Christchurch City Council
MINUTES ATTACHMENTS

Date: Tuesday 23 February 2021
Time: 9.31am
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

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Memorandum

Date:	19 February 2021
From:	Audit and Risk Management Committee
To:	Christchurch City Council
Subject:	**Audit and Risk Management Committee's Advice to the Council on its Long Term Plan 2021-31 Process**

1.1 At its meeting on 19 February 2021, the Audit and Risk Management Committee reviewed the process and significant assumptions used in developing the Council's Draft Long Term Plan 2021-31 (LTP).

1.2 The Committee's Deputy Chair will be available at the Council's meeting commencing 23 February 2021 regarding its Draft LTP to speak to the Committee's consideration of the process and significant assumptions used in its development.

1.3 In support of the verbal report for tabling at the Council's meeting, the purpose of this memo is to provide a written record that the Committee on 19 February 2021 resolved as follows:

That the Audit and Risk Management Committee:

1. *Notes it has reviewed the general checklist and sign-off by management, including the significant forecasting assumptions, in respect of the information that provides the basis for the Long Term Plan 2021-2031.*
2. *Advises the Council that in the Committee's opinion an appropriate process has been followed in the preparation of this information.*
3. *Notes that Audit New Zealand has requested further information be included in the draft Consultation Document, and that staff have now provided this information in an updated document that will be provided at 5pm today (19 February 2021).*

Signatories / Ngā Kaiwaitohu

Authors	Mark Saunders - Committee and Hearings Advisor
Approved By	Kim Wallace – Independent Chair of the Audit and Risk Management Committee Councillor Sam MacDonald - Deputy Chair of the Audit and Risk Management Committee

Version 2

Te Mahere Rautaki Kaurera

Our Draft Long Term Plan

(2021–2031)

Ka whati te tī, ka wana te tī, ka rito te tī, ka tipu te tī.

Whano mai e te tini; whano mai e te mano.

Ko ēnei ōku kete hei koha, ko ēnā ō kete hei koha

Mō te whenua, mō te tāngata

When the tīkouka is broken, it sprouts and throws up shoots and grows.

As we come together, I bring my resources and share them with your resources as a gift

for the land and the people

DRAFT

Mayor's introduction

Ten years on from the earthquakes, we are on the way to becoming a modern, resilient 21st century city with the capacity to meet present and future challenges.

We know from our experience over the past decade that we need to plan for the unexpected. We have established a good track record of building on what we know and adapting to the challenges we face.

The services, facilities and spaces we provide and the systems we have in place need to be robust yet flexible, so that we can adapt to and deal with whatever shocks and stresses we have to confront. We need to continue to invest in our infrastructure.

This Long Term Plan for 2021–31 is set to be a turning point for our city – a plan that is firmly focused on the future.

We need to be in a position to respond and adapt to climate change, as well as prepare for the impact that exponential advances in technology will have on our economy and our lives.

We have momentum on our side, having felt that we were turning a corner at the beginning of 2020, but then the COVID-19 pandemic threw us – and the rest of the world – a curve ball.

Our 'team of five million' has prevented thousands of deaths and protected our health system from being overwhelmed. This has allowed us to regain the freedoms we usually take for granted while many other countries around the world have continued to face tough restrictions. Recent events reminds us there is no room for complacency.

From an organisational perspective, the Council lost income during the COVID-19 lockdown. We have received much smaller dividends from our commercial arm Christchurch City Holdings Limited, which has compounded the financial challenge we now face. We also had to close facilities temporarily. Even when facilities were able to re-open, many were forced to operate at

reduced capacity because of the need for social distancing and limits on crowd sizes. These steps were all necessary, but they came at a financial cost.

While we have worked hard to find savings and to keep costs down for the ratepayers, we have chosen not to take the austerity path in this Draft Long Term Plan. We do not want to slow down our economic and social recovery, nor do we want to put our services and the condition of our assets at risk by drastic reductions in investment.

We have attempted to get the balance right in proposing an average residential rates increase of 5 per cent for the 2021/22 financial year. This equates to an extra $142.25 a year or $2.74 a week. The average rates increase for all ratepayers (residential, business and rural) for the 2021/22 financial year will be 5.56 per cent. Over the next 10 years, it will average 4 per cent. The cumulative effect of this is 47.8 per cent over the period of this Long Term Plan.

We, as a city and region, need to continue to work together to recover and reposition ourselves for the future. We need to build on our partnerships and continue to work with other councils, government agencies, iwi, mana whenua, communities, NGOs, businesses to shift our mindset from looking backwards and seeking to recover what we had, towards focusing on the future and creating a thriving, resilient and prosperous city and region together.

Our investment in ChristchurchNZ will see our city draw on the strengths of our region to meet global opportunities as we reposition ourselves for the future.

A test-bed for innovation, Christchurch is the place for future-focused, sustainable businesses and people who want to do things differently. We are leading the way in global health tech, aerospace and future transport, food fibre and agritech, and hi-tech solutions. These strategic strength sectors, Supernodes, are supported by progressive ecosystems connecting enterprise, education, and government.

Ōtautahi Christchurch is a city of opportunity for all – open to new ideas, new people and new ways of doing things – a city where everything is possible.

Lianne Dalziel

Mayor of Christchurch

Chief Executive's introduction

After months of discussions, workshops and briefings with elected members and Council staff, I am recommending a budget that focuses on ensuring the Council continues to invest in core infrastructure, deliver key services,, and build Christchurch's and Banks Peninsula's resilience to future challenges.

COVID-19 and the consequent economic recession has had a major impact on the Council's finances. Like many households, we have to make savings to our day-to-day spending on operating and maintaining our services and infrastructure.

Christchurch is the largest city in the South Island and is expected to experience ongoing growth. We have to ensure we have the right infrastructure in the right place at the right time to support that growth.

At the heart of the Council's decision-making is the goal of promoting community wellbeing in its widest sense, as well as preparing for the impact of climate change. Balancing our environmental goals and responsibilities with building a caring, welcoming and prosperous community often means making hard decisions.

We've considered what you've told us is important to you – delivering the basics and doing it well – and what we need to do to continue making progress.

We're proposing a forward-looking budget outlined in this Draft Long Term Plan because it represents our best option for how we navigate the balance between meeting our city's needs and keeping ourselves in a strong financial position. If we try to spend more, we won't be able to deliver on our ambitions, and will leave ourselves less financial headroom in the event of another unplanned event like an earthquake or pandemic. If we try to spend less, our city's progress could falter, and not go forward at a time when we need certainty.

Given there is no simple solution to address our current financial situation, we have looked at a selection of 'levers' available to us:

- Focusing on what we can afford and actually deliver in our capital works programme (what we call Capital Spending).
- Finding permanent efficiencies in our day-to-day spending (what we call Operational Spending).
- Borrowing for the new projects that have a long-term value, ensuring that the debt repayments are spread fairly across the generations of ratepayers who'll benefit from them.

We have ensured the draft capital programme is deliverable, in other words making sure we can do all the work we want to deliver in the timeframe we have set. Economic recovery is part of our COVID-19 response – by locking in the funding for this work, we are giving confidence to the construction sector, among others, and stimulating economic activity. We've also identified savings of $52 million – $18 million to our operational costs in this financial year alone, and additional savings of $34 million in 2021/22. Over the whole period of the Long Term Plan, we've saved $329 million of operating costs.

We've managed to do this while keeping rates increases as affordable as possible. This Draft Long Term Plan aligns with the very clear message we are getting from our residents about delivering the basics and doing it well, whilst needing to invest for the future and bring new facilities on-stream. Priority is being given to maintaining existing services and assets and to optimising opportunities to tap into Government stimulus funding for infrastructure work that generates or retains jobs.

We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible. As I said previously, it's a balancing act, and we believe this plan represents the best balance.

You'll find our proposed plan on the next few pages, along with information on options that we considered but didn't pursue, and the reasons why. We want to hear your feedback – what do you think of our proposed plan? Should we be reconsidering some of the other options? You can influence the decisions we make, and we want to hear from you. I strongly encourage you to have your say.

Dawn Baxendale

Chief Executive Christchurch City Council

DRAFT

The right game plan for our city

To come up with this game plan for the city, we've considered a whole range of options for how best to achieve what we need to achieve, while also keeping the average rates increases as low as possible.

We're currently in an unusual position in that a lot of our capital programme is already committed as a result of past consultations or Government decisions – this includes projects such as the Canterbury Multi-Use Arena, the Metro Sports Facility and the Ōtākaro Avon River Corridor regeneration. We also have 'shovel-ready' and water reform funding from the Government. In addition, there are things we have to do, in order to deliver a responsible programme of infrastructure renewals, particularly for water supply, wastewater and roading. What this means in practice is that we have very limited flexibility in our budget around what we need to deliver in the coming years.

What we're proposing is a budget that we consider to be the best balance of delivering these commitments and realising our ambitions, while still remaining financially prudent around borrowing, and giving ourselves enough financial flexibility to handle unplanned events.

Our proposed plan

Throughout this document you'll find more information about our proposed plan, but here's a summary of our key proposals:

- A $13.1 billion budget over 10 years, with $3.9 billion of that planned to be spent in the next three years before we prepare our next Long Term Plan 2024–34. It's a budget that sets out to be a turning point for our city. We need to be in a position to respond and adapt to climate change, and prepare for the impact that advances in technology will have on our economy and our lives.

- For the first three years of this Long Term Plan, we've set our core capital spend at $400 million in the first year, $420 million in the second year, and $443 million in the third year, to ensure we can do all the work we want to deliver in the timeframe we've set.

- In addition to the core programme we have between $145 million and $241 million in each of the first three years on projects that are being delivered and/or funded by the Crown and others. This includes the Canterbury Multi-Use Arena, Metro Sports Facility, part of the Ōtākaro Avon River Corridor programme, 'shovel-ready' and water reform stimulus funding packages.

- We're proposing a residential rates increase of 5 per cent for an average-valued house ($508,608) for the 2021/22 financial year. This equates to an extra $142.25 a year or $2.74 a week. For 2021–31, the average annual rates increase for all ratepayers will be 4 per cent. The cumulative rates increase over the 10 years this Long Term Plan covers will be 47.8 per cent.

- Residents are telling us they want us to deliver the basics and do it well, so we're focussing particular attention on investment in roads and transport infrastructure, and in protecting and upgrading our water networks. This means maintaining and improving the condition of our existing roads, footpaths and cycleways. For the first three years of our Draft Long

Term Plan we propose to spend $18.3 million a year on road resurfacing (asphalt, chip seal and pavement reconstruction) – increasing to a total of 5.3 per cent of the city's roads from the current 2 per cent. We're also proposing to invest 41 per cent of our proposed capital spend on protecting and upgrading our water networks – drinking water, stormwater and wastewater.

- We're proposing to charge an excess water use targeted rate for households that use significantly more water than the average household. This excess charge would apply if a household used more than 700 litres a day – the average household uses 540 litres a day.

- We're spending $5.6 billion on day-to-day services the Council provides. To address the impact of COVID-19, we're finding more efficient ways of doing things, including looking at better matching the services we provide to where the demand is. We've already found significant savings and will continue to look for more savings before this plan is signed off.

- We're borrowing $2.4 billion for the capital programme, and repaying $1 billion of existing debt.

- We're making savings of $52 million – $18 million to our operational costs in this financial year alone, and additional savings of $34 million in 2021/22. Over the whole period of the Long Term Plan, we've removed $329 million of operating costs.

What if we spend more?

We considered spending more but, in the end, this option was not pursued for three main reasons.

- Planning to borrow more to spend more would decrease our ability to borrow in the event of a natural disaster or other major event. We believe it is prudent to ensure we can borrow up to $400 million (we call this debt headroom) at all times. This would mean we're able to meet 40 per cent of the potential cost of reinstating our below-ground assets after an event, which is necessary for us to be able to access Crown contributions for the remaining 60 per cent. Our proposed budget already has our debt headroom down to around this level in the 2025–2028 period.

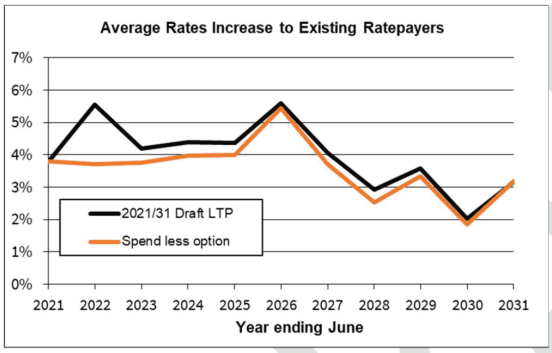
- In order to keep this debt headroom, any increase in spending would therefore need to come from rates, which would mean even higher rates increases. This would place additional hardship on our most vulnerable residents – every 1 per cent rates increase adds 55 cents per week to the average residential ratepayer's rates bill.

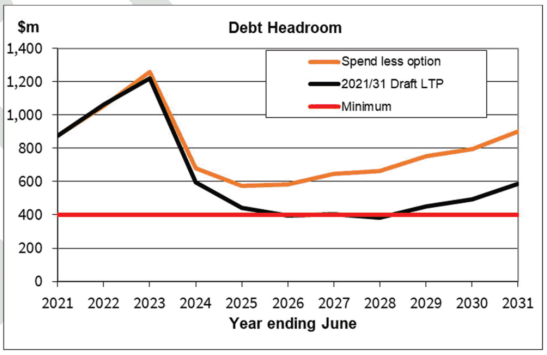
- Even if we did add more budget to the capital programme, this doesn't necessarily mean more work can be done. We've set our core capital programme at $400 million because that's what we believe we can realistically deliver. We also now have significant additional Crown-funded projects for water and transport, on top of our planned Council work. This additional funded work must be factored into our work programme. In New Zealand, market capacity is finite – there's only so much capital work that can be delivered in a year. There's no point budgeting to spend more than can be delivered, as this just results in unnecessarily high rates bills for residents.

What if we spend less?

We also looked at making even more severe cuts to budgets to achieve lower rates rises. However, this wouldn't enable us to look after our assets and would mean we pass on failing infrastructure to future generations. We would not be able to complete the major community facilities underway, nor grow our city. It would also mean a drop in the levels of service we are able to provide. Some of the options also involved losing subsidies we currently receive or additional short term costs like redundancy. See details of the options considered but not proposed on page 24 of this document.

If all of the options to spend less had been selected, it would have result in a rates increase for 2021/22 of 3.71 per cent – 1.85 per cent less than the 5.56 per cent that we are proposing. The positive impact on rates increases would largely be short-term, as the savings reduce over time as shown in graph x below.





There's also an improvement in debt headroom,as shown above in graph x, which gives us more flexibility in case of an unplanned future event The lowest amount of headroom we would have under this option would be $573 million in 2024/25 (previously it was $384 million in 2027/28).

However, as one of the largest employers in Canterbury, the Council has to consider the impact of its level of spending for the wider city. If operating expenditure was cut further, we would be adding to unemployment and reducing levels of service to residents. If capital expenditure was cut further it would affect employment of local contractors as well as overall economic activity in the region. These implications run completely contrary to the direction provided by the Government around the medium and long-term response to the impacts of COVID-19. The Council has an obligation to support the Government's explicit strategy around recovery.

We have therefore not included the 'spend less' options in our proposed plan as they would undermine the overall wellbeing of our communities, and put our assets and infrastructure at risk.

Have we got the game plan right? We want to hear what you think.

What do you think of our proposed plan? Have we got the balance right? Have we prioritised the right things? If not, what changes would you like to see?

What do you think of our plan for an average residential rates increase of 5 per cent for 2021/22 and an average annual rates increase of 4 per cent over the next 10 years?

Have your say at ccc.govt.nz/longtermplan

[Breakout info box]

What is a Long Term Plan?

Christchurch City Council's Long Term Plan 2021–31 is our budget for the next 10 years.

It sets out what we plan to achieve over the next decade, and how it will be funded. It's our commitment to delivering the services and infrastructure our city needs to thrive, and an opportunity for everyone to shape the future of our city for the next 10 years.

Although the plan covers a 10 year period, we go through this process every three years – and it's something that all local authorities must do. The next Long Term Plan will be for 2024–2034.

Each Long Term Plan focuses on the 'big picture' – our opportunities and challenges – and how we plan to manage them.

We review our plans regularly to make sure they're still appropriate. Any future changes can be incorporated into our Annual Plans, and give us an opportunity to change course more quickly if we need to, instead of waiting for the next Long Term Plan.

Things to consider

We need action on climate change

Climate change is the biggest intergenerational challenge of our time. As a district, we need to reduce our carbon emissions and do what we can to mitigate the effects of climate change.

Climate change is already having a significant impact on our economy, environment and way of life, and we need to meet this challenge through every means available. We have work underway to identify and respond to climate change issues at the local and citywide level, and must work closely with our communities on this.

In 2019, the Council declared a climate emergency and set a target of net zero greenhouse emissions by 2045 (excluding methane), and to halve our emissions by 2030 from 2016–17 levels. We all need to make changes to the way we travel, the waste we create and the energy we use. We also need to support affected communities to look at measures to mitigate the impact of climate change.

This fits in with the wider picture of what's happening in New Zealand: in February, the Climate Change Commission released its first draft advice to the Government for public consultation. The independent body's report includes advice on the first three emissions budgets covering five-year periods to 2035 and on policy direction for the Government's first emissions reduction plan. Together, these lay out the course for reducing emissions in Aotearoa and set the policy directions for getting there.

Following consultation, the Commission's final recommendations will be released on 31 May, and the Government has until the end of the year to create an emissions reduction plan for meeting any budgets it adopts. We'll need to responds to those changes in policy as they come forward.

Our climate change response

An important focus of this budget is on reducing greenhouse gas emissions – through making changes to the way we travel, the waste we create and the energy we use. We will also invest in developing our understanding of the impacts of climate change so we can better prepare and respond to these together with our communities, and to meet Government's requirements.

During the period covered by the Long Term Plan 2021–2031, our action to meet this challenge will include:

- Working with Ngāi Tahu and Papatipu Rūnanga, businesses, organisations and the community to develop and implement actions in our draft Ōtautahi Christchurch Climate Change Strategy.
- Adaptation planning with communities that will be impacted by sea level rise through coastal erosion, coastal inundation and rising groundwater. We'll engage with all communities across Christchurch and Banks Peninsula to understand and develop responses to sea level rise impacts.
- Supporting Christchurch residents to take their own climate change action, with advice and tools on sustainability.
- Supporting climate-focused community projects through the annual $380,000 Sustainability Fund.
- Supporting the improvement of biodiversity outcomes across the city through the annual $190,000 Biodiversity Fund.
- Spending $13.1 million on planting across the city. A big focus of the next 10 years will be providing the millions of plants required for the ecological restoration of the Ōtākaro Avon River Corridor.
- Improving our ability to cope with more extreme rain and flooding. We'll put $421 million into measures that will reduce the risk from flooding and improve our waterways.
- Improving the sustainability and resilience of our transport network – we're prioritising the environment, safety, access, and affordability. In this Draft Long Term Plan, $347.9 million is allocated to projects that support better environmental outcomes, including:
    - $235.8 million on all cycling projects and programmes, which includes $87.3 million in in 'shovel ready' funding from the Government to deliver a number of major cycleways and complete the Coastal Pathway.
    - $4.3 million charging facilities within Council parking buildings.
    - $90.7 million to improve our public transport facilities across the city.
    - The balance of projects are planned to improve our central city networks.
- Further improvements to the Council vehicle fleet, working towards electrification and nil emissions by 2030.
- Managing Council facilities to reduce the energy they use.
- Investigating options to monitor and reduce emissions associated with our wastewater services.
- Producing biogas, and generating energy from biogas, at our Bromley wastewater treatment plant.
- Reducing the carbon footprint of our water supply network by changing the design of our infrastructure, building it in a different way with different materials, and looking at the energy efficiency and fuel use.
- Investing in using highly treated wastewater from Akaroa to irrigate new areas of native trees at Robinson Bay, Takamātua and Hammond Point.

- Exploring infrastructure solutions that reduce the amount of embodied carbon, such as water tanks made of steel with a high proportion of recycled metal.

This is our first Long Term Plan to include a climate change lens over everything, and it won't be the last. More work needs to be done, and future Long Term Plans will reflect this.

Our challenges

The only certainty is uncertainty

If Christchurch knows how to deal with anything, it's change. We know from our experiences over the past decade that we need to plan for the unexpected. We also have a good track record of building on what we know and adapting to the challenges that we face.

Climate change and COVID-19 are game changers, but, like earthquakes, floods, fires and other natural hazards that can occur anywhere and anytime, they also force us to better manage our challenges and adapt to our changing world.

Along with many of our ratepayers, the Council has been hit hard financially by the COVID-19 pandemic. This comes at a time when we have some other key challenges facing us.

To keep our rates increases as low as possible, there are hard decisions and trade-offs to make. Given our financial situation, we can't do everything right away, so we'll need to decide what projects can happen further down the track. That's where you can help us to prioritise what's important.

Lost income caused by COVID-19

We've received smaller dividends from our investments held by Council-owned company Christchurch Holdings Limited, which has been significantly impacted by the COVID-19 pandemic and continuing restrictions worldwide.

We've lost income during the COVID-19 lockdown while our facilities, such as recreation and sport centres, were temporarily closed. Our revenue levels continued to be impacted as we moved down through the alert levels because, in line with Government guidelines, there were limits on the number of people being able to use our facilities at one time. The number of people visiting some of our facilities has still not returned to pre-COVID-19 levels.

This all comes at a time when we're trying to make rates increases as affordable as possible.

We need to keep our infrastructure – and our economy – healthy

When it comes to infrastructure, we're already a few steps ahead of other places in New Zealand. We've spent the past decade rolling out a massive programme of repairs, replacements and rebuilds.

That said, like the rest of the country, some of our infrastructure, like our water and wastewater pipes, are nearly 100 years old. Large parts of the infrastructure networks are aging – they're still functional, having withstood a number of earthquakes, but will need to be replaced earlier than they might otherwise have needed to be. To fund our new investment over the past decade, we've put off renewing some of this infrastructure. With a lot of this coming to the end of its lifespan, our focus now needs to be on pipe renewals to avoid further deterioration.

We also have to get on with the work that's still needed to continue to maintain a safe water supply and wastewater network. Because the population of Christchurch is expected to increase, and new housing developments continue to increase with it, we need the right infrastructure in the right place at the right time to support this growth. Investing in our city helps stimulate the economy, which is even more important in a COVID-19 world, and serve these growing communities. However, like everything else, this comes at a cost.

These factors put pressure on our existing infrastructure, and on the Council financially.

We need to finish building our major community facilities

Our residents have told us that the facilities we provide are an important part of all our lives, and make a big contribution to wellbeing and a sense of community. We're undertaking an ambitious community facility investment programme – continuing to replace facilities lost as a result of the earthquakes, and provide facilities that meet the needs of our growing communities. The current community facilities construction programme is planned to be completed by 2025, and will see new developments like Te Pou Toetoe: Linwood Pool, the planned library, pool and customer services facility in Hornby, Metro Sports Facility, Canterbury Multi-Use Arena and more.

If our proposals are adopted, new debt will increase by $1.2 billion over the first four years of the Long Term Plan 2021–31, with a peak debt-to-revenue ratio of 244 per cent forecast for 2027/28. Investment in these facilities will contribute to that figure – and there are also ongoing operational costs to run these facilities once they're open.

Our Strategic Framework

Our Strategic Framework provides a big picture view of what the Council is trying to achieve for Christchurch. The wellbeing of our communities is at the heart of what we do, and this Framework spells out our commitment to social, economic, environmental and cultural wellbeing. The Strategic Framework provides the foundation for our Long Term Plan and guides the allocation of our effort and resources.

We face immediate challenges like COVID-19 but we also need to look beyond those challenges and plan for the future. We need to continue to build our resilience to future disruptions and challenges. Resilience is not simply about preparing our infrastructure or built environment – it's about understanding the risks, challenges and opportunities we face and developing ways to adapt together. The strength of our resilience lies in us, not just as individuals but as whānau and communities.

[Include Strategic Framework graphic here]

Whakataukī

Whiria ngā whenu o ngā papa, honoa ki te maurua tāukiuki.

Whakataukī/proverbs play an important role in Māori oration and writing, explaining important ideas often by metaphor or poem. The whakataukī in our Strategic Framework sums up the mutual commitment between the Council and Ngāi Tahu/Papatipu Rūnanga to a governing

partnership relationship based on understanding and respect. This partnership commits us to working together to improve social, economic, environmental and cultural wellbeing for all.

Strategic Priorities

The Mayor and Councillors identified five Strategic Priorities at the start of this Council term, reflecting key issues and priorities of Christchurch residents. The Strategic Priorities are areas of the Council's operations where elected members want to see a change in approach or increase in focus over this Council term and beyond. While the Priorities don't specifically refer to all Council activities and services, they highlight issues which many Council work programmes have an ability to progress. The priorities are our focus for improvement – where we need to intensify our work and align our skills and resources, collaborating across the Council to deliver better services to the communities we serve.

Greater Christchurch 2050

[this section to be featured in 'breakout box' or some visual equivalent]

The Greater Christchurch Partnership is creating a new plan for our sub-region with everyone who has an interest in the area. Greater Christchurch 2050 will describe the kind of place we want for our future generations, and the actions we need to take over the next 30 years to make it happen.

Looking beyond our boundaries

While our main focus as a Council is on Christchurch and Banks Peninsula, we also need to be thinking beyond our boundaries. We are part of Greater Christchurch, which includes the city, and nearby areas within the Selwyn and Waimakariri districts, from Rolleston in the south to Rangiora in the north.

Our Greater Christchurch partners are our neighbouring district councils – Selwyn and Waimakariri – along with Environment Canterbury, Te Rūnanga o Ngāi Tahu, Canterbury District Health Board, Waka Kotahi NZ Transport Agency and the Department of Prime Minister and Cabinet (Greater Christchurch Group).

Greater Christchurch is the second biggest urban centre in this country – 10 per cent of New Zealand's population call this place home. It's an area that's growing fast. Our population has grown 15.1 per cent since 2006. Only Auckland has grown more quickly. By 2048 Greater Christchurch is expected to grow to about 640,000 – that's around 150,000 more people than today. We're also becoming more diverse. More than 20 per cent of our current population was born overseas, and a quarter of the population now identifies as non-European.

Our challenge is that the opportunity of Greater Christchurch is not well understood – as a place to live, work and invest. What contribution and role do we have in the future of our region, our island and the country?

People tell us that the thing they love most about living here is the lifestyle. We have space to grow, but we need to work together with our Greater Christchurch partners to make the most of our strengths and attract and retain people, business and investment while protecting what's important to us.

For the past year, the Partnership has focused on setting a new strategic direction for Greater Christchurch. Greater Christchurch 2050 is the project established by the Partnership to develop a clear, shared view of our future, and a plan for how we get there. We need to look ahead and make

sure we have the right plans, tools and resources to support the health and wellbeing of the people who live here, and the environment we live in.

During October and November 2020, the Partnership asked people about their priorities and concerns for Greater Christchurch in 2050.

We heard that people want Greater Christchurch to be sustainable, green, safe and affordable – a place where it's easy to get around using public transport, walking or cycling, and where nature is protected and respected.

People were most concerned about not enough being done to offset the impacts of climate change, that we will have pollution and waste management issues, that traffic congestion will be worse, that our natural ecosystems and indigenous biodiversity will be threatened, and that there will be a lack of affordable and quality housing options.

We know that our ability to maintain the lifestyle many of us love and to afford the services, technologies and infrastructure that will provide the future we aspire to, requires a strong economic foundation. We need meaningful employment opportunities, ongoing private sector investment and a solid rating base to fund public infrastructure and services. We also know our city, towns and communities face some difficult decisions ahead. If we don't start to plan and get ready for the future now, we may end up with some of the challenges other cities face of unaffordable housing and congestion, or we may not have the resources to make the investments necessary to support our future.

What we've heard will help the Partnership develop a plan for what we need to do, collectively and individually, to achieve the future we want for our future generations.

As a Council, we're also committing through this Long Term Plan to take some initial steps to help address the issues identified through Greater Christchurch 2050, and move us towards our shared aspiration for the future.

