

## **Finance and Performance Committee of the Whole**

### **AGENDA**

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#### **Notice of Meeting:**

An ordinary meeting of the Finance & Performance Committee of the Whole will be held on:

**Date:** Thursday 7 March 2019  
**Time:** 9.30am  
**Venue:** Council Chambers, Civic Offices,  
53 Hereford Street, Christchurch

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#### **Membership**

Chairperson	Councillor Raf Manji
Deputy Chairperson	Deputy Mayor Andrew Turner
Members	Mayor Lianne Dalziel
	Councillor Vicki Buck
	Councillor Jimmy Chen
	Councillor Phil Clearwater
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor David East
	Councillor Anne Galloway
	Councillor Jamie Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Glenn Livingstone
	Councillor Tim Scandrett
	Councillor Deon Swiggs
	Councillor Sara Templeton

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**1 March 2019**

#### **Principal Advisor**

Carol Bellette  
General Manager Finance

Samantha Kelly  
Committee and Hearings Advisor  
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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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# Strategic Framework

**The Council's Vision** – Christchurch is a city of opportunity for all.

Open to new ideas, new people and new ways of doing things – a city where anything is possible.

## Whiria ngā whenu o ngā papa Honoa ki te maurua tāukiuki

Bind together the strands of each mat  
And join together with the seams of respect  
and reciprocity.

The partnership with Papatipu Rūnanga  
reflects mutual understanding and respect,  
and a goal of improving the economic,  
cultural, environmental and social  
wellbeing for all.

### Overarching Principle

Partnership – Our  
people are our taonga  
– to be treasured and  
encouraged. By working  
together we can create  
a city that uses their  
skill and talent, where  
we can all participate,  
and be valued.

### Supporting Principles

Accountability	Collaboration
Affordability	Prudent Financial Management
Agility	Stewardship
Equity	Wellbeing and resilience
Innovation	Trust

## Community Outcomes

What we want to achieve together as our city evolves

### Strong communities

Strong sense of  
community  
Active participation in  
civic life  
Safe and healthy  
communities  
Celebration of our  
identity through arts,  
culture, heritage and  
sport  
Valuing the voices of  
children and young  
people

### Liveable city

Vibrant and thriving  
central city, suburban  
and rural centres  
A well connected and  
accessible city  
Sufficient supply of, and  
access to, a range of  
housing  
21st century garden city  
we are proud to live in

### Healthy environment

Healthy waterways  
High quality drinking  
water  
Unique landscapes and  
indigenous biodiversity  
are valued  
Sustainable use of  
resources

### Prosperous economy

Great place for people,  
business and investment  
An inclusive, equitable  
economy with broad-  
based prosperity for all  
A productive, adaptive  
and resilient economic  
base  
Modern and robust  
city infrastructure and  
community facilities

## Strategic Priorities

Our focus for improvement over the next three years and beyond

Enabling active citizenship and connected  
communities

Maximising opportunities to develop a vibrant,  
prosperous and sustainable 21st century city

Climate change  
leadership

Informed and proactive  
approaches to natural  
hazard risks

Increasing active, public  
and shared transport  
opportunities and use

Safe and sustainable  
water supply and  
improved waterways

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**FINANCE AND PERFORMANCE COMMITTEE OF THE WHOLE - TERMS OF REFERENCE**

Chair	Councillor Manji
Deputy Chair	Deputy Major Turner
Membership	The Mayor and all Councillors
Quorum	Half of the members if the number of members (including vacancies) is even, or a majority of members if the number of members (including vacancies) is odd
Meeting Cycle	Monthly
Reports To	Council

**Area of focus**

The focus of the Finance and Performance Committee is the financial and non-financial performance of the Council, including the delivery of the Council's Capital Programme, CCHL and its subsidiaries, and any other Council Controlled Organisations.

In making recommendations or exercising its delegations, the Committee must manage the matters referred to in section 101 of the Local Government Act 2002 which includes that the Council must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

The Finance and Performance Committee considers and, if the matter is not within the Committee's delegated authority, reports to Council on matters relating to:

- The delivery of the Council's Capital Programme
- The Council's operational and capital expenditure, including any material discrepancies from planned expenditure
- Leading and overseeing the Council's strategic relationship with the Crown, including specific strategic projects of shared interest and interface with the Crown, including the Cost Share Agreement and matters under the Greater Christchurch Regeneration Act 2016
- The financial and non-financial performance of the Council and Council Controlled Organisations, and governance decisions related to Council Controlled Organisations
- The Council's financial and funding policies under section 102 of the Local Government Act 2002
- Debt write-offs and status of Council debtors
- Acquisition or disposal of property where required for the delivery of the Capital Programme
- Council insurance policies and related matters and litigation
- The development of the Annual Report for consideration by Council
- Advising and supporting the Mayor to lead the development of the Long Term Plan and Annual Plan, including setting the overall parameters, strategic direction and priorities, and the development of a consultation document.
- Reviewing the delivery of services under s17A
- Submissions to external bodies relating to the area of focus of the Finance and Performance Committee

## **Delegations**

The Council delegates to the Finance and Performance Committee authority to:

- Monitor the delivery of the Council's Capital Programme, including inquiring into any material discrepancies from planned expenditure
- Monitor the financial and non-financial performance of the Council and Council Controlled Organisations, including carrying out all of the Council's obligations under sections 65 to 72 of the Local Government Act 2002
- Exercise the Council's powers directly as the shareholder, or through CCHL, or in respect of an entity (within the meaning of section 6(1) of the Local Government Act 2002) in relation to –
  - (without limitation) the modification of constitutions and/or trust deeds, and other governance arrangements, granting shareholder approval of major transactions, appointing directors or trustees, and approving policies related to Council Controlled Organisations
  - in relation to the approval of Statements of Intent and their modification (if any)
- Purchase or dispose of property where required for the delivery of the Capital Programme, in accordance with the Council's Long Term Plan, and where those acquisitions or disposals have not been delegated to another decision-making body of the Council or staff.
- Adopt funding and financial policies other than those that must be adopted as part of the Council's Long-Term or Annual Plans
- As may be necessary from time to time, approve amendments to the Capital Programme outside the Long Term Plan or Annual Plan processes
- Approve preferred suppliers for capital projects where the value of the contract exceeds \$15 Million
- Approve preferred suppliers and contracts from both capital and operational budgets relating to the Council's Information Technology systems where the value of the contract exceeds \$15 Million of capital expenditure or \$10 Million of operational expenditure.
- Amend levels of service targets, unless the decision is precluded under section 97 of the Local Government Act 2002
- Approve debt write-offs where those debt write-offs are not delegated to staff
- Insurance matters, including considering legal advice from the Council's legal and other advisers, approving further actions relating to the issues, and authorising the taking of formal actions.
- Authorise submissions to external bodies relating to the area of focus of the Finance and Performance Committee

The Committee delegates to the following subcommittees or working groups the responsibility to consider and report back to the Committee:

- Insurance Subcommittee

Part A	Matters Requiring a Council Decision
Part B	Reports for Information
Part C	Decisions Under Delegation

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## **1. Apologies**

At the close of the agenda no apologies had been received.

## **2. Declarations of Interest**

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

## **3. Confirmation of Previous Minutes**

That the minutes of the Finance and Performance Committee of the Whole meeting held on [Thursday, 7 February 2019](#) be confirmed (refer page 8).

## **4. Public Forum**

A period of up to 30 minutes may be available for people to speak for up to five minutes on any issue that is not the subject of a separate hearings process.  
It is intended that the public forum session will be held at 9.30am.

## **5. Deputations by Appointment**

There were no deputations by appointment at the time the agenda was prepared.

## **6. Petitions**

There were no petitions received at the time the agenda was prepared.

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## Finance and Performance Committee of the Whole OPEN MINUTES

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**Date:** Thursday 7 February 2019  
**Time:** 9.33am  
**Venue:** Council Chambers, Civic Offices,  
53 Hereford Street, Christchurch

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**Present**

Chairperson	Councillor Raf Manji
Deputy Chairperson	Deputy Mayor Andrew Turner
Members	Mayor Lianne Dalziel
	Councillor Vicki Buck
	Councillor Jimmy Chen
	Councillor Phil Clearwater
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor David East
	Councillor Anne Galloway
	Councillor Jamie Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Glenn Livingstone
	Councillor Tim Scandrett
	Councillor Deon Swiggs
	Councillor Sara Templeton

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7 February 2019

**Principal Advisor**  
Carol Bellette  
General Manager Finance

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- Part A      **Matters Requiring a Council Decision**  
Part B      **Reports for Information**  
Part C      **Decisions Under Delegation**
- 

The agenda was dealt with in the following order.

**1. Apologies**

Part C

**Committee Resolved FPCO/2019/00001**

That the apology from Councillor Scandrett for early departure be accepted.

Councillor Gough/Councillor Davidson

Carried

**2. Declarations of Interest**

Part B

There were no declarations of interest recorded.

**3. Confirmation of Previous Minutes**

Part C

**Committee Resolved FPCO/2019/00002**

That the minutes of the Finance and Performance Committee meeting held on Wednesday, 5 December 2018 be confirmed.

Councillor Manji/Councillor Davidson

Carried

**4. Public Forum**

Part B

There were no public forum presentations.

**6. Presentation of Petitions**

Part B

There was no presentation of petitions.

**Chairperson Introduction**

Councillor Manji provided an introduction to the first Finance and Performance Committee of the Whole meeting.



## 5. Deputations by Appointment

### Part B

#### 5.1 David Lynch - Momentum Public Relations Ltd

David Lynch presented to the Committee regarding Item 16 – Central City Activation, Events and Attractions Package.

## 8. Christchurch Town Hall Project Monthly Update

### Committee Resolved FPCO/2019/00003

#### Part B

That the Finance and Performance Committee of the Whole:

1. Receives the report.

Councillor Templeton/Councillor Cotter

Carried

## 9. Capital Delivery Major Facilities Elected Member Update

### Committee Comment

1. The Committee resolved to receive the report.
2. The Committee also requested for the original approved project budgets and delivery timeframes be included in future Capital Delivery Major Facilities Update reports, including explanatory notes, if the project budget or timeframes have changed.

### Committee Resolved FPCO/2019/00004

#### Part C

That the Finance and Performance Committee of the Whole:

1. Receive the information in the attached Capital Delivery Major Facilities Project Updates report.
2. Note the additional reporting requirements requested by the Committee.

Councillor Templeton/Mayor

Carried

Councillor Livingstone left the meeting at 10.30am and returned at 10.33am during consideration of item 10.

## **10. Capital Programme Performance Report**

### **Staff Recommendations**

That the Finance and Performance Committee of the Whole:

1. Receive the information in the Capital Programme Performance report.
2. Request further information on specific projects or portfolios.

### **Committee Resolved FPCO/2019/00005**

#### **Part C**

That the Finance and Performance Committee of the Whole:

1. Receive the information in the Capital Programme Performance report.

Councillor Clearwater/Councillor Davidson

Carried

Councillor Buck left the meeting at 11.24am during consideration of item 11.

## **11. Financial Performance report for the six months to 31 December 2018**

### **Committee Resolved FPCO/2019/00006**

#### **Part B**

That the Finance and Performance Committee of the Whole:

1. Receives the information in the report.

Councillor Davidson/Councillor Chen

Carried

The meeting adjourned at 11.27am and reconvened at 11.45am. Councillors Davidson was not present at this time.

Councillor Scandrett left the meeting at 11.27am and did not return to the meeting.

Councillors Gough and Livingstone left the meeting at 12.08pm during consideration of item 12.

Councillor Davidson returned to the meeting at 12.11pm during consideration of item 12.

Councillor Gough returned to the meeting at 12.15pm during consideration of item 12.

Councillor Davidson left the meeting at 12.17pm and returned at 12.17pm during consideration of item 12.

## **12. Performance Reporting for December 2018**

### **Committee Resolved FPCO/2019/00007**

#### **Part B**

That the Finance and Performance Committee of the Whole:

1. Receive the information in the monthly Level of Service Exceptions report for December 2018.

Councillor Swiggs/Councillor Templeton

Carried

## **13. Corporate Finance Report for the period ending 31 December 2018**

### **Committee Resolved FPCO/2019/00008**

#### **Part B**

That the Finance and Performance Committee of the Whole:

1. Receives the information in the report;
2. Notes the status of the Treasury Policy Compliance; and
3. Notes the status of the Rates and Non-Rates Debtor balances.

Councillor Templeton/Councillor Swiggs

Carried

Councillor Buck left the meeting at 12.48pm and returned at 12.56pm during consideration of item 14.

## Report from Banks Peninsula Community Board - 17 December 2018

### 14. Akaroa Community Health Centre Funding Request

#### Committee Comment

1. At its meeting on 24 January 2019 the Council resolved that the report on the Akaroa Community Health Centre Funding Request and the Banks Peninsula Community Board recommendations be referred to the 7 February 2019 Finance and Performance Committee of the Whole. The Council also delegated to the Committee decision-making authority in respect of the report.

#### Staff Recommendations

That Te Pātaka o Rākaihautū/Banks Peninsula Community Board recommends to Council that it either:

1. Agrees in principle to the request from the Akaroa Community Health Trust to provide it with One-off Council Grant funding up to a maximum of \$1,300,000. The Grant to be used to fund the Trust's outstanding funding commitment to the Canterbury District Health Board for the Akaroa Community Health Centre.

Or:

Declines the Akaroa Community Health Trust request for One-off Council Grant funding up to a maximum of \$1,300,000.

Or:

Defers consideration of the request for funding until the end of 2019 to enable the Akaroa Community Health Trust to have a clearer view of its eventual funding requirements.

That Te Pātaka o Rākaihautū/Banks Peninsula Community Board recommends to Council that if it agrees in principle to provide the Akaroa Community Health Trust with One-off Council Grant funding (Option 1 above), that:

2. The Council proposes that the Grant be paid for from a Grants Targeted Rate on properties in the Akaroa and Bays area, on the basis that the Rate is:
  - a. Applied to all rateable units in the Akaroa subdivision of the Banks Peninsula ward;
  - b. Calculated on a proportional basis according to the capital value of each Rating Unit;
  - c. Applied for a maximum of ten years from 1 July 2019 – 30 June 2028/29;
  - d. Limited in total revenue raised to a maximum of \$1,300,000 adjusted for interest revenue and interest costs arising from the difference in timing between when the Targeted Rate revenue is received and when the One-off Council Grant is paid;
  - e. Calculated based on the interest rate earned by ratepayers on Targeted Rate amounts paid to Council before the Grant is paid in 2022/23 being 3.0 per cent (being an estimate of what the Council would earn by investing those funds on term deposit);
  - f. Calculated based on the interest rate paid by ratepayers on Targeted Rate revenue received after the Grant is paid in 2022/23 to be 4.5 per cent (being an estimate of what the Council would pay on borrowing over this period);

- g. Reduced if the Trust receives further funding from other sources – the Grants Targeted Rate will be the funder of last resort.
- 3. The Council uses a decision making process that includes appropriate community consultation that:
  - a. proposes the Council's preferred option as well as any other options the Council considers practicable;
  - b. meets the requirements of section 82 of the Local Government Act 2002;
  - c. is focused on the communities directly affected by the proposal but be open to all Christchurch residents;
- 4. The Council agrees that a Hearings Panel be convened at the completion of the consultation period to receive and hear submissions on the proposal, deliberate on those submissions, and to report back recommendations to the Council.

**Banks Peninsula Community Board Recommendations to the Finance and Performance Committee of the Whole**

That the Finance and Performance Committee of the Whole:

- 1. Agrees in principle, subject to community consultation, to the request from the Akaroa Community Health Trust to provide it with One-off Council Grant funding up to a maximum of \$1,300,000. The Grant to be used to fund the Trust's outstanding funding commitment to the Canterbury District Health Board for the Akaroa Community Health Centre, subject to the Council using a decision making process that includes appropriate community consultation as follows:
  - a. proposes the Council's preferred option as well as any other options the Council considers practicable, including:
    - i. the community is asked if they support a targeted rate;
    - ii. options of a four year and ten year rating period;
    - iii. the community is asked what level of support should be required for the targeted rate to be implemented;
  - b. the Community Board formally approves the Consultation Document;
  - c. meets the requirements of section 82 of the Local Government Act 2002;
  - d. is focused on the communities directly affected by the proposal but be open to all Christchurch residents;
- 2. Agrees that a Hearings Panel be convened and hearings held, including in Akaroa, at the completion of the consultation period to receive and hear submissions on the proposal, deliberate on those submissions, and to report back recommendations to the Council.
- 3. The grant be reduced if the Trust receives further funding from other sources – the Grants Targeted Rate will be the funder of last resort.

**Committee Resolved FPCO/2019/00009**

**Part C**

The Finance and Performance Committee of the Whole noted the Banks Peninsula Community Board's recommendations and resolved as follows:

That the Finance and Performance Committee of the Whole:

1. Agrees in principle to the request from the Akaroa Community Health Trust for a one-off Council grant of up to \$1.3 million to assist the Trust meet a funding commitment to the Canterbury District Health Board for the new Akaroa Community Health Centre;
2. Agrees the amount of the grant, if made, will be recovered through a fixed charge targeted rate paid by rate payers in the Akaroa subdivision of the Banks Peninsula ward;
3. Expects the Trust to continue using its best endeavours to raise the funds it requires from other sources, so that the grant/targeted rate mechanism is used as a last resort only;
4. Requests that before the Council makes a final decision on the matter, staff undertake a consultation process that:
  - a. ascertains the level of support of community support for the grant being made and recovered through a fixed charge targeted rate;
  - b. ascertains the level of support from ratepayers in the Akaroa subdivision of the Banks Peninsula Ward for paying a fixed charge targeted rate over a 4 year, 10 year, or other rating period;
  - c. includes the appointment of a Hearings Panel to hear oral submissions, sitting in Akaroa as well as any other place determined by the Panel;
  - d. will ensure the Panel's recommendations are received and considered by the Council before the meeting at which the Council adopts its 2019/20 Annual Plan and sets rates for the 2019/20 year;
5. Requests the Hearings Panel, in its deliberations, to be satisfied the level of response to the consultation and support for the grant/targeted rate from the wider community and the affected ratepayers is substantial and convincing before the Panel makes a decision on its recommendations to the Council.

Councillor Manji/Councillor Templeton

Carried

The meeting adjourned at 12.56pm and reconvened at 2.03pm. The Mayor, Councillor Buck and Councillor Clearwater were not present at this time.

The Mayor returned to the meeting at 2.04pm during consideration of item 15.

Councillors Buck and Clearwater returned to the meeting at 2.06pm during consideration of item 15.

## 15. Wastewater Heat Recovery Linwood Pool

### Committee Comment

1. The Committee resolved the staff recommendations without change.

### Committee Resolved FPCO/2019/00010

### Part C

That the Finance and Performance Committee of the Whole:

1. Approve the increase of the Linwood Pool budget from \$21,641,750 to \$22,719,750 (an increase of \$1,078,000) to enable the integration of a wastewater heat recovery system within the Linwood Pool facility.
2. Approve the funding of the waste water heat recovery system for the Linwood Pool up to \$1,078,000 through reprioritisation of 'Recreation and Sport Buildings & Plant R&R Programme' FY21.
3. Request that staff also seek third party funding for the wastewater heat recovery system for the Linwood pool.
4. Note that this initiative directly aligns with Council's Strategic Priority of Climate Change Leadership.

The division was declared **carried** by 9 votes to 6 votes the voting being as follows:

**For:** Deputy Mayor Turner, Mayor Dalziel, Councillor Buck, Councillor Chen, Councillor Clearwater, Councillor East, Councillor Galloway, Councillor Johanson and Councillor Templeton

**Against:** Councillor Manji, Councillor Davidson, Councillor Gough, Councillor Keown, Councillor Livingstone and Councillor Swiggs

**Abstained:** Councillor Cotter

Councillor Templeton/Councillor Johanson

**Carried**

## 16. Central City activation, events and attraction package

### Staff Recommendations

That the Committee of the Whole:

1. Agree in principle to the establishment of a winter package to support the Central City.
2. Recommend to the Council that \$280,000 funding to support the proposed winter package is added to the 2019/2020 draft Annual Plan, noting that the final decision to include funding will be considered before adoption of the draft and final 2019/2020 Annual Plan.
3. Recommend that the Council delegates to the Head of Urban Design, Regeneration and Heritage and the Head of Recreation, Sports and Events – in conjunction with ChristchurchNZ - the decision to jointly approve the details of the winter package, noting that this will contain elements of:
  - a. Extending the existing events programme and establishing an activation programme;
  - b. Delivering a strategic marketing campaign, complemented by a local campaign; and
  - c. Coordinating with retailers and hospitality to leverage visitation.
4. Recommend that the Council note that the reporting and monitoring of the winter package will occur via reporting on the Central City Action Plan.

### Committee Resolved FPCO/2019/00011

#### Part C

That the Finance and Performance Committee of the Whole:

1. Decline the establishment of a Central City Winter Package, and notes that the Central City Development Forum continues to monitor progress in the central city to provide advice and ideas on central city activation as they arise.

*The division was declared **carried** by 10 votes to 6 votes the voting being as follows:*

**For:** *Councillor Manji, Deputy Mayor Turner, Mayor Dalziel, Councillor Buck, Councillor Chen, Councillor Clearwater, Councillor Cotter, Councillor Johanson, Councillor Livingstone and Councillor Templeton*

**Against:** *Councillor Davidson, Councillor East, Councillor Galloway, Councillor Gough, Councillor Keown and Councillor Swiggs*

Councillor Manji/Councillor Livingstone

**Carried**



## 17. Establishment of an Insurance Subcommittee

Committee Resolved FPCO/2019/00013

### Part C

That the Finance and Performance Committee of the Whole:

1. Establish an Insurance Subcommittee.
2. Adopts the Terms of Reference for the Insurance Subcommittee (Attachment A of this report).

Councillor Cotter/Councillor Keown

Carried

## 18. Insurance Summary

Committee Resolved FPCO/2019/00014

### Part C

That the Finance and Performance Committee of the Whole:

1. Receive the information in this report.
2. Request further work to be done on Resilience and Risk Finance and for staff to report back through the Insurance Subcommittee.

Councillor Manji/Mayor

Carried

## 19 Resolution to Exclude the Public

Committee Resolved FPCO/2019/00015

### Part C

That at 3.32pm the resolution to exclude the public set out on pages 172 to 173 of the agenda be adopted.

Councillor Manji/Deputy Mayor

Carried

**The public were re-admitted to the meeting at 4.33pm.**

**Meeting concluded at 4.33pm.**

**CONFIRMED THIS 7<sup>TH</sup> DAY OF MARCH 2019.**

**COUNCILLOR RAF MANJI  
CHAIRPERSON**



## 7. Capital Programme Performance Report

**Reference:** 19/191867

Ged Clink – Head of Programme Management Office

**Presenter(s):** David Adamson – General Manager City Services  
and Heads of Delivery

### 1. Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to be informed of Capital Programme Delivery Performance.

### 2. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Receive the information in the Capital Programme Performance report.

### Attachments

No.	Title	Page
A <a href="#">↓</a>	Capital Performance Summary	22

### Signatories

<b>Author</b>	Ged Clink - Head of Programme Management Office
<b>Approved By</b>	Carolyn Gallagher - Programme Director – Strategic Support Carol Bellette - General Manager Finance and Commercial (CFO)

## Finance and Performance Committee of the Whole

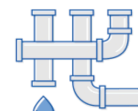
### Capital Performance Overview



**ALL OF CCC**



**TRANSPORT**



**3 WATERS**




**VERTICAL**



**OTHER DEPTS**



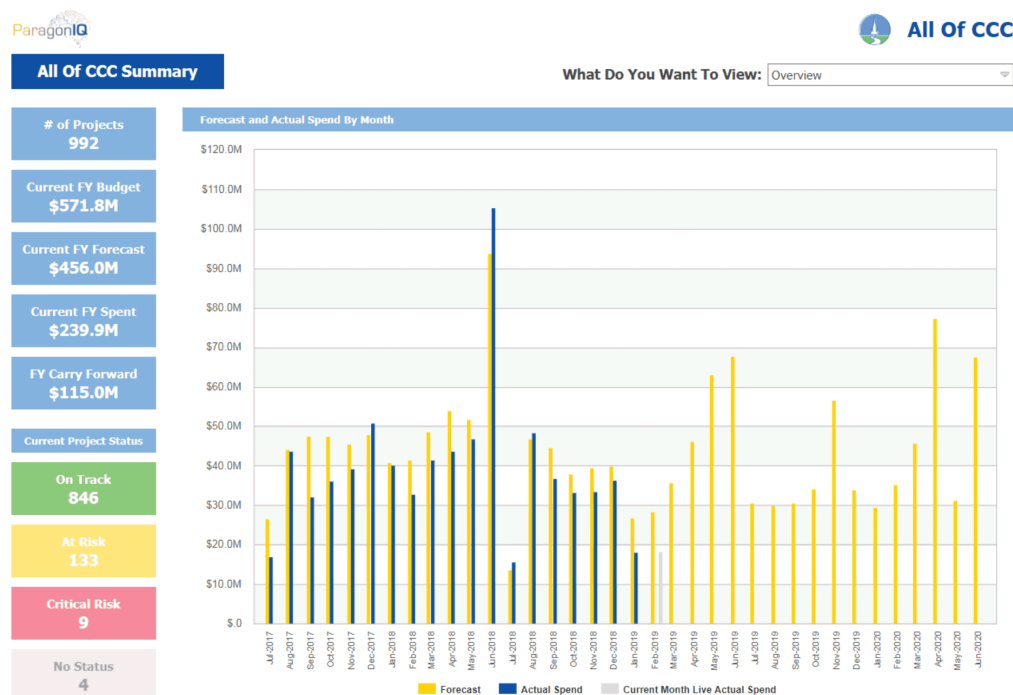
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Christchurch  
City Council 

## All of CCC

### Forecast v Actual Spend



### Overall Situation & Analysis

Council's Capital Programme is delivered through a number of business groups, teams and units. The teams which deliver to that programme are covered in this report. These are Transport, 3 Waters, Facilities – made up from 15 different teams/programmes and Other which is made up from 22 teams/programmes with capital budgets.

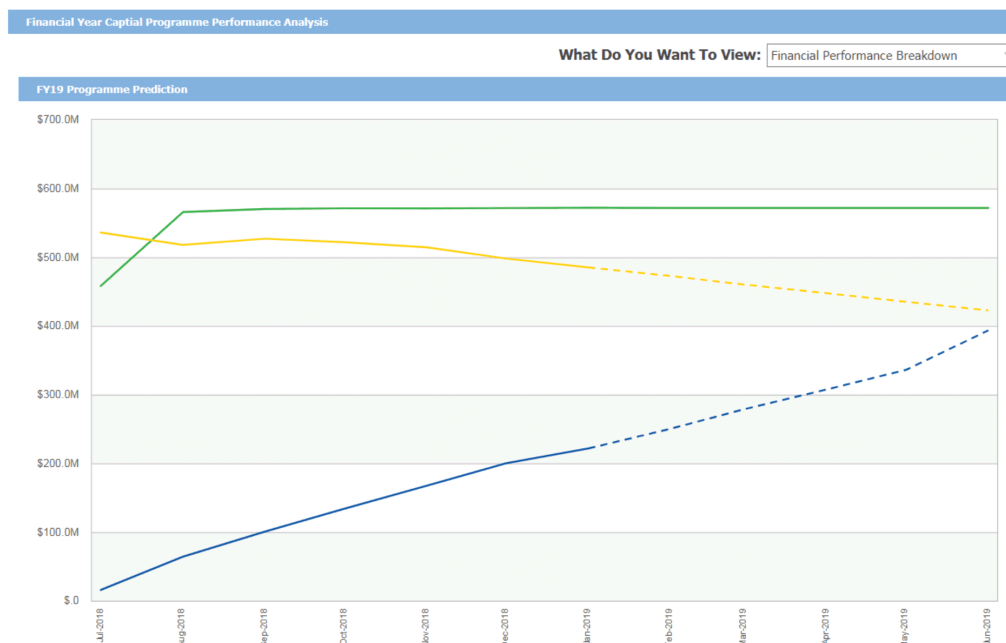
Council are currently delivering 992 Projects with an approved FY19 budget of \$571.8m. The organisational delivery forecast calculated via Project Manager forecasting is \$456m – a drop of \$28.7m since last report. A single payment of \$23m for the Central City Transport Interchange was the key driver of the drop as it has been declared a carryforward. Current financial year spend, as at February 22<sup>d</sup> 2019 is \$239.9m. The 'net' carryforward position has increased to \$115m, primarily driven by the Transport Interchange. Project Managers are currently forecasting to deliver 80% of the planned budget for the current financial year which is down from 85% since last report cycle.

Of note, \$72m of the approved FY19 budget is attributed to payments only. These are made to external organisations who have primary control over delivery and handover. These include the Metro Sports Facility - \$14.5m, the Central City Transport Interchange - \$22.9m and the Performing Arts Precinct - \$12.1m.

Spend over seven months (July – Jan) was \$222m against a forecast of \$249m which was 89%. Average monthly spend was \$31.7m. The forecasted spend for the remaining months is \$240m requiring an average monthly spend of \$48m.

All of CCC

Forward View



The above graph for all CCC capital delivery represents a 3 month rolling average of forecasts and compares it to actual delivery across the same period. The solid lines are actual results with the dotted lines extrapolating the trend out to year end.

As of December data, this number is \$400m which is lower than the current \$456m forecasted by the project managers. The holiday months of December and January – being lower - will have an effect on the final projected end result. The final delivery position should be higher than the \$400m.

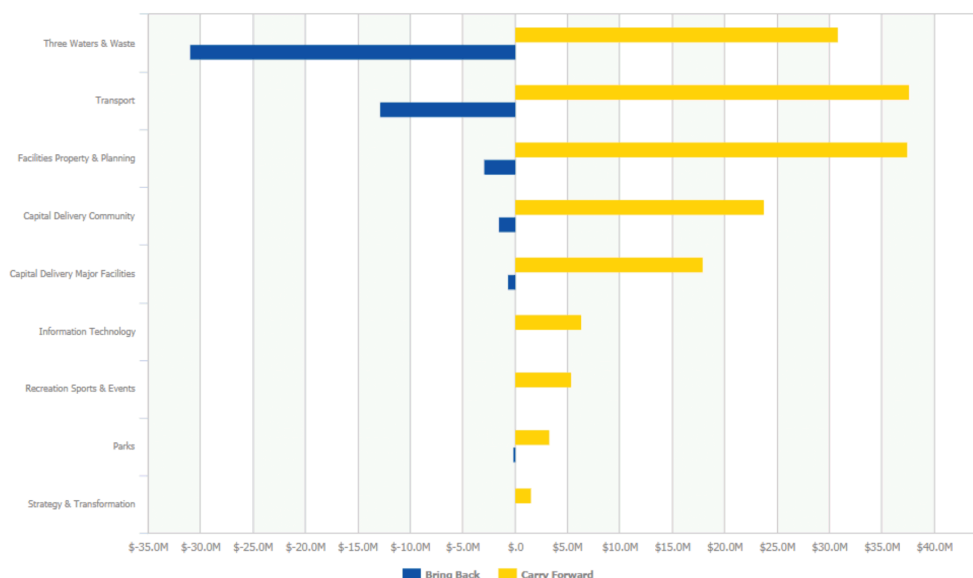
The chart as it stands would indicate an underspend of the original planned budget by approximately \$170m.

All of CCC

### Carryforward / Bringback Analysis

Delivery Department	Bring Back Projects	Carry Forward Projects	Bring Back Value	Carry Forward Value
Three Waters & Waste	45	85	-\$30,976,112	\$30,787,442
Transport	17	57	-\$12,859,033	\$37,594,625
Facilities Property & Planning	1	4	-\$2,912,525	\$37,460,381
Capital Delivery Community	12	65	-\$1,521,012	\$23,768,614
Capital Delivery Major Facilities	1	4	-\$639,164	\$17,864,661
Information Technology	0	9	\$0	\$6,336,229
Recreation Sports & Events	0	1	\$0	\$5,379,273
Parks	3	13	-\$124,398	\$3,288,083
Strategy & Transformation	0	3	\$0	\$1,551,884
	79 Project(s)	241 Project(s)	-\$49,032,244	\$164,031,192

Data Last Updated: 2019-02-22 09:28:11



Data Last Updated: 2019-02-22 09:28:11

The 'net' carryforward position of \$115m is the difference between monies declared as carryforward and monies declared as bringbacks.

The yellow bar represents project delivery dollars that have been pushed into future years and the blue bar represents new projects that have been brought forward from future years or projects already in delivery where work has been accelerated.

The following page provides some of the key projects driving the above variations

## Top 10 Carryforwards

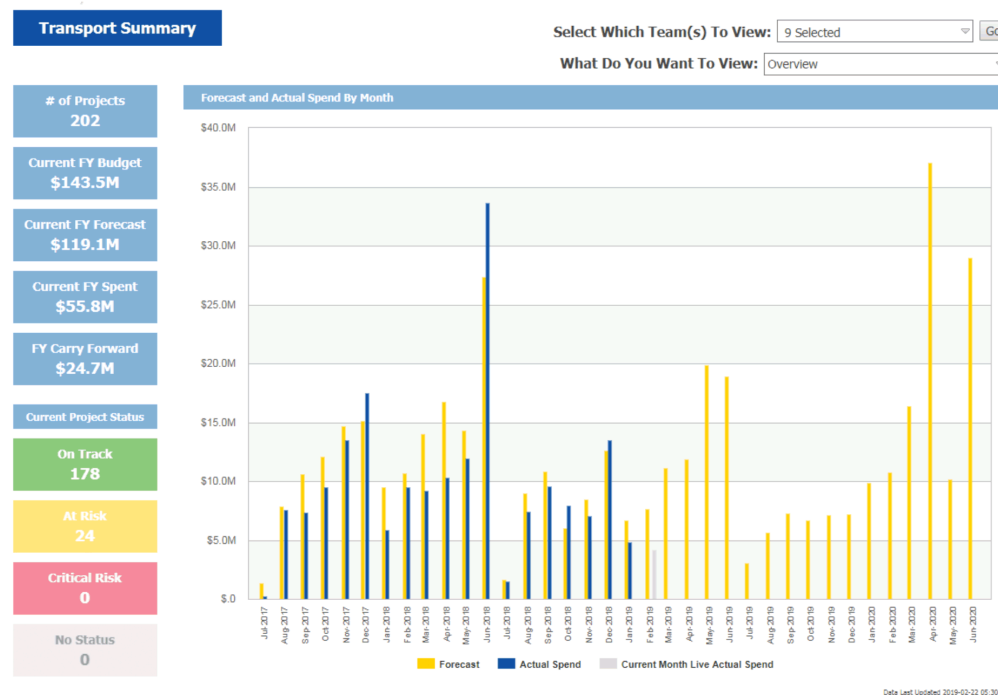
Project ID	Project Title	Project Phase	Current FY Budget	Carry Forward	Project Manager CPMS Comment
3170	Central City Transport Interchange	(Execute) Handover	\$ 22,932,999	\$ 22,932,999	Council has agreed to take over ownership of the building for \$23m. Negotiations for the transfer are ongoing and in the interests of managing Council cash flow and costs, we are forecasting that this expenditure will now occur in the 2019/20 financial year
67	Strategic Land Acquisitions Rolling Package	(Execute) Construction	\$ 26,394,879	\$ 14,108,735	The carry forward is predominately made up of land purchases that are delayed due to changes in the planned delivery date of substantial projects across Transport, Land Drainage and Vertical. These projects account for 67% of the carry forward. Work is currently underway to improve the budgeting process so that these adjustments can be made earlier in the financial management process. The remaining 33% relates to projects where the planning phase has been extended, delaying identification of the land purchase (eg Akaroa Wastewater).
10370	Performing Arts Precinct	Concept	\$ 12,109,280	\$ 12,109,280	Capital is available from July 2019. If the project is approved by Council, a design team will be appointed to commence work immediately. FY 2019 budget of \$12m will need to be carried forward to FY 20, 21 and 22. Forecasting to be planned with Michael Down, Finance Manager.
924	Halswell Junction Road Extension	(Execute) Design	\$ 6,828,333	\$ 5,451,241	A carry forward to FY20 is expected as it is not feasible to complete construction for the new level crossing before June 2019.
14700	Sumner Road Zone 3B Risk Mitigation - HI CSA funded	Close	\$ 5,415,198	\$ 4,586,825	The remaining budgets and contingencies for Sumner Road Programme. When final costs are established the remaining budget will be released towards final costs.
18324	AAC Victoria Street	(Execute) Design	\$ 4,594,700	\$ 4,452,266	Carry forward required as construction spend is delayed.
21129	Linwood Pool	Plan	\$ 3,937,509	\$ 3,860,509	Capital Spend (i.e. post Concept Design approval) not forecast to commence until late FY19. Carryforward of circa \$3.6m forecast for FY19.
1347	Intersection Improvement: Lower Styx / Marshland	(Execute) Design	\$ 3,371,338	\$ 3,262,183	Project progress has been delayed to finalisation of property issues.
47579	MCR Heathcote Expressway - Section 1 A- Ferry Rd	(Execute) Construction	\$ 4,412,855	\$ 2,862,618	Construction programme extends into FY20.
2717	CWTP EQ Repair Occupied Buildings	(Execute) Construction	\$ 3,877,877	\$ 2,774,334	Stage 2 Laboratory Building to go out to tender early FY19, contract award before Christmas, and construction start mid January 2019. Carryforward balance of budget to FY19.

## Top 10 Bringbacks

Project ID	Project Title	Project Phase	Current FY Budget	Carry Forward	Project Manager CPMS Comment
46474	LDRP 528 Eastman Wetlands	(Execute) Design	\$ 909,550	-\$ 1,346,146	A bring back will be required for early construction of Eastman Wetland Bund and Milns Drain Realignment. Delivering these items early in the programme provides more immediate flood relief for the downstream Heathcote River properties.
37234	WS Mains Renewal - Cannon Hill Cresc, Michael Ave and Centaurus Rd	(Execute) Construction	\$ 38,434	-\$ 1,402,208	These works were bought forward so that they could be combined with other FY19 WS works resulting in a number of delivery efficiency gains.
38943	WS Highfield Water Supply Mains	(Execute) Construction	\$ 104,244	-\$ 1,474,463	Water supply works bought forward to service a new sub-division development.
25805	WW Colombo St Trunk and Beckenham Cross Connection	(Execute) Construction	\$ 2,746,213	-\$ 1,480,000	Bringforward from FY20 to FY19 is due to construction being ahead of planned budget. Construction will be completed within FY19 coming in under the overall project budget.
37904	SW Summerset at Highest IPA	Concept	\$ 10,000	-\$ 2,258,139	Bringback from FY20 and 21 to comply with signed Infrastructure Provision Agreement
45455	LDRP 526 Curletts Flood Storage	(Execute) Construction	\$ 1,936,267	-\$ 2,860,937	A bring back required, as construction will now be completed in FY19. This is a great outcome as it provides more immediate relief from flood risk for downstream Heathcote River properties, and water quality treatment for Curlett Stream.
164	Footpath Renewals delivery project	(Execute) Construction	\$ 2,321,219	-\$ 2,870,712	Delivery has been advanced to take advantage of increased NZTA subsidy.
69	SLP Land Value Offset Rolling Package	(Execute) Construction	-\$ 11,240,725	-\$ 2,912,525	This relates to projects where land has been required earlier than originally planned.
9146	Coastal Pathway Project	(Execute) Construction	\$ 1,135,763	-\$ 3,661,091	Construction progress is faster than originally anticipated. Bring back required to complete construction. Works will be completed within overall budget.
890	WW Lyttelton Harbour Wastewater Scheme	(Execute) Construction	\$ 12,395,821	-\$ 11,054,618	Bring back required to accelerate programme. This achieves meeting timeframes for Lyttelton Harbour discharge consent expiry. Value with larger work packages in the market and efficiencies in integration of work fronts for supervision and construction. Minimises risks of raw WW overflows into Lyttelton Harbour as temporary WW management systems significantly shorter in duration.



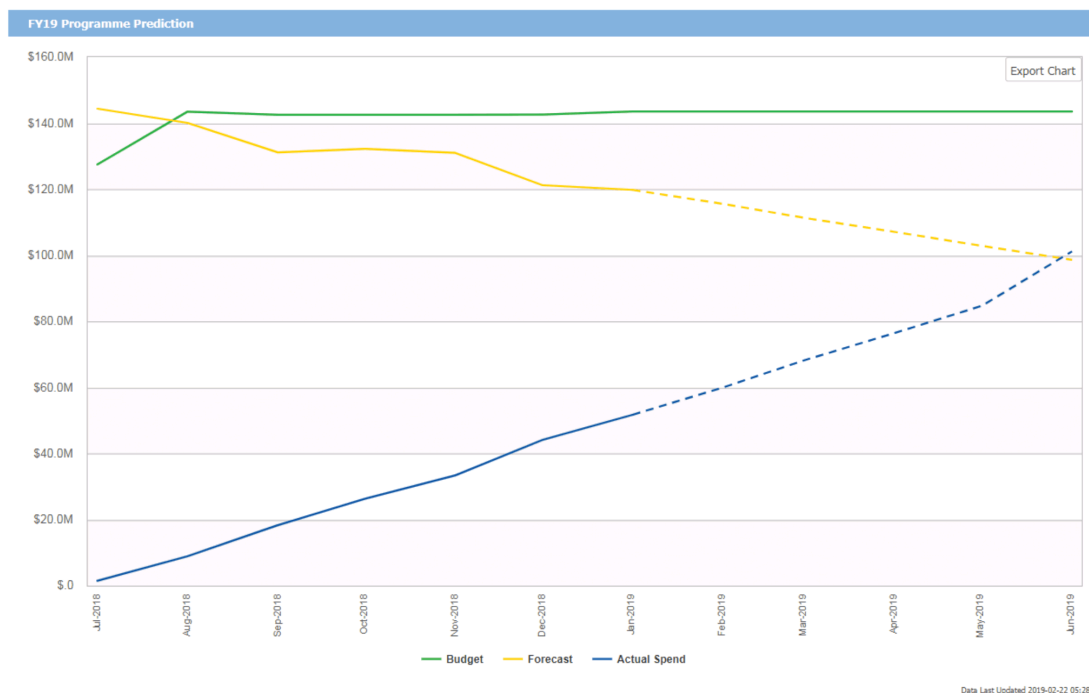
## Transport Portfolio



Transport are currently delivering 202 Projects with a total budget of \$143.5m. The project manager forecast is \$119.1m and the net carryforward position is \$24.7m, principally arising from Halswell Junction road, central city projects and Sumner Road.

Spend over seven months (July to Jan) was \$51.7m against a forecast of \$55m which was 94%. Average monthly spend for the first seven months was \$7.3m. The forecasted spend for the remaining five months is \$69m requiring an average monthly spend for that period of \$13.8m. **Transport are forecasting to deliver 83% of the planned budget for the current financial year.**

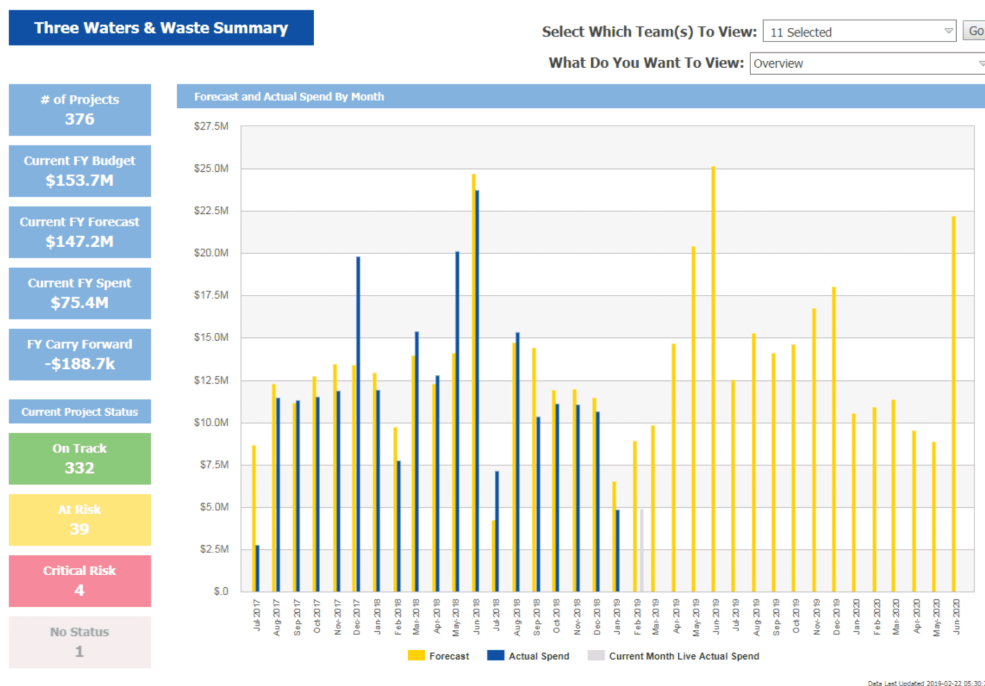
## Transport Forward View



The forecasted view is based on 3 month rolling trends for both project manager forecast and actual delivery. The months of December and January – being holiday periods will account for a lower 3 month average. As it stands the trend projections indicate Transport will deliver \$102m. The teams expect the final position to be higher than that.

### 3 Waters

#### Forecast v Actual Spend



3 Waters are currently delivering 376 Projects with a total budget of \$153.7m. The project manager forecast is \$147.2m and the net carryforward position is -\$188k bringback.

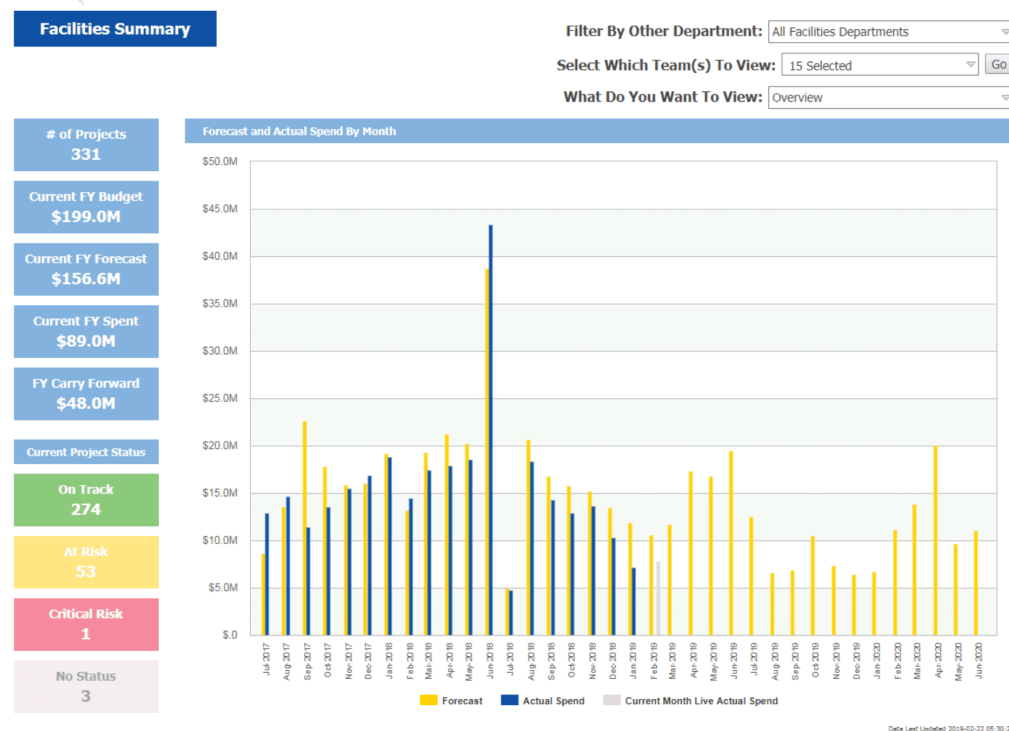
Spend over seven months (July to Jan) was \$70m against a forecast of \$75m which was 93%. Average monthly spend for the first seven months was \$10m. The forecasted spend for the remaining five months is \$79m requiring an average monthly spend for that period of \$15.8m. **3 Waters are forecasting to deliver 96% of the planned budget for the current financial year.**

### 3 Waters Forward View



The forecasted view is based on 3 month rolling trends for both project manager forecast and actual delivery. The months of December and January – being holiday periods will account for a lower 3 month average. As it stands the trend projections indicate 3 Waters will deliver \$125m. The teams expect the final position to be higher than that.

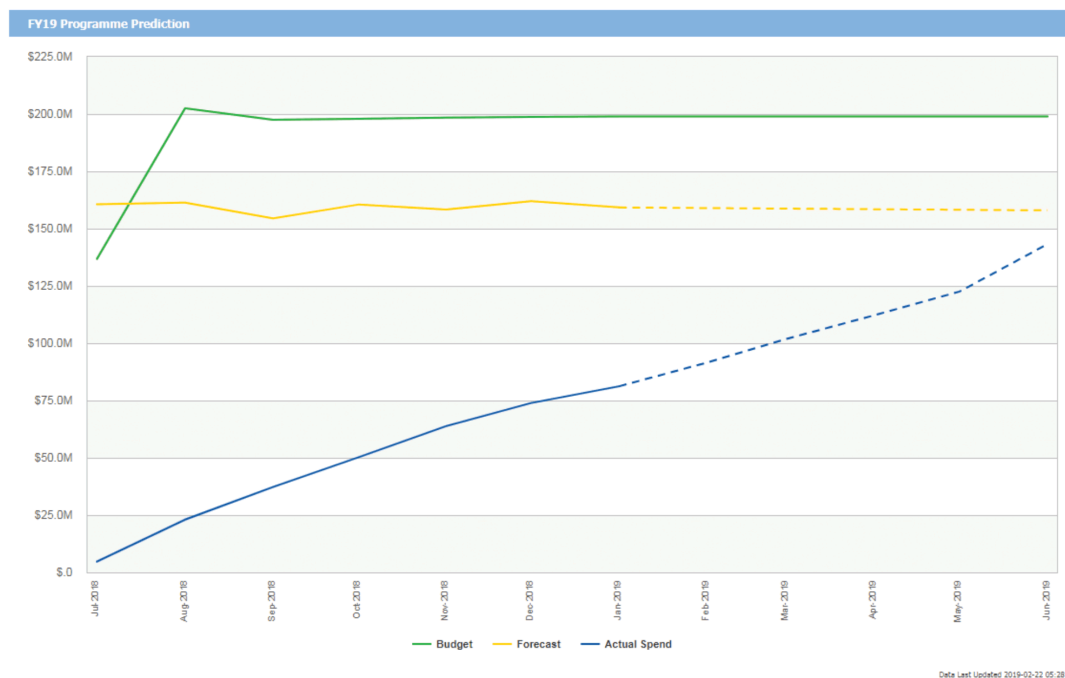
## Facilities Portfolio



The Facilities Portfolio comprises 15 different delivery areas, the key ones being Capital Delivery Community, Capital Delivery Heritage, Capital Delivery Social Housing, Anchor and Major Projects and various Parks delivery teams. Facilities are currently delivering 331 Projects with a total budget of \$199m. The project manager forecast is \$156.6m and the net carryforward position is \$48m, principally from the Performing Arts Precinct, New Brighton and Linwood Pool.

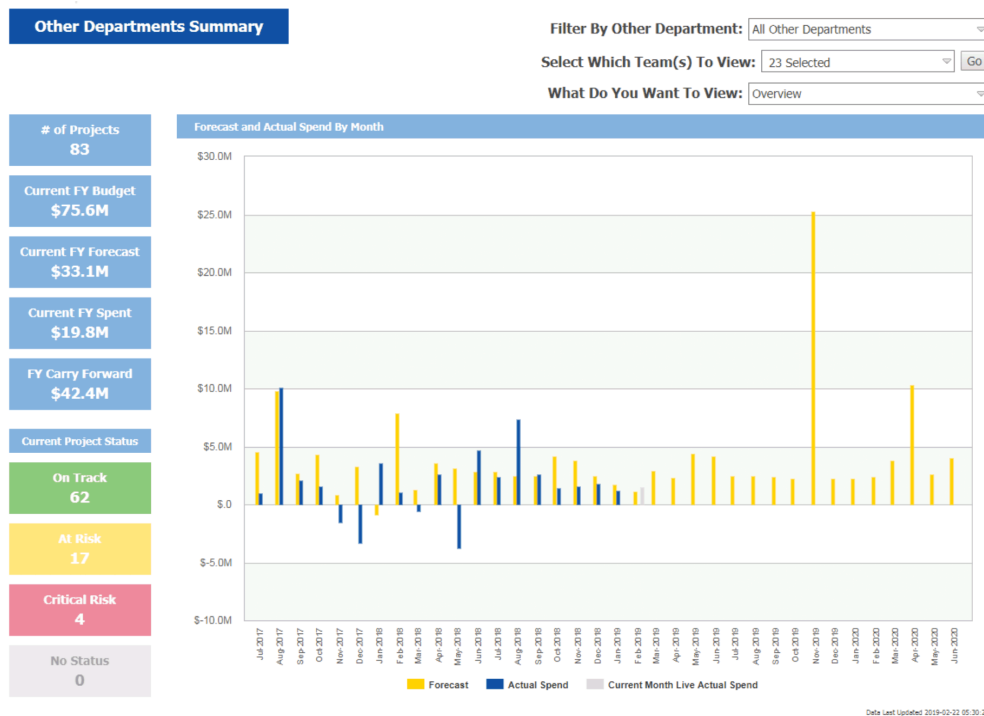
Spend over seven months (July to Jan) was \$81m against a forecast of \$98.5m which was 82%. Average monthly spend for the first seven months was \$11.5m. The forecasted spend for the remaining five months is \$76m requiring an average monthly spend for that period of \$15.2m. ***Facilities are forecasting to deliver 79% of the planned budget for the current financial year.***

## Facilities Forward View



Facilities is made up of 15 different delivery groups and portfolios. In Aug 2018 these were combined and all now report through to GM Citizens & Community. Some of the key delivery groups in this report include Community, Heritage & Social Housing, Parks, Major & Anchor and Technical Support. The spikes in September were due to the financial systems aligning to the new structure. Facilities forecasting is the most consistent of all delivery groups. The delivery trend – based on a 3 month rolling average - indicates they may fall short of achieving the forecast but this trend will likely have dropped due to the festive holiday period. If they can ramp delivery by a small percentage then they should achieve the current forecast. As it stands the trend prediction indicates Facilities will deliver \$147m.

## Other Departments Portfolio



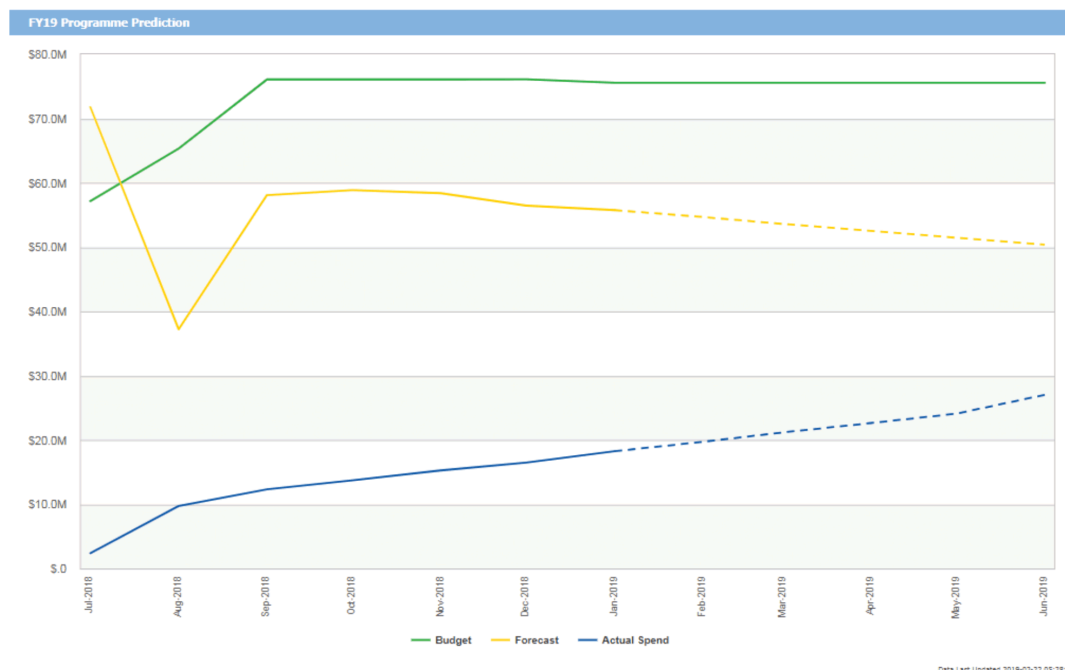
Other Departments is made up of 22 different delivery groups and portfolios. Some key delivery teams include IT, CDEM, Digital Channel, Regulatory Compliance and Strategy and Transformation.

Other Departments are currently delivering 83 Projects with a total budget of \$75.6m. The project manager forecast is \$33.1m and the net carryforward position is \$42.4m, principally from strategic land purchase.

Spend over seven months (July to Jan) was \$18m against a forecast of \$20m which was 90%. Average monthly spend for seven months (July to Jan) was \$2.5m. The forecasted spend for the second half of the year is \$14.7m requiring an average monthly spend for that period of \$2.54m. ***Other are forecasting to deliver 44% of the planned budget for the current financial year.***

Other

Forward View



The forecasted view is based on 3 month rolling trends for both project manager forecast and actual delivery. The months of December and January – being holiday periods will account for a lower 3 month average. There was a data extraction issue with the graphing information presented last month. This has now been corrected and the forecast is accurate to the end of Jan 19 as per the above graph. The Transport Interchange payment has since been declared as a carryforward. In next reporting cycle this will result in the yellow forecast trend dropping towards the blue delivery trend.



## 8. Performance Exceptions Reporting for January 2019

Reference: 19/151462

Presenter(s): Peter Ryan - Head of Performance Management

### Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to note an update on Long Term Plan (LTP) level of service performance for January 2019.
  - 1.1.1 Corporate Performance Exceptions Report January 2019.
  - 1.1.2 LTP Level of Service delivery performance graph, exceptions and commentary January 2019.
  - 1.1.3 Performance by Activity Jan 2019 – Levels of service by activity graph, comparison of forecast Levels of Service (LOS) delivery and forecast activity financials graph, and financial table.
- 1.2 Note the schedule of upcoming major contracts that may trigger service delivery reviews (S17A), the effect of this on the scheduling of Service Delivery Reviews and “deep dives”, and note that the proposed S17A review schedule will be available for the next meeting in April.

### 2. Background Information

- 2.1 The new Finance & Performance Committee of the Whole has an updated agenda of standing items. It was designed by Cr Manji (Chair) and Cr Turner (Deputy Mayor.) This report covers the agenda items they have asked for:

#### 2(a) Current Performance

- exceptions to capital projects (Watchlist projects)
  - exceptions to Levels of Service
  - exceptions to opex/performance by activity
- 2.2 Note that on the direction of the Chair the exception report for capital projects (Watchlist projects) has reverted to exceptions across all years not just the current year. It also covers all major phases of a project rather than just those currently under construction.
  - 2.3 The Level of Service exceptions cover LTP-level targets only (measures of interest to governance and the community.)
  - 2.4 Finally, the Performance by Activity graph (**Attachment C**) plots service delivery and over/underspend to give a simple, one page picture of delivery v. budget across all activities. It is supported by a financial summary and breakdown of Levels of Service by Group of Activity.

#### 2(b) Deep dive analysis and Section 17A Service Delivery Reviews.

The following is a recap and update on these agenda items:

- 2.5 These are two quite different forms of analysis. Deep dive reviews look back at opex, capex and budget performance to date. S17A reviews look ahead, asking fundamental questions around what should be delivered in future and the options for delivery. They are different but the first informs the second.
- 2.6 S17A reviews are a legal requirement. Reviews commenced nationally in 2015 and all councils are required to complete a rotation of their service delivery reviews by 2021. Only Council can approve the completion of a S17A review, or exemptions from review.

- 2.7 S17A reviews for four areas were adopted by Council on 20 December 2017 following committee discussion along with the list of exemptions proposed by ELT.
- 2.8 The three triggers for S17A reviews are a) significant changes to LOS and b) reaching a point two years from the expiry of a contract to deliver services and c) a gap of six years since the last review. In 2018 a Long Term Plan was adopted with deletions and changes to levels of service. A variety of contracts are now due for renewal.
- 2.9 The Chair of the Finance Committee has requested S17A reviews are completed by June 2020 so they can inform the 2021 LTP process. The Chair has also expressed a preference for major infrastructure activities to be reviewed first, however we are working with the organisation to determine realistic delivery timeframes noting the upcoming major contract renewals (**Attachment D**).
- 2.10 On the face of it many of these contract renewals may automatically trigger a service delivery review. This means that scheduling reviews must be influenced by the contract renewal timetable as well as resourcing and other factors. Legal advice is being sought.

### 3. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. [Receive the information in the monthly Corporate Performance Exceptions Report, Level of Service Exceptions and Commentary, and Performance by Activity reports for January 2019.](#)

### 4. Key Points

- 4.1 Corporate performance reports focusing on exceptions as follows:
  - 4.1.1 Corporate Performance Exceptions Report January 2019 in **Attachment A**.
  - 4.1.2 Staff forecasts as at 31 January 2019 indicate a LTP level of service achievement of 83.1%.
  - 4.1.3 All LTP level of service exceptions and supporting commentary are set out in **Attachment B**.
  - 4.1.4 Performance by Activity January 2019 - Levels of service by activity graph, comparison of forecast LOS delivery and forecast activity financials graph, and financial table in **Attachment C**.
- 4.2 Note the schedule of upcoming major contracts that may trigger service delivery reviews (S17A), the effect of this on the scheduling of Service Delivery Reviews and “deep dives”, and note that the proposed S17A review schedule will be available for the next meeting in April.

### Attachments

No.	Title	Page
<a href="#">A</a>	Corporate Performance Exceptions Report Jan 2019	38
<a href="#">B</a>	LTP Level of Service delivery performance graph, exceptions and commentary Jan 2019	40
<a href="#">C</a>	Performance by Activity Jan 2019	51
<a href="#">D</a>	List of Contracts - Service Delivery Reviews	54

## Signatories

<b>Authors</b>	David Price - Principal Analyst Lerks Stedman - Performance Analyst - PL Boyd Kedzlie - Senior Business Analyst
<b>Approved By</b>	Peter Ryan - Head of Performance Management Carol Bellette - General Manager Finance and Commercial (CFO)

## Finance & Performance Committee – January 2019

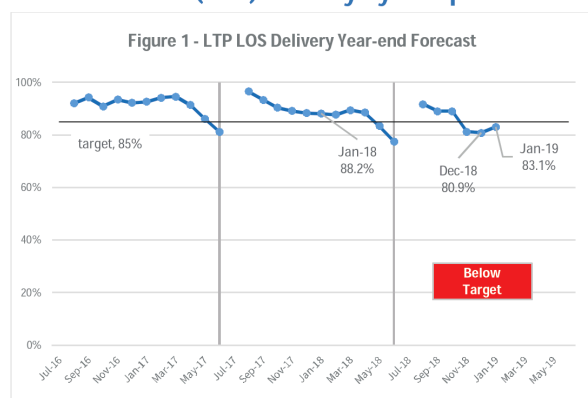
### Performance Exceptions Report for Levels of Service and Major Capital Projects

As at the end January 2019 levels of service are forecast to achieve 83.1% for LTP. The January forecast is an improvement of 2.2% on December. The forecast as at the same period last year was 88.2% - see Figure 1.

