
Christchurch City Council AGENDA

Notice of Meeting:

An ordinary meeting of the Christchurch City Council will be held on:

Date: Tuesday 10 December 2024
Time: 9.30 am
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

Membership

Chairperson	Mayor Phil Mauger
Deputy Chairperson	Deputy Mayor Pauline Cotter
Members	Councillor Kelly Barber
	Councillor Melanie Coker
	Councillor Celeste Donovan
	Councillor Tyrone Fields
	Councillor James Gough
	Councillor Tyla Harrison-Hunt
	Councillor Victoria Henstock
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Sam MacDonald
	Councillor Jake McLellan
	Councillor Andrei Moore
	Councillor Mark Peters
	Councillor Tim Scandrett
	Councillor Sara Templeton

5 December 2024

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

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Karakia Tīmatanga

Whakataka te hau ki te uru
Whakataka te hau ki te tonga
Kia mākinakina ki uta
Kia mātaratara ki tai
E hī ake ana te atakura
He tio, he huka, he hau hū
Tihei mauri ora

1. Apologies Ngā Whakapāha

Apologies will be recorded at the meeting.

2. Declarations of Interest Ngā Whakapuaki Aronga

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

3. Confirmation of content - Draft Annual Plan 2025-26

Reference Te Tohutoro: 24/1994439

Responsible Officer(s) Te Pou Matua: Peter Ryan, Head of Corporate Performance & Planning

Accountable ELT Member Pouwhakarae: Bede Carran, General Manager Finance, Risk & Performance / Chief Financial Officer

1. Purpose and Origin of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to:
 - 1.1.1 Summarise the information and options presented to the Council between August and November 2024 on potential Annual Plan content; and
 - 1.1.2 Seek final confirmation from the Council on content to be included in the draft Annual Plan.
- 1.2 It is noted that if the Council does not agree with the staff recommended Option 3, then a different preferred option must be identified by the Council from the range of options provided in 4.29 of this report as the basis of the draft Annual Plan (or such other option that the Council can confirm).
- 1.3 The Draft Annual Plan 2025-26 is due for consideration and adoption on 12 February 2025.

2. Officer Recommendations Ngā Tūtohu

That the Council Annual Plan:

1. Receives the information and options; and
2. Notes that as per the direction provided by the Council in August 2025, the information and options provided are designed to support the requested Annual Plan process; and
3. Confirms the staff recommendation (Option 3) as the preferred option upon which to base development of the draft Annual Plan, noting that key components include:
 - a. a rates increase of 8.76%, comprising 8.48% as per year 2 of the 2024-34 Long Term Plan and a further 0.28% being Central Government imposed costs for water services regulators.
 - b. the use of \$6 million of subvention receipts to reduce rates; and
 - c. the use of \$6 million of forecast current year operating surplus to reduce rates (\$3.35 million) and reduce debt (\$2.65 million).
 - d. a breach of the balanced budget financial prudence benchmark for 2025/26 (and 2026/27 as indicated in the LTP).
 - e. pausing rating for the Cathedral targeted rate for the remaining three years.
4. Notes that the matters in the report are of significance as set out in Council's Significance and Engagement Policy and will be consulted on as part of the Annual Plan process.

3. Executive Summary Te Whakarāpopoto Matua

- 3.1 The Council has been participating in Annual Plan workshops since August 2024 (refer to schedule at **Attachment A**). These workshops sought guidance by presenting issues and options around proposed changes to major infrastructure activities (Three Waters, Parks, Transport) as well as other activities, the corporate financial position and any financial changes / impacts since the Long Term Plan 2024-34 (LTP) was approved in June 2024.
- 3.2 The workshops were presented with information and staff advice on a wide variety of proposals carried forward from the LTP process – see **Attachment D**. That staff advice has been incorporated into the options provided to Council in this report.
- 3.3 Proposals and queries were also lodged by Councillors and responses have been provided to Councillors, with some queries still under investigation. These have not been incorporated into the options provided to the Council in this report.
- 3.4 Presentations identified the Council decisions that underpin the current level of rates as well as drivers of additional rate increases and financial impacts including additional capital works proposed by the Council, an increased inflation forecast from Business and Economic Research Limited (BERL) and increases in Three Waters maintenance requirements. There were some positive impacts, i.e. lowering the rates increases, including lower insurance premiums and the extension of the Burwood Landfill consent.
- 3.5 Cost increases since the last workshop on 26 November 2024 include Taumata Arowai and the Commerce Commission currently consulting on proposing regulator levies for Christchurch City Council of \$2.13 million p.a. from 1 July 2025.
- 3.6 The workshops also covered a variety of financial levers that could be used to reduce rates. These levers include the use of subvention receipts (tax credits) and the use of the forecast operating surplus for the 2024-25 year, to reduce debt or rates.
- 3.7 Adoption of the draft Annual Plan is scheduled for 12 February 2025. Given required notification periods and approval times, the Officer report for that meeting must be completed by the end of January 2025.
- 3.8 To meet that deadline staff require clear direction on the preferred option that the Council wishes to consult on in order to develop the complex documentation that underpins an Annual Plan that is fit for purpose to meet Local Government Act 2002 (LGA) requirements.
- 3.9 Experience across past annual plans is that adoption of a draft later than mid-February significantly compromises the legally mandated procedures that must follow (community consultation, consideration of submissions and hearings) in time for the final adoption in June 2025.
- 3.10 The Council has previously adopted its final LTP/Annual Plans to meet this June deadline. Failure to adopt by the end of June puts in serious doubt the rates strike in time to meet the invoicing cycle. This has a number of operational complications and has major reputational and financial impacts.

4. Background/Context Te Horopaki

Starting Position

- 4.1 In accordance with the LGA 2002, the Council adopted its LTP 2024-34 in June 2024. The LTP set out service delivery, capital programmes and budgets over that ten-year period. The LTP was based on several key Council decisions:

- that levels of service would not be reduced;
 - that the core capital programme (excluding One New Zealand Stadium at Te Kaha) would increase from 483M in 2023/24 to 668M 2026/27;
 - that the One New Zealand Stadium at Te Kaha would be completed and hosting events by the beginning of the 2026/27 financial year;
 - staff would be recruited for the new Parakiore Recreation and Sport Centre;
 - asset renewals would be sustainable; and
 - that a variety of climate resilience and environmental initiatives / grants would be funded.
- 4.2 It also factored in inflation based on BERL forecasts (BERL being the Cost Price Index (CPI) for local authorities).
- 4.3 Even with these additions, the LTP 2024-34 compared favourably to other major metropolitan authorities in terms of its year 1 rates increase. See **Attachment E** for further detail.

Metropolitan Centre	LTP Year 1 Rates Increase 24/25 % (Headline)	Median Residential Property Rates Increase 24/25 \$	Notes
Christchurch	9.9%	\$332.73	
Wellington	16.9%	\$527.49	* Median/average property not indicated
Dunedin	17.5%	\$581.00	
Auckland	6.8%	\$245.48	* Not directly comparable - Rates exclude water supply, wastewater (via Watercare)
Hamilton	16.5%	\$468.00	
Tauranga	7.0% (residential) 15.9% overall	\$156.00 Upper residential 15.3% (\$1456 pa) Lower residential 9.6% (\$191 pa)	** Rates rose 53% under commissioners (2021-2024)

- 4.4 The LTP decisions initially put the rates starting position for the 2025-26 Annual Plan at 8.48% as shown below:

Major drivers	2025/26	
Cost changes - inflation	3.64%	Based on BERL 2.9% forecast

Insurance	0.55%	Projected increase over inflation
73.3 additional FTEs	0.59%	Mainly Parakiore partial year from opening date
Climate Resilience Fund	0.25%	New \$1.95m fund contribution
Coastal adaptation funding	0.20%	Bringing forward additional adaptation work
Events Ecosystem grant	0.12%	Bringing forward increase in grants funding
Revenue changes	0.25%	CCHL dividend +\$10m, Transwaste dividend -\$1.9m, Subvention receipts -\$10m
Interest cost changes	-0.49%	Interest rates, hedging etc changes
Core capex borrowing	2.70%	Interest and loan repayment costs
Rating growth	-1.08%	1% city capital value growth
Base	6.73%	
Te Kaha	1.75%	Mainly borrowing costs
Initial position	8.48%	

- 4.5. Since the adoption of the LTP there have been further changes with a number of unfavourable financial impacts. These have taken the potential rates increase for this Annual Plan to 10.0% (before any offsets or reductions are applied.) Material changes include:

	2025/26	2026/27	2027/28
LTP Position	8.48%	5.80%	5.88%
Changes to LTP position - operational			
Updated Inflation (2.9% to 3.4% for 24/25)	0.63%	0.93%	0.76%
Additional Three Water maintenance costs	0.54%	-	-
Taumata Arowai & Commerce Commission Levy	0.28%	-	-
Additional Digital contract cost increases	0.15%	0.08%	0.03%
Resource recovery contracts	-0.11%	-0.16%	0.39%
Burwood landfill consent extension	-0.27%	0.30%	-
Insurance premium reduction	-1.19%	0.16%	-0.08%
Pay equity, Living wage & settlement adjustments	0.81%	-	-
Reduction in expected staff time capitalisation	0.48%	-0.07%	-
Other Minor Adjustments	0.16%	-0.16%	-0.31%
Changes to LTP position - borrowing related			
Capital Programme changes	0.26%	0.24%	0.59%
Capital revenues reduction	0.16%	0.38%	0.29%
Change in Interest rates	-0.15%	0.37%	0.04%
CWTP Insurance settlement	-0.61%	0.07%	0.05%
Other changes			
Additional rating to address prudence benchmark	0.64%	0.52%	0.42%
Additional rating base growth	-0.11%	-	-

Pausing Cathedral targeted rate collection	-0.14%	-	-
Total Rates Position before levers applied	10.00%	8.46%	8.06%

Purpose of the Annual Plan

- 4.6 The affordability of rates will always be a key concern for the Council and staff. When considering how these rates increases can be moderated it is necessary to understand the legal and logistical mechanisms around an LTP and Annual Plan.
- 4.7 The purpose of an Annual Plan is to provide a one-year schedule of updates to the LTP, if any are required by changing circumstances.
- 4.8 Annual Plans are not designed as a mechanism to revisit the entire LTP. To give effect to the latter requires an amendment to the LTP, and that requires (among other matters) that the amended LTP is audited.
- 4.9 Where that list of updates is not material (as is sometimes the case in the first year after an LTP is adopted) a local authority may simply opt to not consult on its Annual Plan.
- 4.10 Annual Plans, being limited in scope relative to an LTP, are not required to be audited.

Confirmation of Annual Plan Process

- 4.11 The Council has provided clear direction on the process to be followed. On August 27 2024 Councillors advised that the process would be for an Annual Plan, and that it would be consulted upon with the community.
- 4.12 It was equally clear that there would be no amended LTP process (which at its full extent can involve amending the Financial and Infrastructure Strategies from the LTP, as well as levels of service, projects and budgets for a ten year period.)
- 4.13 It is also noted that no budget has been set aside for a second (additional) LTP audit process to take place, particularly given the LTP 2024-34 had been adopted only some months earlier. A full audit typically costs approximately \$300,000 (plus GST).
- 4.14 Staff have prepared options on various ways to reduce the rates increase while still meeting (1) the decisions made by Council in the LTP, (2) the fixed costs which must also be met, and (3) the Council guidance on an Annual Plan process.
- 4.15 It may be helpful when considering options to note that as a general rule of thumb, **\$7.7m** of operational (OPEX) spending = **1%** on rates (if funded directly by rates.) A one-off saving will reduce rates for 1 year but increase the next year. Only a permanent annual saving will permanently reduce rates.

Capital (Capex) spending/borrowing of approximately **\$101m** = **1%** on rates over 2 years (saving in year 1 20%, year 2 80%).

Options Considered Ngā Kōwhiringa Whaiwhakaaro

- 4.16 Given the situation with the Cathedral reconstruction, all options include pausing the collection of the remaining two years of the Cathedral targeted rate (a fixed charge of \$6.52 per annum) can be considered by the Council. The existing ringfenced funds held will continue to earn interest in the interim. For completeness, it is noted that a matter of this nature requires consultation.
- 4.17 All options also include additional rating of \$5/10/15 million (plus inflation) over the next three years to enable the Council to meet the balanced budget prudence benchmark by 2027/28.

While the LTP showed the 2026/27 benchmark as not met, latest modelling shows that without this increase the next four years are at risk. The additional rates will be applied to funding asset renewals in lieu of borrowing to reduce interest and debt repayment costs. It should be noted that the benchmark is one of a number of regulatory measures that indicates financial prudence.

- 4.18 The proposal for increased capacity to support amendments to the District Plan at a cost of \$1.125 million p.a. is not included in any options, the intent is to consider the issue in the Consultation Document.
- 4.19 The Council resolved to consider consulting on increasing rating for renewals in the 25/26 Annual Plan in order to save money over the life of the Long-Term-Plan. Since that resolution, staff have incorporated additional rating for renewals over the next three years as described in 4.17. Given this increase, and the size of the recommended rates increase, finance team staff recommend not consulting further on this in the 25/26 Annual Plan, but instead reconsidering the situation in the next Long-Term-Plan.
- 4.20 Broadly, the reason is that there is provision to increase the rating for renewals by an additional \$15 million by year 3, and this balances the need to meet the prudence benchmark, increase rates to fund renewals and does not compromise asset management as assessed in the Asset Management Plans.
- 4.21 The two financial levers utilised to determine the available options are:
 - 4.21.1 Firstly, additional forecast subvention receipts of \$6 million in 2025/26 and \$5 million in 2026/27. These would normally be applied to reducing rates as they occur annually, although at a decreasing level over the last few years. A more conservative option would be to use these to reduce borrowing.
 - 4.21.2 Secondly, is the use of a forecast cash operating surplus, for the 2024/25 year, of \$6 million, largely derived from reduced insurance premiums. Normally this would be applied to debt reduction at year end. There is risk that these levers will not eventuate, although finance staff are comfortable with the level forecast.
- 4.22 The following reasonably practicable options were considered and are assessed in this report. As part of this assessment, staff were also cognisant of the flow on impacts for each of the next three years.

4.23 Figures are % rates increase to existing ratepayers.

Option	Description	2025/26	2026/27	2027/28
1	Use both subvention and surplus levers to reduce debt	9.92	8.40	8.04
2	Use subvention receipts for rates, surplus for debt	9.16	8.63	8.65
3 (preferred)	Lever mix to achieve LTP 8.48% + Crown levies	8.76	9.06	8.65
4	Use both subvention and surplus levers to reduce rates	8.44	9.40	8.64

4.24 The staff recommended option is option 3. This offsets the post LTP negative impacts and cost increases (except the proposed Crown levies for Water regulation of \$2.13 million (0.28%)) by using the financial levers to bring rates back in line with the 8.48% approved by the Council for year 2 of the LTP (as shown in the table below).

	2025/26	2026/27	2027/28
Total Rates Position	10.00%	8.46%	8.06%
Use of Subvention receipts (\$6m 25/26, \$5m 26/27)	-0.78%	0.17%	0.59%
Use of forecast operating surplus (24/25) option 3	-0.46%	0.43%	-
Option 3	8.76%	9.06%	8.65%

Options considered but ruled out

4.25 The following options were considered but ruled out:

4.26 Reducing Levels of Service (LoS)

4.26.1 During the development of the LTP, the city-wide *What Matters Most* survey identified a clear preference from the community for council services to be maintained (refer to **Attachment B**). This is consistent with the strong community views received when level of service cuts have been proposed and consulted upon in previous LTPs.

4.26.2 This became specific guidance from a majority of councillors during LTP development and was subsequently reflected and formally adopted in the LTP.

4.26.3 Amending significant levels of service triggers amendments to the LTP (there is a range up to fully amending the whole LTP.) The Council provided clear guidance on process in August 2024 that explicitly ruled out amending the LTP or triggering an audit process.

4.26.4 Non-front line levels of service (around finance, procurement and related internal functions) have been heavily rationalised in several previous LTPs and Annual Plans (see **Attachment C**.)

4.26.5 It is worth noting that material savings to offset the rates increase are most likely to come from significant LOS, which triggers an LTP amendment. Conversely non-significant LOS are unlikely to yield material savings.

4.26.6 In short, if the views of affected parties are taken into account, along with the decisions made in the LTP (and the more recent guidance provided by the Council on not amending the LTP) cuts to LoS have not been provided as an option.

4.27 Delaying renewal and replacement programmes (“sweating the assets”)

4.27.1 This is contrary to the Council’s Policy and Infrastructure Strategy and is not considered prudent or defensible, therefore this has not been offered as an option.

4.28 **Use of Cathedral targeted rate funds held to offset general rate** - a request has been lodged seeking independent legal advice on whether this targeted rate may be used to reduce the general rate. This is expected to be received prior to the Council meeting of 10 December 2024.

Detail of Options Ngā Kōwhiringa

4.29 Detail of options:

Option	Description	Advantages	Disadvantages
Option 1 25/26 9.92 % followed by 26/27 8.40% 27/28 8.04%	<ul style="list-style-type: none"> Utilises both levers to reduce borrowing for longer term benefit. 	<ul style="list-style-type: none"> Most conservative option to reduce rates longer term Declining rates increase over next three years (8.40% then 8.04%). 	Highest rates increase for 25/26 (9.92%), and significantly above the LTP projected rate increase.
Option 2 25/26 9.16% followed by 26/27 8.63% 27/28 8.65%	<ul style="list-style-type: none"> Utilises levers as they would normally be utilised, subventions to reduce rates and the forecast operating surplus to reduce debt. 	<ul style="list-style-type: none"> Rates increase drops slightly for the following two years (8.63% and 8.65%). 	Rates increase higher than in LTP (9.16%).
Staff Recommended Option 3 25/26 8.76 % followed by 26/27 9.06% 27/28 8.65%	<ul style="list-style-type: none"> Offset rates increases using financial levers to bring increase back in line with the approved LTP rate of 8.48%, before adding Crown imposed Water levies of 0.28%, giving a total rate average increase to existing ratepayers of 8.76%. Uses subvention receipts to reduce rates. Split use of forecast operating surplus, \$3.35 million to reduce rates, \$2.65 million to reduce borrowing. 	<ul style="list-style-type: none"> Lowest prudent rates increase for 25/26 (8.76%). 	Slight rise in 26/27 rates increase (9.06%) and 27/28 remains at similar level as 25/26 (8.65%).
Option 4 25/26 8.44% followed by 26/27 9.40% 27/28 8.64%	<ul style="list-style-type: none"> Utilises both levers to reduce rates for short term benefit. 	<ul style="list-style-type: none"> Lowest rates increase for 25/26 (8.44%). Rates increase close to LTP expectation. 	<ul style="list-style-type: none"> Significant rates increase for 26/27 (9.40%). Not regarded as financially prudent, highest rates increase overall.