Our social recovery

Along with our partners, we have developed the Ōtautahi Christchurch Recovery Plan to foster the socio-economic wellbeing of our communities as we recover from the impacts of COVID-19, and reposition our city for a brighter future.

The Ōtautahi Christchurch Recovery Plan sets out our story for Ōtautahi Christchurch; what has happened as a result of COVID-19, our goal for recovery, how we're tracking, how we will know the impact our actions are having and our plan to get there.

In partnership with mana whenua, the Council has worked with a number of agencies in the development of the plan. Those agencies include ChristchurchNZ, Canterbury Employers' Chamber of Commerce, Ministry of Social Development, Community and Public Health and Christchurch City Holdings Limited. You can read more at ccc.govt.nz/ocrp

Ōtākaro Avon River Corridor

There is enormous potential to transform the Ōtākaro Avon River Corridor into the jewel in Christchurch's crown, creating a place for residents and visitors to explore, play, connect and

learn. Regenerating the 602-hectare Ōtākaro Avon River Corridor is a once-in-a-lifetime opportunity to create a legacy that benefits future generations.

We're committed to a new co-governance model for development of the land, in partnership with Mana Whenua. We've budgeted for a total of $337 million of capital development funding across years 2021–2031 to the former residential red zone land regeneration (Ōtākaro Avon River Corridor, Brooklands, Southshore and the Port Hills)

A riverside landing and three pedestrian bridges across the Ōtākaro Avon River have been funded by a $13.7 million grant from the Christchurch Earthquake Appeal Trust. The Medway Street and Snell Place bridges reinstate a pedestrian/cycle connection across the Ōtākaro Avon River, which has been missing since the earthquakes. The Avondale Bridge is a new bridge that will provide a connection to the future Eastern Reach wetland restoration area. Work on constructing the bridges is expected to start in early 2021.

The riverside landing at Dallington (east of Gayhurst Road) will have a 'picnic in the forest' theme and construction is expected to start in the second quarter of 2021.

We've allocated $40 million from the Christchurch Regeneration Acceleration Facility to develop 'green spine' elements. There's $7.7 million for pathways and connections, $6.6 million for basic public facilities and landings, and $25.7 million for ecological restoration.

Staff are determining priority areas for development, such as stopbank placement, and ecological and wetland areas to improve water quality.

We're engaging with community groups and organisations to determine the placement of the City To Sea Pathway and network, and design work is under way for a large stormwater facility and tidal wetland in Bexley. Detailed design work on this is nearing completion, with a tender due to go out early 2021, so that construction can begin next year.

Investment includes:

- $316 million for the implementation of the Ōtākaro Avon River Corridor Regeneration Plan.
- $21 million to support future plans for Brooklands, the Port Hills and Southshore former residential red zone land.

We've also budgeted $ 2.8 million a year for the management and maintenance of the entire former residential red zone.

Ōtākaro/Avon River Corridor funding has been allocated across the following Council activities:

- Parks $149 million
- Transport $81 million
- Land drainage $86 million

This funding will support the following developments:

- The City To Sea Pathway
- Ecological restoration
- Cultural and recreational facilities, including landings
- Floodplain management and stormwater treatment
- Pages Road bridge

We've aligned funding in the Regeneration Plan to the different sections of the Ōtākaro/Avon River Corridor, known as 'reaches'. The funding allocation per reach is as follows:

- Ōtākaro Loop Reach $94 million
- Horseshoe Lake Reach $86 million
- Eastern Reach $86 million

A further $50 million is allocated across the entire green spine for flood and stormwater priority works.

For more information about the Ōtākaro Avon River Corridor Regeneration Plan visit: https://dpmc.govt.nz/sites/default/files/2019-08/Otakaro%20Avon%20River%20Corridor%20Regeneration%20PlanReducedSize.pdf

[Breakout info box]

What else is going on?

We're consulting on two other proposals at the same time as the Draft Long Term Plan consultation - our Climate Change Strategy and Development Contributions Policy. These have implications for our Long Term Plan, which is why it makes sense to combine the conversations.

Draft Ōtautahi Christchurch Climate Change Strategy
The Draft Ōtautahi Christchurch Climate Change Strategy will reinforce Christchurch City Council's commitment to climate change leadership, and provides a long-term framework for collective action. It is based on the latest scientific advice, underpinned by government legislation, and driven by increased calls from the community for action.

Draft Development Contributions Policy 2021
Charging development contributions enables the Council to recover a fair, equitable, and proportionate share of the cost of the capital investment needed to service growth development from those who cause and/or benefit from that investment.

You can find out more about these consultations at ccc.govt.nz/haveyoursay

Our capital programme

Economic recovery is part of our COVID-19 response. Locking in the funding for this work means we can give confidence to the construction sector, among others, and in turn stimulate economic activity.

For the first three years of this Long Term Plan, we've set our core capital spend at $400 million in the first year, $420 million in the second year, and $443 million in the third year. We're making sure we can do all the work we want to deliver in the timeframe we've set. We have deliberately set our capital programme at this level, because we want to ensure it is deliverable – that we can do all the work we want to deliver in the timeframe we have set.

In addition to the core programme we have between $145 million and $241 million in each of the first three years on projects that are being delivered and/or funded by the Crown and others. This includes the Canterbury Multi-Use Arena, Metro Sports Facility, part of the Ōtākaro Avon River Corridor programme, Shovel Ready and Water Reform stimulus funding packages.

For the remaining seven years of this Long Term Plan, our core capital spend will increase to between $500 million and $550 million a year.

In our first three years, we're particularly focused on investing in our roads and water – two of the issues we hear about most from the community. We're proposing to spend more on maintaining and improving the condition of our existing roads, footpaths and cycleways, and protecting and upgrading our water networks.

[Insert pie graph showing capex using info from table below]

Capex Spend - 10 years		
Three Waters	40.9%	2,329,304
Transportation	25.4%	1,445,089
Other - including Multi Use Arena	14.0%	799,162
Parks, Heritage & Coastal Environment	11.1%	632,685
Communities and Citizens:		
- Recreation and Sport	3.5%	199,267
- Libraries	2.2%	122,854
- Art Gallery / Museums	0.3%	14,863
- Communities and Citizens - other	0.4%	22,896
Housing	1.1%	61,634
Solid Waste & Resource Recovery	1.0%	58,452
Strategic Planning & Policy	0.2%	10,092
Regulatory & Compliance	0.0%	798
	100%	**5,697,096**

Maximising our external funding

On top of our own spending on capital projects, we have external funding totalling $194 million to complete water, transport and environmental projects that will help support the city's ongoing regeneration and overall future:

Water reforms

We're getting $40.5 million to spend by March 2022 to help us deliver our part of Tranche 1 of the Government's nationwide water reforms. These funds will help us to increase the investment in our drinking water and wastewater networks, and also conduct a needs assessment for water services across our district.

Regardless of any outcome, we know for a fact that our community needs the 'three waters' services – drinking water, wastewater and stormwater.

The water reform programme includes making regulatory improvements and the Government has signalled it wants to see councils joining forces at a regional or multi-regional level to set up new entities to deliver water services. We've signed a Memorandum of Understanding which committed us to working with the Government and other parties to look at the future delivery of our water services.

During this first stage of the reform, we're working with the Canterbury Mayoral Forum to explore different ways of delivering these water services across Canterbury and the South Island. We're also providing detailed information about our water networks to the Government as part of a nationwide assessment of water services delivery.

We expect Cabinet to make policy decisions around the water reform programme in May 2021, which will allow legislation to be prepared. The Government and local authorities, including Christchurch City Council, will engage with local communities about the proposed changes later in the year and more information will be available at that time. The next stage of the reforms will likely happen in the 2023/24 financial year, and the Council with its communities will need to decide what is best for the delivery of our three waters.

For more on how we propose to invest in our drinking water network, please see page XX of this document.

Shovel-ready projects

For the first three years of this Long Term Plan, we'll take advantage of funding opportunities provided by the Government's stimulus programmes to fast-track infrastructure work that creates or keeps jobs. We're calling this work our 'shovel-ready' projects, and they cover projects ranging from six major cycleways to projects that future-proof the resilience of our water supply.

We've also been able to take advantage of the Government's funding package for local authorities to provide immediate COVID-19 stimulus, to maintain and improve drinking water and wastewater infrastructure), and provide information to influence and inform the government water reform programme.

Christchurch Regeneration Acceleration Facility

The city's regeneration has been given a boost with the $300 million in funding from the Government. The funding went towards three projects that will contribute significantly to our future as a city:

- $40 million for improving roads and footpaths, safety initiatives, and bus priority measures on key public transport routes.
- $40 million for 'green spine' elements of the Ōtākaro Avon Corridor.
- $220 million towards the Canterbury Multi-Use Arena.

Looking after what we've got

As well as optimising opportunities to tap into Government stimulus funding for infrastructure work that generates or retains jobs, we're focusing on maintaining existing services and assets.

To keep our work programme affordable and deliverable, we'll focus on maintaining, renewing and replacing our assets. The reality is that we simply cannot afford, at this point in time, to do all the renewal work that is needed.

Although there is uncertainty about the Government's reform of Three Waters and what our involvement in the delivery of three water services may be in the long term, we're continuing to invest in three waters infrastructure, giving priority to drinking water and wastewater services and continuing to protect public health.

Our operational costs

Operational expenditure is money spent to keep the city running from day-to-day. Most of our spending is on providing services. Everything we build, own and provide requires people to get the

work done. Ongoing costs to operate a library, for example, or to service our parks and waterways includes staff salaries and maintenance and running costs, such as electricity.

While some money comes in through fees and charges, most of our operational costs are met through rates.

Operational costs include Council staffing costs. This Long Term Plan will determine how the Council functions. The organisation will be right-sized in 2021 to ensure it can effectively deliver the ambitions set out in this Long Term Plan.

To address the impact of COVID-19, we're reducing budgets. As we've already mentioned, we've identified savings of $18 million in this financial year, and we're planning to save an additional $34 million in 2021/22. Many of these will be ongoing permanent savings, totalling $329 million over the period of this Long Term Plan. We believe we've got the balance right between making savings and maintaining our levels of service.

[Insert pie graph of opex using info from table below]

Opex Spend - 10 years	%	$000
Three Waters	20.8%	1,327,687
Communities and Citizens:		
- Recreation and Sport	8.6%	547,494
- Libraries	6.7%	428,652
- Art Gallery / Museums	3.7%	234,428
- Communities and Citizens - other	4.3%	271,669
Transportation	14.0%	889,446
Solid Waste & Resource Recovery	9.9%	628,874
Parks, Heritage & Coastal Environment	8.8%	559,022
Regulatory & Compliance	8.1%	513,527
Strategic Planning & Policy	6.7%	428,281
Other	3.8%	244,196
Governance	2.9%	186,933
Housing	1.7%	110,073
	100%	**6,370,282**

[Breakout info box]

What's the difference between operational and capital spending?

Our capital spending funds physical infrastructure projects such as community facilities or roads. As these projects will be enjoyed by generations of people, we borrow a good part of the money to pay for them and pay it back over 30 years.

Operational spending funds the day-to-day services that the Council provides. It is funded mainly through rates, therefore it has a direct impact on the level of rates we charge.

Capital and operational spending have different effects on rates because we mostly borrow for one, and rate for the other. For example, a total of $5.5 million of operational funding has a 1 per

cent impact on rates while every $125 million that is spent on capital projects has a 1 per cent impact due to rating for the interest and principal repayment, similar to a mortgage payment.

See page X of this document for more on our financial strategy.

Our Financial Strategy and rates proposals

It's a balancing act

The Financial Strategy describes the Council's current and future financial position. It explains the revenue and investment needed to sustainably and responsibly fund our LTP work programme and budget.

In setting our Financial Strategy, we need to balance the costs of delivering our projects and services with the funding available from rates and borrowing. These three variables – cost, rates and debt – are interrelated. Any change in one needs to be offset by changes in at least one of the others, for example, if we reduce our rates increase, we need to reduce our costs (by deferring projects or reducing our levels of service), and/or take on more debt.

Where does our money come from?

Rates are the main source of funding for the Council's activities. In the 2021/22 financial year we're proposing to collect $594.8 million in rates. This is supplemented with funding from fees and charges, Government subsidies, borrowing, development contributions, interest and dividends from Christchurch City Holdings Limited subsidiaries.

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Where our funding will come from over the next 10 years

Funding Sources	%	$m
Rates	57%	7,457
Borrowing	18%	2,432
Fees, charges and operational subsidies	13%	1,684
Capital contributions, grants and subsidies	5%	627
Dividends and interest received	5%	611
Development contributions	2%	245
Disposal of surplus properties	<1%	21
	100%	**13,077**

What will we spend money on over the next 10 years?

	%	$m
Three Waters	28%	3,657
Transportation	18%	2,335
Communities and Citizens:		
- Recreation and Sport	6%	747
- Libraries	4%	552
- Art Gallery / Museums	2%	249
- Communities and Citizens - other	2%	295
Parks, Heritage & Coastal Environment	9%	1,192
Other	8%	1,003
Debt repayment	8%	996
Solid Waste & Resource Recovery	5%	687
Regulatory & Compliance	4%	514
Strategic Planning & Policy	3%	438
Governance	2%	187
Housing	1%	172
2020/21 capital carry forwards	<1%	40
Transfer to Reserves	<1%	13
	100%	**13,077**

**Other includes $456 million of interest costs either externally received or not allocated to groups of activities, and $454 million for the Canterbury Multi-Use Arena.*

What we're proposing

The financial impacts of the earthquakes, and more recently the COVID-19 pandemic, have reinforced the need for us to be in a financial position where we can respond to unexpected events.

To achieve financial resilience, we need to retain the ability to borrow funds at short notice to soften the impact of any fiscal emergency. This will ensure we can continue to deliver appropriate services without a big impact on rates.

In the short term, this gives us the ability to borrow close to $400 million to deal with any unexpected events.

To help us reach long term financial resilience, we're planning to achieve:

A balanced budget

In the past, we haven't always had a balanced budget due to our rating for asset renewals being historically too low. We've been addressing this progressively since 2015 and will have a balanced budget again in all years except 2024/25.

Managing debt prudently

We normally use debt to finance new long-term assets that benefit future generations of residents. This ensures the upfront cost is shared fairly across the generations who'll be using them. We've also had to do some short-term borrowing to cover reduced revenue that resulted from COVID-19.

While we can service our current and forecast debt comfortably, carrying a relatively high level of debt means we need to restrain the increase in debt to ensure we have financial resilience.

The Council's net debt (our total debt minus our cash holdings and debt that's owed to us) is forecast to be $1.6 billion at 30 June 2022 – $250 million lower than predicted in 2018. Our total assets amount to about $15.6 billion, which gives us a debt-to-asset ratio of around 10 per cent. As an analogy, first home buyers generally borrow 80 to 90 per cent of house value to purchase properties.

Our net debt to revenue ratio is forecast to peak in 2028 before reducing over time.

By 2027, we're planning to have repaid all the debt we took on to meet the shortfall caused by COVID-19.

Table: Projected debt over the 10 years

$million	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Proposed net debt	1,600	1,790	2,100	2,283	2,408	2,526	2,624	2,677	2,711	2,739
Debt headroom	1,063	1,220	595	442	395	401	382	449	489	584

Table: Projected net debt/revenue ratio over the 10 years

2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
180.3%	175.4%	225.9%	238.7%	240.4%	241.5%	244.2%	239.6%	236.9%	230.4%

Provide cost-effective infrastructure and facilities

We need to ensure we have sufficient revenue to continue the following, while always ensuring that rates are affordable and sustainable:

- Funding the remaining repair and replacement of infrastructure and facilities damaged in the 2010/11 earthquakes.
- Funding infrastructure and facilities that are reliable and cost-effective.
- Providing infrastructure and facilities that support population and economic growth.
- Limiting investment to what we need, what we can deliver and what we can afford.

Quantified limits

We're required to set maximum limits, called quantified limits, for rates and debt increases. We plan to be under these limits shown below. For more information on these please see the Financial Strategy ccc.govt.nz/long term plan

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31

Rates increase limit	7.7%	6.0%	6.2%	6.2%	7.4%	5.9%	4.7%	5.4%	3.8%	5.0%
Quantified debt limit ($m)	3,269	3,505	3,085	3,061	3,133	3,186	3,266	3,360	3,437	3,563

Our rates proposals

We're very aware that many of our residents and businesses are hurting financially as a result of the COVID-19 pandemic so we're focused on meeting community expectations while keeping rates affordable.

We aim to strike the right balance between keeping rates increases as low as possible, while continuing to provide core services, invest in our city and adapt to the impact of climate change.

Average rates increase

We're proposing an average residential rates increase of 5 per cent for 2021/22. For an average house with a value of $508,608, the proposed increase is an extra $142.25 a year or $2.74 a week.

The overall average rates increase for 2021/22 is 5.56 per cent. This also means an average increase of 5.91 per cent for the average commercial property, and 5.83 per cent for the average remote rural property that currently pays land drainage rates.

For an average commercial property with a value of $1,858,572 the proposed increase is an extra $786.03 a year or $15.12 a week.

For an average remote rural property currently paying land drainage rates and with a value of $1,039,580 the proposed increase is an extra $178.04 a year or $3.42 a week.

Over the course of the 10 years of this Long Term Plan, proposed rates increases average 4 per cent a year, or 47.8 per cent cumulatively.

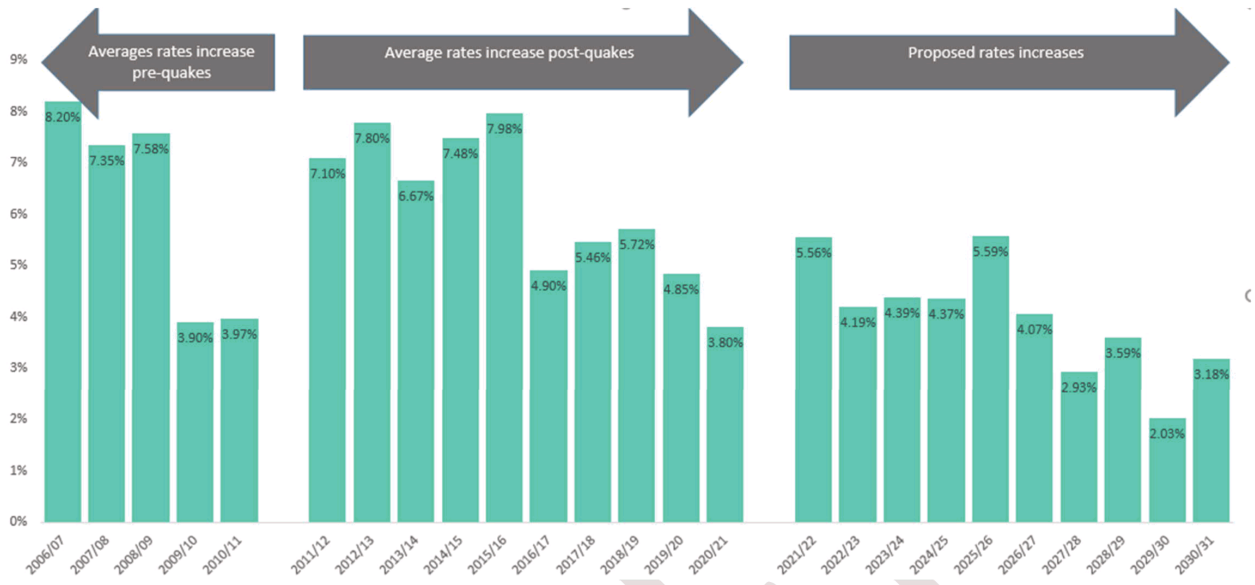
Our total rates income includes rates from new developments around the city. More developments means more ratepayers, and that means the rates burden becomes shared amongst a bigger group – so as long as the number of rateable properties keeps growing, the rates increase for existing ratepayers will be lower than the total increase.

Although rates increases over recent years have been significant, the cost of rates in Christchurch remains comparable to that of other metropolitan councils.

Table 1. Annual rates increase for existing ratepayers

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Proposed Rates increase	5.56%	4.19%	4.39%	4.37%	5.59%	4.07%	2.93%	3.59%	2.03%	3.18%

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How does our budget affect your rates?

Residential

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	*$ 1,337.57*	**$ 1,392.97**	**$ 55.40**	$ 1.07	4.14%
300,000	*$ 1,825.17*	**$ 1,908.71**	**$ 83.54**	$ 1.61	4.58%
400,000	*$ 2,312.77*	**$ 2,424.45**	**$ 111.68**	$ 2.15	4.83%
500,000	*$ 2,800.37*	**$ 2,940.20**	**$ 139.83**	$ 2.69	4.99%
600,000	*$ 3,287.97*	**$ 3,455.94**	**$ 167.97**	$ 3.23	5.11%
700,000	*$ 3,775.57*	**$ 3,971.68**	**$ 196.11**	$ 3.77	5.19%
800,000	*$ 4,263.17*	**$ 4,487.42**	**$ 224.25**	$ 4.31	5.26%
1,000,000	*$ 5,238.37*	**$ 5,518.91**	**$ 280.54**	$ 5.40	5.36%
1,500,000	*$ 7,676.37*	**$ 8,097.63**	**$ 421.26**	$ 8.10	5.49%
2,000,000	*$ 10,114.37*	**$ 10,676.34**	**$ 561.97**	$ 10.81	5.56%
3,000,000	*$ 14,990.37*	**$ 15,833.77**	**$ 843.40**	$ 16.22	5.63%
Average House					
508,608	***$ 2,842.34***	**$ 2,984.59**	**$ 142.25**	**$ 2.74**	**5.00%**

Business

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	$ 1,753.93	$ 1,837.72	$ 83.79	$ 1.61	4.78%
400,000	$ 3,145.48	$ 3,313.95	$ 168.47	$ 3.24	5.36%
600,000	$ 4,537.04	$ 4,790.19	$ 253.15	$ 4.87	5.58%
800,000	$ 5,928.59	$ 6,266.42	$ 337.83	$ 6.50	5.70%
1,000,000	$ 7,320.15	$ 7,742.66	$ 422.51	$ 8.13	5.77%
1,500,000	$ 10,799.04	$ 11,433.25	$ 634.21	$ 12.20	5.87%
2,000,000	$ 14,277.93	$ 15,123.84	$ 845.91	$ 16.27	5.92%
3,000,000	$ 21,235.71	$ 22,505.02	$ 1,269.31	$ 24.41	5.98%
5,000,000	$ 35,151.27	$ 37,267.38	$ 2,116.11	$ 40.69	6.02%
Average Business					
1,858,572	**$ 13,293.91**	**$ 14,079.93**	**$ 786.03**	**$ 15.12**	**5.91%**

Remote Rural

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	$ 838.90	$ 873.83	$ 34.93	$ 0.67	4.16%
400,000	$ 1,366.40	$ 1,435.41	$ 69.01	$ 1.33	5.05%
600,000	$ 1,893.89	$ 1,997.00	$ 103.11	$ 1.98	5.44%
800,000	$ 2,421.39	$ 2,558.58	$ 137.19	$ 2.64	5.67%
1,000,000	$ 2,948.88	$ 3,120.17	$ 171.29	$ 3.29	5.81%
1,500,000	$ 4,267.62	$ 4,524.14	$ 256.52	$ 4.93	6.01%
2,000,000	$ 5,586.35	$ 5,928.10	$ 341.75	$ 6.57	6.12%
3,000,000	$ 8,223.82	$ 8,736.03	$ 512.21	$ 9.85	6.23%
5,000,000	$ 13,498.76	$ 14,351.89	$ 853.13	$ 16.41	6.32%
Average Remote Rural Property					
1,039,580	**$ 3,053.27**	**$ 3,231.31**	**$ 178.04**	**$ 3.42**	**5.83%**

What if we spend less?

We considered spending less but, in the end, we didn't pursue these options because we believe they would not be in the best interests of our residents and communities. The significant options we considered but didn't pursue are:

- **Reducing the level of road resurfacing renewals**
  We have a backlog of approximately 300 kilometress of road resurfacing renewals. We could reduce the resurfacing rate from our proposed rate of 4–5 per cent of the network (or 110–112 kilometres) per year, to 2–3 per cent (40–50 kilometres), and save $9 million a year, less a loss of 51 per cent subsidy. The rates impact would be an annual reduction from the second year of the Long Term Plan (2022/23) of 0.03 per cent.

  However, the impact of this decision would be that, instead of taking around 10 years to get streets back to a state that is comparable with the national average, it would take 20 years. Given our low customer satisfaction results from recent residents' surveys on the state of our roads, 20 years was considered an unacceptably long time and would have too negative an impact on the city. The fact the work is 51 per cent subsidised was also an important factor in not pursuing this option.

- **Reducing the level of water supply and wastewater renewals**
  Our proposed budget includes an additional $404 million of water supply and wastewater renewals over the 10 years. If we didn't do this renewal work it would mean::
  - The proportion of drinking water pipes in poor condition would increase from 13 per cent today to 18 per cent in 2031, with an associated increase in leaks from 20 per cent today to 24 per cent in 2031.
  - The proportion of wastewater pipes in poor condition would increase from 14 per cent today to 30 per cent in 2031, with an associated increase in overflows and blockages.
  - An increase in maintenance costs of $14.1 million over the 10 years.

  The rates impact of not increasing these renewals would be minimal in the first two years, then annual rates reductions of between 0.2 per cent and 0.4 per cent. More significantly, our debt headroom would improve from $384 million in 2028 to $651 million. The low point moves to 2025 ($566 million), above our prudent minimum of $400 million. However, given the importance of protecting and upgrading our water networks and not passing costs on to future generations, decreasing our renewals was not considered acceptable for the city.

- **Reducing maintenance**
  We considered making reductions to our annual maintenance budgets:
  - Reducing road maintenance by a net $1.8 million, which would have decreased rates by 0.33 per cent in the first year only.. The impact of the reduction, other than loss of subsidy, would be that the condition of the road network would not be able to be improved at the rate desired by the community.
  - Reducing our stormwater maintenance by $1 million annually, which would have reduced rates by 0.18 per cent in the first year only. The impact of the reduction would be excessive weed growth in streams and a potential risk of local flooding and drain collapse.
  - Reducing $1 million annually from maintenance budgets across our parks (including community parks, regional parks and garden and heritage parks) which would have decreased rates by 0.18 per cent in the first year only. The impact of the reduction would have affected the appearance and condition of the parks.

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The importance of roading, stormwater and parks to our residents resulted in these options not being recommended.

- **Reducing community and other grants**
  We considered higher cuts to our community and other grants programmes from the 5 per cent reduction taken in our proposed budget, ranging up to $1.2 million annually across the programmes, which would have reduced rates by 0.22 per cent in the first year only. Our largest grant programme is our Strengthening Communities fund. However, larger cuts would have a disproportionately negative impact on the volunteer and not-for-profit sectors, particularly given the impacts of COVID-19. Larger cuts would also have disproportionately affected Christchurch's ability to attract and host events – a key factor in our post-COVID economic and social recovery.

- **Deferring or discontinuing the build of new facilities**
  We considered deferring or discontinuing the new Hornby facility, resulting in annual operating cost savings of $1.6 million to $2.2 million from 2022/23. However, while the deferral would have meant a rates decreaseof 0.02 per cent in 2021/22 with a further 0.13 per cent in 2022/23, it would also have ledad to cost escalation estimated at $0.85 million per year for the period of the delay. Discontinuing the project would save $33.6 million of capital and $2.2 million annually of operational costs and would result in a 0.4 per cent rates decrease in 2022/23. However, it requires a write-off of costs already incurred. Both options would be very contentious with the local community and for this reason we haven't proposed them.

- **Reducing grant to ChristchurchNZ**
  ChristchurchNZ requested an additional $3 million of annual funding in the Draft Long Term Plan. This request is included in our proposed budget. The additional funding is to enable ChristchurchNZ to achieve the economic recovery and development stimulus programme that we believe is necessary in the post-COVID environment. This expenditure will be used to deliver a range of additional economic and urban development workstreams within ChristchurchNZ. The overall spend on economic development agencies is less than in the prior Long Term Plan because the Council will not be funding Regenerate Christchurch and Development Christchurch Ltd. This change also leads to operational efficiencies. The rates impact of not providing this ongoing grant would have been a 0.54 per cent rates reduction in 2021/22.

