluation of:

- available-for-sale financial assets,
- financial assets and liabilities (including derivative instruments) at fair value through

profit or loss,

- certain classes of property, plant and equipment,
- investment property.

Preparing forecast financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances and represent the best information available at the time of preparing the accounts. These estimates and assumptions form the basis for making judgements about the carrying values of assets and liabilities, where these are not readily apparent from other sources. It is likely that changes will be needed as events alter and actual quotes for work are obtained and that actual results may differ materially from this plan.



3. Foreign currency transactions

The functional and presentation currency is New Zealand dollars. Transactions in foreign currencies are translated at the foreign exchange rate ruling on the day of the transaction.

Foreign currency monetary assets and liabilities at the balance date are translated to NZ dollars at the rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to NZ dollars at rates ruling at the dates the fair value was determined.

Translation differences on equities held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on equities classified as available-for-sale financial assets are included in the fair value reserve in equity.

4. Derivative financial instruments

The Council uses derivative financial instruments to hedge its exposure to interest rate and foreign exchange risks arising from operational, financing and investment activities. The Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see Hedging policy 5).

The fair value of interest rate swaps is the estimated amount that the Council would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward exchange

contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.



5. Hedging

Derivatives are first recognised at fair value on the date a contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Council designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

The Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or cancelled, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

6. Property, plant and equipment

The following assets (except for investment properties - refer to note 10(iii)) are shown at fair value, based on periodic (every three to five years) valuations by external independent valuers, less subsequent depreciation:

- Land
- Buildings
- Harbour structures
- Infrastructure assets
- Heritage assets
- Works of art

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Valuations are performed with sufficient regularity to ensure revalued assets are carried at a value that is not materially different from fair value.

All other property, plant and equipment is stated at historical cost less depreciation. Historical



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cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Where the Council has elected to account for revaluations of property, plant and equipment on a class of asset basis, increases in the carrying amounts arising on revaluation of a class of assets are credited directly to equity under the heading revaluation reserve. However, the net revaluation increase shall be recognised in profit or loss to the extent it reverses a net revaluation decrease of the same class of assets previously recognised in profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

Assets to be depreciated include:

Operational Assets:

Buildings	10 to 100 yrs
Office and computer equipment	4 to 5 yrs
Mobile plant including vehicles	2 to 30 yrs
Sealed surfaces (other than roads)	9 to 100 yrs
Harbour structures	3 to 50 yrs
Leasehold land improvements	5 to 100 yrs
Library books	3 to 10 yrs

Infrastructure Assets:

Formation and Pavement sub-base	Not depreciated
Basecourse	40 to 120 yrs

Footpaths and cycleways	20 to 80 yrs
Surface	2 to 25 yrs
Streetlights and signs	6 to 50 yrs
Kerb, channel, sumps and berms	80 yrs
Landscape/medians	15 to 80 yrs
Drain pipes/culverts/retaining walls	20 to 120 yrs
Bridges	70 to 120 yrs
Bus shelters and furniture	30 yrs
Water supply	55 to 130 yrs
Water meters	20 to 25 yrs
Stormwater	30 to 120 yrs
Waterways	15 to 120 yrs
Sewer	50 to 150 yrs
Treatment plant	15 to 100 yrs
Pump stations	10 to 100 yrs

Restricted Assets:

Planted areas	5 to 110 yrs
Reserves - sealed areas	10 to 40 yrs
Reserves - structures	25 to 150 yrs
Historic buildings	100 yrs
Art works	1000 yrs
Heritage assets	1000 yrs

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to retained earnings.

7. Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. Further, the liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet. Those assets and liabilities shall not be offset and presented as a single amount.



8. Intangible assets

(i) Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is no longer amortised but is tested annually for impairment (see Impairment policy 14). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Negative goodwill arising on an acquisition is recognised directly in the income statement.

(ii) Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognized as assets are amortised over their estimated useful lives.

(iii) Other intangible assets

Other intangible assets that are acquired by the Council are stated at cost less accumulated amortisation (see below) and impairment losses (see Impairment policy 14).

(iv) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

(v) Amortisation

An intangible asset with a finite useful life is amortised over the period of that life. The asset is reviewed annually for indicators of impairment, and tested for impairment if these indicators exist. The asset is carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

9. Biological assets and agricultural produce

A biological asset is a living animal or plant.

Biological assets that are the subject of agricultural activity (i.e., the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets) are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in the income statement, and are revalued annually. Point-of-sale costs include all costs that would be necessary to sell the assets, excluding costs necessary to get the assets to market.

All other biological assets are measured at the lower of cost and net realisable value.

Agricultural produce is the harvested product of the entity's biological assets. Agricultural produce is measured at fair value less estimated point-of-sale costs at the point of harvest.

10. Investments

The Council classifies its investments in the following categories:

- (a) Financial assets at fair value through profit or loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges.
- (b) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- (c) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity.
- (d) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(i) Council investment in subsidiaries and associates

For the purposes of the parent company financial statements, the Council's equity investments in its subsidiary and associate companies are designated as available-for-sale financial assets. They are measured at fair value, with valuations performed by an independent, external valuer with sufficient regularity to ensure no investments are included at a valuation that is materially different from fair value. The valuation changes are held in a revaluation reserve until the subsidiary is sold.

(ii) Investments in debt and equity securities

Financial instruments held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in the income statement.

Where the Council has the positive intent and ability to hold government bonds to maturity, they are classified as held-to-maturity investments, measured at initial recognition at fair value, and subsequently carried at amortised cost less impairment losses (see Impairment policy 14).

General and community loans are designated as loans and receivables. They are measured at initial recognition at fair value, and subsequently carried at amortised cost less impairment losses.

Other financial instruments held by the Council are classified as being available for sale and are stated at fair value. The valuation changes are held in a revaluation reserve until the instrument is sold.

Financial instruments classified as held-for-trading or available-for-sale investments are recognised / derecognised by the Council on the date it commits to purchase / sell the investments. Securities held-to-maturity are recognised / derecognised on the day they are transferred to / by the Council.

(iii) Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties generate cashflow largely independent of other assets held by the entity. Investment properties are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio every year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Any gain or loss arising from a change in fair value is recognised in the income statement.

Rental income from investment property is accounted for as described in the Revenue policy below.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal the gain is transferred to retained earnings. Any loss arising in this manner is recognised immediately in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent recording. When the Council begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property, which is measured based on the fair value model, and is not reclassified as property, plant and equipment during the re-development.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Council holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value. Lease payments are accounted for as described in the Expenses policy below.



11. Trade and other receivables

(i) Construction work in progress

Construction work in progress is stated at cost plus profit recognised to date (see Revenue policy 19) less a provision for foreseeable losses and less progress billings. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Council's contract activities based on normal operating capacity.

(ii) Other trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (see Impairment policy 14).

12. Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventories held for distribution at no charge, or for a nominal amount, are stated at the lower of cost and current replacement cost.

The cost of other inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

13. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, and other short-term highly liquid investments with maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Council's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows, and in current liabilities on the balance sheet.



14. Impairment

The carrying amounts of the Council's assets, other than biological assets (see Biological Assets policy 9), investment property (see Investments policy 10(iii)), inventories (see Inventories policy 12) and deferred tax assets (see Income Tax policy 21), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses on revalued assets offset any balance in the asset revaluation reserve, with any remaining impairment loss being posted to the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

(i) Calculation of recoverable amount

The recoverable amount of the Council's investments in held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their market value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of a held-to-maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

15. Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

16. Provisions

A provision is recognised in the balance sheet when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

17. Employee entitlements

Council's employee compensation policy is based on Total Cash Remuneration: a single cash payment in compensation for work, where the employee is responsible for and able to individually decide how best to use their remuneration to meet their needs over time in the mix and type of benefits purchased.

Provision is made in respect of Council's liability for the following short and long-term employee entitlements.

(i) Short term entitlements

Liabilities for annual leave and time off in lieu are accrued at the full amount owing at the pay period ending immediately prior to the balance sheet date.

Liabilities for accumulating short-term compensated absences (e.g., sick leave) are measured as the amount of unused entitlement accumulated at the pay period ending immediately prior to the balance sheet date, that the entity anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

(ii) Long term entitlements

The retiring gratuity liability is assessed on an actuarial basis using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. These estimated amounts are discounted to their present value using an interpolated 10 year government bond rate.

Superannuation is provided as a percentage of remuneration.

(iii) DBP Contributors Scheme (the 'Scheme')

Council participates in the Scheme, which is a multi-employer defined benefit plan. However, because it is not possible to determine, from the terms of the Scheme, the extent to which the deficit will affect future contributions by employers the Council participation in the Scheme is accounted for as if the Scheme were a defined contribution plan.

(iv) Super Trust of New Zealand ('Super Trust')

Council participates in Super Trust, a multi-employer master trust, where money invested in separate schemes is pooled for investment purposes. Super Trust is a defined contribution plan, and contributions to the plan are expensed as incurred.

18. Leases

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognized as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognized as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

19. Revenue

(i) Goods sold and services rendered

Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or continuing management involvement with the goods.

(ii) Construction contracts

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the income statement in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed.

An expected loss on a contract is recognised immediately in the income statement.

(iii) Rental income

Rental income from investment property is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(iv) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Council will comply with all attached conditions.

(v) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(vi) Finance lease income

Finance lease income is allocated over the lease term on a systematic and rational basis. This

income allocation is based on a pattern reflecting a constant periodic return on the Council's net investment in the finance lease.

(vii) Development Contributions

Development contributions are recognised in the income statement in the year in which they are received.

20. Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(ii) Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(iii) Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, dividends on redeemable preference shares (which are redeemable at the option of the holder), interest receivable on funds invested, dividend income, foreign exchange gains and losses, and gains and losses on hedging instruments that are recognised in the income statement (see Hedging policy 5).

Interest income is recognised in the income statement as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established which in the case of quoted securities is usually the ex-dividend date. The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

21. Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

22. Research and development costs

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs with a finite useful life that have been capitalised are amortised from the commencement of the commercial production of the product on a straight-line basis over the period of its expected benefit, not exceeding five years.

23. Third party transfer payment agencies

The Council collects monies for many organizations. Where collections are processed through the Council's books, any monies held are shown as Accounts Payable in the Balance Sheet. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

24. Goods and Services Tax

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

25. Donated goods and services

The Council receives the benefit of many services provided by volunteers. These services are greatly valued. They are, however, difficult to measure in monetary terms, and for this reason are not included in the financial statements, as their value from an accounting point of view is considered immaterial in relation to total expenditure.

Financial statements

26. Cost allocations

The costs of all internal service 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 activities provide support for the external service activities.

Where the user of a service can be identified, for example City Solutions, the cost recovery is made by way of a 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, Human Resources, and Public Affairs.

27. Landfill after care

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.

The provision is calculated based on:

The estimated amount required by the Council to meet its obligations for all equipment, facilities and services. The estimated amounts are based on costs of closure of similar landfills by other local authorities with an allowance for inflation.

The estimated costs have been discounted to their present value using a discount rate of 6%.

The estimated length of time needed for post-closure care is 35 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 of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for closure and post-closure treatment.

28. Change in accounting policies

These are the first financial statements that the Council has produced as a result of adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). The resulting changes are detailed within the impact statement on page 180.



Significant forecasting assumptions



Significant forecasting assumptions

Christchurch City Council

Significant Forecasting Assumptions LTCCP 2006 to 2016

Schedule 10 (Section 11) of the Local Government Act 2002 requires that Council identify the significant forecasting assumptions and risks underlying the financial estimates. Where there is a high level of uncertainty Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects of the assumptions. This section is designed to identify the assumptions made and explain the risks associated with those assumptions. It is divided into two categories: General and Financial.

Assumption	Risk	Level of Uncertainty	Reasons and Financial Impact of Uncertainty
<p>Population. Planning for activities, and thus the likely cost of providing those activities, considers that the population of Christchurch will increase at the medium growth rate projected by the Department of Statistics.</p> <p>The Department is currently predicting the population of Christchurch to reach 388,800 by 2026, an increase of 16% over 2001.</p>	<p>Population growth is higher than projected, and Council will need to provide additional unplanned services and infrastructure.</p> <p>Population growth is lower than projected, and Council will be required to support excess levels of infrastructure and service delivery.</p>	<p>Low</p> <p>Low</p>	<p>Population projections are based upon a standard set of demographic assumptions and are not expected to change quickly.</p>
<p>Rating base. The capital value of Christchurch on 1 July 2006 is expected to be approximately \$48.8 billion, up \$1.1 billion from 1 year ago and generating an additional \$3.7 million in rate revenue. The projected increase in rates for years beginning on or after 1 July 2007 include the assumption that growth in the capital value will generate an additional \$3 million in rate revenue per annum.</p>	<p>The rating base does not grow at the rate projected.</p>	<p>Moderate</p>	<p>Rate revenue would not be as high as projected. This would be partially offset by the lower demand for services.</p>



Significant forecasting assumptions



Assumption	Risk	Level of Uncertainty	Reasons and Financial Impact of Uncertainty
<p>Council policy. There will be no significant changes to Council policy as summarised in this plan.</p>	<p>New legislation is enacted that requires a significant policy response from Council.</p>	<p>Low</p>	<p>Dealing with changes in legislation is part of normal Council operations.</p>
	<p>Election of a new Council with different objectives from the current Council.</p>	<p>Moderate</p>	<p>Any significant change to Council policy would be assessed in terms of impact upon Council's financial position.</p>
<p>Resource Consents. Conditions of resource consents held by Council will not be significantly altered.</p>	<p>That conditions required to obtain/maintain the consents will change, resulting in higher costs than projected, and these costs will not be covered by planned funding.</p>	<p>Moderate</p>	<p>Advance warning of likely changes is anticipated.</p> <p>The financial impact of failing to obtain/renew resource consents cannot be quantified.</p>

Significant forecasting assumptions

Assumption	Risk	Level of Uncertainty	Reasons and Financial Impact of Uncertainty
Land Transport New Zealand subsidies. Requirements and specifications for the performance of subsidised work will not alter to the extent they impact adversely on operating costs.	Changes in subsidy rate and variation in criteria for inclusion in subsidised works programme.	Low	Changes to the funding priorities of Land Transport New Zealand are outside Council control. The maximum financial impact would be elimination of the subsidy, estimated at \$15 million per annum.

Christchurch City Council

Significant Forecasting Assumptions LTCCP 2006 to 2016

Financial

Assumption	Risk	Level of Uncertainty	Impact
Inflation. The price level changes projected will occur. (Details of the inflation adjustments may be found on page 209.)	Inflation will be higher or lower than anticipated.	Moderate	Inflation is affected by external economic factors.
	Inflation on costs will not be offset by inflation on revenues.	Moderate	Council's costs will increase unless efficiency gains can be made.
Borrowing Costs. Interest on Term Debt is calculated at 6.85% per annum. Interest on the Capital Endowment Fund is estimated at 7% for years 1-2 and 6.75% years 3-10.	Interest rates will vary from those projected.	Moderate	Rates used are based on detailed analysis. If actual interest rates are higher than the assumed rate, this cost would be rated for or future borrowing requirements adjusted.

Significant forecasting assumptions

Assumption	Risk	Level of Uncertainty	Impact
<p>Return on investments. Interest on Investments is calculated at 6.8% for years 1-2 and 6.7% for years 3-10.</p> <p>Interest on the Capital Endowment Fund is estimated at 7% for years 1-2 and 6.75% for years 3-10.</p>	Interest rates will vary from those projected.	Moderate	Rates used are based on detailed analysis. If actual interest rates are lower than the assumed rate, expenditure priorities would be re-evaluated or alternative funding mechanisms utilised.
<p>CCTO income. CCHL will continue to deliver dividend income at the current level.</p>	CCHL will deliver lower than projected income and Council will need to source alternate funding.	Low	CCTOs are managed by the Statement of Intent and biannual reporting process. Returns are expected to continue at the current level.
<p>Asset revaluation. The impact of asset revaluations on carrying values and depreciation will occur as projected.</p>	Revaluations will materially differ from those projected, thus changing projected carrying values of the assets and depreciation expense.	Moderate	Variation in values is expected to be low unless valuation methodology changes.

Assumption	Risk	Level of Uncertainty	Impact
<p>Asset life. Useful life of assets is as recorded in asset management plans or based upon professional advice. (The Accounting Policies detail the useful lives by asset class).</p>	Assets wear out earlier than estimated or asset lives are changed due to revisions of AMPs or new advice.	Moderate	Capital could be brought forward in event of early expiration of assets, but depreciation expense and financing costs would increase.
<p>Sources of funds for replacing significant assets. The sources of funds will occur as projected. (The Revenue and Funding Policy details the funding sources.)</p>	Funding does not occur as projected.	Low	Funding sources are stable.
<p>Contract Rates. Re-tendering of major contracts will not result in cost increases other than those comparable with the rate of inflation.</p>	There is a significant variation in price from re-tendering contracts.	Moderate	Council would review the amount of work planned and undertaken.
<p>Capital Works. Capital works projects will occur as projected.</p>	Actual costs will vary from estimates, due to higher input prices or delivery delays, resulting in budget shortfalls.	Moderate	Council is confident in the planning work undertaken on capital projects, but recognises external economic factors may impact upon the costs and delivery timeframes for capital works.

Significant forecasting assumptions

Assumption	Risk	Level of Uncertainty	Impact
Cash Position at 30 June 2006. A special dividend of \$17.9 million will be received from CCHL.	The dividend amount will vary from projections.	Low	The cash balance will reduce slightly, with less interest revenue received, and borrowing will need to be brought forward.
Current Civic Offices on Tuam Street will be sold to Tuam Limited, a council controlled trading organisation prior to 30 June 2006 for \$14.25 million. Council will enter into a lease with the CCTO for the current building, until a new building is completed (planned for 2010/11).	The sale will not occur as planned.	Low	The cash balance will reduce slightly, with less interest revenue received, and borrowing will need to be brought forward.

The adjustors used for each year are as follows:

	2007 /08	2008 /09	2009 /10	2010 /11	2011 /12	2012 /13	2013 /14	2014 /15	2015 /16
Expenditure	1.029	1.0274	1.0254	1.0234	1.0213	1.0197	1.0177	1.0151	1.0151
Cumulative Expenditure	1.029	1.0572	1.0840	1.1094	1.1330	1.1554	1.1758	1.1936	1.2116
Revenue (excl rates & dividends)	1.032	1.030	1.0276	1.0256	1.0236	1.0212	1.0192	1.0167	1.0167
Cumulative Revenue	1.032	1.0630	1.0923	1.1203	1.1467	1.1710	1.1935	1.2134	1.2337
Capital Expenditure	1.0365	1.0342	1.0315	1.0293	1.0270	1.0243	1.0220	1.0194	1.0194
Cumulative CAPEX	1.0365	1.0719	1.1057	1.1381	1.1688	1.1972	1.2236	1.2473	1.2715

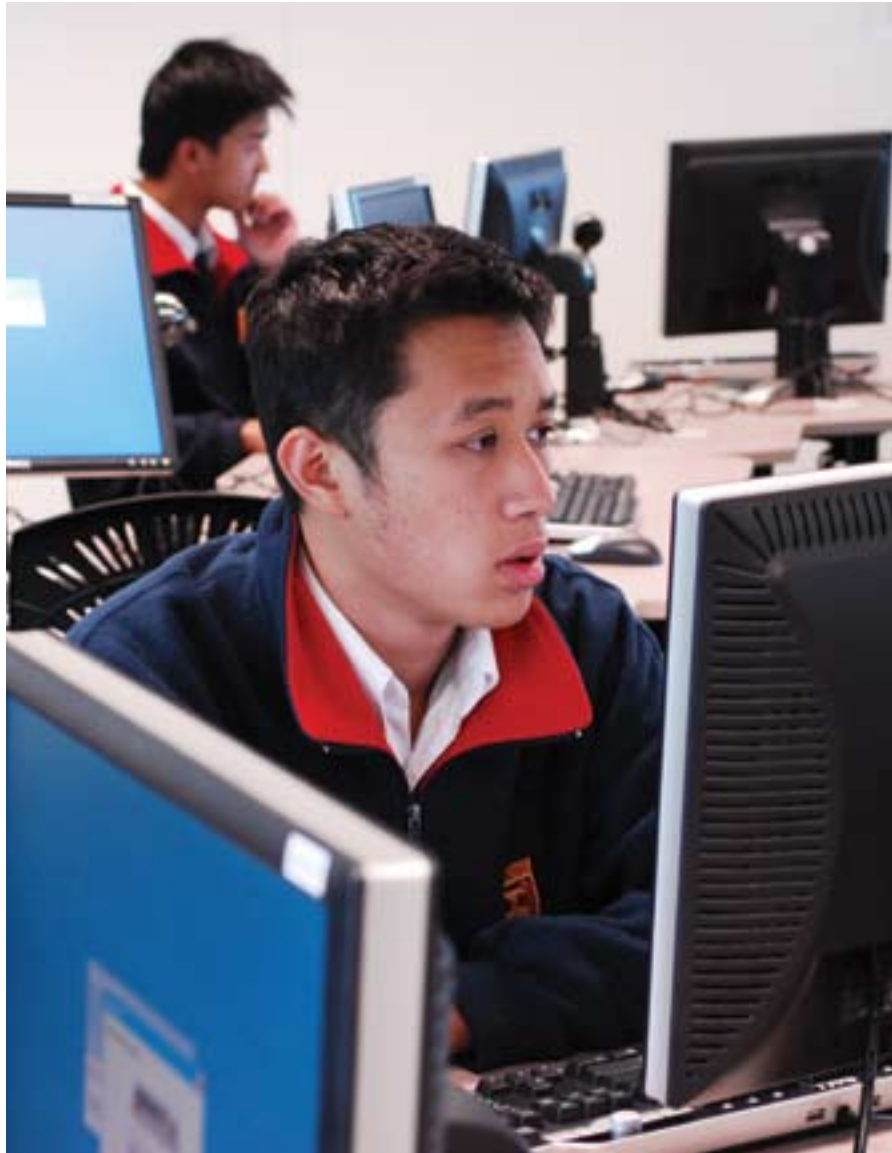




Christchurch City Council Our Community Plan 2006-2016 – Christchurch O-Tautahi

The following pages contain a range of policies and assessments which are required under the provisions of the Local Government Act.

They are also potentially of interest to stakeholders seeking specific technical information.



Assessments of Various Services

The Local Government Act 2002 requires territorial local authorities to carry out an assessment for water and sanitary services in accordance with sections 123 to 129 of the Act by 30 June 2005. This is to ensure that future demand for services can be met and the public health is protected.

In the following section of the LTCCP there are assessments of the city's water supply, public conveniences, wastewater collection and treatment, stormwater and cemeteries and crematoria. It also includes the Council's waste-management plan.

Section 128 of the Local Government Act 2002 states that an assessment of sanitary services is not required if the Council considers public health matters have been adequately addressed in a waste-management plan. Consequently the Council's Waste Management Plan fulfils these requirements.

Cemeteries and Crematoria

This assessment considers the adequacy of the provision of cemeteries and crematoria in Christchurch City to meet future demands for disposal of the dead in a controlled, hygienic and dignified manner for the period 2004 to 2016.

Key findings are:

- There is sufficient capacity within existing cemeteries to meet predicted demand for the next 20 years.
- Current crematoria capacity is adequate to meet predicted demand well beyond a 20-year period.
- Because of community preference for locally accessible cemeteries, there is a requirement for a new cemetery site to service the northern part of the city and additional capacity is required at Avonhead Cemetery. (Sites have been acquired to meet this need but establishment as cemeteries is subject to resource consent and planning processes).
- A partnership with Selwyn District Council for the joint use of Shands Road Cemetery should be further explored, along with the establishment of a cemetery at Wigram to meet the future burial needs of the southern part of the city.
- Some form of limitation on the pre-purchase of cemetery plots is required to extend cemetery life spans and optimise cemetery use.
- Additional special areas will need to be set aside for Returned Services needs, for Russian Orthodox burials and to meet Pacific people's needs.
- Improved use of less popular cemeteries and ash areas is required.
- Current capacity at both cemeteries and crematoria is sufficient to deal with death rates from a civil emergency or pandemic. However, during the next 10 years, it would be prudent to investigate an area that could be used for both mass burial and as a future cemetery.
- No public health issues were identified by the Medical Officer of Health. The issues of groundwater contamination from cemeteries and air discharges from crematoria which were raised by other agencies are considered in the assessment.

Asset Description

There are 12 cemeteries located within the Christchurch district which are managed by the Christchurch City Council (CCC). Six of the 12 Council cemeteries are either closed or have reached capacity with the only burials being a second burial in an existing plot or burial in a reserved plot. In addition to the Council cemeteries, a number of churches have their own burial grounds for members of their denomination. There are about 18 burial grounds in the district. These are typically small and the extent of their operation minor.

Cemeteries and crematoria are provided for the community and the provision of this activity does not significantly alter, based on the geography or demographic profile of different parts of a community. However, the Christchurch district differs from most others around New Zealand in that most districts have only one or two operational cemeteries whereas in Christchurch there are six. The effect is that there tends to be a localised community around each cemetery. Analysis of cemetery requirements in the district have now therefore been based on the six Christchurch ward boundaries.