5. Financial Implications Ngā Hiraunga Rauemi

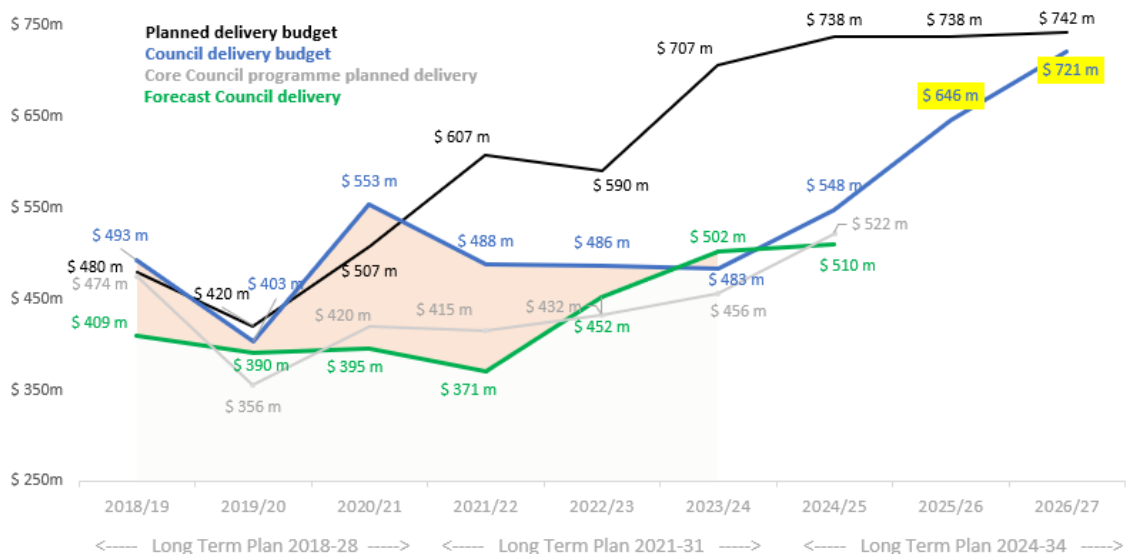
- 5.1 Financial implications have been set out with each option. The use of the levers largely revolves around using the funds to delay required rates increases or reduce debt for longer term benefit. The impacts on the following two years are shown to enable assessment of this.
- 5.2 Councillors should note a rating revaluation will occur in 2025 and will be effective for the 26/27 year.
- 5.3 In relation to the Financial Prudence Benchmarks, the Council will not meet the balanced budget benchmark in 2025/26, nor the Debt Servicing benchmark (as was indicated in the LTP).
- 5.4 The Council's debt headroom is forecast to be slightly better than shown in the LTP across all years.
- 5.5 Under Option 3, an average overall rates increase of 8.76% to existing ratepayers is estimated to translate to the following sector increases for average capital value properties:
 - Standard (includes residential) 8.4%
 - Business 9.5%
 - Rural 9.7%
 - The average residence (c.v. \$764k) would have a rates increase of \$5.95 per week.

6. Considerations Ngā Whai Whakaaro

Risks and Mitigations Ngā Mōrearea me ngā Whakamātautau

- 6.1 Key risks for the Annual Plan include:
 - 6.1.1 **Failure to achieve project plan milestones.** Mitigation: currently on track but obtaining clear direction prior to the Christmas closedown is critical to development of the complex documents and budgets required in a fit for purpose Annual Plan.
 - 6.1.2 **Lack of clear direction for development of a draft Annual Plan.** Mitigation: options supplied in this report, clarity around project deadlines.
 - 6.1.3 **Attempting to amend the LTP with insufficient time to do so.** Mitigation: clear communication of Council guidance to date, legal and logistical constraints.
 - 6.1.4 **Deliverability of capital programme.** The LTP process generated much debate about capital programme 'bow wave' in local government and the deliverability of the core (non-Te Kaha) capital programme. This finalised in the LTP at a core capital programme of \$610 million for 2025/26.
 - 6.1.5 However, in the months since, carry-forwards (capital works not done in 2023/24) have been added (\$36 million) and a variety of capital works have been 'brought back' from outer years. Actions carried over from the LTP added \$4.5 million, boosting the current 2025/26 Annual Plan proposal by approximately \$40 million.
 - 6.1.6 The graph below shows the actual capital delivery trend line (in green) with delivery of capital works at year end 2024/25 forecast to be \$510 million, an historic high.
 - 6.1.7 It also shows the currently proposed Annual Plan core capital programme budget for 2025/26 at \$646 million (in blue).
 - 6.1.8 PMO forecasts also currently show a projected carry-forward of \$20 million into 2025/26 (ie a further net increase in the capital programme of approximately \$20 million).

6.1.9 The assumption that delivery can lift by at least \$136 million over the course of a single year carries risk, especially if further capital works are added via the Annual Plan.



Planned delivery budget : Total amount finalised in each Long Term Plan or subsequent Annual Plan. Includes Core Council programme, external funded programme, carry-forwards, and Te Kaha.

Council delivery budget : Core Council and external funded programmes, excluding Te Kaha.

**The gap between the blue line and black line consists of the planned spend for Te Kaha.*

Core Council programme planned delivery : Planned Council-only delivery (excluding externally funded programme, and Te Kaha).

Forecast Council delivery : Amount spent or forecast to spend on Council delivery in a given year (Core and external funded programmes, excluding Te Kaha).

Legal Considerations Ngā Hīraunga ā-Ture

6.2 Statutory and/or delegated authority to undertake proposals in the report:

6.2.1 The Council must, at all times, have an LTP / Annual Plan in place (sections 93 and 95 of the LGA). The Annual Plan is required to be adopted prior to the year to which it relates (section 95(3) of the LGA).

6.3 Other Legal Implications:

6.3.1 Independent legal advice has been received confirming that the Council may choose to operate with an unbalanced budget if it is deemed to be prudent and if it consults on the matter using its Consultation Document.

6.3.2 Independent legal advice has been requested to clarify whether the Council may use the Cathedral Targeted Rate to offset the general rates increase. This is expected to be available prior to the Council meeting of 10 December 2024.

Strategy and Policy Considerations Te Whai Kaupapa here

6.4 The required decision aligns with the Strategic Framework adopted with the 2024 Long Term Plan.

6.5 This report supports the [Council's Long Term Plan \(2024 - 2034\)](#):

6.6 Internal Activities

6.6.1 Activity: Performance, Finance, and Procurement

- Level of Service: 13.1.1 Implement the Long-Term Plan and Annual Plan programme plan - Critical path milestone due dates in programme plans are met
Plans and budgets prepared within corporate timeframes - 100% of deadlines met within agreed timeframe.

6.6.2 Both of these Levels of Service are at risk of breach if the Council fails to provide adequate direction to the drafting of the Annual Plan 2025/26. They are also at risk if high volumes of late amendments cannot be investigated and responded to by staff in time for adoption of the draft plan on 12 February 2025.

Community Impacts and Views Ngā Mariu ā-Hāpori

- 6.7 This decision affects all existing citizens and ratepayers of Christchurch, and has implications for future citizens, ratepayers, and Councils.
- 6.8 The decision affects all wards/Community Board areas. Pre-engagement with the Annual Plan process has occurred across all Community Boards.

Impact on Mana Whenua Ngā Whai Take Mana Whenua

- 6.9 The LTP 2024 – 2034 saw consultation and engagement with Ngā Papatipu Rūnanga, which resulted in a wide range of initiatives being undertaken in the LTP. Those undertakings remain intact and are not proposed to be affected by the Annual Plan.
- 6.10 The decision will not impact on our agreed partnership priorities with Ngā Papatipu Rūnanga.

Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi











- 6.11 The decisions in this report are likely to:
- 6.11.1 Contribute to adaptation to the impacts of climate change, in that the new initiatives and increases set out in the LTP are preserved by Option 3 recommended by staff.
- 6.11.2 Contribute to stability of a whole-of-community climate response by continuing to provide leadership by establishing funds that will be used in future to mitigate the approaching impacts of climate change.