- In addition to the examples above many other smaller savings options such as further cuts to community rates remissions and libraries content and programmes were considered, but were discounted due to the more significant effect that they would have on core, front-line services and the community. The total rates impact of these other reductions would be a 0.2 per cent reduction in 2021/22.

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What's the right game plan?

We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible. The balancing act of delivering our ambitions, while also giving ourselves enough financial headroom to weather unplanned events, leaves us with one preferred plan.

We looked at the impacts of having higher rates rises, which would enable accelerated delivery of asset renewals. A further $20 million of capital spend per annum would cause an ongoing rates increase of 0.15 per cent. This option was ruled out because we wouldn't have the capacity to deliver the projects nor borrow for additional capital works. Furthermore, higher rates rises would place additional hardship on the most vulnerable citizens in our community.

We also looked at making even more severe cuts to budgets to achieve lower rates rises. However, this wouldn't enable us to look after our assets and would have meant we were passing on failing infrastructure to future generations. We would not be able to complete the major community facilities underway nor grow our city. It would also have required a drop in the levels of service we are able to provide. Some of the options also involved loss of subsidy we receive or additional short term costs like redundancy. In the interests of community wellbeing and our responsibilities to look after our assets, we opted not to take this approach.

Are there options that we didn't pursue that you would like us to consider?

Have your say at ccc.govt.nz/longtermplan

Changes to how we rate

We're also consulting on some proposed changes to existing rates, and some new rates. You can find out more information about these proposed changes to existing rates and the new rates in the from page xxx of the Draft Long Term Plan: ccc.govt.nz/longtermplan and also on ccc.govt.nz/longtermplan.

Excess water targeted rates for households

We're proposing a new excess water charge for households. This is set through our rating system. You can find out more information about this on page xxx of this document.

A heritage targeted rate

We're proposing to introduce a heritage targeted rate, instead of including all funding for heritage buildings in the general rate. In the future, we plan to show this funding separately on your rates bill. This targeted rate will provide a clear picture of the portion of your rates **that you already pay** towards specific heritage projects in the central city. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value. A fixed rate was considered but not preferred because a targeted rate based on house value was considered more equitable.

These central city heritage projects include:

[include images of these facilities]

- Canterbury Provincial Council Buildings: The targeted rate will help to fund $20 million of capital expenditure in the 2027–28 year.
- Old Municipal Chambers (previously known as Our City Ō-Tautahi): The targeted rate will help to fund up to $8.6 million in capital funding ($2.6 million in 2021–22 and $6 million in 2022–23). This funding will be transferred to the City of Christchurch Trust – a charitable trust set up by private company Box 112. Box 112 will undertake the strengthening and refurbishment of the building at the direction of the Trust, and will maintain the building over 50 years at no cost to Council.
- Robert McDougall Art Gallery. The targeted rate will help to fund $13.5 million of restoration work in 2022–23 to 2024–25. Depending on the outcome of consultation on this draft Long Term Plan, this could also include $11.8 million of funding towards base isolation work. See page xxx of this document for more details.
- Canterbury Museum redevelopment. The targeted rate will contribute $23.7 million to the redevelopment in years 2024–27.

The rate would recover those costs over 30 years, and would phase in over three years, so will be smaller in 2021/22 and 2022/23 than in subsequent years.

A targeted rate specifically for the Arts Centre Te Matatiki Toi Ora

We're proposing a new targeted rate specifically for the Arts Centre Te Matatiki Toi Ora to provide a $5.5 million capital grant to help with restoration. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value. A fixed rate was considered but not preferred because a targeted rate based on house value was considered more equitable. You can find out more information about this on page xxx of this document.

A Central City Business Association targeted rate

We're proposing a targeted rate on business properties in the central city to fund our annual grant to the Central City Business Association (CCBA).

The grant is currently funded from the general rate, which means all ratepayers in Christchurch and Banks Peninsula contribute. Under this new proposal, only central city businesses in an identified area (pictured) would contribute.

[include map of identified area]

It is proposed that the rate is levied as a fixed charge rate. All business properties with land valued at $50,000 or higher will pay the same amount. There are currently 623 rating units in the defined area.

The budgeted cost of the grant for 2021/22 is $150,000. This means each business property would pay $276.89 towards it in the next rating year – which comes to $5.32 per week.

The proposed change would allocate the cost to those who benefit from the activities of the CCBA. Of the options we've considered, a fixed rate charge on each business rating unit in the central city is considered the most fair and efficient.

Potential future rate for vacant sites in the central city

We're also looking at ways we can support owners of vacant land in the central city to bring forward development or, where development is still a long way off, to improve the visual appearance of the land in the short term.

The Council recently agreed a Vacant Sites Programme that reflects the community's views. They feel the visual appearance of vacant sites has a significant influence on negative perceptions of central Christchurch – and this perception is deterring people from the central city and stifling new investment on nearby sites.

We want property owners to improve their sites. The Vacant Sites Programme has already identified a range of tools it will use to help owners do this, and you can review these at ccc.govt.nz/vacant-sites

We're also considering other support tools and funding arrangements, such as a targeted rate for vacant central city land. We'll be talking more about this with the community and owners of vacant sites in the coming months.

Land drainage targeted rate

We want to change who pays the land drainage targeted rate to better reflect the population that benefits from the Council's land drainage work.

This rate funds the operating costs of the Council's stormwater drainage and flood protection and control works. At the moment the only ratepayers that have paid this rate have been those with properties in the 'serviced area' – all the developed land within the district or where there is a land drainage service. The rate is calculated as a number of cents per dollar of capital value.

However, because these services enable all of us to get around more easily without surface flooding and make our city a pleasant place to live, we think all of Christchurch benefits from these works. To make things fair, we want to move to all ratepayers meeting this cost over the next three years. The other option would be to leave the way we charge this rate unchanged, but we don't think this is fair to all ratepayers.

If we don't make this change, we'd need to consider expanding the way we measure developed land, which we haven't always rated consistently. We'd also need to expand the way we measure the 'serviced area' to cover the full range of land drainage services such as swales, wetlands, river clearing and flood protection – not just stormwater pipes.

We're proposing that ratepayers who already pay this rate will continue to do so, but the cost will be shared across all ratepayers.

The remaining ratepayers who haven't been paying this rate would now start paying this rate, starting at 33 per cent of the full targeted rate for 2021/22.

This will increase to 67 per cent of the full rate for 2022/23 and reach 100 per cent for 2023/24 onwards.

This will better share the cost over all ratepayers. You can see which properties are in what category on the map (pictured).

[include map] and [insert link]

Remote rural properties

The Council's general rates, based on the value of a property, make up most of the Council's total rates requirement.

Remote rural properties pay 75 per cent of the standard rate. We want to make a change to how we define remote rural properties to remove some unfairness in the way it currently works.

The way we measure remote rural properties is by how close they are to our wastewater system – it's a simple way of defining how far they are from the city and its amenities. At the moment, if a ratepayer's large rural property is within the area serviced by our wastewater pipes, the ratepayer isn't considered 'remote rural', and so isn't eligible for the lower remote rural rate. This is unfair to very large rural properties where the wastewater system passes close by one corner of the property, making the whole property ineligible for the lower rate.

We want to broaden this category so that if a property is bigger than 20 hectares and within the wastewater-served area – and even if a farmhouse on the property is connected to the wastewater system – it will be eligible for the lower remote rural rate, provided it meets the other criteria.

Revenue and Financing Policy and Rates Remission Policy

We are proposing a new Revenue and Financing Policy. While much of the Policy is the same, there are some key changes, many of which relate to proposed rates changes mentioned on pg xxx of this document. There are also a number of minor changes being made, so we're providing a whole new Policy for you to comment on.

We're also proposing three amendments to the Rates Remission Policy.

- Amending Remission 1 (which applies to not-for-profit community based organisations) so that organisations with high cash balances will no longer be eligible for the remission. **This focuses the Council's resources on organisations that most need rates relief.** This proposal better balances the interests of not-for-profit community-based organisations with the interests of other ratepayers who fund those remissions. Some not-for-profit community-based organisations are non-rateable, for example, churches, which normally pay only sewer and water targeted rates. In some cases we provide remissions to those properties, further reducing their rates obligations. The proposal applies to non-rateable properties just the same as for other properties, except that if they do not qualify for remission in 2021/22, they will still just pay sewer and water rates. Schools do not receive remissions (unless part of the property is being used for some other purpose) so won't be affected by the proposal.
- A minor amendment to Remission 5 (residential Pressure wastewater system electrical costs). It clarifies that in addition to a subdivision consent, if a system was required post 1 July 2013 under a land use consent or building consent, the remission is not available.
- Updating Remission 7 (Excess water rates) to align with proposed changes in the LTP, providing for a new excess water rate for residential customers. In addition to requiring proof of leaking pipes being fixed, we're proposing a remission where an individual requires water for medical purposes.

More detail on the amendments to both policies is available at ccc.govt.nz/longtermplan

What's the right game plan?

What do you think of our proposed changes to existing rates, and new targeted rates?

Have we got it right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Our Infrastructure Strategy

This Infrastructure Strategy is our game plan for infrastructure investment that will continue to build our resilience over the next 30 years. Our ability to adapt to the impacts of climate change will define our future city and lives, and disruptions must be expected.

The Infrastructure Strategy sets out how we will provide, maintain and manage the infrastructure that supports drinking water, wastewater, stormwater and flood protection, roads, rubbish, recycling and organics, community facilities, parks and information technology.

Our infrastructure is worth billions of dollars, so we take a 30-year view to plan as much as we can for future costs and spread the work out so it is manageable to both do and fund.

COVID-19 has put pressure on our immediate financial situation. This means that in the short-term, we've had to reduce or defer some work programmes and projects. In the long term, our aim is to ensure that communities and infrastructure in our city and Banks Peninsula are both able to deal with the challenges we face, and are great places to live.

We're also committed to looking after, and making greater use of, what we already have, and balancing our community's needs and expectations with what we can afford.

Our main priorities for the future of our infrastructure are:

- Maintaining a viable infrastructure network.
- Moving ahead with projects already underway or committed to.
- Taking advantage of available external funding.
- Undertaking important policy work, such as confirming our approach to infrastructure provision in coastal and low-lying areas affected by the impacts of climate change.
- Working alongside local communities that need to adapt to natural hazards.
- Finding pathways for reducing our emissions.
- Working in partnership with mana whenua and all our strategic partners to protect waterways.
- Finding a shared strategic direction for our urban areas through the Greater Christchurch Partnership, with a clear vision for the city and districts we want by 2050.

[Infographic showing infrastructure spend Capex]

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Water, wastewater, surface water and waterways

One of our core responsibilities is to provide and maintain the wells, pipes, reservoirs, treatment plants and pump stations for drinking water and manage the collection, treatment and disposal of wastewater and stormwater.

This infrastructure is essential to the health of our city and our residents. It contributes to the health of our rivers, streams and harbours and it is the most costly service we provide. The capital cost of water infrastructure and services accounts for 41 per cent of our proposed capital spending for this Long Term Plan.

Many of our water supply pipes are ageing and vulnerable to leaks – modelling shows that leaks have increased by a third in the past two years and we lose the equivalent of 90 Olympic-size swimming pools each week. We need to renew more of our pipes to reduce our leakage rates.

Over the next few years, the way councils provide water services to people is going to change. We're part of the conversation with the Government, and we're talking to iwi and neighbouring councils about the future of our 'three waters' services – drinking water, wastewater and stormwater. There will be a public consultation process later in the year.

Excess water use targeted rate for households

We're proposing introducing an excess water use charge for households that use significantly more water than the average. This charge would apply to any household that uses more than 700 litres per day.

Christchurch's water use in summer is about double that in winter. This is mostly due to people watering their lawns and gardens. As there is no cost to residents for doing this – and there are practical difficulties in enforcing water restrictions – we have to appeal to people's goodwill to reduce their water use.

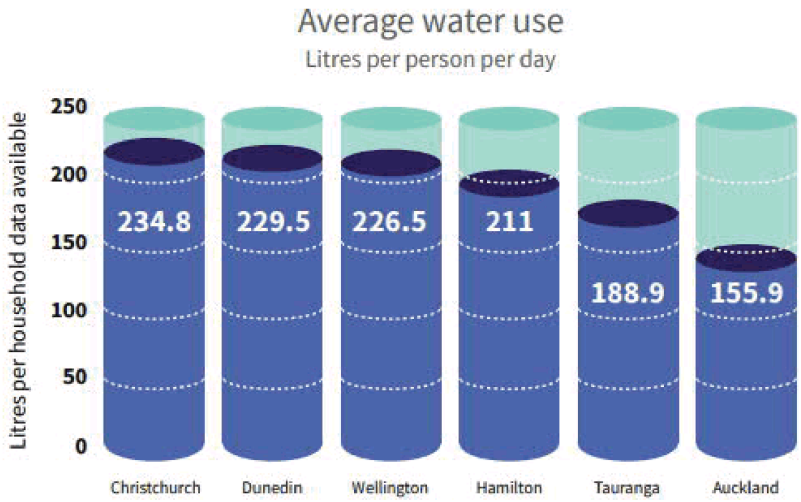
The average Christchurch household uses 540 litres per day, and we have the highest household water use of all the larger cities in New Zealand. As a rough guide, if you were to take seven baths a day, you would use roughly 540 litres of water.

In the past two summers, demand on the water supply network has been so high that the system has been at risk of not being able to supply enough water to properties. If this happened, it could have serious implications for public health, as well as public safety in the event of a significant fire.

Charging for excess water use would help us manage our demand better and also reduce our pumping costs over summer. It would also mean, long term, we wouldn't need to spend as much money on expanding our water supply network just to cater for the small proportion of very high users. It would also improve the sustainability of our water supply, which aligns with our climate change goals.

[Include below graphic from Updated Annual Plan 2020-21, p.17]

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How this targeted rate would work

We charge for the delivery of water, rather than for the water itself, based on the capital value (CV) of a property. This means the higher the CV of a property, the more the property owner pays for their water supply. This is the water supply targeted rate.

In addition to this rate, we propose charging high residential water users a fixed amount of $1.35 per 1000 litres for any water use over 700 litres per day. This means those properties that regularly place a high demand on the public water supply network would contribute to the extra cost of supplying them with water.

The charge would come into effect from July 2021. All residential water metres in the Christchurch district would be read and recorded every three months (quarterly). A property's water usage would be calculated based on the average daily use over that period. Property owners would be notified of their usage for the period (generally between 80 and 100 days), and if they exceeded the limit, they would also receive a bill.

In practice, we'd only expect to bill high-use properties over the summer months, because that's when water use is at its highest.

Where multiple rating units are served by a single meter, the Council won't invoice for rates until separate meters can be installed, unless there is a special agreement in force specifying which rating unit/ratepayer is responsible for payment.

The new charge would initially affect between 20,000 and 30,000 properties, depending on changes in demand, and bring in revenue of about $2 million to the Council in the first year. Over time, we expect fewer properties to be affected as high-use households reduce their water use.

There would be some exemptions to the charge, such as:

- Unexpected high use due to an unknown water leak (following proof of leak repair).
- Water use for medical purposes.

Find out more information about these exemptions and see the proposed changes to the Rates Remission Policy on page x of this document.

We also considered other options for how this rate could work and you can read more about that in the background information on ccc.govt.nz/longtermplan.

[include below as pullout box]

Did you know? The top 20 per cent of household water users in Christchurch use half of the total residential water supplied to the city.

[Include amended 'Putting it in perspective' graphic from Updated Annual Plan 2020–21, p. 16]

[New graphic will show: Average daily household water use (per year) in Christchurch – 540 litres, and average daily household water use that would trigger the proposed targeted rate – 700 litres].

Crunching the numbers

The proposed excess water use targeted rate would apply to any household that uses, on average, more than 700 litres per day during a three-month billing period.

Example: Let's say a household uses, on average, 1200 litres of water per day during a billing period.

The average daily limit is 700 litres per day, so the household has used 500 litres more per day, on average, than the limit.

Calculated over the three-month billing period, this works out to be 48,660 litres more than the limit of 63,840 litres.

The proposed excess charge is $1.35 per 1000 litres, so 48,660 extra litres is equal to 48.66 x $1.35, a total charge of $65.69.

What's the right game plan?

We're proposing introducing an excess water use targeted rate for properties that use more than 700 litres per day, in order to help us manage our water demand better, give us a more secure water supply, and reduce our pumping costs over summer.

Have we got it right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Drinking water

We have a responsibility to ensure our drinking water supply, infrastructure and water taonga are managed in a way that supports the environmental, social, cultural and economic wellbeing of current and future generations.

We're investing in upgrading the city's drinking water supply network, including upgrading well heads, drilling new and deeper wells, upgrading reservoirs, replacing older pipes, and installing new 'smart' monitoring systems and flow meters. The work we're doing is best practice and will future-proof the network for many years to come.

Safe drinking water, without residual chlorine, is a major priority for the Council, and for the people of Christchurch. We've resolved that, long term, we want to retain the city's untreated water supply system and will seek an exemption from the Government proposal in the Water Services Bill to require residual chlorine treatment.

Much of our water supply pipe network was built during previous building booms. It is ageing and around 14 per cent of pipes are in very poor condition and are expected to fail in the next one to two years. A concerted effort is therefore needed to replace large parts our water supply pipe network to stop it deteriorating further.

In the next 30 years we need to keep protecting our drinking water supply by upgrading and renewing infrastructure and extending the network to supply water to new developments. We propose spending $836 million over the next 10 years, including:

- Water Safety Plan Improvement Programme Asset renewals and replacements.
- Water supply rezoning – this will allow for water pressure to be managed more effectively across the whole city.
- Smart technologies for monitoring and measuring the network's use.

Surface water and waterways

We're committed to maintaining the health of our waterways across our district, and to working with our communities to reduce the pollutants that can enter our urban streams and rivers.

Our drainage and stormwater networks include our pipes, manholes, sumps, inlets, outlets; natural waterways such as rivers, streams and creeks, constructed drainage channels, in-channel structures, lining and retaining walls. Our pump stations and water flow control devices and structures such as valve stations, stopbanks, tide gates and basins and water quality treatment devices such as basins, wetlands, tree pits, raingardens and filtration devices are also included.

Our focus will be on delivering the floodplain management and stormwater quality elements of the Ōtākaro Avon River Corridor work programme.

We propose spending $695 million on infrastructure over the next 10 years, including:

- Implementation of Ōtākaro Avon River Corridor Regeneration Plan. A major part of this is temporary or permanent stopbanks work ($86million).
- New or retrofitted stormwater treatment facilities ($369 million).
- Renewing and replacing pump stations, pipes, drains, swales, waterway linings ($240 million).

Our wastewater

Wastewater is the used water that leaves our homes and businesses – from kitchens, laundries, bathrooms and toilets. A healthy city depends on an efficient wastewater system to collect, treat and dispose of wastewater and to help protect our waterways.

The wastewater network collects and carries wastewater to the Christchurch wastewater treatment plant at Bromley, or one of seven wastewater treatment plants across Banks Peninsula.

Our main focus will be on replacing poor condition wastewater pipes. Much of our wastewater network is old and leaky, and lets large amounts of groundwater and stormwater into the wastewater system. These pipes are also prone to blockages. Both of these factors can lead to increased overflows of wastewater to the environment, which creates a public health risk and isn't good for the environment.

We plan to protect the Lyttelton and Akaroa harbours by removing treated wastewater discharges from them. In 2021, wastewater discharges from three wastewater treatment plants in Lyttelton

Harbour will stop, and all wastewater will be pumped to the Christchurch wastewater treatment plant.

Akaroa's current wastewater treatment plant and outfall are in a culturally and historically sensitive place and they are old and need to be replaced. We plan to build a new modern treatment plant and use the reclaimed water to irrigate new areas of native trees in Robinsons Bay, Takamātua and Hammond Point. We plan to use some of the reclaimed water for irrigating public parks and flushing public toilets in Akaroa. We will also work with Ngāi Tahu, government agencies, and other water suppliers to develop regulations to allow the use of this water on private properties for irrigating gardens and flushing toilets.

In Duvauchelle, we are also exploring removing the treated wastewater discharge from Akaroa Harbour, and irrigating it to land instead, possibly on the golf course. This would mean an end to treated wastewater discharges to Akaroa Harbour. We will be consulting on the options for Duvauchelle later in the year.

We propose spending $798 million on wastewater infrastructure over the next 10 years, including:

- Removing treated wastewater discharges from Akaroa Harbour ($69 million).
- Replacing or renewing ageing or damaged assets that are in poor condition ($626 million).
- New or retrofitted wastewater reticulation and treatment facilities ($103 million).

What other options did we consider?

Protecting and upgrading our water networks is one of our key areas of focus for our capital expenditure, and we've invested accordingly with a programme that we can deliver. We did consider spending less in this area and you can read more about that on page 24 of this document.

What's the right game plan?

What do you think of our proposed investment in upgrading and protecting our city's water networks?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

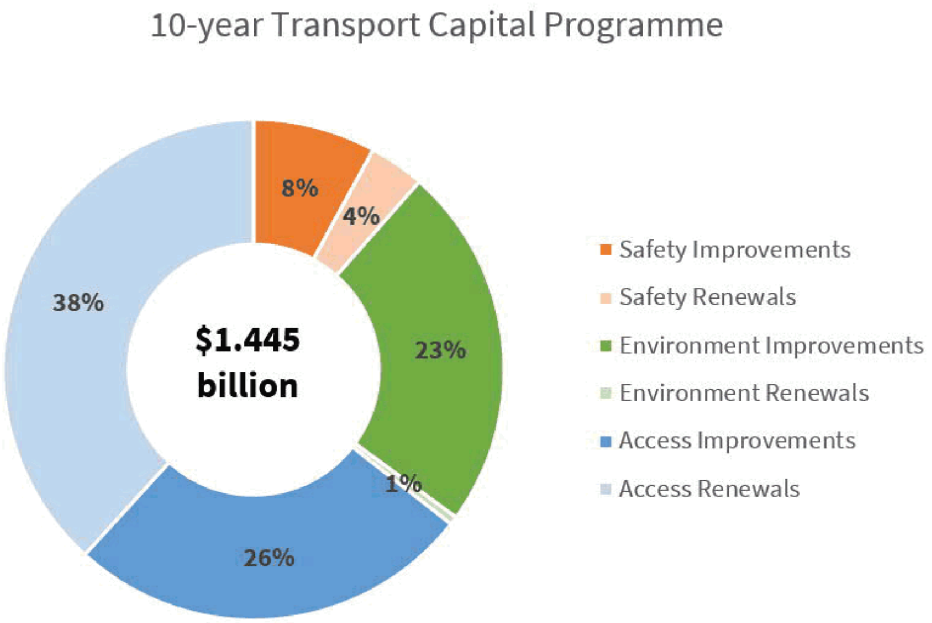
Transport

The Council owns, plans and operates our city's network of roads, footpaths, cycleways and bus lanes. We also own and operate key transport assets ranging from bus shelters to traffic lights.

We've heard from residents that transport is a top priority. It's also the city's biggest contributor to carbon emissions. With a growing and shifting population, and the congestion that comes with it, the next 10 years of transport planning is critical.

We want to give people better options for getting around, whether by car, public transport, on foot or on a bike or scooter. We also want to ensure our networks are safe.

We are also concerned about the environment – around 36 per cent of greenhouse gas emissions in Christchurch are generated by traffic on our roads. We therefore need to make it easy for people to choose alternative travel options to move around the city.



The capital cost of transport infrastructure improvements accounts for 57 per cent of our proposed capital spending on transport for this Long Term Plan. Renewals account for the remaining 43 per cent. Improvements are effectively new infrastructure while renewals are upgrades to existing infrastructure.

Christchurch residents want us to get the basics right, and have identified the condition of the roads and footpaths around the city as a big concern. We're focusing on what you're telling us is important:

- Maintaining and improving the condition of our existing roads, footpaths and cycleways;
- Making the transport network safer to use;
- Addressing the impact transport has on our environment.

The Council has also received Government funding to finalise some ongoing earthquake-related issues and support economic development in the COVID-19 environment. This includes:

- $40 million from the Christchurch Regeneration Acceleration Facility (CRAF). Funding of $30 million is earmarked for road and footpath upgrades, as well as safety and accessibility improvements in different locations within five areas of the city most affected by the earthquakes – Richmond, New Brighton, Linwood/Woolston, Spreydon/Somerfield, Waltham/Beckenham, and Riccarton. The remaining funding is made up of $5 million for targeted road safety initiatives, and $5 million for bus priority measures on key public transport routes.
- $87.3 million in 'shovel-ready' funding to deliver a number of cycleways and complete the Coastal Pathway.

In addition to this Government funding, Council will also be seeking funding from Waka Kotahi NZ Transport Agency for a range of programmes and projects across the transport network.

Safety

We want safe and healthy communities, and for people to get where they want to go safely, whether on foot, in a car, on a bike or scooter, and everything in between. By 2031 we want to see at least 40 per cent fewer fatal and serious injury crashes on our road network compared to 2020.

To help achieve this, we've proposed a programme of safety works at the city's most high-risk sites. We're also focusing on protecting pedestrians and cyclists, safer school zones and key intersection improvements.

We propose to spend $166.2 million on this over the next 10 years. Waka Kotahi NZ Transport Agency has endorsed this programme and will provide between 51 per cent and 75.5 per cent of the funding.

Roads and footpaths

We're focusing on catching up on renewing our damaged roads and footpaths, bringing them up to a standard our communities are satisfied with and helping Christchurch develop into a 21st century city.

We propose spending $551.8 million on roads, footpaths and road infrastructure renewals over the next 10 years. This is about 42 per cent of what we're spending across all aspects of the road network. This covers:

- Road smoothing (asphalt surface) - $47 million
- Road resealing (chip seal) - $136.2 million
- Road renewals (pavement reconstruction) - $40.8 million
- Street upgrades - $46.4 million
- Footpath renewal - $59.5 million
- Kerb and channel renewals - $68.2 million
- Pages Road bridge, Marshland Road bridge and Fitzgerald Avenue twin bridges replacements - $56.8 million
- Other transport assets (traffic signals, lighting, bridge renewals, road metalling, signs, parking facilities, guardrails, landscaping, etc.) - $96.9 million

As outlined above, we're accelerating spending for the first three years of the Long Term Plan 2021–31 for resealing and upgrading roads, and spending $138.9 million in this period on renewing transport assets. This represents more than 52 per cent of the core transport budget. A total of $30 million of the CRAF funding will be spent on improving local roads in parts of five areas of the city in the first three years of the Long Term Plan 2021–31.

For the first three years of this Draft Long Term Plan, we'll spend $18.3 million a year on road resurfacing (asphalt, chip seal and pavement reconstruction) – increasing our level of service to a total of 5.3 per cent of the city's roads from the current 2 per cent. This funding will increase to nearly $20 million a year from the fourth year.

Central city projects

Our central city transport projects support the successful implementation of anchor projects, such as Te Pae Christchurch Convention Centre, Metro Sports Facility and the Canterbury Multi-Use Arena, as well as central city residential and commercial development, by helping people to travel to them easily and make the most of them. This work will include street upgrades, improving

walking networks, public transport interchange extension and linking the major cycleway routes to the central city. We propose spending $146 million on this over 10 years.

Supporting cycling

Getting more people cycling is key to addressing climate change, creating healthier communities and reducing congestion. The major cycle routes and other cycleways are designed to encourage people to ride because they can see it's a safe, convenient option to get where they want to go.

Most of the Government's 'shovel-ready' funds over the first three years will be used to deliver the Major Cycle Routes programme. We'll deliver five of these cycleways by 2024: Rapanui–Shag Rock, Northern Line, Nor'West Arc, South Express and Heathcote Expressway. We will also complete the Coastal Pathway between Ferrymead and Sumner.

The delivery of the Wheels to Wings has been brought forward to allow construction to start in 2022. The remaining three Major Cycle Routes – Avon-Ōtākaro Route, Ōpāwaho River Route and Southern Lights – will be constructed between 2025–2029 in stages.

