

**Christchurch City Council**  
**OPEN MINUTES**

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**Date:** Thursday 23 July 2020  
**Time:** 9.32am  
**Venue:** Council Chambers, Civic Offices,  
53 Hereford Street, Christchurch

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**Present**

Chairperson                      Acting Mayor Andrew Turner  
Members                          Councillor Jimmy Chen  
   Councillor Catherine Chu  
   Councillor Melanie Coker  
   Councillor Pauline Cotter  
   Councillor James Daniels  
   Councillor Mike Davidson  
   Councillor Anne Galloway  
   Councillor James Gough  
   Councillor Yani Johanson  
   Councillor Aaron Keown  
   Councillor Sam MacDonald  
   Councillor Phil Mauger  
   Councillor Jake McLellan  
   Councillor Tim Scandrett  
   Councillor Sara Templeton

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**23 July 2020**

**Principal Advisor**

Dawn Baxendale  
Chief Executive  
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Aidan Kimberley  
Committee and Hearings Advisor  
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## Karakia Timatanga:

Given by Councillor Cotter

The agenda was dealt with in the following order.

### 1. Apologies / Ngā Whakapāha

There were no apologies.

#### **Council Resolved CAPL/2020/00086**

That the request from the Mayor for a leave of absence with effect from 17 July be accepted.

Acting Mayor/Councillor Galloway

**Carried**

### 2. Declarations of Interest / Ngā Whakapuaki Aronga

There were no declarations of interest recorded.

### 3. Council - Annual Plan Minutes - 19 June 2020

#### **Council Resolved CAPL/2020/00087**

That the Council confirm the Minutes from the Council - Annual Plan Hearings held 19 June 2020 to 26 June 2020.

Acting Mayor/Councillor MacDonald

**Carried**

### 4. Annual Plan 2020/21

#### **Council Resolved CAPL/2020/00088**

That the Council:

- 2.1 Receives the information contained in this report and attachments;
- 2.2 Notes the advice of the Council's Audit and Risk Management Committee at its meeting on 21 July 2020 that an appropriate process has been followed in the preparation of the information that provides the basis for this 2020/21 Annual Plan;
- 2.3 Resolves that it is financially prudent to adopt a budget that does not balance for the 2020/21 year in accordance with section 100 (2) of the LGA 2002.

Acting Mayor/Councillor McLellan

**Carried**

**Council Resolved CAPL/2020/00089**

**Suspend Standing Orders**

That pursuant to Standing Order 3.5 (Temporary Suspension of Standing Orders) the following Standing Orders be suspended to enable more informal discussion.

- 17.5 members may speak only once
- 17.6 limits on numbers of speakers
- 18.1 general procedure for speaking and moving motions
- 18.8 foreshadowed amendments
- 18.9 lost amendments

Acting Mayor/Councillor Cotter

**Carried**

**Council Resolved CAPL/2020/00090**

That the Council:

- 2.4 Receives the Mayor's recommendations set out in Attachment B.

Acting Mayor/Councillor Templeton

**Carried**

**Residential Excess Water Use Targeted Rate**

Councillor Davidson moved, seconded by Councillor Templeton, that the Council:

- a. Note that of the submitters who provided an opinion on the proposed excess water charge a majority (65%) indicated that they support the proposal.
- b. Approves an excess water use targeted rate for households who use more than 333,000 litres per year (915 litres per day), or more than the water allowance paid for through its rates, whichever is greater. All properties will be entitled to a minimum consumption of 698.6 litres per day.
  - i This will help Council to better manage demand, enable a more secure water supply and reduce pumping costs over summer.
  - ii There will be no rates impact as \$2m additional revenue and associated 0.3% rates reduction have been included in the updated draft annual plan.
  - iii Communication to the community should address some of the misinformation and clarify that it will be billed separately.
- c. Direct staff to conduct further work on the details of a mechanism for applying for an exemption or partial credit for excess water charges, on a case by case basis, with the criteria to include: family size, use of water for medical purposes, unexpected high use due to a water leak, community use, and other special circumstances.
- d. Request staff to provide advice during the Long Term Plan development on how to take into account; equity and fairness, water conservation, cost recovery and ensuring guaranteed provision of water to all consumers.

### Proposed Amendment

Councillor McLellan moved, seconded by Councillor Cotter that the motion be amended as follows:

That the Council:

- a. Note that of the submitters who provided an opinion on the proposed excess water charge a majority (65%) indicated that they support the proposal.
- b. Approves an excess water use targeted rate for households who use more than 333,000 litres per year (915 litres per day).
- c. Implement an allocation of 915 litres per day for every residential household.
  - i This will help Council to better manage demand, enable a more secure water supply and reduce pumping costs over summer.
  - ii There will be no rates impact as \$2m additional revenue and associated 0.3% rates reduction have been included in the updated draft annual plan.
  - iii Communication to the community should address some of the misinformation and clarify that it will be billed separately.