7. Next Steps Ngā Mahinga ā-muri

- 7.1 Staff will use the information and decisions made by the Council to develop the draft Annual Plan 2025/26. This will be carried out during December 2024 and January 2025.
- 7.2 Concurrently, the Consultation Document will be drafted and the community engagement planned based on the content of the draft Annual Plan. This significant body of work will also be carried out during December and January.
- 7.3 The draft Annual Plan (with supporting documents) is scheduled to be adopted by the Council on 12 February 2025, therefore the above steps need to be completed on or around the end of January.
- 7.4 After the draft adoption, consultation with the community will commence, on the basis of the Consultation Document, beginning in March 2025.
- 7.5 After completion of consultation in April 2025, Hearings will be scheduled between 1-14 May 2025.
- 7.6 After completion of the Hearings, the results of the consultation feedback and Hearings will be collated to inform Council Information Sessions/Workshops between 19-30 May 2025.
- 7.7 Any adjustments to the draft Annual Plan resulting from consultation, Hearings and Workshops will need to be completed within two weeks after that, so that the Annual Plan can be included in the agenda for the Council Meeting of 26 June 2025.

- 7.8 The Annual Plan is scheduled to be agreed and adopted at a meeting of the Christchurch City Council on 26 June 2025.
- 7.9 Any delay, impediment, stoppage or indecision in this timeframe is likely to result in the Annual Plan 25/26 not being adopted before the end of June, preventing the striking of the new rates from 1 July 2025. This would result in a significant revenue gap, loss of revenue and reputational damage until the new Annual Plan can be adopted.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Council Annual Plan workshops to date	24/2150758	17
B  	LTP Submissions Summary - Services	24/2152823	18
C  	Staff Efficiencies	24/2152824	19
D  	Annual Plan Staff Recommendations Presented to Council Workshops Sept - Nov 2024	24/2211422	20
E  	Table - Comparison of NZ Metropolitan Rates Changes 24/25	24/2191639	28

In addition to the attached documents, the following background information is available:

Document Name - Location / File Link
Not applicable

Signatories Ngā Kaiwaitohu

Authors	Peter Ryan - Head of Corporate Planning & Performance Bruce Moher - Manager Corporate Reporting Tim Ward - Senior Corporate Planning & Performance Analyst
Approved By	Peter Ryan - Head of Corporate Planning & Performance Russell Holden - Head of Finance Bede Carran - General Manager Finance, Risk & Performance / Chief Financial Officer

Timeline for AP - process to date

Date		Guidance Outcomes
27 Aug	Guidance on AP process	An Annual Plan showing changes from LTP. Not an amended LTP.
24 Sept	Guidance on AP process	Confirmation of AP process and milestones – adopt draft 12 Feb 2025
1 Oct	Guidance on Parks, 3W	Guidance on LTP carryforward actions – capital changes - LOS
15 Oct	Guidance on Parks, 3W, Transport	Guidance on changes from last workshop – LTP carryforward actions - confirmation changes meet expectations
22 Oct	Guidance on Parks, 3W, Transport	Guidance on changes from last workshop – LTP carryforward actions - confirmation changes meet expectations
29 Oct	Guidance on Transport	Guidance on changes from last workshop – LTP carryforward actions - confirmation changes meet expectations
5 Nov	Guidance on Transport	Guidance on changes from last workshop – LTP carryforward actions - confirmation changes meet expectations
12 Nov	Guidance on Finance	Current Rate position explained, confirmation of Council guidance
19 Nov	Guidance on Finance	Staff advice provided on financial levers, proposals

Recap – LTP Submissions Summary

Cut Services (n=54)

Some submitters thought we should cut services to reduce costs, far outnumbered by those highlighting that they want us to retain services. Few specifics.

Capital (n=65)

Focus largely on transport or general comments on delaying projects to reduce costs in first 2 – 3 years of the LTP

Additional Revenue (n=48):

The main themes here were fees and charges (particularly focused on user pays and increasing parking charges) and additional revenue sources.

Efficiencies (n=100)

Majority of the comments were around staff, and a few on procurement processes.

Staff (n=37): Reduce staff numbers and/or salaries. In some instances, this extended to elected members as well (not included in these numbers)

Procurement (n=10): Look at how we procure services in particular, the contractors we work with. Some suggestions to look local to save \$\$.

Service specific (n=21): these were spread across eight different services, the most on any one service was Transport and Parks at six submitters each.

General (n=32): General comments about the need to find efficiencies. Many said they'd rather we look for efficiencies within services as opposed to cutting services.

Few suggested areas where they thought we could find these efficiencies.

Efficiencies in staffing have already been delivered

	Headcount	Actual FTE	Budgeted FTE
2019	2935	2205	2351
2024	3053	2323	2609
Difference	+118	+118	+258

New Facilities opened (additional 220 headcount*)

- Taiora QE2 (2018)
- Te Pou Taimoana (2020)
- Te Pou Toetoe (2021)
- Matatiki (2024)
- Ngā Puna Wai (2019)

In-housing of functions (additional 66 headcount)

- Parks (2019) (2024)
- Red Zone teams (2021)

- Ratio of backoffice to front office** staff
 - 2019 - 0.3
 - 2024 - 0.2
- Support for staffing new facilities has increased demands on backoffice functions including
 - HR
 - Digital
 - Finance
 - Facilities/Security
 - Legal and Democratic services
 - Communications and Engagement
 - Inhouse technical services and project management
 - etc

This is largely being delivered through existing staffing levels

* Excludes Parakiore (2025) – 83 FTE (approx. 204 Headcount)

**Front office – those that have direct contact (and regular as part of their job) with the community to achieve outcomes.

Back office – those that deliver work to the community through other services and may not have direct connection through their jobs

Staff Recommendation – Impacting Rates

Topic	Position in Annual Plan 2025/26	Rates Impact 2025/26
Opening Position	Long Term Plan 25/26 Rates Increase to Existing Rate Payers	8.48%
Pay equity, living wage and settlement adjustments	Expected ongoing payroll costs from settlements, increases rates.	+0.81%
Balanced Budget	Additional rating to address prudence benchmark	+0.64%
BERL final inflation update	Updated Inflation (2.9% to 3.4% for 24/25)	+0.63%
Staff capitalisation reduction	Existing staff costs unable to be capitalised in future, increases rates.	+0.48%
Water and Wastewater Maintenance Contract increases	Cost increase increases rates.	+0.37%

Staff Recommendation – Impacting Rates

Topic	Position in Annual Plan 2025/26	Rates Impact 2025/26
Central Government Imposed Cost	Additional costs imposed by the Central Government relating to water services regulators.	+0.28%
CAPEX summary of changes	Reduction in borrowing reduces cost of finance and debt repayment.	+0.26%
Consequential OPEX for Stormwater Maintenance	Cost increase increases rates included in Annual Plan.	+0.18%
Capital Revenues	Reduction in capital revenues increasing debt repayments and finance costs.	+0.16%
Digital budget increase	Higher cost increases rates, noted savings initiatives.	+0.15%
Regulatory Compliance - Noise control contract	Increased compliance cost increases rates.	+0.05%

Staff Recommendation – Impacting Rates

Topic	Position in Annual Plan 2025/26	Rates Impact 2025/26
NZ Post - Elections postage price	Cost increase increases rates each Election.	+0.05%
CSNDC resource consent ECan requirements	New one-off compliance cost increases rates.	+0.03%
Community drinking water stations maint. and compliance	New compliance cost increases rates.	+0.01%
Resource recovery contracts	Lower opex cost reduces rates.	-0.11%
Ratings growth	Included in draft Annual Plan is -\$0.8m 24/25 for overstrike, and 1.0% for growth during 24/25.	-0.11%
Cathedral Rating	Pause the Cathedral targetted rate collection	-0.14%
Interest Rates	Reduction in interest rates, lowering council cost of finance on borrowing.	-0.15%

Staff Recommendation – Impacting Rates

Topic	Position in Annual Plan 2025/26	Rates Impact 2025/26
Burwood Landfill consent extension	One-year additional net opex revenue reduces rates.	-0.27%
Operating surplus	The use of \$6m of forecast current year operating surplus to reduce rates (\$3.35 million) and reduce debt (\$2.65 million)	-0.46%
CWTP Insurance settlement	Used to reduce 24/25 borrowing in interim to reduce rates.	-0.61%
Subvention credits	The use of \$6m of subvention receipts to reduce rates	-0.78%
Insurance premium reduction	Lowered opex cost reduces rates.	-1.19%
	Staff Recommendation Rates Position	8.76%

Staff Recommendation – Other Items

Topic	Position in Annual Plan 2025/26	Rates Impact 2025/26
Increase resources to support Plan Changes	To form part of the Consultation Document. If undertaken cost increase of \$1.13m, with a rates impact of 0.15%.	-
Increase Park Ranger Staffing	Leave staffing as per current plan.	-
Bring forward spending on Sports Field Network Plan	Staff recommendation is no change to the LTP, due to the impact on rates.	-
Bring forward Southwest Dog Park	Can be done within existing envelope.	-
Sockburn Park	The project currently has budget with planning work starting in 2025/26.	-
Wycola Skate Park	This a currently active project, no change to Annual Plan.	-
Akaroa Heritage Park	No further input required – Being done 2024/25.	-
Improving Bromley Roads Plan	No additional budget is added to the Improving Bromley Roads project in the draft 2025/26 Annual Plan	-