We also have a 'local connections' programme to link key community places to our Major Cycle Routes, and the City to Sea recreational cycleway along the Ōtākaro-Avon River Corridor's green spine.

All up, we propose spending $235 million on all cycling projects/programmes over the next 10 years. This includes a significant portion of 'shovel-ready' and Waka Kotahi NZ Transport Agency funding.

Public transport infrastructure

The public transport service for Greater Christchurch is provided by Environment Canterbury. We support the public transport network in Christchurch city by providing infrastructure such as bus stops, shelters and bus lanes.

We want to encourage as many people as possible to use this service. This will support our goals around transport choice and climate change. The Council is part of the Greater Christchurch Public Transport Futures business case programme (PT Futures), which describes how the Greater Christchurch public transport system will develop over the next decade. It sets out a recommended investment programme.

We propose spending $96.7 million on bus infrastructure improvements and renewals over the next 10 years. These include bus lane priority, intersection improvements, central city bus interchange upgrades and bus stop improvements to support planned increases in bus frequency. Further funding is recommended beyond 2031.

To reduce ongoing operational costs, Council is proposing to close the Riccarton Road bus lounge. This kind of suburban facility is not provided anywhere else in Christchurch, and our future planning, which we've undertaken with our public transport partners, hasn't identified a remaining need for these lounges or for any similar facilities in the city.

Growth

To meet the needs of new land development and subdivisions, we're proposing a growth programme, which includes $42.1 million of intersection and corridor improvements over the next 10 years.

Main changes to our plans

To help us make the above changes and meet our goals, a number of changes have to be made to the size or schedule of some projects.

We've managed to accelerate the delivery of five Major Cycle Routes using 'shovel-ready' funds from the Government. These projects have been brought forward and condensed in the first few years of the programme. We've also increased the amount of resurfacing work that we're doing across the city. At the same time, we've reviewed our more complex projects over this period, and we've changed some of the timeframes to be more realistic.

The main projects affected are:

- Pages Road Bridge Renewal (part of the Ōtākaro Avon River Corridor): delayed by two years to 2025.
- The Palms Public Transport Facilities: delayed by four years to 2024.
- Central City Projects – Salisbury and Kilmore streets: delayed by six years to 2031.
- Some projects relating to the following Master Plans have been delayed to the end of the 10 year period:
    - Sydenham Master Plan
    - Main Road Master Plan
    - Sumner Master Plan
    - Ferry Road Master Plan

What other options did we consider?

Our transport network, and road maintenance in particular, is another key area of focus for our capital expenditure. We did consider spending less in this area and you can read more about that on page 24 of this document.

What's the right game plan?

What do you think of our proposed investment in our city's network of roads, footpaths, cycleways and bus lanes?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

DRAFT

Rubbish, recycling and organics

Resource recovery

Waste minimisation is fundamental to helping achieve our climate change goals. In 2018, 9 per cent of our carbon footprint for the Christchurch community was caused by waste disposal. As a society, reducing the waste we create is our collective responsibility. The Council's role is to lead and facilitate solutions to help reduce waste.

In Christchurch, more than 200,000 tonnes of waste is sent to landfill each year, the equivalent of 538 kilograms per person (excluding special waste). Another 115,000 tonnes is processed through our recycling and organics facilities (diverted from landfill).

There are growing community aspirations for sustainable ways to manage our resources, such as recycling and composting to reduce these materials going to landfills.

The Council shares those aspirations. In 2020 we adopted a new Waste Management and Minimisation Plan that focuses on changing our 'throw-away' culture and reducing the amount of waste we are sending to landfill.

Implementing the actions in that plan are the key drivers of our capital and operational spending in the area of resource recovery. Funding for the activity includes between $2 million and $20 million a year for capital programmes, and $56 million to $74 million for operational programs.

Another important focus will be on contributing to the Council's zero emissions target through exploring ways to reduce greenhouse gas emissions from waste processing activities, the household kerbside collection vehicle fleet, and the transportation of waste materials.

Rubbish, recycling and organics

Christchurch has had a successful three-bin kerbside system since 2009, diverting approximately 65 per cent of household recyclable and organic materials from landfill. Through the kerbside collection service, Christchurch residents contribute approximately 20 per cent of the general waste sent to Kate Valley Landfill each year. We are proposing to invest in our recycling and organics facilities to enable more future diversion of waste to landfill.

Rubbish

Our kerbside red bin service delivers approximately 45,000 tonnes of rubbish per year to landfill. In addition our public EcoDrops and transfer stations around Christchurch and Banks Peninsula receive almost 70,000 tonnes of rubbish each year. Upgrading our transfer stations will ensure we provide safe and accessible facilities for disposal of rubbish, while investing in resource recovery centres at each site and education programmes will help divert more waste from landfill.

We propose spending $18.5 million on transfer station infrastructure over the next 10 years, including:

- Upgraded facilities building at Barrys Bay Transfer Station ($0.3 million)
- Transfer station stormwater treatment ($0.25 million)
- Transfer station upgrades ($9 million)
- Equipment (including renewals) ($9 million)

Recycling

Our kerbside recycling yellow bin service produces approximately 34,000 tonnes per year. We're facing significant challenges to divert recyclable items from landfill. We need to reduce our yellow kerbside bins from being contaminated with rubbish, and increase our sorting capabilities to meet new quality standards required by international recycling markets. We also need to work with the Government and industry to promote processing materials in New Zealand where possible. Failing to reduce contamination to acceptable levels could mean we don't have an export or local market for our recycling.

We propose spending $18.4 million on recycling infrastructure over the next 10 years, including:

- $1.6 million on capital renewals.
- $16.8 million on Materials Recovery Facility upgrades – funded by the Government, with assets vested to the Council once the contract is completed.

Organics

We are upgrading our organics processing plant in Bromley to ensure odour and dust standards are met, and to future-proof the plant's capacity.

We propose spending $25 million on organics infrastructure over the next 10 years, including:

- Organics processing plant upgrades ($21.5 million).
- Building and fixed plant renewals ($3.5 million).

The first three years will focus on the upgrades at the organics processing plant and Materials Recovery Facility sites. Major contracts for these facilities expire in January 2024. Ongoing management of these sites will determine further investment.

What's the right game plan?

What do you think of our proposed investment in the way we manage our city's rubbish, recycling and organics?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

DRAFT

Our facilities

Our investment supports a network of community facilities across Christchurch and Banks Peninsula that are fit for a range of activities. They include all sorts of things – recreation and sport centres, libraries, community halls and centres, voluntary libraries, early learning centres, statues, jetties and more. They range in size and scale from toilet blocks to major facilities like Christchurch Town Hall, Christchurch Art Gallery Te Puna o Waiwhetū, and Tūranga.

The next 10 years will also see us completing earthquake repairs to many of our damaged facilities, and delivering the Performing Arts Precinct, which will include The Court Theatre, public realm area and landscaping.

The capital cost of community facilities accounts for 19 per cent of our proposed capital spending for this Long Term Plan. We also need to invest in the ongoing maintenance of our facilities so that they meet our community's expectations and remain fit-for-purpose.

[infographic or table showing all projects and proposed 10 year spend]

Community housing

The Ōtautahi Community Housing Trust manages our community housing portfolio. It handles tenancy and maintenance. The Council owns the assets. New social housing is being developed by the Ōtautahi Community Housing Trust, facilitated by Council land transfers and loans. This is all self-funding and doesn't impact our rates – funding comes from the rent paid by the Trust, and they get their income from rent from tenants and government subsidies.

We propose spending $171.7 million on community housing over the next 10 years, including:

- $52.8 million on maintenance.
- $61.6 million on capital renewals and replacements.

We've recently completed earthquake repairs, as well as insulating and making our community housing warmer and drier. This will remain our main focus for the next 10 years – maintaining and improving the quality of our existing stock.

By leveraging our land holdings, we also hope to work with others to increase the amount of community housing in Christchurch. This year we have facilitated the building of a total of 90 homes.

New community facilities

Over the past 10 years, we've completed a massive programme of repairs and rebuilds to our earthquake-damaged facilities. In addition to new facilities planned by the Council to meet the needs of growing communities around our city, we're also investing in replacing damaged facilities. We propose spending $550.3 million, with a further $197.7 million coming from the Government, on new community facilities over the next 10 years. This includes:

- Te Pou Toetoe: Linwood Pool ($8.3 million remaining)
- Hornby library, customer services and south-west leisure centre ($31.8 million)
- Performing Arts Precinct ($34.8 million)
- Metro Sports Facility ($21 million remaining, as well as funding from the Government)
- Canterbury Multi-Use Arena ($253 million, as well as $197.7 million from the Government)

Existing community facilities

There's a comprehensive existing network of Council and community-owned facilities across Christchurch and Banks Peninsula, covering all geographic areas. Our strategy is to operate and maintain these facilities so they remain valued and well-used places for our community to come together. We propose spending $541 million on existing community facilities over the next 10 years, including:

- Libraries
- Recreation and Sport Centres
- Parks
- Public toilets
- Wharves

- Community centres
- Community halls
- Voluntary libraries
- Early Learning Centres

What other options did we consider?

We considered deferring or discontinuing the new Hornby facility, but this was not considered to be in the best interests of the community and the wider city. You can read more about this on page 24 of this document.

Changes to our levels of service

We're proposing a number of changes to our levels of service for community facilities.

Libraries

We've looked at when our libraries are at their busiest and when we can reduce opening hours with minimal impact on how, and when, residents like to use their local library. These changes would also mean that library opening hours are more consistent across the city.

Proposed changes include:

- Tūranga closing at 7pm, rather than 8pm, on weekdays, but we're looking at opening for some public holidays.
- Aranui and Matuku Takotako: Sumner Centre library close on Sundays to align with our other small libraries.
- All larger libraries will be open until 6pm on weekdays. South Library, Te Hāpua: Halswell Centre are currently open until 7pm. Linwood Library is open until 7pm one day a week and Fendalton and Upper Riccarton libraries currently shut at 8pm.
- Reducing the Fingertip Library phone service to a five-day (Monday to Friday) service from the current seven-day operation.
- Discontinuing the weekly Mobile Library from July 2022, to coincide with the retirement of the mobile van. Consultation with current users of the service will be undertaken to explore alternative service options to meet their needs.

Service desks

Most people now choose to use our online and phone services to make payments to the Council. With that number growing, we've reviewed the demand across the city for face-to-face financial transactions at our service desks. Although we still have high demand at 10 of our 12 locations – in particular ones that include New Zealand Post services – the service desks at Akaroa and Lyttelton have minimal transactions. We are therefore proposing to close these service desks. All other existing services at these locations, such as the library services at Lyttelton, will remain unchanged.

Christchurch Art Gallery Te Puna o Waiwhetū

The ongoing border closures as a result of COVID-19 mean Christchurch Art Gallery is currently welcoming fewer overseas visitors. Combined with the pandemic's impact on the Council's

finances overall, this has meant we've had to take a close look at the affordability of the Gallery's services.

Proposed changes include:

- Reducing the Gallery's weekly Wednesday late night opening hours to one late Wednesday a month.
- Reducing the programmes the Gallery offers to the public and school groups by 25 per cent a year.

Riccarton Road Bus Lounges

We're proposing to close the Riccarton Road Bus Lounges, which would save approximately $600,000 a year. This includes around $300,000 of Waka Kotahi NZ Transport Agency subsidies, and is made up mostly of maintenance, operational and security costs.

This kind of suburban facility is not provided anywhere else in Christchurch, and our future planning, which we've undertaken with our public transport partners, hasn't identified a remaining need for these lounges or for any similar facilities in the city.

What's the right game plan?

What do you think of our proposed investment in Council-owned facilities across Christchurch and Banks Peninsula, and in our changes to levels of service?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Heritage, parks and foreshore

The capital cost of heritage, parks and foreshore accounts for 11 per cent of our proposed capital spending for this Long Term Plan.

Heritage

The buildings, places and stories of Christchurch and its people are part of our city's identity and treasures to be shared, celebrated and retained for future generations. Christchurch has a long and proud history of protecting and respecting our heritage.

Over the past decade, we've carried out a massive programme of repairs and restorations, but we still have some work left to do. In the next 10 years we will continue to restore our own buildings and support private development of heritage buildings.

We propose spending $57 million on heritage items, including:

- **Old Municipal Chambers repair and refurbishment (previously known as Our City O-Tautahi).** Up to $10 million in capital funding ($1.5 million in 2020/21, $2.5 million in 2021/22 and $6 million in 2022/23). This funding will be transferred to the City of Christchurch Trust – a charitable trust set up by private company Box 112. Box 112 will undertake the strengthening and refurbishment of the building at the direction of the Trust, and will maintain the building over 50 years at no cost to Council.

- **Robert McDougall Art Gallery strengthening and weather tightness.** This is additional funding to that required for the base isolation of the building.
- **Cuningham House restoration in the Botanic Gardens.**
- **Yew Cottage conservation works in Akaroa.**
- **Lancaster Park Memorial Gates repair.**
- **Refurbishment of various artworks, monuments and other heritage items throughout the city.**

Heritage can take many forms. Some you can see, like buildings and trees, and some you can't, like our shared history and stories. We've reaffirmed our commitment to work with iwi to protect and celebrate this heritage in the community – whatever form it may take.

In the first three years, significant repair projects include the Robert McDougall Art Gallery, Lancaster Park Memorial Gates, Yew Cottage, Cuningham House, and the Old Municipal Chambers. We also plan to continue renewing particular components of heritage buildings as needed; address weather tightness issues at the Sign of the Takahe; refurbish ageing artworks, memorials and heritage items to keep them in good condition; undertake conservation works on the Chalice in Cathedral Square and Jubilee Clock Tower in Victoria Street, and purchase Neil Dawson's 'Spires' artwork.

Funding for the Arts Centre Te Matatiki Toi Ora

Over two-thirds of The Arts Centre Te Matatiki Toi Ora site has now been rebuilt, strengthened and restored after the 2010–11 earthquakes as part of a $255 million restoration project. However, the Arts Centre's revenue was severely impacted by COVID-19 and the subsequent lockdown, and it is now seeking funding to carry out the remaining restoration work.

We are proposing to provide the Arts Centre with a capital grant of $5.5 million. We would do this via a targeted rate that would recover the grant cost over 10 years, and would phase in over two years, so the targeted rate would be smaller in 2021/22 than in subsequent years. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value.

Do you support the Council funding $5.5 million for the Arts Centre? This proposal is currently accounted for in our proposed rates increase of 5.56 percent. If the decision was made not to proceed, rates would drop by 0.04 per cent.

Yes / No

Comments:

Funding for base isolation of the Robert McDougall Art Gallery

Canterbury Museum considers the base isolation of Robert McDougall Art Gallery to be a key part of the Museum's redevelopment.

In July 2019, the Council agreed in principle to support the base isolation of Robert McDougall Art Gallery at a cost of $11.8 million.

As the cost of the proposed work is significant, it was agreed that this in-principle decision would be subject to public consultation in the Long Term Plan 2021–31. If base isolation gets the green light, it will be undertaken at the same time as the strengthening work that's also needed. Canterbury Museum has also applied for Crown funding to support the redevelopment of the museum.

Base isolation is the recognised industry standard and is the only existing technology that would protect the museum's valuable heritage collections and enable international lenders to exhibit in the building. If it was to go ahead, the Robert McDougall Art Gallery would achieve 100 per cent of the current New Zealand Building Standard.

For more information about Canterbury Museum's redevelopment, visit: www.canterburymuseum.com/about-us/museum-redevelopment-key-documents

Do you support the Council funding base isolation of the Robert McDougall at a cost of $11.8 million? This proposal is not currently accounted for in our proposed rates increase of 5.56 per cent so if a decision is made to fund base isolation, there would be a 0.07 per cent impact on rates.

Yes / No

Comments.

We're proposing to introduce a heritage targeted rate, instead of including all funding for heritage buildings in the general rate. In the future, we plan to show this funding separately on your rates bill. This targeted rate will provide a clear picture of the proportion of your rates **that you already pay** towards specific heritage projects in the central city. You can read more about this on page x of this document.

Parks and foreshore

In the next 10 years we will maintain and improve our parks and foreshore. We propose spending $515 million on parks and $60 million on foreshore. A total of 39 per cent of planned spending is on new developments and upgrades while most of the funding (61 per cent) is on renewing what we already have as it reaches the end of its life. Significant areas of expenditure include:

- Parks-related Residential Red Zone regeneration projects, including the Ōtākaro Avon River Corridor ($170 million)
- Cemeteries, including a new cemetery at Templeton ($31 million)
- Botanic Gardens Masterplan projects and renewals ($27 million)
- Naval Point redevelopment ($27 million)
- Akaroa wharf ($19 million)
- Sports fields ($15 million)
- Redeveloping QEII Park ($14 million)
- Lancaster Park redevelopment ($8 million)
- Hagley Park development and renewals ($8 million)
- Strategic land purchase ($4.5 million)
- Carrs Reserve Kart Club relocation ($3.9 million)
- Rod Donald Trust strategic land purchase ($3 million)

In the first three years, our focus is to look after what we have and prioritise renewals based on the condition and age of the assets. Akaroa Wharf will be one of our most significant renewal projects. Regeneration of the Ōtākaro Avon River Corridor will gather momentum. We will also start to develop aspects of the Christchurch Botanic Gardens Master Plan, continue with development of Ngā Puna Wai Sports Hub, progressively upgrade our sports fields, and reopen Lancaster Park for public use – the first stage of its redevelopment. We'll also deliver numerous smaller community-based projects.

What other options did we consider?

We know the appearance and condition of our parks are important to residents. We did consider spending less in parks maintenance and you can read more about that on page 24 of this document.

What's the right game plan?

What do you think of our proposed investment in Council-owned heritage and parks across Christchurch and Banks Peninsula?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Potential disposal of surplus Council-owned properties

The Council has a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. We want your feedback as part of this Draft Long Term Plan to help us decide the future of each property. A full list of the properties and more information can be found at ccc.govt.nz/longtermplan.

[landing page will link to https://gis.ccc.govt.nz/portal/apps/webappviewer/index.html?id=63be645c6b8f4f4ab2a3e8f2627949f4]

The properties we're putting up for consideration make up less than one per cent of the Council's overall portfolio and aren't likely to affect current levels of service. The Council owns many types of properties of all different shapes and sizes. Owning property comes at a cost, and it's good financial practice to continually review the portfolio and decide whether to keep or dispose of them.

First we identify the properties and assess them against the criteria for retention. These criteria include whether the property is being used for the purpose it was originally acquired for, its cultural or heritage value, and whether it can meet any of the Council's immediate or longer-term needs. Properties that don't meet the retention criteria go onto the shortlist to be considered for disposal.

If, following consultation, this proposal is adopted and included in the Long Term Plan 2021-31 all properties determined to be surplus will be disposed of in a manner as set out in Council's policy and normal practices:

- Policy – publicly tendering properties for sale unless there is a clear reason for doing otherwise.
- Practice – in an open, transparent, well-advertised and public manner at market value. This may include methods other than tender, such as auction, deadline sale or general listing.

This consultation process also covers the consultation we need to do for the land identified in the list of properties as 'park' (land acquired or used principally for community, recreational, environmental, cultural, or spiritual purposes: section 138 Local Government Act 2002).

The properties in the list that are reserves under the Reserves Act 1977 will not be disposed of until any relevant requirements in that Act have been met.

The list includes the following two heritage properties:

- Coronation Hall 71 Domain Terrace situated on Spreydon Domain Reserve 3824 CB657/52
- 5 Worcester Street previously leased to the YHA Lot 1 DP 496200 Identifier 729712

These are the only two properties on this list classed as strategic assets under the Council's Significance and Engagement Policy. A decision to dispose of these assets must be explicitly provided for in the Long Term Plan: section 97 Local Government Act 2002. The information for each property (as required by section 93E Local Government Act 2002) can be found at ccc.govt.nz/longtermplan

What's the right game plan?

We have a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. These surplus properties make up less than one per cent of Council's overall property portfolio.

What do you think of this proposal to dispose of surplus properties? Help us decide the future of these properties by giving your feedback at ccc.govt.nz/longtermplan

Auditor's report

[To come from the Auditor]

How to have your say

We'd like your feedback on the draft Long Term Plan 2021–31 and the matters we have raised in this consultation document.

There are a number of ways you can give feedback:

Written feedback

Written submissions can be made from Friday 12 March until Sunday 18 April 2021.

- Fill out our online submission form at ccc.govt.nz/ltp ***(preferred)***
- Fill out a submission form *(available from libraries and service centres).*
- Email your feedback to ccc-plan@ccc.govt.nz
- Post a letter to:

Freepost 178 (no stamp required)

Annual Plan Submissions

Christchurch City Council

PO Box 73017

Christchurch 8154

- Or deliver to the Civic Offices at 53 Hereford Street. *(To ensure we receive last-minute submissions on time, please hand deliver them to the Civic Offices).*

You need to include your **full name, postal address, postcode and email address** on your submission. If you wish to speak to your submission at the public hearings, please also provide a daytime phone number.

If you are completing your submission on behalf of a group or organisation, you need to include your organisation's name and your role in the organisation.

Social media

Informal feedback, which is not counted as a submission, can be made in the following ways:

- Go to our Facebook page facebook.com/christchurchcitycouncil and include #cccplan in your post.
- Tweet us your feedback using #cccplan

Want to talk to us in person?

Come along to one of the Have Your Say events put on by your local Community-Board. **[Insert calendar of events].**

Alternatively, you can give us a call on (03) 941 8999, provide your details and a good time for us to call, and one of our managers will be in touch.

Hearings

Public hearings will be held in **May 2021**.

Submissions are public information

Subject to the provisions of the Local Government Official Information and Meetings Act 1987, we will make all submissions publicly available, including all contact details you provide on your submission. If you consider there are reasons why your contact details and/or submission should be kept confidential, please contact us by phoning (03) 941 8999 or 0800 800 169.

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Questions to think about when making your submission

Have we got the game plan right? (page x)

Our overarching proposal is to focus on a deliverable capital programme that helps drive our city forward, with particular investment in roads and transport infrastructure and in protecting and upgrading our water networks. We're borrowing for new projects that have long-term value, and ensuring that the debt repayments are spread fairly across the generations of ratepayers who will benefit from them. We're maintaining enough financial flexibility to be able to handle unplanned events, and we're finding permanent efficiencies in our day-to-day spending. We've managed to do all of this while keeping rates increases as affordable as possible.

Have we got the balance right?

Have we prioritised the right things?

If not, what changes would you like to see? (please provide details)

Rates

We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible.

What do you think of this plan for an average residential rates increase of 5 per cent for 2021/22 and an overall rates increase of 4 per cent over the next 10 years?

Proposed changes to existing rates, and new targeted rates (page x)

We're proposing a range of changes to existing rates, including the land drainage targeted rate and how we define remote rural properties. We're also proposing some new targeted rates, including a targeted rate specifically for the Arts Centre Te Matatiki Toi Ora, a heritage targeted rate to show the proportion of rates you already pay towards specific heritage projects, and an excess water targeted rate for households that use more than 700 litres a day.

What do you think of these changes to existing rates, and new targeted rates?

Have we got it right?

If not, what changes would you like to see?

Investing in upgrading and protecting our city's water networks (page x)

We have a responsibility to provide and maintain the wells, pipes, reservoirs, treatment plans and pump stations for drinking water, and manage the collection, treatment and disposal of wastewater and stormwater.

We are proposing to invest 41 per cent ($2.329 billion) of our capital spend on water infrastructure

Have we got the balance right?

If not, what changes would you like to see?

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Investing in our transport infrastructure (page x)

We've heard from residents that transport is a top priority. It's also the city's biggest contributor to carbon emissions. We want to give people better options for getting around, whether by car, public transport, on foot, on a scooter or on a bike. We also want to ensure our networks are safe.

We are proposing to invest 25 per cent ($1.445 billion) of our proposed capital spend on transport infrastructure improvements.

Have we got the balance right?

If not, what changes would you like to see?

Rubbish, recycling and organics (page x)

In 2020 the Council adopted a new Waste Management and Minimisation Plan that focusses on changing our 'throw-away' culture and reducing the amount of waste we send to landfill. Implementing the actions in that plan are the key drivers of our operational and capital spending.

We're proposing to spend $18.5 million on transfer station infrastructure, $18.4 million on recycling infrastructure and $25 million on organics infrastructure (which includes upgrades to the organics processing plant).

Have we got the balance right?

If not, what changes would you like to see?

Our facilities (page x)

We're proposing to invest 19 per cent of our capital spend on community facilities. We're also proposing some changes to levels of service. This includes changes to libraries, service desks and the Christchurch Art Gallery Te Puna o Waiwhetū to reflect how and when residents use these facilities, and to acknowledge the impact that COVID-19 has had on visitor numbers. It also includes closing the Riccarton Road Bus Lounges.

What do you think of our proposed investment in Council-owned facilities across Christchurch and Banks Peninsula, and in our changes to levels of service?

Have we got the balance right?

If not, what changes would you like to see?

Our heritage, foreshore and parks (page x)

Christchurch has a long and proud history of protecting and respecting our heritage. Over the past decade we've carried out a massive programme of repairs and restorations, but we still have some work left to do. In the next 10 years we will continue to restore our own buildings and support private development of heritage buildings. We will also be maintaining and improving our parks and foreshore.

We're proposing to invest 11 per cent of our capital spend on our heritage, foreshore and parks.

Have we got the balance right?

If not, what changes would you like to see?

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Funding for the Arts Centre Te Matatiki Toi Ora (page x)

We are proposing to provide the Arts Centre with a capital grant of $5.5 million. We would do this via a targeted rate that would recover the grant cost over 10 years, and would phase in over two years, so the targeted rate would be smaller in 2021/22 than in subsequent years. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value.

Do you support the Council funding $5.5 million for the Arts Centre? This proposal is currently accounted for in our proposed rates increase of 5.56 percent. If the decision was madeto not proceed, rates would drop by 0.04 per cent.

Funding for base isolation of the Robert McDougall Art Gallery (page x)

Canterbury Museum considers the base isolation of Robert McDougall Art Gallery to be a key part of the Museum's redevelopment. In July 2019, the Council agreed in principle to support the base isolation of Robert McDougall Art Gallery at a cost of $11.8 million, subject to public consultation in the Long Term Plan 2021–31.

Do you support the Council funding base isolation of the Robert McDougall at a cost of $11.8 million? This proposal is not currently accounted for in our proposed rates increase of 5.56 per cent so if a decision is made to fund base isolation, there would be a 0.07 per cent impact on rates.

Potential disposal of surplus Council-owned properties (page x)

We have a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. These surplus properties make up less than 1 per cent of Council's overall property portfolio.

Help us decide their future - what do you think of this proposal to dispose of surplus properties?

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Attachment C Item 3 Continued.

Version 3 dated 1 March 2021

Te Mahere Rautaki Kaurera

Our Draft Long Term Plan

(2021–2031)

Ka whati te tī, ka wana te tī, ka rito te tī, ka tipu te tī.

Whano mai e te tini; whano mai e te mano.

Ko ēnei ōku kete hei koha, ko ēnā ō kete hei koha

Mō te whenua, mō te tāngata

When the tīkouka is broken, it sprouts and throws up shoots and grows.

As we come together, I bring my resources and share them with your resources as a gift

for the land and the people

DRAFT

Mayor's introduction

Ten years on from the earthquakes, we are on the way to becoming a modern, resilient 21st century city with the capacity to meet present and future challenges.

We know from our experience over the past decade that we need to plan for the unexpected. We have established a good track record of building on what we know and adapting to the challenges we face.

The services, facilities and spaces we provide and the systems we have in place need to be robust yet flexible, so that we can adapt to and deal with whatever shocks and stresses we have to confront. We need to continue to invest in our infrastructure.

This Long Term Plan for 2021–31 is set to be a turning point for our city – a plan that is firmly focused on the future.

We need to be in a position to respond and adapt to climate change, as well as prepare for the impact that exponential advances in technology will have on our economy and our lives.

We have momentum on our side, having felt that we were turning a corner at the beginning of 2020, but then the COVID-19 pandemic threw us – and the rest of the world – a curve ball.