The amendment was ruled by the Chairperson to be out of order.

### Council Resolved CAPL/2020/00091

Item 2.4.1 d. was put separately.

2.4.1 That the Council:

- d. Request staff to provide advice during the Long Term Plan development on how to take into account; equity and fairness, water conservation, cost recovery and ensuring guaranteed provision of water to all consumers.

Councillor Templeton/Councillor Davidson

**Carried**

### Council Decision

2.4.1 That the Council:

- a. Note that of the submitters who provided an opinion on the proposed excess water charge a majority (65%) indicated that they support the proposal.
- b. Approves an excess water use targeted rate for households who use more than 333,000 litres per year (915 litres per day), or more than the water allowance paid for through its rates, whichever is greater. All properties will be entitled to a minimum consumption of 698.6 litres per day.
  - iv This will help Council to better manage demand, enable a more secure water supply and reduce pumping costs over summer.
  - v There will be no rates impact as \$2m additional revenue and associated 0.3% rates reduction have been included in the updated draft annual plan.
  - vi Communication to the community should address some of the misinformation and clarify that it will be billed separately.
- c. Direct staff to conduct further work on the details of a mechanism for applying for an exemption or partial credit for excess water charges, on a case by case basis, with the criteria to include: family size, use of water for medical purposes,

unexpected high use due to a water leak, community use, and other special circumstances.

The division was declared not carried due to the vote being **a tie** as follows:

**For:** Councillor Chu, Councillor Davidson, Councillor Gough, Councillor Keown, Councillor MacDonald, Councillor Mauger, Councillor Scandrett and Councillor Templeton

**Against:** Acting Mayor Turner, Councillor Chen, Councillor Coker, Councillor Cotter, Councillor Daniels, Councillor Galloway, Councillor Johanson and Councillor McLellan

Councillor Templeton/Councillor Davidson

**Lost**

Councillor Gough left the meeting at 10.46am and returned at 10.49am during consideration of item 2.4.2.

### Council Resolved CAPL/2020/00092

#### Glyphosate Use

2.4.2 That the Council:

- a. Notes that of the submitters who provided an opinion on the reintroduction of glyphosate a majority (66%) oppose the proposal.
- b. Resolves to continue the current policy of reduced use of glyphosate in public spaces and not incorporate the \$3.2m savings (net of NZTA subsidies) from the increased use consulted on in the updated draft annual plan.

The division was declared **carried** by 10 votes to 5 votes the voting being as follows:

**For:** Acting Mayor Turner, Councillor Chen, Councillor Coker, Councillor Cotter, Councillor Daniels, Councillor Davidson, Councillor Galloway, Councillor Johanson, Councillor McLellan and Councillor Templeton

**Against:** Councillor Chu, Councillor Gough, Councillor Keown, Councillor MacDonald and Councillor Mauger

**Abstained:** Councillor Scandrett

Councillor Davidson/Councillor Cotter

**Carried**

The meeting adjourned at 11.15am and reconvened at 11.33am.

### Council Resolved CAPL/2020/00093

#### Strengthening Communities Fund

2.4.3 That the Council:

- a. Notes that of the submitters who provided an opinion on the proposed one off boost to the Strengthening Communities Fund a majority (59%) supported the proposal.

- b. Approves a \$500,000 one-off increase to the Strengthening Communities Fund to acknowledge the challenges faced by community organisations as a result of response to COVID-19. \$180,000 to be funded from the Capital Endowment Fund and \$320,000 to come from rates.

The division was declared **carried** by 12 votes to 4 votes the voting being as follows:

**For:** Acting Mayor Turner, Councillor Chen, Councillor Coker, Councillor Cotter, Councillor Daniels, Councillor Davidson, Councillor Galloway, Councillor Johanson, Councillor Mauger, Councillor McLellan, Councillor Scandrett and Councillor Templeton

**Against:** Councillor Chu, Councillor Gough, Councillor Keown and Councillor MacDonald

Councillor McLellan/Councillor Scandrett

**Carried**

#### **Council Resolved CAPL/2020/00094**

##### **Wings to Wheels Major Cycleway Route and Breens/Gardiners/Harewood Intersection**

2.4.7 That the Council:

- a. Bring forward \$500,000 (capex) from FY26 to FY21 for design and consultation of the Wings to Wheels Major Cycleway Route with the intention of enabling the commencement of construction of the Breens/Gardiners/Harewood intersection in FY22 as part of the Cycleway Route.