Rephasing

Significant Budget re-phasing and additional funding

Project	Budget change (\$M)			Position in Annual Plan 2025/26	Rates impact		
	FY26	FY27	FY28 - 34		FY26	FY27	FY28-34
WW new Mains (impact from intensification). Growth funded, takes total programme budget to \$5.58M	0.05	0.11	0.77	Included in Annual Plan options	0.00%	0.00%	0.01%
Opawa Road (PS44) Catchment I&I Reduction	0.08	0.15	0.07	Included in Annual Plan options	0.00%	0.00%	0.00%
CWTP Additional Polymer Plant	0.60			Included in Annual Plan options	0.00%	0.00%	0.00%
Wainui WWTP	0.10	0.10	2.00	Included in Annual Plan options	0.00%	0.00%	0.01%
Urban Stormwater Detention and Treatment facilities (impact from intensification)	0.01	0.46	18.53	Included in Annual Plan options	0.00%	0.00%	0.13%
Lyttleton Harbour Wastewater Pumping and Controls (Improve resilience and operational performance)	1.46			Included in Annual Plan options	0.00%	0.01%	0.00%
CWTP Activated Sludge Plant (from insurance)			29.06	Included in Annual Plan options	0.00%	0.00%	0.20%
WS Ferrymead WSZ Capacity Upgrade	-0.10		0.10	Included in Annual Plan options	0.00%	0.00%	0.00%
WW Chelsea Street Pump Station Renewal (PS0009)	0.10	-0.10		Included in Annual Plan options	0.00%	0.00%	0.00%
CWTP Biosolids Dewatering Belt Press Upgrade	0.25	1.11	-1.36	Included in Annual Plan options	0.00%	0.00%	-0.01%
CWTP Biogas Storage Upgrade	-8.79		8.79	Included in Annual Plan options	-0.02%	-0.06%	0.09%
WW Akaroa Reclaimed Water Treatment & Reuse Scheme	5.0		-5.0	Included in Annual Plan options	0.01%	0.04%	-0.05%
WW Selwyn Pump Station (PS0152), Pressure Main and Sewer Upgrades	2.0	11.41	-13.41	Included in Annual Plan options	0.01%	0.04%	-0.05%
WW PS21 Eastern WW Upgrade	-0.25	-0.25	0.50	Included in Annual Plan options	0.00%	0.00%	0.00%
CWTP Activated Sludge Plant* (also in additional \$)	-16.20	1.34	14.84	Included in Annual Plan options	-0.04%	-0.11%	0.16%
SW Nottingham Stream	-1.02	-0.70	1.72	Included in Annual Plan options	0.00%	-0.01%	0.01%

Rephasing

Significant Budget re-phasing and additional funding

Project	Budget change (\$M)			Position in Annual Plan 2025/26	Rates impact		
	FY26	FY27	FY28 - 34		FY26	FY27	FY28-34
SW Weir Place Flood Management	-0.14		0.14	Included in Annual Plan options	0.00%	0.00%	0.00%
SW McCormacks Bay Flood Management	-0.03		0.03	Included in Annual Plan options	0.00%	0.00%	0.00%
SW Addington Brook & Riccarton Drain Filtration Devices	4.65	2.58	-2.43	Included in Annual Plan options	0.01%	0.04%	-0.02%
Programme - SW Ōtākaro - Avon Waterway Detention & Treatment Facilities			-4.80	Included in Annual Plan options	0.00%	0.00%	-0.03%
Programme - SW Flood and Stormwater Priority Works (OARC)			-2.65	Included in Annual Plan options	0.00%	0.00%	-0.02%
Programme - SW Ōtākaro Avon Floodplain Management Implementation FY32-48 (OARC)			-24.35	Included in Annual Plan options	0.00%	0.00%	-0.09%
SW Ōtākaro Avon River Corridor Anzac Drive to Waitaki Street Stopbank (OARC)			14.04	Included in Annual Plan options	0.00%	0.00%	0.06%
SW Ōtākaro Avon River Corridor Stopbank from Pages Road to Bridge Street (OARC)	3.0		9.95	Included in Annual Plan options	0.01%	0.02%	0.04%
Port Hills and Lyttelton Harbour Erosion & sediment (60356)			5.04	Included in Annual Plan options	0.00%	0.00%	0.03%
Programme – WS Mains and Submains Renewals	11.00	16.00	0	Included in Annual Plan options	0.03%	0.12%	0.04%
One New Zealand Stadium at Te Kaha	-3.16	+3.16		Included in Annual Plan options	-0.01%	-0.02%	0.03%
Kerbside Service Enhancement	-0.14	-0.03	+0.17	Included in Annual Plan options	-0.00%	-0.00%	0.00%
Bexley Landfill Remediation	+0.20	+1.01	-1.21	Included in Annual Plan options	0.00%	0.00%	0.00%
Jellie Park Earthquake Renewals and Cycle Shutdown	-9.50	+9.50		Included in Annual Plan options	-0.03%	-0.05%	0.08%
Technology Systems Replacements & Renewals	-1.94			Included in Annual Plan options	-0.01%	-0.01%	
Digital Continuous Improvement Technology		-1.91	-12.62	Included in Annual Plan options		0.00%	-0.09%
Total	-12.77	43.94	37.93		-0.04%	0.00%	0.53%

Staff Advice

Deferred/Not Recommended

Topic	Position in Annual Plan 2025/26
Defer Washington Skate Park	Consider in a future annual plan as still investigating requirements
Defer Clyde, Riccarton, Wharenui Safety Improvements	Address in FY27 Annual Plan
Defer Springfield Road & Langdons Road Corridors Safety Improvements	Address in FY27 Annual Plan
Defer Lincoln Road PT	Defer funding and complete Business Case
Avon Otakaro River Route MCR (Section 1)	Continue with business case process. No change to current funding profile.
Simeon Street MCR (Transport Choices)	Additional funding required.
MCR Southern Lights and MCR Opawaho	Continue with business case process. No change to current funding profile.
Te Aratai Cycle Connection	Additional funding required.
Te Aratai Cycle Connection (fund investigation into alternative route)	Work already undertaken as part of the design and Hearing process.

Metropolitan Area	Residential Median Value** \$	Residential Rates rise 24/25 %	Average** rates 24/25 \$	Average Rates increase \$	Inferred/stated 23/24 rates \$	Notes
Christchurch	\$764,364	9.90%	\$3,690.53	\$ 332.73	\$ 3,357.80	
Wellington	\$800,000 (residential mean value not indicated)	18.57%	\$3,365.00	\$ 527.49	\$ 2,837.51	Median/average property not indicated – figures relate to property with \$800,000 value
Dunedin	\$657,080	18.80%	\$3,674.00	\$ 581.00	\$ 3,093.00	
Auckland	\$1,421,000	6.80%	\$3,855.12	\$ 245.48	\$3,609.64	Not directly comparable - rates exclude water supply, waste water (via WaterCare)
Hamilton	\$830,000	16.50%	\$3,306.00	\$ 468.00	\$ 2,838.00	
Tauranga	\$885,000	7.0% (residential) 15.9% overall	\$3,414.00	Range. Upper residential – 15.3% (\$1456 pa) Lower residential – 9.6% (\$191 pa)	\$ 3,258.00	** Rates rose 53% under commissioners (2021-2024)

- Methodology – selection from online published metropolitan areas LTP or Annual Plan documents of the nominated median/average residential property, the indicated \$ and % rates rise, along with the average rates. Used entirely for indicative purposes.

4. Transport Capital Programme for the Draft Annual Plan 2025/26

Reference Te Tohutoro: 24/2097009

Responsible Officer(s) Te Pou Matua: Lynette Ellis, Head of Transport and Waste Management

Accountable ELT Member Pouwhakarae: Brent Smith, Acting General Manager City Infrastructure

1. Purpose and Origin of the Report Te Pūtake Pūrongo

1.1 The purpose of this report is to:

1.1.1 Summarise the information presented to the Council between August and November 2024 on the Transport Capital Programme and potential Annual Plan content; and

1.1.2 Seek confirmation from the Council on the content to be included in the draft Annual Plan.

1.1.3 The report is staff generated to meet the requirements of resolution MR25b at the Long Term Plan (LTP) 2024-34 adoption meeting on 25 June 2024: *that staff report back to the Council for a final decision on the Transport Programme and projects after New Zealand Transport Agency (NZTA) has advised the Council of its final funding outcomes.*

2. Officer Recommendations Ngā Tūtohu

That the Council Annual Plan:

1. Receives the information in the Transport Capital Programme for the Draft Annual Plan 2025/26 report.
2. Notes that the decisions in this report are assessed as significant based on the Christchurch City Council's Significance and Engagement Policy, and therefore will be consulted on as part of the consultation on the Draft Annual Plan 2025/26.
3. Confirms that the Transport programmes and projects in **Attachment A** (and associated Attachments B – G) of this report were adopted in the Long Term Plan 2024-34 and notes that work has commenced to enable the 2025/26 programme to proceed as planned, with the associated budget included in the proposed Draft Annual Plan 2025/26.
4. Confirms the changes in the Transport programmes and projects, refer **Attachment L**, resulting from central government legislative and policy changes, and notes that these have been budgeted for in the proposed Draft Annual Plan 2025/26.
5. Confirms the changes to the Transport projects in **Attachment H** of this report, where cost and/or time revisions have been required, noting that these projects have been budgeted for in the proposed Draft Annual Plan 2025/26.
6. Confirms the following staff recommendations in respect of the following capital projects:
 - a. Improving Bromley Roads - Resolves that no additional budget is added to the Improving Bromley Roads project in the draft 2025/26 Annual Plan.
 - b. Simeon Street Cycleway - Resolves that no additional budget is added for the Simeon Street Cycleway project in the draft 2025/26 Annual Plan.