Our 'team of five million' has prevented thousands of deaths and protected our health system from being overwhelmed. This has allowed us to regain the freedoms we usually take for granted while many other countries around the world have continued to face tough restrictions. Recent events reminds us there is no room for complacency.

From an organisational perspective, the Council lost income during the COVID-19 lockdown. We have received much smaller dividends from our commercial arm Christchurch City Holdings Limited, which has compounded the financial challenge we now face. We also had to close facilities temporarily. Even when facilities were able to re-open, many were forced to operate at

reduced capacity because of the need for social distancing and limits on crowd sizes. These steps were all necessary, but they came at a financial cost.

While we have worked hard to find savings and to keep costs down for the ratepayers, we have chosen not to take the austerity path in this Draft Long Term Plan. We do not want to slow down our economic and social recovery, nor do we want to put our services and the condition of our assets at risk by drastic reductions in investment.

We have attempted to get the balance right in proposing an average residential rates increase of 5 per cent for the 2021/22 financial year. This equates to an extra $142.25 a year or $2.74 a week. The average rates increase for all ratepayers (residential, business and rural) for the 2021/22 financial year will be 5.56 per cent. Over the next 10 years, it will average 4 per cent. The cumulative effect of this is 47.8 per cent over the period of this Long Term Plan.

We, as a city and region, need to continue to work together to recover and reposition ourselves for the future. We need to build on our partnerships and continue to work with other councils, government agencies, iwi, mana whenua, communities, NGOs, businesses to shift our mindset from looking backwards and seeking to recover what we had, towards focusing on the future and creating a thriving, resilient and prosperous city and region together.

We've recently embarked on a 30-year plan for our area, called Greater Christchurch 2050, to help us reposition ourselves to respond to future challenges we know we need to confront: climate change, technological advances causing disruption, the need to maintain affordability of housing and ensure wellbeing for our people. We have our partners all around the table working together with a commitment to start implementing a plan within a year.

A test-bed for innovation, Christchurch is the place for future-focused, sustainable businesses and people who want to do things differently. Our plan for the future is a deliberate move to embrace the industries that build on our strengths as a region and take up the global opportunities that exist. We're breaking new ground in aerospace, trials of autonomous vehicles, developments in food and fibre, and making the most of our increasingly diverse economy to make sure we have a solid offering for the generations to come.

As we look ahead, there are new challenges to face and new opportunities created: the need for us to respond and adapt to climate change, the impact of technologies on our economy and our lives, the role other global and national changes have on the competitiveness of our businesses, and the attractiveness of the city and region as a place to live, study, do business and invest.

In many respects we are a new city with new infrastructure and new community facilities that exceed what a city our size would expect. That has been the legacy of investment decisions made in the wake of a crisis. The legacy of the investment in relationships has also paid off, and we're now ready to develop broader strategic partnerships and consider what we can co-invest in – not just for the good of Greater Christchurch, but for the benefit of the country as a whole.

Ōtautahi Christchurch is a city of opportunity for all – open to new ideas, new people and new ways of doing things – a city where everything is possible.

Lianne Dalziel

Mayor of Christchurch

DRAFT

Version 3 dated 1 March 2021

Chief Executive's introduction

After months of discussions, workshops and briefings with elected members and Council staff, the Mayor is recommending a budget that focuses on ensuring the Council continues to invest in core infrastructure, deliver key services,, and build Christchurch's and Banks Peninsula's resilience to future challenges.

COVID-19 and the consequent economic recession has had a major impact on the Council's finances. Like many households, we have to make savings to our day-to-day spending on operating and maintaining our services and infrastructure.

Christchurch is the largest city in the South Island and is expected to experience ongoing growth. We have to ensure we have the right infrastructure in the right place at the right time to support that growth.

At the heart of the Council's decision-making is the goal of promoting community wellbeing in its widest sense, as well as preparing for the impact of climate change. Balancing our environmental goals and responsibilities with building a caring, welcoming and prosperous community often means making hard decisions.

We've considered what you've told us is important to you – delivering the basics and doing it well – and what we need to do to continue making progress.

The Mayor is proposing a forward-looking budget outlined in this Draft Long Term Plan because it represents our best option for how we navigate the balance between meeting our city's needs and keeping ourselves in a strong financial position. If we try to spend more, we won't be able to deliver on our ambitions, and will leave ourselves less financial headroom in the event of another unplanned event like an earthquake or pandemic. If we try to spend less, our city's progress could falter, and not go forward at a time when we need certainty.

Given there is no simple solution to address our current financial situation, we have looked at a selection of 'levers' available to us:

- Focusing on what we can afford and actually deliver in our capital works programme (what we call Capital Spending).
- Finding permanent efficiencies in our day-to-day spending (what we call Operational Spending).
- Borrowing for the new projects that have a long-term value, ensuring that the debt repayments are spread fairly across the generations of ratepayers who'll benefit from them.

We have ensured the draft capital programme is deliverable, in other words making sure we can do all the work we want to deliver in the timeframe we have set. Economic recovery is part of our COVID-19 response – by locking in the funding for this work, we are giving confidence to the construction sector, among others, and stimulating economic activity. We've also identified savings of $52 million – $18 million to our operational costs in this financial year alone, and additional savings of $34 million in 2021/22. Over the whole period of the Long Term Plan, we've saved $329 million of operating costs.

We've managed to do this while keeping rates increases as affordable as possible. This Draft Long Term Plan aligns with the very clear message we are getting from our residents about delivering the basics and doing it well, whilst needing to invest for the future and bring new facilities on-stream. Priority is being given to maintaining existing services and assets and to optimising opportunities to tap into Government stimulus funding for infrastructure work that generates or retains jobs.

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We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible. As I said previously, it's a balancing act, and we believe this plan represents the best balance.

You'll find our proposed plan on the next few pages, along with information on options that we considered but didn't pursue, and the reasons why. We also have a new online tool that makes it really easy to see our capital and operational spending – you can find the tool at ccc.govt.nz/longtermplan. We want to hear your feedback – what do you think of our proposed plan? Should we be reconsidering some of the other options? You can influence the decisions we make, and we want to hear from you. I strongly encourage you to have your say.

Dawn Baxendale

Chief Executive Christchurch City Council

The right game plan for our city

To come up with this game plan for the city, we've considered a whole range of options for how best to achieve what we need to achieve, while also keeping the average rates increases as low as possible.

We're currently in an unusual position in that a lot of our capital programme is already committed as a result of past consultations or Government decisions – this includes projects such as the Canterbury Multi-Use Arena, the Metro Sports Facility and the Ōtākaro Avon River Corridor regeneration. We also have 'shovel-ready' and water reform funding from the Government. In addition, there are things we have to do, in order to deliver a responsible programme of infrastructure renewals, particularly for water supply, wastewater and roading. What this means in practice is that we have very limited flexibility in our budget around what we need to deliver in the coming years.

What we're proposing is a budget that we consider to be the best balance of delivering these commitments and realising our ambitions, while still remaining financially prudent around borrowing, and giving ourselves enough financial flexibility to handle unplanned events.

Our proposed plan

Throughout this document you'll find more information about our proposed plan, but here's a summary of our key proposals:

- A $13.1 billion budget over 10 years, with $3.9 billion of that planned to be spent in the next three years before we prepare our next Long Term Plan 2024–34. It's a budget that sets out to be a turning point for our city. We need to be in a position to respond and adapt to climate change, and prepare for the impact that advances in technology will have on our economy and our lives.

- For the first three years of this Long Term Plan, we've set our core capital spend at $400 million in the first year, $420 million in the second year, and $443 million in the third year, to ensure we can do all the work we want to deliver in the timeframe we've set.

- In addition to the core programme we have between $145 million and $241 million in each of the first three years on projects that are being delivered and/or funded by the Crown and others. This includes the Canterbury Multi-Use Arena, Metro Sports Facility, part of the Ōtākaro Avon River Corridor programme, 'shovel-ready' and water reform stimulus funding packages.

- We're proposing a residential rates increase of 5 per cent for an average-valued house ($508,608) for the 2021/22 financial year. This equates to an extra $142.25 a year or $2.74 a week. For 2021–31, the average annual rates increase for all ratepayers will be 4 per cent. The cumulative rates increase over the 10 years this Long Term Plan covers will be 47.8 per cent.

- Residents are telling us they want us to deliver the basics and do it well, so we're focussing particular attention on investment in roads and transport infrastructure, and in protecting and upgrading our water networks. This means maintaining and improving the condition of our existing roads, footpaths and cycleways. For the first three years of our Draft Long Term Plan we propose to spend $18.3 million a year on road resurfacing (asphalt, chip seal and pavement reconstruction) – increasing to a total of 5.3 per cent of the city's roads from the current 2 per cent. We're also proposing to invest 41 per cent of our proposed capital spend on protecting and upgrading our water networks – drinking water, stormwater and wastewater.

- We're proposing to charge an excess water use targeted rate for households that use significantly more water than the average household. This excess charge would apply if a household used more than 700 litres a day – the average household uses 540 litres a day.

- We're spending $5.6 billion on day-to-day services the Council provides. To address the impact of COVID-19, we're finding more efficient ways of doing things, including looking at better matching the services we provide to where the demand is. We've already found significant savings and will continue to look for more savings before this plan is signed off.

- We're borrowing $2.4 billion for the capital programme, and repaying $1 billion of existing debt.

- We're making savings of $52 million – $18 million to our operational costs in this financial year alone, and additional savings of $34 million in 2021/22. Over the whole period of the Long Term Plan, we've removed $329 million of operating costs.

What if we invest more?

We considered investing more but, in the end, this option was not pursued for three main reasons.

- Planning to borrow more to spend more would decrease our ability to borrow in the event of a natural disaster or other major event. We believe it is prudent to ensure we can borrow up to $400 million (we call this debt headroom) at all times. This would mean we're able to meet 40 per cent of the potential cost of reinstating our below-ground assets after an event, which is necessary for us to be able to access Crown contributions for the remaining 60 per cent. Our proposed budget already has our debt headroom down to around this level in the 2025–2028 period.

- In order to keep this debt headroom, any increase in spending would therefore need to come from rates, which would mean even higher rates increases. This would place additional hardship on our most vulnerable residents – every 1 per cent rates increase adds 55 cents per week to the average residential ratepayer's rates bill.

- Even if we did add more budget to the capital programme, this doesn't necessarily mean more work can be done. We've set our capital programme at $400 million (for the first year) because that's what we believe we can realistically deliver. We also now have significant additional Crown-funded projects for water and transport, on top of our planned Council work. This additional funded work must be factored into our work programme. In New Zealand, market capacity is finite – there's only so much capital work that can be delivered in a year. There's no point budgeting to spend more than can be delivered, as this just results in unnecessarily high rates bills for residents.

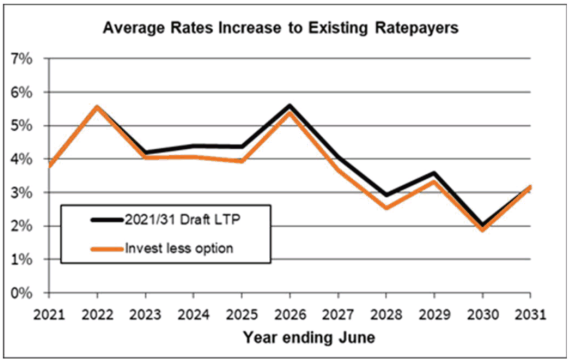
What if we invest less?

We also looked at making even more severe cuts to budgets to achieve lower rates rises. However, this wouldn't enable us to look after our assets and would mean we pass on failing infrastructure and higher rates increases to future generations. It would also mean a drop in the levels of service we are able to provide.

Specifically, we are prioritising roads and transport infrastructure so that we can bring our roads and footpaths up to a standard that our residents have asked for and want. If we spend less, it would mean that our infrastructure will decline and so too will our levels of service. So for example, we are proposing a road resealing rate of 4-5 per cent of the network per year. If we spend less, and only do 2-3 per cent of the network a year, it will mean that instead of taking around 10 years to get streets back to a state that is comparable with the national average, it will take 20 years.

We're also prioritising our water infrastructure. We need this level of investment just to keep things ticking along. In fact, even with this level of investment, we can still expect to see a slight decline in our assets over the period of this Long Term Plan, and a potential corresponding decrease in residents' satisfaction with our network. But if we invest less, then our network will decline even further, and we can expect to see a big jump in the number of leaks, overflows and blockages, along with an increase in maintenance costs of $14.1 million over the 10 years of this Long Term Plan.

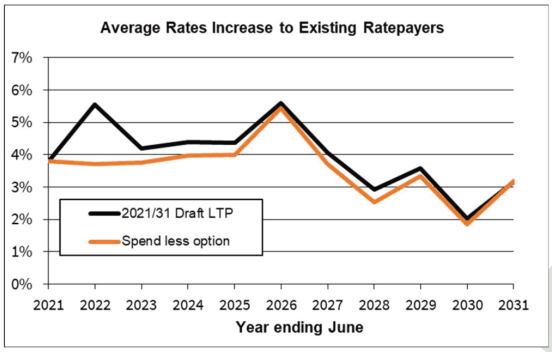
If we just reduced our spending in transport and water infrastructure, there would be minimal impact on rates across the years. However, our infrastructure would deteriorate, we would lose subsidies and incur greater maintenance costs (see graph x below).

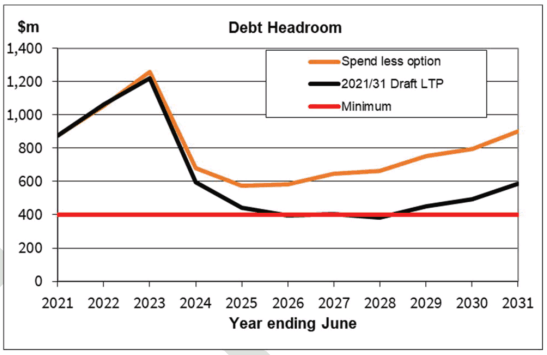


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Investing less across the board would also mean we would not be able to complete the major community facilities underway, nor grow our city. Some of the options also involved a reduction or redeployment of staff. You can read more detail about the options considered but not proposed on page 25 of this document.

If all of the options to spend less had been selected, it would result in a rates increase for 2021/22 of 3.71 per cent – 1.85 per cent less than the 5.56 per cent that we are proposing. The positive impact on rates increases would largely be short-term, as the savings reduce over time as shown in graph x below.





There's also an improvement in debt headroom, as shown above in graph x, which gives us more flexibility in case of an unplanned future event The lowest amount of headroom we would have under this option would be $573 million in 2024/25 (previously it was $384 million in 2027/28).

However, as one of the largest employers in Canterbury, the Council has to consider the impact of its level of spending for the wider city. If operating expenditure was cut further, we would be adding to unemployment and reducing levels of service to residents. If capital expenditure was cut further it would affect employment of local contractors as well as overall economic activity in the region. These implications run completely contrary to the direction provided by the Government around the medium and long-term response to the impacts of COVID-19. The Council has an obligation to support the Government's explicit strategy around recovery.

Have we got the game plan right? We want to hear what you think.

What do you think of our proposed plan? Have we got the balance right? Have we prioritised the right things? If not, what changes would you like to see?

What do you think of our plan for an average residential rates increase of 5 per cent for 2021/22 and an average annual rates increase of 4 per cent over the next 10 years?

Your feedback will help shape this plan – changes may be made as a result of the submissions we receive and this may also mean adjustments to rates, debt and service levels.

Have your say at ccc.govt.nz/longtermplan

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[Breakout info box]

What is a Long Term Plan?

Christchurch City Council's Long Term Plan 2021–31 is our budget for the next 10 years.

It sets out what we plan to achieve over the next decade, and how it will be funded. It's our commitment to delivering the services and infrastructure our city needs to thrive, and an opportunity for everyone to shape the future of our city for the next 10 years.

Although the plan covers a 10 year period, we go through this process every three years – and it's something that all local authorities must do. The next Long Term Plan will be for 2024–2034.

Each Long Term Plan focuses on the 'big picture' – our opportunities and challenges – and how we plan to manage them.

We review our plans regularly to make sure they're still appropriate. Any future changes can be incorporated into our Annual Plans, and give us an opportunity to change course more quickly if we need to, instead of waiting for the next Long Term Plan.

Things to consider

We need action on climate change

Climate change is the biggest intergenerational challenge of our time. As a district, we need to reduce our carbon emissions and do what we can to mitigate the effects of climate change.

Climate change is already having a significant impact on our economy, environment and way of life, and we need to meet this challenge through every means available. We have work underway to identify and respond to climate change issues at the local and citywide level, and must work closely with our communities on this.

In 2019, the Council declared a climate emergency and set a target of net zero greenhouse emissions by 2045 (excluding methane), and to halve our emissions by 2030 from 2016–17 levels. We all need to make changes to the way we travel, the waste we create and the energy we use. We also need to support affected communities to look at measures to mitigate the impact of climate change.

This fits in with the wider picture of what's happening in New Zealand: in February, the Climate Change Commission released its first draft advice to the Government for public consultation. The independent body's report includes advice on the first three emissions budgets covering five-year periods to 2035 and on policy direction for the Government's first emissions reduction plan. Together, these lay out the course for reducing emissions in Aotearoa and set the policy directions for getting there.

Following consultation, the Commission's final recommendations will be released on 31 May, and the Government has until the end of the year to create an emissions reduction plan for meeting any budgets it adopts. We'll need to respond to those changes in policy as they come forward.

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Our climate change response

An important focus of this budget is on reducing greenhouse gas emissions – through making changes to the way we travel, the waste we create and the energy we use. We will also invest in developing our understanding of the impacts of climate change so we can better prepare and respond to these together with our communities, and to meet Government's requirements.

During the period covered by the Long Term Plan 2021–2031, our action to meet this challenge will include:

- Working with Ngāi Tahu and Papatipu Rūnanga, businesses, organisations and the community to develop and implement actions in our draft Ōtautahi Christchurch Climate Change Strategy.
- Adaptation planning with communities that will be impacted by sea level rise through coastal erosion, coastal inundation and rising groundwater. We'll engage with all communities across Christchurch and Banks Peninsula to understand and develop responses to sea level rise impacts.
- Supporting Christchurch residents to take their own climate change action, with advice and tools on sustainability.
- Supporting climate-focused community projects through the annual $380,000 Sustainability Fund.
- Supporting the improvement of biodiversity outcomes across the city through the annual $190,000 Biodiversity Fund.
- Spending $13.1 million on planting across the city. A big focus of the next 10 years will be providing the millions of plants required for the ecological restoration of the Ōtākaro Avon River Corridor.
- Improving our ability to cope with more extreme rain and flooding. We'll put $421 million into measures that will reduce the risk from flooding and improve our waterways.
- Improving the sustainability and resilience of our transport network – we're prioritising the environment, safety, access, and affordability. In this Draft Long Term Plan, $347.9 million is allocated to projects that support better environmental outcomes, including:
    - $235.8 million on all cycling projects and programmes, which includes $87.3 million in in 'shovel ready' funding from the Government to deliver a number of major cycleways and complete the Coastal Pathway.
    - $4.3 million charging facilities within Council parking buildings.
    - $90.7 million to improve our public transport facilities across the city.
    - The balance of projects are planned to improve our central city networks.
- Further improvements to the Council vehicle fleet, working towards electrification and nil emissions by 2030.
- Managing Council facilities to reduce the energy they use.
- Investigating options to monitor and reduce emissions associated with our wastewater services.
- Producing biogas, and generating energy from biogas, at our Bromley wastewater treatment plant.
- Reducing the carbon footprint of our water supply network by changing the design of our infrastructure, building it in a different way with different materials, and looking at the energy efficiency and fuel use.
- Investing in using highly treated wastewater from Akaroa to irrigate new areas of native trees at Robinson Bay, Takamātua and Hammond Point.
- Exploring infrastructure solutions that reduce the amount of embodied carbon, such as water tanks made of steel with a high proportion of recycled metal.

This is our first Long Term Plan to include a climate change lens over everything, and it won't be the last. More work needs to be done, and future Long Term Plans will reflect this.

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Our challenges

The only certainty is uncertainty

If Christchurch knows how to deal with anything, it's change. We know from our experiences over the past decade that we need to plan for the unexpected. We also have a good track record of building on what we know and adapting to the challenges that we face.

Climate change and COVID-19 are game changers, but, like earthquakes, floods, fires and other natural hazards that can occur anywhere and anytime, they also force us to better manage our challenges and adapt to our changing world.

Along with many of our ratepayers, the Council has been hit hard financially by the COVID-19 pandemic. This comes at a time when we have some other key challenges facing us.

To keep our rates increases as low as possible, there are hard decisions and trade-offs to make. Given our financial situation, we can't do everything right away, so we'll need to decide what projects can happen further down the track. That's where you can help us to prioritise what's important.

Lost income caused by COVID-19

We've received smaller dividends from our investments held by Council-owned company Christchurch Holdings Limited, which has been significantly impacted by the COVID-19 pandemic and continuing restrictions worldwide.

We've lost income during the COVID-19 lockdown while our facilities, such as recreation and sport centres, were temporarily closed. Our revenue levels continued to be impacted as we moved down through the alert levels because, in line with Government guidelines, there were limits on the number of people being able to use our facilities at one time. The number of people visiting some of our facilities has still not returned to pre-COVID-19 levels.

This all comes at a time when we're trying to make rates increases as affordable as possible.

We need to keep our infrastructure – and our economy – healthy

When it comes to infrastructure, we're already a few steps ahead of other places in New Zealand. We've spent the past decade rolling out a massive programme of repairs, replacements and rebuilds.

That said, like the rest of the country, some of our infrastructure, like our water and wastewater pipes, are nearly 100 years old. Large parts of the infrastructure networks are aging – they're still functional, having withstood a number of earthquakes, but will need to be replaced earlier than they might otherwise have needed to be. To fund our new investment over the past decade, we've put off renewing some of this infrastructure. With a lot of this coming to the end of its lifespan, our focus now needs to be on pipe renewals to avoid further deterioration.

We also have to get on with the work that's still needed to continue to maintain a safe water supply and wastewater network. Because the population of Christchurch is expected to increase, and new housing developments continue to increase with it, we need the right infrastructure in the right place at the right time to support this growth. Investing in our city helps stimulate the economy, which is even more important in a COVID-19 world, and serve these growing communities. However, like everything else, this comes at a cost.

These factors put pressure on our existing infrastructure, and on the Council financially.

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We need to finish building our major community facilities

Our residents have told us that the facilities we provide are an important part of all our lives, and make a big contribution to wellbeing and a sense of community. We're undertaking an ambitious community facility investment programme – continuing to replace facilities lost as a result of the earthquakes, and provide facilities that meet the needs of our growing communities. The current community facilities construction programme is planned to be completed by 2025, and will see new developments like Te Pou Toetoe: Linwood Pool, the planned library, pool and customer services facility in Hornby, Metro Sports Facility, Canterbury Multi-Use Arena and more.

If our proposals are adopted, new debt will increase by $1.2 billion over the first four years of the Long Term Plan 2021–31, with a peak debt-to-revenue ratio of 244 per cent forecast for 2027/28. Investment in these facilities will contribute to that figure – and there are also ongoing operational costs to run these facilities once they're open.

Our Strategic Framework

Our Strategic Framework provides a big picture view of what the Council is trying to achieve for Christchurch. The wellbeing of our communities is at the heart of what we do, and this Framework spells out our commitment to social, economic, environmental and cultural wellbeing. The Strategic Framework provides the foundation for our Long Term Plan and guides the allocation of our effort and resources.

We face immediate challenges like COVID-19 but we also need to look beyond those challenges and plan for the future. We need to continue to build our resilience to future disruptions and challenges. Resilience is not simply about preparing our infrastructure or built environment – it's about understanding the risks, challenges and opportunities we face and developing ways to adapt together. The strength of our resilience lies in us, not just as individuals but as whānau and communities.

[Include Strategic Framework graphic here]

Whakataukī

Whiria ngā whenu o ngā papa, honoa ki te maurua tāukiuki.

Whakataukī/proverbs play an important role in Māori oration and writing, explaining important ideas often by metaphor or poem. The whakataukī in our Strategic Framework sums up the mutual commitment between the Council and Ngāi Tahu/Papatipu Rūnanga to a governing partnership relationship based on understanding and respect. This partnership commits us to working together to improve social, economic, environmental and cultural wellbeing for all.

Strategic Priorities

The Mayor and Councillors identified five Strategic Priorities at the start of this Council term, reflecting key issues and priorities of Christchurch residents. The Strategic Priorities are areas of the Council's operations where elected members want to see a change in approach or increase in

focus over this Council term and beyond. While the Priorities don't specifically refer to all Council activities and services, they highlight issues which many Council work programmes have an ability to progress. The priorities are our focus for improvement – where we need to intensify our work and align our skills and resources, collaborating across the Council to deliver better services to the communities we serve.

Greater Christchurch 2050

[this section to be featured in 'breakout box' or some visual equivalent]

The Greater Christchurch Partnership is creating a new plan for our sub-region with everyone who has an interest in the area. Greater Christchurch 2050 will describe the kind of place we want for our future generations, and the actions we need to take over the next 30 years to make it happen.

Looking beyond our boundaries

While our main focus as a Council is on Christchurch and Banks Peninsula, we also need to be thinking beyond our boundaries. We are part of Greater Christchurch, which includes the city, and nearby areas within the Selwyn and Waimakariri districts, from Rolleston in the south to Rangiora in the north.

Our Greater Christchurch partners are our neighbouring district councils – Selwyn and Waimakariri – along with Environment Canterbury, Te Rūnanga o Ngāi Tahu, Canterbury District Health Board, Waka Kotahi NZ Transport Agency and the Department of Prime Minister and Cabinet (Greater Christchurch Group).

Greater Christchurch is the second biggest urban centre in this country – 10 per cent of New Zealand's population call this place home. It's an area that's growing fast. Our population has grown 15.1 per cent since 2006. Only Auckland has grown more quickly. By 2048 Greater Christchurch is expected to grow to about 640,000 – that's around 150,000 more people than today. We're also becoming more diverse. More than 20 per cent of our current population was born overseas, and a quarter of the population now identifies as non-European.

Our challenge is that the opportunity of Greater Christchurch is not well understood – as a place to live, work and invest. What contribution and role do we have in the future of our region, our island and the country?

People tell us that the thing they love most about living here is the lifestyle. We have space to grow, but we need to work together with our Greater Christchurch partners to make the most of our strengths and attract and retain people, business and investment while protecting what's important to us.

For the past year, the Partnership has focused on setting a new strategic direction for Greater Christchurch. Greater Christchurch 2050 is the project established by the Partnership to develop a clear, shared view of our future, and a plan for how we get there. We need to look ahead and make sure we have the right plans, tools and resources to support the health and wellbeing of the people who live here, and the environment we live in.

During October and November 2020, the Partnership asked people about their priorities and concerns for Greater Christchurch in 2050.

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We heard that people want Greater Christchurch to be sustainable, green, safe and affordable – a place where it's easy to get around using public transport, walking or cycling, and where nature is protected and respected.

People were most concerned about not enough being done to offset the impacts of climate change, that we will have pollution and waste management issues, that traffic congestion will be worse, that our natural ecosystems and indigenous biodiversity will be threatened, and that there will be a lack of affordable and quality housing options.

We know that our ability to maintain the lifestyle many of us love and to afford the services, technologies and infrastructure that will provide the future we aspire to, requires a strong economic foundation. We need meaningful employment opportunities, ongoing private sector investment and a solid rating base to fund public infrastructure and services. We also know our city, towns and communities face some difficult decisions ahead. If we don't start to plan and get ready for the future now, we may end up with some of the challenges other cities face of unaffordable housing and congestion, or we may not have the resources to make the investments necessary to support our future.

What we've heard will help the Partnership develop a plan for what we need to do, collectively and individually, to achieve the future we want for our future generations.

As a Council, we're also committing through this Long Term Plan to take some initial steps to help address the issues identified through Greater Christchurch 2050, and move us towards our shared aspiration for the future.