The Christchurch City Council does not own or operate any crematoria. Cremation services within the Christchurch district are provided by two private companies. The Cremation Society of Canterbury has two facilities, one located at Linwood and the other at Harewood. The Garden City Crematory also has a cremator, and it is located at Sockburn. No defined catchment could be determined for each of the crematoria; therefore, the assessment considers the entire district of Christchurch as a single community for cremation services.

Public Health Issues

Public health issues in cemeteries relate to work around graves, potential environmental effects such as contamination of ground water, and the ability of cemeteries and crematoria to cope with large numbers of dead following a natural disaster or pandemic. The few public health issues relating to cremation relate to air discharges, radiotherapy effects and devices, such as pacemakers.

Appropriate operating procedures are in place and documented for public health issues relating to both cemetery operations and cremations. The application of the procedures is audited as part of the ISO certification process.

Cemeteries and crematoria



Forecast of Deaths

The figure below shows that there will be a substantial increase in predicted deaths for the resident population over the next 20 years owing to a combination of an aging population and the large increase in population in the district.

Actual and predicted deaths

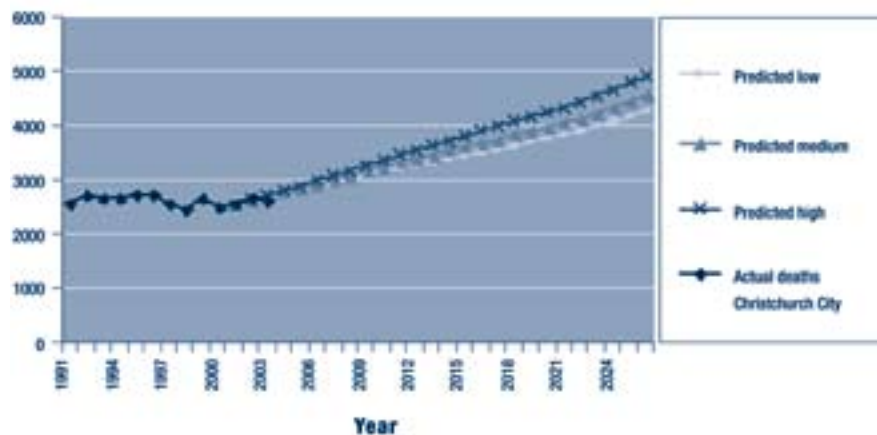


Figure: Actual (1991-2003) and Forecast (2001-2026) deaths for Christchurch City resident population

Low, medium and high projections for the number of grave and ash plots required are shown in the figure below. It should be noted that this only represents new plots – the calculations have taken into account second burials and trends for ashes to be buried in existing grave or ash plots.

Year	Total new grave plots			Total new ash plots		
	Low	Medium	High	Low	Medium	High
2001	401	402	403	96	97	98
2002	409	412	416	98	99	100
2003	418	423	429	100	101	103
2004	426	434	442	102	104	106
2005	435	445	456	104	107	110
2006	444	456	469	106	109	113
2007	454	469	484	108	112	116
2008	465	482	499	111	115	120
2009	476	495	515	114	118	124
2010	486	508	530	116	122	127
2011	497	521	545	119	125	131
2012	507	532	558	121	127	134
2013	516	544	572	123	130	137
2014	525	555	586	125	133	141
2015	534	567	600	128	136	144
2016	544	578	613	130	138	147
2017	553	589	627	132	141	151
2018	562	600	640	134	144	154
2019	571	611	653	136	146	157
2020	580	622	666	138	149	160
2021	589	633	680	141	152	163
2022	603	649	698	144	155	168
2023	617	665	716	147	159	172
2024	630	681	735	150	163	177
2025	644	697	753	154	167	181
2026	658	713	771	157	171	185
Total 2004 - 2026	12,316	13,049	13,808	2,939	3,124	3,318

Figure: Low, medium and high projections for grave and ash plots required

Cemeteries and crematoria

Current Capacity

The current capacity of cemeteries is calculated by considering both the current number of available plots both for burials and ashes and the future demand projections.

Burial Plots

Christchurch City records provide information on the number of burial plots available. This excludes plots that have been pre-sold.

Cemetery	Burial	Quarter Plot	Still Born
Avonhead	1,578	91	32
Belfast	74	-	-
Memorial Park	7,883	148	-
Ruru Lawn	750	-	-
Ruru Lawn - Returned Services Assn plots	228	-	-
Sydenham	320	-	-
Yaldhurst	3,101	-	-
Total	13,934	239	32

Figure: Plots available for all Christchurch cemeteries as at September 2004

The projection of burial requirements and capacity includes all special burial plots (RSA, ethnic and religious) in the overall calculation.

Based on the high demand forecast for new burial plots, district-wide cemetery capacity will be reached in 2026 (all available plots used). Analysis of the medium and low forecasts predicts that capacity will be reached in 2027 or 2028. It is important to note that this forecast considers the total city-wide plot availability and does not take into the strong preference in the community for residents to be buried in their local cemetery rather than elsewhere in the city. There are exceptions to this, one being the Yaldhurst Cemetery which appears to have limited appeal, even with the local community. Others are Memorial Park and Sydenham Cemeteries. If the reasons for the lack of appeal could be identified and addressed, this may delay the requirement to develop new cemeteries.

No new plots are available at Bromley, Linwood and Waimairi cemeteries although there are a number of pre-sold plots still remaining at these cemeteries. The first operational cemetery to reach capacity is Belfast which has no new plots available. This creates a significant gap in the cemetery distribution across the district, there being no operational cemetery in the northern part of the district.

Ruru Lawn is forecast to reach capacity in 2007. This is earlier than originally forecast as burial plots are being sold as ash plots, there being no dedicated ashes area at this cemetery.

Avonhead is likely to reach capacity in 2015/16. However, this date could be affected by the mix of burial plots provided. Upright memorials are allowed only in some sections – about 300 remaining – the balance of plots being in the lawn cemetery with only in-ground memorials permitted. These areas are not popular with plot purchasers. Although a change to the layout would provide an increased number of cemetery sections with upright memorials, there is significant resistance to any change to the cemetery layout, particularly from families of those who have already purchased in ground plots. The calculation of remaining capacity does not include the proposed 1.6 ha extension which has a capacity of about 1,000 additional plots. Early development of this area may be necessary to provide additional plots allowing upright memorials.

Sydenham is forecast to reach capacity in 2017/18 and the two remaining cemeteries, Memorial Park and Yaldhurst, will have a combined capacity until around 2026/27. Memorial Park is likely to reach capacity first. The development of the Wigram cemetery is not likely to be required until at least 2016, following the closure of Sydenham Cemetery.

Capacity to meet future demand could be further enhanced by exploring the possibility of a partnership with Selwyn District Council for the joint use of Shands Road Cemetery, located on the southern boundary of the city.

There is a significant number of pre-purchased burial plots in the Christchurch cemeteries, representing about 3 to 5 years of total burial capacity for the City. At present there is no restriction on the pre-purchase of plots, accelerating the need for additional burial plots. The impact is highlighted by the 457 plots sold but unoccupied at Belfast Cemetery. It now has only a few burial plots remaining and a new cemetery site for the northern part of the city is being sought.

Cemeteries and crematoria

Ash Plots

Ash plots are easily accommodated as they take up minimal area. At present there are about 3,500 plots available in CCC cemeteries. It is possible that additional ash plots could be created if required. It is noted that of the available ash plots, 75% of the capacity is at Yaldhurst and Sydenham cemeteries. During the period 2000 to 2003, however, these accommodated only 5% respectively of the total ash burials. Unless the appeal of these two cemeteries can be improved, additional capacity will need to be developed at the other cemeteries, particularly Ruru Lawn Cemetery. Alternative options for the provision of ash plots could be considered to meet demand requirements and conserve space.

Based on the continuation of the high demand forecast for new ash plots, district wide cemetery capacity is reached in 2027 (all available plots used). Analysis of the medium and low forecasts predicts that capacity will be reached in 2028 or 2029. It should be noted that Christchurch City Council provides for only a small proportion of ash burials in the district. The majority are held or scattered by friends and relatives, interred in an ash plot or columbarium at one of the churches, or in the memorial gardens at one of the crematoria.

Pre-purchased ash plots represent a small proportion of total ash plot capacity for the City, in the order of one to two years. Although allowing pre-purchase has no effect on the long term net capacity of the city's cemeteries, except where they remain unused, they accelerate the need for new areas and additional infrastructure.

Special Plots

Special burial plots available in CCC cemeteries include White Russian (35 plots, Belfast), Indian (13 plots, Sydenham), Muslim (6 plots, Ruru Lawn; 84 plots Memorial Park), non-local Maori (268 plots, Memorial Park) and Jewish (85 plots, Linwood). In addition, a request has been received through the consultation process for an area to be set aside at Memorial Park Cemetery for Russian Orthodox burials. It is recommended that this request receive further consideration as required under Burial and Cremations Act 1964. Representatives of Pacific Island people have asked that a more culturally-sensitive approach be applied to their burial needs which could involve the designation of special areas to meet these requirements. It is recommended that this request is further investigated in consultation with Pacific Island representatives.

Returned Services Association Plots

Returned Services Association (RSA) plots are provided in the Ruru Lawn cemetery. Analysis of the actual burial records and plot availability indicates that the RSA ash plots section will reach capacity within the next 2 to 5 years. RSA burial plots can be expected to reach capacity within the next 4 to 9 years. It is therefore recommended that additional RSA areas are dedicated in another cemetery. The current capacity of 8,000 per annum compares with a predicted capacity of 4,216 per annum in 2026.



Crematoria

There was a lack of detailed information provided by the crematorium operators, perhaps relating to commercial sensitivities. It was therefore difficult to accurately assess the provision for cremation. However, from the cremation information available and the Christchurch City burial records, assumptions could be made about the expected average annual resident and out-of-district cremations. Analysis showed that the total capacity of the operating crematoria in the district was well in excess of forecast demand.

Options to Meet Demand

The assessment of cemeteries and crematoria has shown that the overall provision of land for cemeteries and total number of cremators is adequate to meet overall demand within the district for the 10-year planning period and beyond.

The assessment highlights a community preference for the provision of local cemeteries. In order to continue to meet this need the following actions are recommended:

- A new cemetery is provided in the northern part of the City as a replacement for Belfast Cemetery;
- Additional capacity for upright memorials is developed at Avonhead Cemetery;
- A denominational area for Russian Orthodox burials is developed at Memorial Park Cemetery;
- Investigate provision of designated burial areas to meet the needs of Pacific Island people;
- A new area is developed at Memorial Park Cemetery for RSA burials;
- A limitation on the pre-purchase of plots is established;
- Further explore the shared use of Shands Road Cemetery with Selwyn District Council and continue to investigate the provision of a new cemetery site at Wigram to meet the future needs of the southern part of the city;
- Options for improved use of plots are investigated, particularly ash plots;
- A public promotion plan for less popular cemetery sites is developed and implemented;

- Investigate future provision of an area that could be used for mass burial purposes and as a future cemetery site.

Role of CCC

28. The Council owns and operates all of the operational cemeteries in the city, excluding the church cemeteries, and has purchased land for new cemeteries and extensions to several of the existing cemeteries. It provides a service for interment by burial and of ashes. The management, design, development and maintenance of both operational and closed cemeteries are also provided by Christchurch City Council.
29. In order to meet future demand, the Council will plan for and develop new areas for cemeteries. It will provide funding for cemetery infrastructure, such as landscape treatment, roads, footpaths, water supply and drainage. Appropriate funding provision for cemetery infrastructure will be made in the Christchurch City Council Long Term Council Community Plan.

Identification of Issues

Discussions were held with the following persons/organisations in order to identify any issues relating to the provision of cemeteries and crematoria and/or any public health issues. It was considered important to ensure that any issues were identified and addressed through the assessment.

- The Medical Officer of Health did not identify any current public health concerns relating to cemeteries and crematoria in the Christchurch district.
- Environment Canterbury raised potential issues as being air discharges from crematoria and contamination of groundwater from cemeteries.
- Christchurch City Council Environmental Health raised a number of issues including high water tables in some cemeteries, potential hazards from unstable headstones and ensuring that burials are performed at correct depths. Measures have been taken to eliminate or manage all of these concerns to mitigate any public health risks.
- The Selwyn District Council raised the possibility of joint development with Christchurch City Council of the Shands Road cemetery, located close to the Christchurch City boundary. Further investigation into this option has been proposed.

Cemeteries and crematoria

Initial Consultation

Letters seeking identification of issues to be considered during the assessment were sent to religious denominations, ethnic groups, Maori and funeral directors. Discussions were held with specific agencies including the Medical Officer of Health, Environment Canterbury, Christchurch City Council Environmental Health, crematorium operators and Veterans Affairs. Comment from the general public was also sought by way of media release and public notice. A summary of responses from these other stakeholders has been included in the assessment report.

Adequacy of Assessment

The assessment is considered to fully meet the requirements for a sanitary services assessment as set out in Part 7 Sub-part 1 of the Local Government Act 2002.

The information used in the assessment is considered to be adequate to provide an informed view about the adequacy of cemetery services and facilities in the Christchurch district. In preparing the assessment, a number of assumptions have been made relating to death rates, the ratio of burials to cremations, and the number of out-of-district burials. The information used in calculating future demand is based on statistical information provided by the Department of Statistics and burial and cremation records held by the Christchurch City Council. This information has been extrapolated to provide a comprehensive view of capacity and future demand.

There was a lack of detailed information provided by the crematorium operators, perhaps relating to commercial sensitivities that made it difficult to accurately assess the provision for cremation. However, enough information was gathered to determine that neither operator is operating at anywhere near capacity. Therefore, this is unlikely to become an issue within the assessment period. If capacity were to become an issue, it is likely that one of the operators would install an additional cremator or one of the larger funeral directors would consider purchase of a cremator.

The assessment has not been compromised by a lack of information or by cost of obtaining information and is considered to be a full and balanced assessment of cemeteries and crematoria.



Public Conveniences Summary

This assessment focuses on non-residential toilets as a sanitary service provided in the City.

In delivering this assessment the report:

- Identifies the current and forecast metropolitan situation relative to the total supply and demand for public conveniences, as distinct from those provided in residential dwellings, in order to ensure that appropriate and adequate provision is made;
- Identifies Councils current response, both regulatory and through direct provision of services, to the demand and to the maintenance of appropriate health outcomes for the community;
- Identifies and presents options for ongoing and future provision – including options to reduce, maintain, change or enhance levels of service provided directly and / or indirectly to the public;
- Recommends Council preferred options to meet ongoing demand and maintain appropriate health outcomes for the community.

This assessment considers the public access to non-residential toilets in terms of the:

- Contribution to achieving public health outcomes through ensuring the public have adequate access to clean and safe toilet facilities, while away from home;
- Capacity to meet reasonable expectations of Christchurch residents visiting public places;
- Capacity to meet reasonable expectations of tourists visiting public places.

Identification of public health and other issues

The flowing perspectives and issues have been identified through consultation with stakeholders and interested parties, and also through complaints received by the Council about public toilets.

Public toilets need to be:

- Located in convenient places;
- Open at convenient times;
- Occur in sufficient quantities to reflect demand (e.g. at events);
- Hygienic, safe and secure (e.g. are clean at all times, have sufficient hand washing facilities, have sufficient lighting, have safe disposal for other wastes left by the public including sanitary items, condoms and syringes etc);
- Fully functioning and regularly maintained (e.g. all fixtures are fully operational, and septic tanks or composting toilets are emptied and cleaned appropriately).

Council's role and other service providers

Public access to toilets, other than those in residential homes, is currently provided by a wide range of businesses activities, educational institutions and other organisations - with toilets located either within or associated with their facilities. These businesses and organisations have an obligation to provide toilet facilities for their staff and in most cases for their customers (for the purposes of this report these toilets are referred to as in the "Public Domain").

The provision of public toilets is not the primary driver for most organisations, consequently the extent and quality of the toilets is driven by staff and/or customer expectations and regulatory compliance. However, some businesses do view the provision of toilets as part of a complementary service (e.g. service stations generically provide toilet facilities, in much the same way as they provide free air for tyres). In general, the presence of staff at these businesses and the requirements of customers result in reasonable levels of monitoring toilets in terms of cleanliness, supplies and condition.

Public conveniences



Council is also engaged in a number of activities such as libraries, community centres, parking buildings and services centres, providing toilets for staff and visitors at these locations (for the purposes of this report these toilets are referred to as “Secondary Council Sites”). Separate to these are “public toilets” provided by the City Council and hire companies. The latter generically provide portable toilets for specific events or work sites (in this report these toilets will be referred to as “Primary Public Toilets”).

Within the Christchurch district there are over 171 Council-owned public toilets:

- 158 are located in or associated with parks;
- 13 are located in predominantly retail areas (including Cathedral Square).

Assessment of the level of service

In this assessment of the sanitary services, a city-wide audit was made on the levels of service provided by Primary Council sites and a sample survey of both Secondary Council and Public Domain sites. In addition, a building condition assessment was completed on Primary Council sites to determine current maintenance issues and long term maintenance and renewal requirements.

The results of the Condition Assessment showed that on the whole the buildings were in relatively good condition – with some notable exceptions. Future maintenance and renewal requirements for surfaces, fixtures and fittings are planned based on the passing of time, industry standards and/or a decline in condition. It can also be triggered by other enhancement programmes associated with the facility.

The table below shows a comparative assessment of toilets available to the public throughout the city, on the basis of a Levels of Service audit of current provision. The audit graded sites on the basis of availability, location, cleanliness, and general amenity values. The level of service evident within the Primary Public Toilets varied considerably and the reference to Best Appropriate Practice relates to a selection of Council sites identified as “Best Appropriate Practice” to show what is achievable.

	Primary Public Toilets		Secondary Council Sites	Public Domain Toilet Sites			Comments
	All	BAP		Shopping Centres	Fast Food Outlets	Petrol Stations	
Availability	9.7	9.9	9.5+	9.5	9.6	9.0	
Location	8.7	9.2	9.5	9.9	9.9	9.9	
Cleanliness	7.0	8.4	8.0	9.0+	8.9	8.4	McDonalds cleaning exemplary
Amenities	9.0	9.3	9.0	9.5	9.5	9.0	



Public conveniences

Shopping centres and major fast food outlets perform well in terms of the provision of public conveniences due to their location at high usage points, availability during all normal shopping hours, high standard of amenity, and in particular, frequency and standard of cleaning. Petrol stations also performed well but with less consistency in terms of access for non-patrons, the standard of amenity and the level and frequency of cleaning.

As a large, diverse portfolio of properties, Council’s secondary sites scored better than petrol stations in terms of availability but inferior to other providers – with some facilities providing staff-only access. The general level of amenity was also inferior to shopping centres and fast food outlets as was the standard and frequency of cleaning. Location factors were however high. Within the secondary Council sites are several sub-groupings and their performance varied markedly. In general terms, for example, libraries performed very well on all criteria, whereas other community facilities such as parking buildings did not. Mostly this related to availability and cleanliness.

It is clear that the overall assessed performance of Private Domain toilets is at a consistently high level against the criteria used in the audit and that in general Council-owned facilities are inferior, in particular with regard to cleanliness.

While most of the Primary Council sites scored well, the cleanliness criterion was the poorest performing category by a significant factor and highlights the difficulty of keeping these sites clean with a lack of on-site monitoring by staff, and the open nature of the facilities.

The following details criteria used in the evaluation with the average scores for the 171 Primary site toilets.

Toilets are clean and hygienic with no build up of excessive litter	80%
Litter bins are installed internally and available adjacent externally to the site	57%
The site is free of unpleasant odour	84%
Sanitary bins are supplied and clean	46%
Automatic flush unit is operational and sufficient to dispose of waste	97%
Soap dispensers and automatic hand driers are fully functional	35%
Overall Average	66%

Particular issues that impact on the performance of cleaning at Primary and Secondary Council sites are:

- Only one public toilet staffed (Cathedral Square);
- Cleaning regimes only as good as the last person using the facility, therefore, frequency of cleaning is a crucial factor in maintaining standards and public perceptions;
- Some surfaces more difficult to clean and maintain hygiene standards than others;
- Toilet facilities managed and cleaned by a range of different parties / contractors with a lack of consistent standards;
- Audits of cleaning standards required;
- Accountability for public toilets as a service is managed by different parts of the Council.

Councils options, and proposed response to these issues, are detailed later in the report and in more detail within the Assessment.



Current and future demand

Demand for public conveniences is influenced and modified by compliance and customer expectations, however, in total capacity terms it is driven by population. This needs to account not only for the resident population, but also tourist numbers and those outside the immediate geographic area who frequent the city for work, leisure or other reasons.

In the context of a total city wide provision of toilets in public places by Primary, Secondary and Public Domain providers, the current supply is considered adequate. The standard of some facilities, however, is less than adequate and presents a modest degree of public health concerns. More detailed demand analysis is required to inform site specific requirements – with options to expand, maintain or contract (over time) the number and nature of facilities provided at individual sites.

While site specific provision falls outside the statutory requirements of this assessment, the Special Consultative Procedure provided a legitimate vehicle for individuals, groups and the wider community to express their desires for additional or different facilities at specific locations. No specific funding is available for such sites and initiatives, however, these are now being considered within the context of the 2006 to 2016 Long Term Council Community Plan.

Options to meet demand

Public Domain and Secondary Council toilets are subject to the Building Act and Building Code in terms of toilet design and capacity. Most of these sites take responsibility for the toilets on behalf of their staff and customers, based on user expectations and compliance. This also applies to parks and locations where Council encourages large numbers of residents and tourists to aggregate, such as in Cathedral Square or at Council-run events.

However, the Building Code fails to require retailers to provide facilities for their customers in the same way that a Shopping Centre must. While true for all retailers, this inconsistent approach is most noticeable with the larger retail outlets, such as supermarkets, large format warehouse-styled retailers and bulk retailers. Similar issues exist with the provision of toilet facilities within nightclubs and other late night venues. Anecdotal evidence suggests inadequate toilet facilities are provided, which in turn contributes to anti-social behaviour in adjacent public areas.

In light of these factors, the following options are available:

1. **Status Quo.** Provision by a mix of Council and non-Council providers is adequate to meet the overall demand. This does not address differences in the quality of the toilets provided.
2. **Improve level of service at existing Council-owned toilets.** Options to achieve this include:
 - Increase the frequency of cleaning;
 - Rationalise cleaning contracts and develop consistent cleaning standards for Council facilities;
 - Improve signage to encourage the reporting of damage or cleanliness problems to the Council;
 - A quick response cleaning service when notification of problems is received by the Council;
 - Greater auditing of the cleaning standards delivered by service providers;
 - Upgrading surfaces, fixtures and fittings to those more resistant to vandalism and easier to clean;
 - Staffing all or more Public Toilets*.
3. **Increase provision of Council-owned toilets in retail locations.** Council could choose to provide toilet facilities in retail areas to address the lack of services provided by the retailers linked to the limitations of the Building Code.
4. **Reduce provision of Council-owned toilets in retail locations.** Council could rely more fully on businesses to provide services for their customers.
5. **Lobby for changes to the Building Code.** Council could lobby central government for amendments to the Building Code that would require the retail sector, including nightclubs to provide (or enhance) sanitary facilities.
6. **Complete site specific monitoring of demand.** Commission monitoring to develop demand profile for specific groups of sites – identifying current demand on a seasonal basis and at peak demand periods, etc. This would enable services to be customised better to demand.

Public conveniences

7. **Improve community awareness of availability and standards.** Explore opportunities to improve awareness of the availability of public conveniences for residents and tourists, the standards they should expect and the options available for them to raise concerns.
8. **Charge for access to public toilets.** Some cities in other parts of the world charge for access to public toilets as a means to fund the service. The same could be implemented here.
9. **Options for sanitary waste disposal from vehicles.** Some provision for sanitary waste disposal from trailer homes and motor homes exists with camping ground facilities and truck stop facilities (ostensibly for livestock). However, the adequacy and appropriateness of these needs to be researched and alternate options considered (this is not covered within the existing document).



Council's Preferred Options.

The recommendation of the assessment is for adoption by Council of a combination of options included within 1, 2, 5, 6, 7 and 9 outlined above. Where there is no existing funding within Council's budgets, the initiatives should be considered within the context of the LTCCP.

Once detailed site specific demand profiles have been identified (and improved clarity exists around the private sectors provision of toilet facilities for public access), Council needs to indicate clearly and consistently its provision of service relating to options 3, 4 and 8, and options for additional onsite staff at some locations (part of option 2* above).

With regard to 24-hour, central city public conveniences, additional facilities are most likely to be safe and effective if staffed and delivered as part of a wider strategy for addressing behavioural problems within the central city. This wider strategy is outside the scope of this assessment and the role that public conveniences may or may not have in this strategy is yet to be determined.

Public conveniences





Stormwater Summary

Purpose and Scope

The objective of the stormwater assessment is to identify risks and show how these services will be managed by the Christchurch City Council to achieve community outcomes in a sustainable manner.