2017/18 had a year-end result of 77.6%.

Trends from previous years indicate the forecast may be optimistic. Declining service delivery across infrastructure-based levels of service is being obscured by those of non-infrastructure areas. Refer to attachment C – Performance by Activity. This is largely as a result of the apportionment of levels of service across groups of activity during the development of service plans for the LTP 2018.

#### Level of service (LOS) delivery by exception



Key exceptions where LTP levels of service are forecast not to meet (red) include:

- Compliance with DWSNZ protozoal criteria for both urban and rural supplies;
- Water loss from Council's water supply network;
- Maintaining the number of private vehicle trips at current levels;
- Answering call centre telephone enquiries in a timely manner.

Other key exceptions flagged at risk (amber) include:

- Water Supply, Wastewater and Stormwater networks;
- Reducing casualties and reported crashes on the road, cycling and pedestrian networks;
- Responding to CSRs relating to roads and footpaths;
- Council on- and off-street parking facilities;
- Response to complaints in relation to excessive noise;

- Awaiting results from the annual Residents Survey and Point of Contact Surveys. Results due May-June 2019.

A full list of level of service exceptions, with managers supporting comments and remedial actions, is provided as attachment B.

#### Watchlist capital project delivery exceptions (All years - Whole of Life project milestone status, including Plan, Initiate and Execute phases)

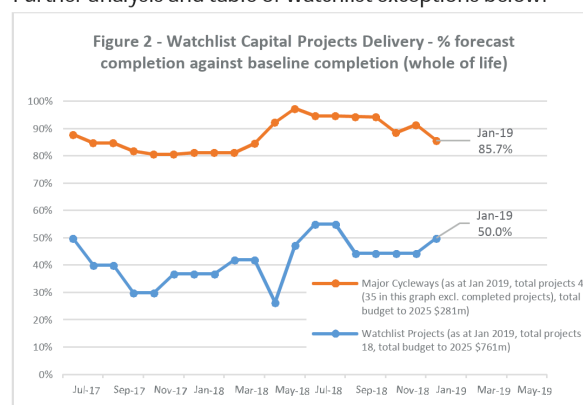
Excludes projects that are payments-only to Third Parties.

For Watchlist projects (now across Whole of Life) forecast delivery is tracking at 50%, while Major Cycleways projects are forecasting 85.7% - see Figure 2.

Analysis of the use of amber for reporting of Watchlist projects across Whole of Life shows inconsistencies. Project data indicates many amber forecasts are precautionary, or:

- should instead be red, or green.
- will be back 'on track' once a change request is approved.



Further analysis and table of Watchlist exceptions below.



Refer to reports from the Programme Management Office (PMO) for full information on Watchlist and other projects.

## Finance & Performance Committee – January 2019

### Performance Exceptions Report for Levels of Service and Major Capital Projects

Watchlist Capital Project Delivery exceptions January 2019 (Whole of Life/ Plan, Initiate and Execute)		Phase	Delivery Completion Date	
			Baseline	Fore- cast
2018/19 (Current year)				
	Town Hall Rebuild	Execute	31/3/19	4/8/19
	Nga Puna Wai Sports Hub	Execute	30/6/19	30/6/19
2020/21				
	AAC Hereford St (Manchester- Cambridge)	Execute	3/7/20	3/7/20*
	Woolston/Linwood Pool	Plan	30/9/21	30/9/21
	WW Lyttelton Harbour Wastewater Scheme	Execute	22/12/21	22/12/21
2022 and beyond				
	LDRP 500 Cashmere Worsleys Flood Storage	Execute	31/8/22	30/6/22
	LDRP 528 Eastman Wetlands	Execute	28/6/24	28/6/24
	WW Akaroa Wastewater Scheme	Execute	30/6/25	30/6/25
Major Cycleways Programme				
	MCR Heathcote Expressway - Section 1A - Ferry Rd	Execute	Apr-19	Oct-19*
	MCR Heathcote Expressway - Section 1B - Charles St to Tannery	Execute	Oct-18	Mar-19
	MCR Northern Line Cycleway - Section 1 - Blenheim to Kilmarnock, plus Harewood Crossing and Restell	Execute	Jun-22	Jun-22*

#### Inconsistent reporting of amber for Watchlist projects:

Other than the Town Hall Rebuild project (appropriately reported red), the remaining Watchlist project delivery exceptions for January highlight inconsistencies in the use of amber light status.

Comparing baseline and forecast completion data watchlist projects flagged amber variously indicate:

- **Precautionary – should be set to green:** for example LDRP 500 Cashmere Worsleys. Forecast completion date will meet or is sooner than baseline completion date.
- **Change Requests:** Forecast completion date will be met once a change request is approved to re-baseline the

milestones.

\* denotes change request, per project commentary.

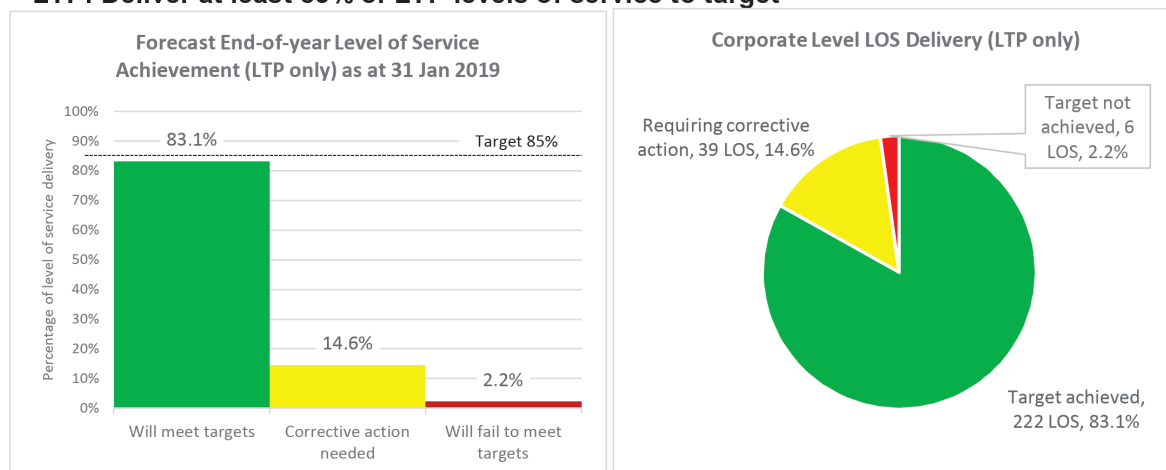
- **Set to Red:** for example Woolston/Linwood Pool. Project commentary indicates forecast completion date will not meet baseline completion date. Based on this data the projects could be flagged red.

It is recommended a review of project management use of amber light project reporting be undertaken, working with units to achieve consistency of approach and implementation, and the findings of the review reported back to Executive Leadership Team, to inform future Performance Exceptions Reports.

For further information on capital project delivery refer to the detailed reports issued by the Programme Management Office (PMO).

**Level of Service Exceptions**  
**Forecast Period Ending: 31 Jan 2019**

**LTP: Deliver at least 85% of LTP levels of service to target**



**Levels of service which are forecast to fail to meet target**

**City Services**

**Three Waters And Waste**

<b>Measure:</b>	<b>LTP18: 12.0.2.8 Council water supplies are safe to drink.</b>
<b>Target:</b>	Proportion of rural residents supplied water compliant with the DWSNZ protozoal compliance criteria: $\geq 8.5\%$ .
<b>Actual:</b>	0%
<b>Comments:</b>	The current percentage is 0%. While most of the rural water treatment plants have been upgraded there are currently no operational and compliance reports available (via SCADA) that confirm that the treatment plants operate and treat the water in accordance with the parameters set out in the DWSNZ. Wainui which was compliant has now lost the 'secure groundwater' status due to an unsecure wellhead. Refer to Trim spreadsheet 12/810590.
<b>Remedial Action:</b>	A working group was set up in mid-2017 to address this issue and necessary changes are being made to monitoring equipment and SCADA programming that will enable these reports. Water Outlook has prepared draft reports which are currently being reviewed by Council staff. Once the WO reports are finalised 12 months data is required before grading can be undertaken. Trials in Duvauchelle underway, organised and managed by the 3WW Planning Team.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.6 Council water supply networks and operations demonstrate environmental stewardship.</b>
<b>Target:</b>	Percentage of real water loss from Council's water supply network: $\leq 15.0\%$
<b>Actual:</b>	18.4%
<b>Comments:</b>	The actual is approximately 18.4% (17.9% in the city, 36.2% on Banks Peninsula). Leak detection contract 4600002119 in place with the contractor to measure the nightflow in 40 of the approx. 200 water loss zones and carry out leak detection in 20 zones each year. The % loss is expected to rise significantly as more areas of the city are tested. Please note that using % leakage as a performance indicator – a mandatory DIA performance indicator – is not recommended in the Water NZ water loss guidelines
<b>Remedial Action:</b>	Continue with the water loss reduction programme as planned and budgeted. Continue with water main and submain replacement programme to ensure pipes that have reached the end of their life or that are prone to leaking / failing are replaced. Long-term, implement more water loss monitoring systems as part of the water supply rezoning.

**Measure:** LTP18: 12.0.2.10 Council water supplies are safe to drink.  
**Target:** Proportion of urban residents supplied water compliant with the DWSNZ protozoal compliance criteria:  $\geq 79\%$ .  
**Actual:** 0%  
**Comments:** The current percentage is 0%. This is due to all urban water supplies losing the 'secure groundwater' status on 22 December 2017. Refer to Trim spreadsheet 12/810590.  
**Remedial Action:** Complete Northwest well drilling programme. Remediate below ground wellheads (bore water security criterion 2). Commence investigative work to re-confirm groundwater security (bore water security criterion 1). Install UV treatment at sites where deep wells are not feasible (Main Pumps, no deep aquifer present).

#### Transport

**Measure:** LTP18: 10.0.38 Maintain the number of private vehicle trips at current levels (Commuter Trips).  
**Target:** 54 million to 58 million (less than)  $\pm 3\%$   
**Comments:** One of the important goals of the LTP is to "maintain the number of private vehicle trips at current levels". The total number of trips (by all modes) has a direct correlation to population. Considering the population growth in the region a growth in the total number of trips on the network is inevitable. Currently commuter trips cannot be distinguished from the available data, however given the assumption that trip numbers have grown by the same amount as population growth. This target is not likely to have been met. At this point in the year this is an assumption as previous methods of measurement were based on the Ministry of Transport (MOT) Annual Household Travel Survey. MOT has changed the survey methodology for the 2015-2017 survey and again in 2018. These have had a small and unreliable sample size since 2015 and do not differentiate between general and commuter travel. It is suggested a more appropriate outcome for this LOS is that there is a similar or slower growth in the average number of daily vehicle trips compared to the population growth for a similar period.  
**Remedial Action:** Given the difficulty in measuring this LOS a new method of measurement is proposed. This will be based on the following: Variations of vehicle traffic growth to population growth as an indication of modal share at similar or lower growth levels. Population figures would be sourced from Stats NZ. The number of daily trips would be extracted from the loop counters for a sample of 10 representative intersections. This would compare growth in vehicle numbers with population changes. Use the new MOT data following the release of the new census data.



Measure:	<b>LTP18: 10.0.39 Maintain the number of private vehicle trips at current levels (All purpose trips).</b>
Target:	280 million to 298 million (less than +/-3%)
Comments:	One of the important goals of the LTP is to "maintain the number of private vehicle trips at current levels". The total number of trips (by all modes) has a direct correlation to population. Considering the population growth in the region a growth in the total number of trips on the network is inevitable. By assuming that the total number of trips has grown at the same rate as population growth (7.6%), then the number of all purpose vehicle trips would be 311 million. At this point in the year this is an assumption as previous methods of measurement were based on the MOT Annual Household Travel Survey. MOT has changed the survey methodology for the 2015-2017 survey and again in 2018. These have had a small and unreliable sample size since 2015 and do not differentiate between general and commuter travel. It is suggested a more appropriate outcome for this LOS is that there is a similar or slower growth in the average number of daily vehicle trips compared to the population growth for a similar period.
Remedial Action:	Given the difficulty in measuring this LOS a new method of measurement is proposed. This will be based on the following: Variations of vehicle traffic growth to population growth as an indication of modal share at similar or lower growth levels. Population figures would be sourced from Stats NZ. The number of daily trips would be extracted from the loop counters for a sample of 10 representative intersections. This would compare growth in vehicle numbers with population changes. Use the new MOT data following the release of the new census data.

#### Citizens And Community

##### Citizen And Customer Services

Measure:	<b>LTP18: 2.6.4.1 Citizen and Customer expectations for service response are delivered in a timely manner</b>
Target:	Telephone enquiries have an average speed to answer of no more than 90 seconds.
Actual:	123
Comments:	Average speed to answer for January 123 seconds. Average speed to answer year to date 136 seconds. The higher than targeted average speed to answer is a result of multiple compounding factors: <ol style="list-style-type: none"> <li>1. Embedding of new Service request system</li> <li>2. Service request system performance</li> <li>3. Resource planning - right number of staff and expected impact on resourcing due to self-service option.</li> </ol>
Remedial Action:	The following mitigations have been put in place: <ol style="list-style-type: none"> <li>1. Service Request Enhancement project focussing on improving communication and proactive identification and implementation of process improvement opportunities.</li> <li>2. Service Request System performance prioritised with Vendor for immediate remedy</li> <li>3. Recruitment of additional staff for a fixed term 12 month to alleviate resourcing constraints.</li> <li>4. Post implementation review of customer interaction technology (CIC) to ensure business rules applied and configuration fit for purpose. To commence 4 March 2019.</li> </ol>



**Levels of service for which intervention is required to meet target**

**City Services**

**Three Waters And Waste**

<b>Measure:</b>	<b>LTP18: 11.0.1.9 Council wastewater services are reliable.</b>
<b>Target:</b>	Number of wastewater system fault complaints per 1,000 properties connected to the wastewater network per year: <= 0.6.
<b>Actual:</b>	0.56
<b>Comments:</b>	Increasing number of complaints related to pressure vacuum systems. Reporting is difficult with our current system, Hybris. As at January it has been confirmed that reporting from Hybris can commence. The number of faults is reasonably high however actual formal complaints is very low.
<b>Remedial Action:</b>	Improve reporting so we have better visibility of actual numbers.
<hr/>	
<b>Measure:</b>	<b>LTP18: 11.1.2.1 Council disposes of wastewater in a responsible manner.</b>
<b>Target:</b>	Number of abatement notices regarding Council resource consents related to discharges from wastewater systems per year: 0.
<b>Actual:</b>	0
<b>Comments:</b>	No abatement notices to date.
<b>Remedial Action:</b>	Maintain vigilant oversight of maintenance activities to minimise risk of wastewater spills and overflows.
<hr/>	
<b>Measure:</b>	<b>LTP18: 11.1.2.2 Council disposes of wastewater in a responsible manner.</b>
<b>Target:</b>	Number of convictions regarding Council resource consents related to discharges from the wastewater systems per year: 0.
<b>Actual:</b>	0
<b>Comments:</b>	No convictions to date.
<b>Remedial Action:</b>	Maintain vigilant oversight of maintenance activities to minimise risk of wastewater spills and overflows.
<hr/>	
<b>Measure:</b>	<b>LTP18: 11.1.2.3 Council disposes of wastewater in a responsible manner.</b>
<b>Target:</b>	Number of enforcement orders regarding Council resource consents related to discharges from wastewater systems per year: 0
<b>Actual:</b>	0
<b>Comments:</b>	No enforcement notices to date.
<b>Remedial Action:</b>	Maintain vigilant oversight of maintenance activities to minimise risk of wastewater spills and overflows.
<hr/>	
<b>Measure:</b>	<b>LTP18: 11.1.2.4 Council disposes of wastewater in a responsible manner.</b>
<b>Target:</b>	Number of infringement notices regarding Council resource consents related to discharges from wastewater systems per year: 0.
<b>Actual:</b>	0
<b>Comments:</b>	No infringement notices to date.
<b>Remedial Action:</b>	Maintain vigilant oversight of maintenance activities to minimise risk of wastewater spills and overflows.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.1.8 Council operates water supplies in a reliable and responsive manner.</b>
<b>Target:</b>	Number of pressure or flow complaints per 1,000 connections per year: <= 2.
<b>Comments:</b>	Data not yet available and needs sourcing. As at January it has been confirmed that reporting from Hybris can commence.
<b>Remedial Action:</b>	Discuss with Technical Services team, who manage private property service issues.
<hr/>	

<b>Measure:</b>	<b>LTP18: 12.0.1.13 Council operates water supplies in a reliable and responsive manner.</b>
<b>Target:</b>	Proportion of residents satisfied with reliability of water supplies: >= 85%.
<b>Actual:</b>	0
<b>Comments:</b>	Temporary chlorination may impact on the residents satisfaction survey. Survey data not yet available.
<b>Remedial Action:</b>	Continue to closely monitor FAC (Free Available Chlorine) levels in the water reticulation and minimise the use of chlorinated wells where ever possible. Continue on with well head improvements.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.1.14 Council operates water supplies in a reliable and responsive manner.</b>
<b>Target:</b>	Proportion of residents satisfied with Council response to water supply faults: >= 85%.
<b>Actual:</b>	0
<b>Comments:</b>	Temporary chlorination may impact on the residents satisfaction survey. Survey data not yet available.
<b>Remedial Action:</b>	Continue to closely monitor FAC (Free Available Chlorine) levels in the water reticulation and minimise the use of chlorinated wells where ever possible. Continue on with well head improvements.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.1.15 Council operates water supplies in a reliable and responsive manner.</b>
<b>Target:</b>	Number of complaints regarding Council's response to complaints about drinking water taste, odour, pressure or flow, or continuity of supply per 1,000 properties connected to the Council's water supply system per year: <= 0.6.
<b>Comments:</b>	Data not yet available and needs sourcing. As at January it has been confirmed that reporting from Hybris can commence.
<b>Remedial Action:</b>	Discuss with Technical Services team, who manage private property service issues.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.2.1 Council water supplies are safe to drink.</b>
<b>Target:</b>	Proportion of water supply zones with a MoH approved Water Safety Plan: 100%.
<b>Actual:</b>	100
<b>Comments:</b>	Ministry of Health (MoH) released a new Water Safety Plan Framework(WSP) on 20 December 2018 which requires all water suppliers to update their water safety plans to meet the new framework. Refer to <a href="https://www.health.govt.nz/publication/new-zealand-drinking-water-safety-plan-framework">https://www.health.govt.nz/publication/new-zealand-drinking-water-safety-plan-framework</a> .
<b>Remedial Action:</b>	CCC staff to develop a draft programme and timeline for the WSP updates and discuss with the drinking-water assessor (DWA) as the timeline needs to be approved by the DWA as the DWA was particularly keen to get the Christchurch City / Lyttelton Harbour Basin plan updated. In the meantime CCC needs to continue on the critical path to update several Banks Peninsula WSPs which are due in mid-2019. Those plans need to be updated using the new requirements.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.2.2 Council water supplies are safe to drink.</b>
<b>Target:</b>	Number of highest risk properties assessed and required to install backflow prevention devices each year: >= 100.
<b>Comments:</b>	Due to staff changes the target may not be met
<b>Remedial Action:</b>	Staff resourcing to be investigated to achieve target.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.2.14 Council provides high quality drinking water. Odour</b>
<b>Target:</b>	Number of water odour complaints per 1,000 connections per year: <= 0.5.
<b>Comments:</b>	Actual and YTD information can't be provided yet. As at January it has been confirmed that reporting from Hybris can commence.
<b>Remedial Action:</b>	Well head improvement programme will assist in achieving the target over the coming years.
<hr/>	

<b>Measure:</b>	<b>LTP18: 12.0.2.15 Council provides high quality drinking water. Taste</b>
<b>Target:</b>	Number of water taste complaints per 1,000 connections per year: <= 0.5
<b>Comments:</b>	Actual and YTD information can't be provided yet. As at January it has been confirmed that reporting from Hybris can commence.
<b>Remedial Action:</b>	Well head improvement programme will assist in achieving the target over the coming years.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.2.19 Council provides high quality drinking water.</b>
<b>Target:</b>	Proportion of residents satisfied with the quality of Council water supplies: >= 65%
<b>Comments:</b>	Resident survey reliant (General Service Satisfaction Survey). Given chlorination there is a chance we won't meet this.
<b>Remedial Action:</b>	Wait year end results.
<hr/>	
<b>Measure:</b>	<b>LTP18: 12.0.7 Council water supply networks and operations demonstrate environmental stewardship.</b>
<b>Target:</b>	Average consumption of drinking water per day in litres per resident per day: <= 298
<b>Comments:</b>	This is only reported on at year end when data is made available.
<b>Remedial Action:</b>	Water conservation being encouraged within the community for summer period.
<hr/>	
<b>Measure:</b>	<b>LTP18: 14.0.11.2 Stormwater network is managed to minimise risk of flooding, damage and disruption.</b>
<b>Target:</b>	The number of flooding events that occur: <2
<b>Actual:</b>	0
<b>Comments:</b>	No 'above floor' flooding event since July 2017, although wet weather response plan was activated several times in 2017/18 in anticipation of possible flooding events. No wet weather events yet in 2018/19.
<b>Remedial Action:</b>	Continue with delivery of Land Drainage Recovery Programme and improving operational maintenance to reduce risk of further flooding events.
<hr/>	
<b>Measure:</b>	<b>LTP18: 14.0.3 Council manages the stormwater network in a responsible and sustainable manner.</b>
<b>Target:</b>	Proportion of residents satisfied with the management of Council stormwater systems to ensure flood risk is minimised: >=37%
<b>Comments:</b>	2018 Residents Satisfaction Survey result was 35%, but with generic wording of 'customer satisfaction with Stormwater Drainage Management'. This was difficult to measure. This new LTP LOS 14.0.3 has been introduced, adding the specific words 'to ensure flood risk is minimised'. An increase to above 37% is believed to be achievable, particularly with bank 'no-mow' trial being adapted to 'minimal cut zone' approach, and other work to improve waterway appearance and reduce flood risk - particularly for the Heathcote. New results are to be expected from the 2018-19 Residents Satisfaction Survey by May/June 2019.
<b>Remedial Action:</b>	Continue with 'minimal cut zone' approach to bank maintenance to improve appearance without compromising ecological benefits. Fast-tracking dredging work in the Heathcote river with associated bank landscaping, and the bank stabilisation project. Accelerated programme for lined drain maintenance being implemented. Continue building new stormwater retention basins for the Upper Heathcote to reduce flooding.
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**Measure:** LTP18: 14.0.11.1 Stormwater network is managed to minimise risk of flooding, damage and disruption.  
**Target:** For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.): <0.1  
**Actual:** 0  
**Comments:** No above floor flooding events since July 2017. Land Drainage Recovery Programme continuing to reduce number of properties at flood risk.  
**Remedial Action:** Continue with LDRP programme delivery and improving operational maintenance to reduce risk of further flood events.

#### Transport

**Measure:** LTP18: 10.0.6.1 Reduce the number of casualties on the road network.  
**Target:** <=129 (reduce by 5 or more per year)  
**Comments:** Q1 (April - June 2018) - 0 deaths and 13 serious injuries  
Q2 (July - September 2018) - 2 deaths and 25 serious injuries  
Interim Q3 (October - December) - 3 deaths and 15 serious injuries  
Last Financial Year results were 9 deaths and 89 serious injuries.  
All measures are on CCC controlled roads. The Crash Analysis System (CAS) relies on input of data from the NZ Police and as such there is a delay in confirmed data. Therefore results are reported for 01 April to 31 March. Interim results will be reported quarterly.  
**Remedial Action:** Continue safety programme and planned network interventions. Continue with the education and marketing programme to raise awareness of users on the network.

**Measure:** LTP18: 10.5.1 Reduce the number of reported cycling and pedestrian crashes on the network.  
**Target:** Less than 45  
**Comments:** Q1 (April - June 2018) - 0 deaths and 6 serious injuries  
Q2 (July - September 2018) - 1 death and 8 serious injuries  
Interim Q3 (October - December) - 0 deaths and 4 serious injuries  
Last Financial Year results were 2 deaths and 33 serious injuries.  
All measures are on CCC controlled roads. The Crash Analysis System (CAS) relies on input of data from the NZ Police and as such there is a delay in confirmed data. Therefore results are reported for 01 April to 31 March. Interim results will be reported quarterly.  
**Remedial Action:** Maintain the delivery of the major cycleways and safety improvement programmes. This aims to provide facilities for the interested but concerned cyclists that want to cycle more often but feel that it is not safe enough. Both programmes aim to deliver interventions that address conflict points, such as at intersections and in high traffic volume areas. Continue with the education and marketing programme to raise awareness of cyclists and vulnerable road users on the network.

**Measure:** LTP18: 10.3.3 Improve customer perception of the ease of use of Council on-street parking facilities.  
**Target:** >=50%  
**Comments:** The result of this Goal is determined by the Council's annual survey result. The current status has been set to orange as last year's target was not achieved (39% vs target of 62%). Last year's LOS included all Council parking facilities (ie both on and off street). For 2018/19, this level of service focuses on on-street parking and the target is 50%. The outcome will be known when the residents survey results are leased which is expected to be in May/June 2019.  
**Remedial Action:** The Council has requested staff to work in conjunction with ChchNZ to investigate options to attract more people to the central city including a winter package.



<b>Measure:</b>	<b>LTP18: 10.3.7 Improve customer perception of vehicle and personal security at Council off-street parking facilities.</b>
<b>Target:</b>	>=50%
<b>Comments:</b>	The result of this goal is determined by the Council's annual residents survey. Last year, this target was not achieved. Results measured in the 2018 survey was 48% and the target was 65%. It should be noted that last year's LOS included all council parking facilities. Results in previous year's were 51% (2017) and 47% (2016). The average baseline is 48.7% based on three year's results. For 2018/19, this LOS focuses on off-street parking facilities and the target is 50%. While the numbers of people visiting the CBD has increased since previous year's, it is believed there is a general perception that the number is relatively small and that this contributes on the Communities view of their security. It is worth noting that at the Lichfield St car park, there are approximately 50 CCTV cameras along with an additional 200 cameras that monitor and identify occupied/unoccupied parking spaces within the building. The residents survey results are expected in May/June 2019.
<b>Remedial Action:</b>	Staff will undertake a targeted survey of users of the Council's off-street facilities to better understand concerns regarding vehicle and personal security.
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<b>Measure:</b>	<b>LTP18: 10.4.3 Improve the reliability of passenger transport journey time.</b>
<b>Target:</b>	85%
<b>Comments:</b>	Monthly average 78%.
<b>Remedial Action:</b>	Christchurch Transport Operations Centre (CTOC) continue network optimisation activities. Environment Canterbury continue PT schedule and operational optimisation activities. Both monitor effect of recent Capex projects. Both support SCATS (Sydney coordinated adaptive traffic systems) Priority Engine initiative.
<hr/>	
<b>Measure:</b>	<b>LTP18: 16.0.3 Maintain resident satisfaction with road condition</b>
<b>Target:</b>	>=38%
<b>Comments:</b>	The score for FY1718 was 20% so expectation is that it could again be below target (of 38%). Survey results awaited, expected May 2019. This score represents all that happens in the road, including works by utilities, developers, as well as the condition of the road from the backlog of renewal work that has increased post the quakes. Many roads are now well passed their 'expected life' and hence losing waterproofing. Potholes are increasing, as well as failure at joints of the trenches that have been repaired for 3W reinstatements, for example. There is an increasing amount of collapse above redundant or pipe networks that are still to be repaired also, and out in the East, increasing numbers of sinkholes (possibly also caused by under running). Significant amounts of kerb and channel are also to be repaired which is compounding the issues in part also.
<b>Remedial Action:</b>	If Capital Regeneration Acceleration Funding (CRAF) is approved by the Crown, and for Transport, then this should result in an improvement with resident satisfaction in future years. Maintenance and asset management activity is concentrating on basic waterproofing, ensuring urgency of repairs is as required and risk based, and continually validating the renewal works (ie chip seal or AC (asphalt concrete) reseals) based on current network behaviour.
<hr/>	
<b>Measure:</b>	<b>LTP18: 16.0.7 Reduce the number of customer service requests relating to sweeping of the kerb and channel.</b>
<b>Target:</b>	4500
<b>Comments:</b>	Reporting detail no longer available post implementation of Hybris.
<b>Remedial Action:</b>	Hybris Team confirmed, 19 Dec 18, that reporting for this will commence mid-January 2019. An additional category for kerb and channels sweeping requests will be added to the new 'Request' system to enable this.
<hr/>	

**Measure:** LTP18: 16.0.9 Maintain resident satisfaction with footpath condition  
**Target:** >=52%  
**Comments:** The score for FY1718 was 34%, so expectation is that it could again be below target. FY1819 Survey results awaited, expected May 2019.  
**Remedial Action:** Footpath renewals doubled in FY1819; now at a level of approx. 2% of the network being renewed; still a 50 year cycle for entire replacement. New Footpath condition rating completed in early 2017 (calendar year) which has assisted better targeting of works. (Previous rating was approx. 5 years old). Additional improvements carried out around CBD, including those by others, ie Avon River Precinct (ARP) and An Accessible City (AAC) works are contributing to improved network.

**Measure:** LTP18: 16.0.10 Improve the perception that Christchurch is a walking friendly city.  
**Target:** >=84%  
**Comments:** The score for FY1718 was 76%, so expectation is that we could again be under target (84%). Survey results for FY1819 awaited, expected May 2019.  
**Remedial Action:** Footpath renewals doubled in FY1819 (from 1718), now 2% of the network being renewed. Additional improvements, including those by others, such as Avon River Precinct (ARP) and An Accessible City (AAC) work will also contribute to an improving perception. A full network condition assessment of the footpaths carried out in early 2017 will also better reflect the need over the network (approx. 2,500km) which will mean targeted works is more accurate; previous rating was circa 5 years old.

**Measure:** LTP18: 16.0.13 Respond to customer service requests within appropriate timeframes.  
**Target:** >=95%  
**Comments:** Council's wider expectation is 80% of Customer Service Requests 90 days or older being closed.  
**Remedial Action:** The outstanding jobs, most of which sit in Worksmart, are being analysed for closure.

**Measure:** LTP18: 16.0.20 Maintain the condition of road carriageways.  
**Target:** 5150  
**Comments:** Detail no longer available from Hybris for reporting.  
**Remedial Action:** Awaiting confirmation that Hybris reporting can be set up to analyse this detail, ie showing Tickets (CSRs) that are solely for request for maintenance activities.

**Measure:** LTP18: 16.0.21 Reduce the number of complaints received.  
**Target:** 295  
**Comments:** It is believed that current complete years complaints for all of Transport will exceed this target; reporting of complete number to date required from Hybris reporting. As at January it has been confirmed that reporting from Hybris can commence.  
**Remedial Action:** These issues are being worked through with the Customer Services team.

**Measure:** LTP18: 16.0.23 Reduce the number of customer service requests relating to litter bin clearing.  
**Target:** 240  
**Comments:** Reporting detail no longer available post implementation of Hybris.  
**Remedial Action:** As at January it has been confirmed that reporting from Hybris can commence. An additional category for litter bin clearing requests will be added to the new 'Request' system to enable this.

Citizens And Community

Community Support Governance And Partnerships

Measure:	<b>LTP18: 4.1.18 Participation in and contribution to Council decision-making</b>
Target:	Percentage of respondents who understand how Council makes decisions: At least 41%
Comments:	The 2018 residents survey tracked this at 29% and declining. A satisfaction rate of 41% for 2019 is challenging. This is a priority issue for the whole CCC organisation. A continuing challenge to achieve LOS targets in this area is situations where a decision ultimately made by Council is against a resident's position. This can lead them to feel that they have not had any influence on the decision (therefore impacting their survey responses) despite their views being strongly considered. In 2018 Council conducted 81 consultations and received 12,147 submissions. While the current Have Your Say system hasn't been running long enough to conduct a full year on year comparison, more people are now participating in, and contributing to Council decision making than this time last year. In preparation for the 2019/2020 Annual Plan engagement with Community Boards began in September 2018 ensuring that Board feedback steered councillor direction on the production of a draft Annual Plan document.
Remedial Action:	Expand our social media presence and the ability for residents to provide their views and influence decision making in the 'Have your say' space online. Continue taking our consultations and engagements out into the community rather than continuing to offer opportunities where residents are required to attend events at fixed Council locations. In 2017 Council conducted 67 consultations and received 10,106 submissions.

Parks

Measure:	<b>LTP18: 6.8.4.1 Overall customer satisfaction with the presentation of the City's Parks.</b>
Target:	Hagley Park presentation: resident satisfaction >=90 %
Comments:	Status pending results of annual survey (Point of Contact survey)
Remedial Action:	Aim to lift presentation of City's Parks through deployment of summer casual staff for key projects e.g. riverbank areas of high visibility (additional maintenance) and high use playground (painting and cleaning to address appearance)
Measure:	<b>LTP18: 6.0.3 Overall customer satisfaction with the presentation of the City's Parks.</b>
Target:	Community Parks presentation: resident satisfaction >=70 %
Comments:	measure is annual survey (Point of Contact survey)
Remedial Action:	utilising additional summer staff to lift key areas
Measure:	<b>LTP18: 6.4.4 Overall customer satisfaction with the presentation of the City's Parks.</b>
Target:	Cemeteries presentation: resident satisfaction >=85 %.
Comments:	measure is annual survey (Point of Contact survey)
Remedial Action:	utilisation of additional summer staff to lift maintenance in key areas
Measure:	<b>LTP18: 6.9.1.6 To manage and maintain Public Monuments, Sculptures, Artworks and Parks Heritage Buildings of significance.</b>
Target:	Resident satisfaction with presentation of Parks Heritage Buildings: >= 70%
Comments:	Currently going through an EOI and RFP process for main works on heritage asset.
Remedial Action:	Once this is closed and reports are sent through elected member process we can move back to green.

**Recreation, Sports And Events**

<b>Measure:</b>	<b>LTP18: 2.8.3.2 Produce and deliver engaging programme of community events.</b>
<b>Target:</b>	At least 90% satisfaction with the content and delivery across three delivered events
<b>Comments:</b>	As per previous months (December) commentary: The Events team reviewed and debriefed on all feedback from the 2018 event. The team has engaged a specialist crowd management company who have worked on the Olympics, Rugby World Cup, CHCH Marathon, and Lantern Festival in 2019 to assist with the planning and delivery in 2020.
<b>Remedial Action:</b>	Implement findings and areas for improvement in planning and delivery for the next Botanical D'lights in 2020.

**Consenting And Compliance**

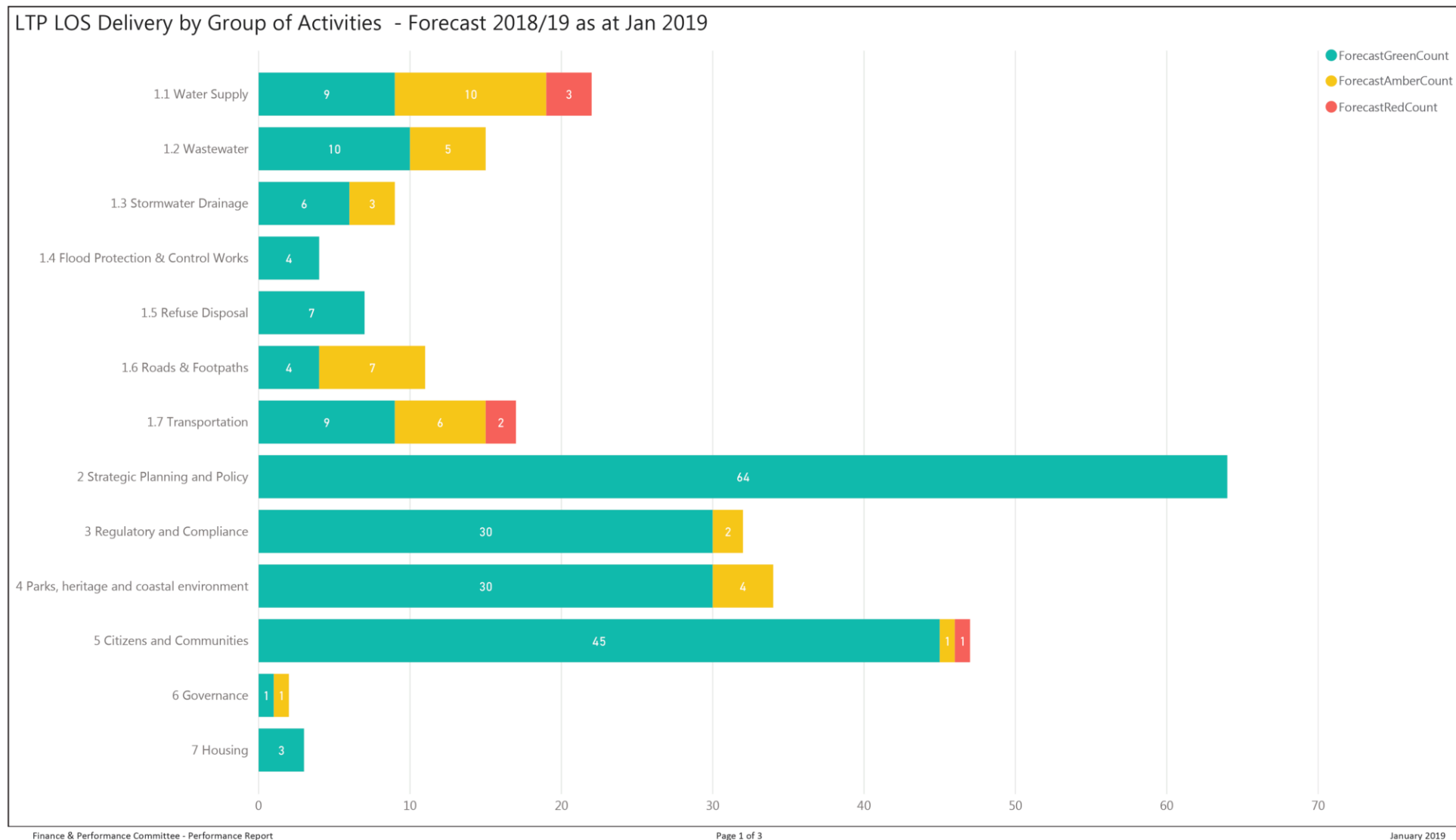
**Regulatory Compliance**

<b>Measure:</b>	<b>LTP18: 9.0.8 The community is not subjected to inappropriate noise levels.</b>
<b>Target:</b>	90% of complaints in relation to excessive noise are responded to within one hour.
<b>Actual:</b>	86%
<b>Comments:</b>	For the January period reporting period 86%. The result for the year to date is 84.9%.
<b>Remedial Action:</b>	Review performance on at least weekly basis and report issues to contractor. Contractor is working with team and reviewing rosters and allocated areas.

**Resource Consents**

<b>Measure:</b>	<b>LTP18: 9.2.7 % satisfaction of applicant with resource consenting process.</b>
<b>Target:</b>	70% satisfaction achieved.
<b>Comments:</b>	Council survey yet to be completed. Forecast set orange based on last years result.
<b>Remedial Action:</b>	Various work being undertaken to improve customer satisfaction such as tone of voice and stakeholder engagement project.





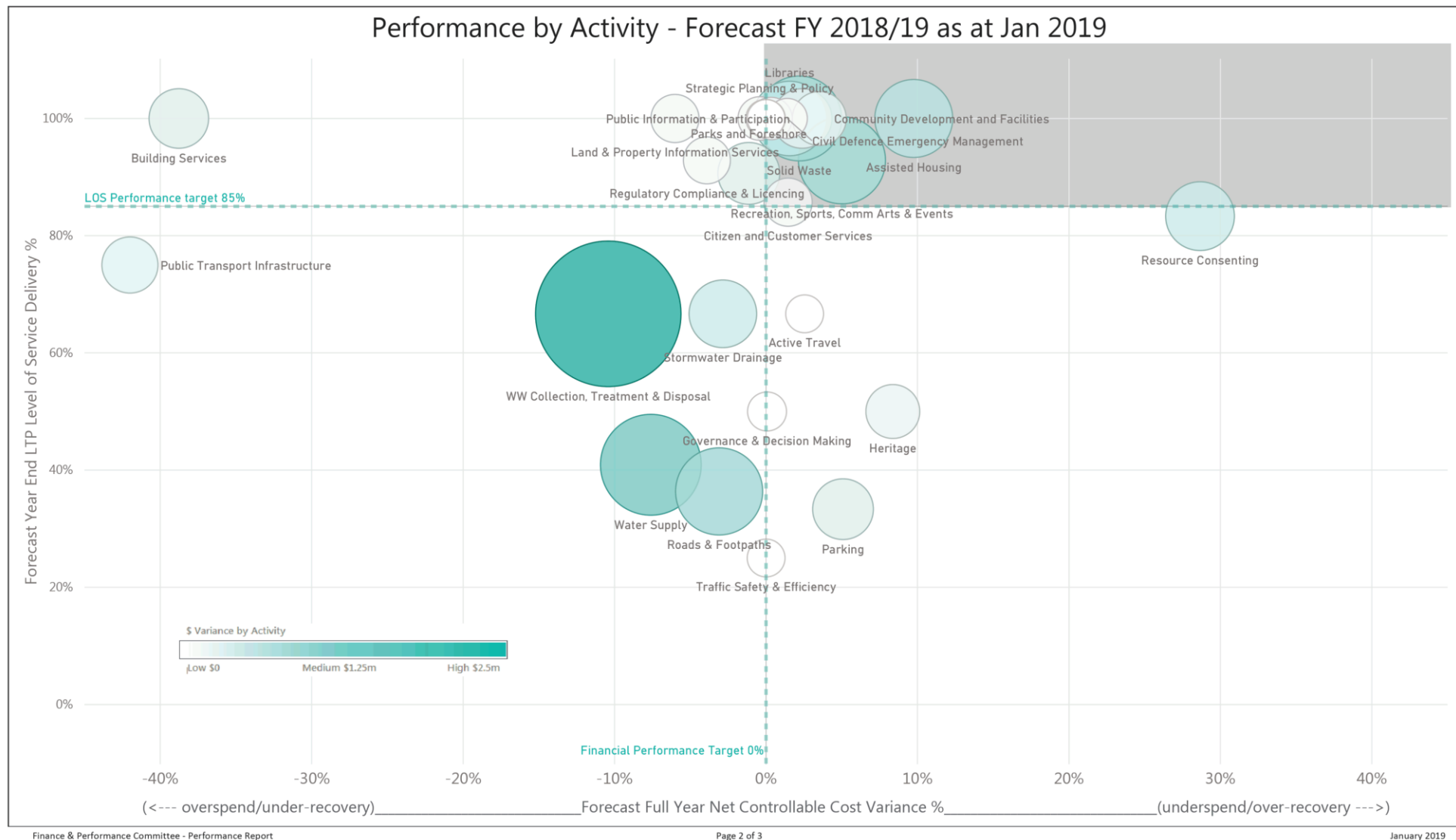


Table - Performance by Activity - Forecast FY 2018/19 as at Jan 2019

#	Activities	Full Year Forecast after C/F \$	Full Year Plan \$	Variance after C/Fs \$	% Variance after C/Fs	LTP LOS %	LTP LOS total
11	Active Travel	243,494	249,859	6,364	2.5 %	66.7 %	6
20	Assisted Housing	5,519,219	6,115,612	596,393	9.8 %	100.0 %	3
14	Building Services	1,020,032	735,031	-285,001	-38.8 %	100.0 %	8
26	Canterbury & Akaroa Museums	8,066,574	8,066,664	90	0.0 %	100.0 %	5
25	Christchurch Art Gallery	6,546,156	6,547,959	1,803	0.0 %	100.0 %	7
22	Citizen and Customer Services	8,217,355	8,338,850	121,496	1.5 %	85.7 %	7
23	Civil Defence Emergency Management	1,580,964	1,603,444	22,480	1.4 %	100.0 %	2
24	Community Development and Facilities	11,343,373	11,620,047	276,673	2.4 %	100.0 %	2
5	Economic Development	16,153,442	16,206,554	53,112	0.3 %	100.0 %	28
7	Flood Protection & Control Works	8,260,495	8,253,332	-7,163	-0.1 %	100.0 %	4
21	Governance & Decision Making	14,003,034	14,012,080	9,047	0.1 %	50.0 %	2
19	Heritage	2,085,385	2,275,904	190,520	8.4 %	50.0 %	2
16	Land & Property Information Services	-2,009,039	-1,895,067	113,972	-6.0 %	100.0 %	4
27	Libraries	33,586,431	34,116,191	529,761	1.6 %	100.0 %	10
9	Parking	-5,454,530	-5,746,549	-292,020	5.1 %	33.3 %	3
18	Parks and Foreshore	28,001,441	27,685,903	-315,537	-1.1 %	90.6 %	32
4	Public Information & Participation	5,344,332	5,539,213	194,881	3.5 %	100.0 %	7
10	Public Transport Infrastructure	792,791	558,299	-234,492	-42.0 %	75.0 %	4
28	Recreation, Sports, Comm Arts & Events	15,373,636	16,184,897	811,261	5.0 %	92.9 %	14
17	Regulatory Compliance & Licencing	2,645,884	2,546,425	-99,459	-3.9 %	92.9 %	14
15	Resource Consenting	1,089,317	1,526,839	437,522	28.7 %	83.3 %	6
12	Roads & Footpaths	26,981,829	26,171,001	-810,829	-3.1 %	36.4 %	11
13	Solid Waste	33,948,219	34,709,267	761,048	2.2 %	100.0 %	7
6	Stormwater Drainage	14,535,493	14,132,392	-403,101	-2.9 %	66.7 %	9
3	Strategic Planning & Policy	16,212,222	16,144,943	-67,280	-0.4 %	100.0 %	29
8	Traffic Safety & Efficiency	3,253,118	3,253,279	161	0.0 %	25.0 %	4
1	Water Supply	16,232,391	15,085,112	-1,147,280	-7.6 %	40.9 %	22
2	WW Collection, Treatment & Disposal	27,120,557	24,561,621	-2,558,936	-10.4 %	66.7 %	15
<b>Total</b>		<b>300,693,616</b>	<b>298,599,102</b>	<b>-2,094,514</b>	<b>-44.0 %</b>	<b>83.1 %</b>	<b>267</b>

Contract Description	Unit	Contract Start	Contract End	Contract Review Start Date
Traffic Systems Maintenance	Transport	2/09/2013	1/03/2019	1/02/2019
Installation & Maintenance of CCTV and access control systems	Facilities, Property & Planning	1/05/2007	30/06/2019	31/10/2018
Facilities Maintenance (Commercial)	Facilities, Property & Planning	1/11/2009	30/06/2019	31/10/2018
Waterways & Land Drainage Maintenance	Three Waters & Waste	1/07/2012	30/06/2019	1/02/2019
Parks Maintenance: Southern	Parks	1/07/2015	30/06/2019	1/01/2019
Parks Maintenance: Eastern	Parks	1/07/2015	30/06/2019	1/01/2019
Parks Maintenance: Northern	Parks	1/07/2015	30/06/2019	1/01/2019
Facilities Maintenance (Housing)	Facilities, Property & Planning	1/11/2009	30/09/2019	31/01/2019
Supply & Maintenance of Software	IT	1/11/2013	1/11/2019	3/05/2019
Telecommunications Services	IT	16/08/2016	1/11/2019	3/05/2019
Cleaning & Hygiene Services	Facilities, Property & Planning	1/11/2012	31/12/2019	1/01/2019
Maintenance City Water & Waste Network	Three Waters & Waste	1/07/2010	30/06/2020	20/06/2019
Banks Peninsula Rooding Maintenance	Transport	2/03/2015	30/06/2020	30/06/2019
Maintenance & Management of Park Trees	Parks	1/09/2010	31/08/2020	28/06/2019
Road Maintenance: Northern Area	Transport	1/10/2017	30/09/2020	1/10/2019
Road Maintenance : Central Area	Transport	1/10/2017	30/09/2020	1/10/2019
Road Maintenance: Southern Area	Transport	1/10/2017	30/09/2020	1/10/2019
Road Landscape Maintenance	Transport	2/10/2017	30/09/2020	1/03/2019
Maintenance of Bus Shelters	Transport	1/07/2014	31/10/2019	13/05/2019

## 9. Community Facilities Earthquake Rebuild Programme Bi-Monthly Update February 2019

Reference: 19/145066

Contact: Darren Moses      Darren.moses@ccc.govt.nz

021377023

### 1. Purpose and Origin of Report

#### Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to be informed of the current status of the remaining earthquake repair and rebuild projects being delivered by Facilities Rebuild team.

#### Origin of Report

- 1.2 This report is staff generated.

### 2. Significance

- 2.1 Not applicable to this information-only report.

### 3. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. [Receives the information in the Community Facilities Rebuild Bi-Monthly Update report.](#)

### 4. Key Points

- 4.1 This information-only report provides a bi-monthly update on the remaining projects in the Facilities Rebuild earthquake programme for February 2019.
- 4.2 A summary of the yet to complete Community Facilities projects and Heritage Facilities projects can be found in **Attachment A**.
- 4.3 The majority of the earthquake repair and rebuild programme that began in 2012 is currently scheduled to be completed by the end of 2019/2020 Financial Year.
- 4.4 The EQ programme now represents only 15% of the department's workload. The department is tasked with delivery of 207 BAU capital projects in this financial year to a value of \$84M.

### 5. Context/Background

- 5.1 The Council committed to running an earthquake assessment, insurance claim and repair and rebuild programme of its suburban community facilities. There are over 1000 such assets. This work is undertaken by the Facilities Rebuild team in the Citizens and Community Group.
- 5.2 Since 2012, this team have delivered numerous repairs and rebuild of key suburban Council facilities all over Christchurch City and across Banks Peninsula, detailed in **Attachment A**.

## Attachments

No.	Title	Page
A <a href="#">↓</a>	Finance & Performance Committee February 2019 Community Facilities Rebuild and Heritage bimonthly Report_attachment 1.docx	57

## Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories

<b>Author</b>	Darren Moses - Manager Capital Delivery Community
<b>Approved By</b>	Mary Richardson - General Manager Citizen and Community

**Attachment 1**

**Community Facilities and Heritage**

**Earthquake Rebuild Programme**





Elected Member Update  
February 2019

- **Active Projects - Community Facilities**
- **Active Projects - Heritage**
- **Projects in Close Phase – Community Facilities and Heritage**
- **Projects Still to be Delivered - Community Facilities and Heritage**
- **Projects Removed from Programme – Community Facilities**
- **Projects Delivered – Community Facilities and Heritage**
- **Demolitions Completed – Community Facilities**

NOTE: For reporting purposes, the status of a project will no longer be reported once the public opening has occurred. Completion of projects can take up to a year depending on the Defect Notification period.



## Active Projects- Community Facilities

### Opawa Public Library Rebuild (formerly 'Earthquake Repairs')

Linwood/ Central/ Heathcote Community Board

Tranche 2

Initiate, Planning & Design

Opening	December 2019	Current Phase / Sub-Phase	Initiate Concept Design
Delegated Authority for concept Approval	Christchurch City Council – Libraries Unit Internal staff building custodian		

Current FY Actuals	\$14,933	Current FY Budget	\$650,000	Current FY Spend	2%	Total Project Spend	2%
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#### Description of Work

Works to rebuild the Opawa Public Library in order to remediate the facility after earthquake damages incurred in 2011. The construction of the new community facility for the primary tenant, Opawa Volunteer Library group, will be delivered by means of a 'Design & Build' form of contract.

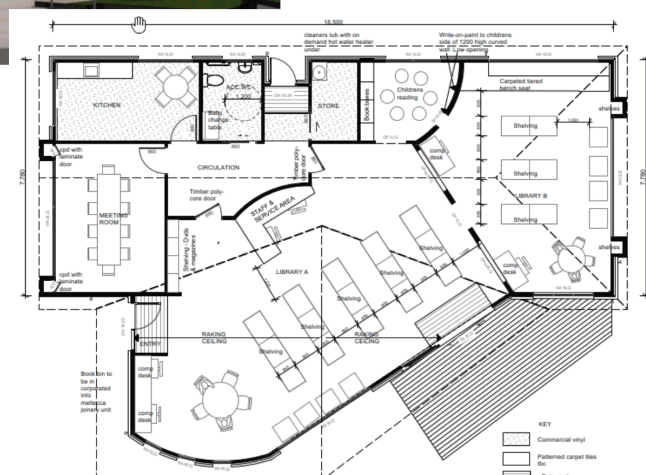
#### Current Status

Council staff are in the final stages of awarding agreeing the contract as a result of the tendering process. Preparation work is also underway for the demolition of the existing damaged building. Subject to confirmation from contractors, the demolition is planned to begin in March with construction of the new facility planned to begin in May/June 2019.



Preliminary concept rendering – issued October 2018

Most recent concept design floor plan – issued January 2019



Elected Member Update  
February 2019

## Parklands Queenspark Library

Coastal & Burwood Community Board

Tranche 2

Community Facilities

Opening	Q2 2019	Current Phase / Sub-Phase	Executing Construction
Delegated Authority for concept Approval	Christchurch City Council – Libraries Unit Internal staff building custodian		

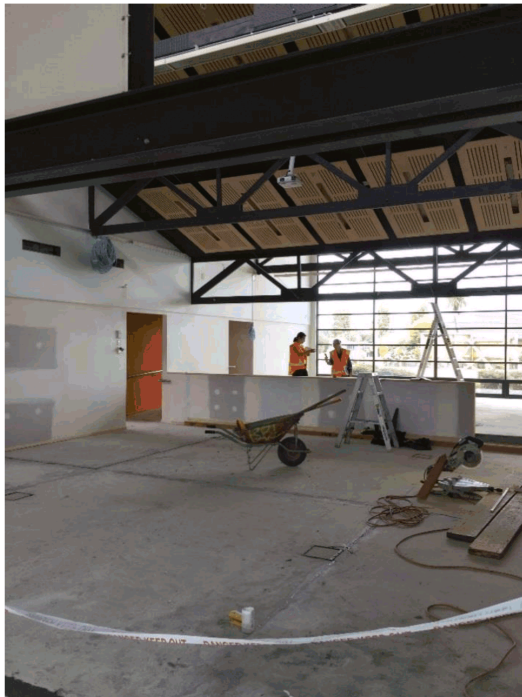
Current FY Actuals	\$189,151	Current FY Budget	\$653,144	Current FY Spend	29%	Total Project Spend	39%
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### Description of Work

The Library will be closed in November 2018 for an upgrade of its HVAC systems and earthquake repairs. Floor coverings will be replaced and some areas will be re-purposed by moving furniture and building a small multipurpose low level wall. All areas will be decorated and a new staff courtyard built.

### Current Status

Minor changes to the internal layout are underway. The heating and ventilation works is well underway and once this is completed facility will be painted and new floor coverings laid. There is also some minor outdoor works to replace broken fencing under way.



Elected Member Update  
February 2019

## St Albans Community Centre

Papanui-Innes Community Board  
Community Facilities

Opening	TBA	Current /Sub-Phase	Phase	Planning Detailed design
Delegated Authority for concept Approval	Papanui-Innes Community Board			

Current FY Actuals	\$34,572	Current FY Budget	\$2,648,666	Current FY Spend	1%	Total Project Spend	17%
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### Description of Work

Council is redeveloping the St Albans Community Centre at 1049 Colombo Street, 122 and 126 Caledonian Road. The original building was lost during the 2010 / 2011 earthquakes. An expansion to the former building was in the planning phase in 2010 and prior to the earthquakes. A temporary facility has been located on site to provide a facility for the new community and until the construction of the new facility is scheduled.

Project funding of \$3.128M was provided through the Council LTCCP June 2015.

### Current Status

The Joint Working Group has approved the revised design that will bring the project back within budget. This has also been presented to the Community Board and approved. Detailed design of the new floor plan is currently underway and is expected to be completed by March 2019. Procurement processes relating to the build will commence soon.



Artist impression



## Jellie Park Recreation and Sports Centre

Fendalton-Waimairi-Harewood Community Board

Tranche 2

Workstream Rec & Sport

Opening		EQ repair works to be delivered in stages over multiple years. Stage 4 cannot be completed without closing the centres, impacting on capacity across the network so stage 4 will be completed after the Metropolitan Sports Facility is opened.			Current Phase /Sub-Phase		Executing Construction	
Delegated Authority for concept Approval		CCC Internal staff building owner						
Current FY Actuals	\$5,905,984	Current FY Budget	\$8,985,932	Current FY Spend	66%	Total Project Spend	50%	

### Description of Work

Jellie Park and Pioneer Recreation & Sport Centres have been combined into one project in order to allow for project cost and operational efficiencies. In addition, combining the two projects will enable Council to maximise the opening hours for both sites during repairs and construction.

Both Jellie and Pioneer have experienced significant earthquake damage that may begin to affect the operation and longevity of the facility if not repaired over the next 2-3 years. A scope for repairs includes earthquake repairs, energy efficiency renewals, building system renewals and accessibility improvements for the facility. A phased shutdown of these facilities is underway in coordination with the work at Pioneer in order to minimise disruption to the levels of service, i.e. work on indoor pools is likely to be carried out while the outdoor pools are open (where possible).

#### Key Dates /Milestones for Stage 2 and 3

##### Stage 2: Contract start date 12/12/2017

	Description of work	Contractual Completion Date	Forecast or Actual Completion Date
Separable Portion 1	Spa, Sauna and Steam Room	13/04/2018	Achieved
	Indoor Hydroslide/tower, Building extension, plant room, services/finishes	06/08/2018	28/09/2018

##### Stage 3: Contract start date 09/04/2018

	Description of work	Contractual Completion Date	Forecast or Actual Completion Date
Separable Portion 1	Outdoor Pool and Plant Rooms	12/11/2018	20/12/2018
Separable Portion 2	Reception Foyer/Change Rooms	29/01/2019	05/06/2019
Separable Portion 3	Fitness Centre Egress	28/02/2019	23/07/2019

### Current Status

#### Stage 3:

Works related to the Jellie Park Outdoor Pools and Plant Rooms has been completed and the outdoor pools, outdoor hydroslide and splash pad/aqua play area have been opened to the public. Work has now started on the reception, foyer, change rooms and café areas. Hoarding is in place to isolate the working area and floor preparations are going on for subsequent upgrading works. Temporary change room facilities have been provided to enable the public to continue using the facility.



Elected Member Update  
February 2019

## Pioneer Stadium & Pools Complex - Pools, Squash, Sports Hall

Spreydon-Cashmere Community Board

Tranche 2

Workstream Rec & Sport

Opening	EQ repair works to be delivered in stages over multiple years. Stage 4 cannot be completed without closing the centres, impacting on capacity across the network so stage 4 will be completed after the Metropolitan Sports Facility is opened.	Current Phase /Sub-Phase	Executing Construction
Delegated Authority for concept Approval	CCC Internal staff building owner		

Current FY Actuals	\$5,905,984	Current FY Budget	\$8,985,932	Current FY Spend	66%	Total Project Spend	50%
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### Description of Work

Jellie Park and Pioneer Recreation & Sport Centres have been combined into one project in order to allow for project cost and operational efficiencies. In addition, combining the two projects will enable Council to maximise the opening hours for both sites during repairs and construction.

Both Jellie and Pioneer have experienced significant earthquake damage that may begin to affect the operation and longevity of the facility if not repaired over the next 2-3 years. A scope for repairs includes earthquake repairs, energy efficiency renewals, building system renewals and accessibility improvements for the facility. A phased shutdown of these facilities is underway in coordination with the work at Pioneer in order to minimise disruption to the levels of service, i.e. work on indoor pools is likely to be carried out while the outdoor pools are open (where possible).

Key Dates /Milestones for Stage 2 and 3

**Stage 2:** Contract start date 12/12/2017

	Description of work	Contractual Completion Date	Forecast or Actual Completion Date
Separable Portion 2	Spa, Sauna Steam room, plant room & indoor pool	09/05/2018	Achieved

**Stage 3:** Contract start date 09/04/2018

	Description of work	Contractual Completion Date	Forecast or Actual Completion Date
Separable Portion 4	Learn To Swim, Spin Studio	12/10/2018	26/10/2018

### Current Status

The Learn To Swim pool upgrading works have been completed including new lighting. Defects have been fixed and the installation of a new Air handling Unit has also been completed. An architect has been appointed for work on the roof over the changing rooms, fitness centre, physio room, administration offices and meeting rooms. A pre-consent meeting has been held and tender documents are being prepared.



## Active Projects- Heritage

### Chokebore Lodge

Halswell-Hornby-Riccarton Community Board

Tranche 2

Heritage

Opening	2020-Q3	Current Phase / Sub-Phase	Planning Consenting
Christchurch	Christchurch City Council - Internal staff building custodian		

Current FY Actuals	\$24,282	Current FY Budget	\$940,843	Current FY Spend	3%	Total Project Spend	5%
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#### Description of Work

Chokebore Lodge currently has a 15%NBS in the area affected by The Cob (clay walls). There has been significant damage to the Cob cottage end of the building and medium damage to the remainder of the building and its now to be strengthened and restored to a habitable residential use building.

#### Current Status

Additional investigative work has been undertaken and the building and scope of works fully measured and developed. Consultants finalised detailed design including discussion with specialist constructors and heritage wall finishes.

The detailed scope and documentation is on schedule and will be finalised by the end of February to allow consents and main contractor procurement to be undertaken. Expected construction start is Jun/Jul 2019.



Chokebore Lodge pre-quake condition

Elected Member Update  
February 2019

**Little River Goods Shed**  
Banks Peninsula Community Board  
Tranche 2  
Heritage

Opening	Q4 2019	Current Phase / Sub-Phase	Planning Procurement
Delegated Authority for concept Approval	Christchurch City Council - Internal staff building custodian		

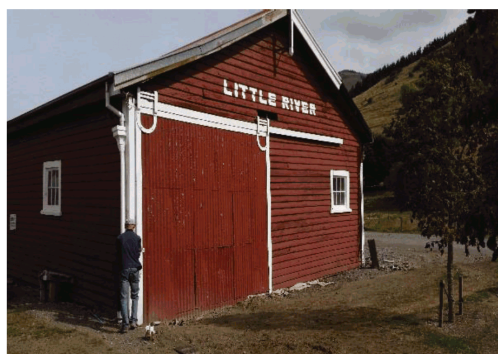
Current FY Actuals	\$42,091	Current FY Budget	\$23,992	Current FY Spend	175%	Total Project Spend	13%
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### Description of Work

EQ Repair and maintenance works to be carried out including foundation replacement, deteriorated materials replaced, strengthening, painting and relocation of electrical services. The potential seismic rating is approximately 50% NBS.

### Current Status

With the review of the Heritage Architect and City Council heritage department the Scope and Drawings have been compiled and the project has been tendered with an envisaged start date of April 2019. Archaeological authority has been engaged and is underway as well as a resource consent for the excavation works required for the foundation and drainage. A building consent exemption for the foundation work has been granted for the foundations with the remainder of the buildings work being determined as maintenance.  
Future use by Heritage Railway Trust..