Our social recovery

Along with our partners, we have developed the Ōtautahi Christchurch Recovery Plan to foster the socio-economic wellbeing of our communities as we recover from the impacts of COVID-19, and reposition our city for a brighter future.

The Ōtautahi Christchurch Recovery Plan sets out our story for Ōtautahi Christchurch; what has happened as a result of COVID-19, our goal for recovery, how we're tracking, how we will know the impact our actions are having and our plan to get there.

In partnership with mana whenua, the Council has worked with a number of agencies in the development of the plan. Those agencies include ChristchurchNZ, Canterbury Employers' Chamber of Commerce, Ministry of Social Development, Community and Public Health and Christchurch City Holdings Limited. You can read more at ccc.govt.nz/ocrp

Ōtākaro Avon River Corridor

There is enormous potential to transform the Ōtākaro Avon River Corridor into the jewel in Christchurch's crown, creating a place for residents and visitors to explore, play, connect and learn. Regenerating the 602-hectare Ōtākaro Avon River Corridor is a once-in-a-lifetime opportunity to create a legacy that benefits future generations.

We're committed to a new co-governance model for development of the land, in partnership with Mana Whenua. We've budgeted for a total of $337 million of capital development funding across years 2021–2031 to the former residential red zone land regeneration (Ōtākaro Avon River Corridor, Brooklands, Southshore and the Port Hills)

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A riverside landing and three pedestrian bridges across the Ōtākaro Avon River have been funded by a $13.7 million grant from the Christchurch Earthquake Appeal Trust. The Medway Street and Snell Place bridges reinstate a pedestrian/cycle connection across the Ōtākaro Avon River, which has been missing since the earthquakes. The Avondale Bridge is a new bridge that will provide a connection to the future Eastern Reach wetland restoration area. Work on constructing the bridges is expected to start in early 2021.

The riverside landing at Dallington (east of Gayhurst Road) will have a 'picnic in the forest' theme and construction is expected to start in the second quarter of 2021.

We've allocated $40 million from the Christchurch Regeneration Acceleration Facility to develop 'green spine' elements. There's $7.7 million for pathways and connections, $6.6 million for basic public facilities and landings, and $25.7 million for ecological restoration.

Staff are determining priority areas for development, such as stopbank placement, and ecological and wetland areas to improve water quality.

We're engaging with community groups and organisations to determine the placement of the City To Sea Pathway and network, and design work is under way for a large stormwater facility and tidal wetland in Bexley. Detailed design work on this is nearing completion, with a tender due to go out early 2021, so that construction can begin next year.

Investment includes:

- $316 million for the implementation of the Ōtākaro Avon River Corridor Regeneration Plan.
- $21 million to support future plans for Brooklands, the Port Hills and Southshore former residential red zone land.

We've also budgeted $ 2.8 million a year for the management and maintenance of the entire former residential red zone.

Ōtākaro/Avon River Corridor funding has been allocated across the following Council activities:

- Parks $149 million
- Transport $81 million
- Land drainage $86 million

This funding will support the following developments:

- The City To Sea Pathway
- Ecological restoration
- Cultural and recreational facilities, including landings
- Floodplain management and stormwater treatment
- Pages Road bridge

We've aligned funding in the Regeneration Plan to the different sections of the Ōtākaro/Avon River Corridor, known as 'reaches'. The funding allocation per reach is as follows:

- Ōtākaro Loop Reach $94 million
- Horseshoe Lake Reach $86 million
- Eastern Reach $86 million

A further $50 million is allocated across the entire green spine for flood and stormwater priority works.

For more information about the Ōtākaro Avon River Corridor Regeneration Plan visit: https://dpmc.govt.nz/sites/default/files/2019-08/Otakaro%20Avon%20River%20Corridor%20Regeneration%20PlanReducedSize.pdf

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[Breakout info box]

What else is going on?

We're consulting on two other proposals at the same time as the Draft Long Term Plan consultation - our Climate Change Strategy and Development Contributions Policy. These have implications for our Long Term Plan, which is why it makes sense to combine the conversations.

Draft Ōtautahi Christchurch Climate Change Strategy
The Draft Ōtautahi Christchurch Climate Change Strategy will reinforce Christchurch City Council's commitment to climate change leadership, and provides a long-term framework for collective action. It is based on the latest scientific advice, underpinned by government legislation, and driven by increased calls from the community for action.

Draft Development Contributions Policy 2021
Charging development contributions enables the Council to recover a fair, equitable, and proportionate share of the cost of the capital investment needed to service growth development from those who cause and/or benefit from that investment.

You can find out more about these consultations at ccc.govt.nz/haveyoursay

Our capital programme

Economic recovery is part of our COVID-19 response. Locking in the funding for this work means we can give confidence to the construction sector, among others, and in turn stimulate economic activity.

For the first three years of this Long Term Plan, we've set our core capital spend at $400 million in the first year, $420 million in the second year, and $443 million in the third year. We're making sure we can do all the work we want to deliver in the timeframe we've set. We have deliberately set our capital programme at this level, because we want to ensure it is deliverable – that we can do all the work we want to deliver in the timeframe we have set.

In addition to the core programme we have between $145 million and $241 million in each of the first three years on projects that are being delivered and/or funded by the Crown and others. This includes the Canterbury Multi-Use Arena, Metro Sports Facility, part of the Ōtākaro Avon River Corridor programme, Shovel Ready and Water Reform stimulus funding packages.

For the remaining seven years of this Long Term Plan, our core capital spend will increase to between $500 million and $550 million a year.

In our first three years, we're particularly focused on investing in our roads and water – two of the issues we hear about most from the community. We're proposing to spend more on maintaining and improving the condition of our existing roads, footpaths and cycleways, and protecting and upgrading our water networks.

[Insert pie graph showing capex using info from table below]

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Capex Spend - 10 years		
Three Waters	40.9%	2,329,304
Transportation	25.4%	1,445,089
Other - including Multi Use Arena	14.0%	799,163
Parks, Heritage & Coastal Environment	11.1%	632,685
Communities and Citizens:		
- Recreation and Sport	3.5%	199,267
- Libraries	2.2%	122,854
- Art Gallery / Museums	0.3%	14,863
- Communities and Citizens - other	0.4%	22,896
Housing	1.1%	61,634
Solid Waste & Resource Recovery	1.0%	58,452
Strategic Planning & Policy	0.2%	10,092
Regulatory & Compliance	0.0%	798
	100%	**5,697,097**

Maximising our external funding

On top of our own spending on capital projects, we have external funding totalling $194 million to complete water, transport and environmental projects that will help support the city's ongoing regeneration and overall future:

Water reforms

We're getting $40.5 million to spend by March 2022 to help us deliver our part of Tranche 1 of the Government's nationwide water reforms. These funds will help us to increase the investment in our drinking water and wastewater networks, and also conduct a needs assessment for water services across our district.

The water reform programme includes making regulatory improvements and the Government has signalled it wants to see councils joining forces at a regional or multi-regional level to set up new entities to deliver water services. We've signed a Memorandum of Understanding which committed us to working with the Government and other parties to look at the future delivery of our water services. This includes considering the following design features:

- Water service delivery entities that are of significant scale (most likely multi-regional).
- publicly owned entities, with a preference for collective council ownership and protections against privatisation.
- mechanisms for enabling communities to provide input in relation to the new entities.

During this first stage of the reform, we're working with the Canterbury Mayoral Forum to explore different ways of delivering these water services across Canterbury and the South Island. We're also providing detailed information about our water networks to the Government as part of a nationwide assessment of water services delivery.

We expect Government to make policy decisions relating to the reforms in May 2021, to enable legislation to be introduced later in the year. This will include decisions on the main design

features, number, and boundaries of the new water entities. Our Council will be included in one of the entities but we will have the opportunity to 'opt out'.

We will be consulting with you on this later this year.

Depending on the outcome of the public consultation, we won't see any major changes in how we deliver water until the 2023/24 financial year.

Regardless of any outcome, we know for a fact that our community needs the 'three waters' services – drinking water, wastewater and stormwater. Find out how we propose continuing to invest in our water network over the next 10 years from page xx of this document.

Shovel-ready projects

For the first three years of this Long Term Plan, we'll take advantage of funding opportunities provided by the Government's stimulus programmes to fast-track infrastructure work that creates or keeps jobs. We're calling this work our 'shovel-ready' projects, and they cover projects ranging from six major cycleways to projects that future-proof the resilience of our water supply.

We've also been able to take advantage of the Government's funding package for local authorities to provide immediate COVID-19 stimulus, to maintain and improve drinking water and wastewater infrastructure), and provide information to influence and inform the government water reform programme.

Christchurch Regeneration Acceleration Facility

The city's regeneration has been given a boost with the $300 million in funding from the Government. The funding went towards three projects that will contribute significantly to our future as a city:

- $40 million for improving roads and footpaths, safety initiatives, and bus priority measures on key public transport routes.
- $40 million for 'green spine' elements of the Ōtākaro Avon Corridor.
- $220 million towards the Canterbury Multi-Use Arena.

Looking after what we've got

As well as optimising opportunities to tap into Government stimulus funding for infrastructure work that generates or retains jobs, we're focusing on maintaining existing services and assets.

To keep our work programme affordable and deliverable, we'll focus on maintaining, renewing and replacing our assets. The reality is that we simply cannot afford, at this point in time, to do all the renewal work that is needed.

Although there is uncertainty about the Government's reform of Three Waters and what our involvement in the delivery of three water services may be in the long term, we're continuing to invest in three waters infrastructure, giving priority to drinking water and wastewater services and continuing to protect public health.

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Our operational costs

Operational expenditure is money spent to keep the city running from day-to-day. Most of our spending is on providing services. Everything we build, own and provide requires people to get the work done. Ongoing costs to operate a library, for example, or to service our parks and waterways includes staff salaries and maintenance and running costs, such as electricity.

While some money comes in through fees and charges, most of our operational costs are met through rates.

Operational costs include Council staffing costs. This Long Term Plan will determine how the Council functions. The organisation will be right-sized in 2021 to ensure it can effectively deliver the ambitions set out in this Long Term Plan.

To address the impact of COVID-19, we're reducing budgets. As we've already mentioned, we've identified savings of $18 million in this financial year, and we're planning to save an additional $34 million in 2021/22. Many of these will be ongoing permanent savings, totalling $329 million over the period of this Long Term Plan. We believe we've got the balance right between making savings and maintaining our levels of service.

[Insert pie graph of opex using info from table below]

Opex Spend - 10 years	%	$000
Three Waters	20.8%	1,327,687
Communities and Citizens:		
- Recreation and Sport	8.6%	547,494
- Libraries	6.7%	428,652
- Art Gallery / Museums	3.7%	234,627
- Communities and Citizens - other	4.3%	271,669
Transportation	14.0%	889,446
Solid Waste & Resource Recovery	9.9%	628,874
Parks, Heritage & Coastal Environment	8.8%	559,022
Regulatory & Compliance	8.1%	513,527
Strategic Planning & Policy	6.7%	427,601
Other	3.8%	245,152
Governance	2.9%	186,933
Housing	1.7%	110,073
	100%	**6,370,758**

[Breakout info box]

What's the difference between operational and capital spending?

Our capital spending funds physical infrastructure projects such as community facilities or roads. As these projects will be enjoyed by generations of people, we borrow a good part of the money to pay for them and pay it back over 30 years.

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Operational spending funds the day-to-day services that the Council provides. It is funded mainly through rates, therefore it has a direct impact on the level of rates we charge.

Capital and operational spending have different effects on rates because we mostly borrow for one, and rate for the other. For example, a total of $5.5 million of operational funding has a 1 per cent impact on rates while every $125 million that is spent on capital projects has a 1 per cent impact due to rating for the interest and principal repayment, similar to a mortgage payment.

See page X of this document for more on our financial strategy.

Our Financial Strategy and rates proposals

It's a balancing act

The Financial Strategy describes the Council's current and future financial position. It explains the revenue and investment needed to sustainably and responsibly fund our LTP work programme and budget.

In setting our Financial Strategy, we need to balance the costs of delivering our projects and services with the funding available from rates and borrowing. These three variables – cost, rates and debt – are interrelated. Any change in one needs to be offset by changes in at least one of the others, for example, if we reduce our rates increase, we need to reduce our costs (by deferring projects or reducing our levels of service), and/or take on more debt.

Where does our money come from?

Rates are the main source of funding for the Council's activities. In the 2021/22 financial year we're proposing to collect $594.8 million in rates. This is supplemented with funding from fees and charges, Government subsidies, borrowing, development contributions, interest and dividends from Christchurch City Holdings Limited subsidiaries.

Where our funding will come from over the next 10 years

Funding Sources	%	$m
Rates	57%	7,458
Borrowing	18%	2,432
Fees, charges and operational subsidies	13%	1,684
Capital contributions, grants and subsidies	5%	626
Dividends and interest received	5%	611
Development contributions	2%	245
Disposal of surplus properties	<1%	21
	100%	**13,077**

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What will we spend money on over the next 10 years?

	%	$000
Three Waters	28%	3,657
Transportation	18%	2,335
Communities and Citizens:		
- Recreation and Sport	6%	747
- Libraries	4%	552
- Art Gallery / Museums	2%	249
- Communities and Citizens - other	2%	295
Parks, Heritage & Coastal Environment	9%	1,192
Other	8%	1,056
Debt repayment	8%	996
Solid Waste & Resource Recovery	5%	687
Regulatory & Compliance	4%	514
Strategic Planning & Policy	3%	438
Governance	2%	187
Housing	1%	172
	100%	**13,077**

**Other includes $456 million of interest costs either externally received or not allocated to groups of activities, and $454 million for the Canterbury Multi-Use Arena.*

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What we're proposing

The financial impacts of the earthquakes, and more recently the COVID-19 pandemic, have reinforced the need for us to be in a financial position where we can respond to unexpected events.

To achieve financial resilience, we need to retain the ability to borrow funds at short notice to soften the impact of any fiscal emergency. This will ensure we can continue to deliver appropriate services without a big impact on rates.

In the short term, this gives us the ability to borrow close to $400 million to deal with any unexpected events.

To help us reach long term financial resilience, we're planning to achieve:

A balanced budget

In the past, we haven't always had a balanced budget due to our rating for asset renewals being historically too low. We've been addressing this progressively since 2015 and will have a balanced budget again in all years except 2024/25.

Managing debt prudently

We normally use debt to finance new long-term assets that benefit future generations of residents. This ensures the upfront cost is shared fairly across the generations who'll be using them. We've also had to do some short-term borrowing to cover reduced revenue that resulted from COVID-19.

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While we can service our current and forecast debt comfortably, carrying a relatively high level of debt means we need to restrain the increase in debt to ensure we have financial resilience.

The Council's net debt (our total debt minus our cash holdings and debt that's owed to us) is forecast to be $1.6 billion at 30 June 2022 – $250 million lower than predicted in 2018. Our total assets amount to about $15.6 billion, which gives us a debt-to-asset ratio of around 10 per cent. As an analogy, first home buyers generally borrow 80 to 90 per cent of house value to purchase properties.

Our net debt to revenue ratio is forecast to peak in 2028 before reducing over time.

By 2027, we're planning to have repaid all the debt we took on to meet the shortfall caused by COVID-19.

Table: Projected debt over the 10 years

$million	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Proposed net debt	1,600	1,789	2,099	2,282	2,407	2,524	2,621	2,674	2,708	2,735
Debt headroom	1,063	1,220	596	443	397	403	384	452	492	589

Table: Projected net debt/revenue ratio over the 10 years

2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
180.3%	175.4%	225.9%	238.7%	240.4%	241.5%	244.2%	239.5%	236.9%	230.4%

Provide cost-effective infrastructure and facilities

We need to ensure we have sufficient revenue to continue the following, while always ensuring that rates are affordable and sustainable:

- Funding the remaining repair and replacement of infrastructure and facilities damaged in the 2010/11 earthquakes.
- Funding infrastructure and facilities that are reliable and cost-effective.
- Providing infrastructure and facilities that support population and economic growth.
- Limiting investment to what we need, what we can deliver and what we can afford.

Quantified limits

We're required to set maximum limits, called quantified limits, for rates and debt increases. We plan to be under these limits shown below. For more information on these please see the Financial Strategy ccc.govt.nz/long term plan

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Rates increase limit	7.7%	6.0%	6.2%	6.2%	7.4%	5.9%	4.7%	5.4%	3.8%	5.0%

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Quantified debt limit ($m)	3,269	3,505	3,085	3,062	3,134	3,188	3,269	3,363	3,441	3,568

Our rates proposals

We're very aware that many of our residents and businesses are hurting financially as a result of the COVID-19 pandemic so we're focused on meeting community expectations while keeping rates affordable.

We aim to strike the right balance between keeping rates increases as low as possible, while continuing to provide core services, invest in our city and adapt to the impact of climate change.

Average rates increase

We're proposing an average residential rates increase of 5 per cent for 2021/22. For an average house with a value of $508,608, the proposed increase is an extra $142.25 a year or $2.74 a week.

The overall average rates increase for 2021/22 is 5.56 per cent. This also means an average increase of 5.91 per cent for the average commercial property, and 5.83 per cent for the average remote rural property that currently pays land drainage rates.

For an average commercial property with a value of $1,858,572 the proposed increase is an extra $786.03 a year or $15.12 a week.

For an average remote rural property currently paying land drainage rates and with a value of $1,039,580 the proposed increase is an extra $178.04 a year or $3.42 a week.

Over the course of the 10 years of this Long Term Plan, proposed rates increases average 4 per cent a year, or 47.8 per cent cumulatively.

Our total rates income includes rates from new developments around the city. More developments means more ratepayers, and that means the rates burden becomes shared amongst a bigger group – so as long as the number of rateable properties keeps growing, the rates increase for existing ratepayers will be lower than the total increase.

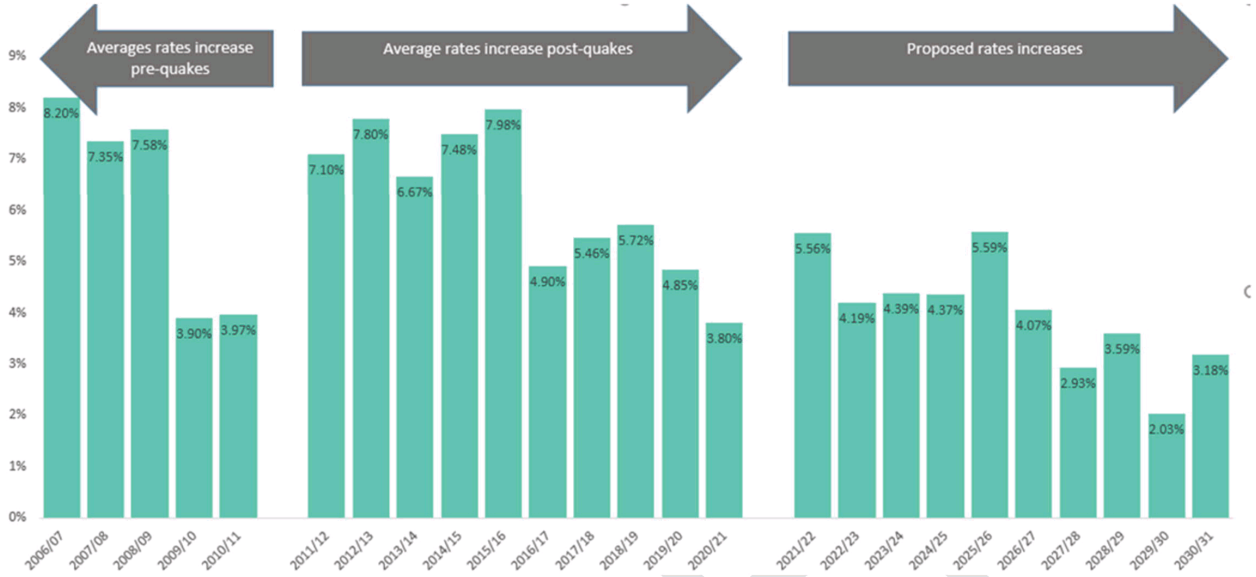
Although rates increases over recent years have been significant, the cost of rates in Christchurch remains comparable to that of other metropolitan councils.

Table 1. Annual rates increase for existing ratepayers

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Proposed Rates increase	5.56%	4.19%	4.40%	4.37%	5.59%	4.07%	2.93%	3.60%	2.03%	3.18%

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How does our budget affect your rates?

Residential

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	$ 1,337.57	**$ 1,392.97**	**$ 55.40**	$ 1.07	4.14%
300,000	$ 1,825.17	**$ 1,908.71**	**$ 83.54**	$ 1.61	4.58%
400,000	$ 2,312.77	**$ 2,424.45**	**$ 111.68**	$ 2.15	4.83%
500,000	$ 2,800.37	**$ 2,940.20**	**$ 139.83**	$ 2.69	4.99%
600,000	$ 3,287.97	**$ 3,455.94**	**$ 167.97**	$ 3.23	5.11%
700,000	$ 3,775.57	**$ 3,971.68**	**$ 196.11**	$ 3.77	5.19%
800,000	$ 4,263.17	**$ 4,487.42**	**$ 224.25**	$ 4.31	5.26%
1,000,000	$ 5,238.37	**$ 5,518.91**	**$ 280.54**	$ 5.40	5.36%
1,500,000	$ 7,676.37	**$ 8,097.63**	**$ 421.26**	$ 8.10	5.49%
2,000,000	$ 10,114.37	**$ 10,676.34**	**$ 561.97**	$ 10.81	5.56%
3,000,000	$ 14,990.37	**$ 15,833.77**	**$ 843.40**	$ 16.22	5.63%
Average House					
508,608	**$ 2,842.34**	$ 2,984.59	**$ 142.25**	**$ 2.74**	**5.00%**

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Business

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	$ 1,753.93	$ 1,837.72	$ 83.79	$ 1.61	4.78%
400,000	$ 3,145.48	$ 3,313.95	$ 168.47	$ 3.24	5.36%
600,000	$ 4,537.04	$ 4,790.19	$ 253.15	$ 4.87	5.58%
800,000	$ 5,928.59	$ 6,266.42	$ 337.83	$ 6.50	5.70%
1,000,000	$ 7,320.15	$ 7,742.66	$ 422.51	$ 8.13	5.77%
1,500,000	$ 10,799.04	$ 11,433.25	$ 634.21	$ 12.20	5.87%
2,000,000	$ 14,277.93	$ 15,123.84	$ 845.91	$ 16.27	5.92%
3,000,000	$ 21,235.71	$ 22,505.02	$ 1,269.31	$ 24.41	5.98%
5,000,000	$ 35,151.27	$ 37,267.38	$ 2,116.11	$ 40.69	6.02%
Average Business					
1,858,572	**$ 13,293.91**	**$ 14,079.93**	**$ 786.03**	**$ 15.12**	**5.91%**

Remote Rural

CV	2020/21 Rates	2021/22 Rates	Annual increase ($)	Weekly increase ($)	Change (%)
200,000	$ 838.90	$ 873.83	$ 34.93	$ 0.67	4.16%
400,000	$ 1,366.40	$ 1,435.41	$ 69.01	$ 1.33	5.05%
600,000	$ 1,893.89	$ 1,997.00	$ 103.11	$ 1.98	5.44%
800,000	$ 2,421.39	$ 2,558.58	$ 137.19	$ 2.64	5.67%
1,000,000	$ 2,948.88	$ 3,120.17	$ 171.29	$ 3.29	5.81%
1,500,000	$ 4,267.62	$ 4,524.14	$ 256.52	$ 4.93	6.01%
2,000,000	$ 5,586.35	$ 5,928.10	$ 341.75	$ 6.57	6.12%
3,000,000	$ 8,223.82	$ 8,736.03	$ 512.21	$ 9.85	6.23%
5,000,000	$ 13,498.76	$ 14,351.89	$ 853.13	$ 16.41	6.32%
Average Remote Rural Property					
1,039,580	**$ 3,053.27**	$ 3,231.31	$ 178.04	$ 3.42	**5.83%**

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What if we invest less?

We considered investing less but, in the end, we didn't pursue these options because we believe they would not be in the best interests of our residents and communities. The significant options we considered but didn't pursue are:

- **Reducing the level of road resurfacing renewals**
  We have a backlog of approximately 300 kilometres of road resurfacing renewals. We could reduce the resurfacing rate from our proposed rate of 4–5 per cent of the network (or 110–112 kilometres) per year, to 2–3 per cent (40–50 kilometres), and save $9 million a year, less a loss of 51 per cent subsidy. The rates impact would be an annual reduction from the second year of the Long Term Plan (2022/23) of 0.03 per cent.

  However, the impact of this decision would be that, instead of taking around 10 years to get streets back to a state that is comparable with the national average, it would take 20 years. Given our low customer satisfaction results from recent residents' surveys on the state of our roads, 20 years was considered an unacceptably long time and would have too negative an impact on the city. The fact the work is 51 per cent subsidised was also an important factor in not pursuing this option.

- **Reducing the level of water supply and wastewater renewals**
  Our proposed budget includes an additional $404 million of water supply and wastewater renewals over the 10 years. If we didn't do this renewal work it would mean:
  - The proportion of drinking water pipes in poor condition would increase from 13 per cent today to 18 per cent in 2031, with an associated increase in leaks from 20 per cent today to 24 per cent in 2031.
  - The proportion of wastewater pipes in poor condition would increase from 14 per cent today to 30 per cent in 2031, with an associated increase in overflows and blockages.
  - An increase in maintenance costs of $14.1 million over the 10 years.

  The rates impact of not increasing these renewals would be minimal in the first two years, then annual rates reductions of between 0.2 per cent and 0.4 per cent. More significantly, our debt headroom would improve from $384 million in 2028 to $651 million. The low point moves to 2025 ($566 million), above our prudent minimum of $400 million. However, given the importance of protecting and upgrading our water networks and not passing costs on to future generations, decreasing our renewals was not considered acceptable for the city.

- **Reducing maintenance**
  We considered making reductions to our annual maintenance budgets:
  - Reducing road maintenance by a net $1.8 million, which would have decreased rates by 0.33 per cent in the first year only. The impact of the reduction, other than loss of subsidy, would be that the condition of the road network would not be able to be improved at the rate desired by the community.
  - Reducing our stormwater maintenance by $1 million annually, which would have reduced rates by 0.18 per cent in the first year only. The impact of the reduction would be excessive weed growth in streams and a potential risk of local flooding and drain collapse.
  - Reducing $1 million annually from maintenance budgets across our parks (including community parks, regional parks and garden and heritage parks) which would have decreased rates by 0.18 per cent in the first year only. The impact of the reduction would have affected the appearance and condition of the parks.

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The importance of roading, stormwater and parks to our residents resulted in these options not being recommended.

- **Reducing community and other grants**
  We considered higher cuts to our community and other grants programmes from the 5 per cent reduction taken in our proposed budget, ranging up to $1.2 million annually across the programmes, which would have reduced rates by 0.22 per cent in the first year only. Our largest grant programme is our Strengthening Communities fund. However, larger cuts would have a disproportionately negative impact on the volunteer and not-for-profit sectors, particularly given the impacts of COVID-19. Larger cuts would also have disproportionately affected Christchurch's ability to attract and host events – a key factor in our post-COVID economic and social recovery.

- **Deferring or discontinuing new facilities**
  We considered deferring or discontinuing the new Hornby facility, resulting in annual operating cost savings of $1.6 million to $2.2 million from 2022/23. However, while the deferral would have meant a rates decrease of 0.02 per cent in 2021/22 with a further 0.13 per cent in 2022/23, it would also have led to cost escalation estimated at $0.85 million per year for the period of the delay. Discontinuing the project would save $33.6 million of capital and $2.2 million annually of operational costs and would result in a 0.4 per cent rates decrease in 2022/23. However, it requires a write-off of costs already incurred. Both options would be very contentious with the local community and for this reason we haven't proposed them.

- **Reducing our grant to ChristchurchNZ**
  ChristchurchNZ requested an additional $3 million of annual funding in the Draft Long Term Plan. This request is included in our proposed budget. The additional funding is to enable ChristchurchNZ to achieve the economic recovery and development stimulus programme that we believe is necessary in the post-COVID environment. This expenditure will be used to deliver a range of additional economic and urban development workstreams within ChristchurchNZ. The overall spend on economic development agencies is less than in the prior Long Term Plan because the Council will not be funding Regenerate Christchurch and Development Christchurch Ltd. This change also leads to operational efficiencies. The rates impact of not providing this ongoing grant would have been a 0.54 per cent rates reduction in 2021/22.