Stormwater Services in Christchurch City

The roles of Council with respect to stormwater drainage services in the city are to coordinate the setting of Community Outcomes and as a service provider. The key service functions of stormwater drainage infrastructure are the:

- protection of property, public safety and access
- protection of ecosystems
- creation of productive land

Adequacy of Stormwater Services

Council has invested heavily in flood relief works over the past 40 years in response to a series of destructive floods through the 1960s, 1970s and 1980s. A combination of historical investment in physical upgrading works and planning measures has effectively mitigated risks associated with the inundation of dwellings and buildings, and there are few urban development constraints in the city that are not mitigated by planning rules, proper subdivision design and building design.

In rural areas, stormwater is generally disposed of by ground soakage or to watercourses. There are unlikely to be any significant constraints on additional rural-type development related to drainage or disposal of stormwater.

Public Health Risks

Risks Associated With Stormwater Services

Potential health impacts associated with the stormwater drainage network are:

- Illness caused by contact with micro-biological or chemical contaminants in natural water resources, through the use of streams, rivers, estuaries and beaches for recreational purposes, or drinking potable water drawn from polluted water sources.
- Injury or death caused by falls from stormwater structures or drowning.
- Illness from mosquito bites.

The range of contaminants in stormwater and the extent of environmental impacts on the city's watercourses are:

- **Microbiological** concentrations, including bacteria, viruses and protozoa, generally exceeding contact recreation guidelines. The main source of contamination in dry weather is believed to be waterfowl. The impact of wet weather pollution is lessened by rain water dilution and the low level of recreational activity at these times.
- **Chemical** contaminants, including organic compounds, such as hydrocarbons, pesticides and organic wastes, and inorganic compounds, such as metals and metalloids.

The concentration of heavy metals in stormwater and river sediments exceeding the relevant water quality guidelines for the protection of aquatic organisms.

- **Nutrients**, including nitrogen and phosphorus, can cause algal blooms and prolific growth of aquatic plants when at elevated levels. There is extensive growth of algae, especially in the Avon River, likely to be linked to nutrient enrichment in the streams.

Although microbiological concentrations, at times, exceed contact recreation guidelines, neither the Council nor the Medical Officer of Health has any record of injury or illness that is attributable to deficiencies in the design, operation or maintenance of the stormwater network, and health risks are assessed as low.



Risks Associated With The Lack Of A Reticulated Stormwater Drainage System

There are less likely to be stormwater systems in rural areas. Because of the much larger allotments in rural areas and the higher proportion of permeable, vegetated areas, there are few problems when reticulated stormwater disposal is unavailable.

Risks To Stormwater Communities

Assessments of stormwater services were carried out at a “community” level to identify risks to particular communities.

Types of Communities	Community	Risk Assessment
Communities served by public drainage systems	Urban areas receiving waters - drained by street channels, street, sumps, pipes, open water courses and streams.	Quality of water in urban rivers and streams continues to degrade due to urban discharges. Increasing risk of land flooding due to inner urban intensification. Risk of flooding due to climate change. Risk of insect borne diseases if an exotic vector establishes in Christchurch.
	Rural areas serviced by Council maintained streams and drains.	Low levels of risk
	Brooklands – discharge to a controlled groundwater storage zone.	Low levels of risk
Communities served by private drainage systems	Rural areas discharging stormwater run-off by either direct soakage to ground or to open drains funded privately.	Low levels of risk
	Industrial areas discharging to ground via soakage basins.	Low levels of risk

Environmental Risks

Water-quality monitoring indicates that several of the environmental parameters monitored exceed minimum guideline levels. Ecosystems in the majority of streams are in a degraded condition, however the impact on waterway habitats appears to be accepted by the majority of the community and a rigorous debate on the community costs and benefits of markedly improving environmental outcomes is required.

Environment Canterbury has issued for comment a draft Natural Resources Plan which will, when adopted, set the rules and water-quality standards with which Council must comply for all existing point source discharges. It is likely that the standards will require additional planning, investigations and investment in land and treatment facilities.

Options To Address Risks

Options to address water-quality degradation.

- Prepare and implement integrated catchment management plans (ICMPs) as required by the Proposed Natural Resources Regional Plan (NRRP). This option will require the Council to be aware of land use activities in the catchment and control harmful discharges;
- Prepare and implement ICMPs; investigate operational measures such as street sweeping and sump cleaning that will improve discharge quality, and implement selected measures;
- As above, but improve stormwater treatment by construction of in-line treatment devices;
- Undertake a study of stormwater discharge quality in selected catchments and assess the impact of stormwater quality on the receiving waterways.

Options to address the risk of land flooding due to urban intensification:

- Continuous improvement of stormwater infrastructure, as proposed in the stormwater drainage asset management plan;
- An increase in stormwater capacity early in the development cycle.

Options to address the risk of insect-borne diseases:

- Minimise the potential habitat for insects by minimising the number of open water bodies in the city (i.e. eliminate ornamental and environmental water bodies);
- Limit the number of likely habitats while monitoring for insect nuisances and maintaining an awareness of potential problems. The Council currently implements this option;
- Control insect populations only if an exotic insect establishes in Canterbury.

Climate change and associated effects is a risk which should be dealt with through planning measures until the timing of effects is better understood.

The risk of groundwater contamination in industrial areas through private stormwater soakage is primarily controlled by Environment Canterbury which authorises these discharges via resource consents. Options available to the Christchurch City Council are:

- Advocate for appropriate levels of environmental protection;
- Construct additional stormwater infrastructure to provide services to at-risk areas.

Council's Role

The proposed role of Council is to continue as:

- Facilitator of community consultation to establish community outcomes and service standards for stormwater services;
- Owner of infrastructure delivering public stormwater services to the community;
- Partner to Environment Canterbury and the Ministry of Health in the achievement of regulatory outcomes, and advocate for the community in the setting of environmental standards;
- Monitoring city growth, water quality and the health of habitats, and the development of policies, infrastructure management and development plans, District Plan measures and public education programmes to ensure environmental and public health standards are achieved.

S t o r m w a t e r



Wastewater Summary

Methods used to dispose of wastewater

For the purpose of making the assessment, the city has been broken up into two separate communities: the urban community and the urban fringe community. The urban community includes the Council-provided collection and disposal schemes for the city and Belfast. The urban fringe community includes the areas bordering the Christchurch metropolitan area and within the city boundaries but not served by the reticulated network.

Wastewater from Christchurch City is treated at the Christchurch Wastewater Treatment Plant (CWTP) and the treated effluent is discharged into the Avon-Heathcote Estuary. The Christchurch City Council plans to replace the estuary discharge with an ocean outfall by 2009.

Wastewater from the Belfast township is treated through oxidation ponds and the effluent is discharged into Otukaikino Creek, a tributary of the Waimakariri River. From the end of 2006, the discharge will be pumped to the CWTP.

The urban fringe area uses stand-alone schemes for wastewater treatment and disposal. These schemes consist mostly of single-chamber septic tanks with gravity disposal trenches. It is estimated that there are 800 to 1,300 such properties within the Christchurch boundary.

Risk assessment

The discharge of effluent from the Christchurch Wastewater Treatment Plant contributes to the health risk for users of the estuary. The risk zone is assessed as being small and centred around the point of discharge.

Wet weather overflows into the Avon and Heathcote Rivers significantly increase the levels of contaminants in the rivers during this time and for a period afterwards, presenting a public health risk to users of the rivers. A significant mitigating factor is the prevalence of low-contact water-related activities discouraged by the poor weather or high river flow conditions coinciding with the sewer overflows.

Effluent from the Belfast Oxidation Ponds is of an inconsistent quality and presents a public health risk to users of the receiving stream.

The main risks associated with septic tanks are summarised below:

- Treatment plant or disposal field poorly designed leading to a low level of treatment;
- Treatment plant or disposal field poorly maintained leading to uneven distribution of effluent;
- Shallow groundwater leading to contamination of groundwater;
- Poor quality or hydraulically limited soils leading to surface ponding or shallow groundwater contamination.

The higher risk area is Marshlands owing to its shallow groundwater and peaty soils.

There is a potential health risk for properties on night soil collection because of the untreated wastewater being held on-site for up to a week.

Wastewater collection and treatment



Quality and quantity of discharged wastewater

The Christchurch wastewater system collects about 55 million cubic metres of wastewater each year, transporting it through a series of sewers and pump stations to the treatment plant at Bromley. The advanced secondary treatment process produces a high-quality effluent which is discharged into the Avon-Heathcote Estuary. There are also 12 consented locations where diluted untreated effluent is discharged, during periods of high rainfall, into the Avon and Heathcote Rivers.

About 0.4 million cubic metres of wastewater annually are collected from the Belfast area, treated in oxidation ponds and discharged into a tributary of the Waimakariri River. The effluent from the Belfast Treatment Plant is of an inconsistent quality and has occasionally failed to comply with resource consent conditions.

There are about 800 to 1,300 domestic septic tank systems in operation on the fringe areas of Christchurch. These systems consist mainly of single chamber septic tanks with gravity disposal trenches. The estimated volume of effluent associated with this number of tanks is 500-800 cubic metres a day. The effluent quality of these systems is highly variable and dependent on design, construction and maintenance standards adopted by the owners.

There are currently 11 properties in the northeast fringe area served by a night soil collection. Untreated effluent is kept in a holding tank, emptied out and taken to the Christchurch Wastewater Treatment Plant. Four of these properties are being connected to the city reticulation, five collected on a weekly basis and two only occasionally.

While the Christchurch and Belfast wastewater collection and treatment systems are operated by appropriately trained and qualified staff, it is assumed the domestic tank systems are operated by property owners with limited knowledge of wastewater treatment systems.

Current and estimated future demands

Future demand for the Council-operated supplies are assessed in detail in the Wastewater Asset Management Plan. Wastewater flows are projected to increase as a result of:

- Increased population (about 7% in the next 10 years);
- Intensification of development in fringe areas meaning septic tank effluent disposal fields are less acceptable from a public health perspective;
- Increases in inflow and infiltration into the system. This has been estimated to increase by 10% over the next 40 years as the collection network ages;
- The connection of Belfast to the Christchurch Wastewater Treatment Plant (additional 0.4 million cubic metres in 2007).

Upgrades to the CWTP have been designed to provide sufficient system capacity for future planned demands up to the year 2050, as are reticulation upgrades.

Demands are also projected to increase as a result of environmental concerns relating to the wet weather overflows into the Heathcote and Avon Rivers, the discharge of treated effluent in to the estuary and the discharge of Belfast's effluent in to the Otukaikino Creek.

There is also demand to get properties served by night soil collection on to alternative methods of wastewater collection, treatment and disposal.

Options to meet the demands

Options to meet demand resulting from population growth:

- Construction of additional pumping stations and pipelines to increase capacity to help meet peak demands (major sewer upgrade project);
- Inflow and infiltration reduction programmes (ongoing maintenance programme);
- Increase capacity of treatment plant (CWTP upgrade project);
- Wastewater system modelling to identify operational changes to increase system efficiencies, monitor effectiveness of capital works and rehabilitation programmes, assist with pipe sizing and capacities required.

- Investigate alternative systems such as storage or decentralised treatment systems, to help cater for peak flows and cater for growth above the current CWTP upgrade.

Options to meet demand related to environmental issues:

- Inflow and infiltration reduction programmes;
- Capital works to reduce wet weather overflows;
- Diversion of Belfast's wastewater flow from the Otukaikino Creek;
- Construction of ocean outfall to replace the current estuary discharge.

Options to meet demand related to night soil collection:

- Investigate options to get properties off night cart collection;
- Investigate reticulated septic tank options (STEP/STEG systems);
- Extend city reticulation to service the properties.

Christchurch City Council's role in meeting the demands

In general, the Christchurch City Council will play the role of facilitator in meeting the demands for wastewater services. It is expected that any new infrastructure for growth will ultimately be funded by developers, the Council possibly assisting in setting up cost share areas to recover funds from future developments. The Council may also consider assistance with funding of the service where there are significant public health issues. This would be assessed on a case by case basis.

Proposals for meeting the demands

The Christchurch City Council is already implementing its plans to meet the future demands. This includes:

- Upgrade of CWTP to increase capacity and effluent quality.
- A major sewer upgrade programme for new sewers to cater for projected growth and pipeline rehabilitation; some of these works are also aimed at reducing the wet weather overflows to the rivers;
- Construction of an ocean outfall to divert all treated wastewater from the estuary and discharge offshore through a three kilometre pipeline;
- Construction of a pipeline to take wastewater from Belfast to the CWTP;
- Inflow and Infiltration reduction programmes;
- Capital works to reduce wet weather overflows;
- Diversion of Belfast's wastewater flow from the Otukaikino Creek;
- Construction of ocean outfall to replace estuary discharge.

The Christchurch City Council also proposes to investigate options to get the remaining properties off night cart collection.

Wastewater collection and treatment



Waste management strategy

Waste Management Plan 2005: Towards Zero Waste

Summary

How we manage our solid, liquid and gaseous wastes, impacts on each one of us. It also impacts upon our city and on our environment, both now and in the future. Waste minimisation and the efficient use of our natural resources is fundamental to a sustainable way of life and to the future wellbeing of our city and its residents.

The Council's Waste Management Plan establishes a vision, goals and targets for waste in the city. It also provides actions that aim to advance on the targets. This plan is focused on solid waste, and updates the 2003 Solid and Hazardous Waste Management Plan and the 2004 Waste Action Plan. This 2005 Plan incorporates both strategy and action planning into a single document for ease of use.

Vision

A prosperous city, where each person and business takes responsibility for waste minimisation and actively works toward zero waste.

Goals

- Individuals and businesses take greater responsibility for waste minimisation.
- Council provides much enhanced reuse and recycling services at the kerbside.
- Council supports and incentivises waste reduction, reuse and recycling.
- Council ensures that environmentally-sound waste disposal services are provided.

The following targets have been set to move Christchurch towards the attainment of the solid waste vision and goals and include both domestic and commercial waste:

Type of Waste	No more than: (kg/person/year)	Target Year
Green and kitchen waste sent to landfill	30	2015
Paper and cardboard sent to landfill	90	2015
Plastic waste sent to landfill	60	2015
Kerbside waste collected by Council	25	2015
Wood waste sent to landfill	22	2015
Rubble received at refuse stations	10	2015
Minimum reduction of the waste stream overall	320	2020
All potentially hazardous waste sent to landfill is treated or otherwise meets landfill acceptance criteria		
All cleanfill sites in Christchurch are licensed under the Cleanfill Licensing Bylaw 2004		



Waste management strategy

Each year Christchurch disposes of approximately 263,000 tonnes to landfill. This means that every person produces an average of 764 kg of waste per year that ends up in the landfill (domestic and commercial waste combined). Actions taken to date to reduce solid waste to landfill include, but are not limited to:

- Operating and improving a kerbside recycling programme, with the addition of plastic supermarket bags in 2004;
- Operating a green-waste composting plant;
- Offering assistance to businesses to become more resource efficient;
- Providing free drop-off of domestic quantities of recyclable materials at the refuse stations;
- Offering a free drop-off of domestic quantities of household hazardous at each refuse station;
- Collection of unwanted and banned agricultural chemicals from farms in Christchurch;
- Working with the construction and demolition industry to identify methods to reduce waste from their activities;
- Facilitating recycling at public events; and
- Implementing opportunities within the Council to become more resource efficient, such as paper, cardboard, glass, plastic and metal recycling; kitchen waste recycling; reduced paper usage through duplex printing and photocopying, and the establishment of a sustainable supply chain policy.

Despite these actions, total waste to landfill has increased since 2002 reversing the downward trend achieved since 1994. More needs to be done to achieve the vision, goals and targets contained in this Plan.

Significant proposals in this Plan are aimed at reducing the amount of household and organic waste going to landfill.

In February 2006 the Council confirmed the vision, goals and targets contained in the Waste Plan. The Council then decided not to proceed with any of the three options previously consulted

on, and established a working party comprising councillors and officers to develop and recommend to the Council a solution to advance the vision, goals and targets within a budget allocation specified in the 2006 to 2016 LTCCP.

Each person in Christchurch can affect how successful we are in meeting our vision, goals and waste reduction targets. How each person and business responds to this challenge will determine our success in making Christchurch a more sustainable and waste free place to live.



Water Supply Summary

How Drinking Water is Obtained?

For the purpose of making this assessment, the city has been divided into two separate communities: the urban community, and the urban fringe community. The urban community includes the Christchurch City Council reticulated supply and several hospitals and schools which have independent supplies within the urban area. The urban fringe community includes supplies on the outskirts of the city. This is mostly made up of school supplies and also includes the Christchurch City Council Kainga and Brooklands supply.

All of the water supplies identified in the assessments source their water from wells into the aquifers, extending under the city and the Canterbury Plains. It is estimated that 1,300 properties or a population of 3,500 are not provided with a reticulated supply within the Council's boundaries. It is assumed that these properties all source their drinking water from private domestic wells.

Risk Assessment

The potential risks to each of the supplies are similar, as are the sources and methods of abstraction. Contamination can occur at any point in the water supply system, being at the source, during treatment, storage or reticulation. The supplies provide different levels of treatment or mitigation of these risks resulting in differing probabilities of a contamination event occurring. The main risks identified are summarised below:

- Unsecured well heads or access hatches leading to contamination of the source or stored water;
- No residual treatment provided, except for Paparua Prison, leading to increased risk of contamination of water during storage or reticulation;
- Salt water intrusion into aquifers that discharge into the sea;
- Loss of service due to lack of storage or backup electricity;
- Insufficient backflow protection leading to backflow of contaminants into reticulation.

These risks can all be treated in order to reduce the probability of a contamination event occurring. Christchurch City Council has a Public Health Risk Management Plan in place. Operators of other supplies have some preventative measures in place.

Two areas have been identified where contamination risk may present a higher potential threat to the community. There are two school supplies located in an area that is not serviced by a reticulated wastewater system and the soils are not free draining. There is, therefore, a higher risk of contamination of the water supplies from septic tanks in the area. Additional care needs to be taken in the location and operation of these bores to ensure contamination does not occur.

The second higher risk area is where surface or climatic effects have an influence over the characteristics of the groundwater (non-secure groundwater). The Paparua Prison supply and some pump stations in Christchurch's north-west pressure zone are areas where this may occur. Additional water quality testing may be necessary to monitor against any public health risks resulting from this.





Quality and Adequacy of Drinking Water

All of the water suppliers have sufficient water to meet their current demand. The Council currently abstracts just over 50 million cubic metres of water a year for its reticulated supply. This represents about half of the water taken annually within the city boundaries. The policies and rules set out in Chapter 4 and 5 of Environment Canterbury's proposed National Resources Regional Plan have been developed to ensure no significant long-term decline in groundwater levels as a result of abstraction, no significant long-term decline in water quality as a result of land-use activities, particularly the Christchurch aquifers source water, and in artesian aquifers, no contamination of groundwater as a result of abstraction. These rules will ensure that the long-term sustainability of the aquifers as a water source is protected. Provided these rules and policies are adhered to, there will be sufficient quantity of high-quality water to meet future demands.

Christchurch is well known for the high quality of its drinking water. As a result, the water does not need to be treated to meet current drinking water standards. Paparua Prison, in the Urban Fringe community, is the only supply which treats its water with a chlorine solution to provide residual treatment. There is no infection incidence data suggesting that any of the sources of drinking water in either the Urban or Urban Fringe Communities have been a cause of water-borne diseases.

The Christchurch City Council water supply is operated by adequately trained staff to ensure compliance with the New Zealand Drinking Water Standards 2000. The training and qualifications of the operators of non-council-operated supplies have not been established. Supplies to schools are generally operated by school caretakers with only a rudimentary understanding of their supply systems. It is believed that preventative maintenance is generally not practised on school supplies. The hospital, airport and prison supplies appear to be operated by personnel knowledgeable in the operation and maintenance of water-supply systems. They have preventative maintenance systems in place.

Current and Estimated Future Demands

The current total annual consumption from the Christchurch City Water Supply is about 50 million cubic metres per year. The Council has consented approvals with Environment Canterbury to draw in about 75 million cubic metres per annum from the aquifers serving the City. The peak demand for the whole City is about 21,000 cubic metres an hour. Accurate consumption figures are not available for the non-Council-operated supplies.

Future demand for the Council-operated supplies is assessed in detail in the Water Supply Asset Management Plan. The population served by the Christchurch City Water Supply is expected to increase by about 7% in the next 10 years. A large proportion of the peak water demands in Christchurch are for domestic irrigation. For new developments the peak demand will increase proportional to the number of households. Infill housing decreases the irrigable land area and therefore does not increase peak demand. Only a small increase in the total annual consumption is expected because of the demand management methods already in place. (Water Supply Activity Management Plan includes aim to reduce consumption from 420 litres/person/day (2001) to 380 litres/person/day in 2026.)

Future demands are not expected to increase for non-council urban suppliers. Of the urban fringe community, only the Christchurch Airport and Paparua Prison are predicting an increase in demand. The increase is expected to be in the order of 10% to 15%.

The Health (Drinking Water) Amendment Bill proposes greater responsibilities with regard to the quality of water supplied. This may become too onerous for many non-council suppliers and therefore increased demand for the council provided supply may result. If all non-Council water users were to be supplied from the Council system this would increase the aquifer draw-off by about 1.1 million m³ per annum.

Options to Meet the Demands

Demand resulting from population growth can be met in the following ways:

- Construction of additional pumping stations, wells and other infrastructure to increase capacity to help meet peak demands up to the agreed maximum take levels as stipulated in Environment Canterbury consents;
- Implementation of demand management programmes, including public education to encourage efficient water use, water loss reduction programmes, water supply modelling to identify operational changes to increase system efficiencies.

Options to meet demand related to non-secure groundwater sources can be met by:

- Additional water quality testing;
- Introduction of treatment;
- Connection to Council reticulated supply, for non-council supplies;
- Drilling new wells into secure sources.

Options to meet demand related to wells in areas with septic tanks and insufficient drainage:

- Further investigation to establish if there is a public health risk;
- Ensure well heads are secure and operated correctly;
- Abandon existing supply and connect to Council reticulated supply.

Options to meet demand related to the Health (Drinking Water) Amendment Bill and the greater responsibilities with regard to the quality of water supplied:

- Continue to manage own supply ensuring staff are adequately trained and risk management procedures are in place;
- Employing external qualified staff to operate and maintain supply and manage risks;
- Abandon existing supply and connect to Council reticulated supply.

Christchurch City Council's Role in Meeting the Demands

Most of the responsibility for ensuring water supplies are appropriate rests with the local Medical Officer of Health (Community Public Health Unit of Christchurch District Health Board) who is charged with this responsibility through the Health Act and via administration arrangements with the Ministry of Health.

The Council's role will be to ensure its own public water supply system is managed in an appropriate manner to meet compliance and community needs.

It is expected that any new infrastructure for growth will be ultimately funded by developers and Council may assist in setting up cost-share areas to recover funds from future developments. The Council may also consider assistance with funding of the service where there are significant public health issues. This would be assessed on a case-by-case basis.

The Council may also have a future role to liaise with schemes owners and other agencies, such as Environment Canterbury and Community Public Health, to ensure appropriate water supply arrangements are in place to meet the total community's reasonable needs. This would be assessed on a case-by-case basis.



Proposals for Meeting the Demands

Pending legislation, the Health (Drinking Water) Amendment Act is likely to require water-supply owners to construct, manage and monitor the supplies in a manner that will ensure acceptable levels of risk are achieved.

The Christchurch City Council, for its own supply, is already implementing plans to meet the future demands. This includes:

- Capital works programmes to provide additional infrastructure for growth;
- Demand management programmes to reduce per capita consumption;
- Development of a Public Health Risk Management Plan;
- A projected increase in the operating budget to cover likely additional water-testing and compliance requirements.

The Council will accept applications to connect to the supply from non-council-operated supplies within the reticulated area, although there may be restrictions on the size of connection that can be made. Non-council supplies outside the city's reticulated area may also apply but permission to connect will be made on a case-by-case basis. Assistance with funding to connect, where there are public health issues, will also be assessed on a case-by-case basis.



Council-controlled organisations



Christchurch City Holdings Limited (CCHL)



Subsidiary companies

- Orion Group Ltd.
- Christchurch International Airport Ltd.
- Lyttelton Port Company Ltd.
- Red Bus Ltd.
- City Care Ltd.

Associate Companies

- Selwyn Plantation Board Ltd.

(please note there is a description of each of these subsidiaries in following pages).

Nature and scope of activities

CCHL manages the Council's portfolio of shares in key regional infrastructural trading companies. Its activities include:

- Advising the Council on strategic issues relating to its investments;
- Monitoring the governance and performance procedures of its subsidiary companies and other council-controlled trading organisations owned by the Council; and
- Encouraging subsidiary companies to increase shareholder value through growth and investment.

Council-controlled organisations

CCHL's current Statement of Intent signals a change in strategic direction, primarily reflecting:

- Christchurch City Council's newly-adopted vision for Christchurch to become a world class boutique city; and
- The Canterbury Regional Economic Development Strategy ("CREDS") and "Prosperous Christchurch's" strategies for economic growth.