Elected Member Update  
February 2019

## Penfolds Cob Cottage

Linwood-Central-Heathcote Community Board

Tranche 2

Heritage

Opening	2019-Q4	Current Phase / Sub-Phase	Planning Detailed design
Delegated Authority for concept Approval	Christchurch City Council –Internal staff building custodian		

Current FY Actuals	\$27,470	Current FY Budget	\$523,752	Current FY Spend	5%	Total Project Spend	7%
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### Description of Work

Undertake Option 1 to Stabilise and repair in current damaged state and interpretation works, to James Penfolds c 1870 cottage near Ferrymead Bridge. The road frontage wall will be strengthened with interior steel frame supporting roof and walls. The rear of the cottage will have toughened glass panels outside of the line of the original walls. Glass will be secured with steel columns allowing visitors to view construction, repairs and how the building was affected by the earthquakes.

### Current Status

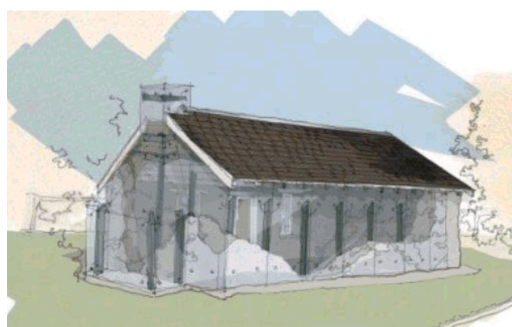
All consultants are now engaged.

Levels have been taken for the Engineering.

Architectural detailed design has commenced. The engineer has now been engaged and work is proceeding.

Site investigation with temporary removal of canopies has happened. Development of Construction methodology is underway.

Builders on site early winter.





Elected Member Update  
February 2019

## Thomas Edmond Band Rotunda

Linwood-Central-Heathcoat Community Board

Tranche 2

Heritage

Opening	Q4 2020	Current Phase / Sub-Phase	Planning Detailed design
Delegated Authority for concept Approval	Christchurch City Council – Internal Staff building custodian		

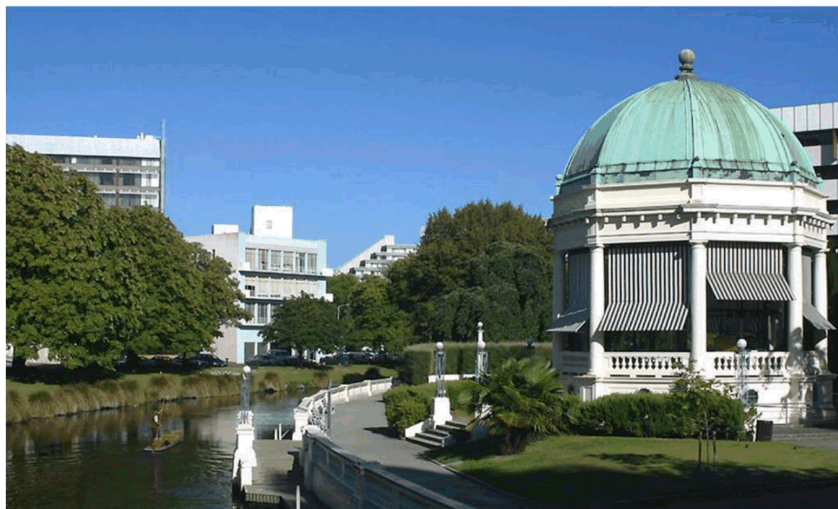
Current FY Actuals	\$39,874	Current FY Budget	\$251,835	Current FY Spend	16%	Total Project Spend	3%
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### Description of Work

The structure is currently in partial deconstruction for safety reasons.  
The works are to include significant reconstruction, strengthening and improvement of the foundations and connections between lower structure and roof elements.  
Stabilisation of the river wall section and surrounding ground area has been completed.  
This was required prior to the physical works commencing on the Rotunda.

### Current Status

The Architect and Engineer have now been engaged to finalise the tender and construction documentation.  
An up dated estimation of cost has been undertaken and will be revised when construction documentation is finished in early March.  
Investigations have been undertaken for the inclusion of hidden and retractable all weather screening in keeping with the heritage design.  
Detailed Inspection and measurement of the dome has taken place. The paths and curbing surrounding the site by the Avon River Wall are to be reinstated to allow public access to the Pavilion and Landing adjacent to the construction site.



Elected Member Update  
February 2019

## Risingholme Hall

Linwood-Central-Heathcote Community Board

Tranche 1

Heritage

Opening	2019-Q2	Current Phase / Sub-Phase	Executing Construction
Delegated Authority for concept Approval	Christchurch City Council –Internal staff building custodian		

Current FY Actuals	\$662,262	Current FY Budget	\$849,702	Current FY Spend	78%	Total Project Spend	83%
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### Description of Work

The Risingholme Hall was assessed as having a 13%NBS and has been closed since the earthquakes. Works to remediate this asset include removal of the external weatherboards in order to gain access to the damaged foundations. The damaged portions of the foundations will be removed and new foundation material used to replace and support the existing building, reinstate timber framed wall and weatherboards including painting. A sub ground stone pier system to assist with the land remediation between the building and stream is required and has been designed, documented, approved and completed.

### Current Status

The land remediation, installation of 19 stone piers is now complete.  
The preparation to the building exterior has been completed and the exterior has now been re-painted. Areas of the roof and their existing flashing have been replaced with new.

The interior has received all its new framing, insulation to the walls and ceiling has been completed. The walls have been lined and the painting is nearing completion. A pre-wire for all electrical and communication services together with the first fix for plumbing has been completed.

The HVAC system and kitchen joinery have been installed. Currently the Changing rooms are being prepared for painting. The accessible ramp has been poured and the paths will be replaced after the remaining drainage work is complete.

Starting to plan for an opening.



Elected Member Update  
February 2019

**Risingholme Craft Workshops**  
Linwood-Central-Heathcote Community Board  
Tranche 1  
Heritage

Opening	7 Jun 2019	Current Phase / Sub-Phase	Executing Procurement
Delegated Authority for concept Approval	Christchurch City Council –Internal staff building custodian		

Current FY Actuals	\$8,343	Current FY Budget	\$86,317	Current FY Spend	9%	Total Project Spend	10%
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**Description of Work**

The Risingholme Craft Workshops performed well in the Canterbury Earthquakes. Minor earthquake repair and maintenance works are required. The building is currently open and functional.

**Current Status**

Tender to be awarded with works commencing in Easter School holidays.



Elected Member Update  
February 2019

## Risingholme Community Centre & Homestead

Linwood-Central-Heathcote Community Board

Tranche 1

Heritage

Opening	2019-Q2	Current Phase / Sub-Phase	Executing Construction
Delegated Authority for concept Approval	Christchurch City Council –Internal staff building custodian		

Current FY Actuals	\$1,272,211	Current FY Budget	\$1,771,345	Current FY Spend	72%	Total Project Spend	82%
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### Description of Work

Works to remediate the asset include the removal of all lathe and plaster ceilings as well as designated lathe and plaster walls, reconstruction of the chimneys as brick veneers around steel frames, the installation of roof and wall diaphragms, introduction of ceiling diaphragms on both the ground & first floor and the repair of the remaining lathe & plaster walls. Foundation works may also be required.

### Current Status

The exterior work on the first floor has now been completed. The roof, chimneys, gutters and downpipes have all been installed. Exterior painting to the first floor has also been completed. New windows and glazing have been installed. All preparation and most of the painting of the ground floor exterior is now complete.

The interior works has seen all the carpentry and framing completed and the walls are now lined and have received the paint basecoat. The decorative trims, skirtings and timber paneling have been installed. Services have been being fitted and the air conditioning system is complete with the installation of the high wall units. The sprinkler system is installed has been tested. The exterior scaffolding has been removed and the replacement of the new drainage system is underway. Once the drainage has been completed the accessible ramp and paths will be replaced.

The fireplaces have all been reinstated. Curtains/blinds/carpet and vinyl have been ordered and will be installed once the painting is complete.



Elected Member Update  
February 2019

## Projects in Close Phase

Phase	ID	Project Title	Delivery Team	Current FY Actuals	Current FY Budget	Current FY Spend %	Total Project Spend %	Project Delivery Closed
Close	8385	Bishopdale Library and Community Centre Rebuild	Community	\$41,253	\$74,432	55	99	Mar-20
Close	31661	Lyttelton Playground & Skate Park Retaining Wall	Community	\$30,871	\$13,500	229	106	May-19
Close	34865	South Brighton Camp Ground Repairs	Community	\$140	\$2,797	5	99	Apr-19
Close	27103	Spencer Park Campground - All Buildings	Community	\$1,053,674	\$1,036,444	102	101	Oct-19
Close	14835	St Albans Crèche - EQ Repair	Community	\$35,824	\$35,823	100	100	Jun-19
Close	27104	Woolston Community Facility	Community	\$407,746	\$547,621	74	93	Aug-19
Close	3335	Addington Water Station	Heritage	\$9,180	\$7,964	115	100	Jul-19
Close	3338	Akaroa Service Centre	Heritage	\$80,529	\$84,186	96	100	Sep-19
Close	9435	Avon River Wall	Heritage					Feb-20
Close	3365	Langlois-Eteveneaux Cottage	Heritage					May-19
Close	8226	Mona Vale Boundary Brick Wall	Heritage					Jan-20
Close	24333	Nurses Memorial Chapel	Heritage					Oct-19
Close	3378	Rose Historic Chapel	Heritage	\$996	\$0	0	100	Jul-19

## Projects Still to be Delivered

Asset Name	Status	Community Board	Target Start Date
Centennial Hall - Spreydon Community Centre - <b>Community Facilities</b> On hold while the Community Facilities Network Plan is developed.	On Hold	Spreydon-Cashmere	TBA
Cathedral Square Toilets – <b>Community Facilities</b> This budget is being held in future years for the following reasons: There is too much uncertainty around what the Cathedral Square Anchor Project will be and where/how many public toilets will be required.	On Hold	Linwood-Central-Heathcote	TBA
Pages Road Depot - Buildings – <b>Community Facilities</b> Investigations are underway to determine the long-term use of the buildings and potentially carry out strengthening.	Concept	Linwood-Central-Heathcote	TBA
South Library and Service Centre EQ – <b>Community Facilities</b> The capital funding for this project was moved as a result of the 2018 – 2018 Long Term Plan.	Funding commences FY22	Spreydon-Cashmere	N/A
Jellie Park Recreation and Sports Centre Stage 4 – <b>Community Facilities</b> Stage 4 budget moved out to FY22 to allow RSU to maintain levels of service until Metro Sports comes on line. Work areas include the Fitness Centre, Recreational Pool and Sports Hall/Pool areas.	Funding re-commences FY22	Linwood-Central-Heathcote	N/A
Pioneer Stadium & Pools Complex - Pools, Squash, Sports Hall Stage 4 – <b>Community Facilities</b> Stage 4 budget moved out to FY22 to allow RSU to maintain levels of service until Metro Sports comes on line. Work areas include the Above Concourse Pool Hall, Fitness Centre, Entrance & Change Room plus other minor touch-ups.	Funding re-commences FY22	Spreydon-Cashmere	N/A
Halswell Library – <b>Community Facilities</b> The old Halswell Library has been replaced at Te Hapua: Halswell Centre. Project funds have not been drawn down as the long-term future of this facility is unknown. The facility is currently leased. Should work proceed, it is of a minor nature.	On Hold	Halswell-Hornby-Riccarton	TBA
Milton St Depot - #3 Shed- demolition – <b>Community Facilities</b> It is not anticipated that repair or demolition of this building will be required as a separate project. The strategy at this stage is to transfer the property to DCL who will manage the end of the lease with City care, site clearance and redevelopment.	On Hold	Linwood-Central-Heathcote	TBA
Former Council Stables – Donald St- <b>Heritage</b> Asset repair put on hold until future use is determined.	On Hold	Banks Peninsula	TBC
Kaputohe Cottage – <b>Heritage</b> Asset repair put on hold until future use is determined	On Hold	Fendalton-Waimairi-Harewood	TBC
Kaputohe Dwelling – <b>Heritage</b> Asset repair put on hold until future use is determined	On Hold	Fendalton-Waimairi-Harewood	TBC
Kukupa Hostel – <b>Heritage</b> Asset repair be put on hold until future use is determined	On Hold	Banks Peninsula	TBC
Little River (Coronation) Library - <b>Heritage</b> Asset repair put on hold until future use is determined	On Hold	Banks Peninsula	TBC
Mona Vale Bathhouse – <b>Heritage</b> Asset repair put on hold until future use is determined	On Hold	Halswell-Hornby-Riccarton	TBC
Signal Box, Norwich Quay – <b>Heritage</b> Project delayed due to awaiting removal of a Heritage Boat at Norwich Quay.	On Hold	Banks Peninsula	TBC
















Elected Member Update  
February 2019

## Projects Removed from Programme

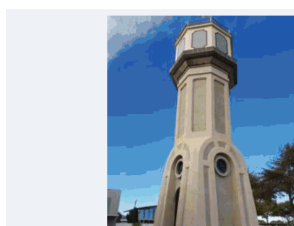
Asset Name	Community Board
<b>Shirley Community Centre - Community Facilities</b> The capital budget for this project was removed from the 2018 – 2028 Long Term Plan. A feasibility study for this project started in January 2019 and will be considered as part of the delivery of the Community Facilities Network Plan project.	Papanui-Innes
<b>Cracroft Caverns Reserve - Cashmere Caverns - Community Facilities</b> The capital budget for this project was removed from the 2018 – 2028 Long Term Plan and the project will not proceed.	Spreydon-Cashmere
<b>Linwood Library – Community Facilities</b> The capital funding has been removed from the 2-18 – 2028 Long Term Plan and the project will not proceed. The Linwood Library continues to operate out of Eastgate Mall.	Linwood-Central-Heathcote d
<b>Milton St Depot - Works Op Admin Building - Community Facilities</b> On 25 June 2015 the Council amend the LTP and resolved that the Tranche 2 community repairs of the proposed work on Milton St depot be substituted to other projects: <ul style="list-style-type: none"> <li>The repair and reopening of Wharenui Recreation Centre</li> <li>The repair or rebuild of Avebury Park Paddling Pool.</li> </ul>	Linwood-Central-Heathcote
<b>Milton St Depot - Tradesmen Workshop - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Plant Maintenance Workshops - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Plant Maintenance Workshops - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Store No. 3 - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Tyre Bay - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Parks Store - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Milton St Depot - Vehicle Garage - Community Facilities</b> As above	Linwood-Central-Heathcote
<b>Huntsbury Playground Community Building - Community Facilities</b> Community Owned Building - not CCC	Spreydon-Cashmere
<b>Bottle Lake Forest - Information Centre &amp; Shed - Community Facilities</b> Facility found to be fully functional, with minor damage of a cosmetic nature. Asset owner asked that the project does not proceed.	Coastal- Burwood

## Projects Delivered - Community Facilities and Heritage

Opened to Public 2018		
		 <p>Spencer Park Campground Phase 3 – all other buildings Coastal-Burwood December 2018</p>
 <p>Nurses Memorial Chapel Linwood Central Heathcote CB / November 2018</p>	 <p>St Albans Pavilion Papanui-Innes CB / September 2018</p>	 <p>Woolston Community Library Linwood-Central-Heathcote CB / 15 August 2018</p>
 <p>Edmonds Poplar Crescent Pavilion Linwood-Central-Heathcote CB / 20 July 2018</p>	 <p>Akaroa Service Centre Banks Peninsula CB / 31 May 2018</p>	 <p>St Albans Creche Papanui-Innes CB / June 2018</p>
 <p>Pioneer Stadium &amp; Pools Complex (Stage 2) Spreydon-Cashmere CB</p>	 <p>Rose Historic Chapel Linwood-Central-Heathcote CB / May 2018</p>	 <p>Langlois-Eteveneaux Cottage Banks Peninsula CB / May 2018</p>
 <p>Lyttelton Skate Park Murals Banks Peninsula CB / May 2018</p>	 <p>Lyttelton Skate Park – Retaining Wall Banks Peninsula CB / May 2018</p>	 <p>South Brighton Camping Ground Coastal- Burwood CB / March 2018</p>



Elected Member Update  
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**Addington Water Station**  
Halswell/Hornby CB / 23 March 2018



**Allandale Community Centre Repair**  
Banks Peninsula CB / Mid-Feb 2018



**Community Centre – Cracroft (Old Stone House)**  
Spreydon-Cashmere CB / 7 February 2018

**Opened to Public 2017**



**Spencer Park Campground Phase 2 new amenities buildings**  
Coastal- Burwood CB / 22 December 2017



**Mona Vale Gatehouse**  
Fendalton-Waimairi-Harewood CB / 9 November 2017



**Edmonds phone cabinet/telephone kiosk**  
Linwood-Central-Heathcote CB / 19 August 2017



**Halswell Quarry – Crusher Building**  
Halswell-Hornby-Riccarton CB / 4 October 2017



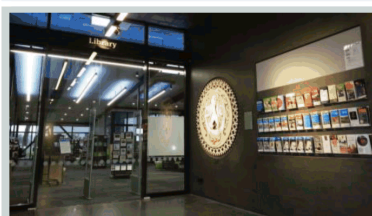
**Halswell Quarry – Old Stone House**  
Halswell-Hornby-Riccarton CB / 4 October 2017



**Halswell Quarry – Singlemen's Quarters**  
Halswell-Hornby-Riccarton CB / 4 October 2017



**Sumner Library, Community Centre & Museum**  
Linwood-Central-Heathcote CB / 19 August 2017



**Bishopdale Library and Community Centre**  
Fendalton-Waimairi-Harewood CB / 22 July 2017



**Hagley Park North - Bandsman Memorial Rotunda**  
Linwood-Central-Heathcote CB / 5 July 2017



**Governors Bay Old School House**  
Banks Peninsula CB / 30 June 2017

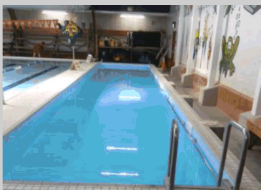















**Coronation Library (Akaroa)**  
Banks Peninsula CB / 16 June 2017



**Akaroa Court House**  
Banks Peninsula CB / 16 June 2017

Elected Member Update  
February 2019

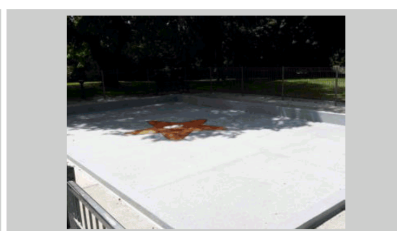
		
<b>Wharenui Pool Building Strengthening</b> Halswell-Hornby-Riccarton CB / 13 June 2017	<b>Lyttelton (Upham) Clock Tower</b> Banks Peninsula CB / 7 June 2017	<b>Hagley Park North - RSA Bowling-Petanque Club</b> Linwood-Central-Heathcote CB / 5 June 2017
		
<b>Sign of the Takahe</b> Spreydon-Cashmere CB / 22 May 2017	<b>Custom House, Akaroa</b> Banks Peninsula CB / 8 April 2017	<b>Parklands Library- Landscaping</b> Coastal- Burwood CB / 21 April 2017
		
<b>Lyttelton Library, Service Centre and Integration with Library EQ Repairs</b> Banks Peninsula CB / 13 March 2017	<b>Stoddart Cottage – Earthquake repairs</b> Banks Peninsula CB / March 2017	<b>New Brighton Library EQ Repair</b> Coastal- Burwood CB / 13 Feb 2017
		
<b>Kaputohe Museum – Repair &amp; Strengthen.</b> Fendalton-Waimairi-Harewood CB / February 2017	<b>Pioneer Womens Shelter</b> Linwood-Central-Heathcote CB / February 2017	
<b><u>Opened to Public 2016</u></b>		
		
<b>Governors Bay community centre</b> Banks Peninsula CB/ 14 December 2016	<b>Heathcote Combined Community Facility</b> Linwood-Central-Heathcote CB/ 14 December 2016	<b>Memorial Cemetery Toilets – New Exeloo</b> Linwood-Central-Heathcote CB / 12 December 2016



Elected Member Update  
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**Waimairi Cemetery Toilets- Strengthened**  
Fendalton-Waimairi-Harewood CB/12 December 2016



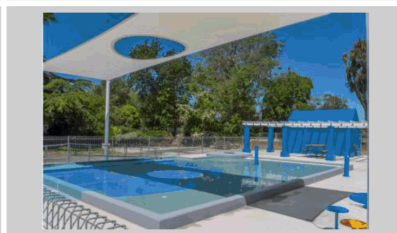
**Woodham paddling pool**  
Linwood-Central-Heathcote CB /8 December 2016



**Redcliffs Library**  
Linwood-Central-Heathcote CB / 2 December 2016



**Mona Vale Homestead – EQ Repair, Strengthening and Maintenance**  
Halswell-Hornby-Riccarton CB/ 25 November 2016



**Avebury paddling pool**  
Linwood-Central-Heathcote CB / 23 November 2016



**St Martins Community Facility (Former St Martins Public Library)**  
Spreydon-Cashmere CB/ 21 November 2016



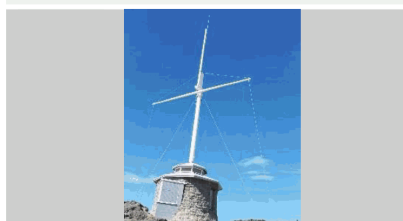
**Edgar Macintosh paddling pool**  
Papanui-Innes CB / 20 November 2016



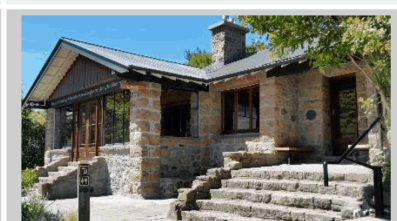
**Abberley paddling pool**  
Fendalton-Waimairi-Harewood CB/17 November 2016



**Spencer Park paddling pool**  
Coastal- Burwood CB/ 5 November 2016



**Cave Rock Signal Box – EQ Repairs**  
Linwood-Central-Heathcote CB / November 2016



**Sign of the Kiwi – EQ Repairs and Strengthening**  
Spreydon-Cashmere CB/ November 2016



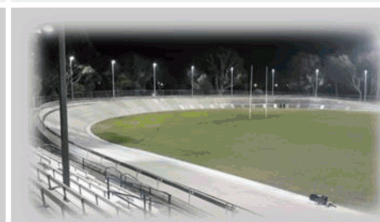
**Kaianga Hall toilets**  
Papanui-Innes CB / 21 October 2016



**English Park- EQ Repairs**  
Papanui-Innes CB / 21 October 2016



**Mona Vale Fernery – EQ Repairs and Strengthening**  
Halswell-Hornby-Riccarton CB / October 2016



**Denton Oval - Grandstand & Amenities**  
Halswell-Hornby-Riccarton CB/ 28 September 2016

Elected Member Update  
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Attachment A



**Lyttelton Mt Herbert Board Room Replacement (25 Canterbury Street)**  
Banks Peninsula CB / 7 September 2016



**Pigeon Bay Campground Toilet -**  
Banks Peninsula CB / 3 August 2016



**Somerfield Community Centre**  
Spreydon-Cashmere CB / 15 July 2016



**Governors Bay Headmasters House – EQ Repair, Strengthening and Maintenance**  
Banks Peninsula CB / 14 July 2016



**Wharenui Rec Centre**  
Halswell-Hornby-Riccarton CB / 1 July 2016



**Lyttelton Plunket Rooms & Toy Library**  
Demolished & 15 year lease at Lyttelton Rec Centre  
Banks Peninsula CB/ July 2016



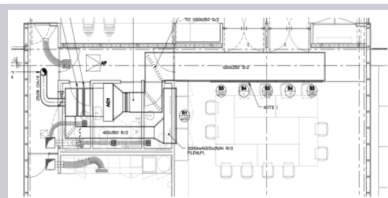
**180 Smith Street - Library Archive Building**  
Linwood-Central-Heathcote CB / 30 June 2016



**Rawhiti Domain - Golf Club Buildings**  
Coastal- Burwood CB / 23 June 2016



**Spencer Park Campground Phase 2 new amenities buildings**  
Coastal- Burwood CB / 10 June 2016



**Upper Riccarton Library**  
Halswell-Hornby-Riccarton CB  
Phase 2 Completed 31<sup>st</sup> May 2016



**Fendalton Community Centre**  
Fendalton-Waimairi-Harewood CB / 20 May 2016



**Aranui Community Centre Rebuild- New Build**  
Coastal- Burwood CB / 19 May 2016



**Halswell Domain toilet**  
Halswell-Hornby-Riccarton CB / 13 May 2016
















**Horseshoe Lake toilets**  
Coastal- Burwood CB / 13 May 2016



**Parklands Library- Phase 1 Stormwater & Sanitary Services Repair**  
Coastal- Burwood CB / 13 May 2016



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<b>Mona Vale Lodge – EQ Repair, Strengthening &amp; Maintenance</b> Halswell-Hornby-Riccarton CB / 6 <sup>th</sup> May 2016	<b>Heathcote Domain - Former Tennis Club Shed</b> Linwood-Central-Heathcote CB / 26 April 2016	<b>Barrington Park - Cricket Club / Community Building</b> Spreydon-Cashmere CB / 22 April 2016
		
<b>Barnett Park - Sumner/Redcliffs Crèche</b> Linwood-Central-Heathcote CB / 9 January 2016 ( Decorative wall repairs completed 12 April 2016)	<b>The Gaiety Hall – EQ Repair, Strengthening &amp; Maintenance</b> Banks Peninsula CB / 1 <sup>st</sup> April 2016	<b>New Brighton Crèche</b> Coastal- Burwood CB / 28 March 2016
		
<b>St Martins Opawa Toy Library</b> Spreydon-Cashmere CB / 14 March 2016	<b>Tram Barn - Tramway Lane</b> Linwood-Central-Heathcote CB Completed 11 <sup>th</sup> November 2015- Roof repairs in March 2016	<b>Lyttelton Recreation Centre and Trinity Hall Repair</b> Banks Peninsula CB /Completed 18 <sup>th</sup> December 2015- Official Opening 20 <sup>th</sup> February 2016
		
<b>Lyttelton Recreation Ground – Pavilion and Shed #2</b> Banks Peninsula CB / 05 February 2016	<b>Grubb Cottage – EQ Repair and Maintenance</b> Banks Peninsula CB / 2 <sup>nd</sup> February 2016	<b>Upper Riccarton Library</b> Halswell-Hornby-Riccarton CB Phase 1 Completed 1 <sup>st</sup> February 2016
		
<b>North New Brighton Community Centre</b> Coastal- Burwood CB / 29 January 2016		
<b><u>Opened to Public 2015</u></b>		

Elected Member Update  
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**Sumner Surf Club Toilets Rebuild**  
Linwood-Central-Heathcote CB / 11<sup>th</sup> December 2015



**Victoria Park Information Centre – EQ Repair & Strengthening**  
Spreydon-Heathcote CB/ 15<sup>th</sup> December 2015



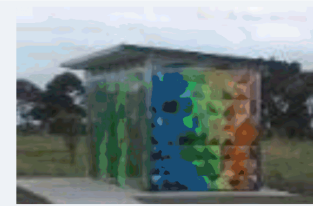
**South Hagley netball toilets**  
Linwood-Central-Heathcote CB / 20<sup>th</sup> November 2015



**Heathcote Domain Exeloo Toilet**  
Linwood-Central-Heathcote CB / 30<sup>th</sup> October 2015



**Cashmere Valley Exeloo Toilets**  
Spreydon-Cashmere CB / 30<sup>th</sup> October 2015



**Bexley Park Exeloo Toilet**  
Coastal- Burwood CB / 23<sup>rd</sup> October 2015



**Linwood Resource Centre**  
Linwood-Central-Heathcote CB / 20<sup>th</sup> October 2015



**Shirley Library EQ Repairs**  
Coastal- Burwood CB /16 October 2015



**Avebury Workshed & Toilets – EQ Repair and Strengthening**  
Linwood-Central-Heathcote CB / 13 October 2015



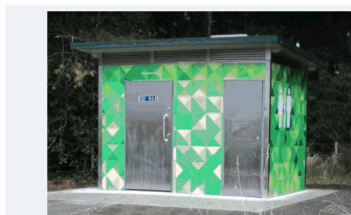
**Akaroa Museum – EQ Repairs, Strengthening and Re-roof**  
Banks Peninsula CB / 13 October 2015



**Papanui Library EQ Repairs**  
Papanui-Innes CB /13 October 2015



**Botanic Gardens Tea Kiosk - Strengthening & Repair Project**  
Linwood-Central-Heathcote CB / 02 October 2015



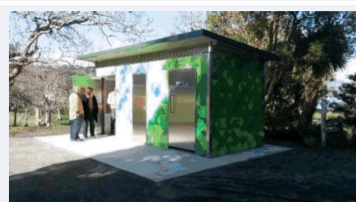
**Le Bons Bay Exeloo Toilet**  
Banks Peninsula CB / 25<sup>th</sup> September 2015



**Awa-iti Reserve Exeloo Toilet**  
Banks Peninsula CB / 20<sup>th</sup> September 2015











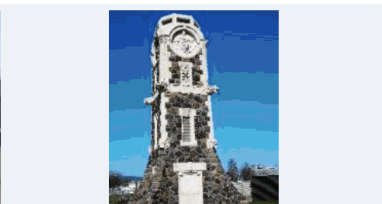


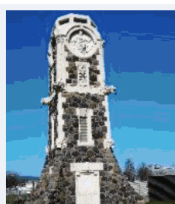






**Dog Pound - Dog Shelter and Dwelling Portacom**  
Linwood-Central-Heathcote CB / 20<sup>th</sup> August 2015





Elected Member Update  
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<p><b>Avon Park Exeloo Toilet</b> Linwood-Central-Heathcote CB / 17<sup>th</sup> August 2015</p> 	<p><b>Duvuachelle Show Grounds Exeloo Toilet</b> Banks Peninsula CB / 12<sup>th</sup> August 2015</p> 	<p><b>Sockburn Recreation Centre Strengthening and Repair</b> Halswell-Hornby-Riccarton CB / 7<sup>th</sup> August 2015</p> 
<p><b>Bottle Lake Forest Information Centre</b> Coastal- Burwood CB / 31<sup>st</sup> July 2015</p> 	<p><b>Duvauchelle Reserve and Campground - All Buildings</b> Banks Peninsula CB / 30<sup>th</sup> July 2015</p> 	<p><b>Scarborough Beach - Jet Boat Shed</b> Linwood-Central-Heathcote CB / 21<sup>st</sup> July 2015</p> 
<p><b>South New Brighton Park Exeloo Toilet</b> Coastal- Burwood CB / 10<sup>th</sup> July 2015</p> 	<p><b>Middleton Park Public Toilet</b> Halswell-Hornby-Riccarton CB / 20<sup>th</sup> June 2015</p> 	<p><b>Spreydon Library</b> Spreydon-Cashmere CB / 4<sup>th</sup> May 2015</p> 
<p><b>Woolston Park Memorial to Fallen Soldiers and Pavilion Rebuild</b> Linwood-Central-Heathcote CB / Sports changing facilities- 8<sup>th</sup> June 2015, War Memorial Facility- 25<sup>th</sup> April 2015</p> 	<p><b>Port Levy Pool Changing Shed</b> Banks Peninsula CB / 2<sup>nd</sup> April 2015</p> 	<p><b>Cuthberts Green Softball Complex and Grandstand</b> Linwood-Central-Heathcote CB / 2<sup>nd</sup> April 2015</p> 
<p><b>Withells Island Boat Sheds</b> Coastal- Burwood CB / 2<sup>nd</sup> April 2015</p> 	<p><b>Edmonds Clock Tower – EQ Repairs &amp; Strengthening- <u>Heritage</u></b> Linwood-Central-Heathcote CB/ April 2015</p> 	<p><b>Clare Park Pavilion and Changing sheds</b> Coastal- Burwood CB / 30<sup>th</sup> March 2015</p> 
<p><b>Norman Kirk Pool Rebuild</b> Banks Peninsula CB / 12<sup>th</sup> February 2015</p> 	<p><b>Hei Hei Community Centre – Repair &amp; Strengthening</b> Halswell-Hornby-Riccarton CB / 28<sup>th</sup> January 2015</p> 	<p><b>Cuthberts Green Pavilion EQ Repairs</b> Linwood-Central-Heathcote CB / 24<sup>th</sup> January 2015</p> 

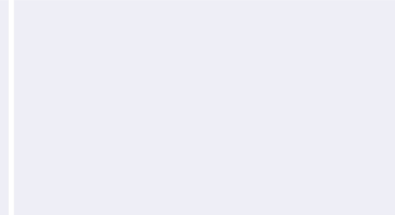
Elected Member Update  
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**Waltham Pool Rebuild**  
Linwood-Central-Heathcote CB / 17<sup>th</sup> January 2015



**Cuthberts Green Softball Groundsmans Shed**  
Linwood-Central-Heathcote CB / 12<sup>th</sup> January 2015



### Opened to Public 2014



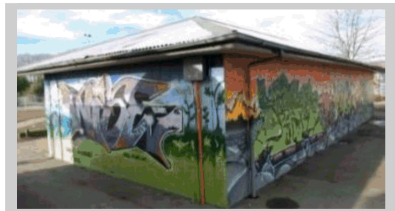
**Godley House – Foundation Remediation- Heritage**  
Banks Peninsula CB / December 2014



**Scarborough Paddling Pool Rebuild**  
Linwood-Central-Heathcote CB / 20<sup>th</sup> December 2014



**Yaldhurst Domain Toilet block strengthening**  
Fendalton-Waimairi-Harewood CB / November 2014



**Waltham Park Pavilion Earthquake repair and Strengthening**  
Linwood-Central-Heathcote CB / October 2014



**Avonhead Pavilion Earthquake repair and Strengthening**  
Fendalton-Waimairi-Harewood CB / October 2014



**Victoria Clock (Jubilee) – EQ Repairs and Strengthening- Heritage**  
Linwood-Central-Heathcote CB / October 2014



**Denton Oval - Amenities Below Grandstand**  
Halswell-Hornby-Riccarton CB / 22<sup>nd</sup> July 2014



**Riccarton House – EQ Repairs and Strengthening- Heritage**  
Halswell-Hornby-Riccarton CB / May 2014



**Jellie Park Recreation & Sports Centre - Main Plant Room Strengthening**  
Fendalton-Waimairi-Harewood CB / 31<sup>st</sup> January 2014

### Opened to public before 2014



**South Brighton Community Centre Transitional Facility**  
Coastal- Burwood CB / 8<sup>th</sup> November 2013







**Linwood Community Arts Centre – EQ Repairs and Strengthening- Heritage**  
Linwood-Central-Heathcote CB / October 2013









**Avebury House – EQ Repairs and Strengthening- Heritage**  
Linwood-Central-Heathcote CB / September 2013



Elected Member Update  
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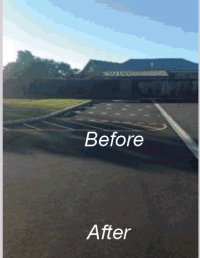




		
<p><b>Curators House – EQ Repairs and Strengthening</b> Linwood-Central-Heathcote CB / November 2012</p>	<p><b>YHA Rolleston House – EQ Repairs and Strengthening</b> Linwood-Central-Heathcote CB / November 2012</p>	<p><b>Beachcomber Restaurant – EQ Repairs</b> Linwood-Central-Heathcote CB / November 2012</p>
		
<p><b>Cowles Stadium Earthquake repair and Strengthening</b> Linwood-Central-Heathcote CB / October 2012</p>		

## Demolitions Completed - Community Facilities

 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Sumner Carpark</b> Demolished Sep - 2017</p>	<p><b>Bishopdale Community Centre</b> Papanui-Innes CB Demolished Aug - 2017</p>	<p><b>South Brighton Motor Camp</b> Coastal-Burwood CB Demolished Dec - 2016</p>
 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Robbie's Bar &amp; Bistro Riccarton</b> Halswell-Hornby-Riccarton CB Demolished September 2016</p>	<p><b>QE2 sports house</b> Coastal- Burwood CB Demolished March 2016</p>	<p><b>Porritt park, the main stadium</b> Coastal- Burwood CB Demolished March 2016</p>
 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Cathedral Square Toilets</b> Linwood-Central-Heathcote CB</p>	<p><b>Ex-Model Railway Site - Andrews Crescent</b> Spreydon-Cashmere CB Demolished December - 2015</p>	<p><b>Hagley Park North - RSA Bowling-Petanque Club</b> Linwood-Central-Heathcote CB Demolished December - 2015</p>









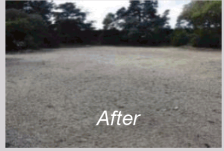
Elected Member Update  
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Attachment A Item 9

 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Linwood Nursery (Garage, Lunchroom, Potting Shed, Staorage Shed, Soil Shelter, Glasshouses (x6), Cold Frames, Shrubbery Frame (x3), Shade House (x3), Portacom Office,</b> Linwood-Central-Heathcote CB Demolished November - 2015</p>	<p><b>Sea field park "the Lodge"</b> Coastal- Burwood CB Demolished July - 2015</p>	<p><b>North Beach Community Crèche</b> Coastal- Burwood CB Demolished July - 2015</p>
 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Ferrymead reserve old toilets</b> Linwood-Central-Heathcote CB Demolished June - 2015</p>	<p><b>Styx River reserve shed number two</b> Fendalton-Waimairi-Harewood CB Demolished June - 2015</p>	<p><b>Cashmere Reserve Toilet</b> Spreydon-Cashmere CB Demolished May - 2015</p>
 <p>Before</p> <p>After</p>	<p>No 'Before' photograph</p>  <p>Before</p> <p>After</p>	 <p>Before</p> <p>After</p>
<p><b>Styx River reserve living laboratory / dwelling and buildings</b> Fendalton-Waimairi-Harewood CB Demolished May - 2015</p>	<p><b>Parklands Library Garage</b> Coastal- Burwood CB Demolished May - 2015</p>	<p><b>Westminster park buildings x 2</b> Papanui-Innes CB Demolished April - 2015</p>
 <p>Before</p>	 <p>Before</p>	 <p>Before</p>



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 <p>After</p>	 <p>After</p>	 <p>After</p>
<p><b>Avon park pavilion</b> Linwood-Central-Heathcote CB Demolished April - 2015</p>	<p><b>Avon park toilet block</b> Linwood-Central-Heathcote CB Demolished April - 2015</p>	<p><b>Birdsey Reserve Shed</b> Linwood-Central-Heathcote CB Demolished March - 2015</p>
 <p>Before</p>  <p>After</p>	 <p>Before</p>  <p>After</p>	 <p>Before</p>  <p>After</p>
<p><b>Bexley Park Toilet block</b> Coastal- Burwood CB Demolished March - 2015</p>	<p><b>Scott Park</b> Linwood-Central-Heathcote CB Demolished Dec - 2014</p>	<p><b>Bromley Cemetery - Shed</b> Linwood-Central-Heathcote CB Demolished Dec - 2014</p>

## 10. Christchurch Town Hall Project Monthly Update

Reference: 19/154787

Presenter(s): John Rossetter - Project Director  
Alistair Pearson - Manager Capital Delivery Major Facilities

### 1. Purpose and Origin of Report

#### Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to be updated as to the current status of the Town Hall Rebuild Project.

#### Origin of Report

- 1.2 This report was requested by the Council under resolution CNCL/2018/00312.  
That the Council requests that the project provides a monthly status report to Finance and Performance Committee.

### 2. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Receives the Christchurch Town Hall Project Monthly Update report.

### 3. Context/Background

- 3.1 Under Council resolution dated 19 December 2018 the budget for the Town Hall Rebuild Project was increased by up to \$15M to a total budget allowance of up to \$167.2M. The staged completion of the project as described below was also noted by the Council:
- Auditorium, Foyer, Function and Limes rooms - 20 February 2019.
  - James Hay Theatre - 5 April 2019.
  - Christchurch Symphony Orchestra rehearsal building (CSO) – Certificate of Public Use (CPU) 7 May 2019 and project completion 15 August 2019.
- 3.2 Under this resolution the Council also agreed that the additional funding would be allocated from within the existing capital programme and would not affect rates. The Council requested that a report be presented to the Finance and Performance Committee detailing the savings identified across the multi-year capital programme that will enable the additional funding to be allocated to the project. The Council noted that no approval was given to delay or re-scope projects beyond the existing delegations.

### 4. Project Status

#### Programme

- 4.1 The date for the stage one handover of the auditorium, function and limes rooms remains unchanged as 20 February 2019.
- 4.2 The latest submission of the construction programme was received 11 February 2019 and remains under review.

#### Progress

#### Construction

- 4.3 Works within the areas forming the first staged handover are undergoing defect rectification and cleaning.

- 4.4 In the auditorium the tuning of the organ has been completed, flat floor and choir bench seating have been installed and the commissioning of building services is now well progressed.
- 4.5 The entrance foyer, function and Limes rooms are all approaching completion with the removal of protections and cleaning underway.
- 4.6 Works within the James Hay Theatre, kitchen and Christchurch Symphony Orchestra rehearsal building (CSO), which form the subsequent stages of handover, continue to progress.
- 4.7 Externally works are now well progressed within the areas forming the first staged handover. Ongoing site operations will shortly be segregated according to the contractor's site management plans.

#### **Establishment**

- 4.8 The fitting out of the auditorium is taking shape with sound and lighting now in place.
- 4.9 Furniture is now on site and being distributed throughout the entrance foyer, bars and auditorium concourses.
- 4.10 The fitting out of the bars is now largely complete.
- 4.11 Opening events have now been confirmed and announced. Open days for the public are scheduled for Saturday 23 and Sunday 24 February prior to the official opening on Saturday 2 March 2019.

## **5. Financial**

- 5.1 The total estimated final project cost remains within the total budget allowance of \$167.2M.
- 5.2 Staff are in the process of finalising a report to the Finance and Performance Committee of the Whole. This will outline potential savings across the capital programme to enable the additional funding to be allocated to the Town Hall Rebuild Project. The report is being prepared on the understanding that savings should be identified from capital adjustments arising from existing planned programme revisions, rather than through adjustments made to accommodate the increased Town Hall Rebuild Project budget.

## **Attachments**

There are no attachments to this report.

## **Confirmation of Statutory Compliance**

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories

<b>Authors</b>	Harriet Scott - Project Coordinator John Rossetter - Project Director
<b>Approved By</b>	Alistair Pearson - Manager Capital Delivery Major Facilities Mary Richardson - General Manager Citizen and Community





## 11. New Brighton Pier Project Closeout Summary

Reference: 19/206711

Ged Clink – Head of Programme Management Office

Presenter(s): David Adamson – General Manager, City Services  
and Heads of Delivery

### 1. Purpose of Report

- 1.1 The Purpose of this report is for the Finance and Performance Committee of the Whole to be informed of the New Brighton Pier Project Closeout Summary.

### 2. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Receive the information in the Project Closeout Summary for New Brighton Pier.

## Attachments

No.	Title	Page
A <a href="#">↓</a>	New Brighton Pier Project Closeout Summary	92

## Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories

Author	Ged Clink - Head of Programme Management Office
Approved By	Carolyn Gallagher - Programme Director – Strategic Support Carol Bellette - General Manager Finance and Commercial (CFO)

# PROJECT CLOSEOUT SUMMARY

## New Brighton Pier – Earthquake repairs



Document development control	
Prepared by:	Dave King
Position / title:	Project Manager
Business unit:	Transport
Date of last revision:	01 March 2019
Status:	Final

HPRM Reference [19/180568]

## Contents

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## 1.0 Introduction

The purpose of this document is to summarise the relevant project information relating to the performance and close out of this project.

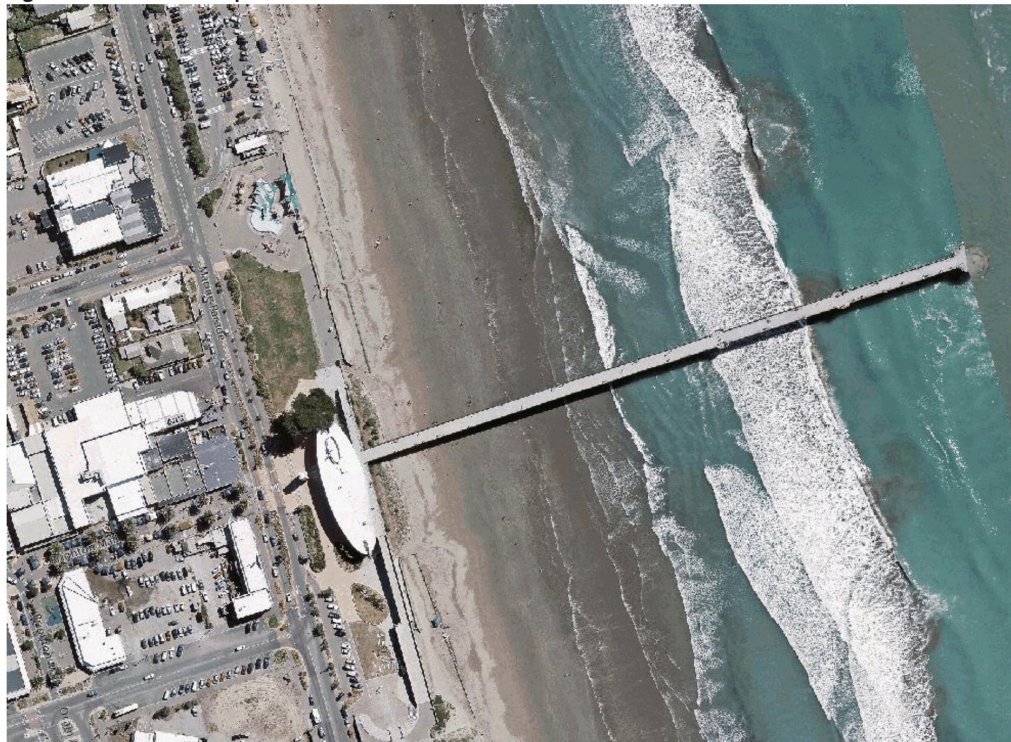
## 2.0 Data Sheet

Project Name:	New Brighton Pier Repairs
Project Address:	Brighton Mall, 8061
HPRM Reference:	19/180568
CMPS Number:	8819
WBS Number:	722/10442
Project Manager:	Dave King

### 3.0 Project Overview

#### 3.1 Purpose and Background

Figure 1: Location of Proposed Works



The New Brighton Pier is a bridge style structure, with an upper deck, supported on reinforced concrete columns, in turn built off concrete and steel jacketed piles. The New Brighton Pier sustained earthquake damage in the Canterbury earthquakes sequence at the 'plastic hinge' zone in the columns - primarily just above seabed level. The initial damage consisted of concrete spalling and straining of the reinforcement in this zone, reducing the strength of the columns, and leaving reinforcement exposed to rusting in a harsh marine environment. Column no.4 also settled vertically in the earthquakes, causing a notable change in levels along the length of the pier.





The challenge would be around how to access the damaged areas, and carry out an acceptable level of repair underwater and in the surf zone.

The scope of the repair works was to restore the strength and durability of the pier to pre-earthquake levels. CCC engineers developed an OPUS led concept into a detailed design of a 5m long steel jacket filled with concrete.

Following an initial EOI process, 3 tenderer's were invited to develop a temporary works design to carry out the repair solution. Fulton Hogan's cofferdam caisson design was chosen – it had time and cost advantages, provided a safe and dry access for workers, and gave Council the ability to inspect the damage and the subsequent repairs. Rather than seeking the expense or complication of relevering the pier deck at column no.4, CCC designed a modification to the handrail which visually addressed the most noticeable sign of the settlement.

**Figure 2: Temporary works - scaffolded access platforms, and caissons to access the damaged areas**



Figure 3: Inside the caisson – the top of the new steel jacket is visible in place around the column



The actual works were challenging in terms of logistics, potential hazards, encountering unexpected ground conditions and submerged objects; including piles from the original, pre 1900 wooden pier, and the working environment – heavy sea conditions and two cyclones caused damage to the temporary and permanent works on two of the columns. A proposal by the contractor to repair the storm damaged jackets was acceptable, with divers touching up paint, and installing sacrificial anodes.

Additional scope carried out under this contract (but funded from a separate budget) was crack repair to the pier ramp. This ramp formed part of the roof to the ground floor of New Brighton Library and so this item was funded from a 'community facilities' budget.

The project also worked to minimise disruption to the community, with partial rather than full closures of the pier where possible, and a number of significant metro events facilitated or coordinated with – coast to coast, Guy Fawkes fireworks display and others.

Health and safety expertise and oversight was provided by Worley Parsons, and environmental oversight provided by Environmental Compliance Services.

Main works were completed successfully in May 2018, with all significant snags closed out by end August 2018.



### 3.2 Project & Main Contract Summary

Works were completed within budget. The table below summarises the overall project costs.

	Total project costs
Construction	\$7,072,000
Professional Fees & internal costs (11%)	\$773,000
<b>Total</b>	<b>\$7,845,000</b>

\*costs rounded to nearest 1,000

Main Contract for physical works (Fulton Hogan) CN4600001899 financials summarised below:

	Physical works
Contract award value	\$6,992,812.95
Removal of unused provisional sums*	-\$128,141.56
Variations	\$250,795.84
<b>Contract Value at completion</b>	<b>\$7,071,717.82</b>

\*items of scope not required during the works

Summary of variations:

- Approximately \$23k for repairs to the ramp/ library roof – paid from facilities rebuild budget.
- Approximately \$212k for ground conditions – unexpected ground conditions & obstructions encountered around the columns
- Approximately \$15k for handrail levelling & replacement of commemorative plaques

Main issues:

- Two cyclones struck during the repairs, causing damage to the temporary and permanent repair works.
- Excavations around a number of columns encountered unforeseen ground conditions, and obstructions including remnants of the original pier.

#### 4.0 Project Team Key Contact List

All key people, relevant to the direction of the project, are noted in the table below, highlighting their organisation, role, and primary contact information.

Name	Company	Email	Role
Dave King	CCC	<a href="mailto:dave.king@ccc.govt.nz">dave.king@ccc.govt.nz</a>	Project Manger
Kay Holder	CCC	<a href="mailto:Kay.holder@ccc.govt.nz">Kay.holder@ccc.govt.nz</a>	Asset owner representative
Andrew Rutledge	CCC	<a href="mailto:andrew.rutledge@ccc.govt.nz">andrew.rutledge@ccc.govt.nz</a>	Project sponsor
Mark Humphery	CCC	<a href="mailto:mark.humphery@ccc.govt.nz">mark.humphery@ccc.govt.nz</a>	Technical Lead

## 5.0 Project Financials

	Original Budget (A)	Actuals	Variance
FY16	\$50,497	\$50,496	\$1
FY17	\$2,681,362	\$2,681,362	\$1
FY18	\$7,053,048	\$5,089,175	\$1,963,874
FY19	\$100,000	\$23,705	\$75,845
Total	\$9,884,907	\$7,844,737	\$2,039,720

Comments	The FY18 saving of \$1,963,874 was made available at year end reconciliation, to fund overs and unders elsewhere within the capital delivery programme in FY18.
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## 6.0 Health & Safety

Total site man hours worked during the repairs were 38,031 hours. The accumulated Total recordable injury frequency rate (TRIFR) peaked at 21.9 per 200,000 man hours (month) trending down to 10.5 per 200,000 man hours by project end.

There were a total of 34 incidents recorded, with 1 lost time injury (LTI) – a back strain, and one medical treatment injury (MTI) – a hand injury requiring three stitches.

## 7.0 Practical Completion

Description: Practical Completion Certificate pertaining to the repair works completed under; CCC NZS 3910 (CN4600001899) was achieved on 11/05/2018.

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## 8.0 Project Final Status Summary

Title	Status	Commentary
<b>Finances</b>	Green	Project delivered under budget
<b>Risks</b>	Green	No project risks remain
<b>Issues</b>	Green	No remaining project issues. However during the early stages of the project there was some interest in whether the works would address some of the historic conflict between users (fishing and walking) – the scope was repair of earthquake damage, and did not address this wider issue.
<b>Resources</b>	Green	Resources were adequate for the project and delivered well.
<b>Time</b>	Green	Works were delivered on time within the contract and to community expectations.
<b>Scope</b>	Green	The pier was returned to pre-earthquake condition.
<b>Benefits</b>	Green	The project to return this asset of metropolitan significance to pre-earthquake condition was successful.
Key – Green = delivered to plan, amber = partially off plan, Red – off plan		

## 12. Regenerate Christchurch Ltd - Half year performance report for period 1 July - 31 December 2018

Reference: 19/7361

Presenter(s): Ivan Iafeta - Chief Executive, Regenerate Christchurch

### 1. Purpose and Origin of Report

#### Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to note Regenerate Christchurch's performance for the half year 1 July - 31 December 2018, and the preliminary funding implications for the future.

#### Origin of Report

- 1.2 This report is staff generated following receipt of the performance report from Regenerate Christchurch.

### 2. Significance

- 2.1 The decisions in this report are of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by the extent to which the decisions in this report are likely to impact the community.

### 3. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Note the attached performance reports from Regenerate Christchurch and Council and the Department of the Prime Minister and Cabinet staff; and
2. Request Council staff to urgently review the Regenerate Christchurch Forward Work Programme and associated financial implications and report back to Council.

### 4. Key Points

- 4.1 Attached to this report are the following Regenerate Christchurch-related reports:
- Its quarterly report for the period 1 October to 31 December 2018;
  - A Memo from the Chief Executive dated 21 February 2019 providing an update on progress since 31 December 2018; and
  - Council and Department of the Prime Minister (DPMC) and Cabinet's joint staff report on Regenerate Christchurch's performance for the quarter ending 31 December 2018.
- 4.2 At its meeting on 22 November 2018, the Council asked staff to report back with a review of Regenerate Christchurch's future funding requirements (CNCL/2018/00275 refers). This resolution was also referred to as part of the Council accepting the draft 2019 Annual Plan. Council staff (in conjunction with DPMC) requested that this information be provided to Council (and DPMC) officers by late January 2019 to be analysed and reported to the March 2019 meeting of the Finance and Performance Committee.
- 4.3 At the time of writing this report, Regenerate Christchurch had provided a Forward Work Programme to the Mayor and Minister (22 February) however staff understand that further information is still to be received. This means that there has been no time for the analysis

required to enable staff to provide advice. It is noted that the Forward Work Programme did not include any proposed changes or commentary as to their level of funding.

It is proposed that Council staff will bring the Regenerate Christchurch Forward Work Programme to a meeting of Council in the near future for Council deliberation.

#### Board appointments

- 4.4 Section 127(1) of the Greater Christchurch Regeneration Act 2016 (the Act) provides that the Regenerate Christchurch board comprises seven members, three appointed by the Council and four by the Minister. Section 128 of the Act provides that the Chair of the board must be appointed by the Council for the period beginning 1 July 2019 and ending on the close of 30 June 2021.
- 4.5 Currently the Regenerate Christchurch board has five members, following the recent exits of the Chairs of the Ōtākaro Ltd and Development Christchurch Ltd boards. Mr Butler exited his role as Chair of Ōtākaro Ltd last year and was not replaced by the Crown. Mr Dwyer's term on the Regenerate Christchurch board expired in mid-February and Council staff understand that he does not wish to be reappointed, notwithstanding he remains the Chair of DCL.
- 4.6 Having made inquiries of Regenerate Christchurch staff in January, Council staff were advised that the board would be raising the issue of director appointments directly with shareholders. They also confirmed that the board could operate legally and practically with two fewer members, and that a quorum of four is required for decisions to be made.
- 4.7 Due to work on the future institutional arrangements for the Christchurch regeneration sector concluding shortly, coupled with decisions pending on Regenerate Christchurch's future work programme, Council and DPMC staff recommend that new appointments to the Regenerate Christchurch board be put on hold until there is clarity on these matters.
- 4.8 The terms of the Council's two appointees to the board, Humphrey Rolleston and Jen Crawford expire on 30 June 2019. The Chair's appointment (by the Crown) expires on 30 June also, and a new Chair will be a matter for the Council to decide.

## Attachments

No.	Title	Page
A <a href="#">↓</a>	Regenerate Christchurch - Quarterly Performance Report for 1 October - 31 December 2018	106
B <a href="#">↓</a>	Regenerate Christchurch - Memo from Chief Executive of Regenerate Christchurch on progress	108
C <a href="#">↓</a>	Joint Council and Department of the Prime Minister and Cabinet quarterly report on Regenerate Christchurch's performance for the quarter ending 31 December 2018	110

## Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and



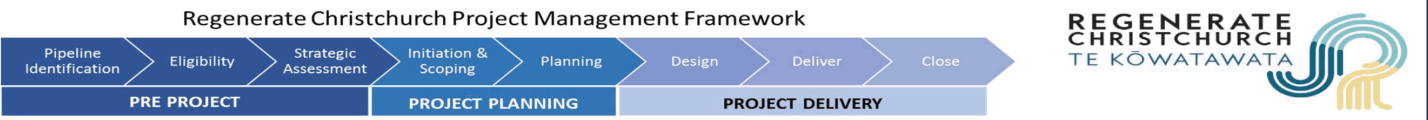
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

### Signatories

<b>Author</b>	Linda Gibb - Performance Monitoring Advisor
<b>Approved By</b>	Len Van Hout - Manager External Reporting & Governance Diane Brandish - Head of Financial Management Carol Bellette - General Manager Finance and Commercial (CFO)

Regenerate Christchurch Work Programme Quarterly Status Report: 1 October 2018 – 31 December 2018

Our Vision: Regenerate Christchurch is at the heart of leading our city from recovery to regeneration. We want Christchurch to be a vibrant city that has opportunities for people to grow, connect and thrive. Our contribution will be through Regeneration Plans and leadership that will transform Christchurch.



ORGANISATION FUNCTIONS (as set out in Section 123 of the Greater Christchurch Regeneration Act 2016 (Act))



1. Work Programme Overview (key areas of current focus)

#	Project / Activity	Phase	Approach	Description
1	Ōtākaro Avon River Corridor	Deliver	Regeneration Plan	To develop a Regeneration Plan for the Ōtākaro Avon River Corridor Regeneration Area.
2	Southshore and South New Brighton	Planning	Regeneration Strategy	To develop a Regeneration Strategy to respond to the effects of the earthquakes and climate change on the Southshore and South New Brighton communities.
3	Decision Making Framework	Close	Regeneration Advice	To create a framework to facilitate 'best for city' decisions.
4	New Brighton Centre	Eligibility	Advice and Monitoring	To provide advice to Development Christchurch Limited, as required.
5	Other Regeneration Opportunities	Various	Various	To progress other regeneration opportunities, and responding to regeneration proposals from the public and private sectors.

2. Upcoming Ministerial Notifications (milestones, key updates etc)

Ōtākaro Avon River Corridor		
1	Draft Regeneration Plan submitted to the Minister under s35 of the GCR Act for approval under s38.	March 2019
2	Proposed partial revocation of CCRP submitted to the Minister for approval under s57 of the GCR Act.	March 2019
Southshore and South New Brighton		
3	Provision of outcomes of the internal review and provide advice on future direction of the project.	February 2019
Leading the Regeneration of Christchurch		
4	Advice on additional regeneration initiatives (scope of works) that we consider are required for the successful regeneration of Christchurch.	March 2019

3. Major Milestones Achieved

Ōtākaro Avon River Corridor		
1	Section 29 parties statutory feedback received.	26-Oct-18
2	Public notification period for OARC draft Regeneration Plan commenced.	14-Nov-18
3	Public notification period for draft OARC Regeneration Plan concluded.	19-Dec-18
Southshore and South New Brighton		
4	Technical Baseline Report "Information about the Area" published.	19-Nov-18
5	Internal Review initiated.	11-Nov-18
Decision Making Framework		
6	Decision Making Framework Gap Analysis circulated to the Central City Steering Group.	10-Nov-18
7	Guidance notes on first draft Decision Making Framework distributed to the Central City Action Plan Steering Group.	10-Dec-18
Other Regeneration Opportunities		
9	Provision of views on the Christchurch City Council's proposal for the exercise of powers under section 71 of the GCR Act 2016: Residential Unit Overlay in Christchurch District Plan.	25-Oct-18
10	Letter to the Minister with views on Christchurch City Council's finalised proposal for the exercise of powers under section 71 of the Greater Christchurch Regeneration Act 2016: Residential Unit Overlay.	2-Nov-18

4. Regenerate Christchurch – Output Class Financial Summary

Output Class	YTD 2018/19 Actual	YTD 2018/19 Budget	Variance
	(\$)	(\$)	(\$)
1. Leading the Regeneration of Christchurch			
Leading the Regeneration of Christchurch	454,485.27	661,483.50	206,998.23
Subtotal	454,485.27	661,483.50	206,998.23
2. Delivering Regeneration in Christchurch			
Ōtākaro Avon River Corridor	1,588,085.07	1,271,613.57	- 316,471.50
Southshore and South New Brighton	279,010.26	570,645.80	291,635.54
Delivery of Regeneration Planning Initiatives	-	403,979.00	403,979.00
Subtotal	1,867,095.33	2,246,238.37	379,143.04
3. Facilitating the Regeneration of Christchurch			
Statutory Response Function	-	107,118.50	107,118.50
Subtotal	-	107,118.50	107,118.50
3. Staff Costs and Corporate Costs			
Staff Costs (Direct and Indirect)	1,869,549.79	2,048,276.70	178,726.91
Corporate Costs	929,763.93	721,066.26	- 208,697.67
Subtotal	2,799,313.72	2,769,342.96	- 29,970.76
Total across Output Classes	5,120,894.32	5,784,183.34	663,289.02
Other costs (depreciation)	59,748.00	53,646.00	- 6,102.00
Total	5,180,642.32	5,837,829.34	657,187.02


















Financial Commentary – as at 30 December 2018

The financial summary table shows Regenerate Christchurch's actual year to date financial position compared to the 2018/19 year to date SPE budget.

The table shows expenditure for each Output Class, broken down by the specific projects Regenerate Christchurch has undertaken. Staff Costs (both direct and indirect) and Corporate Costs (IT, Building Premise, Corporate Administrative and Operating Costs) have been separated out.

For the period ended 31 December 2018:

- Leading the Regeneration of Christchurch Output Class is \$207k lower than budget for the first two quarters – the spend recorded incorporates provision of advice on Central City Action Plan, and the assessment of other potential regeneration activities.
- Delivery of Regeneration in Christchurch Output Class is \$379k under budget for the current year through to 31 December 2018 – the total YTD Actuals of \$1.86m incorporate expenditure on the Ōtākaro Avon River Corridor (OARC) Regeneration Plan and the Southshore and South New Brighton (SS&SNB) project. The acceleration of the delivery of the Regeneration Plan for OARC has been the organisational priority, resulting in expenditure being brought forward. There has been no expenditure on the Delivery of Other Regeneration Planning Initiatives.
- There has been no external expenditure to date for Facilitating the Regeneration of Christchurch Output Class. \$107k was budgeted for the period ended 31 December 2018 – the amount budgeted incorporated expenditure on the provision of views on Regeneration Plans or the exercise of powers in section 71 of the GCR Act - to date, any work associated with these have been undertaken in house, within existing staffing.
- Staff Costs are \$179k lower than the amount budgeted because of vacancies within the organisation.
- Corporate Costs are \$208k over the amount budgeted because of some vacant positions being filled by short term contract resource.