Councillor Davidson/Councillor Keown

**Carried**

#### **Council Resolved CAPL/2020/00095**

##### **Lancaster Park and Memorial Gates Repair and Upgrade Project**

2.4.8 That the Council:

- a. Agree that the Lancaster Park and Memorial Gates repair and upgrade project be identified as a line item in the Annual Plan, noting that this will have no impact on rates as it funded through the existing budget provision for the demolition of Lancaster and land remediation project.
- b. Note that the Lancaster Park and Memorial Gates project will be a multi-year project and will also need to be reflected in the 2021 – 2031 Long Term Plan

Councillor Johanson/Councillor Scandrett

**Carried**

## Council Decision

### Proposal to Increase Borrowing

2.4.9 That the Council:

- a. Increase borrowing by \$1.6 million so that the absence of the excess water use targeted rate does not have a rates impact.

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

**For:** Acting Mayor Turner, Councillor Chen, Councillor Cotter, Councillor Galloway, Councillor Johanson and Councillor McLellan

**Against:** Councillor Chu, Councillor Coker, Councillor Daniels, Councillor Davidson, Councillor Gough, Councillor Keown, Councillor MacDonald, Councillor Mauger, Councillor Scandrett and Councillor Templeton

Acting Mayor/Councillor Cotter

**Lost**

### Council Resolved CAPL/2020/00096

2.4.4 That the Council:

- a. Approves rates payment extension for financial hardship caused by COVID-19 pandemic.
  - i. For approved applicants, up to \$20,000 of 2020/21 rates.
  - ii. Payment is extended up to 30 June 2022

Acting Mayor/Councillor Daniels

**Carried**

### Council Resolved CAPL/2020/00097

2.4.5 That the Council:

- a. Notes the low level of satisfaction (26%) in the 2019-2020 Residents Survey for Roads.
- b. Approves an additional \$4.5 million capital expenditure to pre-seal sites prior to winter 2021, to enable road resealing to occur earlier than normal in the 2021/22 year. This has minimal impact on rates in 2020/21 and a 0.02% impact on rates in 2021/22. The net cost Council will borrow for is \$2.43 million after NZTA subsidy.

Acting Mayor/Councillor Daniels

**Carried**

**Council Resolved CAPL/2020/00098**

2.4.6 That the Council:

- a. Approves the establishment of a Residents' Forum to help identify barriers to engagement and guide the Council in its engagement with residents over issues of city-wide importance, including the Long Term Plan.
- b. Notes that this Forum will be in the Terms of Reference of the Sustainability and Community Resilience Committee.

Acting Mayor/Councillor Daniels

**Carried**

**Council Resolved CAPL/2020/00099**

**Reinstate Standing Orders**

That the Council re-instates the Standing Orders suspended earlier in the meeting.

Acting Mayor/Councillor MacDonald

**Carried**

**Council Resolved CAPL/2020/00100**

**Adopt Attachments D-G**

That the Council:

- 2.5 Adopts the proposed changes to the Council's operating expenditure for 2020/21 set out in Attachment D;
- 2.6 Adopts the proposed changes to the Council's capital expenditure for 2020/21 set out in Attachment E;
- 2.7 Adopts the proposed changes to the Rates Remission Policy set out in Attachment F;
- 2.8 Notes there are no changes to the proposed fees and charges previously published in the Updated Draft Annual Plan 2020/21;
- 2.9 Adopts the proposed changes to levels of service set out in Attachment G;

Acting Mayor/Councillor Davidson

**Carried**

Councillors Chu, Gough, Keown and MacDonald requested their votes against the resolutions be recorded.

The meeting adjourned at 12.13pm and reconvened at 2.02pm.

## Council Resolved CAPL/2020/00101

### Adopt the Annual Plan

That the Council:

2.10 Adopts the 2020/21 Annual Plan, comprising the updated Draft 2020/21 Annual Plan (including the updated 2020/21 Funding Impact Statement), the Mayor's recommendations and other amendments adopted by resolutions 2.4.1 - 2.4.8 above, and the changes set out in Attachments D – G adopted by resolutions 2.5 – 2.9 above;

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

**For:** Acting Mayor Turner, Councillor Chen, Councillor Coker, Councillor Cotter, Councillor Daniels, Councillor Davidson, Councillor Galloway, Councillor Johanson, Councillor McLellan and Councillor Templeton