CCHL is in the process of developing a strategic plan, incorporating a number of specific projects. A cornerstone of this embryonic strategic plan is that CCHL sees its future role as being an infrastructure investment vehicle to support the growth of the Christchurch and regional economy.

Policies and objectives relating to ownership and control

This company was established to group the Council's interest in its trading activities under one umbrella, and to provide an interface between the Council and the commercial activities of its council-controlled trading organisations. CCHL also borrows in the capital markets to provide a cost-efficient source of funding for the Council.

Key performance targets

- Pay ordinary dividends to the Council totalling \$31.5 million for the 2006/07 fiscal year.
- Retain at least an "AA" credit rating from the international credit rating agency Standard and Poor's.

Orion Group Limited (subsidiary of Christchurch City Holdings Limited)



Subsidiary companies

- Connetics Ltd.
- Orion New Zealand Ltd.
- Orion NZ Ventures Ltd.
- EnerTech (USA).
- Orion (Whisper Tech) Ltd.
- WhisperGen Ltd.
- WhisperGen (U.K.) Ltd.
- WhisperTech JV.

Associate companies

- Energetics Pty Ltd.
- Envinta (USA).
- 4rf Communications Ltd.
- HumanWare Group.
- WhisperTech Ltd.

Nature and scope of activities

Orion plans, constructs and maintains a reliable and secure electricity distribution network in the Christchurch and Central Canterbury region. The network's capacity is matched as closely as possible to actual and forecast market demand for electricity.

Orion's network consists of approximately: 175,000 connections, 12,000 km of lines and cables, and 9,500 distribution substations and pole-mounted transformers.

Policies and objectives relating to ownership and control

As Orion is considered a regional strategic asset, the Council wants it to be operated in a commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of Orion Group without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

Achieve the following reliability measures for the Orion network overall:

- Duration of supply interruptions per connected customer (SAIDI): 64 minutes in any one year;
- Number of supply interruptions per connected customer (SAIFI): 0.8 interruptions in any one year.

(The above performance measures are based on averages for a five year period. Actual performance for an individual year may vary).

Christchurch International Airport Limited (subsidiary of Christchurch City Holdings Limited)



Nature and scope of activities

Christchurch International Airport Limited operates the airport for the benefit of commercial and non-commercial aviation users, and in accordance with its aerodrome licence.

The company arranges for the design, provision and maintenance of runways, taxiways, turnouts and aprons in co-operation with the Airways Corporation of New Zealand and other airport users. It also seeks to earn revenue by providing services and facilities meeting the needs of air travellers.

In addition to its primary business of serving the aviation industry and its customers, the company will actively market Christchurch, Canterbury and the South Island as a major destination for overseas visitors.

Policies and objectives relating to ownership and control

Christchurch International Airport Limited is considered a regional strategic asset, and as such the Council wants it to be operated in a commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

- Pay ordinary dividends to the Council totalling \$4.3 million for the 2006/07 fiscal year.
- Handle 4.4 million domestic and 1.7 million international passengers in the 2006/07 year.

Council-controlled organisations

Lyttelton Port Company Limited (subsidiary of Christchurch City Holdings Limited)



Nature and scope of activities

This company provides the land, facilities, plant and labour for receiving, delivering, stockpiling, stacking and shipping a wide range of products at the port in Lyttelton Harbour. Its activities also include providing facilities associated with the repair and servicing of vessels.

Policies and objectives relating to ownership and control

Lyttelton Port Company is considered a regional strategic asset and as such the Council wants it to be operated in a commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

• Containers	TEUs	180,000
• Fuel – import	Tonnes	1,100,000
• Coal – export	Tonnes	2,400,000
• Cars – import	Units	50,000

(The above figures are based on 2005/06 forecasts and represent anticipated volumes).

Red Bus Limited (subsidiary of Christchurch City Holdings Limited)



Subsidiary company

- CTL Properties Limited.

Nature and scope of activities

Red Bus Limited provides scheduled urban public passenger transport services in Christchurch. It also operates bus charter and leasing services.

Policies and objectives relating to ownership and control

The Council is the sole shareholder of this company. The company has an important role in the city as a provider of quality bus services. Through the negotiation of an annual Statement of Intent, the Council establishes broad parameters for this company without inhibiting proper commercial management.

Key performance targets

- Provide economic contributions to the community through taxes paid, dividends and payments to suppliers and employees.
- Operate over 50% of the current fleet with engines complying to Euro-2 emission standards or better.

City Care Limited (subsidiary of Christchurch City Holdings Limited)



Nature and scope of activities

City Care Limited is in the business of construction and maintenance of New Zealand's infrastructure and amenity assets. The company is mainly involved in roading and associated services, underground services, such as water and sewerage systems, parks and waterways services, facilities maintenance, waste management services and providing miscellaneous services such as project management and plant hire.

City Care Limited operates a profitable, sustainable and innovative business. It maintains a strong market presence in all areas of construction and maintenance of the infrastructure and amenity assets owned by its shareholder, the Council.

City Care ensures that there is capacity in the market to meet the Council's emergency obligations. It is therefore an important contractor to the Council.

Policies and objectives relating to ownership and control

The Council is the sole shareholder of this company. The company has an important role in the city as a quality contractor. Through the negotiation of an annual Statement of Intent, the Council establishes broad parameters for this company without inhibiting proper commercial management.

Key performance targets

- Provide a quality service as attested by maintaining accreditation to quality standards such as ISO 9000 and ISO 14001.
- Achieve a net operating profit after taxation of \$2.36 million for the 2006/07 fiscal year.

Selwyn Plantation Board Limited (associate of Christchurch City Holdings Limited)



Nature and scope of activities

The core business of the company is to manage its forests and lands on a commercial basis using environmentally and commercially sustainable methods.

Policies and objectives relating to ownership and control

The City Council has a minority interest in this company and holds it for investment purposes. It does not regard it as a strategic asset.

Key performance targets

Forest operations - harvest of 220,000 tonnes and thinning of 185,000 hectares in the 2006/07 fiscal year.

Council-controlled organisations

Transwaste Canterbury Limited



Nature and scope of activities

Transwaste is responsible for developing and operating a non-hazardous regional landfill, to at least the standard determined by regulatory authorities.

The company enters into contractual arrangements to ensure provision of a haulage fleet for hauling solid waste. This must be done economically and efficiently, and in compliance with relevant consents.

Transwaste will, in due course, invest in alternatives to landfilling for solid waste disposal, should these alternatives be more environmentally sustainable and cost effective.

Policies and objectives relating to ownership and control

It is critical that waste management achieves not only commercial requirements, but also wider social and economic objectives. Therefore the Council has a policy of maintaining a controlling interest in partnership with other local authorities in this trading activity.

Key performance targets

Operate the landfill with no breaches of its Resource Management Act consents.

Christchurch City Facilities Limited (CCFL)

Subsidiary company

- Jet Engine Facility Limited.
- Vbase Venue Management Group.

Nature and scope of activities

CCFL is a property holding and operating company for certain specialist properties or companies that the Council owns. Its responsibilities include:

- The Westpac Trust Centre.
- The Christchurch Town Hall.
- The Christchurch Convention Centre.
- Overseeing the contracted management of the above facilities.
- Jet Engine Facility Limited.

Policies and objectives relating to ownership and control

The Christchurch Convention Centre, the Christchurch Town Hall and the Westpac Trust Centre, are all managed by Vbase Venue Management Group. These facilities are important to the region in terms of economic development, culture and sport. The Council wants them to be managed on a commercial and coordinated basis, and to build profitability while maintaining affordable community access.

CCFL may also undertake other property-related projects that have a commercial focus and/or a regional development impact (eg. Jet Engine Facility Ltd).

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of CCFL, without inhibiting its proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

Achieve a net operating profit before depreciation and taxation of \$1,278 million in the 2006/07 fiscal year.

Council-controlled organisations

Jade Stadium Limited



Nature and scope of activities

This company manages the affairs of Jade Stadium, a stadium with a fully-seated capacity of 36,000 and a wide range of world-class hospitality facilities. Its activities include active promotion of the stadium as well as its operation and maintenance.

Policies and objectives relating to ownership and control

The Council considers that Jade Stadium Limited is a regional strategic asset and as such wants it to be operated in a commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

Achieve a net operating profit before depreciation and taxation of \$2,024 million in the 2006/07 fiscal year.

Canterbury Museum Trust Board



CANTERBURY MUSEUM
New Zealand Natural & Human Heritage

Nature and scope of activities

The Museum undertakes to:

- Collect, preserve, act as a regional repository for, research, display and otherwise make available to the people of the present and future, material and information relating to the natural and cultural heritage of New Zealanders;
- To promote interest and education in the natural and cultural heritage of New Zealanders; and
- To place particular emphasis on those activities as they relate to the greater Canterbury region, the Antarctic and Sub-Antarctic, and, where appropriate, their relationships in a wider global context.

Policies and objectives relating to ownership and control

The Council contributes to the operation of Canterbury Museum by providing annual operational funding towards an approved Canterbury Museum Trust Board Annual Plan; it also contributes capital funding to the Museum's Revitalisation Project.

Key performance targets

Comply with the parameters of the Canterbury Museum Trust Board Act 1993.

Council-controlled organisations

Central Plains Water Trust

Nature and scope of activities

To seek resource consents for the proposed Canterbury Plains Water Enhancement Scheme, and to hold these consents for the use of Central Plains Water Limited.



Policies and objectives relating to ownership and control

The Council recognises a major regional economic benefit in managing the water resource in the Central Canterbury Plains, including significant employment creation. The Council, through its involvement with the Trust, hopes to mitigate the adverse effects of any proposed scheme on its own water supply.

Key performance targets

Obtain resource consents for water use and irrigation by 2009.

Other Council Controlled Organisations:

Tuam Limited

Nature and scope of activities

- To own and manage the existing Civic building and related Tuam Street properties, and lease them to the Council, and;
- To construct, own and lease the proposed new civic building to the Council.

Policies and objectives relating to ownership and control

This company owns Council property that the Council wants managed on a commercial and co-ordinated basis. Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

- To own and manage the existing Civic building and related Tuam Street properties in an effective manner; and
- To construct and lease to the Council a new fit-for-purpose Civic building on appropriate commercial terms.



Funding impact statement and rating policies



Funding impact statement and rating policies



Funding Impact Statement and Rating Policies

The Funding Impact Statement discloses the revenue and financing mechanisms selected under the LTCCP and is based on the Revenue and Financing Policy adopted by Council.

Revenue and financing mechanisms selected

The revenue and financing mechanisms selected were developed from an analysis of the Council activities and funding requirements under the Revenue and Financing Policy. The process and analysis includes:

- For operational expenditure:
 - The nature of the services supplied by each activity;
 - The period over which the services are supplied;
 - The gross cost and the allocation of this cost to the users of services and ratepayers;
 - The direct benefits of services and any charges made for these;
 - The allocation of the shortfall of user charges to ratepayers;
 - The allocation of costs to ratepayers by differential sectors and by targeted rates.
- For capital expenditure:
 - The gross cost;
 - The timing of the budget provision;
 - The funding sources including loans.

The Financial Overview on page 69 discloses the funding of operational and capital expenditure totals.

The Council has budgeted to receive revenue from a number of sources and mechanisms and these are detailed within that table (net of GST).

User charges and other direct revenues

These are developed from the various pricing policies under the Activity Management Plans for each service area of Council. Any charge made reduces the dependence on rates.

Development Contributions are set out under the Development Contributions Policy. In addition, the Council will receive grants, subsidies and other funds. It is the Council's intention to maximize revenue from these sources.

Capital financing

Capital expenditure is financed under the policy outlined in the Revenue and Financing Policy statement. The residual financing source is loans.

Rate setting policies

Rates are the residual funding source of operational expenditure. The Council has set rates totaling \$202.95 million in accordance with this LTCCP for the financial year 2006/07.

The Valuation System used for rating:

The valuation system used for rating is the Capital Value system.

The value of each rating unit is set by independent valuers and based on values as at 1 August 2004. A rating unit is the property which is liable for rates and is generally a separate property with its own certificate of title. The next revaluation will occur on 1 August 2007.

Inspection of rates information for each rating unit:

The Capital Values, the District Valuation Roll, and the Rate Information Database information and the estimated liability for rates for 2006/07 for each rating unit is available for inspection on the Council's Internet site (www.ccc.govt.nz) under the heading 'Ratesinfo' or by enquiry at any Council Service Centre.

Differential system used:

Differential rating will be used for general rates only. Each rating unit is assigned to a category, based on land use and City Plan zoning, and the sum of all categories is the basis of allocation of rates.



Funding impact statement and rating policies

The differential categories used are:

- Sector A - Business
- Sector B - Residential and other
- Sector C - Rural

The full text of the differential categories is detailed in the rating policy text beginning on page 255.

The categories used for differentiation are land use and zoning as allowed under Schedule 2, clauses 1, 2 and 3 of the Local Government (Rating) Act 2002.

Rates to be set as part of the LTCCP

Rates are set under Clause 10 of Schedule 10 of the Local Government Act 2002 and Section 23 of the Local Government (Rating) Act 2002. The same rate mechanisms are intended to be applied over the period of this plan.

The following rates will be set for 2006/07:

Rates

	2005/06		2006/07		2007/08		2008/09		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Decimals or charge former CCC only	Rates \$000's CCC and BPDC	Decimals or charge	Rates \$000's	Decimals or charge	Rates \$000's	Decimals or charge	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's
General Rate by Differential Sectors															
Sector A - Business	0.00372429	34,397	0.00415687	39,212	0.00445496	42,645	0.00482346	46,846	-	-	-	-	-	-	-
Sector B - Residential	0.00253837	93,188	0.00285893	106,761	0.00313824	118,924	0.00349096	134,217	-	-	-	-	-	-	-
Sector C - Rural	0.00190377	4,871	0.00214420	4,349	0.00235368	4,844	0.00261822	5,467	-	-	-	-	-	-	-
	-	132,456	-	150,322	-	166,413	-	186,530	209,965	233,962	242,970	251,959	258,733	261,155	260,976
Uniform Annual General Charge															
Business	\$115	1,806	\$115	1,971	\$115	1,971	\$115	1,971	-	-	-	-	-	-	-
Residential	\$115	15,787	\$115	16,666	\$115	16,666	\$115	16,666	-	-	-	-	-	-	-
Rural	\$115	193	\$115	423	\$115	423	\$115	423	-	-	-	-	-	-	-
	-	17,786	-	19,060	-	19,060	-	19,060	19,061	19,061	19,061	19,061	19,061	19,061	19,061
Targeted Rates															
Water Supply Targeted Rate															
Full Charge	0.00035530	17,462	0.00037680	17,873	0.00038262	18,417	0.00039886	19,478	21,182	22,233	23,113	23,545	23,652	24,325	24,895
Half Charge	-	-	0.00018840	287	0.00019131	296	0.00019943	313	-	-	-	-	-	-	-
Land Drainage Targeted Rate	0.00030378	13,621	0.00018017	8,290	0.00017648	8,240	0.00018414	8,723	9,141	9,543	9,766	9,961	10,164	10,309	10,484
Sewerage Targeted Rate	0.00051415	25,320	0.00066505	32,302	0.00070589	34,793	0.00076970	38,490	41,591	44,470	46,859	49,096	51,271	53,090	54,010
Water Fire Connection Targeted Rate	\$100	70	\$100	78	\$100	78	\$100	78	78	78	78	78	78	78	78

Funding impact statement and rating policies



Rates

	2005/06		2006/07		2007/08		2008/09		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Decimals	Rates \$000's	Decimals	Rates \$000's	Decimals	Rates \$000's	Decimals	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's	Rates \$000's
	former CCC only	CCC and BPDC													
Governors Bay Water Loan Uniform Rate	-	8	\$111	16	\$111	16	\$111	16	16	16	16	16	16	16	16
Governors Bay Sewer Loan Uniform Rate	-	13	\$176	24	\$176	24	\$176	24	24	24	24	24	24	24	24
Church Bay Water Loan Uniform Rate	-	21	\$495	21	\$495	21	\$495	21	-	-	-	-	-	-	-
Church Bay Sewer Loan Uniform Rate	-	48	\$1,106	48	\$1,106	48	\$1,106	48	-	-	-	-	-	-	-
	-	56,563	-	58,939	-	61,933	-	67,191	-	-	-	-	-	-	-
Total revenue sought from rates as set	-	206,805	-	228,321	-	247,406	-	272,781	301,058	329,388	341,886	353,741	362,999	368,057	369,545
<i>(GST Inclusive)</i>															
Rates penalties	-	1,350	-	1,512	-	1,512	-	1,512	1,512	1,512	1,512	1,512	1,512	1,512	1,512
Excess water supply targeted rates	-	2,081	-	2,975	-	3,213	-	3,465	3,785	3,854	3,974	4,058	4,136	3,886	4,275
Total rates income	-	210,236		232,808		252,131		277,758	306,355	334,754	347,372	359,311	368,648	373,455	375,332
Rates (net of GST) as set - see Financial Overview Page 75	-	183,827	-	202,952	-	219,916	-	242,472	267,607	292,789	303,899	314,436	322,666	327,162	328,484

Rate type descriptions

The allocation of rates to rate types is determined under the Revenue and Financing Policy. A full description of that policy begins on page 267.

General Rates

General rates are set on capital values on a differential basis for rating units liable for General rates under the Local Government (Rating) Act 2002. General rates [including the Uniform Annual General Charge, (UAGC)] provide for approximately 73% of the total rate requirement of the Council, being the net rate requirement after targeted rates are determined. General rates (and UAGCs) therefore fund all activities of the Council except those funded by targeted rates.

Most activity net rate requirements are on straight capital value, that is 80.67% to Residential and Rural, and 19.33% to Business sector. If straight capital value rating was followed for all rates there would be no difference in decimals for the sectors: all would pay the same rates value for value. The one exception is in General rates with 'Streets' activity allocated substantially to the Business Sector. As a result the Business sector pays more General rates than their

relative capital value share.

Council have concluded that the Rural sector should be charged less General rates than the Residential sector therefore a property in the Rural sector will be charged 75% of the General rate (excluding UAGCs) that a property in the Residential sector is charged.

Uniform Annual General Charge

The Council has decided a portion of General rates is to be assessed as a uniform annual general charge (UAGC) of \$115 per rating unit on each separately-used or inhabited part of a rating unit. This is not based on a calculation of part of any Activity costs but is assessed to be a reasonable amount to charge.

The uniform charge will modify the impact of rating on a city-wide basis ensuring all rating units are charged a fixed amount to recognize the costs, associated with each property, which are uniformly consumed by the inhabitants of the community.



Targeted Rates

Targeted rates are set to recover the net operating cost of Water Supply, Sewerage Collection and Disposal and Land Drainage respectively. A full definition of the rate types is contained in the rating policies text beginning on page 253. The main rate requirement for the targeted rates of Water, Sewerage and Land Drainage is assessed on the relative capital value of all liable rating units in the serviced area. There is no differential applying for these targeted rates.

A half rate is made for Water where the service is available but no connection is made.

In addition the Council will set the following targeted rates:

Water Supply Fire Connection - The targeted rate will be set on a uniform basis to the rating units serviced, at \$100 per fire service connection.

The Excess Water Supply Targeted Rate applies to other than private residential property within the water-supply serviced area and is assessed as the meters are read. Only Rating Units with consumption in excess of the allowance are charged.

These two water targeted rates fund part of the water supply activity costs.

The Uniform Targeted rates for loan servicing costs for the Church Bay and Governors Bay Water and Sewerage Schemes is a continuation of the original agreements to fund the capital costs of those schemes.

Estimated loan balances at 30 June 2006 are:

- Church Bay Sewer Loan – 43 ratepayers – loan balance estimated \$113,519
- Church Bay Water Loan – 42 ratepayers – loan balance estimated \$49,656

To be repaid by targeted rate over 3 years

- Governors Bay Sewer Loan – 138 ratepayers – loan balance estimated \$154,753
- Governors Bay Water Loan – 143 ratepayers – loan balance estimated \$100,765

To be repaid by targeted rate over 10 years.



Funding impact statement and rating policies



Comparative Rates Due by Ratepayers

	2005/06 Actual	2006/07 Plan	% Change	2007/08 Plan	% Change	2008/09 Plan	% Change
	\$	\$	over prev. year	\$	over prev. year	\$	over prev. year
CCC rates only							
Residential							
Sample capital values							
80,000	412	441	7.17%	467	5.84%	502	7.54%
100,000	486	523	7.60%	555	6.16%	599	7.93%
200,000	857	931	8.62%	996	6.92%	1,084	8.85%
Ave. Resident \$260,000	1,080	1,176	8.89%	1,260	7.12%	1,374	9.09%
300,000	1,228	1,339	9.02%	1,436	7.22%	1,568	9.20%
400,000	1,600	1,747	9.24%	1,876	7.38%	2,052	9.39%
500,000	1,971	2,155	9.37%	2,317	7.48%	2,537	9.51%
600,000	2,342	2,564	9.46%	2,757	7.54%	3,021	9.58%
800,000	3,084	3,380	9.58%	3,638	7.63%	3,990	9.69%
1,000,000	3,827	4,196	9.65%	4,518	7.68%	4,959	9.75%
Business							
Sample capital values							
80,000	507	545	7.60%	573	5.00%	609	6.37%
100,000	605	653	7.96%	687	5.22%	733	6.64%
200,000	1,095	1,191	8.80%	1,259	5.73%	1,350	7.25%
300,000	1,584	1,729	9.12%	1,831	5.92%	1,968	7.47%
400,000	2,074	2,267	9.28%	2,403	6.02%	2,585	7.59%
500,000	2,564	2,804	9.39%	2,975	6.08%	3,203	7.67%
600,000	3,054	3,342	9.46%	3,547	6.12%	3,821	7.72%
800,000	4,033	4,418	9.55%	4,691	6.18%	5,056	7.78%
1,000,000	5,013	5,494	9.60%	5,835	6.21%	6,291	7.82%



Funding impact statement and rating policies

2005/06 Actual	2006/07 Plan	% Change	2007/08 Plan	% Change	2008/09 Plan	% Change
\$	\$	over prev. year	\$	over prev. year	\$	over prev. year

CCC rates only

Rural

Excl targeted rates

Sample capital values

80,000	267	287	7.20%	303	5.85%	324	6.98%
100,000	305	329	7.87%	350	6.36%	377	7.55%
200,000	496	544	9.70%	586	7.70%	639	9.03%
300,000	686	758	10.51%	821	8.29%	900	9.67%
400,000	877	973	10.97%	1,056	8.61%	1,162	10.02%
500,000	1,067	1,187	11.27%	1,292	8.82%	1,424	10.24%
600,000	1,257	1,402	11.47%	1,527	8.97%	1,686	10.39%
800,000	1,638	1,830	11.74%	1,998	9.16%	2,210	10.59%
1,000,000	2,019	2,259	11.91%	2,469	9.27%	2,733	10.72%

Note: 2005/06 rates excludes BPDC, whereas future years are city wide.

Notes:

- (1) Residential and Business rates are those on fully serviced properties, and include a single uniform annual charge of \$115 per property, excluding the Central City targeted rate.
- (2) Rural properties are assumed not to pay Water, Sewerage or Land Drainage Targeted rates. They include a uniform annual charge of \$115 per property.
- (3) Rates include GST but do not include the Canterbury Regional Council Rates.
- (4) Some properties may also be liable for the additional targeted rates of Fire connection, excess water and Church and Governors Bay uniform loan servicing rates.
- (5) The City Council is the rate collecting agent for Environment Canterbury (the Canterbury Regional Council). Their rates are in addition to those above. Combined assessments and invoices will be issued by the City Council as in the past.
- (6) The comparison with BPDC rates is not shown. Each former BPDC ratepayer may compare the proposed rate with that assessed last year.

Funding impact statement and rating policies



Detailed Information about Rate Types

General Rates

General Rate by differential sector:

The General Rate is set under Section 13(2)(b) of the Local Government (Rating) Act 2002 and is set differentially on the following sectors:

Sector A - Business

Sector B - Residential and Other

Sector C - Rural

All liable rating units will be assigned to a differential rate sector.

The liability of the rating unit will be the capital value times the decimal (multiplier) applicable for the differential sector applying to the rating unit.

Purpose of General Rate:

To fund the general operations of the Council beyond that funded by user charges, other revenue, the Uniform Annual General Charge, and targeted rates as detailed below.

The detail of the requirement is contained within the Financial Overview on page 69 and the Revenue and Finance Policy Summary on page 275.

Uniform Annual General Charge of \$115

The Uniform Annual General Charge is assessed on each separate rating unit or, if relevant, on each separately used or inhabited part of a rating unit.

It is set under Section 15(1)(b) of the Local Government (Rating) Act 2002.

Purpose of the Uniform Annual General Charge:

To fund the general operations of the Council beyond that funded by user charges, other revenue, general rates and targeted rates as detailed below.

Targeted Rates

These rates are set under Sections 16 (3)(b), 18(1), Schedule 2 Clause 5, and Schedule 3 Clause 8 of the Local Government (Rating) Act 2002.

Water Supply Targeted Rate – Full Charge and half charge:

Rate Factor used: this targeted rate is assessed on every separately rated property to which water is supplied and the half charge to rating units situated within 100 metres of any part of the waterworks where the connection is not made. The liability is calculated on the capital value of the rating unit times the decimal (multiplier).