- c. Te Aratai Cycleway - Resolves that no additional budget is added for the Te Aratai Cycleway project in the draft 2025/26 Annual Plan.
 - d. Major Cycleway Route (MCR) Timing Changes - Resolves that the budget phasing for MCR Ōtākaro-Avon Route, MCR Ōpāwaho River Route and MCR Southern Lights is unchanged in the draft 2025/26 Annual Plan.
 - e. Major Cycleway Route (MCR) Wheels to Wings - Resolves that for the MCR Wheels to Wings the staff recommendation Option 8, to deliver the connection at the eastern end linking the Nor'West Arc and Northern Line MCR's, and to install the traffic signals and associated improvements at Harewood School, and at Harewood/Gardiners/Breens intersection is approved in the draft 2025/26 Annual Plan. Funding will be added to future years to allow completion of the MCR (as shown on **Attachment K** of this report).
7. Notes that no budget appropriation is in the draft Annual Plan 2025/26 for the projects noted in Recommendation 6.
 8. Notes that decisions around Recommendations (3), (4) and (5) fall within the financial envelope available for the Transport capital programme (\$159.1m - referenced in the Annual Plan report titled "*Confirmation of Intent – Draft Annual Plan 2025/26*" also being considered at the meeting on 10 December 2024).

3. Executive Summary Te Whakarāpopoto Matua

- 3.1 The transport capital programme proposed for the Annual Plan 2025/26 is made up of four parts as follows:
 - 3.1.1 First, the **Transport capital programme being delivered as per the current approved plan** (refer **Attachment A** and associated **Attachments B – G**) at a total cost of \$159.1 million which has been included in the proposed Annual Plan 2025/26 budget.
 - 3.1.2 Second, **changes included in the Transport capital programme** resulting from central government legislative and policy changes relating to speed limit rules and legal obligations on Council to meet certain KiwiRail infrastructure costs within the KiwiRail corridor, at a cost of \$4.1m in FY26 (with a rates impact of 0.01% and 0.03% in FY26 and FY27 respectively), and which have been included in the proposed Annual Plan 2025/26 budget.
 - 3.1.3 Third, **cost revision/rephasing required for existing projects** due to updated project specific information received since approval of the Long Term Plan 2024-34, these changes have a total cost of \$5.6m in FY26 (with a rates impact of 0.01% and 0.04% in FY26 and FY27 respectively), and which have been included in the proposed Annual Plan 2025/26 budget.
 - 3.1.4 Fourth, proposed **projects where a decision is yet to be made** (carry over projects from the LTP), and as no decisions have been made in respect of these projects, no budget appropriation is currently included in the proposed Annual Plan 2025/26.
- 3.2 Staff recommendations in respect of the four categories of capital projects are as follows:
 - 3.2.1 Confirmation of the Transport capital programme, as set out in Attachment A for the Financial year 25/26.
 - 3.2.2 Confirmation of the changes to the capital programme resulting from legislative and policy changes, as set out in Attachment L.

- 3.2.3 Confirmation of the changes to the capital programme resulting from cost and timing revisions, as set out in Attachment H.
- 3.2.4 That in relation to:
- **Improving Bromley Roads** – Staff recommend that that no additional budget is added to project.
 - **Simeon Street Cycleway** – Staff recommend that no additional budget is added to the project.
 - **Te Aratai Cycleway** - Staff recommend that no additional budget is added to the project.
 - **MCR Timing Changes** – Staff recommend that no change is made to the budget phasing for MCR Ōtākaro-Avon Route, MCR Ōpāwaho River Route, and MCR Southern Lights.
 - **MCR Wheels to Wings** – Staff recommend implementing Option 8, to deliver the connection at the eastern end linking the Nor’West Arc and Northern Line MCR’s, and to install the traffic signals and associated improvements at Harewood School, and at Harewood/Gardiners/ Breens intersection. Funding will be added to future years to allow completion of the MCR (as shown on Attachment K).
- 3.3 Staff note for completeness, the operational budget for the 3 year LTP period is \$483 million and no level of service changes are proposed. Staff make claims during the year to New Zealand Transport Agency (NZTA) for funding assistance. Over the period of the 3 years (2024-2027) staff have estimated that total claims approximating \$90.9 million will be made for operational expenditure within the roading activity.
- 3.4 Each of the four categories referred to above for capital expenditure within the transport activity is expanded on below.

4. The four categories of capex within the Transport activity

Category 1 - Transport capital programme being delivered as per the currently approved plan

- 4.1 The high-level details of this programme are set out in **Attachment A**. The programme of work set out in Attachment A is being progressed in FY24/25 and FY25/26 in varying stages from planning and design to tendering and construction.
- 4.2 Included within this capital programme are a number of key work programmes, previously shared with Council, including:
- 4.2.1 Carriageway Resurfacing (**Attachment B**).
 - 4.2.2 Road Rehabilitation (**Attachment C**).
 - 4.2.3 Footpath Resurfacing (**Attachment D**).
 - 4.2.4 Street Renewals (**Attachment E**).
 - 4.2.5 Safety – both improvements and interventions (**Attachment F**).
 - 4.2.6 Structures – bridges, retaining walls, guard rails, gantries (**Attachment G**).

Category 2 - Changes due to legislative/policy reasons

- 4.3 The following changes are included in the Transport capital programme due to central government legislative policy changes relating to speed limit rules and legal requirements around KiwiRail infrastructure.
- 4.4 These allow Council to meet legislative requirements implemented by Government since the Long Term Plan was approved and allows co-ordination with KiwiRail on projects impacted by their prioritisation and programming.

Project	Project Current Budget (\$M)	Budget change (\$M)			Rationale
		FY25 - 34	FY26	FY27	
KIWI RAIL/LEGISLATION					
Rail Crossing Renewals	1.0	+0.6	+2.4		Reflects KiwiRail's recently provided programme.
Radcliffe Road Railway crossing	0.1		+0.3	4.97	Reflects latest KiwiRail estimate, required for route upgrade.
Legislation Speed Limit Changes	0.0	+2.0	+1.5		Required as a result of legislative changes implemented by Government since the Long Term Plan was approved
Major Cycleway - Heathcote Expressway Route - Scruttons Road Kiwirail Crossing	2.6	+1.5	+2.9		Reflects latest KiwiRail estimate. Council resolved to add this on 6 November 2024.
TOTALS	3.65	+4.1	+7.1	+4.97	

Category 3 - Cost and/or time revision changes

- 4.5 The following changes, in the table below, have been made due to updated project specific information received since approval of the LTP. These changes have been included in the Draft Annual Plan 2025/26 proposal. They enable continuation of projects, the majority of which have been approved through Long Term Plan processes and are in either in the scheme development phase or have had schemes approved by the Council/Community Board for Implementation.
- 4.6 If this work is not confirmed, the full safety, accessibility, and amenity benefits of the Plan will not be delivered until further budget is allocated.