Regenerate Christchurch Work Programme Quarterly Status Report					KEY:	
						Deliverable achieved or performing to plan, and is <b>on track</b> to meet agreed targets.
						Deliverable partially achieved, viability may be <b>at risk</b> , i.e. scope, time, cost, quality.
						Corrective action is required. Deliverable viability is <b>off track</b> .
5. Progress against Key Deliverables (performance targets set out in the 2018-2019 Statement of Performance Expectations)						
OUTPUT CLASS ONE: Leading the Regeneration of Christchurch						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
1	Further central city deliverables scoped and agreed with shareholders following delivery of initial advice.	Dec-18		Regenerate Christchurch has continued to participate on the Central City Action Plan Steering Group. The development of a Decision-Making Framework was a requested action from the Central City Action Plan.	Dependency on planned activity under deliverable (5) below.	
2	Deliver further central city work programme.	Jun-19		A Decision-Making Framework has been developed and shared with City Council officials. Earlier central city momentum advice and regeneration trends have been reviewed to assist with the development of our scope of works.	To be defined in due course.	
3	The Delivery Strategy (Regeneration Strategy) for Cathedral Square will be finalised by the end of Q1 2018/19. This will set out the delivery pathway for the design strategy (vision).	Completed		Advice was provided to our Shareholders on 28 September. This advice focuses on mitigating short to medium term risks and challenges present to the Cathedral Square and surrounding area.	Regenerate Christchurch will continue to provide leadership advice on whole of city regeneration opportunities or barriers, in collaboration with Christchurch City Council Officials on an as required basis.	
4	Provide a recommendation on the Cathedral construction management area allowed in Cathedral Square.	Completed		Over the past quarter we have continued to engage with the Cathedral Joint Venture and acknowledge that a final decision on the construction management area is its responsibility.	No further action anticipated at this point.	
5	Complete an enhanced framework for identifying and assessing proposals by understanding their capacity to augment regeneration. framework will take into consideration the GCR Act expiry in 2021.)	Dec-18		Initial strategic analysis was completed to support the development of advice to the Regenerate Christchurch Board about Regenerate Christchurch’s statutory role and an indicative scope of work. This analysis is an iteration of the Regenerate Christchurch Board’s strategic direction and the action plan developed to support that direction.	Regenerate Christchurch Board engagement with Shareholders in March 2019.	
6	Use the enhanced framework to undertake an initial assessment of potential regeneration activities, subject to stakeholder feedback.	Dec-18		Dependency on deliverable (5) above.	To be defined in due course.	
7	Deliver further work programme relating to the enhanced framework.	Jun-19		Dependency on deliverable (5) above.	To be defined in due course.	
OUTPUT CLASS TWO: Delivering Regeneration in Christchurch						
Ōtākaro Avon River Corridor						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
8	Draft Regeneration Plan provided to parties specified in Section 29(1) of the GCR Act to seek their views.	Completed		There was ongoing engagement with Section 29 parties to collaborate on, and refine the draft Regeneration Plan, prior to public notification in November 2018.	Ongoing engagement, as required.	
9	Draft Regeneration Plan publicly notified.	Completed		The draft Regeneration Plan was publicly notified on 14 November 2018 and concluded on 19 December 2018.	Regenerate Christchurch is now analysing all public feedback, reviewing content and determining changes to the notified Plan. The Regenerate Christchurch Board is due to consider amendments to the draft Plan in February 2019.	
10	Finalised draft Regeneration Plan submitted to the Minister for consideration.	Mar-19		Preliminary preparation of ministerial briefing documentation including advice and statutory deliverables for the Minister commenced. Consultation with Ōtākaro Limited continued on requirements to facilitate consent to submit the Plan to the Minister. CCRP partial revocation documentation prepared for submission to the Minister.	The Plan is on track to be submitted to Ōtākaro Limited for consent, then to the Minister in March 2019 for subsequent approval. CCRP partial revocation also on track for submission to the Minister in March 2019.	
Southshore and South New Brighton						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
11	Deliver the regeneration strategy to the Crown, Christchurch City Council and Environment Canterbury for consideration.	Jun-19		Provision of psychosocial advice, focused community engagement and the publication of technical information was completed during this period. Before proceeding to the next phase, an internal review was completed. The review was initiated as the project exists within a rapidly evolving policy context (in which central and local government, science and communities are receiving and responding to new information at pace, namely climate change and adaptation to coastal hazards), it was necessary to assess the extent to which the project is able to achieve intended deliverables.	The results of the review, including advice and options for the future direction of the project has been prepared for the Regenerate Christchurch Board to consider. Additional advice for Shareholders is expected to follow in February 2019.	
Delivery of Regeneration Planning Initiatives						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
12	Outputs will be activities or projects determined after identification and assessment under Output Class One. This may include preparation of Regeneration Plans or proposals for the use of Section 71 of the GCR Act.	Ongoing, as required		The focus has been on the accelerated delivery of Ōtākaro Avon River Corridor Regeneration Plan, therefore identifying new regeneration plans or initiatives has not been a priority, however, Regeneration Christchurch is approached for use of tools by the private sector and considers and responds accordingly.	To be defined in due course.	
OUTPUT CLASS THREE: Facilitating the Regeneration of Christchurch						
Yaldhurst Recreation and Sports Facility						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
13	Regenerate Christchurch provides its views on the finalised proposal to the Minister as soon as practicable after receiving the finalised proposal from Christchurch City Council (under Section 66 of the Greater Christchurch Regeneration Act 2016).	Completed		On 4 October 2018 Minister Mahuta proceeded with the Yaldhurst Recreation and Sports Facility Section 71 Proposal. The Proposal was publicly notified on 6 October with the written submission period finishing on 5 November 2018. On 19 December 2018 Minister Mahuta approved the proposal to enable development of the Recreation and Sports Facility.	No further action. This deliverable has been completed.	
Timely responses to any new regeneration initiatives by proponents						
Deliverable		Due Date	Status	Actual Progress (since the last status report)	Planned Activity (for next quarter January – March 2019)	
14	Outputs for this work package are determined on a case by case basis, as required.	Ongoing, as required		Views provided to Christchurch City Council in October 2018 for the exercise of powers under Section 71 of the GCR Act to amend the Christchurch District Plan regarding the Residential Unit Overlay District Plan Changes Section 71 Proposal.	To be defined in due course, on a case by case, as required basis.	





## MEMO

### Regenerate Christchurch Work Programme Quarterly Status Report

To: Department of Prime Minister and Cabinet and the Christchurch City Council

From: Ivan Iafeta

Date: 21 February 2019

#### Background

Attached is the Regenerate Christchurch Work Programme Status Report (Report) for the 1 October 2018 to 31 December 2018 period. The Report provides a snapshot summary of Regenerate Christchurch's performance across work programme priorities.

Content of the Report includes upcoming Ministerial notifications, major milestones achieved, financial commentary, and progress against key deliverables as set out by the 2018-19 Statement of Performance Expectations (SPE).

To follow is further information regarding the reporting period to be read alongside the attached Report:

#### Ōtākaro Avon River Corridor

During the quarter covered by this report, Regenerate Christchurch prioritised accelerating completion of the Ōtākaro Avon River Corridor Draft Regeneration Plan. This included extensive consultation with the parties listed in Section 29 of the Greater Christchurch Regeneration Act (Christchurch City Council, Environment Canterbury, the Department of the Prime Minister and Cabinet, Te Rūnanga o Ngāi Tahu and Ōtākaro Limited) and a five-week public notification period which closed on 19 December.

The acceleration of the Ōtākaro Avon River Corridor Draft Regeneration Plan will enable Regenerate Christchurch to deliver the draft plan to the Minister three months earlier than indicated in the 2018/2019 Statement of Performance Expectations. The acceleration will be reflected in the next quarterly report (1 January 2019 to 31 March 2019) with an anticipated reduction in the year-to-date underspend.

#### Southshore South / South New Brighton

To ensure the success of this project, an internal review was initiated to assess the evolving scope and broader policy context. The review findings have been shared with officials ahead of planned discussions with shareholders. As a result, the project is currently reported as off track.

#### Key Outcomes since 31 December 2018

- Written comments on the draft regeneration plan have been analysed.
- Intensive work and engagement with the parties listed in Section 29 of the Greater Christchurch Regeneration Act has continued in finalising the draft Regeneration Plan and accompanying material for the Minister.
- Considerable engagement with Ōtākaro Limited has continued to ensure it has the information needed to consent the Draft Regeneration Plan.



- Considerable engagement with the Department of the Prime Minister and Cabinet has been undertaken to ensure it has the information needed to provide advice to the Minister for her consideration of the Draft Regeneration Plan.
- The forward scope of work for Regenerate Christchurch was agreed by the Board on 18 February 2019 and is ready to discuss with Shareholders. The scope of work is based on Regenerate Christchurch's view of what is currently required for regeneration, and what Regenerate Christchurch's contribution should be. Regenerate Christchurch continues to progress an organisational change process to deliver against its statutory functions and the proposed scope of works.

**Christchurch City Council and Department of the Prime Minister and Cabinet  
Quarterly Status Update for Regenerate Christchurch, for the period 1 October to  
31 December 2018**

Attached are Regenerate Christchurch's Quarterly Report for the period ending 31 December 2018, and an accompanying explanatory memorandum providing an update on progress since 31 December. The key issues presented are:

- **Budget underspend:** An underspend against budget is characteristic of every quarter's outturn against budget to date. The December quarter's underspend is \$657,187.02. Cash in the bank stands at \$1,336,541 as at 31 December 2018 (\$168,000 (14%) higher than the October cash flow projection). Regenerate Christchurch advises that bringing forward the Ōtākaro Avon River Corridor project by three months also brings forward the project costs which will reduce the budget underspend overall.
- **DPMC/Council staff comment:** Regenerate Christchurch will receive a further \$2 million funding from the Crown and Council by April, at which time it will have only South Shore / South New Brighton as an explicitly defined project. Regenerate Christchurch also has its statutory duties to provide advice and recommendations on regeneration plans and regeneration activities and outcomes. Regenerate Christchurch's cash flow projections show its closing cash balance to have reduced to \$445,992 by May. When we report to Council on Regenerate Christchurch's future funding requirements, the cash held by Regenerate Christchurch will be taken into account.
- **Ōtākaro Avon River Corridor:** the project is advised as being on schedule for submission of a draft regeneration plan to the Minister by the end of March 2019.
- **South Shore / South New Brighton:** the project is reported as being off track. Regenerate Christchurch has placed the project on hold and undertaken an internal review of the project. These options have been discussed with Council staff and we understand the Regenerate Christchurch board will discuss them with shareholders in due course.
- **Other deliverables:** the quarterly report notes that during the period a number of deliverables have been completed. These will be removed from the next quarter's report. They include Cathedral Square, Central City, and Yaldhurst.

**Forward work programme and Annual Plan funding**

Regenerate Christchurch has developed a new work programme that it intends to discuss with shareholders in March. Staff from the Council and DPMC received the document on Friday 22 February, but have not (at the time of writing) had an opportunity to consider it. We note that it does not provide costings.

## 13. Christchurch City Holdings Ltd - Interim Report 2019

Reference: 19/215968

Presenter(s): Leah Scales - Chief Financial Officer, CCHL

### 1. Purpose of Report

- 1.1 This report presents Christchurch City Holdings Ltd's (CCHL's) Interim Report 2019, which was released to the market on 26 February 2019.

### 2. Executive Summary

- 2.1 CCHL's Interim Report for the period 1 July to 31 December 2018 is attached, presenting an unaudited group net profit after tax of \$56.7 million, ahead of the same period last year by \$6 million.
- 2.2 The Interim Report was released to the market on 26 February as required under the NZX disclosure rules.

### 3. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Notes the content of this report and the attached Christchurch City Holdings Ltd Interim Report for 2019.

### 4. Key Points

- 4.1 In accordance with its disclosure obligations under the NZX listing rules, CCHL has reported its interim results for the period 1 July – 31 December 2018 to the market. The Interim Report is at **Attachment A**.
- 4.2 The report contains CCHL's unaudited financial results for the consolidated group, the CCHL parent and each of its subsidiaries, and a report presenting the group's highlights for the period. Key financial information includes:
  - Net profit after tax \$56.7 million has been contributed mostly by Orion \$29.0 million, Christchurch International Airport Ltd (CIAL) \$24.3 million, Lyttelton Port (LPC) \$6.3 million.
  - Compared with the six months to 31 December 2017, net profit after tax has increased by \$6.0 million due to the following:
    - growth in CIAL's non-aeronautical activities, \$5 million;
    - a first-time profit from Enable of \$0.9 million, giving a variance between years of \$4.5 million, as a result of achieving connections ahead of expectations;
    - lower demand for electricity due to the mild winter in 2018, lowering Orion's profit by \$1.7 million; and
    - reduced profit from LPC of \$2.4 million reflecting ongoing difficulties with coastal container volumes due to scheduling issues at the Port of Auckland, and efficiency disruption due to ongoing union negotiations.
- 4.3 City Care, EcoCentral and Red Bus are facing challenging times due to market competitiveness for City Care, and uncertainties in future contracts for Red Bus and EcoCentral services / products. Development Christchurch has recorded a \$2.4 million profit, however this is largely



the result of revenue received from the Council at the beginning of the year, to fund its full year's costs.

- 4.4 The group has total assets of \$4.2 billion, owned for the most part by Orion (\$1.2 billion), CIAL (\$1.6 billion) LPC (\$0.5 billion) and Enable (\$0.5 billion).
- 4.5 The group's debt stands at \$1.8 billion and equity at \$1.9 billion. It has annualised returns on assets of 2.7% and equity of 6% (note that assets were last revalued at 30 June 2018).
- 4.6 During the period, CCHL made dividend payments to the Council of \$92 million (ordinary \$22 million and special \$70 million) and will follow up in the second half of the year with further payments of \$96.3 million.
- 4.7 On 26 March, CCHL is scheduled to present the group's draft Statements of Intent for the three year period beginning 2020/21. At this time, CCHL will have information about the expected full year profit outturn for the group in the current financial year, as well as projections for the SOI period.

## Attachments

No.	Title	Page
A <a href="#">↓</a>	Christchurch City Holdings Ltd Interim Report 2019	113

## Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories

<b>Author</b>	Linda Gibb - Performance Monitoring Advisor
<b>Approved By</b>	Len Van Hout - Manager External Reporting & Governance Diane Brandish - Head of Financial Management Carol Bellette - General Manager Finance and Commercial (CFO)



Christchurch  
City Holdings  
Limited

## Report for Council

**Date:** 26 February 2019

**To:** Chief Executive, Christchurch City Council

**From:** Leah Scales, CFO, Christchurch City Holdings Ltd (CCHL)

**Subject:** CCHL Group Interim Report

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This is a report for submission to the next meeting of the Finance and Performance Committee.

As this report contains information which has been released to the Public, it can be included in the **Public** section of the meeting.

### Background

Under its NZX listing rules, CCHL are required to prepare a Interim report covering the six month period ended 31 December 2018. The attached report is the results of the consolidated group, incorporated CCHL and its subsidiaries. The financial results are unaudited.

### Highlights for the Quarter

Attached are the unaudited interim financial statements of the CCHL group for the six months ended 31 December 2018.

#### **Group**

The group recorded a net profit after tax (NPAT) for the six months ended 31 December 2018 of \$56.7 million, compared with \$50.7 million in the equivalent period last year. The result is reflective of continued year on year growth from the airport, and our fibre company moving to a NPAT positive position for the first time, as connections to the network continue to increase. These positive results are coupled with continued difficult trading conditions for our smaller contracting companies.

#### **Sustainability and Environmental Leadership**

The publicly owned group recognises its leadership role in moving Christchurch and Canterbury towards a sustainable future, through their own business practises and that of supporting its owners as they move towards a carbon neutral future. Over the past year, most of the group have introduced new sustainability frameworks, setting goals and targets for its contribution to the economic and social growth of the Christchurch community and reducing the environmental impact of their businesses. In 2019 we are already seeing the implementation of some of these initiatives, and whilst all our companies are at different stages of their sustainability journey, and some face more economic challenges than others, we are proud of the focus and development the companies have shown in this area.

**Parent Company**

The parent company recorded a net profit for the six months of \$36.1m compared to a \$39.3m for the same period last year. The result has been impacted by finance costs relating to the additional debt raised to fund the capital release to our shareholder, Christchurch City Council. In addition, revenue is down compared to the equivalent period last year which saw special dividends received from Orion and LPC and no dividends from Citycare this year.

FY19 will see the final \$140m of CCHL's \$440m capital release commitment paid to our shareholder. To fund this commitment in 2017 CCHL established a new bond programme in the New Zealand debt capital market by issuing a fixed rate 5-year bond. This year CCHL completed another successful bond offer raising \$150m with a 6 year fixed rate bond maturing in November 2024. Both of these issues have been listed on the NZX Debt market(NZDX), providing liquidity for bondholders and a stronger platform to support CCHL's ongoing bond programme.

In December Standard & Poors (S&P) reaffirmed CCHL's credit rating at A+ but upgraded its outlook to positive.

**Orion New Zealand Ltd (Orion)** recorded a half-year after tax profit of \$29m compared to \$30.7m for the equivalent period last year. Whilst slightly down on target, Orion continues to provide strong support to its shareholders in the form of dividend payments.

Orion is in its final year of its five-year customised price quality path, so is preparing itself to move back to the default price path for FY21 following an interim rollover year.

Work continues on Orion's resilience programme, with two significant projects currently underway, including the installation of an 11kv cable through the Lyttelton road tunnel, and the upgrade of the network for the Springston community.

Orion continues to grow its network welcoming 1,900 new customers this year, with total connections at 202,900.

Orion is working with key customers as part of its sustainability journey, partnering with Synlait as it installs New Zealand's first large-scale electrode boiler. To be commissioned in early 2019, the move from a coal fired boiler to electricity is part of Synlait's sustainability strategy, and leads the way for the industry to contribute to a lower emissions future for New Zealand.

Orion paid dividends of \$23.7m to CCHL during the period.

**Christchurch International Airport Ltd (CIAL)** recorded a half-year after tax profit of \$24.3m compared with \$19.3m in the equivalent period last year. This reflects some growth in aeronautical revenue but mostly from non-aeronautical revenue being \$5.5m ahead of the same period last year reflecting strong income streams coming from the commercial portfolio.

International and domestic passenger numbers both improved over the previous period, but the main growth was in international with a 2.9% increase. This reflects Christchurch continuing to attract the international visitors, which is supported by the announcement by Air NZ that they will operate a 5 times weekly seasonal service between Christchurch and Singapore.

Development of the company's property portfolio continues, with the noticeable progress on the development of the Bunnings site in Harvard Park, and the further development in the agri-business precinct. CIAL continues to work closely with the contractor on the construction of the Novotel Christchurch Airport Hotel expected to be complete later this year.

CIAL was an early adopter of the sustainability programme for the group, and that progress was recently acknowledged again with CIAL being recognised as a "stormwater superhero" by a local Zone committee. CIAL also continues to reduce their carbon footprint as they phase out the fossil fuel vehicles from their own fleet.

CIAL paid dividends of \$17.2m to CCHL during the period.

**Lyttelton Port Company Ltd's (LPC)** recorded a half-year after tax profit of \$6.3m compared with \$8.7m in the equivalent period last year. Container volumes were down compared to last year, primarily due to fewer coastal import containers and scheduling issues faced by Ports of Auckland impacting the national supply chain. On the positive side, the period saw the arrival of the biggest container vessel at 5,900 TEU, taking advantage of the newly created channel depth. Previously the largest vessels to call at Lyttelton was 4,500 TEU.

Construction of the new \$67 million Cruise Berth has started, and piling began in December. The Berth will be New Zealand's first-ever purpose built Cruise facility, and will be able to accommodate the world's largest Cruise vessels.

The Port continues to implement the Lyttelton Port Recovery Plan approved in November 2015. The official opening of Te Ana Marina is a strong reflection of the commitment of LPC to working with the community to regenerate part of the inner harbour as a vibrant community focused destination.

Midland Port, in Rolleston, continues to grow as customers take advantage of the efficiencies this inland port offers, and the benefit of taking trucks off Christchurch roads.

LPC is working to integrate sustainability through their business, with the development of a sustainability strategy and implementation plan.

LPC paid dividends of \$4.9m to CCHL during the period.

**Enable Services Ltd (ESL)** recorded a half-year after tax profit of \$0.9m, compared with \$(3.7)m loss in the equivalent period last year. This is the first time ESL has recorded a NPAT surplus, a reflection on increased connection numbers which continue to track ahead of expectations as this company moves its full focus to asset management and customer service.

Enable now has ~50 percent of the fixed broadband market within its greater Christchurch coverage area.

A new sustainability framework developed this year will set goals and targets for its contribution to the economic and social growth of the Christchurch community and reducing the environmental impact of its business

Customer service continues to be a significant focus, with online tools that make it easier for customers to make the move to fibre broadband.

**City Care Ltd (Citycare)** recorded a half-year profit after tax for the period of \$0.6m, compared with \$0.7m in the equivalent period last year. This result is disappointing but reflective of the very competitive tender market that Citycare works in.

Focus on innovation has led Citycare to sign a partnership deal with a Christchurch-based IoT sensor device design and manufacturing business (PiP IoT), which includes exclusive NZ distribution of their fit-for-purpose sensor devices, enabling Citycare to provide its customers with (near) real-time asset intelligence

In addition, Citycare has updated its Sustainability Charter and Framework, aligning it with the 7 of the 17 UN Sustainable Development Goals (SDGs) where they are confident that the business can drive the most positive sustainability leadership.

**Red Bus Ltd (Red Bus)** recorded a half-year loss after tax for the period of \$198k, compared with \$44k profit in the equivalent period last year. This loss is not directly linked to trading results but reflective of the investment being made by the company to reposition itself for the upcoming urban contract tenders.

In November 2018, CCHL appointed four new Directors to the Board with the skill set required to address the opportunity created through all new urban contracts coming up for tender in 2019. With a mandate to take

this community owned asset and reshape how the people of Christchurch see and use Public transport, the Red Bus Board and team have an exciting challenge ahead, supported by its owner.

The Environment Canterbury Regional Passenger Transport Plan (RPTP) was finalised prior to Christmas. The RPTP proposes significant long term investment in growing Christchurch passenger transport, adopting new technology and a strong customer centric approach. With this, all new Urban contracts will be up for tender in 2019. This offers a significant opportunity for Red Bus to increase its share in the public transport market.

As part of its sustainability journey, Red Bus are focussed and committed to getting more people on buses, and know they need to work closely with their community and partners to achieve this. The delivery of its first 3 fully electric buses will happen in the next three months, a key driver to ensure a sustainable future for Red Bus and its community.

**EcoCentral Ltd (EcoCentral)** recorded a half-year profit after tax for the period of \$0.6m, compared with \$0.9m in the equivalent period last year. An impressive result given the challenges that EcoCentral are facing, but reflective of a community owned asset supported by its ultimate owner and largest customer, Christchurch City Council.

The EcoDrops have responded well in a challenging environment and have worked hard to build strong relations with its customer base while increasing their competitiveness. This has proven effective in stabilising incoming refuse tonnes, resulting in a financial performance that was ahead of budget for the EcoDrops and only down slightly on the same period last year.

The EcoSort has had a promising start to the year, with the introduction of a processing fee and a focus on its product quality and customer relationships, ensuring it continues selling its recyclable paper and plastics with none going to landfill or being stored.

EcoCentral paid dividends of \$0.25m to CCHL during the period.

**Development Christchurch Ltd's (DCL)** recorded a half-year profit after tax for the period of \$2.4m, compared with \$2.2m in the equivalent period last year. DCL's core role is to provide the Council with the increased strategic capacity that arises from its commercial focus and commitment to engage effectively with developers, investors, businesses and other stakeholders.

The key focus on New Brighton has seen further work this year. With the beachside playground now open, resource consent for the hot pools development was granted in June 2018 and construction is expected to be underway in February/March 2019. Completion of this incredible community asset is expected within 12 months.

DCL continues to work closely with other key Christchurch rebuild partners namely, Otakaro and Regenerate Christchurch.

Attachments:

1. CCHL Interim Report to 31 December 2018.

**Recommendation**

That the report be received.



Leah Scales  
**Chief Financial Officer**





Christchurch  
City Holdings  
Limited

July 2018—December 2018

A WHOLLY OWNED SUBSIDIARY  
of CHRISTCHURCH CITY COUNCIL

# Interim Report 2019



Item 13  
Attachment A



Christchurch City Holdings Limited

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Christchurch City Holdings Limited

## Group Structure



Christchurch City Holdings Ltd (CCHL) is the commercial and investment arm of Christchurch City Council (the Council). It was incorporated on 12 May 1993 to act as the holding company for the Council's commercial investments. As a result, it is a council controlled organisation under the Local Government Act 2002.

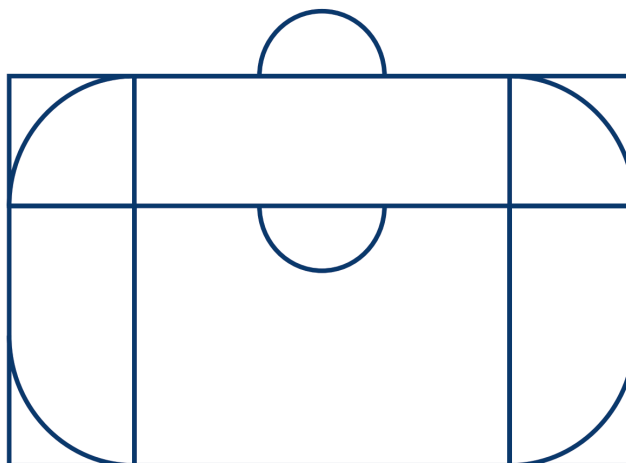
The company is responsible for managing the Council's investment

in eight fully or partly-owned trading companies – Orion New Zealand Ltd, Christchurch International Airport Ltd, Lyttelton Port Company Ltd, Enable Services Ltd, City Care Ltd, Red Bus Ltd, EcoCentral Ltd and Development Christchurch Ltd. Six of these are 100% owned, the other two are majority owned by CCHL, being Orion (10.725% owned by Selwyn District Council) and Christchurch International Airport (25% owned by the Crown).

Christchurch City Holdings Limited

## Chair/Chief Executive's Review

Attached are the unaudited interim financial statements of the CCHL group for the six months ended 31 December 2018.



### Group

The group recorded a net profit after tax (NPAT) for the six months ended 31 December 2018 of \$56.7 million, compared with \$50.7 million in the equivalent period last year. The result is reflective of continued year on year growth from the airport, and our fibre company moving to a NPAT positive position for the first time, as connections to the network continue to increase. These positive results are coupled with continued difficult trading conditions for our smaller contracting companies.

### Sustainability and Environmental Leadership

The publicly owned group recognises its leadership role in moving Christchurch and Canterbury towards a sustainable future, through their own business practises and that of supporting its owners as they move towards a carbon neutral future. Over the past year, most of the group have introduced new sustainability frameworks, setting goals and targets for its contribution to the economic and social growth of the Christchurch community and reducing the environmental impact of their businesses. In 2019 we are

already seeing the implementation of some of these initiatives, and whilst all our companies are at different stages of their sustainability journey, and some face more economic challenges than others, we are proud of the focus and development the companies have shown in this area.

Further information on the individual company results is provided below.

### Parent Company

The parent company recorded a net profit for the six months of \$36.1m compared to a \$39.3m for the same period last year. The result has been impacted by finance costs relating to the additional debt raised to fund the capital release to our shareholder, Christchurch City Council. In addition, revenue is down compared to the equivalent period last year which saw special dividends received from Orion and LPC and no dividends from Citycare this year.

FY19 will see the final \$140m of CCHL's \$440m capital release commitment paid to our shareholder. To fund this commitment in 2017 CCHL established a new bond programme in the New Zealand debt capital market by issuing a

fixed rate 5 year bond. This year CCHL completed another successful bond offer raising \$150m with a 6 year fixed rate bond maturing in November 2024. Both of these issues have been listed on the NZX Debt market(NZDX), providing liquidity for bondholders and a stronger platform to support CCHL's ongoing bond programme.

In December Standard & Poors (S&P) reaffirmed CCHL's credit rating at A+ but upgraded its outlook to positive.

### Electricity Network

Orion New Zealand Ltd (Orion) recorded a half-year after tax profit of \$29m compared to \$30.7m for the equivalent period last year. Whilst slightly down on target, Orion continues to provide strong support to its shareholders in the form of dividend payments.

Orion is in its final year of its five year customised price quality path, so is preparing itself to move back to the default price path for FY21 following an interim rollover year.

Work continues on Orion's resilience programme, with two significant projects currently underway, including the installation

Christchurch City Holdings Limited

of an 11kv cable through the Lyttelton road tunnel, and the upgrade of the network for the Springston community.

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Development of the company's property portfolio continues, with the noticeable progress on the development of the Bunnings site in Harvard Park, and the further development in the agri-business precinct. CIAL continues to work

closely with the contractor on the construction of the Novotel Christchurch Airport Hotel expected to be complete later this year.

CIAL was an early adopter of the sustainability programme for the group, and that progress was recently acknowledged again with CIAL being recognised as a "stormwater superhero" by a local Zone committee. CIAL also continues to reduce their carbon footprint as they phase out the fossil fuel vehicles from their own fleet.

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The Port continues to implement the Lyttelton Port Recovery Plan approved in November 2015. The official opening of Te Ana Marina is a strong reflection of the commitment of LPC to working with the community to regenerate part of the inner harbour as a vibrant community focused destination.

Midland Port, in Rolleston, continues to grow as customers take advantage of the efficiencies this

inland port offers, and the benefit of taking trucks off Christchurch roads.

LPC is working to integrate sustainability through their business, with the development of a sustainability strategy and implementation plan.

LPC paid dividends of \$4.9m to CCHL during the period.

#### Fibre Network

Enable Services Ltd (ESL) recorded a half-year after tax profit of \$0.9m, compared with \$(3.7)m loss in the equivalent period last year. This is the first time ESL has recorded a NPAT surplus, a reflection on increased connection numbers which continue to track ahead of expectations as this company moves its full focus to asset management and customer service.

Enable now has 50 percent of the fixed broadband market within its greater Christchurch coverage area. A new sustainability framework developed this year will set goals and targets for its contribution to the economic and social growth of the Christchurch community and reducing the environmental impact of its business.

Customer service continues to be a significant focus, with online tools that make it easier for customers to make the move to fibre broadband.

#### Contracting

City Care Ltd (Citycare) recorded a half-year profit after tax for the period of \$0.6m, compared with \$0.7m in the equivalent period last year. This result is disappointing but reflective of the very competitive tender market that Citycare works in.

Focus on innovation has led Citycare to sign a partnership deal with a Christchurch-based IoT sensor device design and manufacturing business (PiP IoT), which includes exclusive NZ distribution of their fit-for-purpose sensor devices, enabling Citycare to provide its

Christchurch City Holdings Limited

customers with (near) real-time asset intelligence

In addition, Citycare has updated its Sustainability Charter and Framework, aligning it with the 7 of the 17 UN Sustainable Development Goals (SDGs) where they are confident that the business can drive the most positive sustainability leadership.

#### Transport

Red Bus Ltd (Red Bus) recorded a half-year loss after tax for the period of \$198k, compared with \$44k profit in the equivalent period last year. This loss is not directly linked to trading results but reflective of the investment being made by the company to reposition itself for the upcoming urban contract tenders.

In November 2018, CCHL appointed four new Directors to the Board with the skill set required to address the opportunity created through all new urban contracts coming up for tender in 2019.

With a mandate to take this community owned asset and reshape how the people of Christchurch see and use Public transport, the Red Bus Board and team have an exciting challenge ahead, supported by its owner.

The Environment Canterbury Regional Passenger Transport Plan (RPTP) was finalised prior to Christmas. The RPTP proposes significant long term investment in growing Christchurch passenger transport, adopting new technology and a strong customer centric approach. With this, all new Urban

contracts will be up for tender in 2019. This offers a significant opportunity for Red Bus to increase its share in the public transport market.

As part of its sustainability journey, Red Bus are focussed and committed to getting more people on buses, and know they need to work closely with their community and partners to achieve this. The delivery of its first 3 fully electric buses will happen in the next three months, a key driver to ensure a sustainable future for Red Bus and its community.

#### Recycling

EcoCentral Ltd (EcoCentral) recorded a half-year profit after tax for the period of \$0.6m, compared with \$0.9m in the equivalent period last year. An impressive result given the challenges that EcoCentral are facing, but reflective of a community owned asset supported by its ultimate owner and largest customer, Christchurch City Council.

The EcoDrops have responded well in a challenging environment and have worked hard to build strong relations with its customer base while increasing their competitiveness. This has proven effective in stabilising incoming refuse tonnes, resulting in a financial performance that was ahead of budget for the EcoDrops and only down slightly on the same period last year.

The EcoSort has had a promising start to the year, with the introduction of a processing fee and

a focus on its product quality and customer relationships, ensuring it continues selling its recyclable paper and plastics with none going to landfill or being stored.

EcoCentral paid dividends of \$0.25m to CCHL during the period.

#### Urban Development

Development Christchurch Ltd (DCL) recorded a half-year profit after tax for the period of \$2.4m, compared with \$2.2m in the equivalent period last year. DCL's core role is to provide the Council with the increased strategic capacity that arises from its commercial focus and commitment to engage effectively with developers, investors, businesses and other stakeholders.

The key focus on New Brighton has seen further work this year. With the beachside playground now open, resource consent for the hot pools development was granted in June 2018 and construction is expected to be underway in February/March 2019. Completion of this incredible community asset is expected within 12 months.

DCL continues to work closely with other key Christchurch rebuild partners namely, Otakaro and Regenerate Christchurch.

#### Acknowledgments

We would like to acknowledge the continued strong performance of the CCHL group companies over the period and we thank the respective subsidiary boards and management teams for their focus on a sustainable future for our city and region.



**Jeremy Smith**  
Chair



**Paul Munro**  
Chief Executive

Christchurch City Holdings Limited

## Unaudited interim condensed financial statements

### Directors' Responsibility Statement

These interim condensed financial statements are for Christchurch City Holdings Group (Group), a group made up of Christchurch City Holdings Ltd and the entities over which it has control or joint control.

Christchurch City Holdings Ltd is registered in New Zealand under the Companies Act 1993.

The directors are responsible for ensuring that the Group interim condensed financial statements present fairly in all material respects:

- The financial position as at 31 December 2018, and
- The financial performance and cash flows for the six month period ended 31 December 2018

The directors consider that the interim condensed financial statements of the Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgments and estimates, and comply with New Zealand equivalent to International Accounting Standard NZ IAS 34 as appropriate for profit-oriented entities.

The directors consider that proper accounting records have been kept, which enable, with reasonable accuracy, the determination of the financial position of the Group.

The directors have pleasure in presenting the interim condensed financial statements of the Christchurch City Holdings Group for the six months ended 31 December 2018.

The Board of Directors of Christchurch City Holdings Limited authorises these financial statements for issue on 25 February 2019.

For and on behalf of the Board



**Jeremy Smith**  
Chair  
Christchurch  
25 February 2019



**Alex Skinner**  
Director  
Christchurch  
25 February 2019



Christchurch City Holdings Limited

## Condensed statement of financial position

As at 31 December 2018

	NOTE	UNAUDITED 31 DEC 2018 \$'000	UNAUDITED 31 DEC 2017 \$'000	AUDITED 30 JUN 2018 \$'000
<b>Non-current assets</b>				
Investments in associates		156	858	639
Property, plant and equipment		3,405,700	2,977,184	3,285,126
Investment property		459,880	384,101	428,848
Loans and other financial assets		25,416	27,674	25,411
Intangible assets		40,360	60,457	37,015
Debtors, inventory and other assets		20,962	35,627	35,710
<b>Total non-current assets</b>		<b>3,952,474</b>	<b>3,485,901</b>	<b>3,812,749</b>
<b>Current assets</b>				
Cash and cash equivalents		18,098	94,283	11,590
Debtors, inventory and other assets		126,527	122,240	132,028
Loans and other financial assets		82,411	82,976	63,636
<b>Total current assets</b>		<b>227,036</b>	<b>299,499</b>	<b>207,254</b>
<b>Total assets</b>	<b>3</b>	<b>4,179,510</b>	<b>3,785,400</b>	<b>4,020,003</b>
<b>Non-current liabilities</b>				
Borrowings	8	1,494,626	1,223,256	1,341,671
Net deferred tax liabilities		343,158	310,543	347,351
Provisions and other liabilities		40,781	33,680	30,222
<b>Total non-current liabilities</b>		<b>1,878,565</b>	<b>1,567,479</b>	<b>1,719,244</b>
<b>Current liabilities</b>				
Borrowings	8	296,523	306,419	232,123
Creditors and other liabilities		106,047	90,982	109,990
Provisions and other liabilities		34,397	37,165	46,845
Current tax liabilities		4,276	4,786	1,744
<b>Total current liabilities</b>		<b>441,243</b>	<b>439,352</b>	<b>390,702</b>
<b>Total liabilities</b>	<b>3</b>	<b>2,319,808</b>	<b>2,006,831</b>	<b>2,109,946</b>
<b>Net assets</b>		<b>1,859,702</b>	<b>1,778,569</b>	<b>1,910,057</b>
<b>Equity</b>				
Capital and other equity instruments		81,784	71,435	81,784
Reserves		584,347	454,738	590,350
Retained earnings		869,563	977,277	913,530
Parent entity interest		1,535,694	1,503,450	1,585,664
Non-controlling interests		324,008	275,119	324,393
<b>Total equity</b>		<b>1,859,702</b>	<b>1,778,569</b>	<b>1,910,057</b>

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

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Christchurch City Holdings Limited

## Condensed statement of comprehensive income

For the six months ended 31 December 2018

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
Operating and other revenue	532,762	522,440	1,100,309
Operating and other expenses	353,803	356,428	726,336
Share of (losses)/profits of associates and joint arrangements	(484)	479	610
<b>Earnings before interest, tax, depreciation and amortisation</b>	<b>178,475</b>	<b>166,491</b>	<b>374,583</b>
Depreciation/amortisation and impairment	67,706	67,569	139,328
<b>Earnings before interest and tax</b>	<b>110,769</b>	<b>98,922</b>	<b>235,255</b>
Finance income	1,780	3,036	7,150
Finance costs	33,862	29,998	62,832
<b>Net finance costs</b>	<b>32,082</b>	<b>26,962</b>	<b>55,682</b>
<b>Net profit before tax</b>	<b>78,687</b>	<b>71,960</b>	<b>179,573</b>
Income tax expense	21,950	21,289	43,835
<b>Net profit after tax</b>	<b>56,737</b>	<b>50,671</b>	<b>135,738</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent	47,757	42,547	107,725
Non-controlling interests	8,980	8,124	28,013
	<b>56,737</b>	<b>50,671</b>	<b>135,738</b>
<b>Other comprehensive income</b>			
<i>Items that will not be recycled to profit or loss:</i>			
Revaluation of assets	-	-	203,534
<i>Items that may be recycled to profit or loss in future:</i>			
Cash flow hedges	(6,628)	(1,845)	(2,478)
	(6,628)	(1,845)	201,056
Income tax (credit)/expense relating to other comprehensive income	122	21	(30,537)
<b>Other comprehensive income for the period, net of tax</b>	<b>(6,506)</b>	<b>(1,824)</b>	<b>170,519</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>50,231</b>	<b>48,847</b>	<b>306,257</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	42,030	40,845	241,519
Non-controlling interests	8,201	8,002	64,738
	<b>50,231</b>	<b>48,847</b>	<b>306,257</b>

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

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Christchurch City Holdings Limited

## Statement of changes in equity

For the six months ended 31 December 2018

	SHARE CAPITAL \$'000	ASSET REVALUATION RESERVE \$'000	HEDGING RESERVE \$'000	RETAINED EARNINGS \$'000	ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT \$'000	NON- CONTROLLING INTERESTS \$'000
<b>Opening Balance</b>	<b>81,784</b>	<b>609,413</b>	<b>(19,063)</b>	<b>913,530</b>	<b>1,585,664</b>	<b>324,393</b>
NPAT				47,757	47,757	8,980
Other comprehensive income for the period			(6,003)	276	(5,727)	(779)
Dividends paid/payable				(92,000)	(92,000)	(8,586)
Issue of shares/other	-	-	-	-	-	-
<b>Closing Balance</b>	<b>81,784</b>	<b>609,413</b>	<b>(25,066)</b>	<b>869,563</b>	<b>1,535,694</b>	<b>324,008</b>

	UNAUDITED 6 MONTHS GROUP 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS GROUP 31 DEC 2017 \$'000	AUDITED FULL YEAR GROUP 30 JUN 2018 \$'000
<b>Opening Balance</b>	<b>1,910,057</b>	<b>1,829,975</b>	<b>1,802,486</b>
NPAT	56,737	50,671	135,738
Other comprehensive income for the period	(6,506)	(1,824)	170,519
Dividends paid/payable	(100,586)	(100,253)	(208,408)
Issue of shares/other	-	-	9,722
<b>Closing Balance</b>	<b>1,859,702</b>	<b>1,778,569</b>	<b>1,910,057</b>

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

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Christchurch City Holdings Limited

## Condensed statement of cashflows

For the six months ended 31 December 2018

	NOTE	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
<b>Cash flows from operating activities</b>				
Receipts from customers and other sources		533,625	531,759	1,041,262
Interest received		2,010	3,193	8,141
Payments to suppliers and employees		(376,678)	(371,739)	(730,066)
Interest and other finance costs paid		(33,057)	(29,765)	(63,988)
Income tax paid		(20,210)	(19,243)	(30,653)
Subvention payments		-	-	(8,986)
Net cash provided by operating activities	4	105,690	114,205	215,710
<b>Cash flows from investing activities</b>				
Proceeds from sale of investment securities		-	34,500	-
Advances made		(247)	(263)	(530)
Payment for property, plant and equipment	9b	(170,676)	(170,721)	(326,273)
Proceeds from sale of property, plant and equipment		1,143	3,535	3,946
Payment for intangible assets		(3,437)	(3,582)	(14,038)
Payment for goodwill		(1,035)	(1,136)	-
Payment for investment properties		(20,682)	(17,331)	(4,624)
Maturity of/(investment in) term deposits		(19,000)	-	54,000
Net cash used in investing activities		(213,934)	(154,998)	(287,519)
<b>Cash flows from financing activities</b>				
Proceeds from borrowing		350,816	344,655	441,315
Repayment of borrowings		(135,478)	(124,066)	(173,590)
Repayment of finance leases		-	-	(1,007)
Proceeds from issue of shares				10,349
Dividends paid - equity holders		(92,000)	(92,000)	(192,694)
Dividends paid - non-controlling interests		(8,586)	(8,253)	(15,714)
Net cash used in financing activities		114,752	120,336	68,659
Net increase in cash and cash equivalents		6,508	79,543	(3,150)
Cash and cash equivalents at start of period		11,590	14,740	14,740
Cash and cash equivalents at end of period		18,098	94,283	11,590

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

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Christchurch City Holdings Limited

## Notes to the condensed interim financial statements

For the six months ended 31 December 2018

### 1. Reporting Entity

Christchurch City Holdings Ltd (CCHL) is a wholly-owned subsidiary of Christchurch City Council, formed for the purpose of holding investments in trading subsidiary organisations. The company was incorporated on 12 May 1993, and commenced operations on 14 May 1993.

CCHL is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with that Act. The reporting currency used in the preparation of these financial statements is New Zealand dollars.

CCHL is an issuer for the purposes of the Financial Markets Conduct Act 2013 as its issued debt securities are listed on the New Zealand Debt Exchange ("NZDX").

The unaudited condensed consolidated interim financial statements comprise CCHL, its subsidiaries ("the group") and the group's interest in associates and joint ventures.

The unaudited condensed consolidated interim financial statements of CCHL are for the six months ended 31 December 2018. The financial statements were authorised for issue by the CCHL Board of directors on 25 February 2019. The Board of Directors has the power to amend the financial statements after issue.

GROUP OWNERSHIP		SHAREHOLDERS		BALANCE DATE
Parent	Business			
Christchurch City Holdings Ltd	Holding Company	100%	Christchurch City Council	30 June
Subsidiaries		CCHL %	NCI Holder	NCI %
Orion New Zealand Ltd	Electricity network	89.275%	Selwyn District Council	10.725%
Christchurch International Airport Ltd	Airport	75.0%	Minister of Finance	12.5%
			Minister for State-Owned Enterprises	12.5%
Lyttelton Port Company Ltd	Port	100%		30 June
Enable Services Ltd	Broadband network	100%		30 June
City Care Ltd	Contracting	100%		30 June
Red Bus Ltd	Passenger transport	100%		30 June
EcoCentral Ltd	Waste recycling	100%		30 June
Development Christchurch	Urban Development Agency	100%		30 June

Christchurch City Holdings Limited

## 2. Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 31 December 2018 are unaudited.

The interim condensed consolidated financial statements have been prepared in accordance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34) as appropriate for profit-oriented entities. The report should be read in conjunction with the audited financial statements for the year ended 30 June 2018.

The balance date of all subsidiary companies, other than Orion New Zealand Ltd which has a balance date of 31 March, is 30 June. The interim report therefore includes the results of Orion New Zealand Ltd for the six months to 30 September 2018, and the results of other subsidiaries for the six months to 31 December 2018.

Section 461(3) of the Financial Markets Conduct Act requires the reporting entity and all its subsidiaries to have the same balance date. As noted above, Orion New Zealand Ltd (Orion) and its subsidiary has a 31 March balance date. CCHL applied for and has received an exemption from this obligation from the Financial Markets Authority until 27 August 2023.

The accounting policies as published in the annual report for the year ended 30 June 2018 have been consistently applied in determining the earnings and cash flows for the six months ended 31 December 2018, and the financial position as at that date. The only change to this is the application of the following new standards effective from 1 July 2018:

**NZ IFRS 15** Revenue from Contracts with Customers. The core principle of NZ IFRS 15 is that an entity recognises revenue to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group has adopted NZ IFRS 15 using the modified approach. The effect of adopting this standard has had minimum impact on the interim financial statements, and there has been no change to comparatives, or opening retained earnings due to the immaterial impact of the change in accounting treatment within the group.

**NZ IFRS 9** Financial Instruments. NZ IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from NZ IAS 39 Financial Instruments: Recognition and Measurement, which NZ IFRS 9 replaces. The adoption of this accounting standard has not had a material impact on the interim financial statements.

Comparative figures for Inventory and creditors for the period ended 31 December 2017, in the Statement of Financial Position do not agree to the published 31 December 2017 interim financial statements due to reclassifications of construction contract work in progress and revenue in advance, both relating to Enable Services Limited. This did not impact the Net assets for the Group.



Christchurch City Holdings Limited

### 3. Segment Information

The reportable segments of the CCHL Group have been identified in accordance with NZ IFRS 8 'operating segments'. The Group's operating segments are identified on the basis of the nine significantly different businesses whose individual operating results are received on a quarterly basis by the Group chief operating decision maker (CCHL Board) to assess and monitor performance.

The nine reportable segments are as follows:

- 1) Orion New Zealand Ltd (Orion) – owns and operates the electricity distribution network in Christchurch and central Canterbury.
- 2) Christchurch International Airport Ltd (CIAL) – operates predominantly in the business of providing airport facilities and services to airline and airport users at Christchurch International Airport.
- 3) Lyttelton Port Company Ltd (LPC) – primarily involved in providing and managing port services and cargo handling facilities over three sites in the Canterbury region.
- 4) Enable Services Ltd (ESL) – owns and operates the ultra-fast broadband fibre network across greater Christchurch and parts of Waimakariri and Selwyn Districts.
- 5) City Care Ltd (Citycare) – provides construction, maintenance and management services in the infrastructure sector throughout New Zealand.
- 6) Red Bus Ltd (Red Bus) – provides transport services in the urban bus and tourism sector primarily in the Canterbury region.
- 7) EcoCentral Ltd (EcoCentral) – manages the processing of refuse and sorting of recycling throughout Canterbury.
- 8) Development Christchurch Ltd (DCL) – provides commercial and strategic support to Christchurch City Council to enable investment, development and regeneration activities for Christchurch City.
- 9) Christchurch City Holdings Ltd (Parent) – does not trade in its own right, its primary assets are its investments in and advances to its operating subsidiaries.

The group has no significant reliance on any one customer. All group assets are domiciled and operated in New Zealand. The Group's revenue from external customers by geographical location are not allocated to operating segments as they are not reported at group level.

Segment reporting explanation:

1. Revenue from external customers reflects the operating revenue of each separate segment excluding revenue earned from other group entities.
2. Segment profit/(loss) represents the actual profit/(loss) of each segment except the Parent which excludes dividends received from subsidiaries.
3. The Parent total non-current assets and total assets includes the investment held in subsidiaries and advances to subsidiaries, which is then eliminated for the group total.
4. Additions to non current assets in the Parent total relates to equity investments made in subsidiaries during the period, which is then eliminated for the group total.
5. Intra-group transactions between segments have been eliminated on consolidation and recognised in the 'eliminations' column.

Christchurch City Holdings Limited

## Statement of segment information

### 3a. For the six months ended 31 December 2018 (unaudited)

	PARENT \$'000	ORION \$'000	CIAL \$'000	LPC \$'000	ESL \$'000
Segment revenue	46,042	170,409	95,894	64,370	27,969
Inter-segment revenue	(46,042)	(627)	(35)	(3)	(2)
<b>Revenue from external customers</b>	<b>-</b>	<b>169,782</b>	<b>95,859</b>	<b>64,367</b>	<b>27,967</b>
Share of earnings of associate companies	-	-	-	-	-
Interest income	7,706	67	-	728	38
Interest expense	(15,924)	(5,565)	(11,657)	(355)	(6,960)
Depreciation and amortisation	(6)	(26,534)	(17,860)	(6,688)	(9,768)
Net realisations, revaluations and (impairments)	-	-	26	(103)	2
Taxation expense	2,766	(11,406)	(9,456)	(2,964)	(504)
Segment profit/(loss)	36,074	29,034	24,284	6,295	920
Investments in associates(accounted for by equity method)	-	-	-	-	-
Total non-current assets (excluding derivatives and deferred tax)	2,997,437	1,166,584	1,616,827	504,261	527,241
Total assets	3,099,147	1,189,018	1,640,285	536,133	538,370
Total liabilities	1,061,173	515,443	618,810	52,794	321,595
Additions to non-current assets	3,151	36,641	37,371	91,920	27,525

	CITY CARE \$'000	RED BUS \$'000	ECOCENTRAL \$'000	DCL \$'000	ELIMINATIONS \$'000	TOTAL \$'000
Segment revenue	151,477	10,235	17,920	4,624	(56,185)	532,755
Inter-segment revenue	(9,222)	-	(254)	-	56,185	0
<b>Revenue from external customers</b>	<b>142,255</b>	<b>10,235</b>	<b>17,666</b>	<b>4,624</b>	<b>0</b>	<b>532,755</b>
Share of earnings of associate companies	(484)	-	-	-	-	(484)
Interest income	67	7	28	29	(6,890)	1,780
Interest expense	(271)	-	(20)	-	6,890	(33,862)
Depreciation and amortisation	(4,501)	(1,348)	(977)	(24)	-	(67,706)
Net realisations, revaluations and (impairments)	-	67	15	-	-	7
Taxation expense	(212)	77	(249)	-	(2)	(21,950)
Segment profit/(loss)	556	(198)	641	2,409	(43,279)	56,737
Investments in associates(accounted for by equity method)	(344)	-	-	500	-	156
Total non-current assets (excluding derivatives and deferred tax)	51,137	38,505	8,840	10,992	(2,969,350)	3,952,474
Total assets	102,772	42,935	15,150	14,982	(2,999,282)	4,179,510
Total liabilities	47,159	5,062	6,266	603	(309,097)	2,319,808
Additions to non-current assets	1,604	213	306	-	(2,901)	195,830

Christchurch City Holdings Limited

## Statement of segment information

### 3b. For the six months ended 31 December 2017 (unaudited)

	PARENT \$'000	ORION \$'000	CIAL \$'000	LPC \$'000	ESL \$'000
Segment revenue	49,258	164,802	88,943	62,643	22,823
Inter-segment revenue	(49,258)	(2,085)	(13)	(5)	(2)
<b>Revenue from external customers</b>	<b>-</b>	<b>162,717</b>	<b>88,930</b>	<b>62,638</b>	<b>22,821</b>
Share of earnings of associate companies	-	-	-	-	-
Interest income	7,024	240	-	2,033	160
Interest expense	(13,283)	(5,074)	(11,492)	(12)	(6,500)
Depreciation and amortisation	(7)	(28,103)	(17,624)	(6,192)	(8,727)
Net realisations, revaluations and (impairments)	-	-	-	-	-
Taxation expense	1,899	(12,112)	(7,518)	(3,629)	720
Segment profit/(loss)	39,292	30,657	19,332	8,666	(3,661)
Investments in associates(accounted for by equity method)	-	-	-	-	-
Total non-current assets (excluding derivatives and deferred tax)	2,921,748	1,145,085	1,352,420	377,238	417,531
Total assets	3,005,886	1,164,631	1,373,751	506,574	466,566
Total liabilities	882,315	487,233	549,864	25,845	287,284
Additions to non-current assets	44,055	43,842	45,711	36,310	52,285

	CITY CARE \$'000	RED BUS \$'000	ECOCENTRAL \$'000	DCL \$'000	ELIMINATIONS \$'000	TOTAL \$'000
Segment revenue	150,575	10,319	18,023	7,258	(52,337)	522,307
Inter-segment revenue	(750)	-	(224)	-	52,337	-
<b>Revenue from external customers</b>	<b>149,825</b>	<b>10,319</b>	<b>17,799</b>	<b>7,258</b>	<b>-</b>	<b>522,307</b>
Share of earnings of associate companies	479	-	-	-	-	479
Interest income	9	1	34	43	(6,508)	3,036
Interest expense	(111)	(2)	(32)	-	6,508	(29,998)
Depreciation and amortisation	(4,600)	(1,371)	(906)	(39)	-	(67,569)
Net realisations, revaluations and (impairments)	-	8	125	-	-	133
Taxation expense	(291)	(17)	(341)	-	-	(21,289)
Segment profit/(loss)	707	44	876	2,117	(47,359)	50,671
Investments in associates(accounted for by equity method)	858	-	-	-	-	858
Total non-current assets (excluding derivatives and deferred tax)	53,594	40,761	9,988	2,240	(2,864,607)	3,455,998
Total assets	103,780	43,552	16,645	5,238	(2,901,223)	3,785,400
Total liabilities	47,185	5,554	7,696	684	(286,829)	2,006,831
Additions to non-current assets	8,362	464	1,000	77	(44,054)	188,052

Christchurch City Holdings Limited

## Statement of segment information

### 3c. For the year ended 30 June 2018 (audited)

	PARENT \$'000	ORION \$'000	CIAL \$'000	LPC \$'000	ESL \$'000
Segment revenue	88,653	321,883	182,630	122,101	48,474
Inter-segment revenue	(88,653)	(3,634)	(53)	(6)	(2)
<b>Revenue from external customers</b>	<b>-</b>	<b>318,249</b>	<b>182,577</b>	<b>122,095</b>	<b>48,472</b>
Share of earnings of associate companies	-	-	-	-	-
Interest income	15,189	122	246	4,286	201
Interest expense	(28,385)	(10,442)	(23,442)	(122)	(13,064)
Depreciation and amortisation	(135)	(55,500)	(35,128)	(13,030)	(18,489)
Net realisations, revaluations and (impairments)	1,337	308	53,742	72	-
Taxation expense	-	(20,734)	(22,111)	(5,909)	1,623
Segment profit/(loss)	72,857	53,300	88,737	12,216	(3,782)
Investments in associates(accounted for by equity method)	-	-	-	-	-
Total non-current assets (excluding derivatives and deferred tax)	2,977,486	1,155,660	1,597,884	407,690	511,702
Total assets	2,986,939	1,183,438	1,620,942	515,756	523,986
Total liabilities	887,750	512,397	597,664	33,496	311,034
Additions to non-current assets	63,347	80,589	84,935	72,400	84,088

	CITY CARE \$'000	RED BUS \$'000	ECOCENTRAL \$'000	DCL \$'000	ELIMINATIONS \$'000	TOTAL \$'000
Segment revenue	312,539	21,052	34,315	9,746	(98,042)	1,043,351
Inter-segment revenue	(5,164)	(1)	(529)	-	98,042	0
<b>Revenue from external customers</b>	<b>307,375</b>	<b>21,051</b>	<b>33,786</b>	<b>9,746</b>	<b>-</b>	<b>1,043,351</b>
Share of earnings of associate companies	(14)	-	-	624	-	610
Interest income	14	6	70	65	(13,049)	7,150
Interest expense	(365)	(2)	(59)	-	13,049	(62,832)
Depreciation and amortisation	(9,942)	(2,724)	(1,843)	(47)	(2,490)	(139,328)
Net realisations, revaluations and (impairments)	1,386	26	87	-	-	56,958
Taxation expense	148	(82)	(136)	(437)	3,803	(43,835)
Segment profit/(loss)	(445)	117	381	(303)	(87,340)	135,738
Investments in associates(accounted for by equity method)	139	-	-	500	-	639
Total non-current assets (excluding derivatives and deferred tax)	51,894	39,640	9,512	11,015	(2,950,285)	3,812,198
Total assets	114,689	43,602	14,069	12,683	(2,996,101)	4,020,003
Total liabilities	59,632	5,533	5,610	827	(303,997)	2,109,946
Additions to non-current assets	11,055	768	1,614	10,349	(64,210)	344,935

Christchurch City Holdings Limited

## 4. Reconciliation of profit for the period with operating cash flows

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
<b>Profit for the period</b>	<b>56,737</b>	<b>50,671</b>	<b>135,738</b>
<b>Add/(less) non-cash items</b>			
Depreciation, amortisation and impairment	67,706	67,569	139,328
(Gains)/losses in fair value of investment property	-	-	(53,701)
(Gains)/losses in fair value of derivative financial instruments	427	1,414	(1,529)
Share of associates' loss/(profit)	484	(479)	(610)
Net foreign exchange (gains)/losses	11	8	107
Deferred tax charged/(credited) to income	(3,367)	(315)	7,122
Other	(1512)	270	(2,403)
	<b>63,749</b>	<b>68,467</b>	<b>88,314</b>
<b>Add/(less) items classified as investing or financial activities</b>			
Gain on disposal of non-current assets	(271)	(408)	218
Movement in capital creditors/(debtors)	(25,806)	17,037	4,025
Other	135	126	310
	<b>(25,942)</b>	<b>16,755</b>	<b>4,553</b>
<b>Add/(less) movement in working capital items</b>			
Debtors, inventory and other current assets	5,187	(8,396)	(8,688)
Non-current receivables, prepayments and other	14,748	(269)	(7,024)
Creditors and other liabilities	(3,943)	(11,744)	3,952
Provisions and other liabilities	(1,619)	(2,615)	(4,267)
Current tax liabilities	5,298	6,936	(2,997)
Other current liabilities	(8,040)	(2,849)	6,129
Non-current provisions and other liabilities	(485)	(2,751)	-
<b>Net changes in net assets and liabilities</b>	<b>11,146</b>	<b>(21,688)</b>	<b>(12,895)</b>
<b>Net cash from operating activities</b>	<b>105,690</b>	<b>114,205</b>	<b>215,710</b>

Christchurch City Holdings Limited

## 5. Financial instruments

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — The fair value is calculated using quoted prices in active markets. Quoted market price represents the fair value determined based on quoted market prices in active markets as at the reporting date without any deduction for transaction costs.
- Level 2 — The fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Financial instruments that use valuation techniques with only observable market inputs include interest rate swaps and foreign exchange contracts not traded on a recognised exchange.
- Level 3 — The fair value is estimated using inputs for the asset or liability that are not based on observable market data. The fair values of unlisted investments that do not have an active market are based on market data that is not observable.

31 DECEMBER 2018	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
<b>Financial assets measured at fair value</b>				
Derivative financial instruments	11	11	-	-
USD loan	25,416	-	25,416	-
	<b>25,427</b>	<b>11</b>	<b>25,416</b>	-
<b>Financial liabilities measured at fair value</b>				
Fixed rate bonds	179,052	-	179,052	-
Derivative financial instruments	38,771	182	38,589	-
Loans from External parties	143,898	-	-	143,898
	<b>361,721</b>	<b>182</b>	<b>217,641</b>	<b>143,898</b>
<b>Net assets/(liabilities) at fair value</b>	<b>(336,294)</b>	<b>(171)</b>	<b>(192,225)</b>	<b>(143,898)</b>

FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE BUT FOR WHICH FAIR VALUES ARE DISCLOSED	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	CARRYING VALUE \$'000
\$150.0m bonds maturing 06 Dec 2022	153,485	153,485	-	-	150,000
\$150.0m bonds maturing 27 Nov 2024	151,828	151,828	-	-	150,000
CCC loans maturing April 2024 till April 2027	78,100	-	78,100	-	70,000
CCC loans maturing May 2021 & April 2023	154,128	-	154,128	-	139,500
CCC loans maturing Jan & Feb 2019	85,037	-	85,037	-	85,000
	<b>622,578</b>	<b>305,313</b>	<b>317,265</b>	-	<b>594,500</b>



Christchurch City Holdings Limited

31 DECEMBER 2017	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
Financial assets measured at fair value				
Derivative financial instruments	1,054	43	1,011	-
USD loan	24,612	-	24,612	-
	25,666	43	25,623	-
Financial liabilities measured at fair value				
Fixed rate bonds	76,354	-	76,354	-
Derivative financial instruments	32,182	124	32,058	-
Loans from External parties	134,784	-	-	134,784
	243,320	124	108,412	134,784
Net assets/(liabilities) at fair value	(217,654)	(81)	(82,789)	(134,784)
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE BUT FOR WHICH FAIR VALUES ARE DISCLOSED				
	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
				CARRYING VALUE \$'000
\$150.0m bonds maturing 06 Dec 2022	150,880	150,880	-	-
CCC loan maturing 15 May 2021	87,416	-	87,416	-
CCC loan maturing 15 April 2023	68,133	-	68,133	-
CCC loans maturing 15 April 2024-2027	76,478	-	76,478	-
CCC loans maturing Jan, Feb & March 2018	85,025	-	85,025	-
	467,932	150,880	317,052	-
30 JUNE 2018				
	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
Financial assets measured at fair value				
Derivative financial instruments	811	-	811	-
USD loan	24,860	-	24,860	-
	25,671	-	25,671	-
Financial liabilities measured at fair value				
Fixed rate bonds	177,177	-	177,177	-
Derivative financial instruments	30,516	8	30,508	-
Loans from External parties	140,873	-	-	140,873
	348,566	8	207,685	140,873
Net assets/(liabilities) at fair value	(322,895)	(8)	(182,014)	(140,873)

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Christchurch City Holdings Limited

FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE BUT FOR WHICH FAIR VALUES ARE DISCLOSED	FAIR VALUE \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	CARRYING VALUE \$'000
\$150.0m bonds maturing 06 Dec 2022	151,970	151,970	-	-	150,000
CCC loan maturing 15 May 2021	86,476	-	86,476	-	79,500
CCC loan maturing 15 April 2023	67,699	-	67,699	-	60,000
CCC loans maturing 15 April 2024-2027	76,443	-	76,443	-	70,000
CCC loans maturing Jan, Feb & March 2018	85,023	-	85,023	-	85,000
Other - specify	-	-	-	-	-
	<b>467,611</b>	<b>151,970</b>	<b>315,641</b>	<b>-</b>	<b>444,500</b>

There were no transfers between fair value hierarchy levels during either the current or prior periods.