In addition to the examples above many other smaller savings options such as further cuts to community rates remissions and libraries content and programmes were considered, but were discounted due to the more significant effect that they would have on core, front-line services and the community. The total rates impact of these other reductions would be a 0.2 per cent reduction in 2021/22.

What's the right game plan?

We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible. The balancing act of delivering our ambitions, while also giving ourselves enough financial headroom to weather unplanned events, leaves us with one preferred plan.

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We looked at the impacts of having higher rates rises, which would enable accelerated delivery of asset renewals. A further $20 million of capital spend per annum would cause an ongoing rates increase of 0.15 per cent. This option was ruled out because we wouldn't have the capacity to deliver the projects nor borrow for additional capital works. Furthermore, higher rates rises would place additional hardship on the most vulnerable citizens in our community.

We also looked at making even more severe cuts to budgets to achieve lower rates rises. However, this wouldn't enable us to look after our assets and would have meant we were passing on failing infrastructure to future generations. We would not be able to complete the major community facilities underway nor grow our city. It would also have required a drop in the levels of service we are able to provide. Some of the options also involved loss of subsidies we receive, or a reduction or redeployment of staff. In the interests of community wellbeing and our responsibilities to look after our assets, we opted not to take this approach.

Are there options that we didn't pursue that you would like us to consider?

Have your say at ccc.govt.nz/longtermplan

Changes to how we rate

We're also consulting on some proposed changes to existing rates, and some new rates. You can find out more information about these proposed changes to existing rates and the new rates in the from page xxx of the Draft Long Term Plan: ccc.govt.nz/longtermplan and also on ccc.govt.nz/longtermplan.

Excess water targeted rates for households

We're proposing a new excess water charge for households. This is set through our rating system. You can find out more information about this on page xxx of this document.

A heritage targeted rate

We're proposing to introduce a heritage targeted rate, instead of including all funding for heritage buildings in the general rate. In the future, we plan to show this funding separately on your rates bill. This targeted rate will provide a clear picture of the portion of your rates **that you already pay** towards specific heritage projects in the central city. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value. A fixed rate was considered but not preferred because a targeted rate based on house value was considered more equitable.

These central city heritage projects include:

[include images of these facilities]

- Canterbury Provincial Council Buildings: The targeted rate will help to fund $20 million of capital expenditure in the 2027–28 year.
- Old Municipal Chambers (previously known as Our City Ō-Tautahi): The targeted rate will help to fund up to $8.6 million in capital funding ($2.6 million in 2021–22 and $6 million in 2022–23). This funding will be transferred to the City of Christchurch Trust – a charitable trust set up by private company Box 112. Box 112 will undertake the strengthening and

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refurbishment of the building at the direction of the Trust, and will maintain the building over 50 years at no cost to Council.
- Robert McDougall Art Gallery. The targeted rate will help to fund $13.5 million of restoration work in 2022–23 to 2024–25. Depending on the outcome of consultation on this draft Long Term Plan, this could also include $11.8 million of funding towards base isolation work. See page xxx of this document for more details.
- Canterbury Museum redevelopment. The targeted rate will contribute $23.5 million to the redevelopment in years 2024–27.

The rate would recover those costs over 30 years, and would phase in over three years, so will be smaller in 2021/22 and 2022/23 than in subsequent years.

A targeted rate specifically for the Arts Centre Te Matatiki Toi Ora

We're proposing a new targeted rate specifically for the Arts Centre Te Matatiki Toi Ora to provide a $5.5 million capital grant to help with restoration. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value. A fixed rate was considered but not preferred because a targeted rate based on house value was considered more equitable. You can find out more information about this on page xxx of this document.

A Central City Business Association targeted rate

We're proposing a targeted rate on business properties in the central city to fund our annual grant to the Central City Business Association (CCBA).

The grant is currently funded from the general rate, which means all ratepayers in Christchurch and Banks Peninsula contribute. Under this new proposal, only central city businesses in an identified area (pictured) would contribute.

[include map of identified area]

It is proposed that the rate is levied as a fixed charge rate. All business properties with land valued at $50,000 or higher will pay the same amount. There are currently 623 rating units in the defined area.

The budgeted cost of the grant for 2021/22 is $150,000. This means each business property would pay $276.89 towards it in the next rating year – which comes to $5.32 per week.

The proposed change would allocate the cost to those who benefit from the activities of the CCBA. Of the options we've considered, a fixed rate charge on each business rating unit in the central city is considered the most fair and efficient.

Potential future rate for vacant sites in the central city

We're also looking at ways we can support owners of vacant land in the central city to bring forward development or, where development is still a long way off, to improve the visual appearance of the land in the short term.

The Council recently agreed a Vacant Sites Programme that reflects the community's views. They feel the visual appearance of vacant sites has a significant influence on negative perceptions of central Christchurch – and this perception is deterring people from the central city and stifling new investment on nearby sites.

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We want property owners to improve their sites. The Vacant Sites Programme has already identified a range of tools it will use to help owners do this, and you can review these at ccc.govt.nz/vacant-sites

We're also considering other support tools and funding arrangements, such as a targeted rate for vacant central city land. We'll be talking more about this with the community and owners of vacant sites in the coming months.

Land drainage targeted rate

We want to change who pays the land drainage targeted rate to better reflect the population that benefits from the Council's land drainage work.

This rate funds the operating costs of the Council's stormwater drainage and flood protection and control works. At the moment the only ratepayers that have paid this rate have been those with properties in the 'serviced area' – all the developed land within the district or where there is a land drainage service. The rate is calculated as a number of cents per dollar of capital value.

However, because these services enable all of us to get around more easily without surface flooding and make our city a pleasant place to live, we think all of Christchurch benefits from these works. To make things fair, we want to move to all ratepayers meeting this cost over the next three years. The other option would be to leave the way we charge this rate unchanged, but we don't think this is fair to all ratepayers.

If we don't make this change, we'd need to consider expanding the way we measure developed land, which we haven't always rated consistently. We'd also need to expand the way we measure the 'serviced area' to cover the full range of land drainage services such as swales, wetlands, river clearing and flood protection – not just stormwater pipes.

We're proposing that ratepayers who already pay this rate will continue to do so, but the cost will be shared across all ratepayers.

The remaining ratepayers who haven't been paying this rate would now start paying this rate, starting at 33 per cent of the full targeted rate for 2021/22.

This will increase to 67 per cent of the full rate for 2022/23 and reach 100 per cent for 2023/24 onwards.

This will better share the cost over all ratepayers. You can see which properties are in what category on the map (pictured).

[include map] and [insert link]

Remote rural properties

The Council's general rates, based on the value of a property, make up most of the Council's total rates requirement.

Remote rural properties pay 75 per cent of the standard rate. We want to make a change to how we define remote rural properties to remove some unfairness in the way it currently works.

The way we measure remote rural properties is by how close they are to our wastewater system – it's a simple way of defining how far they are from the city and its amenities. At the moment, if a ratepayer's large rural property is within the area serviced by our wastewater pipes, the ratepayer isn't considered 'remote rural', and so isn't eligible for the lower remote rural rate. This is unfair to very large rural properties where the wastewater system passes close by one corner of the property, making the whole property ineligible for the lower rate.

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We want to broaden this category so that if a property is bigger than 20 hectares and within the wastewater-served area – and even if a farmhouse on the property is connected to the wastewater system – it will be eligible for the lower remote rural rate, provided it meets the other criteria.

Revenue and Financing Policy and Rates Remission Policy

We are proposing a new Revenue and Financing Policy. While much of the Policy is the same, there are some key changes, many of which relate to proposed rates changes mentioned on pg xxx of this document. There are also a number of minor changes being made, so we're providing a whole new Policy for you to comment on.

We're also proposing three amendments to the Rates Remission Policy.

- Amending Remission 1 (which applies to not-for-profit community based organisations) so that organisations with high cash balances will no longer be eligible for the remission. **This focuses the Council's resources on organisations that most need rates relief.** This proposal better balances the interests of not-for-profit community-based organisations with the interests of other ratepayers who fund those remissions. Some not-for-profit community-based organisations are non-rateable, for example, churches, which normally pay only sewer and water targeted rates. In some cases we provide remissions to those properties, further reducing their rates obligations. The proposal applies to non-rateable properties just the same as for other properties, except that if they do not qualify for remission in 2021/22, they will still just pay sewer and water rates. Schools do not receive remissions (unless part of the property is being used for some other purpose) so won't be affected by the proposal.
- A minor amendment to Remission 5 (residential Pressure wastewater system electrical costs). It clarifies that in addition to a subdivision consent, if a system was required post 1 July 2013 under a land use consent or building consent, the remission is not available.
- Updating Remission 7 (Excess water rates) to align with proposed changes in the LTP, providing for a new excess water rate for residential customers. In addition to requiring proof of leaking pipes being fixed, we're proposing a remission where an individual requires water for medical purposes.

More detail on the amendments to both policies is available at ccc.govt.nz/longtermplan

What's the right game plan?

What do you think of our proposed changes to existing rates, and new targeted rates?

Have we got it right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Key changes to fees and charges

We are proposing to change some Council fees and charges in the draft Long Term Plan. In most cases they add less than a dollar or two to the amount paid, and reflect increased costs or inflation. In some cases fees are going up to cover the full cost of an individual service, or are for a new service.

You can find out more information about all of these proposed changes to our fees and charges from page xxx of the draft Long Term Plan: ccc.govt.nz/longtermplan.

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Our Infrastructure Strategy

This Infrastructure Strategy is our game plan for infrastructure investment that will continue to build our resilience over the next 30 years. Our ability to adapt to the impacts of climate change will define our future city and lives, and disruptions must be expected.

The Infrastructure Strategy sets out how we will provide, maintain and manage the infrastructure that supports drinking water, wastewater, stormwater and flood protection, roads, rubbish, recycling and organics, community facilities, parks and information technology.

Our infrastructure is worth billions of dollars, so we take a 30-year view to plan as much as we can for future costs and spread the work out so it is manageable to both do and fund.

COVID-19 has put pressure on our immediate financial situation. This means that in the short-term, we've had to reduce or defer some work programmes and projects. In the long term, our aim is to ensure that communities and infrastructure in our city and Banks Peninsula are both able to deal with the challenges we face, and are great places to live.

We're also committed to looking after, and making greater use of, what we already have, and balancing our community's needs and expectations with what we can afford.

Our main priorities for the future of our infrastructure are:

- Maintaining a viable infrastructure network.
- Moving ahead with projects already underway or committed to.
- Taking advantage of available external funding.
- Undertaking important policy work, such as confirming our approach to infrastructure provision in coastal and low-lying areas affected by the impacts of climate change.
- Working alongside local communities that need to adapt to natural hazards.
- Finding pathways for reducing our emissions.
- Working in partnership with mana whenua and all our strategic partners to protect waterways.
- Finding a shared strategic direction for our urban areas through the Greater Christchurch Partnership, with a clear vision for the city and districts we want by 2050.

[Infographic showing infrastructure spend Capex]

Water, wastewater, surface water and waterways

One of our core responsibilities is to provide and maintain the wells, pipes, reservoirs, treatment plants and pump stations for drinking water and manage the collection, treatment and disposal of wastewater and stormwater.

This infrastructure is essential to the health of our city and our residents. It contributes to the health of our rivers, streams and harbours and it is the most costly service we provide. The capital cost of water infrastructure and services accounts for 41 per cent of our proposed capital spending for this Long Term Plan.

Many of our water supply pipes are ageing and vulnerable to leaks – modelling shows that leaks have increased by a third in the past two years and we lose the equivalent of 90 Olympic-size swimming pools each week. We need to renew more of our pipes to reduce our leakage rates.

Over the next few years, the way councils provide water services to people is going to change. We're part of the conversation with the Government, and we're talking to iwi and neighbouring

councils about the future of our 'three waters' services – drinking water, wastewater and stormwater. There will be a public consultation process later in the year.

Excess water use targeted rate for households

We're proposing introducing an excess water use charge for households that use significantly more water than the average. This charge would apply to any household that uses more than 700 litres per day.

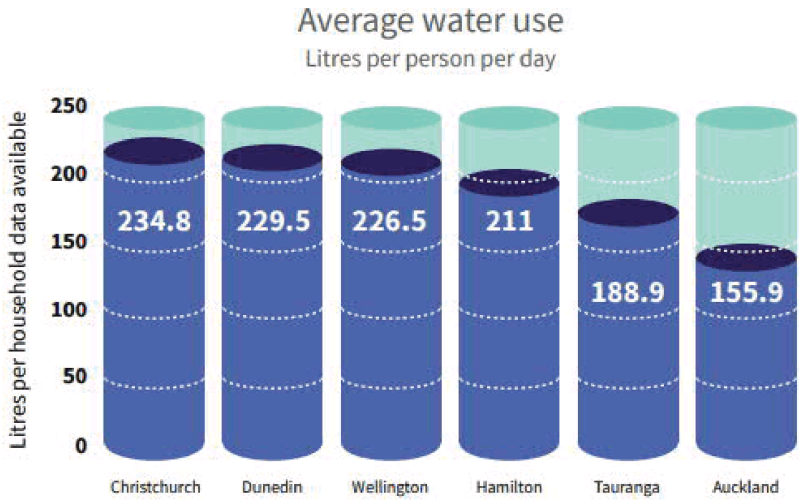
Christchurch's water use in summer is about double that in winter. This is mostly due to people watering their lawns and gardens. As there is no cost to residents for doing this – and there are practical difficulties in enforcing water restrictions – we have to appeal to people's goodwill to reduce their water use.

The average Christchurch household uses 540 litres per day, and we have the highest household water use of all the larger cities in New Zealand. As a rough guide, if you were to take seven baths a day, you would use roughly 540 litres of water.

In the past two summers, demand on the water supply network has been so high that the system has been at risk of not being able to supply enough water to properties. If this happened, it could have serious implications for public health, as well as public safety in the event of a significant fire.

Charging for excess water use would help us manage our demand better and also reduce our pumping costs over summer. It would also mean, long term, we wouldn't need to spend as much money on expanding our water supply network just to cater for the small proportion of very high users. It would also improve the sustainability of our water supply, which aligns with our climate change goals.

[Include below graphic from Updated Annual Plan 2020-21, p.17]



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How this targeted rate would work

We charge for the delivery of water, rather than for the water itself, based on the capital value (CV) of a property. This means the higher the CV of a property, the more the property owner pays for their water supply. This is the water supply targeted rate.

In addition to this rate, we propose charging high residential water users a fixed amount of $1.35 per 1000 litres for any water use over 700 litres per day. This means those properties that regularly place a high demand on the public water supply network would contribute to the extra cost of supplying them with water.

The charge would come into effect from July 2021. All residential water metres in the Christchurch district would be read and recorded every three months (quarterly). A property's water usage would be calculated based on the average daily use over that period. Property owners would be notified of their usage for the period (generally between 80 and 100 days), and if they exceeded the limit, they would also receive a bill.

In practice, we'd only expect to bill high-use properties over the summer months, because that's when water use is at its highest.

Where multiple rating units are served by a single meter, the Council won't invoice for rates until separate meters can be installed, unless there is a special agreement in force specifying which rating unit/ratepayer is responsible for payment.

The new charge would initially affect between 20,000 and 30,000 properties, depending on changes in demand, and bring in revenue of about $2 million to the Council in the first year. Over time, we expect fewer properties to be affected as high-use households reduce their water use.

There would be some exemptions to the charge, such as:

- Unexpected high use due to a leak – on proof that the leak has been promptly repaired.
- Personal circumstances – including medical conditions or a very large family requiring additional water use.

Find out more information about these exemptions and see the proposed changes to the Rates Remission Policy on page x of this document.

We also considered other options for how this rate could work and you can read more about that in the background information on ccc.govt.nz/longtermplan.

[include below as pullout box]

Did you know? The top 20 per cent of household water users in Christchurch use half of the total residential water supplied to the city.

[Include amended 'Putting it in perspective' graphic from Updated Annual Plan 2020–21, p. 16]

[New graphic will show: Average daily household water use (per year) in Christchurch – 540 litres, and average daily household water use that would trigger the proposed targeted rate – 700 litres].

Crunching the numbers

The proposed excess water use targeted rate would apply to any household that uses, on average, more than 700 litres per day during a three-month billing period.

Example: Let's say a household uses, on average, 1200 litres of water per day during a billing period.

The average daily limit is 700 litres per day, so the household has used 500 litres more per day, on average, than the limit.

Calculated over the three-month billing period, this works out to be 48,660 litres more than the limit of 63,840 litres.

The proposed excess charge is $1.35 per 1000 litres, so 48,660 extra litres is equal to 48.66 x $1.35, a total charge of $65.69.

What's the right game plan?

We're proposing introducing an excess water use targeted rate for properties that use more than 700 litres per day, in order to help us manage our water demand better, give us a more secure water supply, and reduce our pumping costs over summer.

Have we got it right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Drinking water

We have a responsibility to ensure our drinking water supply, infrastructure and water taonga are managed in a way that supports the environmental, social, cultural and economic wellbeing of current and future generations.

We're investing in upgrading the city's drinking water supply network, including upgrading well heads, drilling new and deeper wells, upgrading reservoirs, replacing older pipes, and installing new 'smart' monitoring systems and flow meters. The work we're doing is best practice and will future-proof the network for many years to come.

Safe drinking water, without residual chlorine, is a major priority for the Council, and for the people of Christchurch. We've resolved that, long term, we want to retain the city's untreated water supply system and will seek an exemption from the Government proposal in the Water Services Bill to require residual chlorine treatment.

Much of our water supply pipe network was built during previous building booms. It is ageing and around 14 per cent of pipes are in very poor condition and are expected to fail in the next one to two years. A concerted effort is therefore needed to replace large parts our water supply pipe network to stop it deteriorating further.

In the next 30 years we need to keep protecting our drinking water supply by upgrading and renewing infrastructure and extending the network to supply water to new developments. We propose spending $836 million over the next 10 years, including:

- Water Safety Plan Improvement Programme Asset renewals and replacements.
- Water supply rezoning – this will allow for water pressure to be managed more effectively across the whole city.
- Smart technologies for monitoring and measuring the network's use.

Surface water and waterways

We're committed to maintaining the health of our waterways across our district, and to working with our communities to reduce the pollutants that can enter our urban streams and rivers.

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Our drainage and stormwater networks include our pipes, manholes, sumps, inlets, outlets; natural waterways such as rivers, streams and creeks, constructed drainage channels, in-channel structures, lining and retaining walls. Our pump stations and water flow control devices and structures such as valve stations, stopbanks, tide gates and basins and water quality treatment devices such as basins, wetlands, tree pits, raingardens and filtration devices are also included.

Our focus will be on delivering the floodplain management and stormwater quality elements of the Ōtākaro Avon River Corridor work programme.

We propose spending $695 million on infrastructure over the next 10 years, including:

- Implementation of Ōtākaro Avon River Corridor Regeneration Plan. A major part of this is temporary or permanent stopbanks work ($86million).
- New or retrofitted stormwater treatment facilities ($369 million).
- Renewing and replacing pump stations, pipes, drains, swales, waterway linings ($240 million).

We are also proposing a level of service change which may result in a decrease in resident satisfaction with the network from 40 per cent to 35 per cent over the 10 years.

Our wastewater

Wastewater is the used water that leaves our homes and businesses – from kitchens, laundries, bathrooms and toilets. A healthy city depends on an efficient wastewater system to collect, treat and dispose of wastewater and to help protect our waterways.

The wastewater network collects and carries wastewater to the Christchurch wastewater treatment plant at Bromley, or one of seven wastewater treatment plants across Banks Peninsula.

Our main focus will be on replacing poor condition wastewater pipes. Much of our wastewater network is old and leaky, and lets large amounts of groundwater and stormwater into the wastewater system. These pipes are also prone to blockages. Both of these factors can lead to increased overflows of wastewater to the environment, which creates a public health risk and isn't good for the environment.

We plan to protect the Lyttelton and Akaroa harbours by removing treated wastewater discharges from them. In 2021, wastewater discharges from three wastewater treatment plants in Lyttelton Harbour will stop, and all wastewater will be pumped to the Christchurch wastewater treatment plant.

Akaroa's current wastewater treatment plant and outfall are in a culturally and historically sensitive place and they are old and need to be replaced. We plan to build a new modern treatment plant and use the reclaimed water to irrigate new areas of native trees in Robinsons Bay, Takamātua and Hammond Point. We plan to use some of the reclaimed water for irrigating public parks and flushing public toilets in Akaroa. We will also work with Ngāi Tahu, government agencies, and other water suppliers to develop regulations to allow the use of this water on private properties for irrigating gardens and flushing toilets.

In Duvauchelle, we are also exploring removing the treated wastewater discharge from Akaroa Harbour, and irrigating it to land instead, possibly on the golf course. This would mean an end to treated wastewater discharges to Akaroa Harbour. We will be consulting on the options for Duvauchelle later in the year.

We propose spending $798 million on wastewater infrastructure over the next 10 years, including:

- Removing treated wastewater discharges from Akaroa Harbour ($69 million).

- Replacing or renewing ageing or damaged assets that are in poor condition ($626 million).
- New or retrofitted wastewater reticulation and treatment facilities ($103 million).

We are also proposing a change to the level of service for wastewater dry weather overflows from 0.6 per 1000 properties to 0.8 per 1000 properties over the 10 years of the Long term Plan. This may result in a decrease in resident satisfaction due to blockages and overflows.

What other options did we consider?

Protecting and upgrading our water networks is one of our key areas of focus for our capital expenditure, and we've invested accordingly with a programme that we can deliver. We did consider spending less in this area and you can read more about that on page 24 of this document.

What's the right game plan?

What do you think of our proposed investment in upgrading and protecting our city's water networks?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Transport

The Council owns, plans and operates our city's network of roads, footpaths, cycleways and bus lanes. We also own and operate key transport assets ranging from bus shelters to traffic lights.

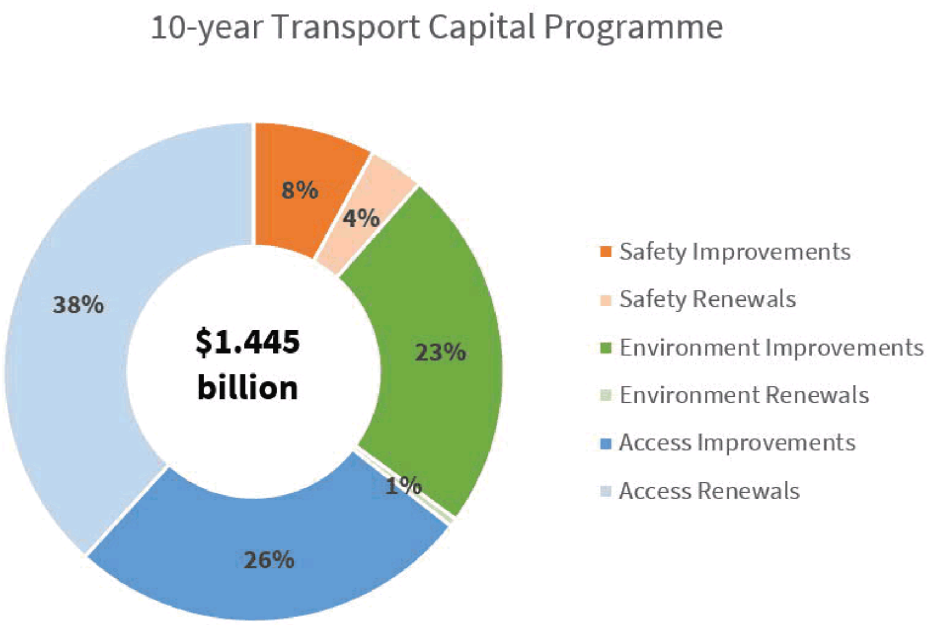
We've heard from residents that transport is a top priority. It's also the city's biggest contributor to carbon emissions. With a growing and shifting population, and the congestion that comes with it, the next 10 years of transport planning is critical.

We want to give people better options for getting around, whether by car, public transport, on foot or on a bike or scooter. We also want to ensure our networks are safe.

We are also concerned about the environment – around 36 per cent of greenhouse gas emissions in Christchurch are generated by traffic on our roads. We therefore need to make it easy for people to choose alternative travel options to move around the city.

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The capital cost of transport infrastructure improvements accounts for 57 per cent of our proposed capital spending on transport for this Long Term Plan. Renewals account for the remaining 43 per cent. Improvements are effectively new infrastructure while renewals are upgrades to existing infrastructure.

Christchurch residents want us to get the basics right, and have identified the condition of the roads and footpaths around the city as a big concern. We're focusing on what you're telling us is important:

- Maintaining and improving the condition of our existing roads, footpaths and cycleways;
- Making the transport network safer to use;
- Addressing the impact transport has on our environment.

The Council has also received Government funding to finalise some ongoing earthquake-related issues and support economic development in the COVID-19 environment. This includes:

- $40 million from the Christchurch Regeneration Acceleration Facility (CRAF). Funding of $30 million is earmarked for road and footpath upgrades, as well as safety and accessibility improvements in different locations within five areas of the city most affected by the earthquakes – Richmond, New Brighton, Linwood/Woolston, Spreydon/Somerfield, Waltham/Beckenham, and Riccarton. The remaining funding is made up of $5 million for targeted road safety initiatives, and $5 million for bus priority measures on key public transport routes.
- $87.3 million in 'shovel-ready' funding to deliver a number of cycleways and complete the Coastal Pathway.

In addition to this Government funding, Council will also be seeking funding from Waka Kotahi NZ Transport Agency for a range of programmes and projects across the transport network.

Safety

We want safe and healthy communities, and for people to get where they want to go safely, whether on foot, in a car, on a bike or scooter, and everything in between. By 2031 we want to see at least 40 per cent fewer fatal and serious injury crashes on our road network compared to 2020.

To help achieve this, we've proposed a programme of safety works at the city's most high-risk sites. We're also focusing on protecting pedestrians and cyclists, safer school zones and key intersection improvements.

We propose to spend $166.2 million on this over the next 10 years. Waka Kotahi NZ Transport Agency has endorsed this programme and will provide between 51 per cent and 75.5 per cent of the funding.

Roads and footpaths

We're focusing on catching up on renewing our damaged roads and footpaths, bringing them up to a standard our communities are satisfied with and helping Christchurch develop into a 21st century city.

We propose spending $551.8 million on roads, footpaths and road infrastructure renewals over the next 10 years. This is about 42 per cent of what we're spending across all aspects of the road network. This covers:

- Road smoothing (asphalt surface) - $47 million
- Road resealing (chip seal) - $136.2 million
- Road renewals (pavement reconstruction) - $40.8 million
- Street upgrades - $46.4 million
- Footpath renewal - $59.5 million
- Kerb and channel renewals - $68.2 million
- Pages Road bridge, Marshland Road bridge and Fitzgerald Avenue twin bridges replacements - $56.8 million
- Other transport assets (traffic signals, lighting, bridge renewals, road metalling, signs, parking facilities, guardrails, landscaping, etc.) - $96.9 million

As outlined above, we're accelerating spending for the first three years of the Long Term Plan 2021–31 for resealing and upgrading roads, and spending $138.9 million in this period on renewing transport assets. This represents more than 52 per cent of the core transport budget. A total of $30 million of the CRAF funding will be spent on improving local roads in parts of five areas of the city in the first three years of the Long Term Plan 2021–31.

For the first three years of this Draft Long Term Plan, we'll spend $18.3 million a year on road resurfacing (asphalt, chip seal and pavement reconstruction) – increasing our level of service to a total of 5.3 per cent of the city's roads from the current 2 per cent. This funding will increase to nearly $20 million a year from the fourth year.

Central city projects

Our central city transport projects support the successful implementation of anchor projects, such as Te Pae Christchurch Convention Centre, Metro Sports Facility and the Canterbury Multi-Use Arena, as well as central city residential and commercial development, by helping people to travel to them easily and make the most of them. This work will include street upgrades, improving walking networks, public transport interchange extension and linking the major cycleway routes to the central city. We propose spending $146 million on this over 10 years.