Project	Project Current Budget				Rationale
	FY25 - 34	FY26	FY27	FY28 - 34	
OTHER CHANGES					
Lincoln Road Passenger Transport Improvements (Curletts to Wrights)	10	-1.4	-2.1	+3.5	Allows progression of the NZTA business case process to seek funding in the next LTP period.
Cycle Facilities & Connection Improvements	0.26	+0.18			Reflects latest project estimate, subject to the detail of the speed change legislation
Antigua Street (Tuam-Moorhouse)	3	+1.25			Allows completion to align with the opening of Parakiori. A briefing was held with Councillors on 2 July 2024.
Moorhouse Ave/Stewart St Intersection Signalisation	0	+0.30			Allows progression of the business case process to seek further funding for this project if successful. NZTA have indicated they will provide funding for the business case.
Minor Safety Interventions	4	+0.30			Reflects Council's discussion during the Long Term Plan of having \$600k per annum in this programme, aligning FY26 with future years
Evans Pass Road	0.5	+2.00		+2.70	Investigations are showing drainage issues and possible instability on the hairpin bend. There will be less disruption to the network if these are repaired in a planned manner
Radcliffe Road Corridor Improvement	2.4		+1.4		Reflects latest design and cost estimate
MCR South Express	9.7	+1.0	+2.0	+5.8	Reflects latest KiwiRail and project estimates (\$5.4M relates to KiwiRail infrastructure).
MCR - Northern Line (Blenheim to Kilmarnock)	0.6			+15.5	Reflects most recent cost estimates
Major Cycleway - Ōpāwaho River Route (Section 3) Waltham to Ferrymead Bridge	36.9			-4.3	Council agreed at it's meeting on 6 November 2024 to use this as an offset for the Scruttons Road rail crossing
Programme Network Improvements	0	+2.0			This allows for potential opportunities that may arise in the central city road network. A report will come to Council in 2025 with more information, no budget will be spent without Council approval.
TOTALS	67.3	5.63	1.3	23.2	

- 4.7 More information on these cost and time revisions can be found in **Attachment H**.
- 4.8 The following options were considered but ruled out:
- 4.8.1 Funding provision from existing programmes – there are no related programme budgets for the projects requesting additional funding.
 - 4.8.2 Deferring/cancelling other capital projects to utilise their funding – the remaining projects in the Transport Programme are deemed necessary to meet agreed levels of service.

Category 4 - Projects where a decision is required (carry over projects from the LTP)

4.9 Below are five projects where Council is requested to make a decision. These projects are:

- Improving Bromley Roads.
- Simeon Street Cycleway.
- Te Aratai Cycleway.
- MCR Timing Changes.
- MCR Wheels to Wings.

4.10 The following information relates to carry over Councillor amendments from the Long Term Plan that the Council may wish to consider (for further detail refer to Section 10 of this report). It should be noted that **no** budget changes relating to these projects have been incorporated into the Draft Annual Plan 2025/26 budget at this time.

4.11 Each of these five projects are presented below in the same structured format including a table summary.

Improving Bromley Roads

4.12 To date there has been extensive engagement with the Bromley community, and they have identified the following priorities in their area:

4.12.1 Too many heavy goods vehicles on local roads.

4.12.2 Cars travelling too fast through local roads.

4.12.3 Safety around schools.

4.13 There is currently \$755,330 in FY25 for delivery of improvements following community consultation and Community Board approval.

4.14 A final version of the Improving Bromley Roads Plan is currently being developed for publication and will be released prior to the draft Annual Plan consultation. The current cost estimate to complete the works identified in the Plan is approximately \$10M.

4.15 The current estimate does not include Hay Street renewal. This will impact the ability to carry out traffic calming on Hay Street as staff would not recommend undertaking potentially redundant works, and there is a high risk that any vertical deflections could cause vibration issues due to the existing pavement strength.

4.16 It should be assumed that this work will not be eligible for NZTA funding.

4.17 The following reasonably practicable options were considered:

Projects where a decision is yet to be made (carryover Councillor amendments from the LTP) – Improving Bromley’s Roads

Option Evaluation

In reviewing the capital programme for the FY26 Annual Plan staff were advised to focus on deliverability and affordability. Therefore, the following key priorities were considered:

- Looking after what we have
 - Growth
 - Maximising external funding
 - Completing existing commitments
- Consideration has been given to all options to see if they could be covered by existing programme budgets, however for all projects listed this is not possible.
 - The timing required and likelihood of compliance with NLTP criteria has been considered when phasing the budgets.
 - Previous feedback from Councillors and Community Boards has been considered.
 - Legislative requirements have been assessed in relation to the Speed Management Plans and Rail Crossing Renewals.
 - The impact on the community and road users if works are delayed.

CURRENT BUDGET – IMPROVING BROMLEY’S ROADS (CPMS 67989)

FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
\$755K													

Option 1 – PREFERRED OPTION - No additional budget allocated.

- This would see delivery of projects in the Improving Bromley Roads Plan until the current budget of \$755,330 in FY25 is exhausted.

Option Advantages

- Delivery will be in line with current community expectations.
- An area plan has been completed for future works when budget is available.
- No impact on rates.

Option Disadvantages

- The full safety, accessibility, and amenity benefits of the Plan will not be delivered until further budget is allocated.

No change													No change
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Option 2 - Adding \$10M over two years for delivery of all the works in the Improving Bromley Roads Plan. <ul style="list-style-type: none"> This allocates \$5M in both FY26 and FY27 to deliver works identified in the Improving Bromley Roads Plan. 													
Option Advantages <ul style="list-style-type: none"> Would deliver most of the safety, accessibility, and amenity benefits to the Bromley community as identified from the Improving Bromley Road Plan. Residents would see progression of the Plan. With current cost estimates this would deliver a significant portion of works proposed in the plan. 							Option Disadvantages <ul style="list-style-type: none"> This would have a rates impact of 0.01% in FY26 and 0.05% in FY27. 						
No change	+\$5M	+0.01%	+\$5M	+0.05%		+0.03%							+\$10M
Option 3 - Adding \$5M over two years for delivery of works in the Improving Bromley Roads Plan. <ul style="list-style-type: none"> This allocates \$2.5M in both FY26 and FY27 to deliver works identified in the Improving Bromley Roads Plan. 													
Option Advantages <ul style="list-style-type: none"> Would deliver some of the safety, accessibility, and amenity benefits to the Bromley community as identified from the Improving Bromley Roads Plan. Residents would see progression of the Plan. With current cost estimates this would deliver a about half of the works proposed in the plan. 							Option Disadvantages <ul style="list-style-type: none"> This budget allocation will not deliver the complete Improving Bromley Roads Plan. This would have a rates impact of 0.01% in FY26 and 0.02% in FY27. 						
FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
No change	+\$2.5M	+0.01%	+\$2.5M	+0.02%		+0.01%							+\$5M

4.18 The following options were considered but ruled out:

4.18.1 Provision of budget further out in the next LTP period – this would be addressed as part of a future Long Term Plan process.

1.

Simeon Street Cycleway

- 4.19 As part of the Transport Choices Programme a separated bi-directional cycle facility that provides a connection from the existing MCR Quarryman's Trail to the existing MCR Little River was designed for Simeon Street from Milton Street to Brougham Street.
- 4.20 The change in government meant that funding for the programme was not continued and the project was stopped just prior to construction.
- 4.21 Community engagement was undertaken and the Council approved the design on 21 September 2023. The link to the staff report is [Agenda of Council - Thursday, 21 September 2023](#)
- 4.22 This project will not be eligible for NZTA funding under the current General Policy Statement for Transport (GPS) and investment criteria from NZTA.
- 4.23 Staff have given consideration to the design process, consultation, and approvals process already undertaken on the option that was approved by Council as part of the Transport Choices Programme. Should Council choose to provide additional funding, the design is considered appropriate to move to construction.
- 4.24 The following reasonably practicable options were considered:

Projects where a decision is yet to be made (carryover Councillor amendments from the LTP) - Simeon Street Cycleway

Option Evaluation

In reviewing the capital programme for the FY26 Annual Plan staff were advised to focus on deliverability and affordability. Therefore, the following key priorities were considered:

- Looking after what we have
 - Growth
 - Maximising external funding
 - Completing existing commitments
- Consideration has been given to all options to see if they could be covered by existing programme budgets, however for all projects listed this is not possible.
 - The timing required and likelihood of compliance with NLTP criteria has been considered when phasing the budgets.
 - Previous feedback from Councillors and Community Boards has been considered.
 - Legislative requirements have been assessed in relation to the Speed Management Plans and Rail Crossing Renewals.
 - The impact on the community and road users if works are delayed.

Item 4

CURRENT BUDGET – SIMEON STREET CYCLEWAY (CPMS 72760)

FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
\$38K													

Option 1 – PREFERRED OPTION - No additional budget allocated.

- This would not allocate additional funding for the cycle facility in the Annual Plan period.

Option Advantages							Option Disadvantages						
<ul style="list-style-type: none"> • Additional budget is not allocated to the Annual Plan, and there is no addition to rates requirements. 							<ul style="list-style-type: none"> • The cycle facilities on Simeon Street are not delivered. 						
No change													No change

Option 2 - Approve funding in FY26 and FY27 for construction of the Simeon Street cycle facility

- Addition of \$750,000 in each of FY26 and FY27 to allow construction of the cycle facility in Simeon Street as designed and approved by Council through the Transport Choices programme.

Option Advantages							Option Disadvantages						
<ul style="list-style-type: none"> • Improved safety and accessibility for cyclists on Simeon Street between Milton Street and Brougham Street • The project has had detailed design completed and has been approved by Council, so it could move into the procurement phase relatively quickly. • There will be delivery efficiencies in construction following closely behind the detailed design phase of the project. 							<ul style="list-style-type: none"> • A rates impact of <0.005% in FY26, 0.01% in FY27, and 0.01% in FY28. 						
No change	+\$0.75M	<0.005%	+\$0.75M	0.01%		0.01%							+\$1.5M

4.25 The following options were considered but ruled out:

4.25.1 Provision of budget further out in the next LTP period – this would be addressed as part of a future Long Term Plan process.