**Against:** Councillor Chu, Councillor Gough, Councillor Keown, Councillor MacDonald, Councillor Mauger and Councillor Scandrett

Acting Mayor/Councillor Davidson

**Carried**

## Council Resolved CAPL/2020/00102

### Authorises the Chief Financial Officer

That the Council:

2.11 Authorises the Chief Financial Officer to make any amendments required to ensure the published 2020/21 Annual Plan aligns with the Council's resolutions of 23 July 2020, and to make other non-material changes that may be required;

Acting Mayor/Councillor Davidson

**Carried**

## Council Resolved CAPL/2020/00103

### Authorisation to borrow

That the Council:

2.12 Authorises the Chief Financial Officer and the Head of Financial Management (jointly) to borrow in accordance with the Liability Management Policy sufficient funds to enable the Council to meet its funding requirements as set out in the 2020/21 Annual Plan;

Acting Mayor/Councillor Chen

**Carried**

## Council Resolved CAPL/2020/00104

### Set rate

Item 2.13 k) was put separately:

That the Council:

2.13 Having set out rates information in the Funding Impact Statement contained in the 2020/21 Annual Plan (adopted by the above resolutions), resolves to set the following rates under the Local Government (Rating) Act 2002 for the 2020-21 financial year, commencing on

1 July 2020 and ending on 30 June 2021 (all statutory references are to the Local Government (Rating) Act 2002):

- k) a **Special Heritage (Cathedral) targeted rate** under section 16(3)(a) and 16(4)(a) of \$6.52 (incl. GST) per separately used or inhabited part of a rating unit.

Acting Mayor/Councillor Coker

**Carried**

Councillors Davidson, Johanson, Scandrett and Templeton requested their votes against resolution 2.13k be recorded.

### Council Resolved CAPL/2020/00105

#### Set rate

That the Council:

2.13 Having set out rates information in the Funding Impact Statement contained in the 2020/21 Annual Plan (adopted by the above resolutions), resolves to set the following rates under the Local Government (Rating) Act 2002 for the 2020-21 financial year, commencing on 1 July 2020 and ending on 30 June 2021 (all statutory references are to the Local Government (Rating) Act 2002):

- a) a **uniform annual general charge** under section 15(1)(b) of \$132 (incl. GST) per separately used or inhabited part of a rating unit;
- b) a **general rate** under sections 13(2)(b) and 14 set differentially based on property type, as follows:

<b>Differential Category</b>	<b>Basis for Liability</b>	<b>Rate Factor (incl. GST) (cents/\$ of capital value)</b>
Standard	Capital Value	0.298677
Business	Capital Value	0.506855
Remote Rural	Capital Value	0.224008

- c) a **water supply targeted rate** under section 16(3)(b) and 16(4)(b) set differentially depending on whether a property is connected or capable of connection to the on-demand water reticulation system, as follows:

<b>Differential Category</b>	<b>Basis for Liability</b>	<b>Rate Factor (incl. GST) (cents/\$ of capital value)</b>
Connected (full charge)	Capital Value	0.064691
Serviceable (half charge)	Capital Value	0.032346

- d) a **restricted water supply targeted rate** under sections 16(3)(b) and 16(4)(a) on all rating units with one or more connections to restricted water supply systems of \$215.25 (incl. GST) for each standard level of service received by a rating unit;
- e) a **land drainage targeted rate** under sections 16(3)(b) and 16(4)(a) on all rating units in the serviced area of 0.039739 cents per dollar of capital value (incl. GST);

- f) a **sewerage targeted rate** under sections 16(3)(b) and 16(4)(a) on all rating units in the serviced area of 0.084493 cents per dollar of capital value (incl. GST);
- g) a **waste minimisation targeted rate** under sections 16(3)(b) and 16(4)(b) set differentially depending on whether a full or partial service is provided, as follows:

<b>Differential Category</b>	<b>Basis for Liability</b>	<b>Rate Charge (incl. GST)</b>
Full service	Per separately used or inhabited part of a rating unit	\$203.85
Partial service	Per separately used or inhabited part of a rating unit	\$152.89

Note:

The full service charge is assessed on every separately used or inhabited part of a rating unit in the serviced area. The partial service charge is assessed on every separately used or inhabited part of a rating unit outside the kerbside collection area, where a limited depot collection service is available (75% of the full rate).