ANALYSIS OF MOVEMENTS IN LEVEL 3 ASSETS/(LIABILITIES)	TOTAL LEVEL 3 \$'000
Closing carrying value 31 December 2017	(134,784)
Additions	(8,938)
Fair value movements (OCI)	2,849
Closing carrying value 30 June 2018	(140,873)
Additions	(2,901)
Fair value movements (OCI)	(124)
Closing carrying value 31 December 2018	(143,898)

In June 2016, CCHL entered into a Loan Facility Agreement with Crown Infrastructure Partners Ltd (CIP) (previously known as Crown Fibre Holdings Ltd) as part of the reorganisation of Enable Services Ltd (ESL). The loan is drawn down as network stages/premises are completed, and is used to subscribe in redeemable preference shares in ESL. It is secured by a charge over the assets of the Enable Group.

This interest free loan is held at fair value, where fair value is calculated using the current drawn balance and the loan's May 2021 maturity date, discounted by the CCHL parent company's current average cost of borrowing. As at 31 December 2018, the fair value was \$143.9m, an increase of \$0.12m for the period (2018: \$1.3m). This fair value is sensitive to the discount rate: A discount rate which is 1.00% higher / (lower) would result in a fair value which is approximately \$3.3 million lower/(higher) than the current carrying value.

## 6. Dividends

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
Fully paid ordinary shares	81,783	71,434	81,783
Partly paid redeemable preference shares	1	1	1
	<b>81,784</b>	<b>71,435</b>	<b>81,784</b>
Ordinary dividends	22,000	22,000	52,694
Special dividends	70,000	70,000	140,000
<b>Total dividends declared on fully paid ordinary shares</b>	<b>92,000</b>	<b>92,000</b>	<b>192,694</b>
Cents per share	257	362	539

Christchurch City Holdings Limited

There are no movements in shares during the period. CCHL has on issue:

- 35,730,528 fully paid ordinary shares to Christchurch City Council, carrying one vote per share and the right to dividends.
- \$1,300,139,000 (2017: \$1,300,139,000) of redeemable preference shares, paid up to \$1,390, to Christchurch City Council. No further calls have been made on these shares. Dividends are only payable to the extent that the shares are paid up. CCHL may elect to redeem the whole or any part of the shares. The shares do not carry any right to conversion into ordinary shares in CCHL. The shares have no par value.

## 7. Impact of seasonality

There are no material seasonality impacts in the group.

## 8. Issues & repayments of debt & equity securities

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
<b>Unsecured:</b>			
Bonds and floating rate notes	618,955	416,222	517,062
Loans from external parties	463,055	464,500	396,700
Loans from related entities	553,500	488,500	488,500
Finance lease liabilities	11,734	12,669	12,211
	<b>1,647,244</b>	<b>1,381,891</b>	<b>1,414,473</b>

<b>Secured:</b>			
Loan from external parties	143,898	147,784	159,313
Finance lease liabilities	7	-	8
	<b>143,905</b>	<b>147,784</b>	<b>159,321</b>

Total current group borrowings	296,523	306,419	232,123
Total non current group borrowings	1,494,626	1,223,256	1,341,671
<b>Total group borrowings</b>	<b>1,791,149</b>	<b>1,529,675</b>	<b>1,573,794</b>

		UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
<b>Christchurch City Holdings Ltd</b>				
<b>Nature of Debt</b>	<b>Avg rate - Maturity</b>			
Retail Bond	3.4% Dec 2022	150,000	150,000	150,000
Retail Bond	3.58% Nov 2024	150,000	-	-
Floating Rate Notes	2.91% 2019-2020	40,000	90,000	90,000
Related Party Funding - Short Term	2.36% 2019	130,000	85,000	110,000
Related Party Funding - Long Term	4.38% 2020-2027	423,500	403,500	378,500
<b>Total Related Party Funding</b>		<b>553,500</b>	<b>488,500</b>	<b>488,500</b>
Crown Infrastructure Partners Ltd	Zero Interest 2021	152,897	134,784	149,996
Undrawn Bank Facility	Dec 2019-2020	100,000	100,000	100,000

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Christchurch City Holdings Limited

Christchurch International Airport Ltd				
Nature of Debt	Avg rate - Maturity			
Bank Facility	4.9-5.3% 2019-2027	159,000	219,000	140,000
Bond Funding	4.1%-6.2% 2019-2027	275,000	175,000	275,000
Undrawn Bank Facility	2020-2021	61,000	76,000	80,000
Orion New Zealand Ltd				
Nature of Debt	Avg rate - Maturity			
Bank Loans	2.53% 2021	134,400	245,500	262,700
Undrawn Bank Facility	2022	75,600	44,500	47,300
USPP Facilities (fully drawn)	3.46% 2029	140,000		

In November 2018, Christchurch City Holdings Ltd made an offer of unsecured, unsubordinated, fixed rate 6 year bonds to the debt capital markets. In the offer, CCHL sought up to \$100 million with the ability to accept oversubscriptions of up to \$50 million at CCHL's discretion. Following a successful offer period, on the 27 November 2018, CCHL issued \$150m of unsecured, unsubordinated fixed rate 6 year bonds, maturing on 27 November 2024. The bonds were quoted on the NZX Debt Market on the same day.

Further information in relation to the bond offer can be found in the Investor Centre available on CCHL's website.

## 9. Significant events & transactions

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
9a. Capital Commitments			
Property, plant & equipment	33,637	6,671	126,178
Electricity distribution network	14,009	14,735	18,923
UFB network	34,400	90,000	41,850
Investment Property	37,168	33,836	16,611
	<b>119,214</b>	<b>145,242</b>	<b>203,562</b>

### 9b. Acquisitions of Property/Plant and Equipment

Additions	170,676	170,721	326,273
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The acquisitions of property, plant and equipment reflects the capital programmes of Orion, the Port and the Airport.

### 9c. Contingent liabilities

The contingent liabilities of the group as disclosed in Note 18 of the annual report for the year ended 30 June 2018 are materially the same as at 31 December 2018, other than the following update:

#### Orion New Zealand Ltd

On 13 February 2017, two fires started on the Port Hills near Christchurch. The fires spread over 1,600 hectares on the Port Hills over several days.

On 30 January 2018, Fire and Emergency New Zealand:

- released its investigation reports into the causes of the fires, with an 'undetermined' cause for both
- stated that it believes that both fires were deliberately lit and that the matter is in the hands of the Police
- stated that its investigations are now closed and will only reopen if new evidence comes to light.

Christchurch City Holdings Limited

In June 2017, IAG Insurance on behalf of a number of its clients affected by the fires, filed a claim in the High Court alleging that the company's electricity network caused the fires. The company filed a statement of defence denying IAG's allegations and any liability. In October 2018, IAG filed an amended statement of claim. The company filed a statement of defence denying IAG's allegations and any liability. Orion insures for liability risks, in line with good industry practice.

## 10. Related Party Disclosures

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	AUDITED FULL YEAR 30 JUN 2018 \$'000
Dividends paid/payable to CCC	92,000	92,000	192,694
Interest paid to CCC	9,185	8,690	17,689
Services provided to CCC	51,673	56,296	122,660
Services provided by CCC (including rent and rates)	6,306	6,751	27,537
Net Loan Advances received from CCC	65,000	9,000	9,000

## 11. Events subsequent to balance date

There were no significant events subsequent to balance date requiring disclosure up to the date of authorisation of these financial statements.

## 12. NZX approvals

NZX has granted CCHL a waiver from NZX Listing Rule 5.2.3 to enable CCHL to apply for quotation on the NZX Debt Market even though the Bonds may not initially be held by at least 100 members of the public holding at least 25% of the Bonds issued. The waiver has been granted for a 6 month period from 27 November the date of quotation of the Bonds. The effect of the waiver from NZX Listing Rule 5.2.3 is that initially the Bonds may not be widely held and there may be reduced liquidity in the Bonds.

Christchurch City Holdings Limited

## Investor Relations

### Investor Centre

CCHL's website, [www.cchl.co.nz](http://www.cchl.co.nz), enables Bondholders to view information about the Group, including Sols, annual reports for CCHL and its subsidiaries and announcements.

### Bondholder Interest Payments

Interest is paid semi-annually in June and December (until December 22), and November and May (until November 24) each year, until redemption.

### Registrar

Computershare Investor Services Limited is the registrar with responsibility for administering and maintaining the Bond Register. Computershare can be contacted directly:

Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
Level 2, 159 Hurstmere Road  
Takapuna  
Auckland 0622

Telephone: +64 9 488 8777

Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

### Managing your Bondholding Online

To view and update your bondholder details please visit [www.investorcentre.com/nz](http://www.investorcentre.com/nz).

### Bondholder Distribution

In line with clause 10.4.5 of the NZX listing rules, the following table details the spread of bondholders within 2 months of the date of this report:

#### CCH020

Holding Range	Holder Count	Holding Quantity	Holding Quantity %
5,000 to 9,999	5	\$32,000.00	0.02
10,000 to 49,999	17	\$365,000.00	0.24
50,000 to 99,999	7	\$465,000.00	0.31
100,000 to 499,999	7	\$1,590,000.00	1.06
500,000 to 999,999	2	\$1,094,000.00	0.73
1,000,000 to 9,999,999,999,999	5	\$146,454,000.00	97.64
<b>Total</b>	<b>43</b>	<b>\$150,000,000.00</b>	<b>100.00</b>

#### CCH010

Holding Range	Holder Count	Holding Quantity	Holding Quantity %
5,000 to 9,999	10	\$52,000.00	0.03
10,000 to 49,999	114	\$2,178,000.00	1.45
50,000 to 99,999	23	\$1,345,000.00	0.9
100,000 to 499,999	16	\$3,129,000.00	2.09
500,000 to 999,999	3	\$1,576,000.00	1.05
1,000,000 to 9,999,999,999,999	8	\$141,720,000.00	94.48
<b>Total</b>	<b>174</b>	<b>\$150,000,000.00</b>	<b>100.00</b>



Christchurch City Holdings Limited

1 July—31 December 2018

## Orion New Zealand Ltd

Orion New Zealand Ltd (Orion) owns and operates the electricity distribution network between Waimakariri and Rakaia rivers and from the Canterbury coast to Arthur's Pass.

**89.3%**

Owned by Christchurch City Holdings Limited.



Orion, New Zealand's third largest electricity distribution business, recorded an unaudited post-tax profit for the six months to 30 September, 2018 of \$29m. This was \$1m below YTD budget and \$1.7m below the equivalent period last year.

A mild winter and an absence of extreme weather events in the region has meant Orion's customers experienced a sustained level of service stability through the period, and this continued through spring and mid-summer. With reduced network volumes this has, however, contributed to the reduction in profit.

This is the final year of Orion's five-year customised price-quality path (CPP) and the company is readying itself for the Commerce Commission to re-set its pricing for FY21 to FY25, after an interim rollover year.

Orion is well underway with two major projects that support the resilience of its network.

Working with the NZ Transport

Agency, Orion will install a new 11kV cable through the Lyttelton Road Tunnel, increasing the security of supply and resilience of its high voltage feed to Lyttelton. The new cable which will operate in tandem with the existing lines over the Port Hills, is expected to be installed in March 2019.

Orion's \$1.5 million upgrade of its electricity network for the Springston community and wider area was substantially completed. Orion installed new equipment and replaced aging equipment in its Springston substation to create a more resilient and reliable power supply to service the growing communities across Springston, Rolleston, Leeston, Lincoln and as far as Banks Peninsula.

Orion upgraded the capacity at its substation in Dunsandel to power local dairy processor Synlait's installation of a new electrode boiler. Synlait is installing New Zealand's first large-scale electrode boiler in their upcoming \$125 million advanced dairy liquids facility at Synlait Dunsandel. To be commissioned in early 2019, the move from a coal fired boiler to electricity is part of Synlait's sustainability strategy and leads the way for industry to contribute to a lower emissions future for New Zealand.

A barometer of regional growth, Orion continues to welcome a steady stream of new customers to its network, and customer numbers grew by 1,900 connections to 202,900 by 30 September 2018.



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Christchurch City Holdings Limited

1 July—31 December 2018

## Christchurch International Airport Ltd

Christchurch International Airport Limited (CIAL) recognises the importance of its role as the primary gateway for the South Island.

**75%**

Owned by Christchurch City Holdings Limited.



Christchurch International Airport Limited's (CIAL) continued activation of its core strategies has delivered further growth in financial outcomes for the six months to 31 December 2018.

Total operating revenue for the period grew \$7.0m (7.9%) compared to the same period last year.

This continued revenue growth has flowed through to an improved net surplus after tax of \$24.3m, 25.6% ahead of last year. This has resulted in the Board declaring an interim dividend of \$21.9m, also 25.6% up on last year.

Total passenger movements increased by 1.4% compared to the same period last year. This was softer than expected and reflects the softening domestic leisure travel segment and variability in the inbound tourism segment.

International arrivals led passenger growth, with a 2.9% increase compared to the same period last year, driven by strong performances from several of our international airline partners. The stand-out market remains China, growing 7.1% in the period.

In November, the Commerce Commission released its final summary and analysis report on CIAL's PSE3 pricing decision. Pleasingly, the final report highlighted target returns are reasonable and the company is not targeting excessive profits over the PSE3 pricing period.

The company's property team has continued activating its property development strategy spending around \$37.4m on capital expenditure in the first six months of the FY19 financial year.

Part of the airport company's world-first partnership agreement with Alibaba Group saw it lead the New Zealand rollout of Alipay, a Chinese smartphone app and payment system of more than 800 million users. This was more successful than anticipated and will soon be followed by a South Island Travel Store on Fliggy, a leading Chinese travel service platform within Alibaba's digital ecosystem.

CIAL has continued to focus on the five key areas of its Sustainability Strategy – energy,

waste, water, noise and carbon. Energy consumption is down around 3.2%, waste diversion rates are tracking positively, water usage remains constant, noise complaints are at very low levels, and carbon figures down around 7.5% due to mild weather and a phase out of fossil fuel vehicles from the company's fleet.

Christchurch Airport continues to be rated Australasia's best airport for customer service and amenities, rated by independent customer surveys carried out across all airports. It was the only New Zealand airport to win a World Airport Award in 2018.



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Christchurch City Holdings Limited

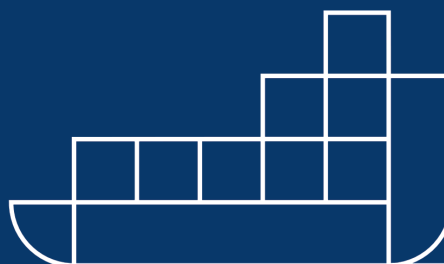
1 July—31 December 2018

## Lyttelton Port Company Ltd

Lyttelton Port Company Ltd (LPC) is the South Island's largest Port and Container Terminal, and the third largest container Port in the country.

100%

Owned by Christchurch  
City Holdings Limited



Lyttelton Port is the South Island's biggest trade gateway, facilitating the movement of \$5 billion of exports and \$5 billion of imports every year. LPC are also New Zealand's second largest export hub, taking the region's goods to the world.

Revenue increased 2.75% compared to the same time last year, despite container volumes being down slightly during the period as a result of fewer coastal import containers and increased efficiencies resulting in a reduction in empty container movements. Export volumes remain strong, particularly in dairy, and they expect container volumes to improve again over the second half of the year.

LPC continued their development programme to ensure the Port continues to play its part supporting the South Island's export economy. A key part of this agenda is the channel deepening project, which finished its dredging work during the period, on time and under budget.

The dredging is the most important step in making Lyttelton accessible for the larger container vessels shipping lines now favour. Installation of new navigation aids to finish the channel will be completed in the second half of this financial year.

Construction of the new \$67 million Cruise Berth has started, and piling began in December. The Berth will be New Zealand's first-ever purpose built Cruise facility, and will be able to accommodate the world's largest Cruise vessels.

LPC has worked extensively with experts to develop a Marine Mammal Management Plan for the project, which details how they will manage potential noise effects on marine mammals from the project, and outlines the monitoring and reporting requirements.

The wellbeing of their people also remains a key focus for LPC. Over the period they have conducted a consultative process to review

their Health and Safety policy and framework, and improve their Fatigue Management systems. LPC have also introduced a new contractor management process, and introduced a number of controls to improve the way they manage their critical risks.

Over the period, LPC has been focused on integrating sustainability throughout their business operations. During the last six months, they have completed a 4 module workshop and begun development of a draft sustainability strategy and implementation plan.

LPC takes their role in the economic sustainability of Christchurch, Canterbury and the wider South Island seriously. They are committed to making sure they develop the Port to ensure that it is able to handle strong projected growth in export volumes, and their work over the period has continued to lay the foundations for a sustainable future.

Interim Report 2019

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Christchurch City Holdings Limited

1 July—31 December 2018

## Enable Services Ltd

Enable Services Ltd (ESL) is building and connecting local homes and businesses to a world-class fibre network. ESL owns the critical fibre infrastructure that is connecting our community with unlimited opportunity.

**100%**

Owned by Christchurch  
City Holdings Limited.

2019 is another year of significant growth for Enable as it manages high volumes of customers connecting to its world-class fibre broadband services.

At 31 December 2018, 89,572 customers were connected to fibre broadband – an increase of 12,422 customers since 1 July reflecting similar connection growth to the previous year. Enable now has ~50 percent of the fixed broadband market within its greater Christchurch coverage area.

The business successfully launched its largest ever systems enhancement, Customer Interaction Manager, in July. The new system has transformed how front-line staff engage with customers – empowering them to

have better informed conversations and help customers more quickly – and has resulted in a record December net promoter score of 45. This demonstrates Enable's ongoing focus on continuously improving customer experience.

Enable continues to place caring for its people at the heart of the business and its current Total Recordable Injury Frequency Rate (TRIFR) is 1.5 per million hours worked. This is ahead of its 2019 target.

Enable's year to date revenue is \$28.0m and EBITDA is \$18.1m, both favourable to budget. Continued strong growth in revenue and tight cost controls have resulted in Enable continuing to improve financial performance.

Enable is committed to delivering value to its greater Christchurch community beyond its core role of maintaining and operating the city's fibre network infrastructure.

A new sustainability framework will set goals and targets for its contribution to the economic and social growth of the Christchurch community and reducing the environmental impact of its business. It will define more opportunities to positively impact the community alongside current partnership initiatives such as the Canterbury Employers' Chamber of Commerce's Enable Digital Event Series and Next Gen Leadership Series, and the local chapter of Future Leaders in Technology.



Interim Report 2019

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Christchurch City Holdings Limited

1 July—31 December 2018

## City Care Ltd

City Care Ltd (Citycare) is a leading provider of construction, maintenance and management services.

100%

Owned by Christchurch  
City Holdings Limited.

The sector-led business model Citycare Group moved to in 2017 is now well-understood both by their existing and prospective customers and a relentless commitment to improving profitability remains the primary focus for each Sector, through:

- smarter management and optimisation of water sector infrastructure assets, to ensure safe and sustainable water supply through Citycare Water;
- end-to-end construction and maintenance of public and private building and greenspace facilities through Citycare Property; and
- optimising roading, landscape and subdivision construction and maintenance through Citycare Civil.

### Innovation and Disruptive Technologies

Citycare is committed to exploiting the growing convergence between OT (Operational Technology) and IT (Information Technology) and to demonstrate thought leadership through stimulating and supporting relevant and practical disruption opportunities that optimise assets or drive maintenance productivity benefits.

To this end, the Company has signed a partnership deal with a Christchurch-based IoT sensor device design and manufacturing business (PiP IoT), which includes

exclusive NZ distribution of their fit-for-purpose sensor devices, enabling Citycare to provide its customers with (near) real-time asset intelligence. This is aligned to a growing wave of customer interest in Big Data and Artificial Intelligence (AI) technology and supports Citycare's continued investment in its EventManager job management platform and in empowering their people to share, develop and drive their own productivity enhancing ideas.

In 2018, Citycare Water was recognised as Winner of the Technical Poster Award winner for its depiction of 'IoT: The Real Deal'. The Technical Poster focused on the evolution and imminent explosion of IoT in the context of 'making improvements to ecosystems through prudent use of data' and its capacity to 'deliver significant positive benefits through unlocking previously inaccessible asset data'.

### Sustainability and Environmental Leadership

In 2018, Citycare updated its Sustainability Charter and Framework, aligning it with the 7 of the 17 UN Sustainable Development Goals (SDGs) where we are confident that the business can drive the most positive sustainability leadership.

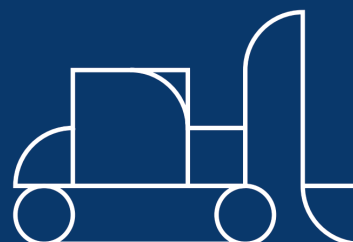
This approach recognises the importance of the Economic Wellbeing of Citycare's customer relationships and the importance of

an engaged and diverse workforce in the same vein as their ongoing commitment to climate action and responsible environmental consumption.

Last year, Citycare enjoyed strong traction against the SDG related to Sustainable Cities and Communities, through the realisation of their Community Guardians platform, a corporate social responsibility vehicle that moved Citycare away from a more traditional corporate sponsorship model, into an arena where it is facilitating and enabling community partnerships and action.

In 2018, the Community Guardians platform was recognised as the Winner NZRA Outstanding Community Recreation Programme with the judges particularly impressed by the scalability of the programme and how it could easily be adapted in communities throughout New Zealand.

**We discover. We deliver. We care.**



Christchurch City Holdings Limited

1 July—31 December 2018

## Red Bus Ltd

Red Bus operate urban and school bus routes within Christchurch city, and tourism and coach services across the South Island.

100%

Owned by Christchurch  
City Holdings Limited.

During the second half of 2018, Red Bus continued to benefit from its successful telematics programme through reduced fuel consumption and improved ride comfort. In the quarter to 31 December 2018, the company recorded its lowest ever telematics score and all drivers qualified for an incentive payment, a great credit to Red Bus drivers. Red Bus continues to lead the ECan urban mystery shopper results, measuring delivery to the Christchurch market.

In the initial presentation of their Long term plan, ECan signalled 5 routes being serviced by Red Bus to be cancelled. Following an alternate proposal by Red Bus, and strong support through public submissions, these measures were significantly altered with improvements to some routes being made. The changes to the routes in late October were smoothly implemented without any negative media commentary. This achievement was welcomed by ECan given recent experiences in other cities.

The ECan Regional Passenger Transport Plan (RPTP) was finalised prior to Christmas. The RPTP proposes significant long term investment in growing Christchurch passenger transport, adopting new technology and a strong

customer centric approach. The RPTP recognises the key role that service providers have in the successful development and delivery of improved services. Red Bus fully supports this plan aimed at increasing patronage on public transport.

ECan is now advancing its Procurement Strategy ahead of the urban service tender programmed for 2019. Red Bus is allocating significant resource to be in the best position to respond to the urban tenders and increase its market share in Christchurch.

Red Travel tour group activity this season is on par with last year. Independent travellers have increased noticeably on Akaroa Shuttle services. Red Bus Charter continues to provide efficient transfers to schools, businesses and individuals looking to move within our region.

The lost time injury (LTI) frequency per million worked hours for the year to 31 December 2018 was 19.0 compared with 4.3 for the year to 31 December 2017. The injuries were predominantly the result of mis-stepping. The company is focusing on reducing such incidents, through regular communication and training. It is pleasing to note that the December quarter was LTI free.

Changes to depot infrastructure are well under way in anticipation of the arrival of 3 fully electric buses in 2019. These buses will service the Christchurch City to Airport route and their arrival is eagerly anticipated. Significant improvements were made to the workshop area and driving surfaces of the depot.



Interim Report 2019

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Christchurch City Holdings Limited

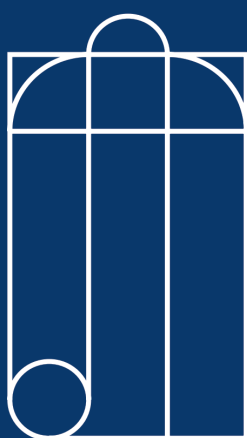
1 July—31 December 2018

## EcoCentral Ltd

EcoCentral manages the processing of household and commercial refuse and the automated sorting of recycling throughout the Canterbury region.

100%

Owned by Christchurch  
City Holdings Limited.



### Financial Results

While EcoCentral continues to navigate its way through a challenging period in terms of the international markets for recyclable products, the six-month financial performance has been pleasing. The Company's net profit is ahead of budget expectations and represents a period of relative stability after a volatile previous period. This stability has been achieved through the introduction of a processing fee for comingled recycling product at the EcoSort, and also the implementation of new marketing initiatives at its EcoDrop refuse stations.

The EcoDrops have responded well in a challenging environment and have worked hard to build strong relations with its customer base while

increasing its competitiveness. These initiatives have proven effective in stabilising incoming refuse tonnes, resulting in a financial performance that was ahead of budget for the EcoDrops and only down slightly on the same period last year.

The EcoSort has produced a positive financial performance. This has been consequent on the introduction of a processing fee and a focus on its product quality and customer relationships, ensuring it continues selling its recyclable paper and plastics with none going to landfill or being stored. Global trading of recycling commodities remains under pressure from highly competitive markets and weak prices. Given this trend is likely to continue, the Company has increased the amount of manual sorting to lift the quality of the recyclables, with the desire to maintain existing markets, while transitioning to alternative recycling processes. Work continues to explore and develop alternative recycling processes to ensure Canterbury remains leading edge into the future.

It is important that the community retain their confidence in the recycling being undertaken here in Canterbury, as it is done in an ethical manner and their continued attention to informed decisions about recycling enables these products to actually be recycled.

Although the colder winter

months typically see a reduction in customer numbers, the EcoShop maintained strong patronage with regular queues each morning illustrating the popularity and novel addition the EcoShop is to Canterbury's recycling economy. Christmas and school holiday shopping produced a strong finish to the first six months trading.

### Operational Performance Targets

Further investigations of potential commercially viable waste minimisation initiatives continue to be explored. EcoCentral is collaborating with the Christchurch City Council on a battery disposal trial that could remove a major volume of batteries from the waste stream, and with local plastic manufacturers exploring alternative options to current plastic processes.

Increasing levels of waste in the yellow bin recycling collections is becoming an issue. Recent media coverage of recycling being stockpiled or dumped has reduced public confidence in the recycling process and is adversely affecting the Company's ability to meet a key SOI waste target. However, this remains a key component of EcoCentral's waste minimisation strategy and the Company wishes to work closely with CCC to respond to the situation by increasing public education campaigns to counter this mindset.

Interim Report 2019

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Christchurch City Holdings Limited

1 July—31 December 2018

## Development Christchurch Ltd

Development Christchurch Ltd (DCL)'s objective is to accelerate development activities in Christchurch's built environment to achieve positive social outcomes that lead to a prosperous economy.

100%

Owned by Christchurch  
City Holdings Limited

As Christchurch City Council's urban development agency, DCL works on projects and activities that bring activity, life and investment to the city. DCL's work ranges from project implementation through the New Brighton Regeneration Project, through to supporting other suburban revitalisation efforts, managing investments on behalf of the city and working to identify and encourage private investors and developers to become part of the new, emerging Christchurch City.

DCL is on track to deliver against its targets for the financial year 2018/19. Key highlights for the year to date are:

### New Brighton Regeneration

DCL is leading the New Brighton Regeneration Project – a series of activities and projects that aim to revitalise the seaside suburb. It includes two major, publicly funded projects (the beachside playground and hot pools development) along with the coordination of the revitalisation of the commercial centre, public realm projects, residential housing development and a series of momentum-building activities.

- The beachside playground is now open, while resource consent for the hot pools development was granted in June 2018 and construction is expected to be

underway in February/March 2019. Work is expected to be completed within 12 months.

- DCL is supporting SCAPE Public Art in New Brighton.
- DCL is working with Council staff leading improvements to Marine Parade.
- DCL continues to work with private investors and developers with a focus on the revitalisation of the commercial centre.

### Former Christchurch Convention Centre Site

DCL is seeking to work with developers on the prominent central city site of the former Convention Centre – known as Peterborough Central. DCL has reached out to local and international developers and is progressing this project with the aim of contributing to the goals of the city's Project 8011.

### Christchurch Adventure Park (CAP)

DCL continues to work closely with the Port Hills Leisure Limited Board and management team in its role as investor.

### Central City Action Plan

This is a priority for the city and DCL is supporting the Central City Action Plan at both a steering group and delivery level. This includes leading relevant components relating to commercial development, property

intentions and supporting alternative development models that may be applicable.

### Commercial advisory

DCL continues to provide numerous commercial and professional advisory services to Christchurch City Council on a wide range of issues.



Christchurch City Holdings Limited

## Directory

<b>Registered Office</b>	Level 1, 151 Cambridge Terrace Christchurch
<b>Directors</b>	J Smith (Chair) V Buck G Campbell L Dalziel M Devine J Gough A Turner A Skinner
<b>Management</b>	Paul Munro (Chief Executive) Leah Scales (Chief Financial Officer) Noeline Halstead (Executive Officer) Steve Ballard (Senior Analyst)
<b>Bankers</b>	Westpac Institutional Bank, Auckland Bank of New Zealand, Christchurch ANZ New Zealand Ltd, Wellington
<b>Auditors</b>	Audit New Zealand (on behalf of the Controller and Auditor General) Christchurch
<b>Ownership</b>	100% owned by Christchurch City Council



Christchurch  
City Holdings  
Limited

Half-Year Report, NZX Listing Rule 10.3.2

A WHOLLY OWNED SUBSIDIARY  
of CHRISTCHURCH CITY COUNCIL

Results for Announcement to the Market

**Reporting period:**  
**Six months to 31 December 2018**

**Previous reporting period:**  
**Six months to 31 December 2017**

	UNAUDITED 6 MONTHS 31 DEC 2018 \$'000	UNAUDITED 6 MONTHS 31 DEC 2017 \$'000	PERCENTAGE CHANGE %	AUDITED FULL YEAR 30 JUN 2018 \$'000
Revenue from ordinary activities	532,762	522,440	2%	1,100,309
Profit/(loss) from ordinary activities attributable to security holder	47,757	42,547	12%	107,725
Net profit/(loss) attributable to security holders	47,757	42,547	12%	107,725
Net tangible assets per listed bond *	6.06	11.45	-	12.49
			AMOUNT PER SECURITY	IMPUTED AMOUNTW PER SECURITY
Final Dividend			n/a	n/a
Record Date			Not Applicable	
Dividend Payment Date			Not Applicable	

\*net tangible assets per listed bond dropped in the current period due to the issue of a new \$150m Bond in November 2018, taking the total listed bonds to \$300m, compared to the previous period of \$150m.

#### Comments:

**Christchurch City Holdings Ltd is an NZDX issuer**

Christchurch City Holdings Ltd (CCHL) does not have equity securities listed on the NZX. CCHL only has two listed bonds on the NZDX:

- CCH010 \$150m 5 year fixed rate bonds maturing December 2022
- CCH020 \$150m 6 year fixed rate bonds maturing November 2024

Refer to the attached interim report for the commentary and financial statements of Christchurch City Holdings Ltd (Group), a group comprising Christchurch City Holdings Ltd and the entities over which it has control or joint control, for the six months ended 31 December 2018

The interim report for the six months ended 31 December 2018 is unaudited.

#### Control of entities gained or lost during the year

There were no changes in the entities the Group has control of during the period.

#### Details of Associates and Joint ventures

City Care Limited has an unincorporated joint venture agreement, City Care Limited John Fillmore Contracting Limited Joint Venture of which they have a 50/50 percentage. This joint venture is a strategic partnership to tender for relevant contracts.

Development Christchurch Ltd has an investment of 14.29% in associate Leisure Investments New Zealand Partnership. This associate runs the Christchurch Adventure Park.

These investments in associates and joint ventures are not deemed material to the Group.

#### Events after the reporting period

There are no material events after the reporting date which would require adjustment or disclosure by the Group.



## 14. Council-controlled organisations - Half year reports for the period 1 July - 31 December 2018

Reference: 19/6878

Presenter(s): Linda Gibb - Performance Advisor

### 1. Purpose and Origin of Report

#### Purpose of Report

- 1.1 The purpose of this report is for the Finance and Performance Committee of the Whole to note the half year reports for the period 1 July – 31 December 2018 for Central Plains Water Trust, Christchurch Agency for Energy Trust, Civic Building Ltd, Riccarton Bush Trust, and Rod Donald Banks Peninsula Trust.

#### Origin of Report

- 1.2 This report is staff generated as a result of receiving the Council-Controlled Organisations (CCO) half year reports.

### 2. Significance

- 2.1 The decisions in this report are of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by assessing the extent to which the community may be impacted by the decisions in this report.

### 3. Staff Recommendations

That the Finance and Performance Committee of the Whole:

1. Note the contents of this report, and its attachments.

### 4. Key Points

- 4.1 This report summarises the half year (1 July 2018 -31 December 2018) performance for the following CCOs:
- Central Plains Water Trust (refer **Attachment A**);
  - Christchurch Agency for Energy Trust (refer **Attachment B**);
  - Civic Building Ltd (refer **Attachment C**);
  - Riccarton Bush Trust (refer **Attachment D**); and
  - Rod Donald Banks Peninsula Trust (refer **Attachment E**).

### 5. Context/Background

#### Performance summaries

- 5.1 Section 66 of the Local Government Act 2002 provides that:

*“Within 2 months after the end of the first half of each financial year, the board of a council-controlled organisation must deliver to the shareholders a report on the organisation’s operations during that half year. The report must include the information required to be included by its statement of intent”.*



- 5.2 The following tables set out key financial performance information for each CCO, for the period 1 July 2018 to 31 December 2018, compared with its half-year target and the same period in the previous financial year.

CCO	Actual \$	Target \$	Prior Half Year Actual \$
<b>Central Plains Water: fully funded costs</b>	<b>40,410</b>	<b>Not forecast for half year</b>	<b>37,918</b>
<p><b>Against last year</b>, expenditure increased by \$2,492, as a result of increased trustees' honorarium of \$7,650 less administration cost reductions of \$5,110. In the current half year, costs were incurred for developing the 2017/18 Annual Sustainability Report (attached to the Trust's half year report at <b>Attachment 1</b>). The corresponding period for last year included costs for both the 2016 and 2017 reports.</p> <p>The costs borne by the Trust are fully funded by Central Plains Water Ltd, the board of which agreed to the increased honorarium for the trustees before it was implemented.</p>			
<b>Christchurch Agency for Energy</b>	<b>(373,503)</b>	<b>(43,500)</b>	<b>(231,410)</b>
<p><b>Against last year</b>, the deficit is higher by \$142,093 largely reflecting the higher value of grants paid in 2018 (\$130,947), reduced interest income of \$8,753 due to the depletion in cash as grants are paid and an increase in administration expenses of \$2,393 due in part to addressing issues relating to the forthcoming wind-up of the Trust, and accounting charges that, last year, fell in the second half of the year.</p> <p><b>Against target</b>, the deficit is higher by \$330,003 as a result of paying out grants to a value that was previously expected to have been paid in an earlier time period. Interest revenue was higher by \$6,622 reflecting the delay in paying out grant monies. Other expenses were higher by \$2,393 for the same reasons as the variance with last year.</p> <p><b>Non-financial performance targets</b>, the Trust allocated five grants totalling \$57,000 during the six months to 31 December 2018. It is considering options for the remaining \$168,388 in unallocated funds after which the Trust will be wound up. The Trust is hoping to wind-up by the end of June 2019.</p>			
<b>Civic Building Ltd (CBL)</b>	<b>Before tax (175,000)</b>	<b>Before tax (173,000)</b>	<b>Before tax (698,000)</b>
<p><b>Against last year</b>, the 2018 loss of \$175,000 is \$523,000 lower, due to an average 2% decrease in the interest rate which has reduced financing costs by \$540,000.</p> <p><b>Against target</b>, CBL's half year profit before tax is in line with expectations.</p> <p><b>Financial Position</b>, total assets: \$58.8 million; debt \$56,388.</p> <p><b>Non-financial performance targets</b>, the company has met its two non-financial performance targets – that the building is managed in accordance with the management agreement; and the building is operating in a manner consistent with a 6 Green Star rating facility (as advised by the Council's Facilities Management Team).</p>			

Trust (non-taxable)	Actual Surplus/ (Deficit)	Target Revenue and Expense	Prior Half Year Actual
	\$	\$	\$
Riccarton Bush	(61,251)	278,000	(113,549)

**Against last year**, the Trust's deficit of \$61,251 is lower than the prior year's by \$52,298, made up of additional income of \$42,827 and reduced costs of \$9,471.

Additional income includes \$21,000 of capital funding and increased operating levy from the Council. Revenue gains of \$7,526 were made from commission and rental from Local (the on-site café) which includes a rental increase on lease renewal. The restaurant has had a very good half year, partly as a result of focussing on customer service and from an increase in independent tour groups visiting the House. The increase in tour groups contributed to a heritage revenue gain of \$3,458. Book sales increased by \$1,551, particularly from strong sales of 'Riccarton and Deans Family' by Joanna Orwin which were acquired by the Trust at very low cost and sales of the revised book by Jane Deans "Letters to my Grandchildren". Rental income from the Ranger's House increased by \$2,954, (it was not tenanted for the full period in the 2017 half year as it was being rebuilt), and donations increased by \$6,896, mostly represented by a discretionary capital grant of \$4,371 from the community board and commission from the Saturday market (which had one extra operating day over the previous year).

Operating costs were lower by \$9,471, due to there being zero project expenses this year against last year's \$29,916 (project costs written off including bus turning area). This is offset by a \$10,000 increase in depreciation relating to assets acquired in the past year and a \$7,685 increase in employee expenses, which is a payroll timing issue that will correct in the next accounting period.

**Against target** (excluding depreciation and project costs), revenue increased by \$13,068 mostly attributable to the capital grants from the Council and the community board (together \$16,871), the timing of which was uncertain at the time the budget was finalised. This was offset by lower commission from Local of \$2,000 and door sales and tours of \$3,000 during the winter months (the budget does not incorporate seasonal trends). Higher rainfall than expected during these months exacerbated the variance. Operating costs were under budget by \$4,240 largely due to lower insurance costs.

**Financial position**, the Trust has total assets of \$16.4 million, the majority of which are attributable to Riccarton House and contents and operational equipment (e.g. for maintenance).

**Non-financial performance targets**, the Trust expects to achieve its non-financial targets by June 2019, with the following caveats:

- work on refitting and upgrading toilets is dependent of funding being obtained through the Trust's funding bids to charitable organisations; and
- the target to reduce feral pigeons to numbers that will not cause significant nuisance is proving challenging.

In response to recent comments made by Councillors, the Trust has a donation box in the Bush that returns around \$4,000 per annum, and a new box has been installed at the doorway to the House which is contributing around \$10 per week; and the canopy viewing project is programmed to proceed in 2021/22.

Trust (non-taxable)	Actual Surplus/ (Deficit) \$	Target Operating Surplus/ (Deficit) \$	Prior Half Year Actual \$
<b>Rod Donald Banks Peninsula: Operating surplus/(deficit)</b>	<b>(48,317)</b>	<b>71,792</b>	<b>(7,544)</b>
<b>Grants &amp; project expenses</b>	<b>(280,534)</b>	<b>(146,000)</b>	<b>(248,850)</b>
<p><b>Trust operations against last year</b>, the deficit increased by \$40,773 which is made up of lower interest revenue of \$7,775 on declining investments held by the Trust (\$300,000 lower since 30 June 2018), a change in allocation of expenditure in the current year from grants and project expenses to operating expenses which in total accounts for \$25,711, and an increase in other expenses of \$7,287. The key drivers of the increase in other expenses are \$4,233 for operating and maintenance costs of the Rod Donald hut, a depreciation adjustment of \$4,130 relating to a prior period, an increase in minor projects of \$5,044 partly from the development of a Strategic Plan booklet and video for the first time. These increased costs were offset by reduced grants and commitments to partners of \$9,250 reflecting the finalisation of a new agreement with Orton Bradley Park is yet to occur. The Trust is reducing its grant commitments in line with its declining funds.</p> <p><b>Trust operations against target</b>, the variance of \$120,109 is largely a result of lower revenue of \$98,445 due to a sale of land (Grehan Valley Road (Woodhills)) which will now occur in the second half of the 2018/19 financial year. Higher operating costs of \$23,650 reflect the changed coding of particular expenses as described in the above section) and costs that have been charged in large part in the first half of the year which will even out by the end of the second quarter. Higher minor project expenses of \$5,056 include production of a strategic plan booklet and video. Lower trust management costs by \$6,552 were due to fewer hours charged by the Trust Manager than had been expected.</p> <p><b>Project grants/expenditure against last year</b>, was lower by \$58,228 because the Quail Island and Te Ara Pataka track section projects were completed during the current period; and <b>against target</b> was higher by \$134,534 because of the unexpected early opportunity to acquire land that secures public access to Te Ara Pataka.</p> <p><b>Financial position:</b> The Trust has total assets of \$2.6 million.</p> <p><b>Non-financial performance targets</b>, the Trust has achieved a number of its non-financial performance targets, and expects all others to be completed by the end of the financial year.</p>			

## Attachments

No.	Title	Page
A <a href="#">↓</a>	Central Plains Water Trust - Half year report to 31 December 2018 and Annual Sustainability Report 2017/18	158
B <a href="#">↓</a>	Christchurch Agency for Energy Trust - Half year report for 31 December 2018	225
C <a href="#">↓</a>	Civic Building Ltd - Half year report to 31 December 2018	234
D <a href="#">↓</a>	Riccarton Bush Trust: Half year report to 31 December 2018	243
E <a href="#">↓</a>	Rod Donald Banks Peninsula Trust - Half year report to 31 December 2018	253

## Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories

<b>Author</b>	Linda Gibb - Performance Monitoring Advisor
<b>Approved By</b>	Len Van Hout - Manager External Reporting & Governance Diane Brandish - Head of Financial Management Carol Bellette - General Manager Finance and Commercial (CFO)

## Central Plains Water Trust

Financial Statements  
for the six months ended

31 December 2018

*The financial statements are special purpose financial statements prepared as a requirement of the Trust Deed and comprise statements of: accounting policies, comprehensive income, changes in equity, financial position and cash flow.*

*These financial statements have not been subject to independent audit.*

## Chairperson's report

### Highlights

During the 6 months to 31 December 2018:

1. The Trust produced and published its third annual Environmental Sustainability Report in respect of the 2017-18 irrigation season.
2. Construction and commissioning of Stage 2 of the Scheme was completed.

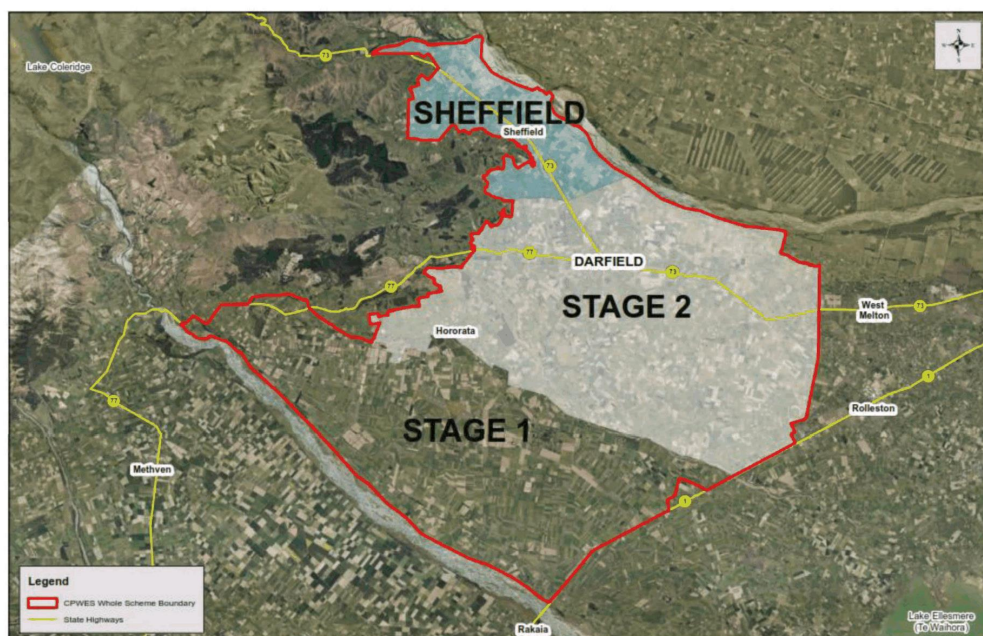
### Completion of Scheme

The Central Plains irrigation Scheme started operating in 2015, and is now supplying water to an area of approximately 47,600 hectares between the Waimakariri and Rakaia Rivers.

**Stage 1** provides irrigation water to an area of approximately 23,000 hectares between the Rakaia and Selwyn rivers and was completed in September 2015. Stage 1 is supplied from the Rakaia River via a 17km headrace that extends from the river intake as far as Leeches Road. Construction of the Rakaia River intake and distribution network for Stage 1 was undertaken between early 2014 and mid-2015, with the first irrigation water supplied on 1 September 2015.

**The Sheffield scheme**, covering approximately 4,600 Ha commenced operations in November 2017. This component of the scheme is physically separate from Stages 1 and 2, supplying irrigation water, stockwater, firefighting water and supplementary town supply water for Springfield and Sheffield from the Waimakariri and Kowai Rivers. The Sheffield scheme includes a 2 million m<sup>3</sup> pond constructed near Springfield to provide storage during periods of low flow when river intakes are restricted.

**Stage 2** supplies an irrigable area of approximately 20,000 hectares between the Selwyn and Waimakariri rivers. Construction of Stage 2 commenced in early 2017, and became operational in October 2018. This component of the Scheme is a fully piped network that utilises water from the Rakaia River intake (including Lake Coleridge storage).



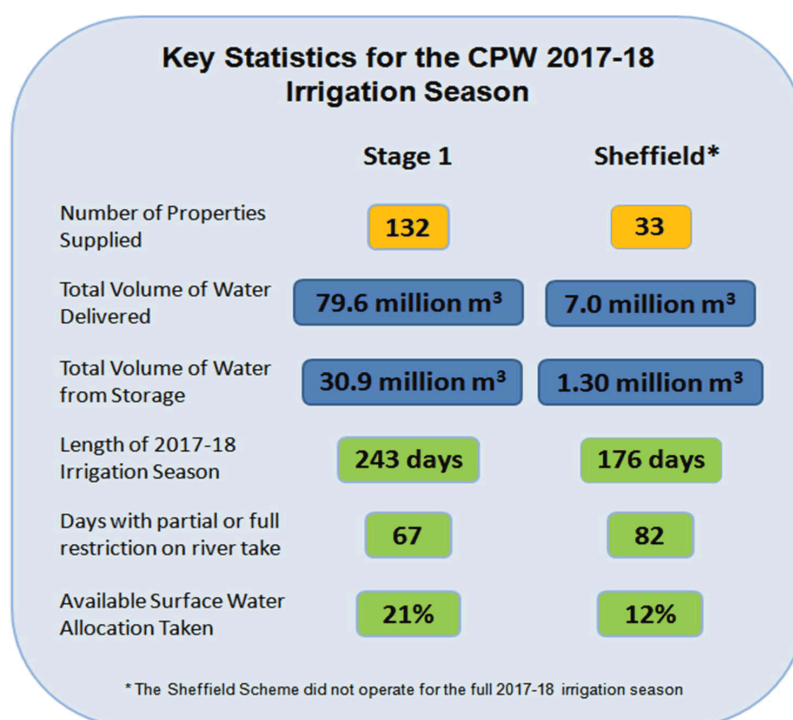


Stage 1 and Stage 2 of the Scheme derive water from the Rakaia River via an intake constructed approximately 8 kilometres downstream of the Rakaia Gorge bridge. Conditions of resource consents authorising the taking of water from the river are subject to minimum flow conditions which require the rate of abstraction to progressively reduce as river flows decline.

The bulk of allocation held by CPW is assigned to flow Bands which require abstraction to cease when river flow falls to less than 70 cumecs above the minimum flow resulting in relatively low supply reliability (i.e. it is cut off first as river flows decline). As a consequence of these restrictions, the full volume of allocation held by CPW can only be taken for around 63 percent of the time during the irrigation season, potentially resulting in low reliability of supply for scheme users. In order to ensure an adequate reliability of supply for irrigation, CPW have an agreement with TrustPower Ltd to access water stored in Lake Coleridge. Under this agreement, water is released from Lake Coleridge as river flows decline. This enables CPW to continue to take water from the river without having any adverse effect on natural flows in the river. The use of stored water increases the reliability of supply for Stage 1 and 2 to approximately 98 percent.

The Sheffield Scheme utilises water from the Kowai and Waimakariri Rivers which are subject to similar low flow restrictions to those applying on the Rakaia River. The storage pond constructed for the Sheffield Scheme holds sufficient water to maintain reliability of supply at a similar level to Stages 1 and 2.

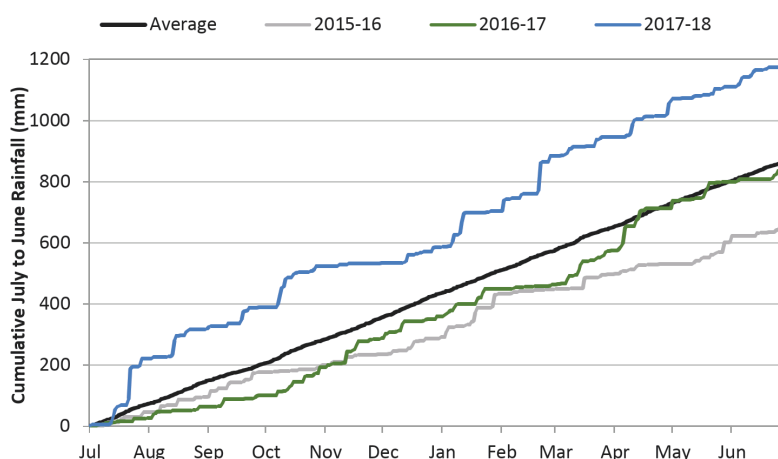
#### The 2017-2018 Year



## Climatic Conditions

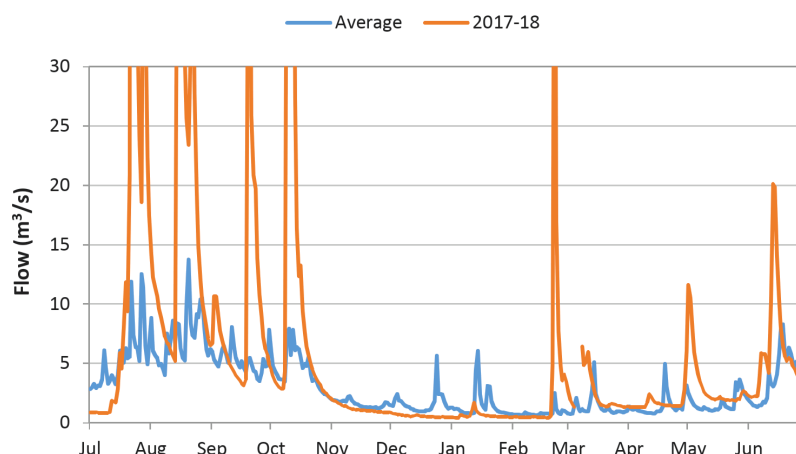
During the 2017-18 year, cumulative rainfall totals were above the long-term average across the Central Plains area. A total of 1,151 mm of rainfall was recorded at NIWA weather station 4702 (located approximately 4km west of Hororata) between July 2017 and June 2018, the sixth highest July to June total since records began at this site in 1890. Except for an extended dry period from late October to December, monthly rainfall totals were average to above average throughout most of the 2017-18 year. Monthly rainfall recorded at Hororata, Rigdens Road and Burnham exhibited a relatively consistent pattern across the whole of the Central Plains area during 2017-18, with monthly totals almost three times July and February averages and between 150 and 200% of average in August, October, January and April. In contrast, November rainfall was exceptionally low, with no rainfall recorded in eastern parts of the Central Plains area.

While requirements for irrigation reflect short-term variation in rainfall, the overall quantity of groundwater and surface water resources in the Central Plains area generally reflect longer-term trends in climate. As illustrated below, cumulative rainfall during the 2017-18 year remained above average throughout the year, despite the period of low rainfall in early summer. In contrast, cumulative rainfall was below normal during the 2014-15 and 2015-16 seasons, only returning to normal during the latter part of the 2016-17 year. This transition from an extended period of low rainfall to more recent normal to above normal conditions is reflected in groundwater level and flow monitoring results for the 2017-18 year.



*Cumulative (July to June) rainfall at Hororata, 2014-15 to 2017-18*

The effects of the extended period of average to above average rainfall from early 2017 through to 2018 were observed in groundwater levels and stream flows across the wider Central Plains area during the 2017-18 year, with groundwater levels at the end of the 2017-18 year well above the long-term average throughout the Central Plains area. Flows in rivers and streams draining the Central Plains area are influenced by both rainfall and groundwater levels (particularly during periods of limited rainfall). The graph below compares flow in the Selwyn River at Coes Ford during the 2017-18 year with the long-term average for this site, and shows sustained periods of high flow following significant rainfall events during winter and spring 2017. River flows declined to below



average from November through to February reflecting the low rainfall during this period but recovered to above average in response to rainfall from late February through to June. Large recharge or high flow events following heavy rainfall can have a significant short-term influence on groundwater and surface water quality. The high rainfall during winter 2017 (following three years of average to below average rainfall) resulted in short-term variations in groundwater and surface water quality at many sites across the Central Plains.

These climate-related variations act to obscure underlying trends, with similar short-term effects observed at sites both within and downstream of the CPW Scheme as well as at upstream sites and in areas where the CPW scheme had not commenced operating. Overall, the 2017-18 irrigation season can be characterised as being wetter than normal except for a short dry spell from late October to December.

#### Construction Activities

Commissioning of the Sheffield Scheme was completed in 2017, with the scheme commencing operations in late November. The initial period of operations provided an operational challenge with water availability restricted due to declining river flows having to be balanced against demand for irrigation water and requirements to progressively fill the Springfield storage pond to obtain necessary regulatory approvals for pond construction.

Construction activities on the Stage 2 scheme advanced during the 2017-18 year toward the target date for commencement of operations on 1 September 2018. Heavy rainfall during the 2017 winter provided challenges for construction activities due to general ground conditions, high groundwater levels and constraints associated with construction of river crossings in actively flowing waterways. Two construction-related compliance incidents were recorded during the 2017-18 year. Both incidents related to sedimentation issues associated with pipeline installations under waterways during adverse weather conditions. Once notified, appropriate mitigation actions were initiated to minimise the scale and extent of these events.

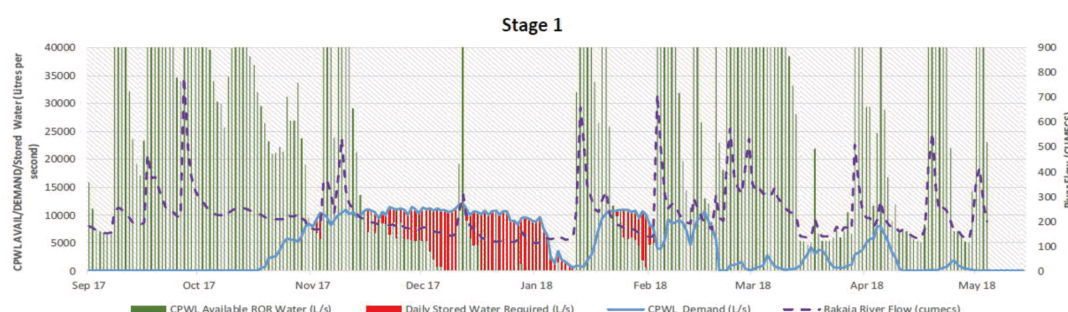
### Scheme Operation

Between 1 September 2017 and 1 May 2018 a total of 79.6 million m<sup>3</sup> of water was supplied by the CPW scheme to 105 properties in the Stage 1 area. This total comprised 48.6 million m<sup>3</sup> of run of river water from the Rakaia River, with an additional 31.0 million m<sup>3</sup> (representing 39% of the total volume supplied) of stored water sourced from Lake Coleridge. CPW scheme shareholders also utilised a total of 18.4 million m<sup>3</sup> of groundwater (18% of the available allocation) during the 2017-18 season.

The volume of run of river abstraction from the Rakaia River was the lowest in the three years of operation, while the volume of storage used was the highest. This reflects the extended period of low rainfall from late November to December which was experienced across the whole region, rather than normal summer 'drought' when dry conditions on the Canterbury Plains are often associated with westerly airflows that result in elevated rainfall and river flows in alpine catchment headwaters.

The illustration below shows operation of the Stage 1 scheme during the 2017-18 year. The figure shows irrigation demand (blue line) increasing through late October 2017 to reach a maximum of approximately 10 m<sup>3</sup>/s from early November through to early January. Reflecting declining river flows (purple line) during this period, the volume of water able to be taken directly from the Rakaia River (green bars) was insufficient to meet irrigation demand necessitating the extensive use of stored water from Lake Coleridge (red bars) from early November to early January. Aside from a short period during late January, river flows remained sufficiently high to meet reduced irrigation demand for the remainder of the season.

*Schematic illustration of Stage 1 operations during the 2017-18 year.*



From early November 2017 to 1 May 2018, a total of 7.0 million m<sup>3</sup> of water was supplied to 33 properties in the Sheffield Scheme area. This total comprised approximately 5.7 million m<sup>3</sup> of run-of-river water taken from the Kowai and Waimakariri Rivers, with an additional 1.3 million m<sup>3</sup> of stored water utilised when abstraction of surface water was restricted by low river flows during December and January. An additional 2 million m<sup>3</sup> of water was abstracted to fill the Springfield storage pond which reached 100% storage in mid-January 2018. Properties in the Sheffield Scheme also utilised a combined total of 0.9 million m<sup>3</sup> of groundwater (24% of the available allocation) during the 2017-18 season.

The Sheffield Scheme operation during 2017-18 commenced with initial filling of the Springfield storage pond in early November. Supply of water to shareholder commenced in late November with initial demand of up to 1.6 m<sup>3</sup>/s tailing off through to early January due to the progressive restriction of surface water takes and a requirement to maintain pond storage to obtain regulatory approvals. Following rainfall in early January, pond storage water increased close to 100%. Water demand remained relatively modest through the summer and autumn months reflecting the greater rainfall over this period.

### On-Farm Monitoring

Conditions of the CPW consents and provisions of the LWRP require both CPW and individual shareholder farmers to undertake an extensive range of environmental monitoring, management and reporting activities. Prior to commencement of operations, CPW developed an Environmental Management Strategy (EMS) which established a range of protocols, policies and procedures for operation and management of the Scheme to ensure it achieves high environmental standards and sustainable outcomes and complies with all consent and Regional Plan requirements.

The EMS outlines specific responsibilities for operation of the Scheme including:

- Ensuring that all water users implement on-farm environmental management requirements related to achieving sustainable irrigation;
- Monitoring and reporting of environmental performance;
- Provision of education and training initiatives; and
- Funding and management of environmental initiatives, including those required by resource consent conditions, such as Community Liaison Group (CLG), the CPW Environmental Management Fund (EMF) and CPW Te Waihora Environmental Management Fund (TWEMF)

To facilitate adoption of best practice land management, the EMS requires a Farm Environment Plan (FEP) to be developed and implemented on each CPW shareholder property supplied with water. Following Plan Change 1 to the LWRP in February 2016, the requirement for FEPs was formally extended to include a majority of agricultural properties larger than 10 Ha where nitrogen loss exceeds 15 kg/ha/year in the Selwyn Waihora zone.

Key components of FEPs include:

- Identification of environmental risks and potential adverse impacts associated with farming activities;
- Development and implementation of measures to avoid or minimise identified environmental risks and implement good management practice farming methods;
- Development and implementation of monitoring to inform good decision making on-farm; and
- Calculation and recording of nutrient loss rates and documentation of management practices to maintain, and where required, reduce, losses over time.

All FEPs are audited by a qualified Farm Environment Plan Auditor on an annual basis to provide an independent check that appropriate systems and practices are in place to minimise environmental risks associated with agricultural land use within the Scheme. Auditing is conducted on-farm and is based on sighting of evidence to document and support how FEP objectives and targets are being met. FEP audit results are reported to CPW, individual water users, and to ECan. After the first two years, audits are conducted based on the last grade received. A property receiving an A grade is audited every four years, a B grade every 2 years, a C grade within one year and D grade within 6 months of the previous audit.

### Land Use

Dairy and various combinations of sheep, dairy and beef grazing accounted for a majority of overall land use. From a land use perspective these enterprises can be divided into two types: dairy systems, and mixed systems. It is noted approximately 40 % of the total area comprise mixed systems that provide flexibility for farmers to respond to changes in market demand without the higher capital investment required to establish a dairy operation. Land use has remained relatively constant over the three years since the scheme commenced operations with the major change being a 34 %

7



reduction in the area of Sheep, Beef/Dairy grazing which has largely been balanced by an increase in Beef/Dairy grazing enterprises. The overall expansion of dairy enterprises following commencement of Stage 1 operations equates to around 5% of the total scheme area.

### Irrigation Water use

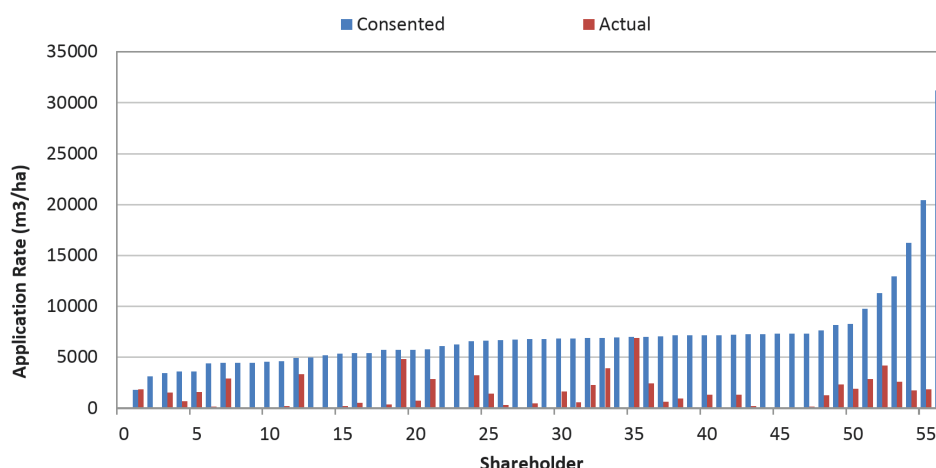
The Scheme-wide average maximum application rate during the 2017-18 season was 2.42 mm/ha/day. No individual property exceeded a combined irrigation application rate (including CPW water and groundwater) of 5.18 mm/ha/day, which is the maximum limit specified in CPWs consent to take and use both Scheme water and groundwater<sup>1</sup>.