Purpose of Water Rates:

To recover the water supply costs.

Land Drainage Targeted Rate:

Rate Factor used: this targeted rate is assessed on every separately rated property which is in the serviced area. The serviced area is that of the current land drainage area extended to include all developed land within the city or where there is a land drainage service and also includes:

- the areas of the Peninsula zoned:
 - Akaroa Hillslopes
 - Boat Harbour
 - Industrial
 - Lyttelton Port
 - Papakaianga
 - Recreation Reserve
 - Residential
 - Residential Conservation
 - Small Settlement
 - Town Centre



- Those Land Drainage areas in Okains Bay and Purau that have been charged Land Drainage Targeted rates

The liability is calculated on the capital value of the rating unit times the decimal (multiplier).

Purpose of Land Drainage Targeted Rate:

To recover the land drainage utility costs.

Sewerage Targeted Rate:

Rate Factor used: this targeted rate is assessed on every separately rated property which is in the serviced area. The liability is calculated on the capital value of the rating unit times the decimal (multiplier).

Purpose of Sewerage Targeted rate:

To recover the sewer drainage and sewage treatment costs.

Loan Servicing Targeted Rates:

- Church Bay Sewerage Loan Targeted Rate – 2006/07 charge \$1,106
- Church Bay Water Supply Loan Targeted Rate – 2006/07 charge \$495
- Governors Bay Sewerage Loan Targeted Rate – 2006/07 charge \$176
- Governors Bay Water Supply Loan Targeted Rate – 2006/07 charge \$111

Rate Factor used: these targeted rates are assessed on every separately rated property which is in the serviced area. The rates are uniform charges and one charge for each rate is assessed to liable rating units.

Purpose of loan servicing targeted rates:

To recover the annual costs of loan servicing from the rating units who have entered into a commitment to service the loans by way of annual uniform charges under the former Banks Peninsula District Council.

The Church Bay rate ends on 30 June 2009 and the Governors Bay rate ends 30 June 2016.

Water Supply Fire Connection Targeted Rate:

Assessed as a uniform charge of \$100 per connection for those rating units which have a connection.

Rate Factor used: this targeted rate is assessed on every separately rated property which has one or more of these connections.

Purpose of the Water Supply Fire Connection Targeted rate:

To recover costs of water supply fire connection on a per-connection basis.

Excess Water Supply Targeted Rate

This targeted rate is assessed as the water meters are read on every separately rated liable property as defined by the Bylaw (see below) which has a metered water supply, and invoiced after each reading.

This targeted rate is set under Section 19(2) (b) of the Local Government (Rating) Act 2002, in addition to Sections 16 (3)(b), 18(1), Schedule 2 Clause 5, and Schedule 3 Clause 8 of the Local Government (Rating) Act 2002.

Purpose of the Excess Water Supply Targeted rate:

To recover water-supply costs beyond those included in the water-supply rates.

Excess Water Supply Targeted Rate – Further Information

Section 19(2)(b) of the Local Government (Rating) Act 2002 allows for a scale of charges. Invoices are raised for this rate as the result of water-meter readings on liable properties. The Christchurch City Water Related Services Bylaw 2001 outlines the intention to charge.

The water allowance is determined following the annual rates assessment and is expressed as a daily allowance, that is the total water allowance for the rating unit divided by 365 with a

Funding impact statement and rating policies



minimum of .6986 cubic meters per day.

The water allowance is determined by dividing the Water Supply Targeted Rate assessed on the rating unit by an allowance factor. The allowance factor unit rate will be determined by Council resolution from time to time and is now 45 cents. The water allowance is 1 cubic meter for each complete 45 cents (the factor) of the targeted water rate assessed.

Water used in excess of the water allowance, will be charged at the rate of 45 cents per cubic meter to all consumers having an extraordinary supply, as defined in the Christchurch City Water Related Services Bylaw 2001. These are the liable rating units.

The daily allowance shall continue until the next rates assessment is issued for the rating unit.

Rating units having an ordinary supply as defined in the Christchurch City Water Related Services Bylaw 2001, i.e. non-commercial consumers being principally residential single units on a rating unit, will not be charged an excess water supply targeted rate.

Where two or more rating units share a water meter and have, in the opinion of the Council, a common usage, the readings and allowances may be aggregated, notwithstanding the charge is payable by the ratepayer of the rating unit to which the meter is attached.

The annual rates assessment identifies those ratepayers who are potentially liable for excess water charges. It does not include the calculated liability as the water reading does not coincide with the assessment. Water meters are read progressively throughout the year. Following each reading, a water-excess charge invoice is issued for those rating units which are liable. The invoice will refer to the assessment and will bill for the consumption for the period of the reading. The latest water allowance will be used, calculated on a daily basis.

Differential System Used

Differential rating is used for general rates only. Other targeted rates are set without differentials.

The quantum of general rates required from each differential sector is based on the Revenue and Financing Policy and Funding Impact Statement calculations on an activity-by-activity

basis, giving the Council-wide rate requirement.

The rating differential categories used are:

Sector A - Business Properties

Any rating unit which is:

- (a) Used for a commercial or industrial purpose (including travellers and special purpose accommodation, offices and administrative and associated functions, and commercially-owned and operated utility networks); or
- (b) Land zoned Business, Central City, Commercial, Industrial or Rural-Industrial (or equivalent zoning) in the City Plan administered by the Council, situated anywhere in the city, except where the predominant use is residential.

Sector B - Residential and Other Properties

Includes any rating unit which is:

- (a) Used for residential purposes (including home-ownership flats); or
- (b) Land zoned Living, Residential (or equivalent zoning) or Rural-Residential, Small Settlement, Papakainga, Akaroa Hill Slopes, Residential Conservation or Boat Harbour in the City Plan administered by the Council, and is within the sewered area and used other than for a commercial or industrial purpose (including travellers and special-purpose accommodation, offices and administrative and associated functions); or
- (c) A Council-operated utility network; or
- (d) Land not otherwise classified under sectors A or C.

Sector C - Rural Properties

Includes any rating unit which is:

- (a) Zoned Rural (or any equivalent zoning) in the City Plan administered by the Council, or
- (b) Zoned residential or rural-residential in the City Plan administered by the Council and situated outside of the sewered area, and where the rating unit is:



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- (i) Used solely or principally for agricultural, horticultural, pastoral or forestry purposes or the keeping of bees or poultry; or
- (ii) Vacant land not otherwise used.

Does not include any rating unit which is:

- (i) Used principally for industrial (including quarrying) or commercial purposes (as defined in sector A above); or
- (ii) Used principally for residential purposes (including home-ownership flats).

Note: for the purposes of the differential sector definitions in this part of the LTCCP, the City Plan means the operative City Plan of the Christchurch City Council and any parts of the transitional or proposed district plans of any former local authority that are operative.

Uniform Annual General Charge

Multiple Uniform Annual General Charge per Rating Unit

The Council will charge multiple uniform charges against each separately-used or inhabited part of a rating unit provided such UAGC is not subject to a rate remission under the policy.

The basis of a unit of occupancy is that which can be separately let and permanently occupied. For the purposes of this charge, where the occupancy is an accessory one or is ancillary to another property or part thereof no separately used part exists. For example:

- Not separately used parts of a rating unit include:
 - A residential sleep-out or granny flat without independent kitchen facilities;
 - Rooms in a hostel with a common kitchen;
 - A hotel room with or without kitchen facilities;
 - Motel rooms with kitchen facilities;
 - Individual storage garages/sheds/partitioned areas of a warehouse;
 - Individual offices/premises of partners in a partnership.

- Separately used parts of a rating unit include:
 - Flats/apartments;
 - Flats which share kitchen/bathroom facilities;
 - Separately leased commercial areas even though they may share a reception.

Uniform Annual General Charge (UAGC) for Common Usage Rating Units

Section 20 of the Act precludes the Council from charging UAGCs where contiguous land is in common usage and in the same ownership.

The Council has resolved on a remission policy that will allow it to remit the additional UAGCs on contiguous land in common usage where the rating units are not in the same ownership name.

Also remission of the charge will be considered where the Council has determined that a building consent will not be issued for the primary use of the land (under the City Plan).

Rate Payments

The instalments due dates are:

Area One	Instalment One	15 August 2006
Area One	Instalment Two	15 November 2006
Area One	Instalment Three	15 February 2007
Area One	Instalment Four	15 May 2007
Area Two	Instalment One	15 September 2006
Area Two	Instalment Two	15 December 2006
Area Two	Instalment Three	15 March 2007
Area Two	Instalment Four	15 June 2007
Area Three	Instalment One	31 August 2006
Area Three	Instalment Two	30 November 2006
Area Three	Instalment Three	28 February 2007
Area Three	Instalment Four	31 May 2007

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The rate areas will continue generally as in the past and are published on each annual rate assessment.

Where a due date falls on a day that is not a working day the next working day convention applies.

The due date for excess water supply rates will be the 20th of the month following the invoice date. The due date for any amended rates invoice issued outside of the normal dates shall be specified on that rate invoice as determined by the Council.

The imposition of the current penalty occurs two business days after the due dates above.

Rate penalties

Where rates are not paid on time, penalties will be imposed to provide incentives for payments by due dates.

- Current penalties - A penalty of 10% on so much of any instalment that has been invoiced after 1 July 2006 and which is unpaid after the due date plus two working days;
- First arrears penalty - A further penalty of 10% on so much of any rates (including penalties) assessed in any previous financial year and which are unpaid as at 1 October 2006; and
- Second arrears penalty - A further penalty of 10% on any rates to which the first arrears penalty has been added and which remain unpaid as at 1 April 2007.

Dates for penalties will be adjusted annually thereafter.

Penalties will not be imposed on rates postponed or on current year's rates where payment is being made by monthly direct debit, on any excess water supply targeted rate, or where the Council believes a remission will be granted.

Once imposed, penalties become rates and may be subject to rates remissions. Where the penalty imposition date falls on a day that is not a working day the next working day convention applies.

Payment of Rates

- The Council has resolved on the acceptable payment methods.
- Payments by cash will be accepted at any Council service centre office, however the Council may modify this in the future.
- Rates are payable during normal business hours by cash, EFT/POS, or cheque made out to the Council.
- Cheques may be posted to the Council prior to the due date as evidenced by the postmark.
- Payment by credit card will be accepted under specific circumstances.
- Payments by direct debit will be facilitated and encouraged.
- Payment by direct credit or automatic payment will be facilitated.
- Rate payments will be allocated pro rata to the oldest rates due to the Regional Council and City Council unless specifically directed in writing by the ratepayer.





Rates Remissions Policy

Rates remissions may apply where there is significant public good in the use of the land. In addition there are grounds for remission where penalties have been imposed but there is a reasonable excuse for late payment, or it is just and reasonable to do so.

Postponement will be considered where the ratepayer is experiencing financial hardship.

1. Remission of current year's rate penalties due to one-off non-payment or where there are timing mis-match issues

Remission statement

Business ratepayers may be allowed one current-year rate-penalty remission in five years and all other ratepayers may be allowed one current-year rate-penalty remission in two years where the ratepayer can illustrate that a genuine error or oversight has occurred.

Objective of the remission

To avoid penalising ratepayers:

- (a) Who have paid their rates late due to a genuine mistake; or
- (b) Who are paying by regular bank transaction and where minor penalties occur due to timing differences.

Conditions and criteria for the remission

- (a) Written applications will generally be required for other than the minor timing mismatch issues;
- (b) Staff may waive the written application provided they are satisfied the full details of the application are recorded;
- (c) The reason for the late payment must be stated and must not be deliberate non-payment;

- (d) It is appropriate that the Council show consideration to ratepayers who have made genuine mistakes provided that it is not a repetitive omission;
- (e) Business ratepayers will be allowed one remission in five years and all other ratepayers will be allowed one remission in two years;
- (f) It is expedient to remit penalties where there are minor mis-matches of payments and due dates e.g. direct debit mis-matches;
- (g) The outstanding rates (excluding the penalties to be remitted) must be paid in full for the remission to be granted.

Remission applies to

All ratepayers, although with different criteria.

2. Remission of rates penalties imposed where there is an inability to pay

Remission statement

The remission may apply to properties that are the residence of the ratepayer, and applies under the following circumstances:

- (a) To penalties which have been imposed in the last two-year period, and/or where payment has been overlooked due to sickness, death or significant financial hardship or generally where it is considered to be just and equitable to do so;
- (b) Where such action would facilitate immediate payment of all outstanding rates;
- (c) Where there is an acceptable arrangement to pay existing arrears and annual rates over an agreed time frame.

Objective of the Remission

To encourage ratepayers who are in arrears due to financial difficulty or other genuine unusual circumstances to make arrangements to clear arrears and keep their payments up to date.

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Conditions and criteria for the remission

- (a) Remissions shall be based on written applications. This may be waived in limited circumstances at the discretion of officers;
- (b) Remission of penalties in the latest two-year period in the case of residential properties where payment has been overlooked due to sickness or death or generally where it is considered to be just and equitable to do so;
- (c) Remission of penalties may be considered where there is an offer for immediate settlement of all rates outstanding which can be facilitated by the remission of arrears penalties in addition to remission of the current penalties. This would apply where there are substantial arrears;
- (d) Remission of penalties incurred during the agreed payment time.

Remission applies to

All ratepayers where the rating unit is the primary residence.

3. Remission of current penalties where there is payment in full for the year

Remission statement

Remission of current year penalties where there is payment in full for the year once the full year's rates have been assessed.

Objective of the remission

To encourage payment of current rates in a lump sum or the balance of the current rates where non-payment of an instalment has occurred.

Conditions and criteria for the remission

The remission applies where a ratepayer chooses to make payments different from the instalment

due dates, typically paid in full on an annual one-payment basis:

- (a) Where the total current year's rates are paid on instalment 2;
- (b) Rates must be paid in full.

Remission applies to

All ratepayers.

4. Remission of rates where the land is used by not-for-profit clubs, associations and churches, for sport or for community benefit other than horse or dog racing

Remission Statement

- A. 100% remission of all rates (except excess water supply targeted rate) may be made for not-for-profit organisations occupying Council land under lease where there is a predominant community benefit.
- B. Remission of rates on other than Council-owned land where it is used by not-for-profit community or sports organisations may be granted on the basis of:
 - (a) Up to 100% remission of general rates and uniform annual general charge; and
 - (b) Up to 50% (i.e. of the rates that would be payable if they were fully rateable) remission of targeted rates for water supply, sewerage, and land drainage rates;
 - (c) The remission does not apply to any excess water supply targeted rate or targeted water supply fire connection rate.

Objective of the remission

To encourage the sustainability of community-based organisations and the benefit they provide to community good by part-remitting rates.



Conditions and criteria for the remission

- (a) All remissions are at the discretion of the Council and will be assessed on a case-by-case basis;
- (b) The remission applies where the land is used by qualifying entities, predominantly those that are fully or partially non-rateable under Schedule 1 of the Local Government (Rating) Act 2002;
- (c) The remission may include land over which a liquor licence is held provided this is incidental to the primary purpose of occupancy;
- (d) The distinction between those occupying Council land and those on their own land recognises the benefits of independent ownership that accrue to the private land owners;
- (e) The rates payable after the remission are 50% of the full service rates of water, sewerage and land drainage if the rating unit is in the serviced area;
- (f) Applications for the remissions must be in writing. The Council reserves the right to require annual applications to renew the remission or require certification from the applicant that the property is still eligible for the remission and that the land use has not changed;
- (g) It is a precondition of remission that the residual rates are paid in full;
- (h) The remission may be phased in over several years.

Remission Applies to:

All incorporated sport and recreation clubs, associations and community organisations (which includes places of religious worship or used for any branch of the arts) which have within their constitution appropriate clauses to qualify them as charities or where there are clauses which ensure they are not-for-profit and where there is, in the opinion of the Council, significant public good which results from the occupation of the land for the purpose of their sport or recreation.

The Council (at its absolute discretion) shall determine the extent of public benefits that are provided to the community. This determination shall be the basis of the extent of the remission.

The remission does not apply to rating units owned or occupied by:

- (a) Chartered clubs – except that a sports area may qualify provided it is significant and is set aside exclusively for that use;
- (b) Political parties;
- (c) Trade unions and associated entities; and
- (d) Any other entity where the benefits are restricted to a class or group of persons, and not to the public generally.

5. Remission of all rates on land occupied and used by the Christchurch City Council for community benefit

Remission statement

The Council may remit all rates other than excess water supply targeted rate or targeted water supply fire connection rate on land owned by or used by the Christchurch City Council and which is used:

- (a) For a public garden, reserve, or children's playground;
- (b) For games and sports (except galloping races, harness races, or greyhound races);
- (c) For a public hall, community centre, library, art gallery, or other similar institution;
- (d) For swimming pools;
- (e) For public conveniences; and
- (f) For any other community benefit use excluding infrastructural asset rating units.

This remission does not apply to land leased to others where the use is not by the Council.

Remission of all rates on land owned by or used by the Christchurch City Council which is used for rental housing.

Funding impact statement and rating policies



Objective of the remission:

To encourage the sustainability of such facilities in the community by remitting rates.

Conditions and criteria for the remission:

To all Council-owned and/or used land where the use is for the purposes above.

Remission applies to:

All land owned and/or used by the Council and used for the purposes outlined.

The remission does not extend to land used as Council offices or yards, infrastructural asset rating units, or leased for commercial purposes.

6. Remission of uniform charges and excess water supply targeted rate or any rate where the Council considers it just and equitable to do so

(Note: Generally the rates discussed below would not be assessed for the affected properties.)

Remission statement

Remission of additional uniform charges where Section 20 of the Act would apply except for the prerequisite of common ownership.

Remission of any uniform charge where the Council has determined that a building consent will not be issued for the primary use of the land (under the City Plan).

Remission of any excess water supply targeted rate that would be offset by unused water allowance from contiguous properties in common usage or where the excess consumption was outside of the control of the ratepayer.

Remissions of any rate where the Council by specific resolution considers it just and equitable to do so.

Objectives of the remission

To allow an equitable application of uniform charges and excess water charges where several rating units are used as one, but where there are several different ownerships. To allow remission of the UAGC where, because of some significant impediment, the rating unit cannot be used for the primary use under the City Plan.

Remission of any rate will allow the Council to correct anomalies.

Conditions and criteria for the remission

The remission applies where ratepayers are related parties and the land is contiguous and is used in common or where the rating unit suffers from a natural feature which renders it unsuitable for building.

The balance of the rates must be paid in full without arrears.

The remission of any rate under the latter objective will be by specific resolution of the Council after ratepayer application.

Remission applies to

All ratepayers.



Rates Postponement Policy

Postponement of rates on land which is the private residence of the ratepayer where the ratepayer is experiencing financial hardship.

Postponement statement

Up to 100% of rates may be postponed for a period determined by the Council where the ratepayer is experiencing financial hardship.

Objective of the postponement

To encourage the owner-occupation of land used in whole or part as the primary residence of the ratepayer where the ratepayer does not have the financial capacity to meet the rates as assessed or the payment of the rates assessed would create financial hardship.

Conditions and criteria for the postponement

The postponement applies where the land is the primary residence owned and occupied by the ratepayer; and:

- (a) The ratepayer can demonstrate financial hardship; and
- (b) The ratepayer is over 65 years (generally but not exclusively); and
- (c) Where the applicant, being generally over 65 years of age, has experienced a significant increase in rates following revaluation causing hardship.

Younger ratepayers may apply and will be considered on their merits.

Postponement will be considered on individual merits following a written application.

A postponement fee expressed as an annual percentage will be applied to the rates outstanding. The fee will be treated as a rate assessed. The fee will be the Council's estimated cost of borrowing as published in its Annual Plan. Rates penalties will not be applied or will be remitted for any rates that have been postponed.

Funding impact statement and rating policies



Rates remain a charge against the property until the property ceases to be the place of residence of the applicant or the criteria no longer apply, at which time the outstanding rates must be paid.

There must be a written application and declaration of eligibility.

The postponement will continue to apply until:

- (a) The ratepayer ceases to be the owner or occupier of the rating unit; or
- (b) The ratepayer ceases to use the property as their residence; or
- (c) Until a date specified by the Council,

whichever is the sooner.

Postponement applies to

Any land owned and occupied by the ratepayer as their primary residence.

Transitional arrangements imposed by statute will continue.

Transitional postponements

There are transitional postponement provisions provided for in the Act and generally these cease on revaluation or change of circumstances. The Council will only apply the requirements of the Act, but no further unless the ratepayer qualifies under other policy conditions.

Postponement – general issues

The postponed rates will remain a charge against the property and must be paid either at the end of the postponement term or when the property is sold. Postponed rates may include rate arrears owing from a previous financial year.

A fee (effectively interest) will be charged annually where rates have been postponed at the end of each rating year on the accrued rates postponed (including any fees) outstanding at the beginning of that financial year, at the Council's estimated cost of borrowing. This percentage is published every year as part of the Annual Plan.





Remission and Postponement of Rates on Maori Freehold Land

Remission statement

The City contains a number of Multiple Owned Maori Freehold Land properties which are unoccupied and unimproved. In some cases these are creating a significant rating burden on the Maori owners who often do not have the means nor, in some cases, the desire to make economic use of the land. Often this is because of the nature of the ownership or because the land has some special significance which would make it undesirable to develop or reside on, or is isolated and marginal in quality. In addition, it is recognised that significant rate arrears can act as a disincentive to any new occupation of the Multiple Owned Maori Freehold Land, where a new occupier could become responsible for the payment of any arrears of rates on the land.

The Council has recognised that the nature of this Maori land is different to General Land and has therefore formulated this policy to deal with some of the issues that this raises.

Objective of the policy

The Council has recognised that certain Maori-owned lands have particular conditions, ownership structures or other circumstances which make it appropriate to remit or postpone rates for defined periods of time.

The Council and the community benefit through the improved collection of rates that are collectable and the removal from the rating debt of that debt which is considered non collectable. The Council is required to consider every application for remission and/or postponement of rates on Maori Owned Land pursuant to Section 114 of the Local Government (Rating) Act 2002 and will then consider the most appropriate tool if any, including either remission or postponement, to assist in making ownership and occupancy of the land feasible.

Conditions and criteria for postponement or remission

General:

- The rating units must be Maori land, (as defined in Te Ture Whenua Act 1993 Part VI Section 92 Part 3 of the Local Government (Rating) Act 2002);
- Council will have the sole discretion on whether to grant the remission or postponement and may seek such additional information as they may require before making their final decision;
- The policy does not provide for the permanent remission or postponement of rates on the property concerned;
- If the status of the land changes so that it no longer complies with the criteria the remission or postponement ceases;
- Council expects that any rating relief will be temporary, each application will be limited to a term of three years however the Council may consider renewing the rate relief upon the receipt of further applications from the owners;
- In the event that subsequent applications for rating relief are made by only one or a minority of owners, the Council may require that these are signed or supported by such greater proportion of owners as may be required from time to time;
- The land must have, in the opinion of the Council, historical, ancestral or cultural significance.

Policy applying to unoccupied land

The rating unit must be unoccupied. Section 96 of the Local Government (Rating) Act 2002 defines occupation where a person/persons do one or more of the following for his or her profit or benefit:

- Resides upon the land;
- Depastures or maintains livestock on the land;
- Stores anything upon the land; or
- Uses the land or any improvement thereon in any way.

Funding impact statement and rating policies



Land not in occupation under the definition above is deemed to be unoccupied.

In general, the criteria for granting rates relief would include some or all of the following:

1. Unoccupied and Unimproved

The land is unoccupied and has no or minimal improvements.

2. The Land is Land Locked

Much Maori land is land locked, i.e. does not have legal access to the Council or National Roding Network.

3. Fragmented Ownership

Ownerships vary in number and individual share proportions. Owners are scattered throughout the country and even worldwide. Attempts to contact a majority representation are often painstaking and difficult.

4. The Land has Particular Conservation Value

Because of their remoteness and inaccessibility, much Maori Land has a high conservation value, which Council or the community may wish to preserve.

5. Unsecured Legal Title

Many land titles have not been surveyed, therefore they cannot be registered with the District Land Registrar. Owners seeking finance for development of their land are restricted, as mortgages cannot be registered against the title.

6. Isolation and Marginal in Quality

The lands are geographically isolated and are of marginal quality.

7. No Management Structures

Lands have no management or operating structures in place to administer matters.

8. Rating Problems

Because of the above factors there is a history of rate arrears and/or a difficulty in establishing who is/should be responsible for the payment of rates.

Policy applying to occupied land

- The new occupier must enter into an agreement in writing to keep the current and future rates up to date whilst they are in occupation of the land;
- The rates are paid within one month of the due date;
- Burden of proof of eligibility is on the owner/s of the property;
- Where land is in multiple ownership a copy of the minutes authorising individuals to act for owners should be enclosed if available;
- In the event of the land or any portion of the land being sold within that three-year period a claw-back provision applies to enable the Council to recover the rates postponed for the applicable period. This claw back may, at the Council's sole discretion, relate to the whole property or only to that portion of the land that has been sold;
- The Council or duly-designated officers are given approval to undertake periodic inspection of land to confirm unoccupied status;
- The Council reserves the right to seek further information e.g. Schedule of Owners, if the Council deems it necessary.