- h) a **water supply fire connection targeted rate** under sections 16(3)(b) and 16(4)(a) on all rating units receiving the benefit of a water supply fire connection of \$117 (incl. GST) per connection;
- i) an **excess water supply volumetric targeted rate** under section 19(2)(a) set for all rating units which receive a commercial water supply as defined in the Water Supply, Wastewater and Stormwater Bylaw 2014, **plus** land under single ownership on a single certificate of title and used for three or more household residential units, boarding houses, motels, rest homes, and residential properties using significantly in excess of ordinary residential use, of \$1.05 (incl. GST) per cubic metre or any part of a cubic metre for consumption in excess of the rating unit's water supply targeted rate allowance, **provided that** all properties will be entitled to a minimum consumption of 0.6986 cubic metres per day.

The rating unit's water supply targeted rate allowance in cubic metres per year is the volume of water equal to the assessed water supply targeted rate divided by \$1.05.

For example, if a rating unit is assessed \$1,050 for the water supply targeted rate, that rating unit's water supply targeted rate allowance for the year is 1,000 cubic metres (\$1,050 divided by \$1.05/m<sup>3</sup>), which is 2.74 cubic metres per day. Liability for the excess water supply volumetric targeted rate commences when consumption commences of the 1,001st cubic metre by that rating unit.

- j) an **active travel targeted rate** under section 16(3)(a) and 16(4)(a) of \$20.00 (incl. GST) per separately used or inhabited part of a rating unit;
- l) an **Akaroa Health Centre targeted rate** under section 16(3)(b) and 16(4)(a) of \$116.38 (incl. GST) per separately used or inhabited part of a rating unit, for rating units located in areas defined by the following valuation roll numbers: 23890, 23900, 23910, 23920, 23930, 23940 and 23961 (the eastern portion of Banks Peninsula ward)

2.14 Resolves that all rates except the excess water supply volumetric targeted rate be due in four instalments, and set the following due dates for payment:

<b>Instalment</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Area 1</b>	15 August 2020	15 November 2020	15 February 2021	15 May 2021

<b>Area 2</b>	15 September 2020	15 December 2020	15 March 2021	15 June 2021
<b>Area 3</b>	31 August 2020	30 November 2020	28 February 2021	31 May 2021

Where the Instalment Areas are defined geographically as follows:

<b>Area 1</b>	<b>Area 2</b>	<b>Area 3</b>
Includes generally the Central City and the suburbs of St Albans, Merivale, Mairehau, Papanui, Riccarton, Addington, Spreydon, Sydenham, Beckenham, Opawa and Banks Peninsula.	Includes generally the suburbs of Shirley, New Brighton, Linwood, Woolston, Mt Pleasant, Sumner, Cashmere and Heathcote.	Includes generally the suburbs of Belfast, Redwood, Parklands, Harewood, Avonhead, Bishopdale, Ilam, Fendalton, Hornby, Templeton and Halswell.

2.15 Resolves that excess water supply volumetric targeted rates be due for payment on the following dates

<b>Month in which amounts are invoiced</b>	<b>Due date</b>
July 2020	20 August 2020
August 2020	20 September 2020
September 2020	20 October 2020
October 2020	20 November 2020
November 2020	20 December 2020
December 2020	20 January 2021
January 2021	20 February 2021
February 2021	20 March 2021
March 2021	20 April 2021
April 2021	20 May 2021
May 2021	20 June 2021
June 2021	20 July 2021

2.16 Resolves to add the following penalties to unpaid rates:

- a) a penalty of 7 per cent will be added to any portion of an instalment not paid on or by the due date, to be added on the following dates:

<b>Instalment</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Area 1</b>	20 August 2020	19 November 2020	18 February 2021	20 May 2021
<b>Area 2</b>	18 September 2020	18 December 2020	18 March 2021	18 June 2021
<b>Area 3</b>	03 September 2020	03 December 2020	04 March 2021	03 June 2021

- b) an additional penalty of 7 per cent will be added on 01 October 2020 to any rates assessed, and penalties added, before 1 July 2020 and which remain unpaid on 01 October 2020;

- c) a further penalty of 7 per cent will be added if any rates to which a penalty has been added under (b) above remain unpaid on 01 April 2021.

2.17 Resolves that it is fair and equitable to continue the existing rates remission to those ratepayers whose houses remain uninhabitable due to the Northwood gas explosion event on 19 July 2019. Any remissions will cease when the building becomes occupied again (or able to be occupied).

Acting Mayor/Councillor Coker

**Carried**

Councillors Chu, Gough, Keown, MacDonald and Scandrett requested their votes against the resolutions be recorded.

**Karakia Whakamutunga:**

Given by Councillor Cotter

**Meeting concluded at 2.52pm.**

**CONFIRMED THIS 13<sup>TH</sup> DAY OF AUGUST 2020**

**ACTING MAYOR ANDREW TURNER  
CHAIRPERSON**