Cumulative water use (across the CPW Stage 1 and Sheffield Scheme areas) area during the 2017-18 season totalled 4,518 m<sup>3</sup>/ha (equivalent to a seasonal application depth of 451 mm), comprising 1,428 m<sup>3</sup>/ha of groundwater and 3,090 m<sup>3</sup>/ha of CPW water. Equivalent figures from the 2016-17 season were a scheme-wide seasonal application rate of 4,044 m<sup>3</sup>/ha, comprising 1,245 m<sup>3</sup>/ha groundwater and 2,798 m<sup>3</sup>/ha CPW water. Irrigators who used CPW water only used an average of 2,486 m<sup>3</sup>/ha during the 2017-18 season.

### Groundwater Conversion to CPW Scheme

One of the key benefits associated with the Scheme was a reduction in the volume of groundwater utilised for irrigation across the Central Plains area, due to substitution with water derived from the Rakaia, Waimakariri and Kowai Rivers (run-of-river and storage). The reduction in groundwater abstraction is expected to result in positive benefits associated with an increase in groundwater storage and correspondingly higher flows in lowland streams. A target of an 80% reduction in the volume of groundwater abstraction across the Rakaia-Selwyn and Selwyn-Waimakariri allocation zones is identified in the Selwyn-Waihora Zone ZIP Addendum.

Groundwater use in Stage 1 declined from 21.4% of total allocation in 2015-16 to less than 20% over the past two seasons. Cumulative groundwater use on properties in the Sheffield Scheme area was 24.4% of total allocation during 2017-18 and is expected to drop below 20% in future years (particularly given the delayed start to CPW operations during the 2017-18 season). The graph below provides a comparison of actual and consented groundwater use on properties within the Stage 1 area which hold existing groundwater abstraction consents. The figure shows that approximately 20 percent of properties holding existing groundwater consents used no groundwater during





2017-18 (i.e. irrigation water was derived solely from the CPW Scheme). Across a majority of the remaining properties, groundwater usage was significantly below consented volumes, with cumulative usage less than 20% of the total volume allocated.

#### **Farm Environmental Plans**

A FEP is the key environmental management tool that helps farmers recognise on-farm environmental risks and sets out a programme to manage those risks, and are unique to a property and reflect the type of farm operation, the local climate and soil type, and the goals of the land user. The FEP covers management areas including:

- Irrigation management, including efficient water use
- Nutrient management
- Soil management
- Point source management (offal holes, farm rubbish & silage pits etc)
- Collected animal effluent management
- Native plants and animals
- Waterbodies - riparian drains, rivers, wetlands and lakes
- Water use (excluding irrigation water)

Under CPWs EMS all irrigators were required to have an FEP in place before they are able to take water from the Scheme. FEPs must be updated if anything on-farm changes e.g. a farm system or manager.

#### **Stage 1 FEP Compliance Status**

During the 2017-18 year a total of 106 FEPs were in place covering all properties located in the CPW Stage 1 area. Over this period an independent audit of all FEPs for properties in the Scheme was undertaken, in accordance with the standardised methodology developed by Environment Canterbury<sup>2</sup>. Each FEP was graded according to specified criteria from A (all objectives met) to D (objectives for one or more management areas not met). Of the FEPs audited during 2017-18, 56 received an A grade, 46 a B grade and 4 a C grade. No FEPs received a D grade. Of the properties receiving a C grade, two did not meet effluent management objectives, one due to a lack of records (associated with a farm sale process) and one due to wet areas identified on the farm.

#### **Nutrient Budgets and Nitrogen Allocation**

Nutrient Budgets have been prepared for all Stage 1 and Sheffield properties. Comparison of N-losses with LWRP limits is complicated by changes in the definition of Good Management Practices (GMPs) for the Selwyn Te Waihora Zone and the change in the versions of Overseer<sup>®</sup>. Calculated cumulative nutrient losses from the Stage 1 area for existing and new irrigators during the baseline period was 1,643 tonnes N/year in Overseer<sup>®</sup> version 6.2.3. In 2017-18 estimates losses were 1,514 tonnes N/year in Overseer<sup>®</sup> version 6.2.3, an 8% reduction in N leaching (with the addition of approximately 7,000 hectares of new irrigation).

The Sheffield Scheme Nitrogen Discharge Allowance (NDA) in 2017-2018 was 344 tonnes N/year compared to a baseline of 287 T N/yr.

### Environmental Monitoring

Requirements for extensive monitoring of environmental effects resulting from operation of the Scheme are specified in resource consent conditions for the take and use of water. Results and interpretation of environmental monitoring undertaken for the Scheme are provided in the *Annual Ground and Surface Water Monitoring Report*<sup>3</sup> (GSWMP) which forms one component of the overall resource consent compliance monitoring for the Scheme. Development of the GSWMP and the subsequent monitoring process is overseen by the Ground and Surface Water Expert Review Panel (GSWERP) which was established in 2013. This panel is responsible for overseeing and directing the ground and surface water monitoring program undertaken by CPW, as well as response to trigger level exceedances and/or public complaints. As required by CPW's consents, GSWERP members include representatives from SDC, ECan and Ngai Tahu, alongside independent experts with knowledge and skills relating to ground and surface water quality and quantity, land drainage and cultural values.

Full details of the CPW environmental monitoring programme are outlined in Part 1 of CPW's Ground and Surface Water Monitoring Plan (available at <http://www.cpw.co.nz/environmental-management/ground-surface-water-monitoring-programme>) Surface water quality sites are monitored on a monthly basis for a range of water quality parameters including dissolved and particulate nutrients, indicator bacteria (*E.coli*) and physical parameters such as pH, temperature and dissolved oxygen concentrations. The monitoring network also includes 5 sites located in Lake Ellesmere/Te Waihora (4 around the lake margins and one mid-lake site). These sites are monitored on a monthly basis by ECan for a range of parameters including total nutrients and Trophic Level Index (TLI<sub>3</sub>). The CPW groundwater quality monitoring network comprises twenty monitoring bores (8 within or down gradient of the Stage 1 area, 10 within or down gradient of the Stage 2 area and 2 in the Sheffield Scheme area), as well as 12 lowland groundwater level sites downstream of the scheme area that are monitored as part of the ECan State of the Environment groundwater monitoring network. Groundwater quality sites are sampled quarterly, while groundwater levels are measured monthly.

### 2017-18 Monitoring Results

As discussed above, climate conditions experienced during and immediately preceding the 2017-18 year were in contrast to those experienced over previous years since environmental monitoring for the Scheme commenced in the Stage 1 area in 2013. This variability is observed to have had a significant influence on surface water quality, groundwater quality and groundwater level monitoring results during the 2017/18 year in many parts of the Scheme, including areas within Stage 2 where operations did not commence until October 2018.

### Surface Water Quality

During the 2017-18 year surface water nitrate trigger level exceedances were recorded in six waterways including the Hawkins River, Waianiwiwa River, Selwyn River, Hamner Road Drain, Boggy Creek and Harts Creek. While a majority of sites exceeding the trigger levels were located in spring-fed streams around the margins of Te Waihora/Lake Ellesmere, sites in the Hawkins River and Waianiwiwa River within the Stage 2 area (where CPW operations had not commenced) also exceeded the trigger values. While trigger level exceedances in upstream and downstream sites in the Selwyn River and the Hamner Road Drain in 2016-17 were not repeated in 2017-18 year, other sites in the Hororata River, Doyleston Drain (upstream and downstream) and Boggy Creek (downstream) exceeded triggers during 2017-18.

Overall, although surface water triggers were exceeded at a number of sites in the CPW monitoring network during the 2017-18 year, observed concentrations are generally consistent with the historical baseline (either the observed range or historical trends). As a consequence, monitoring data collected to date does not show any discernible effects of the Scheme on surface water quality either within, or down-gradient, of the Scheme area. Monitoring results during the 2017-18 year are also likely to be influenced by the greater rainfall during 2017-18 and associated effects on groundwater recharge and river flows.

#### Lake Water Quality

The Trophic Level Index (TLI<sub>3</sub>) is an indicator of lake water quality specifically developed for New Zealand lakes. The TLI<sub>3</sub> is derived from a number of water quality measures including total nitrogen, total phosphorus and chlorophyll *a* (found in algae). Triggers for TLI<sub>3</sub> were exceeded at all lake water monitoring sites during the 2017-18 year. However, again recorded TLI<sub>3</sub> values were close to the long-term average for these sites, and well below maximum recorded values, with no discernible influence that can be associated with operation of the CPW Scheme.

#### Groundwater Quality

Nitrate-Nitrogen concentrations for individual monitoring sites against trigger level shows concentrations exceeded 7.65 mg/L in:

- 5 of the 8 monitoring sites in the Stage 1 area; and
- 8 of the 10 sites in the Stage 2 area

No monitoring sites in the Sheffield Scheme area exceeded the groundwater nitrate trigger.

Of particular note during the 2017-18 year was a significant increase in nitrate concentrations in many groundwater monitoring sites following heavy rainfall during the 2017 winter. Nitrate concentrations in several (although not all) monitoring bores in the Stage 1 area exhibited a marked increase in nitrate concentrations in the September 2017 sample round, with several sites exhibiting the highest concentrations recorded to date. Similar variations were observed in data from the Sheffield Scheme area and in Stage 2 (where CPW operations had yet to commence).

The abrupt increase in nitrate concentrations in September 2017 is attributed to the large volume of recharge mobilising excess nitrogen from the soil and underlying unsaturated zone following 3 years of generally below normal winter recharge.

Scheme and Stage 2 area (where CPW irrigation is yet to commence) during 2017-18. Temporal variations in nitrate concentrations, particularly in the long-screen CPW monitoring bores which sample immediately below the water table appear to be influenced by large recharge events (such as during winter 2017) which 'flush' nitrogen from the soil and underlying unsaturated zone to the underlying water table.

Overall, the 2017-18 groundwater quality data indicate groundwater nitrate concentrations are elevated in many areas of the Central Plains as a result of land use pre-dating operation of the Scheme.

CPW groundwater monitoring also detected the intermittent presence of low levels of indicator bacteria in a number of monitoring wells sampled across the monitoring network. Rates of detection in the Stage 1 area were similar to those observed prior in baseline monitoring prior to Scheme operation. Positive detections of *E. Coli* were determined in approximately 25% of samples collected in the Stage 2 area (where CPW is yet to commence operations).

#### Groundwater Levels

During the 2017-18 year, groundwater level trigger exceedances were recorded in 5 of the 12 monitoring bores in the area down gradient of the CPW scheme area. As illustrated on Figure 34, these trigger level exceedances followed heavy rainfall during the 2017 winter and were of a similar magnitude to those occurring during previous wet winters (e.g. 2013 and 2014).

CPWL did not receive any complaints concerning elevated groundwater levels, or impacts on land drainage or on-site wastewater systems in the Lowland Plains area during the 2017-18 year.

### Summary

Water quality monitoring results recorded in the CPW monitoring network during the 2017-18 year indicate surface water quality, groundwater quality and lake water quality exceeded trigger levels at a number of monitoring sites located both in Stage 1 and the Sheffield and Stage 2 areas of the scheme. Trigger level exceedances at many monitoring sites followed an extended period of high rainfall during the 2017 winter that resulted in significant groundwater recharge and maintained high flows in surface waterways. These short-term climate-related effects tend to obscure underlying background trends in water quality. The above average rainfall during the 2017-18 year also resulted in exceedances of lowland groundwater level triggers of similar magnitude and duration to those observed following previous wet winters.

### Environmental Management Funds

In addition to an extensive environmental monitoring programme, part of the mitigation package offered by CPW during the resource consent Hearings process involved the establishment an Environmental Management Fund (EMF) and a Te Waihora Environmental Management Fund (TWEMF).

The EMF and TWEMF were established during the 2015-16 irrigation season. Contributions to these funds are provided by Scheme Shareholders. Due to the staged nature of Scheme development, annual contributions to these funds will increase as the area under irrigation increases. An independent Environmental Management Fund Committee (EMFC) is responsible for managing and allocating distributions from the EMF to environmental initiatives within the Selwyn Waihora catchment. By contrast, the TWEMF fund is provided directly to Ngai Tahu who manage allocation and annual reporting of fund expenditure.

Since its formation, the EMFC has allocated over \$260,000 of funding to groups and individuals within the Selwyn Te Waihora catchment for environmental enhancement projects. One of the regular recipients of the Fund, Te Ara Kakariki Greenway Canterbury Trust (TAK), have used CPW-sourced funding for their annual Spring plant out days, funding landowner initiatives, school education and maintenance of established sites enrolled in their successful Greendot Programme. The EMFC have elected to continue their ongoing support for TAK as the organisation is now seen as one of the key promoters for biodiversity and narrowing the divide between urban and rural communities, along with the huge success of their work to date.

### Targeted Stream Augmentation

During the 2016-17 season CPW signed an agreement with ECan to make provision in the CPW Stage 2 infrastructure for a discharge point that will enable up to 3.5 cumecs of water to be released into the Selwyn River at times when the water is not required for irrigation, particularly during the fringes of the season. ECan have secured the land area required for construction of an energy dissipater, wetland soakage area and control system the will join onto the CPW Pipeline. Water will be utilised to augment natural flows in the Selwyn River in a manner that provides significant environmental benefits to the river system, while respecting cultural values associated with the mixing of waters. It is anticipated that targeted stream augmentation utilising CPW water will commence in 2019.

### The Positive Benefits of The Scheme

Development of the CPW Scheme was forecast to provide a range of economic and social benefits to the wider community. Limited data has been collated to accurately quantify these effects as construction of the scheme has only recently been completed. Specific positive benefits resulting from Scheme construction include:

- Approximately 180 direct jobs and up to 1,700 indirect during four-year construction phase;

- Provision of supplementary/backup water supplies for the Springfield and Sheffield communities;
- Delivery of reliable, high quality stock water across the command area;
- Construction of 18 turnouts (connections to the scheme) to provide contingency for rural fire fighting; and
- A reduction in electricity demand of approximately 17 MW due to the provision of pressurised supply to farms (and associated reduction in groundwater pumping).

Anecdotal information also suggests other positive benefits associated with the scheme including:

- Increased business activity and new businesses directly resulting from Scheme operations;
- Mitigation of climatic effects on agricultural land uses;
- Positive financial impacts on farming enterprises; and
- A reported boost to school role (Hororata).

Denis O'Rourke

Chairman.



## Entity information

*For the six months ended 31 December 2018*

### Legal Name

Central Plains Water Trust (the Trust).

### Type of entity and legal basis

The Trust was formed by declaration of trust dated 15 April 2003, which was restated on 9 October 2012 to facilitate the implementation of the Central Plains Water Enhancement Scheme and to hold the Resource Consents for it. For the purposes of Section 6 of the Local Government Act 2002. The Trust is a council controlled organisation, and as such the councils are entitled to receive regular reports on the operations of the Trust, to comment on the Trust's annual Statement of Intent, to appoint and remove trustees, and to approve any changes made by the Trustees to the Trust deed.

### The Trust's purpose or mission

Pursuant to clause 4.2 of the Trust Deed, the objects of the Water Trust are to promote the development of agriculture in the Central Canterbury Plains area of New Zealand for the benefit of all of the inhabitants of the Canterbury Region by:

*(a) encouraging, supporting and facilitating:*

*(i) sustainable development of water resources in the Region;*

*(ii) agricultural and horticultural diversity in the Central Canterbury Plains area; and*

*(iii) an appropriate balance of the benefits of agricultural development with the enhancement of ecological, social and recreational values in the Central Plains area;*

*(b) providing and facilitating education to the inhabitants of the Region in relation to water issues and sustainable agricultural development.*

The Trust has been established as, and will continue to operate as, a charitable trust for the benefit of the present and future inhabitants of the Region (however the Trust is not registered as a charitable Trust under the Charitable Trusts Act 1957) and to pursue the particular charitable objects set out in the Trust Deed.

### Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of six Trustees who oversee the governance of the Trust, of whom a Chairperson is responsible for the day-to-day operations of the Trust. The Trustees are appointed by the Settlers (Selwyn District Council and Christchurch City Council acting together), and the Trustees also appoint trustees by co-option.

### Main sources of the Trust's cash and resources

The Trust has contracted with Central Plains Water Limited for the provision of all of the funding required for the operation of the Trust.



## Statement of financial performance (unaudited)

For the six months ended 31 December 2018

	31 December 2018 6 months \$	31 December 2017 6 months \$	30 June 2018 12 months \$
<b>Revenue</b>			
Management and administration fees (Note 1)	40,410	37,918	58,445
<b>Total revenue</b>	<b>40,410</b>	<b>37,918</b>	<b>58,445</b>
<b>Expenditure</b>			
Trustee honorarium	18,900	11,250	22,500
Trustee meeting fees	2,900	2,775	4,255
Trustee expenses	835	1,308	1,967
Administration	14,500	19,610	19,610
Audit fee	-	-	7,138
Legal expenses	-	-	-
Insurance	3,275	2,975	2,975
<b>Total expenditure</b>	<b>40,410</b>	<b>37,918</b>	<b>58,445</b>
<b>Surplus / (deficit) before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
Income tax expense	-	-	-
<b>Surplus / (deficit) after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Statement of financial position (unaudited)

As at 31 December 2018

	31 December 2018 6 months \$	31 December 2017 6 months \$	30 June 2018 12 months \$
<b>Trust equity</b>			
Contributed capital	1	1	1
Accumulated surpluses	8,780	8,780	8,780
<b>TOTAL EQUITY</b>	<b>8,781</b>	<b>8,781</b>	<b>8,781</b>
Represented by:			
<b>Current assets</b>			
Bank accounts and cash	104,796	53,565	56,398
GST receivable	2,573	4,158	1,653
Debtors and prepayments	103,637	37,919	58,446
<b>Total current assets</b>	<b>211,006</b>	<b>95,642</b>	<b>116,497</b>
<b>Current liabilities</b>			
Trustee fees	1,000	-	6,467
Withholding tax payable	3,597	-	4,200
GST payable	-	-	-
Creditors and accrued expenses	197,628	86,861	97,049
<b>Total current liabilities</b>	<b>202,225</b>	<b>86,861</b>	<b>107,716</b>
<b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>	<b>8,781</b>	<b>8,781</b>	<b>8,781</b>

## Statement of cash flows (unaudited)

For the six months ended 31 December 2018

	31 December 2018 6 months \$	31 December 2017 6 months \$	30 June 2018 12 months \$
<i>Operating activities</i>			
Receipts from customers	150,961	57,106	57,106
Agency cash received	146,977	-	-
Payments to trustees / suppliers	(97,194)	(50)	(50)
Agency cash payments	(146,977)	-	-
Net GST	(5,369)	(6,647)	(3,814)
<i>Net cash from operating activities</i>	<u>48,398</u>	<u>50,409</u>	<u>53,242</u>
<i>Net cash from investing activities</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net cash from financing activities</i>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash	<u>48,398</u>	<u>50,409</u>	<u>53,242</u>
Opening cash and cash equivalents	56,398	3,156	3,156
<b>Closing cash and cash equivalents</b>	<b><u>104,796</u></b>	<b><u>53,565</u></b>	<b><u>56,398</u></b>

## Reconciliation of surplus to statement of cash flows (unaudited)

	31 December 2018 6 months \$	31 December 2017 6 months \$	30 June 2018 12 months \$
Surplus / (deficit)	-	-	-
<i>Movement in working capital items:</i>			
Trade and other receivables	(46,111)	7,884	(10,138)
Trade and other payables	94,509	42,525	63,380
Net cash flow from operating activities	<u>48,398</u>	<u>50,409</u>	<u>53,242</u>

## Notes to the interim financial statements

1. Management and Administration Fees \$ 40,410

The management and administration fees are the equivalent to the operational costs of the Trust.

## Statement of accounting policies

### Basis of preparation

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the interim financial statements are reported using the accrual basis of accounting.

The interim financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

### Goods and services tax (GST)

All items in the interim financial statements are stated exclusive of GST, except for debtors and creditors, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of debtors or creditors in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### Significant accounting policies

The following significant accounting policies have been applied in preparing the interim financial statements.

#### Going concern

The interim financial statements of the Trust have been prepared under the going concern assumption.

The Trust has contracted with Central Plains Water Limited to fully fund its operating expenses as set out in a Memorandum of Agreement.

Central Plains Water Limited has been formed to investigate, construct and operate a water management scheme for the Central Canterbury Plains. The company is undertaking this through a series of discrete projects, each of which is required to be funded prior to commencement. The Trust has been granted the necessary resource consents for the proposed water management scheme by the consenting authorities and the Trust has granted the company an exclusive license to use the resource consents as part of the MoA.

The company has completed the construction of Stage 1 of the scheme which was opened on 14 August 2015 and is now fully operational.

The company is now proceeding with work for the remaining stages of the scheme, being Stage 2 and the Sheffield Scheme, and these are under now construction.

#### **Revenue**

Revenue is measured at the fair value of consideration received or receivable.

Revenue from a contract to provide services is recognised by reference to stage of completion of the contract at year-end balance date.

Interest revenue is recorded as it is earned during the year.

#### **Management and administration fees**

Management and administration fees are recognised as revenue when expenditure is incurred. This practice is based on the Reimbursement Agreement with Central Plains Water Limited dated 6 May 2004.

#### **Bank accounts and cash**

Bank accounts and cash comprise cash on hand, cheque or saving accounts and deposits held at call with banks.

#### **Debtors**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

#### **Creditors and accrued expenses**

Creditors and accrued expenses are measured at the amount owed.

#### **Trustee Honorarium, meeting fees and expenses**

Trustee Honorarium, meeting fees and expenses are recorded as an expense as Trustees provide services and become entitled to the Honorarium, meeting fees and expenses.

#### **Other expenses**

These are expensed when the related service has been received.

#### **Income Tax**

Up to 30 June 2008 the Trust was a Charitable Trust exempt from income tax under sections CW34 and CW35 of the Income Tax Act 2004. The Trust has not registered as a charitable entity under the Charities Act 2005 and its charitable tax exemption lapsed on 1 July 2008.

As the Trust does not trade, and its costs are reimbursed under a Reimbursement Agreement with Central Plains Water Limited, the Trust does not have any tax expense, liabilities or assets.

#### **Tier 2 PBE Accounting Standards applied**

The Trust has not applied any Tier 2 Accounting Standards in preparing its interim financial statements.





# Central Plains Water Trust

Annual Sustainability Report 2017-18



## Central Plains Water Trust

### Annual Sustainability Report 2017-18

- December 2018

Report prepared by

**Liquid Earth Limited**  
**Unit 13**  
**212 Antigua Street**  
**Christchurch 8011**

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## List of Abbreviations

CCC	Christchurch City Council
CLG	CPW Community Liaison Group
CWMS	Canterbury Water Management Strategy
CPWL	Central Plains Water Limited
CPWT	Central Plains Water Trust
ECan	Environment Canterbury
EMF	CPW Environmental Management Fund
EMS	CPW Environmental Monitoring Strategy
FEP	Farm Environmental Plan
GSWERP	Ground and Surface Water Expert Review Panel
GSWMP	Ground and Surface Water Monitoring Plan
LWRP	Canterbury Land and Water Regional Plan
SDC	Selwyn District Council
TWEMF	Te Waihora Environmental Management Fund
TLI3	Trophic Level Index
ZIP	CWMS Selwyn Waihora Zone Implementation Plan

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## Executive Summary

The Central Plains irrigation scheme (the Scheme) commenced operations in 2015, with the final stage (Stage 2) being commissioned in October 2018. The completed scheme supplies water to an area of approximately 47,000 hectares between the Waimakariri and Rakaia rivers.

Stage 1 of the Scheme completed in September 2015 provides irrigation water to an area of approximately 23,000 hectares between the Rakaia and Selwyn rivers. Stage 1 incorporates a 17km long canal to supply water from the Rakaia River to 130km of underground pipes, which in turn deliver water to 125 farm turnouts. The 4,600 ha Sheffield Scheme is a stand-alone project that commenced operations in November 2017 utilising water from the Kowhai and Waimakariri Rivers in combination with a large storage pond constructed near Springfield. Stage 2 of the CPW Scheme was commissioned in spring 2018 to provide irrigation water to an area of approximately 20,000 ha between the Selwyn and Waimakariri Rivers.

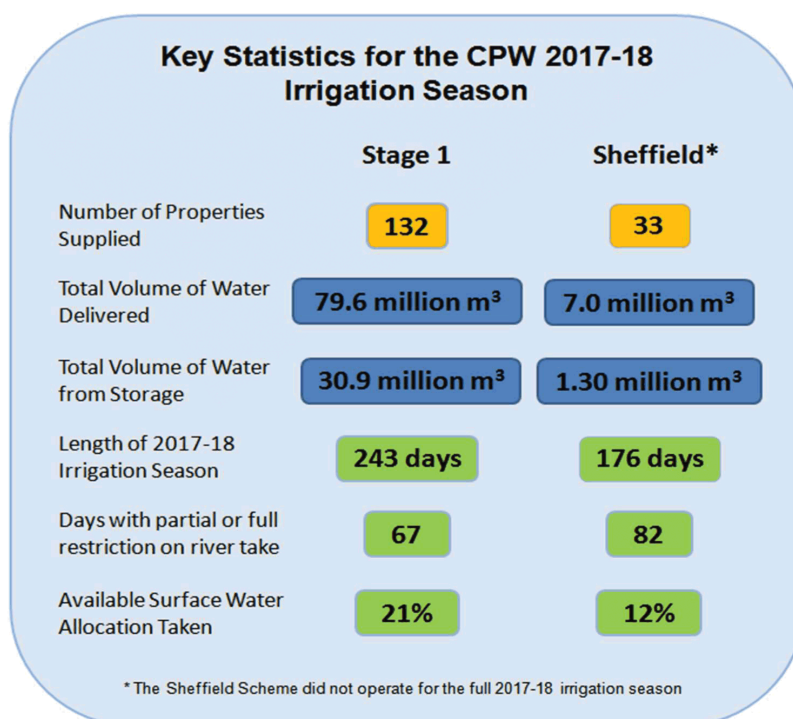
The 2017-18 irrigation season was preceded by a period of high rainfall during the 2017 winter months. This rainfall reduced requirements for irrigation during the following spring. However, an extended period of low rainfall from late October to December 2017 reduced soil moisture levels, resulting in a significant increase in water demand. During this period river flows steadily declined requiring the use of greater volumes of stored water to maintain reliability of supply.

From January to May 2018 rainfall totals were average to above average, reducing irrigation requirements during the typical period of highest demand. Reflecting the rainfall that has occurred since early 2017, groundwater levels and flows in rivers and streams across much of the wider Central Plains area during 2017-18 were the highest observed for several years.

The 2017-18 irrigation season for Stage 1 ran from 1 September 2017 to 1 May 2018. During this period, the Scheme supplied 80 million m<sup>3</sup> of irrigation water to farms in the Stage 1 area comprising 49 million m<sup>3</sup> of water taken directly from the Rakaia River and 31 million m<sup>3</sup> of stored water supplied by TrustPower from Lake Coleridge. The Sheffield Scheme commenced operations in November 2017 and supplied approximately 7 million m<sup>3</sup> of water to farms in the Scheme area, comprising 5.7 million m<sup>3</sup> taken directly from run-of-river takes and 1.3 million m<sup>3</sup> of stored water.

During the 2017-18 year direct abstraction from surface water totalled 21 and 12 percent of the volume potentially available under resource consents for Stage 1 and the Sheffield Scheme respectively. In combination with the use of stored water, this provided a reliable supply of irrigation water to shareholders while having no measurable effect on naturally occurring discharge in the Rakaia or Waimakariri Rivers during periods of mid to low flows.

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Water quality monitoring results recorded as part of the in the CPW monitoring programme during the 2017-18 year indicate surface water quality, groundwater quality and lake water quality exceeded trigger levels established for the Scheme<sup>1</sup> at a number of monitoring sites located both in Stage 1 and the Sheffield and Stage 2 areas (where CPW had not commenced delivering water during the 2017-18 year).

Trigger level exceedances at many monitoring sites during 2017-18 followed an extended period of high rainfall during the 2017 winter that resulted in significant groundwater recharge and maintained high flows in surface waterways. These short-term climate-related effects tend to obscure underlying background trends in water. The high rainfall during the 2017-18 year also resulted in exceedances of lowland groundwater level triggers similar to those observed following previous wet winters.

<sup>1</sup> These trigger levels are consistent with equivalent environmental limits established in the Canterbury Land and Water Regional Plan



## 1. Scheme Background

### 1.1. History

The Central Plains Water Trust (CPWT) was established jointly in 2003 by Christchurch City Council (CCC) and Selwyn District Council (SDC) to implement the Central Plains Water Enhancement Scheme (the Scheme) which was intended to supply irrigation water to an area of approximately 60,000 hectares between the Waimakariri and Rakaia Rivers.

In July 2012, the CPWT was granted resource consents from Environment Canterbury (ECan) and SDC to take and use water for irrigation purposes as well as to construct and operate the Scheme. Central Plains Water Limited (CPWL) was subsequently established to implement the Scheme, and CPWT has licensed the use of the consents to CPWL. CPWL is responsible for constructing and operating the Scheme, and for all consent compliance and reporting. For the purposes of this document, CPWT and CPWL are referred to collectively as CPW.

### 1.2. Scheme Development

As shown on Figure 1, development of the Scheme was undertaken in three stages.

Stage 1 provides irrigation water to an area of approximately 23,000 hectares between the Rakaia and Selwyn rivers and was completed in September 2015. Stage 1 is supplied from the Rakaia River via a 17km headrace that extends from the river intake as far as Leeches Road. Construction of the Rakaia River intake and distribution network for Stage 1 was undertaken between early 2014 and mid-2015, with the first irrigation water supplied on 1 September 2015.

The Sheffield scheme, covering approximately 4,600 Ha commenced operations in November 2017. This component of the scheme is physically separate from Stages 1 and 2, supplying irrigation water, stockwater, firefighting water and supplementary town supply water for Springfield and Sheffield from the Waimakariri and Kowai Rivers. The Sheffield scheme includes a 2 million m<sup>3</sup> pond constructed near Springfield to provide storage during periods of low flow when river intakes are restricted.

Stage 2 supplies an irrigable area of approximately 20,000 hectares between the Selwyn and Waimakariri rivers. Construction of Stage 2 commenced in early 2017, with the scheme becoming operational in October 2018. This component of the Scheme is a fully piped network that utilises water from the Rakaia River intake (including Lake Coleridge storage).

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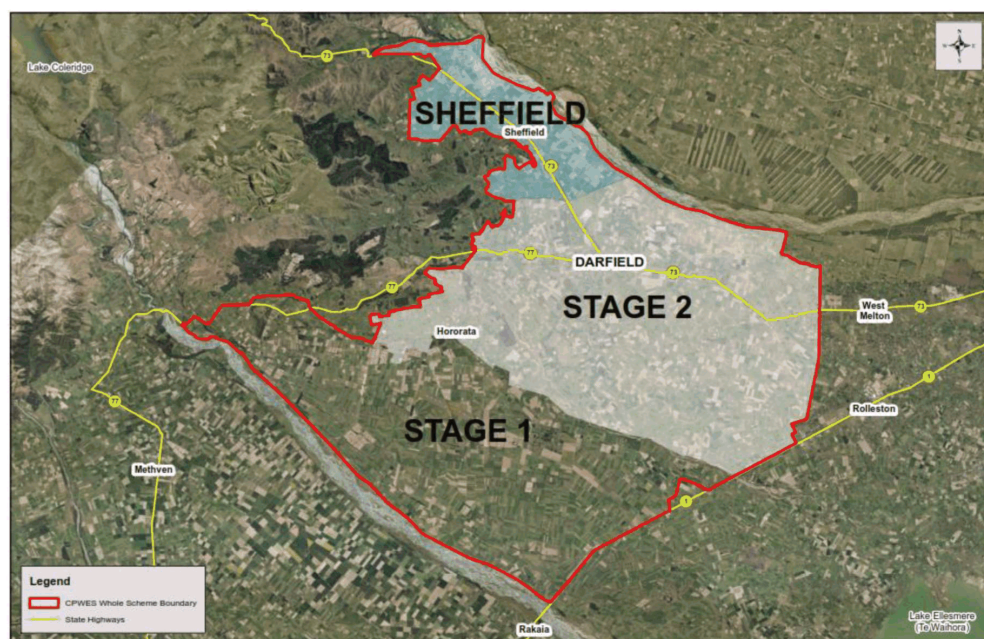


Figure 1. Layout of the CPW scheme

### 1.3. Water Sources

Stage 1 and Stage 2 of the Scheme derive water from the Rakaia River via an intake constructed approximately 8 kilometres downstream of the Rakaia Gorge bridge. Conditions of resource consents authorising the taking of water from the river are subject to minimum flow conditions which require the rate of abstraction to progressively reduce as river flows decline.

The Rakaia River Water Conservation Order establishes a minimum flow at Rakaia Gorge which varies depending on the month between 90 cubic metres per second (cumecs) in September and 139 cumecs in December. When flows are below the minimum flow, no water can be taken from the river. When flows are higher than the minimum flow, water can be taken from the river by resource consents assigned to multiple allocation 'Bands' which have varying minimum flow restrictions. Water permits assigned to individual Bands can take water on a 1:1 basis above the specified minimum flow (i.e. for every 2 cumecs of flow above the specified minimum, 1 cumec can be taken from the river).

The bulk of allocation held by CPW is assigned to flow Bands which require abstraction to cease when river flow falls to less than 70 cumecs above the WCO minimum flow resulting in relatively low supply reliability (i.e. it is cut off first as river flows decline). As a consequence of these restrictions, the full volume of allocation held by CPW can only be taken for around 63 percent of the time during the irrigation season, potentially resulting in low reliability of supply for scheme users. In order to ensure an adequate reliability of supply for irrigation, CPW have an agreement with TrustPower Ltd to access water stored in Lake Coleridge. Under this agreement, water is released from Lake Coleridge as river flows decline. This enables CPW to continue to take water

from the river without having any adverse effect on natural flows in the river. The use of stored water increases the reliability of supply for Stage 1 and 2 to approximately 98 percent.

The Sheffield Scheme utilises water from the Kowai and Waimakariri Rivers which are subject to similar low flow restrictions to those applying on the Rakaia River. The storage pond constructed for the Sheffield Scheme holds sufficient water to maintain reliability of supply at a similar level to Stages 1 and 2.

#### 1.4. Regulatory Environment

The Canterbury Land and Water Regional Plan (LWRP) establishes objectives, policies and rules relating to the management of land and water resources across the Canterbury region. The plan divides the region into ten geographic zones and establishes a set of objectives, policies and rules which apply uniformly across the entire region. In addition, each Zone has a set of specific policies, rules and limits which address localised or sub-regional resource management issues particular to that Zone, which either over-ride or add to the region-wide rules.

The specific management provisions for each Zone are developed and overseen by a Zone Committee comprising a range of community representatives. The Zone Committee is responsible for developing strategies, targets and activities outlined in a Zone Implementation Plan (ZIP) that outlines recommendations for short and long-term water management in each Zone.

The Scheme is located in the Selwyn Waihora Zone and forms an integral part of measures outlined in the ZIP (also referred to as the “Solutions Package”) for delivering the Canterbury Water Management Strategy (CWMS) outcomes adopted by the Selwyn Waihora Zone Committee in October 2013. These measures anticipate that the Scheme will provide additional recharge to the catchment from alpine water, a reduction in the volume of groundwater used for irrigation and provide opportunities for targeted stream augmentation. This is expected to result in increased volumes of water in aquifers and flows in lowland streams, as well as dilution of nitrogen concentrations in Te Waihora, thereby improving water quality and quantity across the wider Zone.

Recommendations in the Selwyn Waihora Solutions Package were formally adopted by ECan via Plan Change 1 to the Canterbury Land and Water Regional Plan (LWRP) in February 2016. Updated provisions for the Selwyn Waihora zone in the LWRP include:

- Prohibiting new takes in over-allocated water management zones and reducing the total volume of water allocated within the Zone;
- Revised surface water allocation limits to deliver ecological and cultural flows, particularly in lowland streams;
- Introduction of a fixed allocation or “cap” on nitrogen losses in the catchment (including the Scheme). Progressive reductions in cumulative nitrogen losses are required over time;
- A requirement for all farming properties to prepare a farm environment plan (FEP) and implement a range of good management practices. This includes specific requirements for individual landholdings to reduce nitrogen leaching losses by specific amounts (depending on land use type) by 2022;
- A reduction in legacy phosphorus in Te Waihora/Lake Ellesmere by 50 percent and improved management of lake-level and opening.

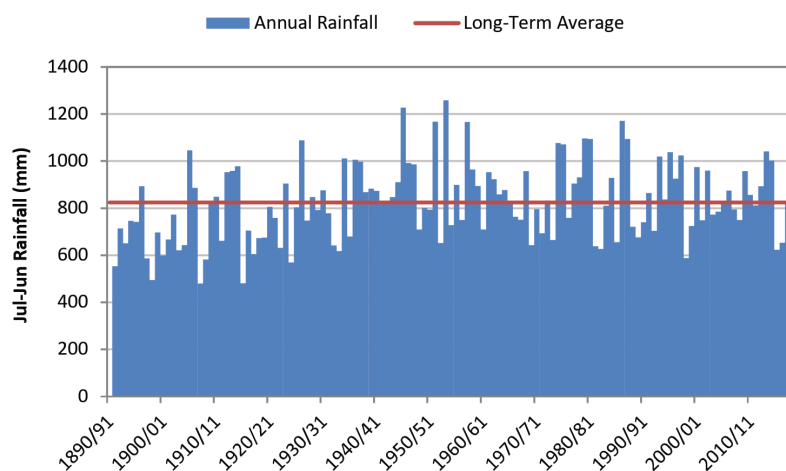
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The Selwyn-Waihora provisions of the LWRP make specific provision for nitrogen losses from the Scheme. These provisions set a threshold for cumulative losses from the land irrigated from the Scheme which enables conversion of some existing dryland farms to irrigation, while requiring land uses within the scheme to implement good management practice to achieve the overall reduction in nitrogen losses required by 2022.

## 2. 2017/18 Annual Summary

### 2.1. Climate

During the 2017-18 year, cumulative rainfall totals were above the long-term average (LTA) across the Central Plains area. As illustrated on Figure 2, a total of 1,151 mm of rainfall was recorded at NIWA weather station 4702 (located approximately 4km west of Hororata) between July 2017 and June 2018, the sixth highest July to June total since records began at this site in 1890.



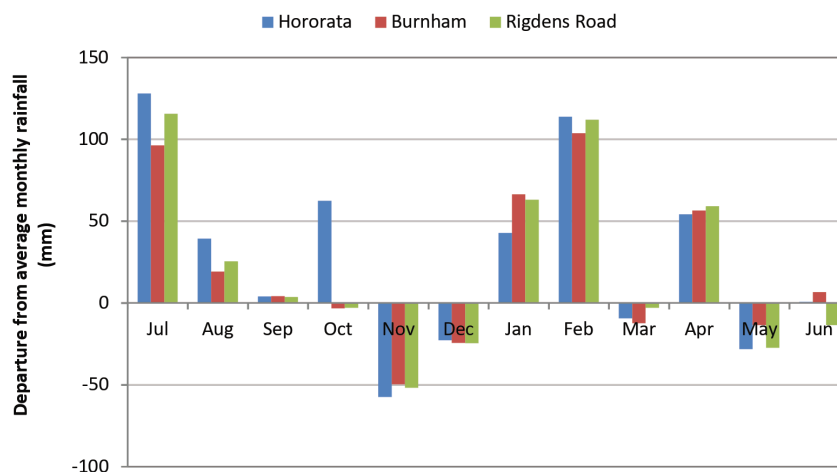
**Figure 2.** Historical July to June rainfall at Hororata (4702), 1890-91 to 2017-18 (Data from NIWA CliFlo database)

Except for an extended dry period from late October to December, monthly rainfall totals were average to above average throughout most of the 2017-18 year. As shown on Figure 3, monthly rainfall recorded at Hororata, Rigdens Road and Burnham exhibited a relatively consistent pattern across the whole of the Central Plains area during 2017-18, with monthly totals almost three times July and February averages and between 150 and 200% of average in August, October, January and April. In contrast, November rainfall was exceptionally low, with no rainfall recorded in eastern parts of the Central Plains area.

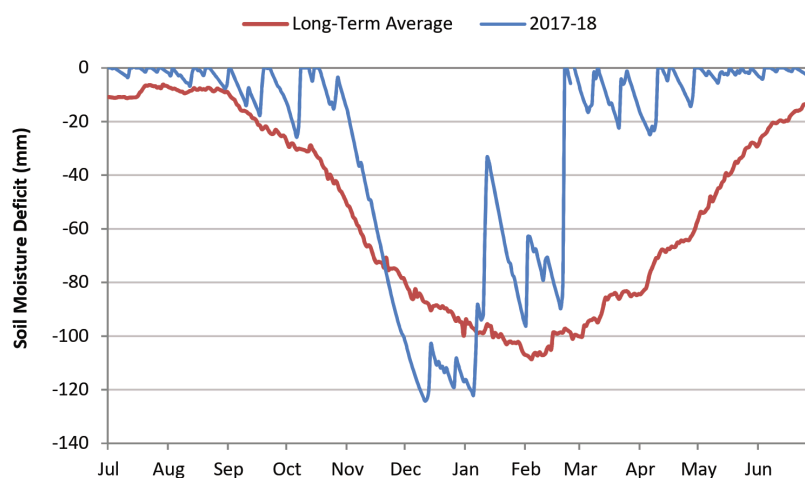
The temporal variation in rainfall through the 2017-18 year is reflected in the accumulated soil moisture deficit. As shown on Figure 4 below, reflecting the wet conditions during winter soil moisture deficit in the Central Plains area was less than average through to early November when it increased rapidly due to the extended period of low rainfall during November and December. Following rainfall in early January, soil moisture deficit remained well below normal for the remainder of the 2017-18 season.



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**Figure 3.** Departure from average monthly rainfall at Hororata, Burnham and Rigdens Road during the 2017-18 year (Data from NIWA CliFlo database and Environment Canterbury)

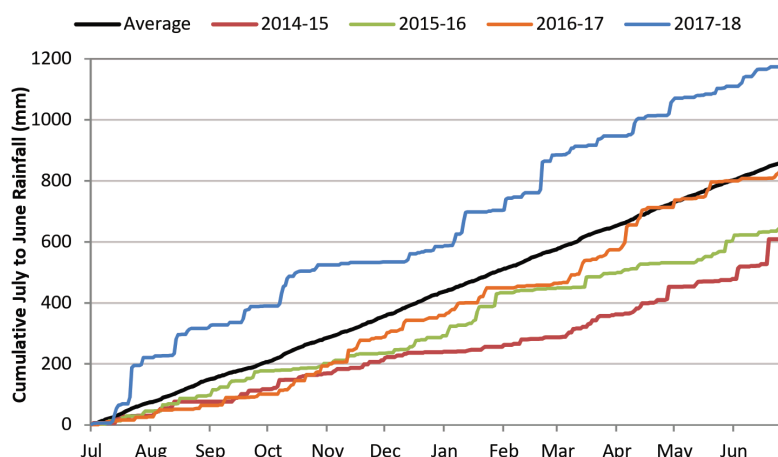


**Figure 4.** Soil moisture deficit at Hororata during 2017-18, compared to the long-term average (Data from NIWA CliFlo database, Station No. 4702)



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While requirements for irrigation reflect short-term variation in rainfall, the overall quantity of groundwater and surface water resources in the Central Plains area generally reflect longer-term trends in climate. As illustrated on Figure 5, cumulative rainfall during the 2017-18 year remained above average throughout the year, despite the period of low rainfall in early summer. In contrast, cumulative rainfall was below normal during the 2014-15 and 2015-16 seasons, only returning to normal during the latter part of the 2016-17 year. This transition from an extended period of low rainfall to more recent normal to above normal conditions is reflected in groundwater level and flow monitoring results for the 2017-18 year.



**Figure 5.** Cumulative (July to June) rainfall at Hororata, 2014-15 to 2017-18

The effects of the extended period of average to above average rainfall from early 2017 through to 2018 were observed in groundwater levels and stream flows across the wider Central Plains area during the 2017-18 year. Figure 6 shows a plot of groundwater levels in ECan long-term monitoring wells located at various sites around the Central Plains. All sites exhibit an increase in groundwater levels following rainfall in winter 2017. This recovery continued following the early onset of recharge in autumn 2018, with groundwater levels at the end of the 2017-18 year well above the long-term average throughout the Central Plains area.

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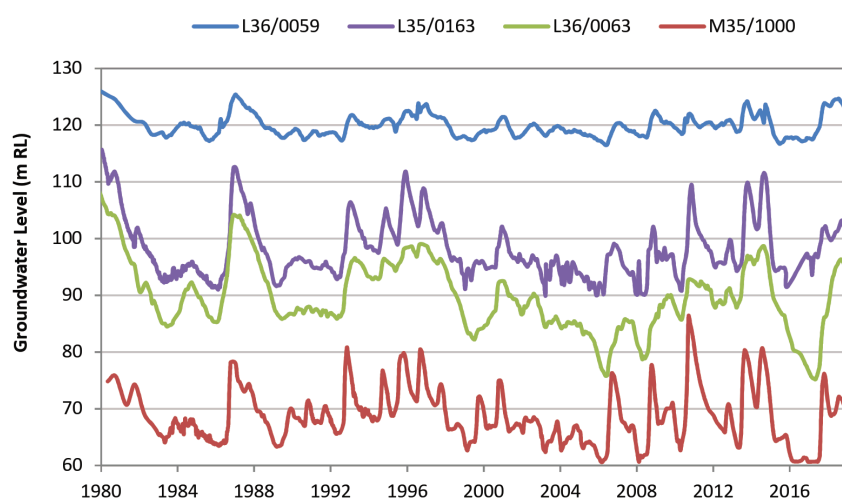


Figure 6. Groundwater levels recorded in L36/0059 (Hororata), L35/0163 (Kirwee), L36/0063 (Greendale) and M35/1000 (West Melton) from 1980 to 2018 (Data from Environment Canterbury)

Flows in rivers and streams draining the Central Plains area are influenced by both rainfall and groundwater levels (particularly during periods of limited rainfall). Figure 7 compares flow in the Selwyn River at Coes Ford during the 2017-18 year with the long-term average for this site. The figure shows sustained periods of high flow following significant rainfall events during winter and spring 2017. River flows declined to below average from November through to February reflecting the low rainfall during this period but recovered to above average in response to rainfall from late February through to June.

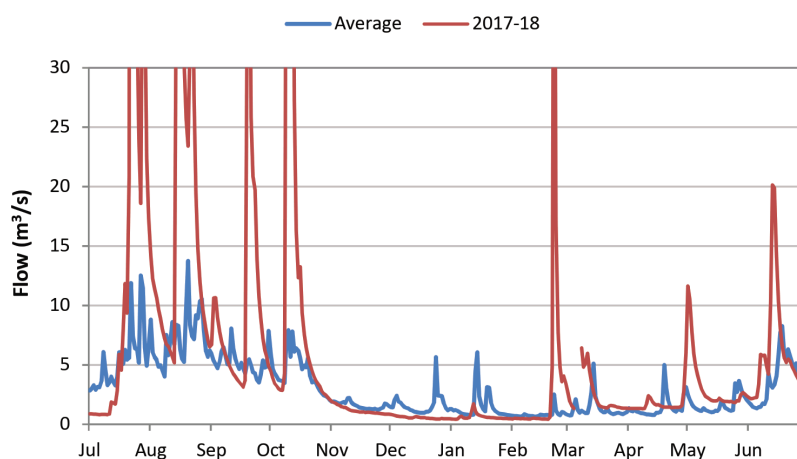


Figure 7. Flow in the Selwyn River at Coes Ford during 2017-18 compared to the long-term average. Note: scale only shows flows below 30 m³/s. (Data from Environment Canterbury)

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Large recharge or high flow events following heavy rainfall can have a significant short-term influence on groundwater and surface water quality. As discussed in greater detail in Section 4, the high rainfall during winter 2017 (following three years of average to below average rainfall) resulted in short-term variations in groundwater and surface water quality at many sites across the Central Plains. These climate-related variations act to obscure underlying trends, with similar short-term effects observed at sites both within and downstream of the CPW Scheme as well as at upstream sites and in areas where the CPW scheme had not commenced operating.

Overall, the 2017-18 irrigation season can be characterised as being wetter than normal except for a short dry spell from late October to December.

## 2.2. Construction Activities

Commissioning of the Sheffield Scheme was completed in 2017, with the scheme commencing operations in late November. The initial period of operations provided an operational challenge with water availability restricted due to declining river flows having to be balanced against demand for irrigation water and requirements to progressively fill the Springfield storage pond to obtain necessary regulatory approvals for pond construction.

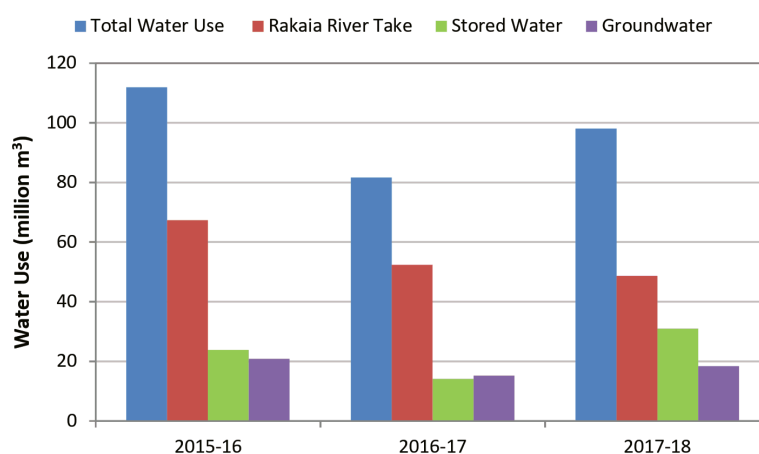
Construction activities on the Stage 2 scheme advanced during the 2017-18 year toward the target date for commencement of operations on 1 September 2018. Heavy rainfall during the 2017 winter provided challenges for construction activities due to general ground conditions, high groundwater levels and constraints associated with construction of river crossings in actively flowing waterways. Two construction-related compliance incidents were recorded during the 2017-18 year. Both incidents related to sedimentation issues associated with pipeline installations under waterways during adverse weather conditions. Once notified, appropriate mitigation actions were initiated to minimise the scale and extent of these events.

## 2.3. Scheme Operation

Between 1 September 2017 and 1 May 2018 a total of 79.6 million m<sup>3</sup> of water was supplied by the CPW scheme to 105 properties in the Stage 1 area. This total comprised 48.6 million m<sup>3</sup> of run of river water from the Rakaia River, with an additional 31.0 million m<sup>3</sup> (representing 39% of the total volume supplied) of stored water sourced from Lake Coleridge. CPW scheme shareholders also utilised a total of 18.4 million m<sup>3</sup> of groundwater (18% of the available allocation) during the 2017-18 season.

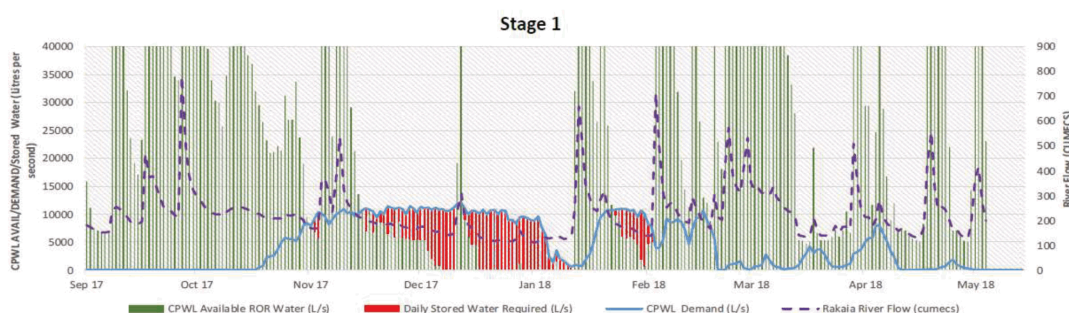
Figure 8 provides a comparison of water use in the Stage 1 area over the 2015-16, 2016-17 and 2017-18 irrigation seasons. The figure shows total water use (i.e. groundwater plus surface water) during the 2017-18 year was approximately 20% higher than 2016-17 but less than 90% of that used in 2015-16. The volume of run of river abstraction from the Rakaia River was the lowest in the three years of operation, while the volume of storage used was the highest. This reflects the extended period of low rainfall from late November to December which was experienced across the whole region, rather than normal summer 'drought' when dry conditions on the Canterbury Plains are often associated with westerly airflows that result in elevated rainfall and river flows in alpine catchment headwaters.

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**Figure 8.** Water use in the CPW Stage 1 Scheme, 2015-16 to 2017-18

Figure 9 shows a plot illustrating operation of the Stage 1 scheme during the 2017-18 year. The figure shows irrigation demand (blue line) increasing through late October 2017 to reach a maximum of approximately 10 m<sup>3</sup>/s from early November through to early January. Reflecting declining river flows (purple line) during this period, the volume of water able to be taken directly from the Rakaia River (green bars) was insufficient to meet irrigation demand necessitating the extensive use of stored water from Lake Coleridge (red bars) from early November to early January. Aside from a short period during late January, river flows remained sufficiently high to meet reduced irrigation demand for the remainder of the season.



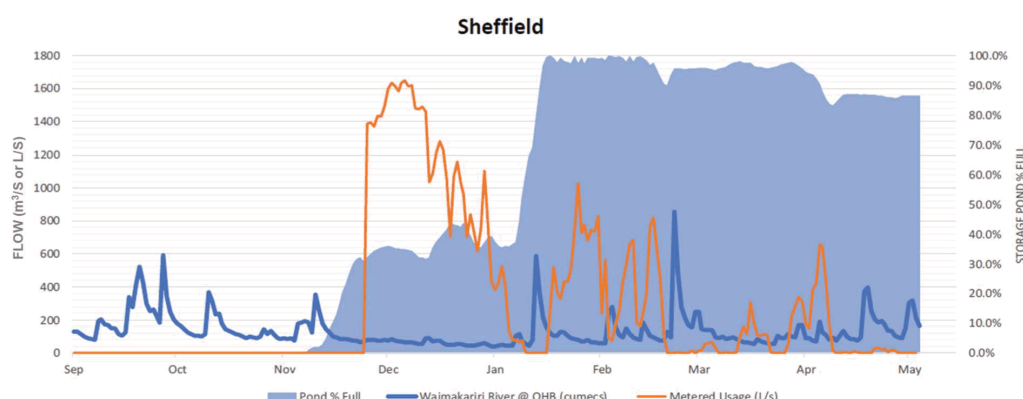
**Figure 9.** Schematic illustration of Stage 1 operations during the 2017-18 year.

From early November 2017 to 1 May 2018, a total of 7.0 million m<sup>3</sup> of water was supplied to 33 properties in the Sheffield Scheme area. This total comprised approximately 5.7 million m<sup>3</sup> of run-of-river water taken from the Kowai and Waimakariri Rivers, with an additional 1.3 million m<sup>3</sup> of stored water utilised when abstraction of surface water was restricted by low river flows during December and January. An additional 2 million m<sup>3</sup> of water was abstracted to fill the Springfield storage pond which reached 100% storage in mid-January 2018. Properties in the Sheffield

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Scheme also utilised a combined total of 0.9 million m<sup>3</sup> of groundwater (24% of the available allocation) during the 2017-18 season.

Figure 1 shows a schematic illustration of Sheffield Scheme operation during 2017-18. The figure shows commissioning of the scheme commencing with initial filling of the Springfield storage pond (blue shaded area) in early November. Supply of water to shareholders (orange line) commenced in late November with initial demand of up to 1.6 m<sup>3</sup>/s tailing off through to early January due to the progressive restriction of surface water takes and a requirement to maintain pond storage to obtain regulatory approvals. Following rainfall in early January, pond storage water increased close to 100%. Water demand remained relatively modest through the summer and autumn months reflecting the greater rainfall over this period.



**Figure 10.** Schematic illustration of Sheffield Scheme operations during the 2017-18 year.

One compliance incident related to operation of the Sheffield Scheme was recorded during the 2017-18 season. This incident related to programming of automated controls on pumps at the Waimakariri River intake. This incident was remedied by introduction of a failsafe system to ensure water abstraction does not exceed allocated volumes when low flow restrictions are in place.

## 2.4. Positive Benefits

Development of the CPW Scheme was forecast to provide a range of economic and social benefits to the wider community. Limited data has been collated to accurately quantify these effects as construction of the scheme has only recently been completed. Specific positive benefits resulting from Scheme construction include:

- Approximately 180 direct jobs and up to 1,700 indirect during four-year construction phase;
- Provision of supplementary/backup water supplies for the Springfield and Sheffield communities;
- Delivery of reliable, high quality stock water across the command area;
- Construction of 18 turnouts (connections to the scheme) to provide contingency for rural fire fighting; and

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- A reduction in electricity demand of approximately 17 MW due to the provision of pressurised supply to farms (and associated reduction in groundwater pumping).

Anecdotal information also suggests other positive benefits associated with the scheme including:

- Increased business activity and new businesses directly resulting from Scheme operations;
- Mitigation of climatic effects on agricultural land uses;
- Positive financial impacts on farming enterprises; and
- A reported boost to school role (Hororata);



### 3. On-Farm Monitoring

Conditions of the CPW consents and provisions of the LWRP require both CPW and individual shareholder farmers to undertake an extensive range of environmental monitoring, management and reporting activities.

#### 3.1. Environmental Management Strategy

Prior to commencement of operations, CPW developed an Environmental Management Strategy (EMS) which established a range of protocols, policies and procedures for operation and management of the Scheme to ensure it achieves high environmental standards and sustainable outcomes and complies with all consent and Regional Plan requirements.

The EMS outlines specific responsibilities for operation of the Scheme including:

- Ensuring that all water users implement on-farm environmental management requirements related to achieving sustainable irrigation;
- Monitoring and reporting of environmental performance;
- Provision of education and training initiatives; and
- Funding and management of environmental initiatives, including those required by resource consent conditions, such as Community Liaison Group (CLG), the CPW Environmental Management Fund (EMF) and CPW Te Waihora Environmental Management Fund (TWEMF)

To facilitate adoption of best practice land management, the EMS requires a Farm Environment Plan (FEP) to be developed and implemented on each CPW shareholder property supplied with water. Following Plan Change 1 to the LWRP in February 2016, the requirement for FEPs was formally extended to include a majority of agricultural properties larger than 10 Ha where nitrogen loss exceeds 15 kg/ha/year in the Selwyn Waihora zone.

Key components of FEPs include:

- Identification of environmental risks and potential adverse impacts associated with farming activities;
- Development and implementation of measures to avoid or minimise identified environmental risks and implement good management practice farming methods;
- Development and implementation of monitoring to inform good decision making on-farm; and
- Calculation and recording of nutrient loss rates and documentation of management practices to maintain, and where required, reduce, losses over time.

All FEPs are audited by a qualified Farm Environment Plan Auditor on an annual basis to provide an independent check that appropriate systems and practices are in place to minimise environmental risks associated with agricultural land use within the Scheme. Auditing is conducted on-farm and is based on sighting of evidence to document and support how FEP objectives and targets are being met. FEP audit results are reported to CPW, individual water users, and to ECan.

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After the first two years, audits are conducted based on the last grade received. A property receiving an A grade is audited every four years, a B grade every 2 years, a C grade within one year and D grade within 6 months of the previous audit.

### 3.2. Irrigated Area and Types

Use of water under the Scheme is limited by resource consent conditions to a designated area of approximately 60,000 hectares, within a command area of 100,000 hectares.

The total land area managed under CPW in Stage 1 during 2017-18 totalled 33,288 Ha (including Farm Enterprise properties), of which 22,765 Ha was irrigated using water supplied by CPW.

The total land area managed under CPW in Sheffield Scheme area during 2017-18 totalled 7,439 Ha (including Farm Enterprise properties), of which 4,647 Ha was irrigated using water supplied by CPW.

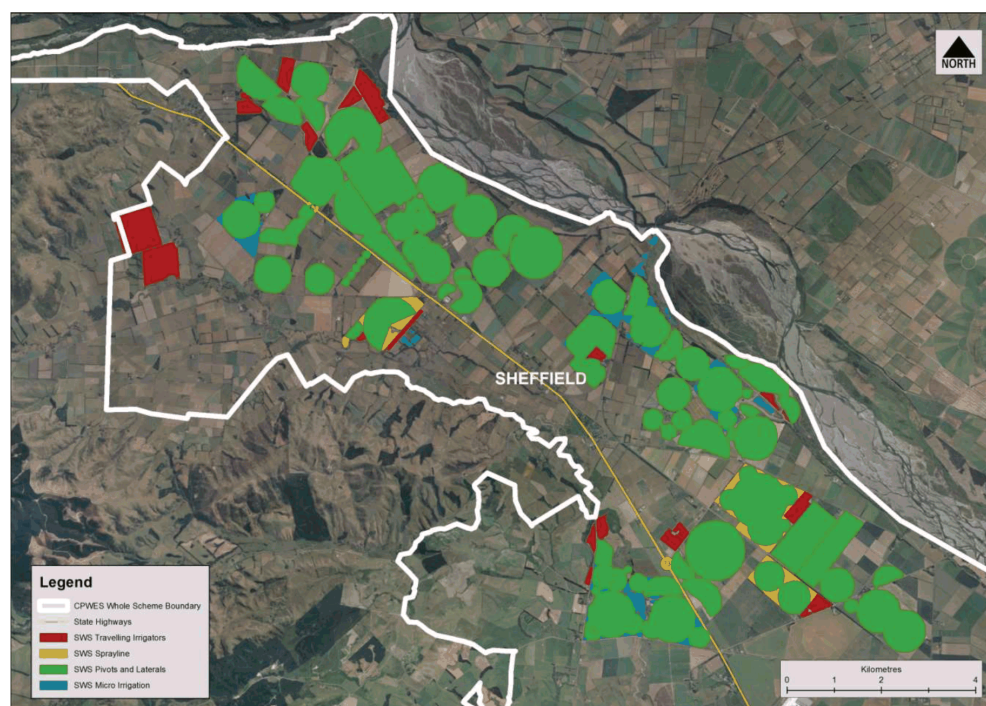
The distribution of irrigation system types within the Stage 1 area is shown on Figure 11. A majority of land is irrigated using either centre pivot irrigators (74 percent of total irrigated area) or travelling irrigators (21 percent of total irrigated area). It is noted a majority of travelling irrigators are used on properties which were irrigated prior to CPW, while new irrigation development predominantly utilises centre pivot irrigators.



Figure 11. Irrigated area and irrigation types for CPW Stage 1, 2017-18

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The distribution of irrigation system types within the Sheffield Scheme area is shown on Figure 12 below. The figure shows a majority of land is irrigated using centre pivot irrigators with less than 15% of the total area irrigated using travelling irrigators or spraylines.



**Figure 12.** Irrigated area and irrigation types for CPW Sheffield Scheme, 2017-18

### 3.2.1. Irrigation System Performance

During the 2017-18 year a project administered by Irrigation New Zealand (with the support of multiple partners including CPW) was undertaken to quantify the performance of irrigation systems in the Selwyn Waihora zone. The project involved physical testing of irrigation systems to determine application rates (i.e. the amount of water that is applied per unit area) and distribution efficiency (i.e. how evenly water is applied over the coverage area). Data was also collected to investigate drivers for change, technology uptake, and barriers to irrigation farmers achieving industry agreed Good Management Practice (GMP)<sup>2</sup>. While only half of the study participants were enterprises taking water from the CPW Scheme, results provide a useful snapshot of irrigation system performance across the wider Central Plains area.