Remission applies to

Owners, or authorised agents of the owners, of Multiple-Owned Maori Freehold Land, with different conditions applying to occupied or unoccupied land.



Revenue and financing policy



Revenue and financing policy



Revenue and Financing Policy

Introduction

The Local Government Act 2002 requires the Council to adopt a Revenue and Financing Policy which ensures that operating revenue is set at a sufficient level to meet the projected operating expenses, and that sources of funding are sufficient to meet capital expenditure. This policy will ensure the Council's community plan is financially sustainable and that debt is maintained at a manageable level. Included within the policy is a requirement to produce a balanced budget as defined in section 100 of the Act.

The Revenue and Financing Policy sets the context for rates, revenue charges, and capital expenditure funding, all of which are disclosed in the Funding Impact Statement. It has been developed within the context of the other financial policies of Council, and will apply for the next three years.

Inclusion of Banks Peninsula

With a few major exceptions, a uniform policy applies to the total area of the two merged councils, and it is based on that of the previous Christchurch City Council. There is a significant change to the user charges and rates for the former Banks Peninsula District Council community. The major exceptions are that the uniform targeted loan servicing rates for Church Bay and Governors Bay will continue, and the land drainage area of benefit has been extended to include developed areas of the Peninsula. As a result of the amalgamation all other rates and user charges will be brought into line with the City Council policies.

Funding of expenditure

The Local Government Act 2002 prescribes a series of issues to be considered. Section 101(3) requires each activity to be analysed, and decisions made about the most appropriate method of funding the operating and capital expenditure.

The following matters were considered for each activity when deciding how to fund the Council's operational expenditure:

- The Community Outcomes to which the activities contribute;
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions or inactions of the community contribute to the need to undertake the activity;
- The costs and benefits, including consequences for transparency and accountability, of funding the activity; and
- The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

The policy has two discrete areas; the financing of capital expenditure and of operating expenses.

Financing of capital expenditure

The Council's capital expenditure covers:

- Purchase of assets, and
- New investments in Council companies.

The capital expenditure to be financed is developed on the city wide priority basis for all assets and the need for efficient city-wide funding basis. It is corporately funded, rather than by Council activity or group of activities, however there is some use of reserve funds specific to certain asset purchases. With the exception of the debt repayment term which has been extended from 20 to a maximum of 30 years, this is a continuation of the current policy. The amounts are disclosed on the Financial overview table on page 75.

The sources of funding include:

- Revenues received for capital expenditures, such as Land Transport New Zealand subsidies – these are included in the operating surplus;



Revenue and financing policy

- Depreciation funds, being revenue received to cover the cost of depreciation;
- Financial contributions and development contributions (see the Development Contributions Policy in Volume 2);
- Sale of assets;
- Draw-down of special funds set aside for capital expenditure; and
- Borrowing.

The Council's financial management principles, as disclosed on page 69, provide that:

- Rating for depreciation will be applied to capital expenditure annually;
- Debt will be repaid within 30 years of raising to ensure inter-generational equity;
- The balance of capital expenditure will be funded from reserves, sale of assets and loans;
- Operating expenditure will be funded from operating revenue;
- The Council will budget for an operating surplus each year;
- Financial management will be based on maintaining projections within the four financial ratios; and
- The Council has the objective of maintaining at least an AA credit rating from Standard and Poor's.

New targeted rates are introduced in this LTCCP for recovering loan servicing charges, interest and principal, for Church Bay and Governors Bay.

The principal recovered will offset the specific loan repayments.





Financing Operational Expenditure

Activity funding – some underlying assumptions

The full description of each Activity, its service description and objectives is contained in the Activity Management Plans.

The activities are included within each Group of Activity page in this LTCCP. The Group pages outline the costs of each Activity, revenue sources for each and the rationale. The table at the end of this policy is a summary of the Activity analysis and revenue source with emphasis on rate revenue.

Further information is available on the nature and outcome of the activity analysis if required.

General versus direct benefits, and the impact on the community:

The Council services are divided into 46 activities. These in turn are summarised into 12 groups of activities. (See the Council's Activities section in this LTCCP).

The services produced can be analysed as being either for public good or private good. Public good provides general benefits to the community as a whole, while private good yields direct benefits to consumers. The majority of services provided by the Council have some public good characteristics and lie on a continuum between the two. For example, the Parks activities provide direct benefits to the users, both citizens and ratepayers and general benefits to the community, who have, for instance, an open space in their neighbourhood.

The distinction is largely based on the nature of the services, who they are produced for, the customers of the service, and why the Council provides them.

The benefits for each activity have been identified within the Group of Activities, which include a description of the activity and its contribution to Community Outcomes. The funding decisions follow this description.

Benefit analysis:

The funding analysis of activities is based on the following assumptions:

- The gross cost of an activity is assumed to equal the benefits delivered by the activity;
- An allocation of benefits is made between general benefits and direct customer benefits. This is a subjective choice of the Council;
- General benefits are funded by rates, generally on a straight capital value basis, as the benefit applies to the community as a whole. The community is represented by the capital values of rating units and therefore capital values are the rating base, because:
 - Capital value reflects relative value of utilisation of Council services;
 - Conceptually it reflects relative ability to pay in that ownership of property reflects an acceptance of relative holding costs of a property;
 - Rates are a property-based tax and sound taxation principles should be applied such as transparency, neutrality, fairness of allocation; and
 - There is an underlying assumption that all Council services add to the quality of life in the city and are therefore of value to all sectors of the community.

Direct customer benefits are those where there is a consuming customer, either a person or entity, and the service provided by the council is wholly or substantially consumed by them.

User charges:

The direct benefits are the result of Council analysis of each activity as required by the Local Government Act 2002 Section 101.3. That analysis concluded that some activities produce direct benefits, namely the portion of the cost of the service accruing to direct customers. This does not mean that a user charge will follow, but merely that if a charge was to be made (or in fact could be made given the nature of the service and the ability of Council to charge) this would be the maximum.

Charges can be made to customers of the service if the Council policies for user charges allow, or if there is an appropriate charging mechanism for the service. Where a charge is made, the price decision will take into account the relevant service delivery policy, access to services and



Revenue and financing policy

affordability issues. Council makes these decisions after taking into account the social, economic, environmental, and cultural wellbeing of the community (as required by the Act and the interests of the community).

Where, in the opinion of the Council, there is no practical means of charging the users or there is a Council policy constraint such as promoting open access to a service the charge revenue is less than the direct benefit costs. In those circumstances no charge is made or the charge is less than a full charge.

Often, at an activity level, user charges for a Council service activity will not cover the direct costs to users (the direct benefits). In that case a user charge shortfall occurs. Funding of direct benefit shortfalls is by rates by relative capital values (predominantly General rates but also some targeted rate) because shortfalls occur as a result of Council policy decisions, as expressed in pricing policies, where Council has decided not to charge the customers a full cost recovery, and the stakeholders are represented by those who pay rates, expressed as relative capital values.

Where the activity is wholly funded by targeted rates, the shortfall is charged to the targeted rate payers.

Fees are set by Council and the revenue is reflected in the LTCCP Group of Activity pages. On the Group page disclosing the financial budget are notes giving further explanation of the level of fees and subsidies and the rationale of their selection. The table on page 276 shows how effect is given to this policy.

Rates distribution, some underlying assumptions:

The major outcome of this Revenue and Financing Policy is the basis of allocation of rates.

Most general benefits (and direct benefit shortfalls) apply equally to all rate paying sectors and therefore relative capital values or rating units (the properties) is the appropriate primary driver of allocation of the net rate requirement.

All rating is based on relative capital value without differentiating between rating sectors, with the exceptions as noted below where benefits do not apply equally.

The capital values for each sector are estimated to be in the following proportions:

- Business sector 19.33%
- Residential and Base sector 76.51%
- Rural Sector 4.16%

Where there is an unequal allocation of rates to rating units, the allocation of rates must use differential sectors. This means that the rating units are divided into rating sectors, using attributes of the property (primarily land use) as the deciding factor. The framework for differentiation is defined in the Local Government (Rating) Act 2002 and the application for this Council is defined in the Funding Impact Statement on page 247.

The results of this Revenue and Financing Policy define the rate requirement which is then allocated to each sector, resulting in different rate decimals for each sector for the rate type.

Differential rating is used for general rates only and uses the three sectors listed above.



Revenue and Finance Policy: Conclusions for funding of operating expenditure

General conclusions:

The result of the analysis for each activity is shown on the Group of Activity pages in this LTCCP. The following is a summary of the conclusions. This summary is reflected in the table on page 275.

The activities of the Council have been reviewed and the following conclusions reached:

- General benefits will be recovered by rates based on capital values;
- Direct benefits may be recovered by fees and charges;
- In many activities, there is no practical charging mechanism and therefore fee charging for direct benefits is not possible;
- There is a shortfall of direct benefits and rates are the best funding source;
- The rate funded shortfall of direct benefits accrues to rating units, assumed to be in proportion to capital value;
- Corporate revenues, made up of interest on funds, dividends and petroleum tax are raised to the maximum possible amount and are assumed to accrue to ratepayers who pay General rates on the basis of straight capital value. They do not offset activity costs, but reduce the total rates.

The basis of the exception to straight capital value rating

The total net operating cost of the Council is recovered by rates on a straight capital value basis to general rates except for those listed below.

The exceptions that have been identified by the Council are:

- The activity Streets, in the group Streets and Transport;
- Land classed as rural for differential rating purposes;
- Uniform Annual General charges:

- Targeted rates – charges by capital values, but to serviced properties for water, sewerage, and land drainage; and
- Targeted rates for some water and sewerage services – Church Bay and Governors Bay schemes and Excess Water Charges.

Streets activity loading on the Business Sector

There is an exceptional demand on city streets by the business sector. A study has identified that one heavy vehicle is equal to over 10,000 cars in terms of wear and tear to the road system.

The study concludes that after taking into account -

- The class of vehicles using the roads;
- The distance travelled by each class;
- Adjustments to equivalent distance by class;
- Allocating the class of vehicles to sectors; and
- Adjusting the allocation by the number of rating units -

there is justification for a rate loading applied to the business (differential) sector for general rates. This loading is to the advantage of the residential and rural (differential) sectors.

The Council has concluded that an allocation of 55% to the business sector is appropriate based on the City Streets unit's funding model.

It is the business sector as a group which necessitates considerable extra expenditure to provide the strength of roads for heavy traffic. Its use of land and the traffic movements from it, and the potential land use as a result of Business zoning, means the business sector contributes significantly to the need to undertake the service.

The standard of construction necessary and supplied by Council for Streets is sufficient to meet forecast use. Where that use includes significant heavy vehicles, the standard of construction and the quantum of maintenance is substantially higher than would be necessary if there was no heavy traffic. If Council chose not to provide extra maintenance the road structure would breakdown resulting in a subsequent increase in vehicle maintenance and running costs and a



Revenue and financing policy

reduction in utility from the road network. There is, therefore, a justification to fund this activity separately from other activities of Council.

Within the Streets activity costs, the allocation to the business sector can be broken down into the expenditure type:

- Depreciation on streets is allocated at 61.48% to the business sector and is made up of two components:
 - A full allocation to the business sector of depreciation on major arterial, minor arterial, and collector roads due to the heavy vehicle predominant use of those roads; and
 - An allocation to the business sector of 50% of the balance of depreciation on all other roads.
- Capital expenditure, which is the basis of depreciation, is focused significantly on provision and expansion of capacity both for heavy trade vehicles and volume;
- Maintenance expenditure is allocated 46% to the business sector on the basis that significant maintenance of the road network is caused by the volume and weight of heavy trade vehicles;
- Maintenance expenditure is a reactive response to road surface failure. The cause is age, high use, changed use, or road structure breakdown. Much of this is exacerbated by heavy trade vehicles. Predominant light vehicle use does not on its own cause road surface failure;
- The resulting weighted average allocation to the business sector for streets activity is 55%.

Rural sector rate differential

Rating units in the rural sector will continue to have a lower general rate. The rural sector will have a fixed relationship of 75% of the general rate decimal (the multiplier) applying to the residential and base sector. This maintains the current relationship.

This lower general rate (as compared to residential) is justified on the following basis:

- A lower standard of services generally is provided to outlying rural properties, (no footpaths or street lighting);
- There is a greater distance from Council provided services and therefore reduced use of those amenities by ratepayers (lack of adjacent parks etc);
- The impact of the level of services provided by the Council on property values (farm land may not be enhanced by community services).

Note - there is no difference between sectors for water, sewerage, and land drainage rate decimals.

Targeted rates

Targeted rates will continue to be set for the following reasons:

- The activities and targeted rates of water and sewerage continue on straight capital values, with the rates applied to the serviced properties only, and in the case of water, half rates to those not connected.
- Land drainage rates will apply to the serviced area, adjusted annually, but to recover the direct benefits of the utility portion only.
- The underlying allocation assumptions are the same as for the general rate activities assumptions, except that the rate is restricted to the serviced area only and is not differentiated.
- The excess water targeted rate and the water supply fire connection targeted rate will continue as in the past, with the unit charge increase.
- The two special loan-servicing targeted rates for Church Bay and Governors Bay will continue as originally intended and agreed with the ratepayers concerned at the time the schemes were commissioned:
 - The estimated balance of the loans as at 1 July 2006 is:
 - Church Bay water and sewerage scheme – \$163,175 with three years to run;
 - Governors Bay water and sewerage scheme - \$255,518 with 10 years to run.
 - The uniform targeted rate in each case will be set to recover interest and principal on a table basis with the interest rate being 7%.

Revenue and financing policy



- Any ratepayer may make an advanced payment of the balance of their liability for these uniform targeted rates on the basis of:
 - For rating years other than the current year, the amount payable will be the Net Present Value of the uniform rates estimated to be payable, discounted at the current interest rate;
 - For the current year, the balance of the rates assessed.

Uniform Annual General Charge (UAGC):

A UAGC of \$115 applies to rating units. The Council has concluded that \$115 is appropriate because:

- It is a fair modification of rates after considering the overall impact of rates allocated; and
- It is a fair allocation within each differential sector because the UAGC impacts on rates incidence, not on rate sector allocation. The charge recognises a common service to all properties.

The UAGC is applied to each separately-occupied part of a rating unit as defined in the rating policies because this better represents the ratepayer consumption of services. This means that a rating unit with multiple occupancies may have to pay several UAGC's.





Summary of the rates system to be used

Rates fund the net operational costs of the Council, expressed on an activity basis:

- Differentials will apply for General Rates only;
- Capital Value is the rating base;
- All activities other than those specified for targeted rates below, will be funded by General Rates and assessed to rating units by:
 - Capital Values,
 - Differentiated to rate sectors of Residential, Business and Rural, and
 - Uniform Annual General Charge of \$115 on each separately used part of a rating unit.
- Targeted rates will be set for:
 - Water supply activities,
 - Sewerage activities,
 - Land Drainage utility activities,
 - Water fire connection and excess water supply,
 - Church Bay and Governors Bay water and sewerage rates.

Funding Impact Statement and the rating policies

The financial results of this policy are expressed in the tables contained in the Funding Impact Statement on page 248.



Revenue and financing policy



Revenue and Financing Policy - Summary table

Funding of operating expenses for 2006/07

	Total Cost Net GST	Direct Benefits	Activity Revenue	Direct Benefits Shortfall	General Benefits	Total Rates Net GST	Total Rates GST Inc	Residential Rates	Business Rates	Rural Rates	Non rateable Rates	Total Rates GST Inc
General Rate Funded Activities												
All activities other than Streets	285,673	161,565	160,910	655	124,108	124,763	140,359	-	-	-	-	-
<i>Allocation - General rates by capital values</i>	-	56.56%	-	-	43.44%	-	-	76.51%	19.33%	4.16%	-	-
Streets activity - carriageway portion	28,817	14,408	3,018	11,390	14,408	25,798	29,023	-	-	-	-	-
<i>Allocation - with a loading on Business</i>	-	50.00%	-	-	50.00%	-	-	43.33%	54.32%	2.35%	-	-
Total General Rates	314,490	175,973	163,928	12,045	138,516	150,561	169,382	-	-	-	-	-
Rates by Capital Value	-	-	-	-	-	-	-	106,762	39,211	4,349	-	150,322
Uniform Annual General Charge - \$115	-	-	-	-	-	-	-	16,666	1,971	423	-	19,060
Total General Rates								123,428	41,182	4,772		169,382
Targeted Rates:												
Water Supply Targeted Rate	18,985	15,188	2,773	12,415	3,797	16,212	18,238	14,214	3,222	140	662	18,238
<i>Allocation</i>	-	80.00%	-	-	20.00%	-	-	77.93%	17.67%	0.77%	3.63%	-
Sewerage	32,172	25,738	3,459	22,279	6,434	28,713	32,302	25,286	5,730	94	1,192	32,302
<i>Allocation</i>	-	80.00%	-	-	20.00%	-	-	78.28%	17.74%	0.29%	3.69%	-
Land Drainage	7,392	3,696	23	3,673	3,696	7,369	8,290	6,601	1,562	127	-	8,290
<i>Allocation</i>	-	50.00%	-	-	50.00%	-	-	79.63%	18.84%	1.53%	0.00%	-
Church Bay and Governors Bay Loan rates	96	96	-	96	-	96	109	109	-	-	-	109
<i>Allocation</i>	-	100.00%	-	-	-	-	-	100.00%	-	-	-	-
	373,135	220,691	170,183	50,508	152,443	202,951	228,321	169,638	51,696	5,133	1,854	228,321

Notes:

All dollars are shown as \$000,s

The total cost is the sum of all activities of the Council.

The direct benefits are the portion of the total cost accruing to direct customers of the activities.

Activity revenue is the total of fees, grants and subsidies.

General benefits are the total costs less the cost of direct benefits.

Total rates is the sum of all direct benefit shortfalls plus general benefit costs.

Rates are allocated to the rate types and sectors as shown.

The General rates allocation percentage is the share of Capital Value. It does not include the rural sector adjustment.

Rates are shown GST inclusive.



Revenue and financing policy

Revenue and Financing Policy

2006/07 schedule of Activities within Groups

Benefit allocation and activity funding

Activity	Direct Benefits	General Benefits	User Charge %	Subsidies	Targeted rates	General rate (including UAGC)
Central City Revitalisation	50.00%	50.00%	9.95%	0.00%	-	90.05%
City and Community Forward Planning and Urban Renewal	75.00%	25.00%	0.00%	0.00%	-	100.00%
Heritage Protection	50.00%	50.00%	9.01%	3.64%	-	87.35%
Civil Defence and Rural Fire	50.00%	50.00%	11.03%	0.41%	-	88.56%
Community Grants	50.00%	50.00%	0.00%	0.00%	-	100.00%
Community Support	20.00%	80.00%	1.60%	0.91%	-	97.49%
Early Learning Centres	80.00%	20.00%	25.03%	52.50%	-	22.47%
Halls and Conveniences	50.00%	50.00%	5.17%	0.00%	-	94.83%
Housing	80.00%	20.00%	85.80%	0.00%	Not funded from general rates	
Art Gallery	80.00%	20.00%	12.11%	2.70%	-	85.20%
Libraries	80.00%	20.00%	7.92%	0.27%	-	91.81%
Museums	0.00%	100.00%	1.15%	0.11%	-	98.74%
Our City O-Tautahi	50.00%	50.00%	5.64%	0.00%	-	94.36%
Democracy and Governance Support	0.00%	100.00%	0.00%	0.00%	-	100.00%
Elected Member Representation	0.00%	100.00%	0.00%	0.00%	-	100.00%
City Promotion and International Relations	60.10%	39.90%	1.45%	0.00%	-	98.55%
Economic Development	80.00%	20.00%	1.81%	0.36%	-	97.82%
Employment Development	80.00%	20.00%	0.00%	0.00%	-	100.00%
Visitor Promotions	80.00%	20.00%	1.47%	0.00%	-	98.53%
Cemeteries	80.00%	20.00%	52.19%	0.94%	-	46.87%
Regional Parks	40.00%	60.00%	9.03%	0.03%	-	90.94%
Regional Parks	40.00%	60.00%	13.30%	0.00%	-	86.70%
The Botanic Gardens	40.00%	60.00%	3.35%	0.00%	-	96.65%
Urban Parks	40.00%	60.00%	4.00%	0.00%	-	96.00%
Waterways and Land Drainage	50.00%	50.00%	0.27%	0.00%	55.30%	44.43%

Revenue and financing policy



2006/07 schedule of Activities within Groups Benefit allocation and activity funding

Activity	Direct Benefits	General Benefits	User Charge %	Subsidies	Targeted rates	General rate (including UAGC)
Pools and Leisure Centres, Stadia and Sporting Facilities	60.00%	40.00%	45.22%	0.00%	-	54.78%
Recreation and Leisure	80.00%	20.00%	3.00%	4.35%	-	92.65%
Recreation Programmes	80.00%	20.00%	9.96%	5.90%	-	84.14%
Sports Support and Promotion	80.00%	20.00%	0.13%	0.00%	-	99.87%
Black Bag Collection and Disposal	90.00%	10.00%	30.74%	0.00%	-	69.26%
Refuse Transfer and Disposal	50.00%	50.00%	49.83%	0.00%	-	50.17%
Waste Minimisation	50.00%	50.00%	5.90%	0.00%	-	94.10%
Enforcement and Inspection Activities	98.17%	1.83%	90.67%	0.00%	-	9.33%
Maintaining and Reviewing the City Plan	0.00%	100.00%	1.46%	0.00%	-	98.54%
Regulatory Approvals	100.00%	0.00%	77.28%	0.00%	-	22.72%
Cycle and Pedestrian Linkages - Off-Street	50.00%	50.00%	0.00%	10.13%	-	89.87%
Off-Street Parking	95.00%	5.00%	119.05%	0.00%	-	-19.05%
Pedestrian Malls - Off Street	50.00%	50.00%	0.00%	0.46%	-	99.54%
Public Passenger Transport	80.00%	20.00%	0.00%	11.77%	-	88.23%
Streets	50.00%	50.00%	12.75%	11.57%	-	75.68%
Wastewater Collection	80.00%	20.00%	0.08%	0.00%	99.92%	-
Wastewater Treatment and Disposal	80.00%	20.00%	28.42%	0.00%	71.58%	-
Water Conservation	80.00%	20.00%	0.00%	0.00%	100.00%	-
Water Supply	80.00%	20.00%	14.79%	0.00%	85.21%	-
City Solutions	0.00%	100.00%	101.83%	0.00%	-	-1.83%
Property	0.00%	100.00%	99.07%	0.00%	-	0.93%



Liability management policy

This policy should be read in conjunction with the Investment Policy.

1 Purpose

To enable the Council's debt funding and associated interest rate exposures to be managed in a prudent manner.

To establish a framework and a set of guidelines within which the treasury function of the Christchurch City Council (the Council) can operate.

2 Objectives

- a) To minimise the Council's cost of borrowing through the effective control and management of its debt portfolio within the limits established by this policy;
- b) To ensure the Council's continued ability to meet its debts in an orderly manner as and when they fall due in both the short and long term;
- c) To maintain a prudent level of liquidity to meet both planned and unforeseen cash requirements;
- d) To safeguard the Council's financial resources by establishing and regularly monitoring treasury credit limits and managing exposures within these limits.
- e) To seek continued improvement in financial risk management strategies through ongoing evaluation and review of appropriate risk management techniques and strategies;
- f) To maintain appropriate internal controls and staffing to minimise operational risk;
- g) To ensure the Council's debt management is in accordance with the Council's requirements under the Local Government Act 2002;
- h) To maintain the Standard and Poor's credit rating of the Council/Christchurch City Holdings Limited (CCHL) at AA (Long-Term) and A1+ (Short-Term) or better.

3 Management Structure, Responsibilities and Delegations

	Responsibilities
Council	<ul style="list-style-type: none"> • Approve the Liability Management Policy, and review, at least three yearly, as part of the LTCCP process. • Approve all new borrowing. • Amend liquidity profiles as required. • Monitor compliance with the Liability Management Policy through the receipt of periodic reports. • Appoint Sinking Fund Commissioners. • Grant delegated authority to act on liability management issues.
Chief Executive	<ul style="list-style-type: none"> • Ensure compliance with this policy through the appointment and accountability of appropriate staff. • Appoint a Treasury Review Team. • Execute deeds of charge for security.

Liability management policy



4 Risk Control Limits

4.1 Liquidity

4.1.1 Committed and Uncommitted Facilities

The Council shall maintain, as a minimum, sufficient approved financing facilities to cover at least 120% of the peak cumulative anticipated net debt requirements on a rolling 12-month basis.

4.1.2 Maturity Profile of Committed Facilities

The debt maturity profile shall be maintained so that no more than 35% of the relevant debt matures within twelve months unless the total relevant debt outstanding is lower than \$30 million. The relevant debt is the total external debt for the Council excluding any leases, table loans and floating rate short-term loan issues. This ratio must be reviewed by the Treasury Review Team if the Council's long-term credit rating from Standard and Poor's falls below AA-.