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Supporting cycling

Getting more people cycling is key to addressing climate change, creating healthier communities and reducing congestion. The major cycle routes and other cycleways are designed to encourage people to ride because they can see it's a safe, convenient option to get where they want to go.

Most of the Government's 'shovel-ready' funds over the first three years will be used to deliver the Major Cycle Routes programme. We'll deliver five of these cycleways by 2024: Rapanui–Shag Rock, Northern Line, Nor'West Arc, South Express and Heathcote Expressway. We will also complete the Coastal Pathway between Ferrymead and Sumner.

The delivery of the Wheels to Wings has been brought forward to allow construction to start in 2022. The remaining three Major Cycle Routes – Avon-Ōtākaro Route, Ōpāwaho River Route and Southern Lights – will be constructed between 2025–2029 in stages.

We also have a 'local connections' programme to link key community places to our Major Cycle Routes, and the City to Sea recreational cycleway along the Ōtākaro-Avon River Corridor's green spine.

All up, we propose spending $235 million on all cycling projects/programmes over the next 10 years. This includes a significant portion of 'shovel-ready' and Waka Kotahi NZ Transport Agency funding.

Public transport infrastructure

The public transport service for Greater Christchurch is provided by Environment Canterbury. We support the public transport network in Christchurch city by providing infrastructure such as bus stops, shelters and bus lanes.

We want to encourage as many people as possible to use this service. This will support our goals around transport choice and climate change. The Council is part of the Greater Christchurch Public Transport Futures business case programme (PT Futures), which describes how the Greater Christchurch public transport system will develop over the next decade. It sets out a recommended investment programme.

We propose spending $96.7 million on bus infrastructure improvements and renewals over the next 10 years. These include bus lane priority, intersection improvements, central city bus interchange upgrades and bus stop improvements to support planned increases in bus frequency. Further funding is recommended beyond 2031.

To reduce ongoing operational costs, Council is proposing to close the Riccarton Road bus lounge. This kind of suburban facility is not provided anywhere else in Christchurch, and our future planning, which we've undertaken with our public transport partners, hasn't identified a remaining need for these lounges or for any similar facilities in the city.

Growth

To meet the needs of new land development and subdivisions, we're proposing a growth programme, which includes $42.1 million of intersection and corridor improvements over the next 10 years.

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Main changes to our plans

To help us make the above changes and meet our goals, a number of changes have to be made to the size or schedule of some projects.

We've managed to accelerate the delivery of five Major Cycle Routes using 'shovel-ready' funds from the Government. These projects have been brought forward and condensed in the first few years of the programme. We've also increased the amount of resurfacing work that we're doing across the city. At the same time, we've reviewed our more complex projects over this period, and we've changed some of the timeframes to be more realistic.

The main projects affected are:

- Pages Road Bridge Renewal (part of the Ōtākaro Avon River Corridor): delayed by two years to 2025.
- The Palms Public Transport Facilities: delayed by four years to 2024.
- Central City Projects – Salisbury and Kilmore streets: delayed by six years to 2031.
- Some projects relating to the following Master Plans have been delayed to the end of the 10 year period:
    - Sydenham Master Plan
    - Main Road Master Plan
    - Sumner Master Plan
    - Ferry Road Master Plan

What other options did we consider?

Our transport network, and road maintenance in particular, is another key area of focus for our capital expenditure. We did consider spending less in this area and you can read more about that on page 25 of this document.

What's the right game plan?

What do you think of our proposed investment in our city's network of roads, footpaths, cycleways and bus lanes?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Rubbish, recycling and organics

Resource recovery

Waste minimisation is fundamental to helping achieve our climate change goals. In 2018, 9 per cent of our carbon footprint for the Christchurch community was caused by waste disposal. As a society, reducing the waste we create is our collective responsibility. The Council's role is to lead and facilitate solutions to help reduce waste.

In Christchurch, more than 200,000 tonnes of waste is sent to landfill each year, the equivalent of 538 kilograms per person (excluding special waste). Another 115,000 tonnes is processed through our recycling and organics facilities (diverted from landfill).

There are growing community aspirations for sustainable ways to manage our resources, such as recycling and composting to reduce these materials going to landfills.

The Council shares those aspirations. In 2020 we adopted a new Waste Management and Minimisation Plan that focuses on changing our 'throw-away' culture and reducing the amount of waste we are sending to landfill.

Implementing the actions in that plan are the key drivers of our capital and operational spending in the area of resource recovery. Funding for the activity includes between $2 million and $20 million a year for capital programmes, and $56 million to $74 million for operational programs.

Another important focus will be on contributing to the Council's zero emissions target through exploring ways to reduce greenhouse gas emissions from waste processing activities, the household kerbside collection vehicle fleet, and the transportation of waste materials.

Rubbish, recycling and organics

Christchurch has had a successful three-bin kerbside system since 2009, diverting approximately 65 per cent of household recyclable and organic materials from landfill. Through the kerbside collection service, Christchurch residents contribute approximately 20 per cent of the general waste sent to Kate Valley Landfill each year. We are proposing to invest in our recycling and organics facilities to enable more future diversion of waste to landfill.

Rubbish

Our kerbside red bin service delivers approximately 45,000 tonnes of rubbish per year to landfill. In addition our public EcoDrops and transfer stations around Christchurch and Banks Peninsula receive almost 70,000 tonnes of rubbish each year. Upgrading our transfer stations will ensure we provide safe and accessible facilities for disposal of rubbish, while investing in resource recovery centres at each site and education programmes will help divert more waste from landfill.

We propose spending $18.5 million on transfer station infrastructure over the next 10 years, including:

- Upgraded facilities building at Barrys Bay Transfer Station ($0.3 million)
- Transfer station stormwater treatment ($0.25 million)
- Transfer station upgrades ($9 million)
- Equipment (including renewals) ($9 million)

Recycling

Our kerbside recycling yellow bin service produces approximately 34,000 tonnes per year. We're facing significant challenges to divert recyclable items from landfill. We need to reduce our yellow kerbside bins from being contaminated with rubbish, and increase our sorting capabilities to meet new quality standards required by international recycling markets. We also need to work with the Government and industry to promote processing materials in New Zealand where possible. Failing to reduce contamination to acceptable levels could mean we don't have an export or local market for our recycling.

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We propose spending $18.4 million on recycling infrastructure over the next 10 years, including:

- $1.6 million on capital renewals.
- $16.8 million on Materials Recovery Facility upgrades – funded by the Government, with assets vested to the Council once the contract is completed.

Organics

We are upgrading our organics processing plant in Bromley to ensure odour and dust standards are met, and to future-proof the plant's capacity.

We propose spending $25 million on organics infrastructure over the next 10 years, including:

- Organics processing plant upgrades commencing in 2021 ($21.5 million).
- Building and fixed plant renewals ($3.5 million).

The first three years will focus on the upgrades at the organics processing plant and Materials Recovery Facility sites. Major contracts for these facilities expire in January 2024. Ongoing management of these sites will determine further investment.

What's the right game plan?

What do you think of our proposed investment in the way we manage our city's rubbish, recycling and organics?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

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Our facilities

Our investment supports a network of community facilities across Christchurch and Banks Peninsula that are fit for a range of activities. They include all sorts of things – recreation and sport centres, libraries, community halls and centres, voluntary libraries, early learning centres, statues, jetties and more. They range in size and scale from toilet blocks to major facilities like Christchurch Town Hall, Christchurch Art Gallery Te Puna o Waiwhetū, and Tūranga.

The next 10 years will also see us completing earthquake repairs to many of our damaged facilities, and delivering the Performing Arts Precinct, which will include The Court Theatre, public realm area and landscaping.

The capital cost of community facilities accounts for 19 per cent of our proposed capital spending for this Long Term Plan. We also need to invest in the ongoing maintenance of our facilities so that they meet our community's expectations and remain fit-for-purpose.

[infographic or table showing all projects and proposed 10 year spend]

Community housing

The Ōtautahi Community Housing Trust manages our community housing portfolio. It handles tenancy and maintenance. The Council owns the assets. New social housing is being developed by the Ōtautahi Community Housing Trust, facilitated by Council land transfers and loans. This is all

self-funding and doesn't impact our rates – funding comes from the rent paid by the Trust, and they get their income from rent from tenants and government subsidies.

We propose spending $171.7 million on community housing over the next 10 years, including:

- $52.8 million on maintenance.
- $61.6 million on capital renewals and replacements.

We've recently completed earthquake repairs, as well as insulating and making our community housing warmer and drier. This will remain our main focus for the next 10 years – maintaining and improving the quality of our existing stock.

By leveraging our land holdings, we also hope to work with others to increase the amount of community housing in Christchurch. This year we have facilitated the building of a total of 90 homes.

New community facilities

Over the past 10 years, we've completed a massive programme of repairs and rebuilds to our earthquake-damaged facilities. In addition to new facilities planned by the Council to meet the needs of growing communities around our city, we're also investing in replacing damaged facilities. We propose spending $550.3 million, with a further $197.7 million coming from the Government, on new community facilities over the next 10 years. This includes:

- Te Pou Toetoe: Linwood Pool ($8.3 million remaining)
- Hornby library, customer services and south-west leisure centre ($31.8 million)
- Performing Arts Precinct ($34.8 million)
- Metro Sports Facility ($21 million remaining, as well as funding from the Government)
- Canterbury Multi-Use Arena ($253 million, as well as $197.7 million from the Government)

Existing community facilities

There's a comprehensive existing network of Council and community-owned facilities across Christchurch and Banks Peninsula, covering all geographic areas. Our strategy is to operate and maintain these facilities so they remain valued and well-used places for our community to come together. We propose spending $541 million on existing community facilities over the next 10 years, including:

- Libraries
- Recreation and Sport Centres
- Parks
- Public toilets
- Wharves
- Community centres
- Community halls
- Voluntary libraries
- Early Learning Centres

What other options did we consider?

We considered deferring or discontinuing the new Hornby facility, but this was not considered to be in the best interests of the community and the wider city. You can read more about this on page 24 of this document.

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Changes to our levels of service

We're proposing a number of changes to our levels of service for community facilities.

Libraries

We've looked at when our libraries are at their busiest and when we can reduce opening hours with minimal impact on how, and when, residents like to use their local library. These changes would also mean that library opening hours are more consistent across the city.

Proposed changes include:

- Tūranga closing at 7pm, rather than 8pm, on weekdays, but we're looking at opening for some public holidays.
- Aranui and Matuku Takotako: Sumner Centre library close on Sundays to align with our other small libraries.
- All larger libraries will be open until 6pm on weekdays. South Library, Te Hāpua: Halswell Centre are currently open until 7pm. Linwood Library is open until 7pm one day a week and Fendalton and Upper Riccarton libraries currently shut at 8pm.
- Reducing the Fingertip Library phone service to a five-day (Monday to Friday) service from the current seven-day operation.
- Discontinuing the weekly Mobile Library from July 2022, to coincide with the retirement of the mobile van. Consultation with current users of the service will be undertaken to explore alternative service options to meet their needs.

Service desks

Most people now choose to use our online and phone services to make payments to the Council. With that number growing, we've reviewed the demand across the city for face-to-face financial transactions at our service desks. Although we still have high demand at 10 of our 12 locations – in particular ones that include New Zealand Post services – the service desks at Akaroa and Lyttelton have minimal transactions. We are therefore proposing to close these service desks. All other existing services at these locations, such as the library services at Lyttelton, will remain unchanged.

Christchurch Art Gallery Te Puna o Waiwhetū

The ongoing border closures as a result of COVID-19 mean Christchurch Art Gallery is currently welcoming fewer overseas visitors. Combined with the pandemic's impact on the Council's finances overall, this has meant we've had to take a close look at the affordability of the Gallery's services.

Proposed changes include:

- Reducing the Gallery's weekly Wednesday late night opening hours to one late Wednesday a month.
- Reducing the programmes the Gallery offers to the public and school groups by 25 per cent a year.

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Riccarton Road Bus Lounges

We're proposing to close the Riccarton Road Bus Lounges, which would save approximately $600,000 a year. This includes around $300,000 of Waka Kotahi NZ Transport Agency subsidies, and is made up mostly of maintenance, operational and security costs.

This kind of suburban facility is not provided anywhere else in Christchurch, and our future planning, which we've undertaken with our public transport partners, hasn't identified a remaining need for these lounges or for any similar facilities in the city.

What's the right game plan?

What do you think of our proposed investment in Council-owned facilities across Christchurch and Banks Peninsula, and in our changes to levels of service?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Heritage, parks and foreshore

The capital cost of heritage, parks and foreshore accounts for 11 per cent of our proposed capital spending for this Long Term Plan.

Heritage

The buildings, places and stories of Christchurch and its people are part of our city's identity and treasures to be shared, celebrated and retained for future generations. Christchurch has a long and proud history of protecting and respecting our heritage.

Over the past decade, we've carried out a massive programme of repairs and restorations, but we still have some work left to do. In the next 10 years we will continue to restore our own buildings and support private development of heritage buildings.

We propose spending $57 million on heritage items, including:

- **Old Municipal Chambers repair and refurbishment (previously known as Our City O-Tautahi).** Up to $10 million in capital funding ($1.5 million in 2020/21, $2.5 million in 2021/22 and $6 million in 2022/23). This funding will be transferred to the City of Christchurch Trust – a charitable trust set up by private company Box 112. Box 112 will undertake the strengthening and refurbishment of the building at the direction of the Trust, and will maintain the building over 50 years at no cost to Council.
- **Robert McDougall Art Gallery strengthening and weather tightness.** This is additional funding to that required for the base isolation of the building.
- **Cuningham House restoration in the Botanic Gardens.**
- **Yew Cottage conservation works in Akaroa.**
- **Lancaster Park Memorial Gates repair.**
- **Refurbishment of various artworks, monuments and other heritage items throughout the city.**

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Heritage can take many forms. Some you can see, like buildings and trees, and some you can't, like our shared history and stories. We've reaffirmed our commitment to work with iwi to protect and celebrate this heritage in the community – whatever form it may take.

In the first three years, significant repair projects include the Robert McDougall Art Gallery, Lancaster Park Memorial Gates, Yew Cottage, Cuningham House, and the Old Municipal Chambers. We also plan to continue renewing particular components of heritage buildings as needed; address weather tightness issues at the Sign of the Takahe; refurbish ageing artworks, memorials and heritage items to keep them in good condition; undertake conservation works on the Chalice in Cathedral Square and Jubilee Clock Tower in Victoria Street, and purchase Neil Dawson's 'Spires' artwork.

Funding for the Arts Centre Te Matatiki Toi Ora

Over two-thirds of The Arts Centre Te Matatiki Toi Ora site has now been rebuilt, strengthened and restored after the 2010–11 earthquakes as part of a $255 million restoration project. However, the Arts Centre's revenue was severely impacted by COVID-19 and the subsequent lockdown, and it is now seeking funding to carry out the remaining restoration work.

We are proposing to provide the Arts Centre with a capital grant of $5.5 million. We would do this via a targeted rate that would recover the grant cost over 10 years, and would phase in over two years, so the targeted rate would be smaller in 2021/22 than in subsequent years. We're proposing that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value.

Do you support the Council funding $5.5 million for the Arts Centre? This proposal is currently accounted for in our proposed rates increase of 5.56 percent. If the decision was made not to proceed, rates would drop by 0.04 per cent.

Yes / No

Comments:

Funding for base isolation of the Robert McDougall Art Gallery

Canterbury Museum considers the base isolation of Robert McDougall Art Gallery to be a key part of the Museum's redevelopment.

In July 2019, the Council agreed in principle to support the base isolation of Robert McDougall Art Gallery at a cost of $11.8 million.

As the cost of the proposed work is significant, it was agreed that this in-principle decision would be subject to public consultation in the Long Term Plan 2021–31. If base isolation gets the green light, it will be undertaken at the same time as the strengthening work that's also needed. Canterbury Museum has also applied for Crown funding to support the redevelopment of the museum.

Base isolation is the recognised industry standard and is the only existing technology that would protect the museum's valuable heritage collections and enable international lenders to exhibit in the building. If it was to go ahead, the Robert McDougall Art Gallery would achieve 100 per cent of the current New Zealand Building Standard.

For more information about Canterbury Museum's redevelopment, visit:
www.canterburymuseum.com/about-us/museum-redevelopment-key-documents

Do you support the Council funding base isolation of the Robert McDougall at a cost of $11.8 million? This proposal is not currently accounted for in our proposed rates increase of 5.56 per cent so if a decision is made to fund base isolation, there would be a 0.07 per cent impact on rates.

Yes / No

Comments.

We're proposing to introduce a heritage targeted rate, instead of including all funding for heritage buildings in the general rate. In the future, we plan to show this funding separately on your rates bill. This targeted rate will provide a clear picture of the proportion of your rates **that you already pay** towards specific heritage projects in the central city. You can read more about this on page x of this document.

Parks and foreshore

In the next 10 years we will maintain and improve our parks and foreshore. We propose spending $515 million on parks and $60 million on foreshore. A total of 39 per cent of planned spending is on new developments and upgrades while most of the funding (61 per cent) is on renewing what we already have as it reaches the end of its life. Significant areas of expenditure include:

- Parks-related Residential Red Zone regeneration projects, including the Ōtākaro Avon River Corridor ($170 million)
- Cemeteries, including a new cemetery at Templeton ($31 million)
- Botanic Gardens Masterplan projects and renewals ($27 million)
- Naval Point redevelopment ($27 million)
- Akaroa wharf ($19 million)
- Sports fields ($15 million)
- Redeveloping QEII Park ($14 million)
- Lancaster Park redevelopment ($8 million)
- Hagley Park development and renewals ($8 million)
- Strategic land purchase ($4.5 million)
- Carrs Reserve Kart Club relocation ($3.9 million)
- Rod Donald Trust strategic land purchase ($3 million)

In the first three years, our focus is to look after what we have and prioritise renewals based on the condition and age of the assets. Akaroa Wharf will be one of our most significant renewal projects. Regeneration of the Ōtākaro Avon River Corridor will gather momentum. We will also start to develop aspects of the Christchurch Botanic Gardens Master Plan, continue with development of Ngā Puna Wai Sports Hub, progressively upgrade our sports fields, and reopen Lancaster Park for public use – the first stage of its redevelopment. We'll also deliver numerous smaller community-based projects.

What other options did we consider?

We know the appearance and condition of our parks are important to residents. We did consider spending less in parks maintenance and you can read more about that on page 25 of this document.

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What's the right game plan?
What do you think of our proposed investment in Council-owned heritage and parks across Christchurch and Banks Peninsula?

Have we got the balance right? If not, what changes would you like to see?

Have your say at ccc.govt.nz/longtermplan

Potential disposal of surplus Council-owned properties

The Council has a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. We want your feedback as part of this Draft Long Term Plan to help us decide the future of each property. A full list of the properties and more information can be found at ccc.govt.nz/longtermplan.

[landing page will link to https://gis.ccc.govt.nz/portal/apps/webappviewer/index.html?id=63be645c6b8f4f4ab2a3e8f2627949f4]

The properties we're putting up for consideration make up less than one per cent of the Council's overall portfolio and aren't likely to affect current levels of service. The Council owns many types of properties of all different shapes and sizes. Owning property comes at a cost, and it's good financial practice to continually review the portfolio and decide whether to keep or dispose of them.

First we identify the properties and assess them against the criteria for retention. These criteria include whether the property is being used for the purpose it was originally acquired for, its cultural or heritage value, and whether it can meet any of the Council's immediate or longer-term needs. Properties that don't meet the retention criteria go onto the shortlist to be considered for disposal.

If, following consultation, this proposal is adopted and included in the Long Term Plan 2021-31 all properties determined to be surplus will be disposed of in a manner as set out in Council's policy and normal practices:

- Policy – publicly tendering properties for sale unless there is a clear reason for doing otherwise.
- Practice – in an open, transparent, well-advertised and public manner at market value. This may include methods other than tender, such as auction, deadline sale or general listing.

This consultation process also covers the consultation we need to do for the land identified in the list of properties as 'park' (land acquired or used principally for community, recreational, environmental, cultural, or spiritual purposes: section 138 Local Government Act 2002).

The properties in the list that are reserves under the Reserves Act 1977 will not be disposed of until any relevant requirements in that Act have been met.

The list includes the following two heritage properties:

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- Coronation Hall 71 Domain Terrace situated on Spreydon Domain Reserve 3824 CB657/52
- 5 Worcester Street previously leased to the YHA Lot 1 DP 496200 Identifier 729712

These are the only two properties on this list classed as strategic assets under the Council's Significance and Engagement Policy. A decision to dispose of these assets must be explicitly provided for in the Long Term Plan: section 97 Local Government Act 2002. The information for each property (as required by section 93E Local Government Act 2002) can be found at ccc.govt.nz/longtermplan

What's the right game plan?

We have a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. These surplus properties make up less than one per cent of Council's overall property portfolio.

What do you think of this proposal to dispose of surplus properties? Help us decide the future of these properties by giving your feedback at ccc.govt.nz/longtermplan

Auditor's report

[To come from the Auditor]

How to have your say

We'd like your feedback on the draft Long Term Plan 2021–31 and the matters we have raised in this consultation document.

There are a number of ways you can give feedback:

Written feedback

Written submissions can be made from Friday 12 March until Sunday 18 April 2021.

- Fill out our online submission form at ccc.govt.nz/ltp ***(preferred)***
- Fill out a submission form *(available from libraries and service centres)*.
- Email your feedback to ccc-plan@ccc.govt.nz
- Post a letter to:

  Freepost 178 (no stamp required)

  Annual Plan Submissions

  Christchurch City Council

  PO Box 73017

  Christchurch 8154

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- Or deliver to the Civic Offices at 53 Hereford Street. *(To ensure we receive last-minute submissions on time, please hand deliver them to the Civic Offices).*

You need to include your **full name, postal address, postcode and email address** on your submission. If you wish to speak to your submission at the public hearings, please also provide a daytime phone number.

If you are completing your submission on behalf of a group or organisation, you need to include your organisation's name and your role in the organisation.

Social media

Informal feedback, which is not counted as a submission, can be made in the following ways:

- Go to our Facebook page facebook.com/christchurchcitycouncil and include #cccplan in your post.
- Tweet us your feedback using #cccplan

Want to talk to us in person?

Come along to one of the Have Your Say events put on by your local Community-Board. **[Insert calendar of events].**

Alternatively, you can give us a call on (03) 941 8999, provide your details and a good time for us to call, and one of our managers will be in touch.

Hearings

Public hearings will be held in **May 2021**.

Submissions are public information

Subject to the provisions of the Local Government Official Information and Meetings Act 1987, we will make all submissions publicly available, including all contact details you provide on your submission. If you consider there are reasons why your contact details and/or submission should be kept confidential, please contact us by phoning (03) 941 8999 or 0800 800 169.

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Questions to think about when making your submission

Have we got the game plan right? (page x)

Our overarching proposal is to focus on a deliverable capital programme that helps drive our city forward, with particular investment in roads and transport infrastructure and in protecting and

upgrading our water networks. We're borrowing for new projects that have long-term value, and ensuring that the debt repayments are spread fairly across the generations of ratepayers who will benefit from them. We're maintaining enough financial flexibility to be able to handle unplanned events, and we're finding permanent efficiencies in our day-to-day spending. We've managed to do all of this while keeping rates increases as affordable as possible.

Have we got the balance right?

Have we prioritised the right things? If not, what changes would you like to see? (please provide details)

Are their options that we didn't pursue that you would like us to consider? If so, please provide details.

Rates

We've considered a range of options for how best to achieve what we need to achieve while also keeping the average rates increase as low as possible.

What do you think of this plan for an average residential rates increase of 5 per cent for 2021/22 and an overall rates increase of 4 per cent over the next 10 years?

Proposed changes to existing rates, and new targeted rates (page x)

We're proposing a range of changes to existing rates, including the land drainage targeted rate and how we define remote rural properties. We're also proposing some new targeted rates, including a targeted rate specifically for the Arts Centre Te Matatiki Toi Ora, a heritage targeted rate to show the proportion of rates you already pay towards specific heritage projects, and an excess water targeted rate for households that use more than 700 litres a day.

What do you think of these changes to existing rates, and new targeted rates?

Have we got it right?

If not, what changes would you like to see?

Investing in upgrading and protecting our city's water networks (page x)

We have a responsibility to provide and maintain the wells, pipes, reservoirs, treatment plans and pump stations for drinking water, and manage the collection, treatment and disposal of wastewater and stormwater.

We are proposing to invest 41 per cent ($2.329 billion) of our capital spend on water infrastructure

Have we got the balance right?

If not, what changes would you like to see?

Investing in our transport infrastructure (page x)

We've heard from residents that transport is a top priority. It's also the city's biggest contributor to carbon emissions. We want to give people better options for getting around, whether by car, public transport, on foot, on a scooter or on a bike. We also want to ensure our networks are safe.

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We are proposing to invest 25 per cent ($1.445 billion) of our proposed capital spend on transport infrastructure improvements.

Have we got the balance right?

If not, what changes would you like to see?

Rubbish, recycling and organics (page x)

In 2020 the Council adopted a new Waste Management and Minimisation Plan that focusses on changing our 'throw-away' culture and reducing the amount of waste we send to landfill. Implementing the actions in that plan are the key drivers of our operational and capital spending.

We're proposing to spend $18.5 million on transfer station infrastructure, $18.4 million on recycling infrastructure and $25 million on organics infrastructure (which includes upgrades to the organics processing plant).

Have we got the balance right?

If not, what changes would you like to see?

Our facilities (page x)

We're proposing to invest 19 per cent of our capital spend on community facilities. We're also proposing some changes to levels of service. This includes changes to libraries, service desks and the Christchurch Art Gallery Te Puna o Waiwhetū to reflect how and when residents use these facilities, and to acknowledge the impact that COVID-19 has had on visitor numbers. It also includes closing the Riccarton Road Bus Lounges.

What do you think of our proposed investment in Council-owned facilities across Christchurch and Banks Peninsula, and in our changes to levels of service?

Have we got the balance right?

If not, what changes would you like to see?

Our heritage, foreshore and parks (page x)

Christchurch has a long and proud history of protecting and respecting our heritage. Over the past decade we've carried out a massive programme of repairs and restorations, but we still have some work left to do. In the next 10 years we will continue to restore our own buildings and support private development of heritage buildings. We will also be maintaining and improving our parks and foreshore.

We're proposing to invest 11 per cent of our capital spend on our heritage, foreshore and parks.

Have we got the balance right?

If not, what changes would you like to see?

Funding for the Arts Centre Te Matatiki Toi Ora (page x)

We are proposing to provide the Arts Centre with a capital grant of $5.5 million. We would do this via a targeted rate that would recover the grant cost over 10 years, and would phase in over two years, so the targeted rate would be smaller in 2021/22 than in subsequent years. We're proposing

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that every ratepayer will pay this rate and it will be calculated as a number of cents per dollar of capital value.

Do you support the Council funding $5.5 million for the Arts Centre? This proposal is currently accounted for in our proposed rates increase of 5.56 percent. If the decision was made not to proceed, rates would drop by 0.04 per cent.

Funding for base isolation of the Robert McDougall Art Gallery (page x)

Canterbury Museum considers the base isolation of Robert McDougall Art Gallery to be a key part of the Museum's redevelopment. In July 2019, the Council agreed in principle to support the base isolation of Robert McDougall Art Gallery at a cost of $11.8 million, subject to public consultation in the Long Term Plan 2021–31.

Do you support the Council funding base isolation of the Robert McDougall at a cost of $11.8 million? This proposal is not currently accounted for in our proposed rates increase of 5.56 per cent so if a decision is made to fund base isolation, there would be a 0.07 per cent impact on rates.

Potential disposal of surplus Council-owned properties (page x)

We have a small number of properties, including two heritage buildings, that are no longer being used for the purpose they were originally acquired for. These surplus properties make up less than 1 per cent of Council's overall property portfolio.

Help us decide their future - what do you think of this proposal to dispose of surplus properties?

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