The study found that 68% (80) of the irrigation systems tested were modern, highly efficient spray system (centre pivot or linear move). Of these highly efficient systems, 20% were fitted with variable rate irrigation (VRI) technology. This technology allows irrigation to be applied more accurately spatially, accounting for uneven terrain or variation in soil types and soil depth.

Older system types like Roto-Rainers and Turbo-Rainers represented around 28% of the systems included in the study. These systems are slowly being replaced as they reach the end of their

<sup>2</sup> <https://www.irrigationnz.co.nz/PracticalResources/GMP/Overview>



effective operating life. The simplicity and the low level of technical knowledge required to maintain these systems remains attractive to many farmers. Hard Hose guns, K-Line, and Long Laterals remain systems of choice for hard-to-fit areas or corner in-fill.

Sixty-five (55%) of the systems tested achieved the industry agreed 0.8 or higher benchmark for distribution uniformity. However, of the participating farms, cumulatively only 43% of all new centre pivots, regardless of technology options, made the industry performance benchmarks, 45% of machines 2 to 5 years, 36% of machines 5 to 10 years and 40% of machines 10 to 15 years. The study noted that the percentage of older systems attaining performance benchmarks improved as components of the systems past their operating life and were replaced. The low percentage of relatively new machines achieving benchmarks was identified as an area that the service industry must address through improved commissioning processes.

The study also identified that regulation and scheme requirements were the biggest drivers for irrigation system change. However, it noted that the willingness to invest capital into irrigation system upgrades based solely on water use efficiency is related to primary commodity prices, with irrigators unsurprisingly less willing to invest in new plant and technology when cashflow is constrained. The study also identified that around 60% of irrigating farmers are using soil moisture monitoring technologies to better schedule the timing of their irrigation.

### 3.3. Land Use

Figure 13 provides a breakdown of land use (enterprise) types in the CPW Stage 1 area over the 2017-18 year based on the categories defined in the Overseer® nutrient budget model. The data shows that dairy and various combinations of sheep, dairy and beef grazing accounted for a majority of overall land use. From a land use perspective these enterprises can be divided into two types: dairy systems, and mixed systems. It is noted approximately 40 % of the total area comprise mixed systems that provide flexibility for farmers to respond to changes in market demand without the higher capital investment required to establish a dairy operation. The spatial distribution of land use types is shown on Figure 14 below.

Figure 15 provides a comparison between baseline land use (i.e. pre-CPW) and 2017-18 land use in the Stage 1 area based on the FEP. The data show that land use has remained relatively constant over the three years since the scheme commenced operations with the major change being a 34 % reduction in the area of Sheep, Beef/Dairy grazing which has largely been balanced by an increase in Beef/Dairy grazing enterprises. The overall expansion of dairy enterprises following commencement of Stage 1 operations equates to around 5% of the total scheme area.

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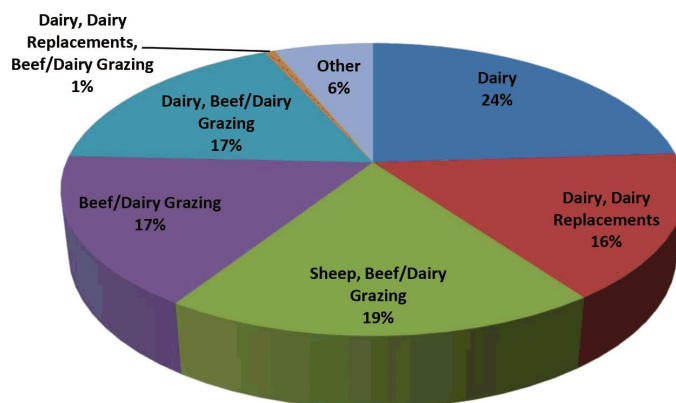


Figure 13. Land use types in CPW Stage 1 area, 2017-18

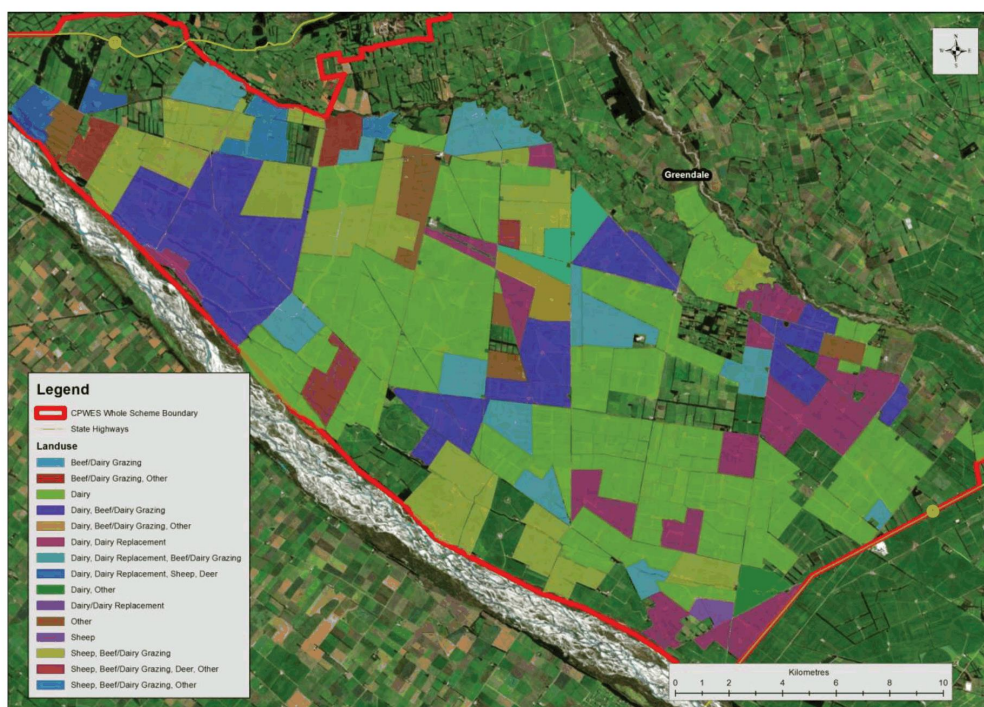
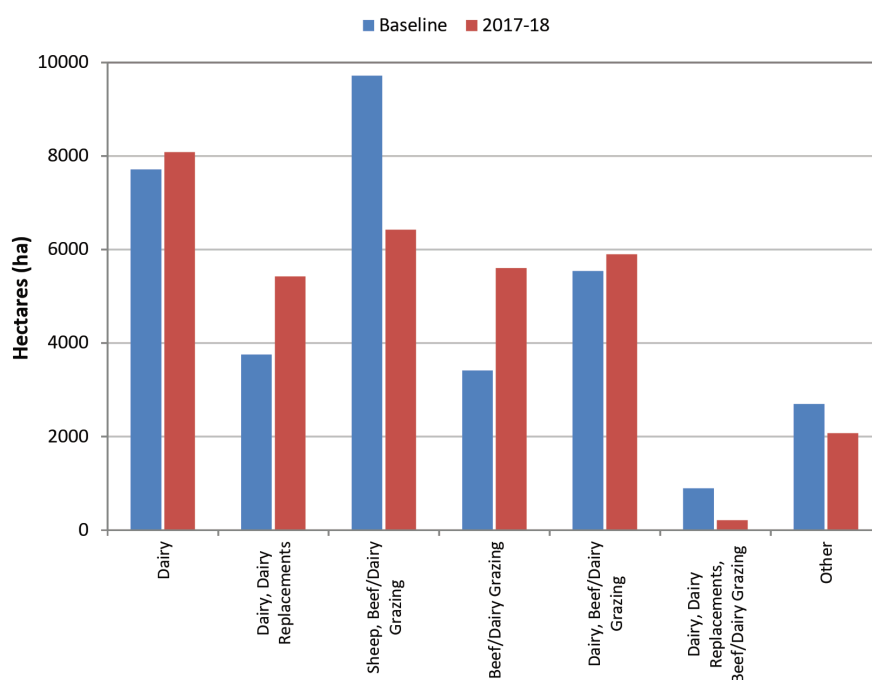


Figure 14. Spatial distribution of land use types in CPW Stage 1 area, 2017-18

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**Figure 15.** Comparison of baseline (i.e. pre-CPW) and 2017-18 enterprise types in the Stage 1 area.

Figure 16 provides a breakdown of farm enterprise types in the Sheffield Scheme area during 2017-18. The figure shows Sheep, Beef/Dairy grazing is the dominant land use accounting for 61% of the total scheme area, with Beef/Dairy grazing accounting for a further 17%. Figure 17 shows the spatial distribution of farm enterprise types in the Sheffield Scheme area. Figure 18 compares baseline (i.e. pre-CPW) and 2017-18 land use in the Sheffield Scheme area, again showing relatively limited changes in land use following commencement of CPW operations.



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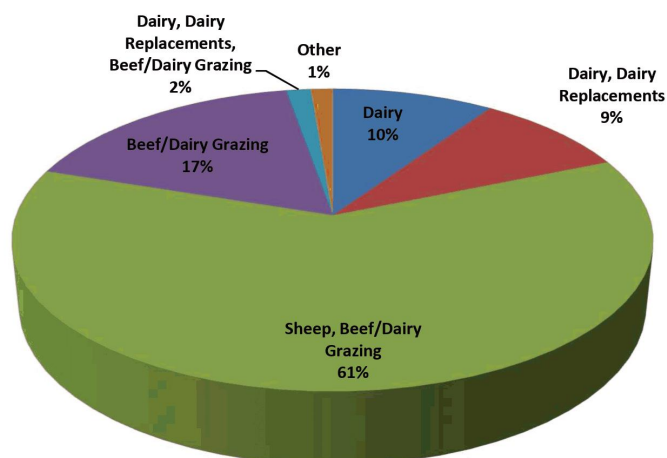


Figure 16. Land use types in CPW Sheffield Scheme area, 2017-18

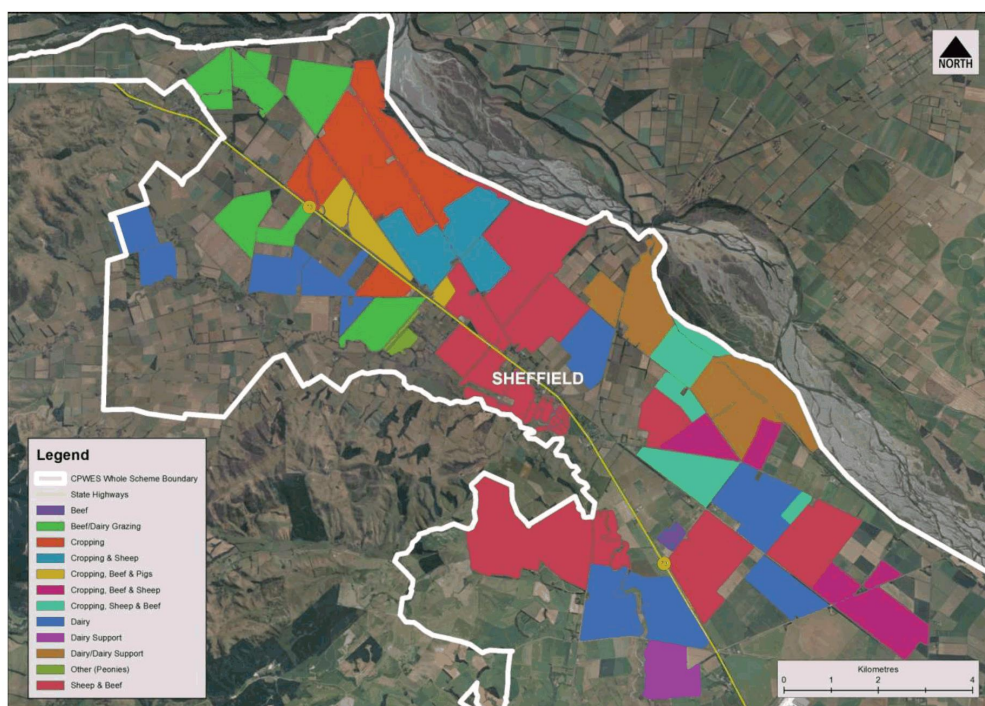
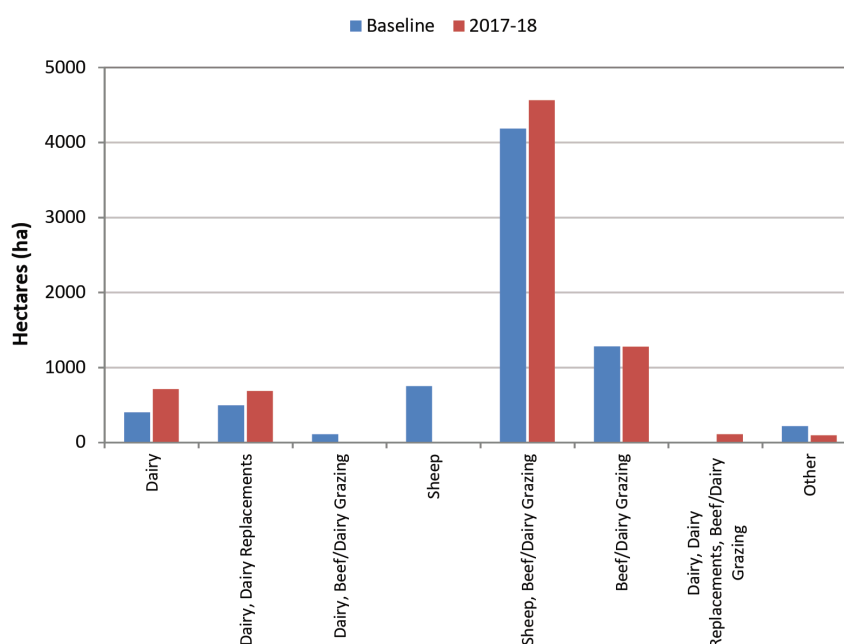


Figure 17. Spatial distribution of land use types in CPW Sheffield Scheme area, 2017-18

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**Figure 18.** Comparison of baseline (i.e. pre-CPW) and 2017-18 farm enterprise types in the CPW Sheffield Scheme area.

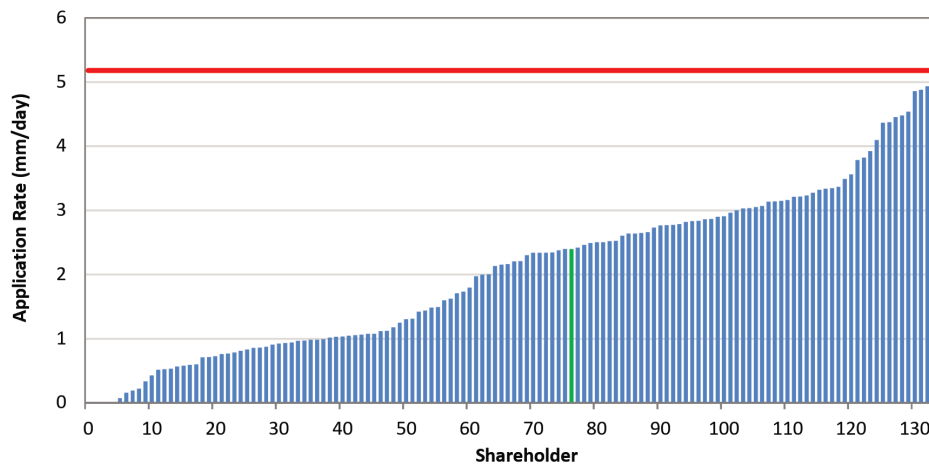
### 3.4. Irrigation Water Use

The Scheme-wide average maximum application rate during the 2017-18 season was 2.42 mm/ha/day. As illustrated on Figure 19, no individual property exceeded a combined irrigation application rate (including CPW water and groundwater) of 5.18 mm/ha/day, which is the maximum limit specified in CPWs consent to take and use both Scheme water and groundwater<sup>3</sup>.

Cumulative water use (across the CPW Stage 1 and Sheffield Scheme areas) area during the 2017-18 season totalled 4,518 m<sup>3</sup>/ha (equivalent to a seasonal application depth of 451 mm), comprising 1,428 m<sup>3</sup>/ha of groundwater and 3,090 m<sup>3</sup>/ha of CPW water. Equivalent figures from the 2016-17 season were a scheme-wide seasonal application rate of 4,044 m<sup>3</sup>/ha, comprising 1,245 m<sup>3</sup>/ha groundwater and 2,798 m<sup>3</sup>/ha CPW water. Irrigators who used CPW water only used an average of 2,486 m<sup>3</sup>/ha during the 2017-18 season.

<sup>3</sup> It is note that some groundwater taken is used for purposes other than irrigation, so the rates shown are considered conservative

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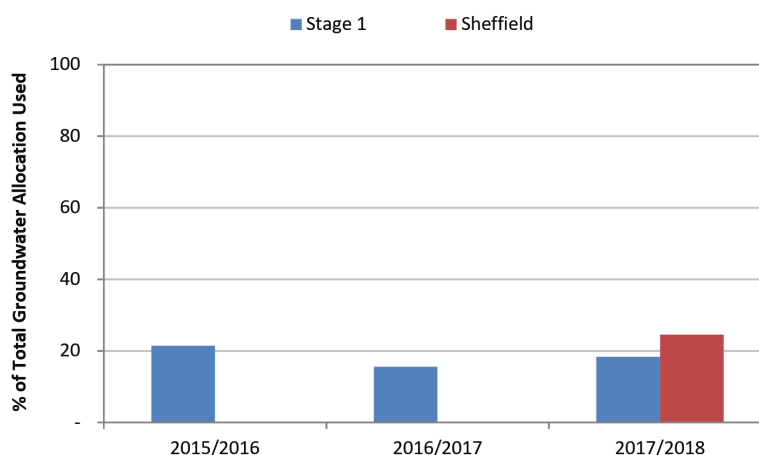
**Figure 19.** Combined maximum daily groundwater and CPW irrigation application rate

### 3.4.1. Groundwater Conversion to CPW Scheme

One of the key benefits associated with the Scheme identified in the Selwyn Waihora Zone Solutions Package was a reduction in the volume of groundwater utilised for irrigation across the Central Plains area, due to substitution with water derived from the Rakaia, Waimakariri and Kowai Rivers (run-of-river and storage). The reduction in groundwater abstraction is expected to result in positive benefits associated with an increase in groundwater storage and correspondingly higher flows in lowland streams. A target of an 80% reduction in the volume of groundwater abstraction across the Rakaia-Selwyn and Selwyn-Waimakariri allocation zones is identified in the Selwyn-Waihora Zone ZIP Addendum.

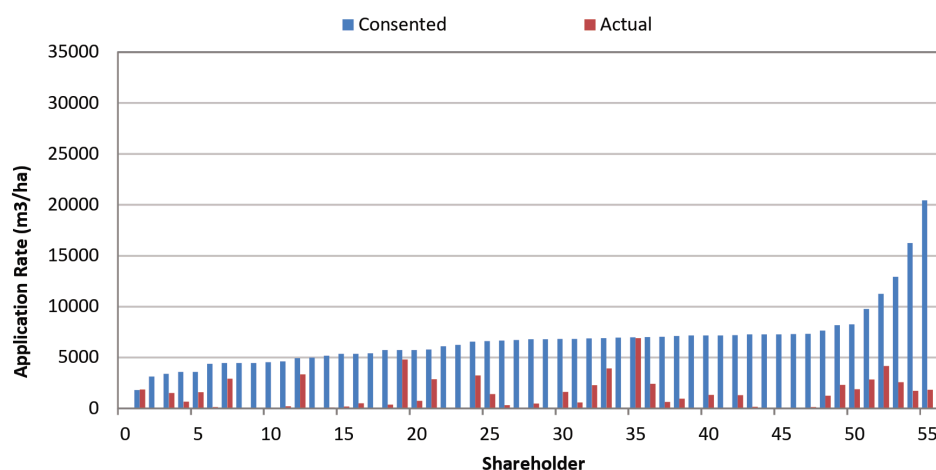
Figure 20 shows the percentage of total groundwater allocation utilised by farms in the Stage 1 and Sheffield Scheme areas between 2015-16 and 2017-18. The data show groundwater use in Stage 1 declined from 21.4% of total allocation in 2015-16 to less than 20% over the past two seasons. Cumulative groundwater use on properties in the Sheffield Scheme area was 24.4% of total allocation during 2017-18 and is expected to drop below 20% in future years (particularly given the delayed start to CPW operations during the 2017-18 season).

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**Figure 20.** Percentage of total groundwater allocation used by farms in the Stage 1 and Sheffield Scheme areas, 2015-16 to 2017-18

Figure 21 provides a comparison of actual and consented groundwater use on properties within the Stage 1 area which hold existing groundwater abstraction consents. The figure shows that approximately 20 percent of properties holding existing groundwater consents used no groundwater during the 2017-18 (i.e. irrigation water was derived solely from the CPW Scheme). Across a majority of the remaining properties, groundwater usage was significantly below consented volumes, with cumulative usage less than 20% of the total volume allocated.



**Figure 21.** Comparison of consented and actual groundwater use within the CPW Stage 1 area, 2017-18.

### 3.5. Farm Environment Plans

A FEP is the key environmental management tool that helps farmers recognise on-farm environmental risks and sets out a programme to manage those risks. It is also a mechanism which

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has been adopted in the LWRP to enable water quality objectives in the Selwyn Te Waihora zone to be achieved.

FEPs are unique to a property and reflect the type of farm operation, the local climate and soil type, and the goals of the land user. The FEP covers management areas including:

- Irrigation management, including efficient water use
- Nutrient management
- Soil management
- Point source management (offal holes, farm rubbish & silage pits etc)
- Collected animal effluent management
- Native plants and animals
- Waterbodies - riparian drains, rivers, wetlands and lakes
- Water use (excluding irrigation water)

Under CPWs EMS all irrigators were required to have an FEP in place before they are able to take water from the Scheme. Following recent changes to the LWRP, these FEPs now form a key component of the overall environmental compliance requirements for the CPW Scheme. The FEP must be updated if anything on-farm changes e.g. a farm system or manager.

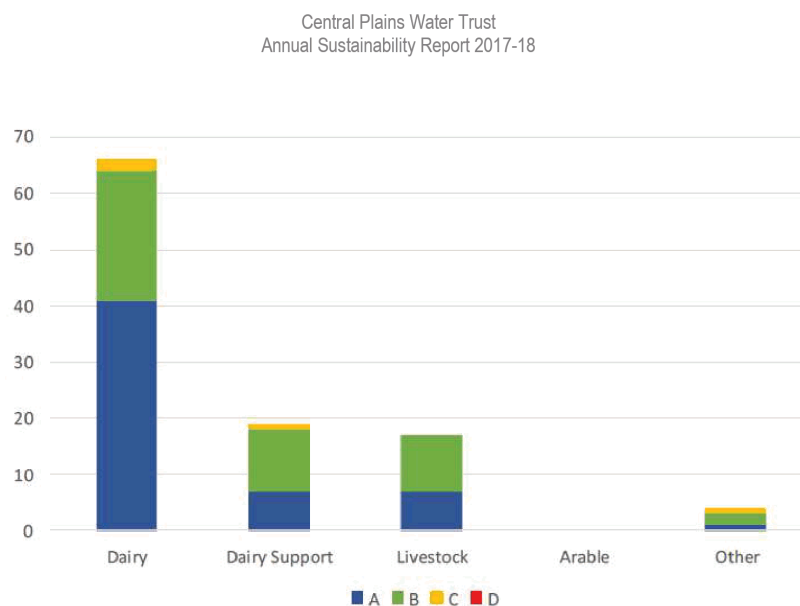
### 3.5.1. Stage 1 FEP Compliance Status

During the 2017-18 year a total of 106 FEPs were in place covering all properties located in the CPW Stage 1 area. Over this period an independent audit of all FEPs for properties in the Scheme was undertaken, in accordance with the standardised methodology developed by Environment Canterbury<sup>4</sup>. Each FEP was graded according to specified criteria from A (all objectives met) to D (objectives for one or more management areas not met). Of the FEPs audited during 2017-18, 56 received an A grade, 46 a B grade and 4 a C grade. No FEPs received a D grade. Of the properties receiving a C grade, two did not meet effluent management objectives, one due to a lack of records (associated with a farm sale process) and one due to wet areas identified on the farm.

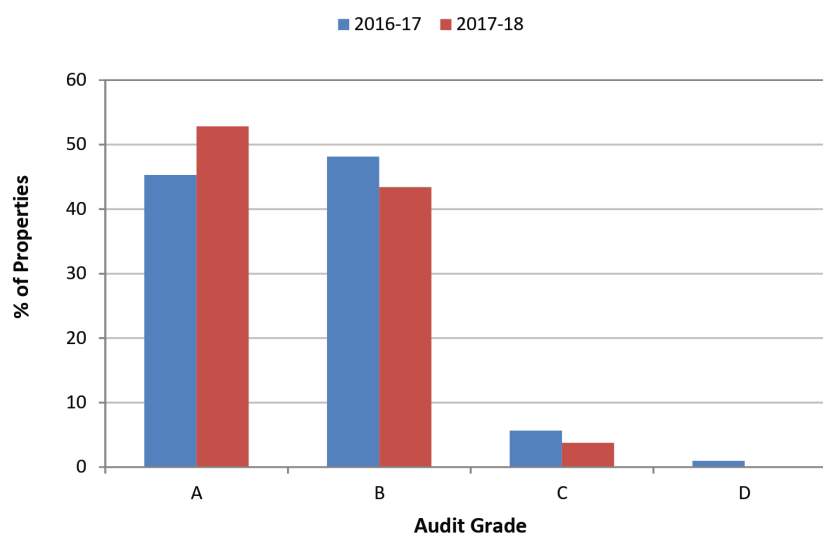
Figure 22 shows a breakdown of the FEP audit grades by enterprise type. The figure shows dairy enterprises received the highest percentage of A grades (approximately 60% of plans audited). Properties receiving C grades were split between dairy, dairy support and other enterprise types.

Figure 23 compares audit grades received for CPW Stage 1 properties in the 2016-17 and 2017-18 seasons. The figure shows an overall improvement in FEP grades with fewer properties receiving C or D grades and more properties receiving A grades.

<sup>4</sup> [http://files.ecan.govt.nz/public/pc5/MGM\\_Technical\\_Reports/Canterbury\\_FEP\\_Audit\\_Manual\\_Feb\\_2016.pdf](http://files.ecan.govt.nz/public/pc5/MGM_Technical_Reports/Canterbury_FEP_Audit_Manual_Feb_2016.pdf)



**Figure 22.** Breakdown of FEP audit grades by enterprise type for the CPW Stage 1 area 2017-18



**Figure 23.** Comparison of FEP audit grades for CPW Stage 1 properties, 2016-17 and 2017-18 enterprise type for the CPW Stage 1 area 2017-18

From the 2017-18 FEP audits, key areas identified to continue improvements in audit gradings in future seasons include:

- Irrigation distribution uniformity and application depth testing
- Maintenance and record keeping
- Soil moisture monitoring



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- Nutrient loss planning to achieve require reductions by 2022; and
- Maintenance of up-to-date nutrient budgets

No FEP audits were conducted for properties in the Sheffield Scheme during the 2017-18 year. These plans were in development and will be in place and audited during the 2018-19 irrigation season.

### 3.5.2. Nutrient Budgets and Nitrogen Allocation

Table 11(i) of the LWRP establishes a limit for nitrogen losses in Selwyn Waihora zone of 5,044.4 tonnes/year by 2037. Of this total, 358 tonnes/year (7% of the total under Overseer® version 6.1.3) has been allocated to CPW to provide for the conversion of dryland into irrigated land. This allocation is in addition to the assessed dryland nitrogen baseline of 621 tonnes (Overseer® 6.1.3), giving a total of N-loss limit for the CPW scheme of 979 tonnes (Overseer® 6.1.3), as specified in Table 11(j) of the LWRP. Under Overseer® version 6.2.3 this is equivalent to 1,755.8 tonnes N/year.

Nutrient Budgets and FEPs have been prepared for all Stage 1 and Sheffield properties. Comparison of N-losses with LWRP limits is complicated by changes in the definition of Good Management Practices (GMPs) for the Selwyn Te Waihora Zone and the change in the versions of Overseer®. Calculated cumulative nutrient losses from the Stage 1 area for existing and new irrigators during the baseline period was 1,643 tonnes N/year in Overseer® version 6.2.3. In 2017-18 estimates losses were 1,514 tonnes N/year in Overseer® version 6.2.3, an 8% reduction in N leaching (with the addition of approximately 7,000 hectares of new irrigation).

All the Stage 1 nutrient budgets need to be updated to the newly approved GMPs. This work has commenced and will be completed over the next year. Under the current version of Overseer®, 13 properties within Stage 1 converted to irrigation within their dryland baseline. The revised GMPs may see these properties requiring a nitrogen allocation. The Sheffield Scheme Nitrogen Discharge Allowance (NDA) in 2017-2018 was 344 tonnes N/year compared to a baseline of 287 T N/yr. Over both Stage 1 and Sheffield for the 2017-2018 irrigation season 9,382 hectares was provided a NDA.

### 3.6. On-Farm Training

CPW provides ongoing training and assistance to shareholders with regard to a range of irrigation and environmental management issues, including development and implementation of FEP requirements. Additional training is also being provided in terms of irrigation management and FEPs on an ongoing basis via a series of workshops for all users within the Scheme area (including Stage 1, Stage 2 and Sheffield).

## 4. Environmental Monitoring

Requirements for extensive monitoring of environmental effects resulting from operation of the Scheme are specified in resource consent conditions for the take and use of water. Details of this monitoring programme are outlined in a Ground and Surface Water Monitoring Plan (GSWMP)<sup>5</sup> which consists of two parts:

- Part I: an outline of the CPW monitoring programme (e.g. monitoring sites, parameters measured, monitoring frequency etc.); and
- Part II: specification of trigger levels for the monitoring programme, along with procedures to be followed in the event that trigger levels are exceeded.

Results and interpretation of environmental monitoring undertaken for the Scheme are provided in the *Annual Ground and Surface Water Monitoring Report*<sup>6</sup> (GSWMP) which forms one component of the overall resource consent compliance monitoring for the Scheme.

Development of the GSWMP and the subsequent monitoring process is overseen by the Ground and Surface Water Expert Review Panel (GSWERP) which was established in 2013. This panel is responsible for overseeing and directing the ground and surface water monitoring program undertaken by CPW, as well as response to trigger level exceedances and/or public complaints. As required by CPW's consents, GSWERP members include representatives from SDC, ECan and Ngai Tahu, alongside independent experts with knowledge and skills relating to ground and surface water quality and quantity, land drainage and cultural values.

### 4.1. Environmental Baseline

Development and ongoing operation of the Scheme is anticipated to result in changes to existing land use, recharge and water abstraction patterns across the mid to upper sections of the Central Plains area. These changes have the potential to alter water quality and quantity parameters in receiving environments (groundwater, rivers and streams, and Te Waihora/Lake Ellesmere).

In terms of water quantity, increased recharge from irrigation using water from alpine rivers, coupled with a reduction in the volume of groundwater used for irrigation and targeted stream augmentation, are expected to result in an overall increase in groundwater levels and flows in lowland streams. While such effects can have a positive impact on environmental values associated with these waterways, increased groundwater levels and stream flows can also result in higher water tables around the margins of Te Waihora.

Groundwater flowing through the Central Plains aquifer system is ultimately discharged to lowland rivers and streams around the margins of Te Waihora/Lake Ellesmere so changes to the quality and quantity of groundwater potentially impact on ecological and environmental values associated with these waterways, as well as the lake itself. However, due to the slow rate of groundwater flow (which varies spatially and with depth) it takes significant time for water recharged on the Central Plains area to drain to Te Waihora/Lake Ellesmere. These variable time lags complicate

<sup>5</sup> <http://www.cpw.co.nz/environmental-management/ground-surface-water-monitoring-programme>

<sup>6</sup> <http://www.cpw.co.nz/environmental-management/environmental-reports>

interpretation of water level, flow and quality monitoring results, particularly when the period of historical information available is short, and these measures can also be influenced by factors external to the scheme (such as non-CPW land use).

Interpretation of monitoring results is also complicated by climate variability. For example, the increased rainfall occurring during the 2017-18 year contrasts with significantly below average rainfall during the 2014-15 and 2015-16 seasons. Consequent temporal variations in groundwater recharge and surface water flows can result in short-term effects that obscure longer-term underlying trends in groundwater levels, groundwater quality, streamflow and surface water quality.

Given the Scheme has recently commenced operations in an area with an extensive history of agricultural development, the existing state of water quality and quantity differs significantly from its 'natural' state. As a consequence, environmental effects arising from the Scheme are assessed in terms of the pre-Scheme baseline (i.e. the state of water quality and quantity in the absence of the Scheme). In order to better quantify 'baseline' water quality and water quantity prior to Scheme development, a review of all available monitoring data for the Central Plains area was commissioned by GSWERP in 2013<sup>7</sup>. In addition, conditions of consents operated by CPW also required monitoring of groundwater and surface water quantity and quality 2 years prior to individual Scheme stages becoming operational.

#### 4.2. Environmental Monitoring Programme

Full details of the CPW environmental monitoring programme are outlined in Part 1 of CPW's Ground and Surface Water Monitoring Plan (available at <http://www.cpw.co.nz/environmental-management/ground-surface-water-monitoring-programme>)

In summary, the monitoring programme consists of four components:

1. 29 surface water quality monitoring sites;
2. 4 lake water quality monitoring sites;
3. 20 groundwater quality monitoring sites; and
4. 12 groundwater level monitoring sites.

As illustrated on Figure 13, the surface water quality monitoring sites include:

- 4 sites upstream of the Scheme (US1 to US4)
- 4 sites within the Scheme area (IS1 to IS4)
- 1 site on downstream boundary of the Scheme (SWSH)
- 8 sites in the headwaters of lowland streams (SF1 to SF8)
- 8 sites near the confluence of lowland streams and Te Waihora/Lake Ellesmere (T1 to T8)
- 4 sites in the SDC stockwater race system at the downstream boundary of the Scheme

<sup>7</sup> <http://www.cpw.co.nz/environmental-management/ground-surface-water-monitoring-programme>

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Surface water quality sites are monitored on a monthly basis for a range of water quality parameters including dissolved and particulate nutrients, indicator bacteria (*E.coli*) and physical parameters such as pH, temperature and dissolved oxygen concentrations.

The monitoring network also includes 5 sites located in Lake Ellesmere/Te Waihora (4 around the lake margins and one mid-lake site). These sites are monitored on a monthly basis by ECan for a range of parameters including total nutrients and Trophic Level Index (TLI<sub>3</sub>).

As shown on Figure 25, the CPW groundwater quality monitoring network comprises twenty monitoring bores (8 within or down gradient of the Stage 1 area, 10 within or down gradient of the Stage 2 area and 2 in the Sheffield Scheme area), as well as 12 lowland groundwater level sites downstream of the scheme area that are monitored as part of the ECan State of the Environment groundwater monitoring network. Groundwater quality sites are sampled quarterly, while groundwater levels are measured monthly.

It is noted that the CPW groundwater quality monitoring bores are constructed with long screened intervals to enable collection of water quality samples from close to the water table. This aspect of construction is important with regard to interpretation of monitoring results as contaminants associated with overlying land use are typically concentrated near the water table, reducing in concentration with depth (in contrast typical water supply bores are screened at some depth below the water table). Collection of samples from close to the water table therefore provides a conservative (or 'worst case') assessment of groundwater quality at any given location.



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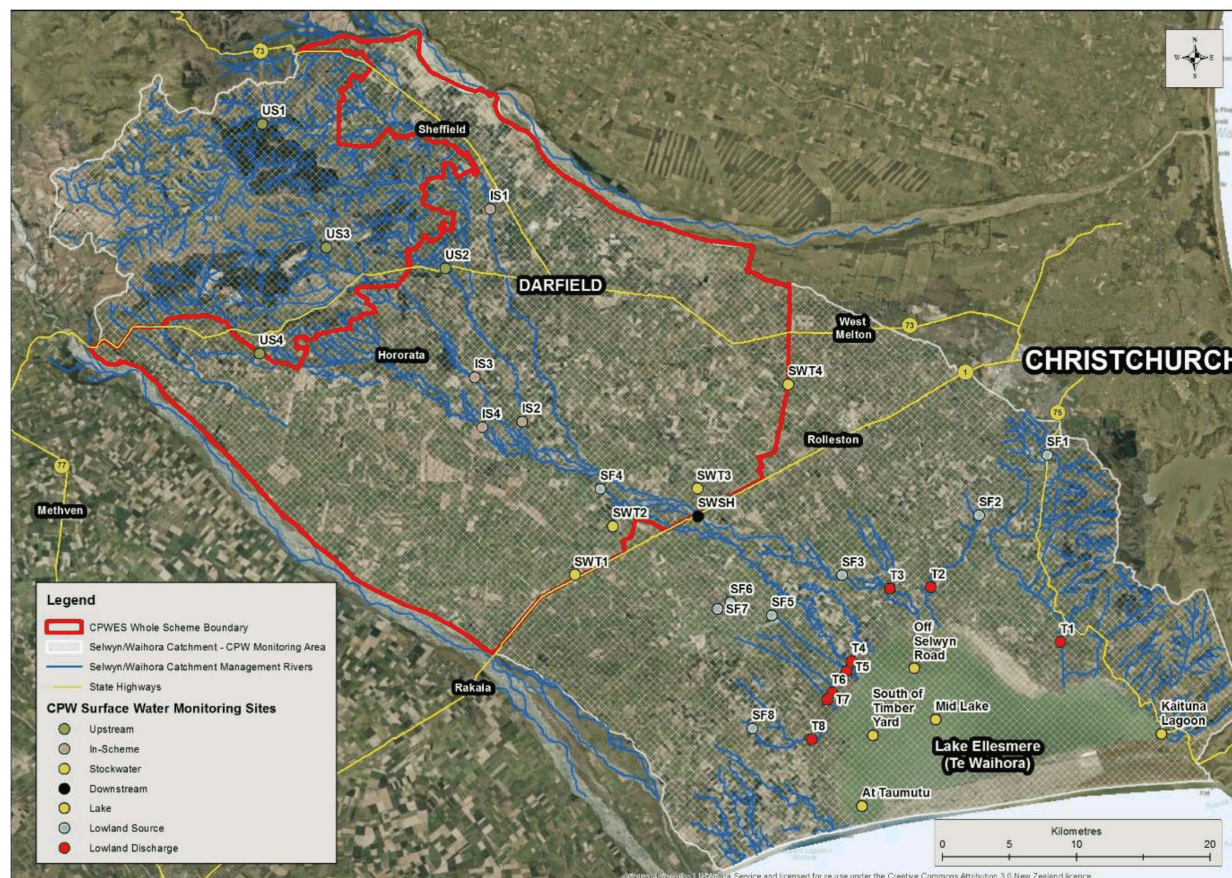


Figure 24. Surface water quality monitoring sites for the CPW scheme

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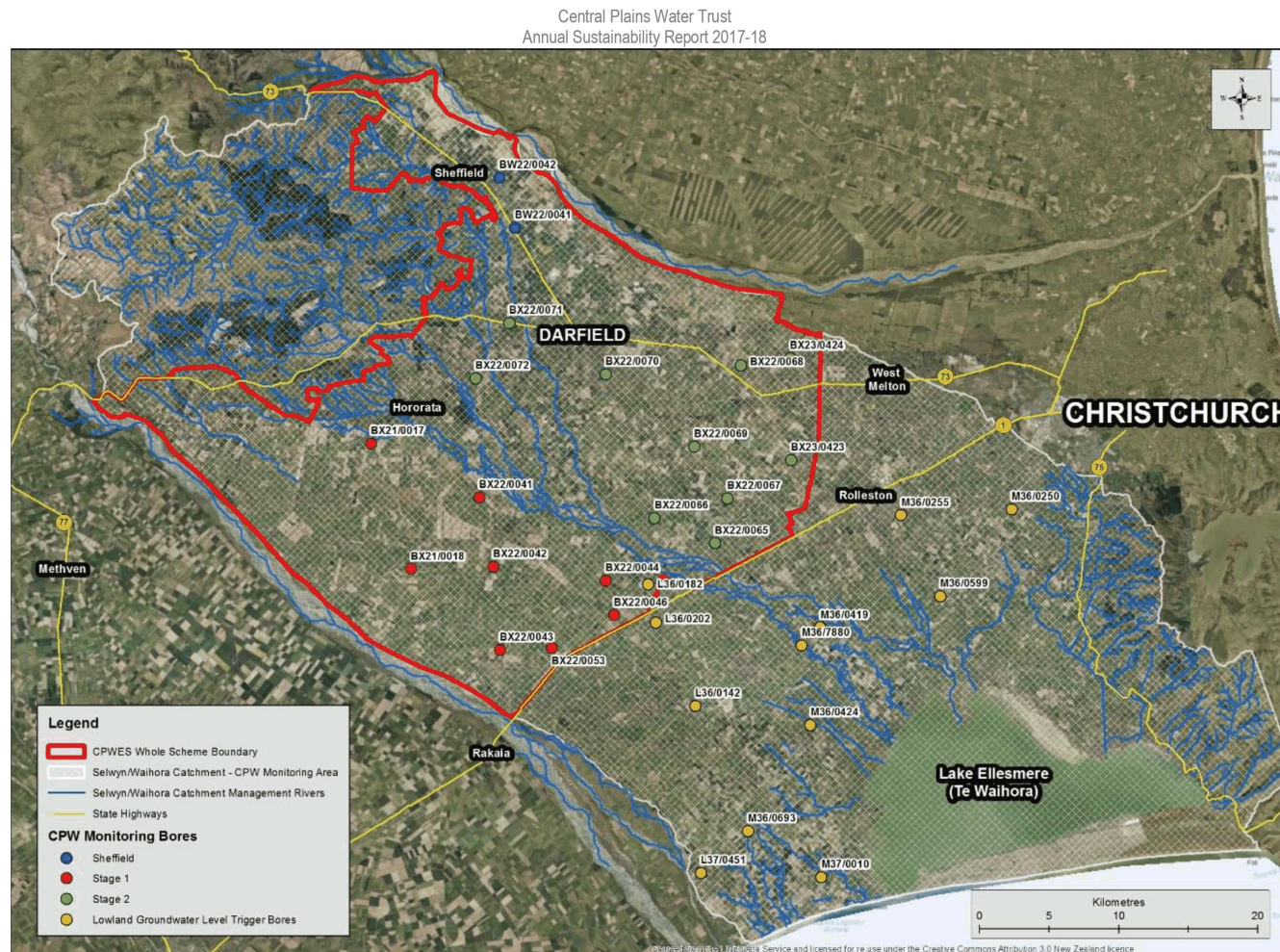


Figure 25. Groundwater quality and level monitoring sites for the CPW scheme

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#### 4.3. Environmental Management

Part II of the CPW GSWMP establishes trigger levels for nominated parameters including:

- Nitrate-Nitrogen concentrations at surface water sites;
- Trophic Level Index (TLI<sub>3</sub>), Total Phosphorus and Chlorophyll-a at lake monitoring sites;
- Nitrate-Nitrogen and *E.coli* concentrations in groundwater quality monitoring sites; and
- Elevated groundwater levels in lowland groundwater level monitoring sites

The nominated trigger levels were established based on relevant water quality standards established in the LWRP, or in the case of groundwater levels, the range of historical measurements. The triggers provide a basis for evaluation of CPW environmental monitoring results. Once a nominated trigger level is exceeded, the GSWMP establishes a procedure which must be followed to firstly identify if the monitoring results represent a departure from 'background' concentrations or levels and, if they do, specific steps which must be followed to investigate and mitigate the potential cause of the trigger level exceedance. This process is overseen by the GSWERP.

#### 4.4. 2017-18 Monitoring Results

Results from the CPW environmental monitoring programme are summarised in the *Annual Ground and Surface Water Monitoring Report 2017/18* which was reviewed and approved by GSWERP in November 2018.

As discussed in Section 2 above, climate conditions experienced during and immediately preceding the 2017-18 year were in contrast to those experienced over previous years since environmental monitoring for the Scheme commenced in the Stage 1 area in 2013. This variability is observed to have had a significant influence on surface water quality, groundwater quality and groundwater level monitoring results during the 2017/18 year in many parts of the Scheme, including areas within Stage 2 where operations did not commence until October 2018.

##### 4.4.1. Surface Water Quality

Trigger levels for CPW surface water quality monitoring are summarised in Table 1 below. These triggers are equivalent to limits for surface water quality established in the LWRP. It is noted the trigger levels differentiate between hill-fed streams (i.e. those predominantly sourced from runoff in upper catchment areas) and spring-fed streams on the lower plains (which derive a majority of flow from groundwater drainage).

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**Table 1.** Surface water quality triggers for Nitrate-Nitrogen (mg/L)

River Type	CPWL Surface Water Monitoring	
	Annual Median	Annual 95 <sup>th</sup> Percentile
Hill-fed Lower	1.8	2.6
Spring-fed Plains	5.2	7.4

Table 2 summarises trigger level exceedances for nitrate-nitrogen concentrations at CPW monitoring sites during the 2016-17 and 2017-18 years. The data show both the median and 95<sup>th</sup> percentile triggers were exceeded at 9 sites (2016-17, 6 sites), while two sites exceeded the 95<sup>th</sup> percentile trigger only (2016-17, 1 site) and no sites exceeded the median trigger only (2016-17, 2 sites).

**Table 2.** Summary of surface water quality trigger level exceedances for CPW sites, 2016-17 and 2017-18

River Type	Year	Sites	Samples*	Sites exceeding annual Nitrate median	Sites exceeding annual 95 <sup>th</sup> percentile
Hill-fed Lower	2017-18	9	93	3	4
	2016-17	9	71	2	1
Spring-fed Plains	2017-18	16	198	6	7
	2016-17	16	144	6	6

\* The number of samples varies between years due to the presence/absence of flow at individual monitoring sites

During the 2017-18 year surface water nitrate trigger level exceedances were recorded in six waterways including the Hawkins River, Waianiwaniwa River, Selwyn River, Hamner Road Drain, Boggy Creek and Harts Creek at the locations shown on Figure 26. While a majority of sites exceeding the trigger levels were located in spring-fed streams around the margins of Te Waihora/Lake Ellesmere, sites in the Hawkins River and Waianiwaniwa River within the Stage 2 area (i.e. where CPW operations had not commenced) also exceeded the trigger values. While trigger level exceedances in upstream and downstream sites in the Selwyn River and the Hamner Road Drain in 2016-17 were not repeated in 2017-18 year, other sites in the Hororata River, Doyleston Drain (upstream and downstream) and Boggy Creek (downstream) exceeded triggers during 2017-18.

It is noted that historical nitrate concentrations that would have exceeded CPW triggers were identified at sites in the Hawkins River, Selwyn River, Boggy Creek and Harts Creek in the GSWERP baseline water quality report. As illustrated in the examples from Boggy Creek and the Selwyn River shown in Figure 27 and Figure 28 below, many of these waterways have a history of elevated and/or increasing nitrate concentrations that pre-dates Scheme operations. It is noted that both of the sites illustrated showing different temporal trends during 2017-18, with nitrate concentrations increasing significantly in Boggy Creek while declining in the Selwyn River. These differences may relate to the above average recharge and river flow conditions occurring during the 2017-18 year.

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Annual Sustainability Report 2017-18

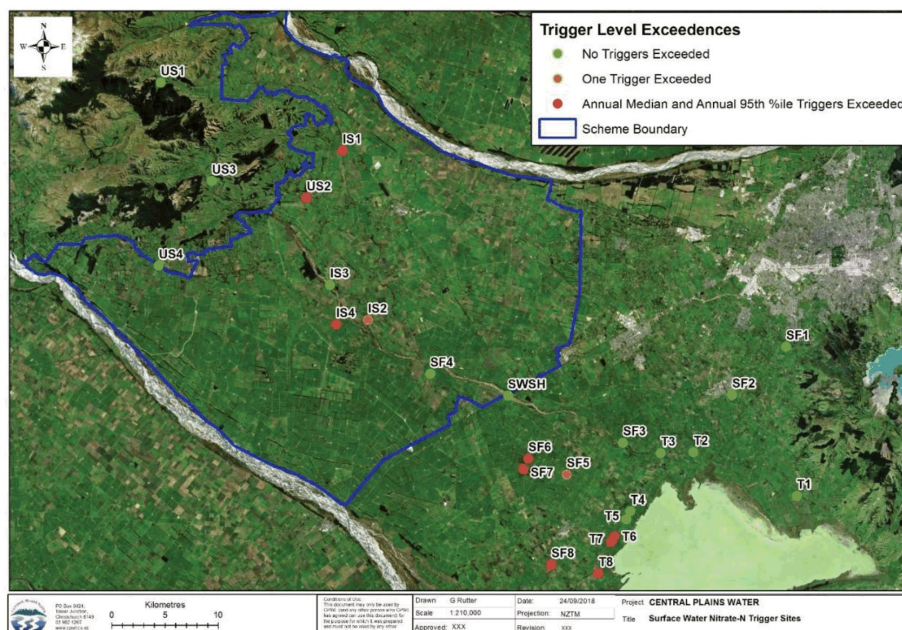


Figure 26. Surface water nitrate trigger level exceedances during 2017-18

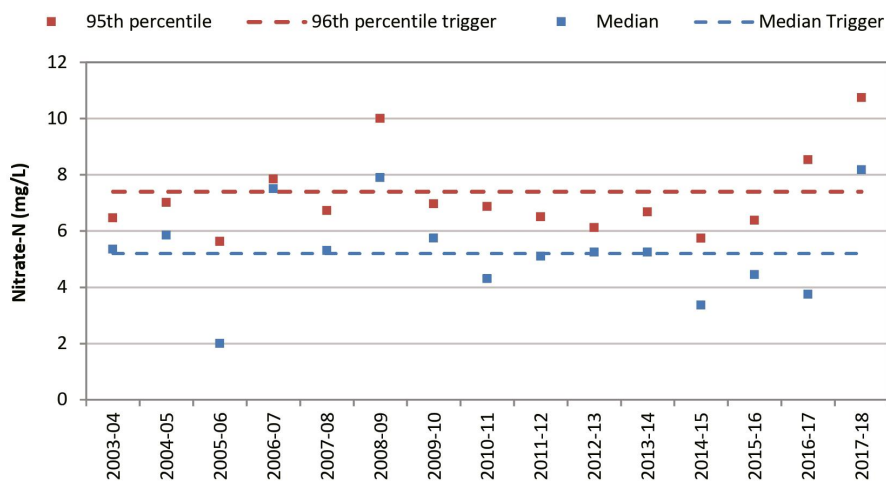
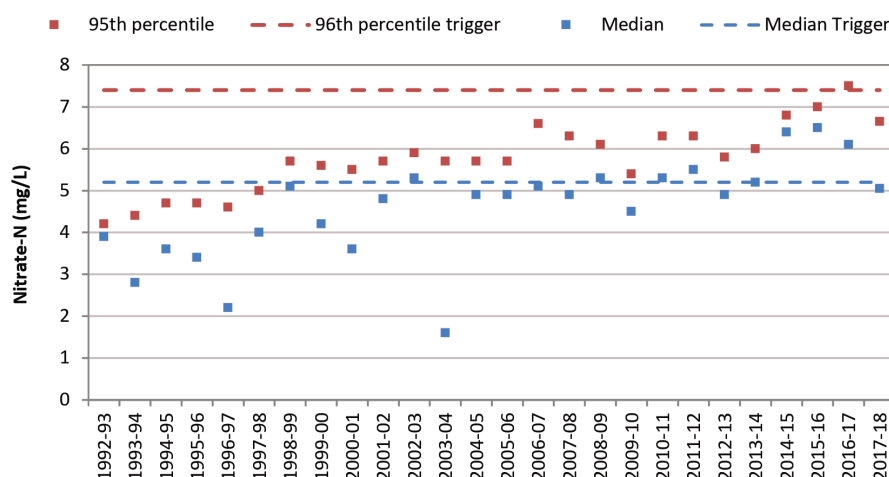


Figure 27. Annual median and 95<sup>th</sup> percentile nitrate-nitrogen concentrations in Boggy Creek, 2003-04 to 2017-18

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**Figure 28.** Annual median and 95<sup>th</sup> percentile nitrate-nitrogen concentrations in the CPW Selwyn River downstream monitoring site (Coes Ford), 1992-93 to 2017-18

Overall, although surface water triggers were exceeded at a number of sites in the CPW monitoring network during the 2017-18 year, observed concentrations are generally consistent with the historical baseline (either the observed range or historical trends). As a consequence, monitoring data collected to date does not show any discernible effects of the Scheme on surface water quality either within, or down-gradient, of the Scheme area. Monitoring results during the 2017-18 year are also likely to be influenced by the greater rainfall during 2017-18 and associated effects on groundwater recharge and river flows.

#### 4.4.2. Lake Water Quality

The trigger levels for Lake Water Quality are listed in Table 2. The trigger levels are equivalent to water quality limits contained in Table (I) of the LWRP.

**Table 3. Lake water quality triggers**

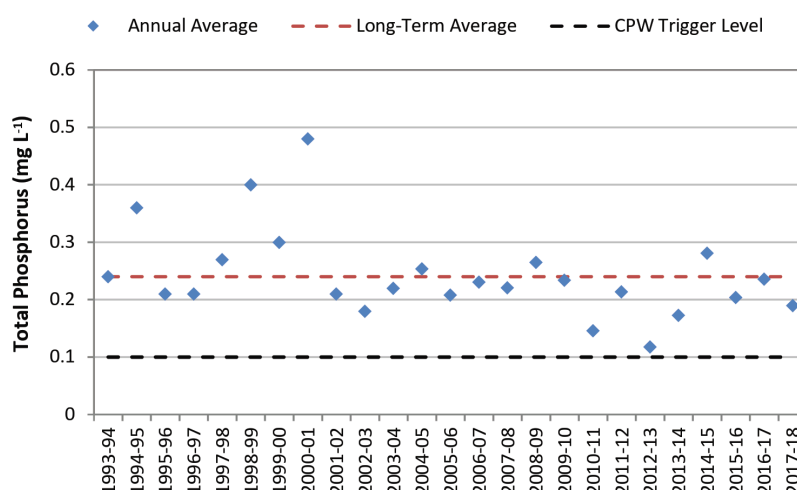
Monitoring Location	Chlorophyll a (µg/L) <sup>(b)</sup>	Total Phosphorus (mg/L) <sup>(b)</sup>	Total Nitrogen (mg/L) <sup>(b)</sup>	TLI <sub>3</sub> <sup>(a)</sup>
Mid-Lake	74	0.1	3.4	6.6
Lake Margins	no trigger	no trigger	no trigger	6.0

(a) TLI is calculated as TLI<sub>3</sub> (using TP, TN and chl-a)

(b) As a maximum annual average determined from 12 (monthly) rounds of monitoring results.

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For the mid-lake monitoring site, data collected during the 2017-18 year showed the annual average Total Phosphorus value of 0.19 mg/L exceeded the trigger value of 0.1 mg/L. However, as illustrated on Figure 29, the average Total Phosphorus concentration recorded at this site during 2017-18 was slightly below the long-term average, and significantly below the maximum values recorded at this site in previous years.



**Figure 29.** Annual mean Total Phosphorus at the Lake Ellesmere/Te Waihora mid-lake monitoring site, 1993-94 to 2017-18

The Trophic Level Index (TLI<sub>3</sub>) is an indicator of lake water quality specifically developed for New Zealand lakes. The TLI<sub>3</sub> is derived from a number of water quality measures including total nitrogen, total phosphorus and chlorophyll a (found in algae). Triggers for TLI<sub>3</sub> were exceeded at all lake water monitoring sites during the 2017-18 year. However, again recorded TLI<sub>3</sub> values were close to the long-term average for these sites, and well below maximum recorded values, with no discernible influence that can be associated with operation of the CPW Scheme.

#### 4.4.3. Groundwater Quality

Trigger levels for CPW groundwater monitoring are summarised in Table 3 below. It is noted that these triggers are equivalent to the limits for groundwater quality in the Selwyn-Waihora zone established in the LWRP.

**Table 4. Groundwater quality triggers for CPW monitoring**

Contaminant	Measurement	Trigger
Nitrate-Nitrogen	5-year annual average concentration <sup>(a)</sup>	7.65 mg/L
<i>E.coli</i>	Median concentration <sup>(b)</sup>	<1 organism/100 millilitres

(a) In shallow groundwater <50 metres below groundwater level

(b) Measured over the length of record

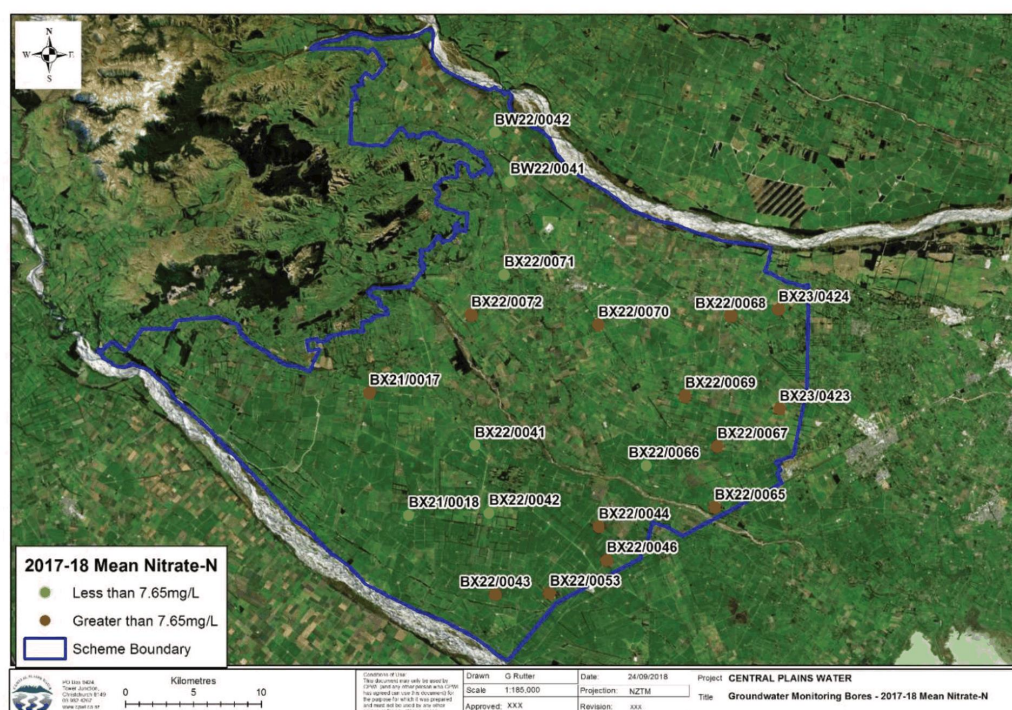


Central Plains Water Trust  
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Due to the limited period over which the CPW monitoring programme has been established, Nitrate-Nitrogen monitoring results from the CPW monitoring programme cannot be directly compared to the trigger level established in the GSWMP (based on a 5-year annual average concentration). However, as shown on Figure 30 below, comparing annual mean Nitrate-Nitrogen concentrations for individual monitoring sites against the trigger level shows concentrations exceeded 7.65 mg/L in:

- 5 of the 8 monitoring sites in the Stage 1 area; and
- 8 of the 10 sites in the Stage 2 area

No monitoring sites in the Sheffield Scheme area exceeded the groundwater nitrate trigger.

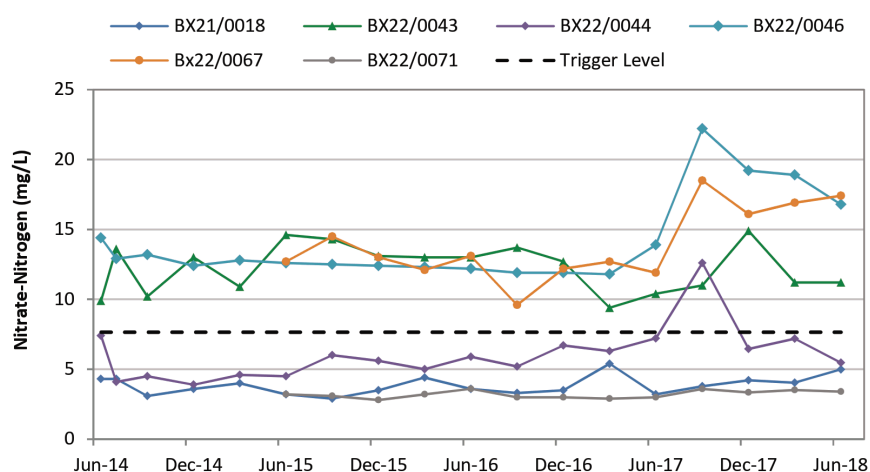


**Figure 30.** Mean annual groundwater nitrate concentrations across the CPW Scheme area 2017-18

Of particular note during the 2017-18 year was a significant increase in nitrate concentrations in many groundwater monitoring sites following heavy rainfall during the 2017 winter. As illustrated on Figure 31 below, nitrate concentrations in several (although not all) monitoring bores in the Stage 1 area exhibited a marked increase in nitrate concentrations in the September 2017 sample round, with several sites exhibiting the highest concentrations recorded to date. Similar variations were observed in data from the Sheffield Scheme area and in Stage 2 (where CPW operations had yet to commence).

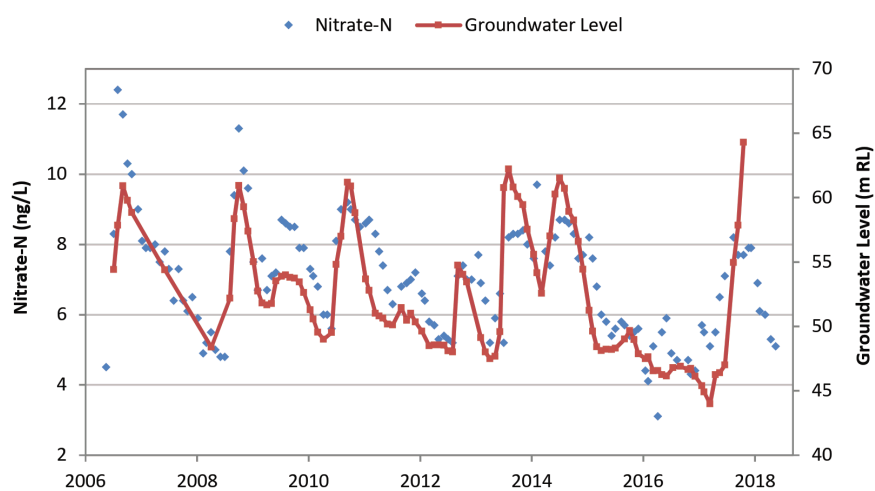


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**Figure 31.** Groundwater nitrate concentrations across the CPW Scheme area 2017-18

The abrupt increase in nitrate concentrations in September 2017 is attributed to the large volume of recharge mobilising excess nitrogen from the soil and underlying unsaturated zone following 3 years of generally below normal winter recharge. As illustrated in Figure 32, monitoring data collected by ECan elsewhere in the Central Plains (outside of the CPW scheme area) exhibit a similar relationship with groundwater levels with large increases in groundwater levels (associated with significant recharge events) corresponding to significant increases in groundwater nitrate concentrations.