4.1.3 Liquidity Parameters (Financial management ratios)

- a) Total external debt as a percentage of total assets of the Council/CCHL shall be no more than 12%.
- b) Total external debt of the Council/CCHL combined as a percentage of realisable assets, (all assets excluding infrastructure and restricted assets), shall be no more than 33%.
- c) The ratio of net external debt of the Council/CCHL to funds flow from operations shall not exceed five; i.e. an ability to repay debt over five years. (This calculation excludes net capital additions).
- d) Net interest paid on term debt by the Council/CCHL will not exceed 8% of the consolidated gross revenue.
- e) Should interest rates rise above 8.5%, the Chief Executive will recommend new ratios to Council.

Note 1: 'term debt' is defined as gross debt less dedicated debt repayment reserves, and 'net external debt' is total debt less all other cash reserve funds.

Note 2: when calculating financial management ratios, the debt levels and liquid investments of Christchurch City Holdings Limited, parent only, are added to the Council figures. Similarly, any reference to consolidated figures means the sum of the Council and CCHL, parent only, numbers.

4.1.4 Funding

- a) Borrowed funds will be used to fund capital expenditure, equity investment or to meet short-term liquidity requirements. For the purposes of this clause "short term" means for less than one year.
- b) The forecast interest rate payable on external debt intended to be raised by the Council in the ensuing year will be budgeted for and disclosed in the LTCCP and/or the Annual Plan.
- c) Except as qualified in clauses (d) and (j) below, all external debt of the Council, including financial leases, must be authorised by the LTCCP or a separate resolution of the Council.
- d) The aggregate amount the Council determines as not being so significant as to require specific authorisation under Section 112 (c) (ii) (A), of the Local Government Act 2002, is \$1million.
- e) Loans raised by the Council should normally be secured by a charge on rates revenue. The Chief Executive is authorised to execute a charge instrument charging rates revenue for the benefit of lenders to Council. Council may authorise other security in special circumstances.
- f) Except as qualified in clause (g) below, new loans raised in any particular year are to be no greater than the amount disclosed in the LTCCP and applied only to capital projects and investments listed in that Plan.
- g) All new loans required to fund expenditure which was not provided for in the Annual Plan shall require Council approval by a specific resolution of the Council, including the reasons that the expenditure was not originally included. Staff shall have evidence of such approvals before any debt is raised.



Liability management policy

- h) Where a loan is raised to fund a specific asset, its term must not be longer than the economic life of the asset it funds, except in the case of equity investments. In all cases the term of a loan may be up to, but not longer than, 30 years.
- i) A loan may be raised in several parcels for terms less than the economic life of the capital asset it funds or the 30-year maximum loan term permissible. Repayments at maturity of a parcel within the term of a loan may be refinanced without further Council resolution. However, these refinancing loans shall not add to the original agreed term or make the effective term of the loan longer than 30 years.
- j) Unless the Council resolves to the contrary and subject to any instruction issued by the Chief Executive, loan funds may be raised by way of bank overdraft to cover short-term cash shortfalls limited to a maximum of \$2 million. Borrowing under this clause is not subject to the constraints of clauses elsewhere in this policy. Any overdraft so raised shall be reported to the Chief Executive within two working days. For the purposes of this clause, “short-term” means for terms of less than one year.
- k) Debt may be repaid by one or a combination of the following:
 - i. Annual Sinking Fund instalments where the Sinking Fund Commissioners hold the funds as a separate trust, for the Council, for the sole purpose of debt repayment of specific loans;
 - ii. Annual Contributions to a Loan Repayment Reserve held by the Council for the sole purpose of repayment or reduction of loans;
 - iii. Annual table repayment instalments providing for full repayment over the term of a loan being 30 years or less;
 - iv. Repayment from revenue or other sources.
- l) Debt will be used as a residual funds source after funds generated from depreciation and appropriate capital revenues are applied to renewal and new capital expenditure. The mix of debt and revenue funding for capital funding will be determined by the Annual Plan each year.
- m) With the exception of table loans, a minimum of 1.4% of the aggregate of the initial

external debt raised by the Council/CCHL shall be repaid annually in accordance with one or a combination of the options set out in (k) above. Where the term of the initial external debt is less than 30 years, an appropriate (higher) rate will be used to ensure repayment within the term. Initial external debt is defined as the original sum of any loan borrowed which has not been fully repaid. Any annual debt repayment provision will be funded from operating revenue.

- n) The rate shall be reviewed annually to ensure that with accumulated interest earnings on invested funds, sufficient funds would be available to repay each initial loan parcel at the end of the term.
- o) Surplus Sinking Funds and Loan Repayment reserves may be applied to earlier repayment of loans in conjunction with refinancing of parcels, or to the financing of other capital works.
- p) When the repayment provision for any specific loan has been fully funded, no further contributions will be required for that loan.
- q) The Treasury Review Team may select the specific debt to be repaid in any one year to optimise the mix of debt types retained within the group.
- r) Interest costs are part of operating expenditure and will be funded from operating revenue.
- s) Where a specific debt-raising resolution requires more restrictive delegation, the requirements of that resolution shall be followed rather than the general parameters of this policy.

4.2 Risk Management Parameters

4.2.1 Interest Rate Management

- a) As a benchmark, 75% of all unmatched long-term debt should generally be on a fixed-rate basis, although the Treasury Review Team has the discretion to vary this proportion in a range between 50% and 100%. To the extent that interest rates on

Liability management policy



- borrowing are matched by corresponding interest income streams calculated on the same basis, they may be excluded from this calculation.
- b) Net short-term interest rate exposures (i.e. after netting short-term debt with short-term investments) should be managed in the context of the Council's investment intentions, cash flow projections and the current external environment.
- c) For the purposes of this policy, floating rate debt is where interest rates re-price within three months of the current month end. Fixed rate debt is where interest rates are fixed for a period greater than three months from the current month end.
- d) Derivative interest rate instruments may be used to hedge interest rates under the following circumstances:
 - i. They must be applied to a specific class of existing or committed debt or investment of the Council;
 - ii. They may be used to avoid an exposure to adverse rates based on the interest rate view formed by the Treasury Review Team;
 - iii. They may be used to change the mix of fixed and floating rate debt;
 - iv. All hedging contracts longer than twelve months must be discussed with the Director, Strategic Investment, or General Manager, Corporate Services, before being transacted;
 - v. Contracts to be taken for periods longer than ten years must be discussed in advance with the Treasury Review Team.
- e) Derivatives may not be used for speculative purposes under any circumstances.

4.2.2 Approved Hedging Instruments

- a) Interest rate swaps;
- b) Forward Rate Agreements (FRAs);
- c) Bought options on FRAs, swaps or government bonds;
- d) Sold options on FRAs, swaps or government bonds, but only as an integral part of a 1:1 collar;

- e) All derivative contracts entered into shall be reported to the Treasury Review Team on the day of the transaction.

4.2.3 Hedging Counterparties

- a) All hedging counterparties must be a Registered Bank in terms of the Reserve Bank Act and have a long-term credit rating of 'A' or above from Standard and Poor's, or equivalent from another recognised credit rating agency.
- b) Other approved counterparties include the Council, and CCHL subsidiaries, and other recognised financial intermediaries with the appropriate credit rating.
- c) The following table summarises minimum credit rating requirements and limits:

Counterparty's Minimum S&P Short-Term Credit Rating	Counterparty's Minimum S&P Long-Term Credit Rating	Total Exposure Limit for each Counterparty
A1+	AA-	\$50 million
A1	A	\$20 million

- d) If any counterparty's credit rating falls below the minimums specified in the above table, all practical steps are to be taken to reduce the credit exposure to that counterparty to zero as soon as reasonable.
- e) Exposure to each counterparty is computed as being the total amount borrowed from that counterparty.
- f) All settlements shall be by cleared funds.



5 Reporting – Council and Management

5.1 Treasury Review Team

The Treasury Review Team will review the following on a monthly basis:

- a) Cash/debt position; the tracking of cash flow and debt levels against plan, the reasons for variances and updated future cash/debt projections;
- b) Risk exposure position; the Council's current interest rate position including underlying physical exposures, hedges in place and the actual net risk position, compared to the risk control limits of the policy;
- c) Policy compliance; conformity with policy limits and requirements in the areas of liquidity/funding risk, counterparty credit risk, operational risk and debt covenants and ratios;
- d) Funding facility report; actual loans against limits;
- e) Cost of funds report; actual cost against plan.

5.2 Council

A summarised report incorporating key elements of (a) to (e) above will be made to the Audit and Risk Management Subcommittee twice yearly and the Subcommittee shall make regular progress reports to Council on the management of treasury operations and results.

6 Performance Measurement

6.1 Review

Measuring the effectiveness of the Council's liability and related interest-rate management activities is achieved through objective measures as follows:

- a) Adherence to policy;
- b) Comparison of actual monthly and year-to-date borrowing margins against budget rate (as per the Annual Plan) and, for public issued securities, similar New Zealand rated entities issuing into the New Zealand securities markets;
- c) Comparison of the financial covenants and ratios to actual borrowing.





Investment Policy

This policy should be read in conjunction with the Liability Management Policy.

1 Purpose

To ensure the prudent management of the Council's funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

To establish a framework and a set of guidelines within which the treasury function of the Christchurch City Council (the Council) can operate.

Investments held by Council-controlled trading organisations (CCTOs) and other subsidiary companies are outside the scope of this policy.

2 Objectives

- (a) To preserve the principal of those funds within the portfolio.
- (b) To ensure that funds are available as needed to meet those immediate and/or future operating requirements of the Council.
- (c) To manage the portfolio in such a fashion as to ensure a satisfactory return, within the context and parameters set out in objectives (a) and (b) above.

3 Management Structure, Responsibilities and Delegations

	Responsibilities
Council	<ul style="list-style-type: none"> • Approve the Investment Policy, and review, at least three yearly, as part of the LTCCP process. • Monitor compliance with the Investment Policy through the receipt of periodic reports. • Approve investments in CCTOs, other subsidiary companies or trusts including the authorisation of the principal, source of funds, security and general terms, after receiving professional advice on valuation and acquisition procedures, where appropriate. • Approve loans to non-Council entities to facilitate community infrastructure asset creation including the authorisation of the principal, source of funds, security and general terms. • Approve loans to individuals and to community organisations, either on a one-off basis or by class. • Approve investments made outside of this policy. • Appoint Sinking Fund Commissioners. • Grant delegated authority to act on investment issues.
Chief Executive	<ul style="list-style-type: none"> • Ensure compliance with this policy through the appointment and accountability of appropriate staff. • Appoint a Treasury Review Team.

4 Standard of Prudence

Investments shall be made with judgement and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the professional management of funds, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived.



5 Authorised Investment Categories and their Purpose

The Council's investments are made for a range of purposes and fall broadly into five categories:

5.1 General Funds Investments

5.1.1 These investments are held for general Council use. Typically, they are invested on a commercial basis to produce a financial return for the Council to use in its ordinary course of business.

5.2 Equity investments in Council Controlled Trading Organisations (CCTOs) and other Subsidiary Companies

5.2.1 The Council holds equity investments in a range of CCTOs and other subsidiary companies for a mix of the following purposes:

- (a) Providing a rate of return on the investment to be used for general revenue purposes.
- (b) Ensuring that ownership of essential infrastructural facilities with monopoly characteristics remain in community ownership.
- (c) Separating trading activities or services from the ordinary operations of the Council in the interest of transparency, efficiency and competitiveness of pricing.

5.3 Property Held for Investment Purposes

5.3.1 Investment properties are defined as being held for market return purposes and having no Council operational function.

5.3.2 The decision to hold or dispose of investment property is driven by the performance of this investment compared with similar properties in the market.

5.4 Investment of all Reserve Funds including Trust Funds

5.4.1 These reserve and trust funds have the following characteristics:

- (a) The Council has resolved to set aside funds for a specific, defined future purpose.
- (b) The Council has defined a minimum holding of the Emergency Capital Fund, set at \$5,000,000 to provide a first source of funding available in the case of an emergency arising from a natural disaster.
- (c) Estimates of the value of each separate reserve fund including revenue projections are prepared each year.
- (d) These funds are available for appropriation in the Annual Plan to finance expenditure incurred for the purpose of the fund.
- (e) The investments that make up the Reserve Funds can be held in common with General Funds investments with the earnings apportioned to each separate fund or may be invested separately with professional fund managers in managed portfolios of investments.
- (f) Where the source of funds is unspecified Reserve Funds the maximum which can be invested in loans from these sources is 10% of total reserve funds. Specific Loan Reserve Funds, Emergency Capital Fund, Debt Repayment Reserves and other specific short-term reserve funds are excluded from funds able to be invested.

5.4.2 Capital Endowment Fund

The Council has established a separate fund known as the Capital Endowment Fund. It is intended that the capital of this fund will be held, together with sufficient income capitalised annually to preserve the real value of the fund after provision for inflation. Part of the original fund will comprise a fluctuation reserve of \$3.5 million to help offset the effect of fluctuations in earnings from investments and enable budgeted commitments for earning distributions to be met. The balance of the income will be available to the Council to provide for economic development projects and civic and community projects that will enhance the city or region.

The Capital Endowment Fund will be invested according to criteria applied to other Council reserve funds.



5.5 Sinking Fund Investments

- 5.5.1 These funds are held in trust by the Commissioners appointed by the Council for the repayment of certain Council loans in accordance with the Council's Liability Management Policy.
- 5.5.2 Sinking Funds may be invested in the following investment sub-types as detailed in Sections 6.1 and 6.2 of this policy.
- 5.5.3 Management of Sinking Fund investments shall be subject to the procedures outlined in Section 6 of this policy.

6 Types of Investment

For the purpose of calculating investment limits, "the portfolio" is defined as including all investments held under clauses 6.1, 6.2, 6.3.5 and 6.3.8.

The Council may hold the following types of investments:

6.1 Issuances by Registered Banks:

Any issuance by a Registered Bank subject to the following conditions being met:

- (a) the bank remains the primary debtor throughout the term of the investment;
- (b) the bank maintains a Standard and Poor's short-term credit rating of A-3 or better, and a long-term credit rating of A or better, (equivalent ratings from other credit rating agencies may be used);
- (c) the total amount invested with any one bank does not exceed 33% of the portfolio, except where the total bank investments are less than \$10,000,000, in which case the investments shall be made with at least two banks.
- (d) for the purpose of this clause the amount invested includes short-term bank deposits, accepted bills, certificates of deposit, promissory notes and long-term stocks and bonds. Deposits may include foreign currency to meet the Council's commitments in overseas currencies.

6.2 Short-Term Promissory Notes, Stocks and Bonds:

Short-Term Promissory Notes and Stocks and Bonds issued by Government, State Owned Enterprises, Local Authorities, and suitably rated corporate entities subject to the following conditions being met:

- (a) the total amount invested in stock issued by the New Zealand Government may be up to 100% of the portfolio.
- (b) the total amount invested with State Owned Enterprises (SOEs) or approved government owned entities does not exceed 33% of the portfolio, with the total investment with any one issuer not exceeding 10%;
- (c) the total amount invested with local authorities must not exceed 60% of the portfolio, but subject to a maximum of 10% unless an issuer has a Standard and Poor's long term credit rating of A- or better, (or equivalent), in which case the percentage may be up to 20% of the portfolio. In all cases the stock and/or notes must be rate-secured;
- (d) the total amount invested in notes issued by any company in New Zealand must not exceed 33% of the portfolio, with the total investment with any one issuer not exceeding 10%, subject to the issuer, or issue, having a Standard and Poor's rating of A- or better, (or equivalent).

6.3 Loans and Investments

Loans and investments may be made to the following only after Council resolution, the resolution to include authorisation of the principal, source of funds, security and general terms and conditions.

- 6.3.1 Loans to CCTOs and other subsidiary companies and trusts where Council or a subsidiary are the settlor.
- 6.3.2 Loans to individuals (for Council approved purposes).
- 6.3.3 Loans to community organisations.
- 6.3.4 Loans to non-Council entities to facilitate community infrastructural asset creation



as approved specifically by the Council.

6.3.5 Shares in (listed) public companies.

6.3.6 Shares in CCTOs and other subsidiaries.

6.3.7 Real estate held for investment purposes.

6.3.8 Professionally managed (external to the Council) portfolios of investments, either by direct investment or through Unit Trusts, including:

- (a) Equities both New Zealand and overseas domiciled
- (b) Fixed interest, both New Zealand and overseas domiciled
- (c) Short term cash
- (d) Real estate.

6.3.9 Other investments that the Council may from time to time resolve.

7 Performance Review Criteria

7.1 The performance of any external investment manager used will be monitored against the performance of other investment managers at least quarterly.

7.2 Any external investment manager used will be reviewed annually with respect to their organisational structure, investment processes and personnel.

7.3 Investment policies and objectives, asset allocation strategy and overall investment-management structure will be reviewed at least once every three years.

7.4 The performance of any funds managed without the use of external investment managers will be monitored against suitable benchmarks as determined from time to time by the Chief Executive of the Council.

8 Role of CCHL in Monitoring CCTOs

8.1 Christchurch City Holdings Ltd (CCHL) is an infrastructure investment and monitoring company established by the Council to hold its significant CCTOs and other subsidiary companies on behalf of the Council.

8.2 Each company which is held directly by the Council or CCHL is required to prepare annually a Statement of Intent that sets out its activities and strategic direction and to report in accordance with the Statement of Intent to CCHL except where that company is listed on the stock exchange.

8.3 Regular monitoring will be carried out by CCHL on the operational performance and periodically CCHL will review the ownership options, business strategy and operating plans, capital structure and risk management affecting both the CCHL and CCC-owned CCTOs and other subsidiary companies.

8.4 Investment performance of CCTOs and other subsidiary companies will be assessed in comparison to the performance of similar companies in the same industry taking account of the objectives established in the Statements of Intent.

8.5 The CCHL Board will report directly to the Council at least six times a year on issues arising from its monitoring role. Ad hoc briefing sessions and seminars for Councillors will also be arranged.

8.6 The Council is responsible for the approval of Statements of Intent and the appointment of directors for all CCTOs and other subsidiaries held directly by the Council and CCHL.

8.7 Directors of all CCTOs and other subsidiary companies will be selected according to the policy established by the Council in June 2003.

8.8 Ownership of shares in CCTOs and other subsidiaries may be transferred to CCHL when a subsidiary has an established record of financial performance and it is Council policy to retain the investment in the long term.

8.9 This policy does not apply to non-trading companies or companies which are subsidiary to companies which report directly to CCC or CCHL.



9 Risk Management Parameters

9.1 Hedging

9.1.1 Derivative interest rate instruments may be used to hedge interest rates under the following circumstances:

- (a) They must be applied to a specific class of existing investment of the Council;
- (b) They may be used to avoid an exposure to adverse rates based on the interest rate view formed by the Treasury Review Team;
- (c) All hedging contracts longer than twelve months must be discussed with the Director, Strategic Investment, or General Manager, Corporate Services, before being transacted;
- (d) Contracts to be taken for periods longer than ten years must be discussed in advance with the Treasury Review Team.

9.1.2 Derivatives may not be used for speculative purposes under any circumstances.

9.2 Approved Hedging Instruments

- (a) Interest rate swaps.
- (b) Forward Rate Agreements (FRAs).
- (c) Bought options on FRAs, swaps or government bonds.
- (d) Sold options on FRAs, swaps or government bonds, but only as an integral part of a 1:1 collar
- (e) All derivative contracts entered into shall be reported to the Treasury Review Team on the day of the transaction.

9.3 Hedging Counterparties

- (a) Unless otherwise stated, all hedging counterparties must be a Registered Bank in terms of the Reserve Bank Act and have a long term credit rating of 'A' or above from Standard and Poor's, or equivalent from another recognised credit rating agency.

- (b) Other approved counterparties include the Council, and CCHL subsidiaries, and other recognised financial intermediaries with the appropriate credit rating.

(c) The following table summarises minimum credit rating requirements and limits:

Counterparty's Minimum S&P Short- Term Credit Rating	Counterparty's Minimum S&P Long- Term Credit Rating	Total Exposure Limit for each Counterparty
A1+ A1	AA- A	\$50 million \$20 million

If any counterparty's credit rating falls below the minimums specified in the above table, all practical steps are to be taken to reduce the credit exposure to that counterparty to zero as soon as reasonable.

- (d) Exposure to each counterparty is defined as the total amount invested with that counterparty.
- (e) All settlements shall be by cleared funds.

10 Reporting – Council and Management

10.1 Treasury Review Team

The Treasury Review Team will review the following on a monthly basis:

- (a) Return on the portfolio and the relevant market return.
- (b) Risk exposure position; the Council's current interest rate position including underlying physical exposures, hedges in place and the actual net risk position, compared to the risk control limits of the policy.
- (c) Policy compliance; conformity with policy limits and requirements in the areas of portfolio composition, counterparty credit risk, and operational risk.
- (d) Funding facility and liquidity report; availability of operating and capital funds.



Investment policy

10.2 Council

A summarised report incorporating key elements of (a) to (d) above will be made to the Audit and Risk Management Sub Committee twice yearly and the Sub Committee shall make regular progress reports to Council on the management of treasury operations and results.

11 Performance Measurement

11.1 Review

Measuring the effectiveness of the Council's cash investment activity is achieved through objective measures as follows:

- (a) Adherence to policy.
- (b) Comparison of actual monthly and year to date investment return vs budget return (as per the Annual Plan) and comparable fund and financial market indices.





Policy on Partnerships with the Private Sector

Policy objective

To ensure that the Council acts wisely when it enters into business partnerships with the private sector, and to ensure that the Council's interests are protected and the desired outcomes are consistent with its strategic objectives.

Context

From time to time the Council has opportunities to work in partnership with private sector interests to deliver its strategic directions. These opportunities can be quite diverse in nature, and for this reason this policy is broadly based.

The Local Government Act 2002 (Sections 102(4)(d) and 107) requires that a policy be prepared on Public Private Sector Partnership (PPPs) and is adopted by the Council as part of its Long Term Council Community Plan (LTCCP).

Section 107 of the Act states that this policy applies to: "... any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business; but does not include: (a) any such arrangement or agreement to which the only parties are: (i) local authorities; or (ii) one or more local authorities and one or more Council organisations; or (b) a contract for the supply of any goods or services to, or on behalf of, a local authority."

All references to PPPs in this policy are made in the context of the above definition. The focus is on commercial relationships with entities engaged in trading activities undertaken for the purpose of making a profit. The nature of the entity's activities, rather than its legal form, is the relevant consideration in determining whether this is a partnership with "persons engaged in business". This could include charitable trusts.

The term engaged in business means "engaging in a commercial activity".



Circumstances in which the Council will enter into a PPP

The Council may consider entering into a PPP where:

- the PPP will contribute to the achievement of Community Outcomes identified in the Council's LTCCP; and
- it will promote the social, economic, cultural or environmental well-being of the city; and
- it is a prudent, efficient and effective use of the Council's resources.

Conditions

The Council will only enter into a PPP where:

- There is a partnership agreement which defines the objectives of the partnership and the obligations of all parties;
- The benefits to the community of the proposed partnership will exceed the costs;
- The proposed private sector partner has demonstrated the ability to meet the terms of a proposed agreement between it and the Council;
- The partnership and its proposed business are lawful;
- There are clear financial forecasts of the partnership arrangements;
- The Council's financial and resource obligations under the partnership are defined
- A clear exit/termination strategy is agreed;
- Roles, responsibilities and liabilities of each partner are clearly defined;
- Other conditions that the Council wishes to impose are clearly defined.

The Council **will not** enter into a PPP where:

- The activity is primarily speculative in nature;
- The cost or risk of the PPP is judged by the Council and its advisors to be greater to the community than the benefits that would accrue to the community.

Types of PPP participation

The Council can consider the following methods of participating in a PPP:

- Grants
- Loans
- Investments
- Guarantees

The form of contribution to a PPP will be determined based on the nature of the partnership project, the availability of resources and the assessed risks.

Process of approval

A PPP may only be entered into following a Council resolution or under a delegation from the Council to the Chief Executive. Where the issue is deemed to be significant in terms of the Council's Policy on Significance the Council shall not delegate the decision. Before making a decision to enter into a PPP, at any level of delegation, a comprehensive report which addresses the following issues must be considered:

- The specific strategic directions and Community Outcomes which the proposed partnership will contribute to;
- A full description of the Council's resources (physical and financial) which will be allocated to this partnership;
- An explanation of the nature of the transactions to be entered into, and key performance measures;
- Details of the financial projections of the PPP for a minimum of 5 years;
- An analysis of the financial implications for the Council (both capital and revenue) over the life of the PPP, including an independent assessment from the General Manager Corporate Services or delegated staff;
- An analysis of why the PPP structure is preferable to other service delivery options;
- An assessment of the risks and the Council's potential liabilities, and proposed

Policy on partnership with the private sector



procedures for mitigating these;

- An analysis of potential partners, and the reason for selecting the proposed partners;
- Details of the conditions and milestones that must be met before the Council commits funding or other resources to the PPP;
- The form of a Partnership agreement to be entered into which reflects the intentions and obligations of all parties;
- Details of the proposed monitoring regime of the PPP, including internal and external audit requirements;
- The degree of delegated authority to be given to the partnership arrangement to act on behalf of the Council;
- Details of how the PPP is to be administered and accounted for and the estimated resource requirements and cost to the Council (if any) for administration and accounting;
- An exit strategy and how and when this could be commenced;
- A summary of professional or other advice taken.

Form of consultation

Where practicable the Council will consult on PPPs through the Annual Plan or LTCCP process, or other formal plans.

Generally, where the Council decides to enter into a PPP in accordance with this policy and on matters which are provided for in the Council's LTCCP or Annual Plan, there will be no further requirement for the Council to consult.

However, further public consultation may be undertaken where it is appropriate in the context of the Council's "Policy on Significance".

The Council will undertake additional consultation where:

- A PPP is assessed as being greatly beneficial, but falls outside the conditions or circumstances identified in this policy;
- Financial provision has not been made in the Annual Plan and LTCCP;
- The partnership will result in significant changes in service levels not already reflected in the Annual Plan or LTCCP;
- Ownership or control of a significant asset is to be transferred away from the Council;
- There is expected to be considerable public interest in whether the PPP should proceed and the Council regards the proposal as being significant.



Policy on partnership with the private sector

Assessment and management of risks

An assessment of risks and their management is required before the Council enters into a PPP. This shall be included in a report to the Council or delegated decision-maker before any commitment to enter into the PPP is made.

Where the risks are considered to be significant, the assessment will weigh up the risks against the benefits and the risk management strategies which are proposed.

Risks to be assessed will fall into the following categories:

- Design and construction risk;
- Commissioning and operating risk;
- Service and under performance risk;
- Financial risk to the Council;
- Risk to the capacity of the Council to carry on its activities (whether associated with this partnership or not);
- Risk to the reputation of the Council and the city from failure;
- Counterparty risk.

Council staff charged with monitoring the Council's involvement in a PPP must specifically include and report on risk assessment and management in their monitoring process.

Monitoring and reporting provision of funding and other resources

Monitoring must be performed on an ongoing basis, with formal reports being brought to the appropriate portfolio group at regular intervals, depending on the significance of the Council's involvement in the PPP and the maturity of the partnership.

Formal monitoring reports will be at no less than 12-monthly intervals. However, monitoring and reporting requirements will vary depending on the level of resources the Council has committed to the PPP. The Council will determine the minimum level of monitoring, as part of the process of approval.

In the case of major business partnerships the Council may choose to delegate its monitoring role to Christchurch City Holdings Limited.

Assessing, Monitoring and Reporting Community Outcomes

The extent to which Community Outcomes will be enhanced by the proposed PPP will be assessed as part of the process of approval.

Regular monitoring of the partnership arrangements will be required to ensure that Community Outcomes are being achieved.

The following points shall be considered for inclusion in a monitoring regime to assess how Community Outcomes are being achieved by the PPP:

- Measurable and auditable performance outcomes and objectives should be included where appropriate in partnership documents and reported on as part of the regular monitoring reports to the Council or its delegated monitoring committee;
- Annual financial reports from the PPP must be produced and reported to the Council or portfolio group of the Council for the duration of the arrangement or period of perceived benefit;
- The performance of PPPs will be reported on in the Council's Annual Report where it is of significance.

Policy on partnership with the private sector



Exclusions from this policy

For the sake of clarity it should be noted that this policy does not apply to:

- Grants to community organisations;
- Investment of funds solely for the purpose of financial return. These are subject to the Council's adopted Investment Policy;
- Normal contractual arrangements for the supply of goods and services;
- Commercial arrangements made by Council controlled trading organisations and their subsidiaries;
- Capital contracts of less than \$1 million and operating contracts of less than \$500,000 in total over the period of the contract where officers have delegated authority from the Council and there has been a specific line item provision in the Annual Plan.





Policy on development contributions or financial contributions



Policy on development contributions or financial contributions



Development Contributions Policy

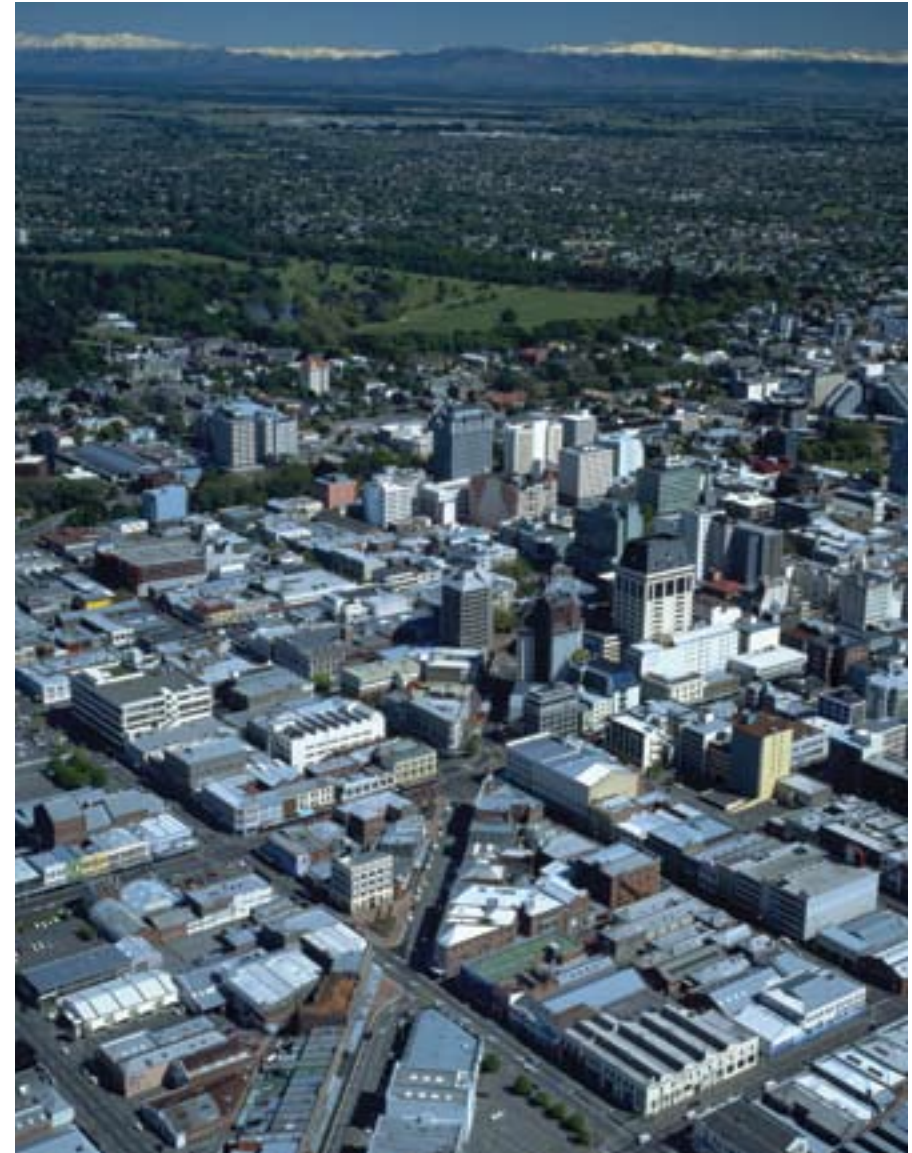
Under the Local Government Act the Council must have a policy on development or financial contributions as part of its funding and financial policies in its Long Term Council Community Plan (LTCCP).

The Council's Development Contributions Policy is Volume 2 of the Council's LTCCP 2006 to 2016. It is a transitional document pending the amalgamation of the former Banks Peninsula District Council into the Council, so it is structured in two parts: Part A - Development Contributions Policy for Christchurch City and Part B - Development and Financial Contributions Policy for Banks Peninsula.

The Development Contributions Policy aims to get those who contribute to growth in the city to help pay for any new infrastructure needed to service that growth. The Policy details a transparent, consistent and fair method for collecting development contributions to meet Council objectives to:

- Obtain from those responsible for development that places additional demands on the Council's provision of infrastructure, parks and community facilities a fair and reasonable contribution towards the expansion of those services; and
- Ensure that the level of such contribution does not generally act to discourage development, recognising that the contribution will be influenced by the complexity of site works and that this may act to discourage development of a particular area.

The Development Contributions Policy is available on request or at council offices, service centres and libraries. It can also be viewed on the council's website at www.ccc.govt.nz.





Development of Maori capacity to contribute to decision-making processes



Development of Maori capacity to contribute to decision-making processes



Development of Maori Capacity to Contribute to Decision-making Processes

A long-term council community plan must set out any steps the Council intends to take to foster the development of Maori capacity to contribute to its decision-making processes.

The Council enjoys a strong working relationship with local Maori. The Council continues to work at developing processes to provide for opportunities for Maori to contribute to the decision-making process of the Council. The review is being undertaken in consultation with Maori to ensure that the new arrangements will meet the best interests of all parties.

It is expected the new arrangements will emerge over time.

For the 2006/07 year, the Council has made specific provision of \$122,374 for consultation with Maori, in addition to general provision for consultation with the community.





Policy on determining significance



Policy on determining significance



Policy on Determining Significance

Introduction

This policy on determining significance is being prepared to meet the requirements of Section 90 of the Local Government Act 2002. It is designed to reflect the requirements of the Act and the Christchurch City Council's commitment to conducting its business in an open, transparent and democratically accountable way. This policy has been prepared recognising the Memorandum of Understanding that exists between the Christchurch City Council and Banks Peninsula District Council (BPDC) and the processes associated in bringing the former Councils together.

Changes to the Policy

The policy on determining significance as published in the 2004 to 2014 Long Term Council Community Plan (LTCCP) has been revised to reflect the amalgamation with the BPDC. Under point 2 of the criteria for significant decisions, the level of operating expenditure has been increased from \$500,000 to \$1 million.

Significant activities¹

A significant activity is one that has a high degree of significance in terms of its impact on either the wellbeing of Christchurch and/or persons likely to be affected by or with an interest in that activity and/or the costs to or capacity of the Christchurch City Council to provide for the wellbeing of the city.

The Council considers each group of activities as they are grouped in the LTCCP or Annual Plan as a significant activity. The current groups are:

- City development
- Community support
- Cultural and learning services
- Democracy and governance
- Economic development
- Parks, open spaces and waterways
- Recreation and leisure
- Refuse minimisation and disposal
- Regulatory services
- Streets and transport
- Wastewater collection and treatment
- Water supply

Within each group a decision to cease or add a major component to the intended level of service is considered a significant activity.² Such decisions will be made only after they have been included in a statement of proposal in an LTCCP (or an amendment to the LTCCP). A decision altering the mode of delivery of a major component of a significant activity is considered by the Council as a decision altering the mode of delivery of the significant activity.³ Such decisions will only be made using the Special Consultative Procedure either within the framework of the LTCCP or Annual Plan, where practical, or on its own.



Policy on determining significance

Significant decisions

A significant decision is one that has a high degree of significance either in terms of its impact on the wellbeing of Christchurch and/or persons likely to be affected by or with an interest in that decision and/or the costs to or capacity of the Christchurch City Council to provide for the wellbeing of the city.

Council policy is that in making significant decisions, the decision-maker should consider information on the reasons for the decision, the options and their relative costs and benefits, and the views of those that are affected by or with an interest in the decision that are commensurate with the significance of that decision. It is the responsibility of the maker of the substantive decision (usually the full Council, a committee or a community board) to satisfy itself that the requirements of this policy are complied with.

Criteria that will be considered in determining the significance of the decision will include:

The extent to which the decision flows logically and consequentially from a significant decision already made or from a decision in the LTCCP (as amended) or the Annual Plan. If it does, then its significance depends principally on the variations between the identified options, because the decision to do something has already been taken.

- The magnitude of the decision in terms of its net cost to the Council. Most major spending decisions should be made in the context of the LTCCP or Annual Plan, so decisions involving unidentified and unbudgeted expenditure should receive at least as much scrutiny as they would have received if they had been included in the LTCCP or Annual Plan. For guidance, budget decisions involving more than \$5 million in capital expenditure or more than \$1 million in operating costs will usually be regarded as significant.
- The extent to which the options identified (including the 'do nothing' option where appropriate) have radically different effects in terms of, amongst other things: their costs, their benefits, the extent to which they impact on members of the community and which members they impact upon. The greater the variation, the greater the degree of significance.

- The extent to which the matter under consideration is controversial within the community.
- The reversibility test. The more difficult it is to reverse a decision, in general, the greater its significance. A decision which leads to a final outcome has greater significance than one where the outcome can be largely reversed in a different form.
- Precautionary principle. Where the significance of a matter being considered, or a decision being made is unclear, then the council will err on the side of treating the issue as of more, rather than less, significance.
- Practicality. The Act provides for the Council to take into account the circumstances under which a decision is taken and what opportunity there is to consider a range of options or the views and preferences of other people. In circumstances in which failure to make a decision urgently would result in loss of opportunities which are assessed as able to contribute to achieving the communities outcomes, then the Council will tailor its decision processes to allow as much evaluation and consultation as is practicable while achieving the timeline required.

For the avoidance of doubt, administrative decisions made by officers under delegated authority that flow from Council policy (e.g. the issuing or exempting from traffic infringement notices, the issuing of dog licences, the decision on the notification of a resource consent) are not significant in terms of this policy. The significance rests with the statutory provisions or the Council policy that guides these decisions and not with each decision made in administering the statutory provisions or the policy. The degree of importance to be attached to each criterion will be considered decision by decision. It follows that a high level of significance in one or more of the criteria may or may not result in the decision itself being assessed as having a high level of significance.

Policy on determining significance



Significant decisions that may impact on land or water of importance to Maori (section 77(1)(c))

Where the Christchurch City Council is considering a significant proposal or decision in relation to issues, assets or other matters where one or more of the options involves land or a body of water which is, or may be, important to the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu,⁴ valued flora and fauna or other taonga,⁵ then the views of the Maori will be sought on whether it is important and if so, whose views should be sought in order to inform the Council of the importance of that relationship. In applying this policy, the Council will err on the side of caution; that is, where it is uncertain whether the land or body of water being considered is of cultural importance to Maori, it will consult with Maori on that matter.

Strategic assets

Section 90 (2) of the Local Government Act 2002 requires the Council to identify and list the assets it considers to be strategic assets.

The assets that the Christchurch City Council considers to be strategic assets include:

- Its equity in Christchurch City Holdings Ltd;
- The equity that Christchurch City Holdings Ltd holds in each of the following subsidiaries (each subsidiary to be treated as a separate strategic asset for the purposes of this policy);
 - Lyttelton Port Company Limited;
 - Christchurch International Airport Limited;
 - Orion Group Limited;
 - Redbus Limited;
 - City Care Limited.
- The equity in Jade Stadium or its successor held either directly by the Christchurch City Council or through Christchurch City Holdings Limited;
- The equity in Christchurch City Facilities Limited or its successor held either directly





Policy on determining significance

by the Christchurch City Council or through Christchurch City Holdings Limited;

- Christchurch Town Hall;
- Its equity in Transwaste Canterbury Limited;
- The land and buildings as a whole owned by the Council for its public rental housing provision;
- The Christchurch Art Gallery and its permanent collection;
- The library network as a whole including the central library, the suburban libraries and the mobile library service;
- The Christchurch City roading network as a whole;
- The water supply network as a whole including reservoirs, pump stations and reticulation;
- The sewage collection, treatment and disposal system as a whole including the sewers,
 - pump stations and the treatment works;
- The land drainage system as a whole including the stormwater pipe network, the open river system, waterways, wetlands and retention basins;
- The reserves lands as a whole including land held under the Reserves Act and land used for parks, gardens, sports fields, recreational areas and cemeteries;
- The Council's built recreational facilities including its suburban swimming pools (Waltham and Halswell) and indoor pool complexes;
- The system as a whole of off-street parking facilities owned or operated by the Council;
- The public transport infrastructure system as a whole including the Bus Exchange, bus shelters and other bus related facilities;
- The Council's portfolio of Heritage Assets as a whole (excluding assets specifically acquired for on-selling after providing them with protective covenants);
- Harbour structures as a whole, including wharves, jetties, slipways, breakwaters and seawalls;
- The waste management system as a whole including transfer stations.

Section 97 of the Act requires that decisions to transfer the ownership or control of a strategic asset to or from the Council, or a decision to construct, replace or abandon a strategic asset can be taken only if the decision has been explicitly provided for by a statement of proposal in the Council's LTCCP.

Strategic assets as defined above are the assets in total and not the separate elements of the assets. That is, the requirements of section 97 are only triggered if the proposal relates to the asset as a whole or a major sub-part of the asset.

Notes:

1) The Act has the following definition of 'significant': Significant, in relation to any issue, proposal, decision, or any other matter means that the issue, proposal, decision, or other matter has a high degree of significance..

The same section defines significance as follows:

Significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:

- a. The current and future social, economic, environmental or cultural wellbeing of the district or region;
- b. Any persons who are likely to be particularly affected by, or interested in the issue, proposal, decision or matter;
- c. The capacity of the local authority to perform its role, and the financial and other costs of doing so.

2) For example, a proposal to stop funding events and festivals (being an element of the sports, leisure and events significant activity) as a group would be a proposal that significantly altered the intended level of service of a significant activity. However, decisions on the exact mix of festivals and events supported would not be considered to significantly alter the intended level of service.

3) To continue with the events and festivals example, as above, a proposal to provide all festivals 'inhouse' would be considered as the alteration of the mode of delivery of a significant activity. However a change of provider for an individual festival would not.

4) Sacred sites.

5) In this context this refers to land or bodies of water of cultural importance to Maori.

Policy on determining significance





Capital endowment fund

Capital Endowment Fund

In April 2001, the Council set up a Capital Endowment Fund of \$75 million. This fund was established using a share of the proceeds from the sale of Orion's investment in a gas company. The Fund is to provide an ongoing income stream which can be applied to economic development and civic and community projects.

In establishing the fund the Council resolved

1. that up to 100% of the available income from the fund be allocated in year 1 and up to 75% be allocated for subsequent years,
2. that the income from the fund be allocated each year in the following way:

Economic Development 70%

Civic and Community Projects 30%

the above general categories be reviewed on a three yearly cycle,

3. that if desired, funding for a particular category be carried forward to another year,
4. that Civic and Community projects which have a cost of less than \$100,000 in any one year not be funded from the Capital Endowment Fund,
5. that no single project be funded for more than three years, except in exceptional circumstances,
6. that the capital of the fund will not be used unless 80% of councillors vote in favour,
7. allocations to local community projects will follow the principle that all parts of the city will benefit, over a period, from local projects,
8. funds are managed in accordance with Council's Investment Policy.

Capital Endowment Fund Movements

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Inflation Adjusted Capital	83,354	85,855	88,430	90,730	92,726	94,580	96,472	98,401	100,369	102,377
Unallocated Funds carried forward (Civic)	401	-	-	-	-	-	-	-	-	-
Total Projected Opening Balance 1 July 2006	83,755	85,855	88,430	90,730	92,726	94,580	96,472	98,401	100,369	102,377
Plus Net Interest Earnings	5,863	6,010	5,969	6,124	6,259	6,384	6,512	6,642	6,775	6,910
Less Drawdowns for Projects (Funding Allocations)	(3,763)	(3,434)	(3,670)	(4,128)	(4,404)	(4,493)	(4,582)	(4,674)	(4,768)	(4,863)
Projected Closing Balance 30 June 2007	85,855	88,430	90,730	92,726	94,580	96,472	98,401	100,369	102,377	104,424

Capital endowment fund



Capital Endowment Fund - Funding Allocations

	Plan 2006/07 \$000's	Plan 2007/08 \$000's	Plan 2008/09 \$000's	Forecast 2009/10 \$000's	Forecast 2010/11 \$000's	Forecast 2011/12 \$000's	Forecast 2012/13 \$000's	Forecast 2013/14 \$000's	Forecast 2014/15 \$000's	Forecast 2015/16 \$000's
Estimated total available income from Fund after management expenses	3,362	3,434	3,670	4,128	4,404	4,493	4,582	4,674	4,768	4,863
Less not to be allocated until later years (25%)	-	(859)	(917)	(1,032)	(1,101)	(1,123)	(1,146)	(1,169)	(1,192)	(1,216)
Total income available for allocation this year	3,362	2,576	2,752	3,096	3,303	3,369	3,437	3,506	3,576	3,647
Economic Development 70%										
70% of net income available for allocation	2,354	1,803	1,927	2,167	2,312	2,359	2,406	2,454	2,503	2,553
Previously unspent budgets available for reallocation	-	-	-	-	-	-	-	-	-	-
Less already allocated	-	-	-	-	-	-	-	-	-	-
New initiatives	(100)	-	-	-	-	-	-	-	-	-
Unspecified economic development - Canterbury Economic Development Fund	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Balance available for Economic Development Projects	754	303	427	667	812	859	906	954	1,003	1,053
Civic and Community 30%										
30% of Net Income Available for Allocation	1,009	773	826	929	991	1,011	1,031	1,052	1,073	1,094
Previously Unspent Budgets Available for Reallocation	401	-	-	-	-	-	-	-	-	-
Less already allocated	-	-	-	-	-	-	-	-	-	-
Canterbury Museum Trust Board Building and Development Project Grant	(733)	(250)	-	-	-	-	-	-	-	-
Balance available for Civic and Community Projects	677	523	826	929	991	1,011	1,031	1,052	1,073	1,094



Governance and management



Governance and management



Governance and Management

Mayor

Garry Moore CA FNZIM

Deputy Mayor

Carole Evans QSO JP

Councillors

Helen Broughton MA(Hons) DipEd(GC)

Sally Buck M.Ed(Dist) MNZIM

Graham Condon QSM JP

Barry Corbett

David Cox FNZIM

Anna Crighton QSO JP MA(Hons)

Pat Harrow DipHort

Bob Parker

Bob Shearing

Gail Sheriff JP

Sue Wells BA

Norm Withers



Garry Moore



Carole Evans



Helen Broughton



Sally Buck



Graham Condon



Barry Corbett



David Cox



Anna Crighton



Pat Harrow



Bob Parker



Bob Shearing



Gail Sheriff



Sue Wells



Norm Withers

Community Board Members (Cr = City Councillor)

Akaroa-Wairewa



Stewart Miller (Chair)



Steve Lowndes (Deputy Chair) BA Dip Post Graduate



Winston McKean JP



Bryan Morgan



Bob Parker (Cr)



Eric Ryder



Caroline Kellaway JP



Tina Lomax DipTchg B.Ed PGChAd (Dist)



Don Rowlands MA MEd



Gail Sheriff (Cr)



Pat Harrow DipHort (Cr)



Andrew Yoon JP

Burwood-Pegasus



Glenda Burt (Chair)



Carmen Hammond (Deputy Chair)



Carole Evans (Cr)

Fendalton-Waimairi



Mike Wall (Chair)



Val Carter (Deputy Chair)



Sally Buck MEd (Cr)



Faimah Burke MA



Cheryl Colley JP MA(Hons) BBS DipTchg

Hagley-Ferrymead



Bob Todd OBE JP (Chair)



Yani Johanson (Deputy Chair)



David Cox (Cr)



Anna Crighton QSO JP MA(Hons) (Cr)



John Freeman JP MA



Brenda Lowe-Johnson



Dr Brendan Smith MB ChB

Governance and management



Lyttelton-Mt Herbert



Claudia Reid (Chair)



Jeremy Agar (Deputy Chair)



Stuart Bould C Eng



Ann Jolliffe



Bob Parker (Cr)



Dawn Te-Riaki Kottier QSM

Riccarton-Wigram



Peter Laloli (Chair)



Dr Neville Bennett JP BSc (Econ)(Hons) PhD (Deputy Chair)



Helen Broughton MA(Hons) DipEd (GC) (Cr)



Lesley Keast QSM JP



Mike Mora



Bob Shearing (Cr)



Tony Sutcliffe JP ABINZ DipBus DipMgmt

Shirley-Papanui



Yvonne Palmer QSM JP (Chair)



Myra Barry QSO JP (Deputy Chair)



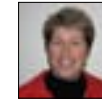
Bill Bush



Ngaire Button



Graham Condon QSM JP (Cr)



Megan Evans



Norm Withers (Cr)

Spreydon-Heathcote



Phil Clearwater MA(Hons) (Chair)



Oscar Alpers LLB Notary Public (Deputy Chair)



Barry Corbett (Cr)



Paul de Spa



Chris Mene



Sue Wells BA (Cr)



Megan Woods BA (Hons) MA PhD



Governance and management

Chief Executive

Dr Lesley McTurk

General Managers

Human Resources

Philippa Jones

Corporate Services

Roy Baker

Public Affairs

Stephen Hill

Regulation and Democracy Services

Peter Mitchell

City Environment

Jane Parfitt

Community Services

Stephen McArthur

Strategy and Planning

Mike Theelen

Director Strategic Investment

Bob Lineham

Capital Works

(Vacant)



Dr Lesley McTurk



Philippa Jones



Roy Baker



Stephen Hill



Peter Mitchell



Jane Parfitt



Stephen McArthur



Mike Theelen



Bob Lineham





Notes