**Figure 32.** Temporal variation in groundwater level and nitrate concentrations in M36/4126 near Rolleston (monitored by ECan), 2006 to 2018.

Central Plains Water Trust  
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The monitoring data indicate that baseline nitrate concentrations exceeding trigger levels were widespread across the Central Plains area both within the Stage 1 area as well as in the Sheffield Scheme and Stage 2 area (where CPW irrigation is yet to commence) during 2017-18. Temporal variations in nitrate concentrations, particularly in the long-screen CPW monitoring bores which sample immediately below the water table appear to be influenced by large recharge events (such as during winter 2017) which 'flush' nitrogen from the soil and underlying unsaturated zone to the underlying water table.

Overall, the 2017-18 groundwater quality data indicate groundwater nitrate concentrations are elevated in many areas of the Central Plains as a result of land use pre-dating operation of the Scheme. This observation is consistent with data presented in the GWSERP Baseline Water Quality Report which showed a significant number of bores (>30%) in the Central Plains area sampled between 2010 and 2013 exhibited nitrate concentrations in excess of the nominated trigger value, with approximately 40 percent of wells exhibiting statistically significant increasing trends in nitrate concentrations.

CPW groundwater monitoring also detected the intermittent presence of low levels of indicator bacteria in a number of monitoring wells sampled across the monitoring network. Rates of detection in the Stage 1 area were similar to those observed prior in baseline monitoring prior to Scheme operation (i.e. low level in between 10 to 15% of samples analysed). Positive detections of *E. Coli* were determined in approximately 25% of samples collected in the Stage 2 area (where CPW is yet to commence operations). No clear relationships were observed between surrounding land use or rainfall events and positive detections of indicator bacteria in CPW monitoring bores, although the relatively high frequency of detection may in part relate to the sampling methodology used (i.e. samples collected from the top of the water table in long-screen monitoring bores).

#### 4.4.4. Groundwater Levels

Trigger levels for lowland groundwater levels are set at the 95<sup>th</sup> percentile of the (at least 40 year) historical record from individual monitoring sites<sup>8</sup>. During the 2017-18 year, groundwater level trigger exceedances were recorded in 5 of the 12 monitoring bores in the area down gradient of the CPW scheme area (Figure 33). As illustrated on Figure 34, these trigger level exceedances followed heavy rainfall during the 2017 winter and were of a similar magnitude to those occurring during previous wet winters (e.g. 2013 and 2014).

CPWL did not receive any complaints concerning elevated groundwater levels, or impacts on land drainage or on-site wastewater systems in the Lowland Plains area during the 2017-18 year.

<sup>8</sup> Denoted by orange dots on Figure 25 above

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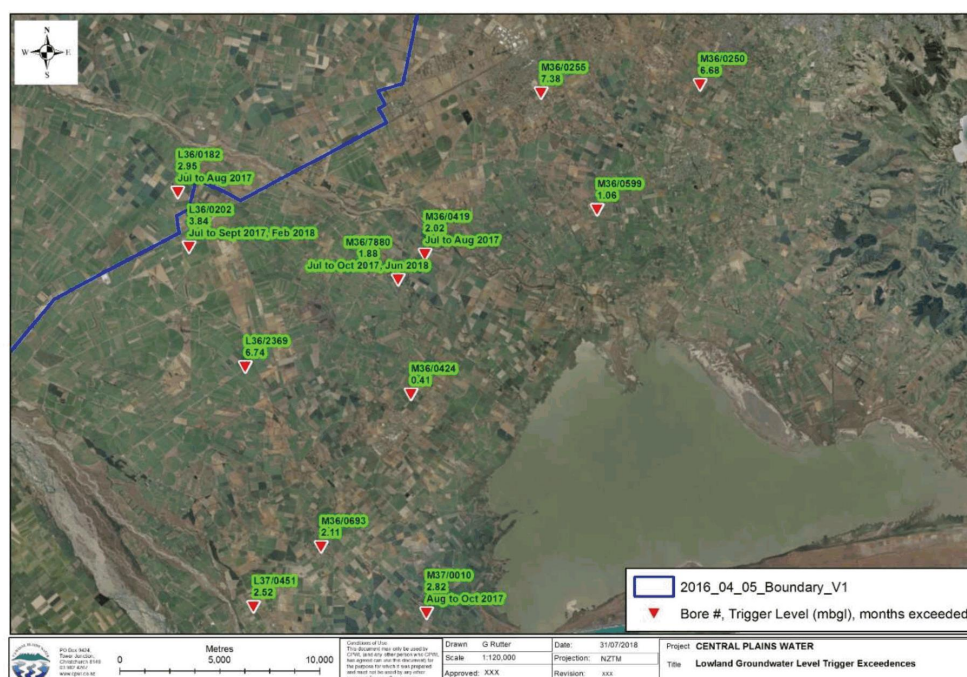


Figure 33. Lowland groundwater levels monitoring sites and trigger level exceedances 2017-18

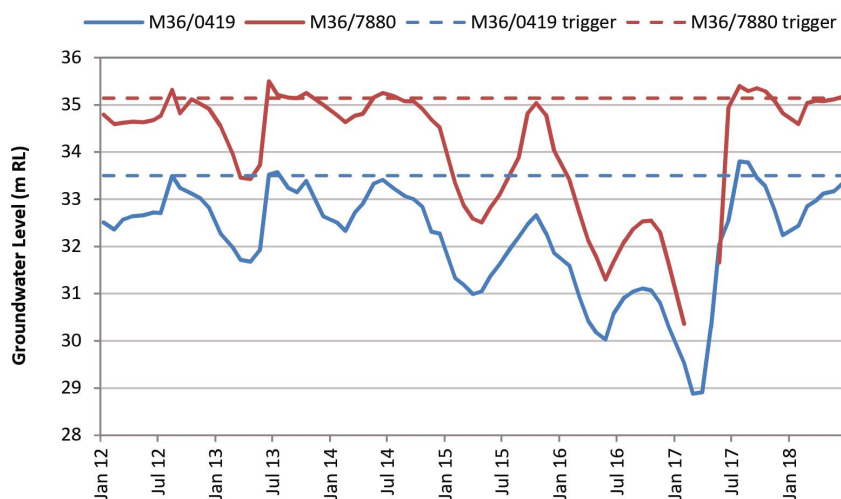


Figure 34. Groundwater levels (and respective trigger levels) recorded in M36/0419 and M36/7880, 2012 to 2018

#### 4.4.5. Summary

Water quality monitoring results recorded in the CPW monitoring network during the 2017-18 year indicate surface water quality, groundwater quality and lake water quality exceeded trigger levels established in Part II of the CPW GSWMP<sup>9</sup> at a number of monitoring sites located both in Stage 1 and the Sheffield and Stage 2 areas of the scheme. Trigger level exceedances at many monitoring sites followed an extended period of high rainfall during the 2017 winter that resulted in significant groundwater recharge and maintained high flows in surface waterways. These short-term climate-related effects tend to obscure underlying background trends in water quality. The above average rainfall during the 2017-18 year also resulted in exceedances of lowland groundwater level triggers of similar magnitude and duration to those observed following previous wet winters.

The *Annual Ground and Surface Water Monitoring Report 2017/18* produced by CPW was approved by the GSWERP in November 2018 as providing a valid interpretation of monitoring results for the 2017-18 year. The report also notes that there were no complaints related to surface water quality, groundwater quality, land drainage or effects on on-site wastewater discharges received by CPW during the 2017-18 year.

#### 4.5. Environmental Mitigation and Enhancement

##### 4.5.1. Environmental Management Funds

In addition to an extensive environmental monitoring programme, part of the mitigation package offered by CPW during the resource consent Hearings process involved the establishment an Environmental Management Fund (EMF) and a Te Waihora Environmental Management Fund (TWEMF).

The EMF and TWEMF were established during the 2015-16 irrigation season. Contributions to these funds are provided by Scheme Shareholders. Due to the staged nature of Scheme development, annual contributions to these funds will increase as the area under irrigation increases. An independent Environmental Management Fund Committee (EMFC) is responsible for managing and allocating distributions from the EMF to environmental initiatives within the Selwyn Waihora catchment. By contrast, the TWEMF fund is provided directly to Ngai Tahu who manage allocation and annual reporting of fund expenditure.

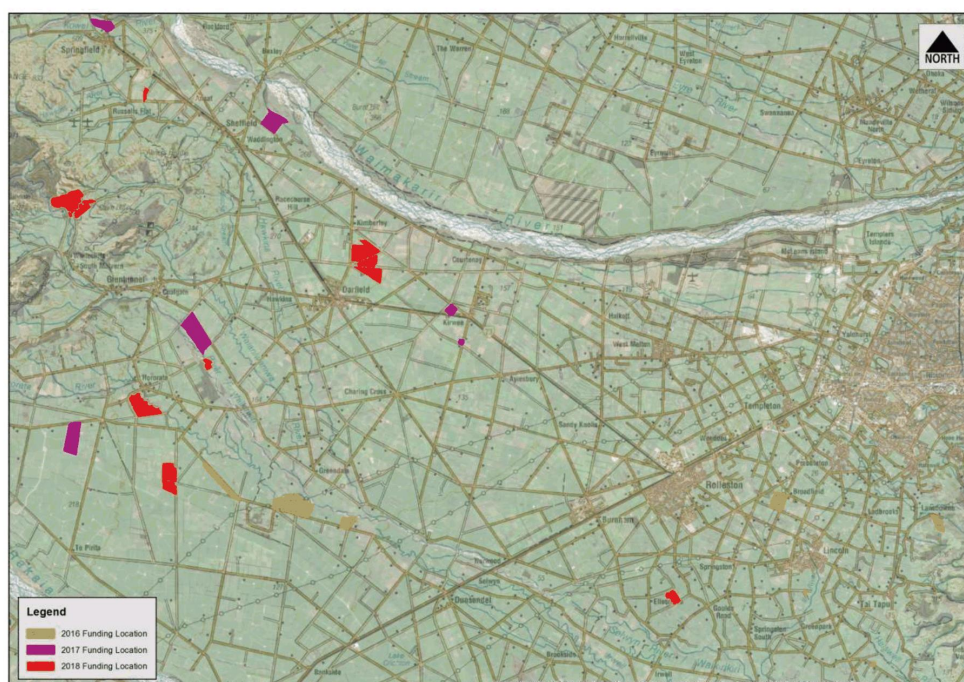
Since its formation, the EMFC has allocated over \$260,000 of funding to groups and individuals within the Selwyn Te Waihora catchment for environmental enhancement projects. One of the regular recipients of the Fund, Te Ara Kakariki Greenway Canterbury Trust (TAK), have used CPW-sourced funding for their annual Spring plant out days, funding landowner initiatives, school education and maintenance of established sites enrolled in their successful Greendot Programme. The EMFC have elected to continue their ongoing support for TAK as the organisation is now seen as one of the key promoters for biodiversity and narrowing the divide between urban and rural communities, along with the huge success of their work to date.

Figure 34 shows the location of sites in the Selwyn Waihora catchment where EMF funding was utilised to support environmental enhancement and biodiversity projects during the 2017-18 year.

<sup>9</sup> These trigger levels are consistent with equivalent environmental limits established in the LWRP



Central Plains Water Trust  
Annual Sustainability Report 2017-18



**Figure 35.** Location of sites where CPW Environment Management Funds were utilised to support environmental enhancement and biodiversity projects during the 2017-18 year.

#### 4.5.2. Targeted Stream Augmentation

During the 2016-17 season CPW signed an agreement with ECan to make provision in the CPW Stage 2 infrastructure for a discharge point that will enable up to 3.5 cumecs of water to be released into the Selwyn River at times when the water is not required for irrigation, particularly during the fringes of the season. ECan have secured the land area required for construction of an energy dissipater, wetland soakage area and control system the will join onto the CPW Pipeline. Water will be utilised to augment natural flows in the Selwyn River in a manner that provides significant environmental benefits to the river system, while respecting cultural values associated with the mixing of waters. It is anticipated that targeted stream augmentation utilising CPW water will commence in 2019.



## CHRISTCHURCH AGENCY FOR ENERGY TRUST

Unaudited Half Year Report to 31 December 2018



**Christchurch Agency for Energy**

**Directory**

Address	53 Hereford Street Christchurch 8013
Trustees	P Cotter (Chairperson) S Godfrey G Livingstone R Briggs
Bankers	Bank of New Zealand Christchurch
Auditors	Audit New Zealand on behalf of the Auditor-General

Christchurch Agency for Energy

Statement of Comprehensive Revenue and Expense  
for the six months ended 31 December 2018

	Six months ended	
	31 December 2018	31 December 2017
	\$	\$
Interest revenue	7,122	15,875
	<u>7,122</u>	<u>15,875</u>
Grants	370,947	240,000
Other expenses	9,678	7,285
	<u>380,625</u>	<u>247,285</u>
<b>Net deficit for the period</b>	<u>(373,503)</u>	<u>(231,410)</u>
<b>Total comprehensive expense</b>	<u>(373,503)</u>	<u>(231,410)</u>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

## Christchurch Agency for Energy

The accompanying notes form part of and are to be read in conjunction with these financial statements.

### Statement of Financial Position as at 31 December 2018

	31 December 2018	30 June 2018
	\$	\$
<b>Current assets</b>		
Cash and cash equivalents	718,702	1,094,361
Recoverables from non-exchange transactions	600	989
Prepayments	2,883	-
Non-current assets classified as held for sale	1,871	1,873
Total current assets	724,056	1,097,223
<b>Total assets</b>	724,056	1,097,223
<b>Current liabilities</b>		
Payables under exchange transactions	4,323	3,987
Total current liabilities	4,323	3,987
<b>Total liabilities</b>	4,323	3,987
<b>Net assets</b>	719,733	1,093,236
<b>Equity</b>		
Accumulated comprehensive revenue and expense	719,733	1,093,236
<b>Total equity</b>	719,733	1,093,236



Trustee

Date 18 February 2019



Trustee

Date 18 February 2019

Christchurch Agency for Energy

Statement of changes in net assets/equity  
for the six months ended 31 December 2018

	\$
Balance as at 1 July 2017	1,907,970
Total comprehensive expense for the six months to 31 December 2017	(231,410)
Balance as at 31 December 2017	<u>1,676,560</u>
Total comprehensive expense for the six months to 30 June 2018	(583,324)
Balance as at 30 June 2018	<u>1,093,236</u>
Total comprehensive expense for the six months to 31 December 2018	(373,503)
Balance as at 31 December 2018	<u><u>719,733</u></u>

**Christchurch Agency for Energy**

**Statement of cashflows  
for the six months ended 31 December 2018**

	Six months ended	
	31 December 2018	31 December 2017
	\$	\$
<b>Cash flows from operating activities</b>		
Interest received	7,122	15,875
Grants paid	(370,947)	(240,000)
Payments to suppliers	(12,223)	(10,388)
Net GST movement	389	116
Net cash used by operating activities	(375,659)	(234,397)
 Net decrease in cash and cash equivalents	(375,659)	(234,397)
Cash and cash equivalents at beginning of period	1,094,361	1,909,794
 Cash and cash equivalents at end of period	718,702	1,675,397

The accompanying notes form part of and are to be read in conjunction with these financial statements.

## Christchurch Agency for Energy

Christchurch Agency for Energy Trust  
Statement of objectives and performance for the six months ended 31 December 2018  
Financial performance targets

	31 December 2018 Target \$	Six months ended 31 December 2018 Actual \$	31 December 2018 Variance \$	2019 FY Target \$
<b>Revenue</b>				
Interest received	500	7,122	6,622	1,000
Total Revenue	500	7,122	6,622	1,000
<b>Expenditure</b>				
Christchurch Energy Grant Scheme payments	35,000	370,947	(335,947)	70,000
Grant administration and general expenses	9,000	9,678	(678)	18,000
Total Expenses	44,000	380,625	(336,625)	88,000
<b>Deficit for the period</b>	<b>(43,500)</b>	<b>(373,503)</b>	<b>(330,003)</b>	<b>(87,000)</b>
<b>Retained Deficit</b>				
Opening balance	87,000	1,093,236	1,006,236	87,000
Current period deficit	(43,500)	(373,503)	(330,003)	(87,000)
Closing balance	43,500	719,733	676,233	-
<b>Awarded but and Unpaid Christchurch Energy Grant Scheme grants</b>	-	551,345	(551,345)	-

### Variances

#### Revenue

Interest revenue is higher than forecast due to a higher than planned cash balance as a result of the delay in paying Christchurch Energy Grant Scheme grants.

#### Expenditure

Four Christchurch Energy Grant Scheme payments have been made during the six months to 31 December 2018. These were originally anticipated to be paid in previous financial years. Resulting in higher expenditure in this financial year. The remaining payments are expected to be made in the second half of the financial year.

General administration costs including accounting, legal and administration charges from the Council were higher than forecast because services acquired from the Council were more than estimated.

### Non-financial performance targets

In addition to the above financial performance measures, Christchurch Agency for Energy Trust uses the following measures as set out in its 2018 Statement of Intent to assess its performance for the financial year:

Performance Target	Performance Measure	Actual Half Year Results
Christchurch Energy Grants Scheme	Allocation and payment of the remaining balance the fund for initiatives within the Central City through the Christchurch Energy Grants Scheme or other initiatives in line with the Trust Deed.	5 grants totaling \$57,000 have been allocated during the period.  The Trustees are considering suitable projects for the remaining balance.



## Christchurch Agency for Energy

### Christchurch Agency for Energy Trust Notes to the interim financial statements for the six months ended 31 December 2018

#### Basis for preparation and Statement of Compliance

These are the unaudited interim financial statements of the Christchurch Agency for Energy Trust (the Trust), a Charitable Trust created by the Christchurch City Council (the Council) on 13 July 2010. The primary purpose of the Trust is to promote energy efficiency initiatives and the use of renewable energy in Christchurch.

On this basis, the Trust is considered a public benefit entity for purposes of financial reporting.

The unaudited interim financial statements of the Trust are for the six months ended 31 December 2018. The unaudited interim financial statements were approved for issue by the Board of Trustees on 15 January 2019.

The interim financial statements for the six months ended 31 December 2018 have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with the Tier 2 PBE standards for periods beginning on or after 1 July 2014.

As the Trust has elected to report under Tier 2 PBE standards, it has applied disclosure concessions, where available. The criteria under which the Trust is eligible to report under Tier 2 PBE Standards are as follows:

- the Trust is not publicly accountable; and
- the Trust's total expenses for the period being reported are below the \$30 million threshold for Tier 1 reporting.

Where disclosure concessions have been applied by the Trust, these are discussed in the accounting policies affected.

The interim financial statements do not include all the information and disclosures required in the annual financial statements. As such, these should be read in conjunction with the Trust's annual financial statements for the year ended 30 June 2018.

#### Significant Accounting policies

##### Changes in Accounting Policies and Disclosures

There have been no significant changes in accounting policies since 30 June 2018.

##### Significant related party transactions

The Council provided accounting and administration services to the Trust at a cost of \$4,885 (2017: \$2,883).

## Christchurch Agency for Energy

### Commitments

#### Christchurch Energy Grants

\$551,345 of Christchurch Energy Grants has been allocated as at 31 December 2018 (2017: \$1,382,071). These are expected to be paid through to the 2018/19 financial year upon meeting the requirements set out in the respective funding agreements.

### Contingencies

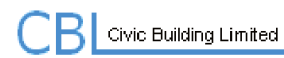
The Trust has no contingent assets or liabilities as at 31 December 2018 (2017: nil).

### Events subsequent to balance date

There were no significant events subsequent to balance date requiring disclosure or that would materially affect these financial statements.

### Going concern

The Trust intends to wind up by 31 May 2019 with any remaining assets being transferred at the direction of the settlor of the Trust (Christchurch City Council), for a similar charitable purpose, in accordance with the Trust Deed. The interim financial statements for the six months ended 31 December 2018 are therefore prepared on a disestablishment basis consistent with the 30 June 2018 financial statements.



**Civic Building Limited**

**Unaudited Half Year Financial Statements**

**For the six months to 31 December 2018**

## Civic Building Limited

### Background

These are the unaudited interim financial statements of Civic Building Limited ("the Company").

The Company is a Council Controlled Trading Organisation as defined by Section 6 of the Local Government Act 2002. Accordingly, the Company has designated itself as a profit oriented entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) reporting as a Tier 2 for-profit entity.

The Company is a party along with Ngai Tahu Property (CCC-JV) Limited to the Christchurch Civic Building Joint Venture (CCBJV), an unincorporated joint venture which has developed and now maintains the Christchurch City Council's Civic Building on Hereford Street.

The financial statements of the Company are for the six months ended 31 December 2018. The financial statements were authorised for issue by the Board of Directors on 15 February 2019.

### Directors

The persons holding office as Directors of the Company for the year to date and at 31 December 2018 were:

Jamie Gough (Chairperson)  
David East (Deputy Chairperson)  
Mike Davidson

## Civic Building Limited

### Commentary

#### Financial Performance

Revenue slightly decreased for the six months to December 2018 compared to December 2017 due to reductions in interest received on the finance lease, insurance proceeds, and is partially offset by increased interest received on term deposits and property expense recoveries.

The decrease in finance costs between December 2018 and December 2017 mainly arises from a decrease in interest rate.

#### Financial Position

The partial loan repayment on 20 December 2018 of \$2.5 million had the expected decrease in both total assets and liabilities.

#### Statement of intent variance commentary:

Total actual income is slightly higher than plan due to term deposit interest income, finance lease interest revenue, rental income and recovery of property expenses being higher than expected.

Expenses are higher than plan mainly due to insurance cost being higher than expected.

The total asset balance at 31 December 2018 is \$58.86 million which is greater than plan. This is mainly due to cash and cash equivalents, investment property and finance lease receivable being higher than expected.

#### Operational Performance Targets

Objective and Strategy	Performance Measure 2018/19	Performance to date
Meet the financial targets contained within this SOI.	Budgeted key performance indicators are met or exceeded.	Financial targets are generally in line with the SOI targets. (refer to Statement of Service Performance)
Manage the investment in a commercially astute and prudent manner.	Ensure the Civic building is managed in accordance with the management agreement.	The building has been managed in accordance with the management agreement.

#### Environmental and Social Performance Targets

Objective and Strategy	Performance Measure 2018/19	Performance to date
The Civic building was designed to achieve a high standard in terms of environmental and energy sustainability.	Ensure the Civic Building operates in a manner that preserves accreditation features equivalent to 6 Green Star rating.	The Facility Management Team considers that the building is operating in a manner consistent with 6 Green Star rating facility and refer to a desktop evaluation to be undertaken of current equivalence.

Civic Building Limited

Statement of Profit or Loss and Other Comprehensive Income  
for the six months ended 31 December 2018

	Six months ended 31 December	
	2018 \$000	2017 \$000
Revenue	2,364	2,382
Finance costs	2,192	2,732
Other expenses	347	348
	<u>2,539</u>	<u>3,080</u>
<b>Loss before income tax</b>	<u>(175)</u>	<u>(698)</u>
Income tax expense/(income)	(49)	(195)
<b>Loss for the period</b>	<u>(126)</u>	<u>(503)</u>
<b>Total comprehensive loss for the period</b>	<u><u>(126)</u></u>	<u><u>(503)</u></u>

The accompanying notes form part of and are to be read in conjunction with these financial statements.



Civic Building Limited

Statement of Changes in Equity  
for the six months ended 31 December 2018

	Share Capital \$000	Retained Earnings \$000	Total \$000
Balance at 1 July 2017	6,188	(15,075)	(8,887)
Comprehensive loss for the 6 months to 31 December 2017	-	(503)	(503)
Balance at 31 December 2017	6,188	(15,578)	(9,390)
Comprehensive loss for the 6 months to 30 June 2018	-	812	812
Balance at 30 June 2018	6,188	(14,766)	(8,578)
Comprehensive loss for the 6 months to 31 December 2018	-	(126)	(126)
<b>Balance at 31 December 2018</b>	<b>6,188</b>	<b>(14,892)</b>	<b>(8,704)</b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Civic Building Limited

Statement of Financial Position  
as at 31 December 2018

	31 December 2018 \$000	30 June 2018 \$000
<b>Current assets</b>		
Cash and cash equivalents	2,710	4,945
Trade and other receivables	156	63
Finance lease receivable - current	4,310	4,153
Current tax assets	489	489
<b>Total current assets</b>	<b>7,665</b>	<b>9,650</b>
<b>Non-current assets</b>		
Other financial assets	250	250
Investment property	6,400	6,400
Deferred tax asset	79	-
Finance lease receivable - non-current	44,462	45,036
<b>Total non-current assets</b>	<b>51,191</b>	<b>51,686</b>
<b>Total assets</b>	<b>58,856</b>	<b>61,336</b>
<b>Current liabilities</b>		
Trade and other payables	300	214
Lease liabilities	378	348
Borrowings - current	2,500	5,000
<b>Total current liabilities</b>	<b>3,178</b>	<b>5,562</b>
<b>Non-current liabilities</b>		
Deferred tax liability	10,494	10,464
Borrowings - non-current	53,888	53,888
<b>Total non-current liabilities</b>	<b>64,382</b>	<b>64,352</b>
<b>Total liabilities</b>	<b>67,560</b>	<b>69,914</b>
<b>Net liabilities</b>	<b>(8,704)</b>	<b>(8,578)</b>
<b>Equity</b>		
Share capital	6,188	6,188
Retained earnings	(14,892)	(14,766)
<b>Total equity</b>	<b>(8,704)</b>	<b>(8,578)</b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

For and on behalf of the Board of Directors which authorised the issue of the financial statements:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Civic Building Limited

Statement of Cash Flows

for the 6 months ended 31 December 2018

	Six months ended 31 December	
	2018	2017
	\$000	\$000
<b>Cashflows from operating activities</b>		
Operating revenue	2,764	2,689
Insurance proceeds received	-	17
Payments to suppliers and employees	(438)	(337)
Net GST movement	71	68
Net cash flow from operating activities	<u>2,397</u>	<u>2,437</u>
<b>Cashflows from investing activities</b>		
Interest received	78	73
Term deposits matured	10,105	15,278
Term deposit investments	<u>(10,105)</u>	<u>(13,818)</u>
Net cash flow from investing activities	<u>78</u>	<u>1,533</u>
<b>Cashflows from financing activities</b>		
Interest paid	(2,210)	(2,880)
Loan repayment	<u>(2,500)</u>	<u>-</u>
Net cash flow from financing activities	<u>(4,710)</u>	<u>(2,880)</u>
Net increase/(decrease) in cash and cash equivalents	(2,235)	1,090
Cash and cash equivalents at beginning of period	4,945	3,771
<b>Cash and cash equivalents at end of period</b>	<b><u>2,710</u></b>	<b><u>4,861</u></b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

**Civic Building Limited**

**Notes to the interim financial statements  
for the six months ended 31 December 2018**

**Statement of Compliance**

These are the unaudited interim financial statements of the Company for the six months ended 31 December 2018.

The interim financial statements have been prepared in accordance with NZ IAS 34 Interim Financial Reporting and New Zealand generally accepted accounting practice as appropriate for Tier 2 for-profit entities. They comply with the Tier 2 for-profit accounting standards.

As the Company has elected to report under Tier 2 for-profit accounting standards, it has applied disclosure concessions, where available. The criteria under which the Company is eligible to report under Tier 2 for-profit accounting standards are as follows:

- (a) the Company is not publicly accountable; and
- (b) the Company's total expenses for the period being reported are below the \$30 million threshold for Tier 1 reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements. As such, these should be read in conjunction with the Company's annual financial statements as at 30 June 2018.

**Accounting policies**

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements as at 30 June 2018.

**Contingencies**

The Company had no contingent liabilities on 31 December 2018 or 30 June 2018.

**Events subsequent to balance date**

There were no significant events subsequent to balance date requiring disclosure or that would materially affect these financial statements.

Civic Building Limited

Statement of Service Performance

The following lists the financial and operating performance targets set by the Company in its Statement of Intent for the year to 30 June 2019 and reports on progress to date against these targets.

	Six months ended 31 December 2018			Full year
	Target	Actual	Variance	Target
	\$000	\$000	\$000	\$000
<b>Financial Performance Targets:</b>				
<i>Income</i>				
Interest - finance lease	1,733	1,741	8	3,466
Interest - other	49	76	27	98
Other income	539	547	8	1,077
<i>Expenses</i>				
Finance costs	2,175	2,192	(17)	4,349
Other expenses	319	347	(28)	637
<b>(Loss)/profit before income tax</b>	<b>(173)</b>	<b>(175)</b>	<b>(2)</b>	<b>(345)</b>
Income tax (income)	(74)	(49)	25	(147)
<b>(Loss)/profit after income tax</b>	<b>(100)</b>	<b>(126)</b>	<b>(27)</b>	<b>(198)</b>
<b>Ratio of Shareholders Funds to Total Assets</b>	-18.5%	-14.8%	3.7%	-18.5%
	Six months ended 31 December 2018			Full year
	Target	Actual	Variance	Target
	\$000	\$000	\$000	\$000
<b>Capital Structure</b>				
Uncalled capital	10,000	10,000	-	10,000
RPS shares	6,188	6,188	-	6,188
Borrowings from Council	58,888	56,388	(2,500)	53,888
Finance lease asset	48,341	48,773	432	48,341
Total assets	54,900	58,856	3,956	54,900

RICCARTON HOUSE & BUSH  
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**Unaudited Half year Report to 31 December 2018**

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Background

These are the unaudited interim financial statements of the Riccarton Bush Trust ("the Trust"). The financial statements of the Trust are for the 6 months ended 31 December 2018. The financial statements were authorised for issue by the Trust Board on 27 February 2019.

The Trust was formed by an Act of Parliament and operates and manages Riccarton House and grounds together with Riccarton Bush. The key objectives of the Trust are to:

- protect and enhance the indigenous flora, fauna and ecology of Riccarton Bush;
- conserve Deans Cottage, Riccarton House and their grounds with Riccarton Bush and the Deans family history; and
- encourage public use and participation of the reserve and to inform visitors about the natural, Maori and colonial heritage of Christchurch.

### Trustees

The persons holding office as Trustees for the year to date and at 31 December 2018 were:

Bob Shearing (Chairman)  
Mike Mora (Deputy Chairman)  
David Norton  
Tim Deans  
Jimmy Chen  
Bob Lineham  
Shirish Paranjape  
Pippa Ensor

### State of Affairs

For the six months ended 31 December 2018 the Trust made a deficit of \$61,251 compared to a deficit of \$113,549 for the six months to 31 December 2017.

Total income (including interest revenue) was \$291,068 against budget of \$278,000 (\$13,068 or 5% above budget). Higher revenue was a result of receiving capital grant revenue of \$17,000 which was not budgeted for due to uncertainties. Commission received from Local was \$2,000 lower than expected due to Local's quieter winter months and heavy rain fall. Commission is expected to recover over the next few months. Tours and door sales were also \$3000 lower than expected due to wet weather which should reverse in summer.

Operating expenses were \$273,760 against budget of \$278,000 (\$4,240 or 2% under budget). Majority of expenses were incurred in line with budget. Major savings were made from a decrease in the cost of insurance of \$6,500. Small overspends were made in building, plant and equipment maintenance, fire and security system expenses. These are anticipated to spread out over the remaining months of the 2019 financial year and match budget.

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## RICCARTON BUSH TRUST

### Operational highlights

- Extensive upgrades and purchases of Bush and Ground Signage throughout the period of July to September 2018.
- Investments in more antique furniture in August 2018 to enhance the house.
- Upgrades to grounds and landscaping throughout the period of July to October 2018.
- Halswell-Hornby-Riccarton Discretionary Response Fund received and used to purchase new monitors for the Boardroom and Morning Room.
- Replacing the Rangers Vehicle with the purchase of a new 2018 Great Wall Steed Truck.
- Security Upgrades to ensure Riccarton House is adequately secure.
- Detailed plans have drafted for the downstairs Bathroom upgrade with the expectation that construction will begin after Mother's Day.
- Publishing an updated version of 'Letters to my Grandchildren'.

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Statement of comprehensive revenue and expense

For the six months ended 31 December 2018

	Six months ended	
	31 December 2018	31 December 2017
	\$	\$
Revenue from operations	69,635	57,070
Other revenue	221,433	191,171
	<u>291,068</u>	<u>248,241</u>
Employee benefits expense	153,883	146,198
Depreciation and impairment	77,791	67,786
Projects cost	224	30,140
Other expenses	119,653	117,666
Loss on Disposal	768	-
	<u>352,319</u>	<u>361,790</u>
Net deficit for the period	<u>(61,251)</u>	<u>(113,549)</u>
Total comprehensive expense	<u>(61,251)</u>	<u>(113,549)</u>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Statement of changes in equity

For the six months ended 31 December 2018

	Trust Funds \$	ACR&E* \$	Total equity \$
Balance as at 1 July 2017	10,793,607	1,293,738	12,087,345
Total comprehensive expense for the six months to 31 December 2017	-	(113,549)	(113,549)
Balance as at 31 December 2017	10,793,607	1,180,189	11,973,796
Total comprehensive expense for the six months to 30 June 2018	4,330,808	(28,100)	4,302,708
Balance as at 30 June 2018	15,124,415	1,152,089	16,276,504
Total comprehensive expense for the six months to 31 December 2018	-	(61,251)	(61,251)
Balance as at 31 December 2018	15,124,415	1,090,838	16,215,253

The accompanying notes form part of and are to be read in conjunction with these financial statements.

\*ACR&E Accumulated comprehensive revenue and expense

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

Statement of financial position  
As at 31 December 2018

	31 December 2018 \$	30 June 2018 \$
<b>Current assets</b>		
Cash and cash equivalents	244,476	340,394
Recoverables from exchange transactions	52,494	30,367
Inventories	1,966	1,927
<b>Total current assets</b>	<b>298,936</b>	<b>372,688</b>
<b>Non-current assets</b>		
Property, plant and equipment	16,056,733	15,973,288
<b>Total non-current assets</b>	<b>16,056,733</b>	<b>15,973,288</b>
<b>Total assets</b>	<b>16,355,669</b>	<b>16,345,976</b>
<b>Current liabilities</b>		
Payables under exchange transactions	105,575	46,286
Provisions	25,896	19,984
Finance lease liability	1,322	1,887
<b>Total current liabilities</b>	<b>132,793</b>	<b>68,157</b>
<b>Non-current liabilities</b>		
Finance lease liability	7,623	1,315
<b>Total long term liabilities</b>	<b>7,623</b>	<b>1,315</b>
<b>Total liabilities</b>	<b>140,416</b>	<b>69,472</b>
<b>Net assets</b>	<b>16,215,253</b>	<b>16,276,504</b>
<b>Equity</b>		
Trust funds	15,124,415	15,124,415
Accumulated comprehensive revenue and expense	1,090,838	1,152,089
<b>Total equity</b>	<b>16,215,253</b>	<b>16,276,504</b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

For and on behalf of the Board of Trustees, which authorised the issue of the financial report on:

Date

5 FEBRUARY 2019

Chairman (Bob Shearing)



Manager (Shona Willis)



RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Statement of cashflows

For the six months ended 31 December 2018

	Six months ended	
	31 December 2018	31 December 2017
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers and donations	93,903	75,150
Contributions from Christchurch City Council	189,281	168,197
Interest income	2,375	3,047
Payments to employees and suppliers	(292,196)	(305,845)
Net GST movement	(4,082)	4,058
Gains/Losses	(768)	-
Net cash flow from operating activities	(11,487)	(55,393)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(90,174)	(138,373)
Net cash flow from investing activities	(90,174)	(138,373)
<b>Cash flows from financing activities</b>		
Establishment/(Payment) of finance lease	5,743	(709)
Net cash flow from financing activities	5,743	(709)
Net (decrease)/increase in cash and cash equivalents	(95,918)	(194,475)
Opening cash and cash equivalents	340,394	322,129
Represented by:		
Cash and cash equivalents	244,476	127,654

The accompanying notes form part of and are to be read in conjunction with these financial statements.

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Statement of Objectives and Performance

For the six months ended 31 December 2018

The following lists the financial and operating performance targets set by the Trust in its Statement of Intent for the year to 30 June 2019 and summarises the Trust's performance against the objectives for the period to date.

#### Financial Performance Targets

	Six months ended 31 December			
	2018	2018	2018	2018
	Actual	Target	Variance	FY Target
	\$	\$	\$	\$
Operating Revenue	291,068	278,000	13,068	556,000
Less Operating Expenses	274,304	278,000	3,696	556,000
Operating surplus (deficit) before depreciation	16,764	-	16,764	-
Capital structure - total equity	16,215,253	11,810,000	4,405,253	11,810,000

The above targets relate to operating revenue and operating expenses and do not include depreciation and project costs of \$78,015.

#### Project Performance Targets

Target	Performance Measure	Actual
1. Refit and upgrade the downstairs toilets to bring them up to code.	<ul style="list-style-type: none"> <li>Work Completed 30 June 2019.</li> </ul>	Detailed design completed. Funding application submitted
2. Ranger's replacement Truck	<ul style="list-style-type: none"> <li>Truck purchased 30 December 2018.</li> </ul>	Truck purchased in late November. Tray added and sign writing completed.
3. Monitor Health and Safety practices in accordance with adopted policy to meet the requirements of the Health and Safety at Work Act 2015.	<ul style="list-style-type: none"> <li>Report to each Board meeting.</li> <li>Target results for all Trust activities, of:                             <ul style="list-style-type: none"> <li>Serious Harm incidents = 0</li> <li>Accident = 1</li> <li>Near Misses = 3</li> </ul> </li> </ul>	Health and Safety meetings each month and a report is submitted at each board meeting. Serious Harm incidents = 0 Accident = 0 Near Misses = 1
4. Develop a Marketing Plan to increase income to RBT.	<ul style="list-style-type: none"> <li>The best attempts have been made to augment CCC funding.</li> </ul>	In progress

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

### Environmental and Social Performance Targets

Target	Performance Measure	Actual
1. Minimise the number of feral pigeons in Riccarton Bush.	<ul style="list-style-type: none"> <li>Feral pigeon numbers not causing significant nuisance.</li> </ul>	There is currently a shooting regime and on average 20-25 pigeons are shot weekly.
2. Monitoring and management of rodent activity in Riccarton Bush.	<ul style="list-style-type: none"> <li>Effective management of bait stations resulting in observable decrease in activity.</li> </ul>	No evidence of rodent activity in the first 6 months.
3. Update and increase the interactivity of Dean's Cottage Displays.	<ul style="list-style-type: none"> <li>The upgrade of the existing displays is completed by 30 June 2019.</li> </ul>	In progress
4. Bush and Grounds Interpretation – signs to be upgraded to represent relationship with Ngāi Tuāhiriri.	<ul style="list-style-type: none"> <li>Upgrade of interpretation panels completed by 30 June 2019.</li> </ul>	Not yet commenced.

### Notes to the interim financial statements

For the six months ended 31 December 2018

### Basis for preparation and Statement of Compliance

These are the unaudited interim financial statements of the Trust. The Trust operates under the Riccarton Bush Act 1914 and is a Council Controlled Organisation under the Local Government Act 2002. The Trust manages property in Riccarton. The property consists of Riccarton historic house, cottage and grounds, a residential house and conservation bush.

The major source of income is from an operating levy and an additional grant received annually from the Council and from grants and donations and rents from use of the properties.

The primary purpose of the Trust is to:

- protect and enhance the indigenous flora, fauna and ecology of Riccarton Bush;
- conserve Deans Cottage, Riccarton House and their grounds with Riccarton Bush and the Deans family history; and
- encourage public use and participation of the reserve and to inform visitors about the natural, Maori and colonial heritage of Christchurch.

On this basis, the Trust is considered a public benefit entity for purposes of financial reporting.

The interim financial statements for the six months ended 31 December 2018 have been prepared in accordance with PBE IAS 34 Interim Financial Reporting and New Zealand generally accepted accounting practice. They comply with the Tier 2 PBE standards.

RICCARTON HOUSE & BUSH  
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## RICCARTON BUSH TRUST

As the Trust has elected to report under Tier 2 PBE standards, it has applied disclosure concessions, where available. The criteria under which the Trust is eligible to report under Tier 2 PBE Standards are as follows:

- (a) the Trust is not publicly accountable; and
- (b) the Trust's total expenses for the period being reported are below the \$30 million threshold for Tier 1 reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements. As such, these should be read in conjunction with the Trust's annual financial statements as at 30 June 2018.

### Significant Accounting policies

#### Changes in Accounting Policies and Disclosures

There have been no significant changes in accounting policy since 30 June 2018.

#### Significant related party transactions

The Trust requires the Council to contribute a significant amount of funds towards its operating costs to deliver its objectives as specified in the Riccarton Bush Act.

During the six months to 31 December 2018, the Trust received \$176,781 (2017: \$168,197) in operational grants and levies from the Council. A further \$12,500 was received as a capital grant from the Council.

The Trust owes Council \$nil as at 31 December 2018 (2017: \$nil).

The Council owes the Trust \$nil as at 31 December 2018 (2017: \$nil).

#### Contingencies

The Trust has no contingent assets or liabilities as at 31 December 2018.

#### Events subsequent to balance date

There were no significant events subsequent to balance date requiring disclosure or that would materially affect these financial statements.

RICCARTON HOUSE & BUSH  
PŪTARINGAMOTU



# Unaudited Half Year Report

Rod Donald Banks Peninsula Trust  
For the 6 months ended 31 December 2018

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## DIRECTORY

### Rod Donald Banks Peninsula Trust For the 6 months ended 31 December 2018

#### Address

c/o Sidekick Christchurch Limited  
Level 3  
50 Victoria Street  
Christchurch 8013

P.O. Box 5  
Little River  
Banks Peninsula 7546

#### Trustees

Simon Mortlock  
Andrew Turner  
Bob Webster  
Bryan Storey  
Cynthia Roberts  
Maureen McCloy  
Paul McNoe  
Richard Suggate

#### Bankers

Bank of New Zealand

#### Auditors

Audit New Zealand on behalf of the Auditor General

#### Email

manager@roddonaldtrust.co.nz

#### Website

www.roddonaldtrust.co.nz



## ROD DONALD BANKS PENINSULA TRUST NON-FINANCIAL PERFORMANCE TARGETS

Rod Donald Banks Peninsula Trust  
For the 6 months ended 31 December 2018

Achievement Target	Achievement
<b>Indicator 1. The Trust has determined four key pillars on which its projects will be based; Access, Biodiversity, Knowledge, and Partnerships.</b>	
Assess potential projects brought to the Trust's attention against these four pillars to determine whether they should be added as a Trust project and action those that are deemed a priority	<p>ACHIEVED</p> <p>New projects brought to the Trust's attention this year were:</p> <ul style="list-style-type: none"> <li>Pest Free Banks Peninsula administrator start up funding</li> <li>Banks Peninsula Geo Park</li> </ul> <p>The first project was approved for funding. The Trust is attending meetings to investigate and further the GeoPark project</p>
Make submissions to relevant policy documents in support of the pillars.	<p>ACHIEVED</p> <ul style="list-style-type: none"> <li>CCC Misty Peaks Draft Reserve Management Plan</li> <li>CCC Te Oka Draft Reserve Management Plan</li> </ul>
<b>Indicator 2. Provide leadership and tangible support for the projects achieving Access</b>	
Progress Te Ara Pātaka through securing public access and adding user facilities, including continued management of Rod Donald Hut and development of a long-term plan for assets.	<p>ACHIEVED</p> <ul style="list-style-type: none"> <li>Public access secured on Newport land along Te Ara Pataka bordering Sign of the Packhorse Reserve</li> <li>Rod Donald Hut access track part planted with native trees to reduce maintenance requirement</li> <li>Long term plan for assets included in Trust Strategic Planning</li> </ul> <p>IN PROGRESS</p> <ul style="list-style-type: none"> <li>Track maintenance contract for Te Ara Pataka connecting tracks Mt Herbert Walkway and Monument Track</li> </ul>
Support the improvement and development of other walking and biking opportunities on well maintained and managed tracks.	<p>ACHIEVED</p> <ul style="list-style-type: none"> <li>Participation in Lyttelton Head to Head Working Party meetings</li> <li>Otamahua Hut opened on Quail Island with Trust support</li> <li>Panama Stream Family camp opened at Langer Reserve in Le Bons Bay with Trust support</li> </ul>

ROD DONALD BANKS PENINSULA TRUST NON-FINANCIAL PERFORMANCE TARGETS

Sell the property containing Woodhills South track when a public walking easement has been secured.	IN PROGRESS <ul style="list-style-type: none"> <li>Subdivision application approved</li> </ul>
<b>Indicator 3. Provide tangible support for biodiversity</b>	
Secure a conservation covenant on the regenerating forest on the above property.	IN PROGRESS <ul style="list-style-type: none"> <li>Covenant agreed subject to property title reference being updated.</li> </ul>
Continue support for the Banks Peninsula Conservation Trust and other groups involved with biodiversity protection and enhancement.	ACHIEVED <ul style="list-style-type: none"> <li>Grant funding allocated to BPCT for volunteer coordinator post.</li> </ul> IN PROGRESS <ul style="list-style-type: none"> <li>Research into how carbon credit funding can support biodiversity initiatives</li> </ul>
Participate in the Banks Peninsula Pest free initiatives	ACHIEVED <ul style="list-style-type: none"> <li>Signed the Pest Free Banks Peninsula MOU</li> <li>Funding allocated to assist with the start up of Pest Free Banks Peninsula</li> </ul>
Look to achieve biodiversity corridors and gains when securing land for Access.	ACHIEVED <ul style="list-style-type: none"> <li>21ha biodiversity corridor gained with Newport land</li> </ul>
<b>Indicator 4. Provide tangible support and leadership for projects building the Knowledge pillar.</b>	
Keep the Trust's map, brochure and web products updated, develop new brochures for Lyttelton Harbour /Whakaraupō and work on a long-term strategy for their ownership.	ACHIEVED <ul style="list-style-type: none"> <li>Brochure updates for 'Akaroa Country Walks,' 'Akaroa Wairewa Summit and Bays' and 'Lyttelton Walks' brochures</li> <li>BP Walks website updated</li> </ul>
Work with other agencies including the Department of Conservation and Christchurch City Council to share and disseminate information about Banks Peninsula.	IN PROGRESS <ul style="list-style-type: none"> <li>Advocacy to work with CCC to improve walking signage</li> <li>Continued co-operation with DOC around Te Ara Pataka marketing and information</li> <li>Recipient of DOC Enduring Partnership and Ongoing support award</li> </ul>
Support the Banks Peninsula Walking Festival	ACHIEVED

ROD DONALD BANKS PENINSULA TRUST NON-FINANCIAL PERFORMANCE TARGETS

	<ul style="list-style-type: none"> <li>Successful Banks Peninsula Walking festival ran in November 2018, with high participation rates</li> </ul>
<b>Indicator 5. Provide tangible support for and work with a range of partners</b>	
Inform the public and relevant interest groups about on-going activities and progress of the Trust	<p>ACHIEVED</p> <ul style="list-style-type: none"> <li>Website <a href="http://www.rodtonaldtrust.co.nz">www.rodtonaldtrust.co.nz</a> kept updated</li> <li>Facebook page <a href="https://www.facebook.com/RodDonaldBPTrust/">www.facebook.com/RodDonaldBPTrust/</a> also updated</li> <li>Media articles including in the Akaroa Mail, NZ Today</li> <li>Walking Festival promoting Trust</li> <li>Newsletter published and circulated</li> <li>You tube video produced – ‘Panama Stream Family Camp’</li> <li>Participation in Biodiversity forum</li> </ul> <p>IN PROGRESS</p> <ul style="list-style-type: none"> <li>Strategic Plan 2020-2030 booklet underway</li> <li>Strategic Plan 2020-2030 movie filming underway</li> </ul>
Identify other bodies which have funds available for projects aligned with the objectives of the RDBPT, develop strategic relationships with these bodies with the aim of a 4:1 leverage on Trust capital where possible.	<p>ACHIEVED</p> <ul style="list-style-type: none"> <li>Grants to Orton Bradley Park and BPCT leverage Trust input</li> <li>Josef Langer Trust MOU commitments to Panama Reserve completed</li> </ul>

## FINANCIAL PERFORMANCE TARGETS

Rod Donald Banks Peninsula Trust  
For the 6 months ended 31 December 2018

	TARGET NOTES	DEC - 18 TARGET	DEC - 18 ACTUAL	DEC - 18 VARIANCE	JUN - 19 TARGET
<b>Financial Performance Targets</b>					
<b>Operating Surplus/(deficit)</b>					
Revenue	1	156,679	58,224	(98,455)	313,358
Trust Management	2	(45,441)	(38,889)	6,552	(90,882)
Operating Costs	3	(27,872)	(51,522)	(23,650)	(55,744)
Minor Projects	4	(1,574)	(6,630)	(5,056)	(3,148)
Commitments to partners	5	(10,000)	(9,500)	500	(20,000)
<b>Operating Surplus/(deficit)</b>		<b>71,792</b>	<b>(48,317)</b>	<b>(120,109)</b>	<b>143,584</b>
Opening Funds	6	2,193,649	2,280,889	(87,240)	2,193,649
Operating Surplus/(deficit)		71,792	(48,317)	(120,109)	143,584
Strategic grants and project expenditure	7	(146,000)	(280,534)	(134,534)	(292,000)
<b>Add back non cash items</b>					
Depreciation		-	6,462	6,462	-
Grant Josef Langer		-	48,326	48,326	-
Closing balance		2,119,441	2,006,826	(112,615)	2,045,233

## FINANCIAL PERFORMANCE TARGETS NOTES

### Rod Donald Banks Peninsula Trust For the 6 months ended 31 December 2018

#### 1. Revenue

**Actual figures include** - Interest on the Trust's term deposits, sales and donations

**Explanation of Variance** - Revenue is lower than forecast because the Trust has not yet sold its land held for sale at Grehan Valley Road. The sale is now expected to take place in the second half of the 2018-19 financial year. The revenue figure in the forecast included this land sale, as this forecast is used to reflect the Trust's overall cash position at the end of each year. The Trust has also cashed some of its term deposits and received less income as a result.

#### 2. Trust Management

**Actual figures include** - Cost of Trust Manager

**Explanation of Variance** - The forecast reflects the financial cap value of the Trust Management contract. Trust management is charged on an hourly basis and the actual figure reflects time spent. Less time than forecast has been spent as the new management assistant has worked 1 day per week, while getting up to speed.

#### 3. Operating Costs

**Actual figures include** - Includes audit, accountancy, meetings, some event expenses, insurance, webhosting, bank fees, professional fees not charged to strategic project, costs of Rod Donald Hut, producing walking products and running Banks Peninsula Walking Festival

**Explanation of Variance** - Higher than 50% of the full year forecast as several of the larger contributing costs fell in the first half of the year (principally the walking festival and hut maintenance. Other costs such as the production of walking products depend on when stock needed to be reprinted. Administration costs have varied from last year as there was no strategic planning meeting facilitation cost.

#### 4. Minor Projects

**Actual figures include** - Newsletter, Strategic Plan booklet, Panama Campground opening, Fire brigade donation

**Explanation of Variance** - The forecast represents a nominal figure allocated during preparation of the draft SOI. Minor projects are then undertaken as needed as the year progresses. Additional items above those included in the forecast were development the Trust's Strategic Plan booklet, Panama Campground opening and donation to Little River fire brigade.

#### 5. Commitment to partners

**Actual figures include** - Grants to Banks Peninsula Conservation Trust and Living Springs.

#### 6. Opening Funds

**Actual figures include** - Reflects the Trust's available cash Includes cash on hand, term deposits, accounts receivables less accounts payable. Excludes inventory, property, plant, equipment, land held for sale & intangibles.

**Explanation of Variance** - Opening balance was higher than forecast due to less spent last year as some projects took longer to complete.

FINANCIAL PERFORMANCE TARGETS NOTES

**7. Strategic grants and project expenditure**

**Actual figures include** - All other project grants and direct project spending

**Explanation of Variance** - The SOI qualifies the forecast with a note stating that: *The pattern of spending shown is based on achieving public access on Te Ara Pātaka and other projects progressing toward an optimal timetable, but will dependent on appropriate opportunities presenting and the progress of negotiations and is likely to vary.* During the first half of the year, the Quail Island accommodation was completed, and the Trust managed to secure public access on a Te Ara Pātaka track section. Hence the actual spent was greater than half of the forecast.



# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

Rod Donald Banks Peninsula Trust  
For the 6 months ended 31 December 2018

	NOTES	JUL-DEC 2018	JUL-DEC 2017
<b>Exchange Revenue</b>			
Interest Income		39,127	44,164
Banks Peninsula Walking Festival 2017 income		-	12,997
Banks Peninsula Walking Festival 2018 income*		6,099	-
Hut Fee Revenue		4,514	4,936
Purple Peak signage		390	-
Te Ara Pataka 2 degrees tower lease income		3,500	-
Walking products		4,240	3,867
Woodhills South - Reimbursement from partners		-	-
<b>Total Exchange Revenue</b>		<b>57,870</b>	<b>65,964</b>
<b>Non-exchange revenue</b>			
Donations		50	35
Other Revenue		304	-
<b>Total Non-exchange revenue</b>		<b>354</b>	<b>35</b>
<b>Total Revenue</b>		<b>58,224</b>	<b>65,999</b>
<b>Expenses</b>			
<b>Operating Expenditure</b>			
<b>Trust Management</b>			
Trust Management Operational Contract		38,889	37,308
<b>Total Trust Management</b>		<b>38,889</b>	<b>37,308</b>
<b>Operating Costs</b>			
Administration Costs		11,052	14,400
Banks Peninsula Walking Festival 2018		9,479	10,572
BP Walks Website development		-	2,962
Depreciation		6,462	2,332
Hut operating and maintenance costs		13,676	9,443
Strategic Planning		5,561	-
Walking product minor update and production costs		4,004	2,734
Website hosting and minor updates		1,290	-
<b>Total Operating Costs</b>		<b>51,522</b>	<b>42,443</b>
<b>Minor Projects</b>			
Minor Administrative Projects		6,630	1,586
<b>Total Minor Projects</b>		<b>6,630</b>	<b>1,586</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

	NOTES	JUL-DEC 2018	JUL-DEC 2017
<b>Commitments to partners</b>			
Grants (Commitments to partners)		9,500	18,750
<b>Total Commitments to partners</b>		<b>9,500</b>	<b>18,750</b>
<b>Total Operating Expenditure</b>		<b>106,541</b>	<b>100,087</b>
<b>Strategic grants and project expenditure</b>			
Grant Josef Langer		48,326	-
Pest Free Banks Peninsula		56,684	-
Te Ara Pataka		129,122	222,307
Quail Island Otamahua Hut		29,495	-
Woodills Project Expense**		16,907	-
<b>Total Strategic grants and project expenditure</b>		<b>280,534</b>	<b>222,306</b>
<b>Total Expenses</b>		<b>387,075</b>	<b>322,393</b>
<b>Surplus (Deficit)</b>		<b>(328,851)</b>	<b>(256,394)</b>
<b>Total Comprehensive revenue and expense</b>		<b>(328,851)</b>	<b>(256,394)</b>

\* Banks Peninsula Walking Festival Income - Grants of \$5000 will be recognised in the second half of the financial year making the total income for the 2018 festival to \$11,099

\*\* Woodills Project Expense - These are costs related to preparation of subdivision application

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## STATEMENT OF FINANCIAL POSITION

### Rod Donald Banks Peninsula Trust

As at 31 December 2018

	NOTES	31 DEC 2018	30 JUN 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalent		32,845	83,836
Receivables		35,618	56,065
Current Investments		200,000	808,326
Inventories		4,402	3,375
<b>Total Current Assets</b>		<b>272,865</b>	<b>951,603</b>
<b>Non-Current Assets</b>			
Intangible Assets		20,744	25,951
Property, plant and equipment		322,290	323,545
Long Term Deposit		1,760,000	1,400,000
Loan Investment		9,295	9,295
Land held for sale		234,203	234,203
<b>Total Non-Current Assets</b>		<b>2,346,532</b>	<b>1,992,994</b>
<b>Total Assets</b>		<b>2,619,397</b>	<b>2,944,597</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables		32,046	28,396
<b>Total Current Liabilities</b>		<b>32,046</b>	<b>28,396</b>
<b>Total Liabilities</b>		<b>32,046</b>	<b>28,396</b>
<b>Net Assets</b>		<b>2,587,350</b>	<b>2,916,201</b>
<b>Equity</b>			
Retained Earnings		2,587,350	2,916,201
<b>Total Equity</b>		<b>2,587,350</b>	<b>2,916,201</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## STATEMENT OF CHANGES IN EQUITY

### Rod Donald Banks Peninsula Trust For the 6 months ended 31 December 2018

	JUL-DEC 2018	JAN-JUN 2018	JUL-DEC 2017
<b>Trust Capital</b>			
Opening Balance	2,916,201	2,997,604	3,253,998
Comprehensive Revenue (Deficit) for the period	(328,851)	(81,403)	(256,394)
<b>Total Trust Capital</b>	<b>2,587,350</b>	<b>2,916,201</b>	<b>2,997,604</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## CASHFLOW STATEMENT

Rod Donald Banks Peninsula Trust  
For the 6 months ended 31 December 2018

	Dec-18	Dec-17
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers and other sources	20,756	24,379
Interest received	61,766	61,739
Payments to suppliers	-329,664	-345,920
Net GST movements	-3,849	-3,303
<b>Net cash inflow (outflow) from operating activities</b>	<b>-250,991</b>	<b>-256,499</b>
<b>Cash flows from investing activities</b>		
Payment for intangibles & assets	0	-22,151
Payments for investments	-360,000	-1,530,000
Proceeds from investments	560,000	1,660,000
<b>Net cash inflow / (outflow) from investing activities</b>	<b>200,000</b>	<b>107,849</b>
<b>Net inflow / (outflow) of cash</b>	<b>-50,991</b>	<b>-148,650</b>
Opening cash and cash equivalents	83,836	264,440
<b>Closing cash and cash equivalents</b>	<b>32,845</b>	<b>115,790</b>
Represented by:		
Bank Deposits	32,845	115,790

The accompanying accounting policies and notes form part of these financial statements.

# NOTES ON THE INTERIM FINANCIAL STATEMENTS

## Rod Donald Banks Peninsula Trust For the 6 months ended 31 December 2018

### 1. Statement of Compliance

These are the unaudited interim financial statements of the Rod Donald Banks Peninsula Trust ("the Trust"). The Trust was settled by the Christchurch City Council on 12 July 2010.

The Trust was established to honour the memory of Rod Donald and his commitment to Banks Peninsula and the Trust exists for the benefit of the present and future inhabitants of the Banks Peninsula and visitors to the region.

The Trust's long term vision is to restore the Banks Peninsula to its traditional status as Te Pātaka O Rākaihautū – the storehouse that nourishes. In pursuit of this vision, the Trust promotes the sustainable management and conservation of the natural environment of the Banks Peninsula. On this basis, the Trust is classified as a not-for-profit public benefit entity for financial reporting purposes.

The interim financial statements for the six months ended 31 December 2018 have been prepared in accordance with PBE IAS 34 Interim Financial Reporting and New Zealand generally accepted accounting practice. They comply with the Tier 2 Not-for-profit PBE standards for periods beginning on or after 1 July 2014.

As the Trust has elected to report under Tier 2 PBE standards, it has applied disclosure concessions, where available. The criteria under which the Trust is eligible to report under Tier 2 PBE Standards are as follows:

- the Trust is not publicly accountable; and
- the Trust's total expenses for the period being reported are below the \$30 million threshold for Tier 1.

Where disclosure concessions have been applied by the Trust, these are discussed in the accounting policies affected.

The interim financial statements do not include all the information and disclosures required in the annual financial statements. As such, these should be read in conjunction with the Trust's annual financial statements as at 30 June 2018.

### 2. Significant accounting policies

#### *Changes in accounting policies and disclosures*

There have been no significant changes in accounting policy since 1 July 2017 besides reclassifying the layout of the Statement of Comprehensive Revenue and Expense to align with the Annual report.

#### *Contingencies*

The Trust has no contingent liabilities as at 31 December 2018.

#### *Events subsequent to balance date*

There were no significant events subsequent to balance date requiring disclosure up to the date of authorisation of these financial statements.





## 15. Resolution to Exclude the Public

*Section 48, Local Government Official Information and Meetings Act 1987.*

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

### Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):
- (a) Shall be available to any member of the public who is present; and
  - (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PLAIN ENGLISH REASON	WHEN REPORTS CAN BE RELEASED
16	PUBLIC EXCLUDED FINANCE AND PERFORMANCE COMMITTEE OF THE WHOLE MINUTES - 7 FEBRUARY 2019			REFER TO THE PREVIOUS PUBLIC EXCLUDED REASON IN THE AGENDAS FOR THESE MEETINGS.	
17	CHRISTCHURCH CITY HOLDINGS LTD - PERFORMANCE REPORT FOR QUARTER 2, ENDING 31 DECEMBER 2018	S7(2)(H)	COMMERCIAL ACTIVITIES	CONTAINS COMMERCIAL INFORMATION THAT WOULD DISADVANTAGE THE CCHL GROUP'S PROFITABILITY IF PROVIDED TO THE MARKET.	WHEN THE INFORMATION IS FULLY KNOWN TO THE MARKET, AND WITH THE APPROVAL OF THE CHIEF EXECUTIVE OF THE COUNCIL AND CCHL.
18	CHRISTCHURCHNZ HOLDINGS LTD - HALF YEAR PERFORMANCE REPORT FOR PERIOD 1 JULY - 31 DECEMBER 2018	S7(2)(B)(II)	PREJUDICE COMMERCIAL POSITION	THE REPORT CONTAINS INFORMATION THAT IS SENSITIVE AND COULD LEAD TO LOSSES IF COMPETITORS WERE TO BECOME AWARE OF IT.	AFTER THE ANNUAL REPORT FOR 2018/19 HAS BEEN RELEASED PUBLICLY.
19	VBASE LTD: HALF YEAR PERFORMANCE REPORT 1 JULY - 31 DECEMBER 2018	S7(2)(H)	COMMERCIAL ACTIVITIES	THIS REPORT CONTAINS COMMERCIAL SENSITIVE INFORMATION THAT COULD PREJUDICE VBASE'S FINANCIAL POSITION IF IT BECAME KNOWN TO COMPETITORS.	AFTER RELEASE OF THE 2018/19 ANNUAL REPORT TO THE PUBLIC, AND WITH THE APPROVAL OF THE CHIEF EXECUTIVES OF THE COUNCIL AND VBASE

20	SOCIAL HOUSING RFT	S7(2)(B)(II), S7(2)(H), S7(2)(I)	PREJUDICE COMMERCIAL POSITION, COMMERCIAL ACTIVITIES, CONDUCT NEGOTIATIONS	COMMERCIAL SENSITIVITY AROUND TENDERED PRICES AND PUBLICATION OF THE INFORMATION WILL PREJUDICE THE COMMERCIAL POSITION OF THE TENDERER.	31 JANUARY 2020  31 JANUARY 2020 OR AT AN EARLIER DATE WHEN THE CHIEF EXECUTIVE DETERMINES THERE ARE NO LONGER GROUNDS UNDER THE ACT FOR WITHHOLDING THE REPORT.
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