Te Aratai Cycleway

- 4.26 As part of the Transport Choices Programme a separated cycle facility was designed along Aldwins Road between Ferry Road and Linwood Avenue. The aim was to provide improved cycling connections to Te Aratai College.
- 4.27 The change in government meant that funding for the programme was not continued and the project was stopped just prior to construction.
- 4.28 Community engagement was undertaken and the Council approved the design on 21 September 2023. The link to the staff report is [Agenda of Council - Thursday, 21 September 2023](#)
- 4.29 This project will not be eligible for NZTA funding under the current GPS and investment criteria from NZTA.
- 4.30 Staff have considered the design process, consultation, and approvals process already undertaken on the option that was approved by the Council as part of the Transport Choices Programme. Should the Council choose to provide additional funding, the design as approved by the Council through the Transport Choices programme is considered appropriate to move to construction.
- 4.31 The following reasonably practicable options were considered:

Projects where a decision is yet to be made (carryover Councillor amendments from the LTP) - Te Aratai Cycleway

Item 4

Option Evaluation

In reviewing the capital programme for the FY26 Annual Plan staff were advised to focus on deliverability and affordability. Therefore, the following key priorities were considered:

- Looking after what we have
 - Growth
 - Maximising external funding
 - Completing existing commitments
- Consideration has been given to all options to see if they could be covered by existing programme budgets, however for all projects listed this is not possible.
 - The timing required and likelihood of compliance with NLTP criteria has been considered when phasing the budgets.
 - Previous feedback from Councillors and Community Boards has been considered.
 - Legislative requirements have been assessed in relation to the Speed Management Plans and Rail Crossing Renewals.
 - The impact on the community and road users if works are delayed.

CURRENT BUDGET – TE ARATAI CYCLEWAY (CPMS 72755)

FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change

Option 1 – PREFERRED OPTION - No additional budget allocated.

- This would not allocate additional funding for the cycle connection project in the Annual Plan period.

Option Advantages

- Additional budget is not allocated to the Annual Plan, and there is no addition to Rates requirements.

Option Disadvantages

- The Te Aratai cycle facility is not delivered.

	No change												No change
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Option 2 - Approve funding in FY26 and FY27 for construction of the Te Aratai Cycle Connection as designed and approved by Council as part of the Transport Choices Programme

- Addition of \$3.5M across FY26 and FY27 to allow construction of the cycle facility in Te Aratai Cycle Connection project as designed and approved for through the Transport Choices programme.

Option Advantages

- Improved safety and accessibility for cyclists.
- The project has been developed to the point where construction can commence within a relatively short timeframe, and has been approved by Council, so it could move into the procurement phase relatively quickly.
- There will be delivery efficiencies in construction following closely behind the detailed design phase of the project.

Option Disadvantages

- A rates impact of <0.005% in FY26, 0.02% in FY27, and 0.01% in FY28.

No change	+\$2.5M	<0.005%	+\$1M	0.02%		0.01%								+\$3.5M
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4.32 The following options were considered but ruled out:

4.32.1 Adding budget in 2025/26 for additional design development of an alternative route – alternative routes were considered as part of the Hearing Panel process for the project. Undertaking this would be inconsistent with the already approved scheme and would involve repeating work at substantial cost to the Council.

4.32.2 Provision of budget further out in the next LTP period – this would be addressed as part of a future Long Term Plan process.

Item 4

1.

MCR Timing Changes

- 4.33 The following Major Cycle Routes are planned for scheme development in the future
- 4.33.1 MCR Ōtākaro Avon Route (ID#26601, 26602, 26603)
 - 4.33.2 MCR Ōpāwaho River Route (ID#26604, 26605, 26606)
 - 4.33.3 MCR Southern Lights (ID#26607)
- 4.34 The current budget phasing is detailed in **Attachment A**.
- 4.35 It was previously proposed to bring forward the route analysis and scheme design for the above MCR projects. This required the allocation of budget in earlier years.
- 4.36 To date very little work has been undertaken on any of the routes as the substantive budget was moved to future years. There has been some high-level route analysis work undertaken in the past to assess impact on other projects. This is not sufficient to progress the project without significant work.
- 4.37 These projects will not be eligible for NZTA funding under the current GPS and investment criteria from NZTA.
- 4.38 Consideration has been given to the risk starting design work early may have on the business case process and securing NZTA funding. Starting design work ahead of and agreed business case process with NZTA may jeopardise Council's opportunity to secure funding in the future.
- 4.39 Consideration should be given to the impact on the community if scheme development and community engagement is started ahead of any funding certainty, and the risk of significant delay until construction starts.
- 4.40 The following reasonably practicable options were considered:

Projects where a decision is yet to be made (carryover Councillor amendments from the LTP) - MCR timing changes

Option Evaluation

In reviewing the capital programme for the FY26 Annual Plan staff were advised to focus on deliverability and affordability. Therefore, the following key priorities were considered:

- Looking after what we have
 - Growth
 - Maximising external funding
 - Completing existing commitments
- Consideration has been given to all options to see if they could be covered by existing programme budgets, however for all projects listed this is not possible.
 - The timing required and likelihood of compliance with NLTP criteria has been considered when phasing the budgets.
 - Previous feedback from Councillors and Community Boards has been considered.
 - Legislative requirements have been assessed in relation to the Speed Management Plans and Rail Crossing Renewals.
 - The impact on the community and road users if works are delayed.

Item 4

CURRENT BUDGET – MCR TIMING CHANGES (CPMS 26601 to 26607)

FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
\$141K	\$135K		\$531K		\$3.7M		\$12.6M		\$16.5M		\$24.9M		

Option 1 - PREFERRED OPTION

- Budget phasing for MCR Ōtākaro, MCR Ōpāwaho River Route and MCR Southern Lights remains as planned in the 2024-34 Long Term Plan.

Option Advantages

- Allows time for staff to work with NZTA on the business case with the aim of being able to realise NLTP funding should it be available.

Option Disadvantages

- Does not start route analysis and scheme design early.

No change

No change

Option 2 - Bring forward budget to start route analysis and scheme design in FY26 for MCR Ōtākaro, MCR Ōpāwaho River Route and MCR Southern Lights

Option Advantages

- May result in early delivery of the MCR's and the associated benefits to users.

Option Disadvantages

- Starting design work ahead of the business case process may jeopardise Council's opportunity to secure funding in the future.

No change

+\$0.7M

<0.005%

+\$1.07M

+0.01%

\$0M

+0.01%

-\$0.67M

<-0.005%

-\$0.3M

-0.01%

-\$0.2M

<-0.005%

No change

MCR Wheels to Wings

- 4.41 The Wheels to Wings cycleway design was approved by the Council on 28 July 2022 following a Hearings Panel process.
- 4.42 Staff have provided a number of options to elected members and these are detailed in the memo previously sent to Councillors on 11 October 2024 and is included in **Attachment I**. Plans for each option are included in **Attachment J**.
- 4.43 A table showing potential budget phasing for the various options is included in **Attachment K**.
- 4.44 The following reasonably practicable options were considered:

Projects where a decision is yet to be made (carryover Councillor amendments from the LTP) - Wheels to Wings													
<p>Option Evaluation</p> <p>In reviewing the capital programme for the FY26 Annual Plan staff were advised to focus on deliverability and affordability. Therefore, the following key priorities were considered:</p> <ul style="list-style-type: none"> • Looking after what we have • Growth • Maximising external funding • Completing existing commitments <ul style="list-style-type: none"> ➤ Consideration has been given to all options to see if they could be covered by existing programme budgets, however for all projects listed this is not possible. ➤ The timing required and likelihood of compliance with NLTP criteria has been considered when phasing the budgets. ➤ Previous feedback from Councillors and Community Boards has been considered. ➤ Legislative requirements have been assessed in relation to the Speed Management Plans and Rail Crossing Renewals. ➤ The impact on the community and road users if works are delayed. 													
CURRENT BUDGET - WHEELS TO WINGS (CPMS 26611, 26612, 26613, 41663)													
FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
\$6.8M	\$6.5M		\$5.2M										
Option 1 - This option delivers the MCR as approved by Council.													
<p>Option Advantages</p> <ul style="list-style-type: none"> • Delivers the full cycleway to the MCR standard designed for interested but concerned target users. • Includes other upgrades such as safety improvements at intersections and asset renewals/upgrades. 							<p>Option Disadvantages</p> <ul style="list-style-type: none"> • Will not qualify for NZTA funding in the current LTP period. • Requires additional funding of \$9.9M. 						
No change	+\$3.5M	0.01%	+\$6.4M	0.04%		0.04%							+\$9.9M

Option 2 - Delivers most of the MCR as approved by Council including all traffic signal improvements, however there are some minor design changes for cost savings, the most significant being the use of the existing paths west of Nunweek Boulevard as shared paths.														
Option Advantages <ul style="list-style-type: none"> Provides a separated cycle facility in the busiest and highest risk sections of the route and improves the existing cycle facility west of Nunweek Boulevard. 							Option Disadvantages <ul style="list-style-type: none"> The shared paths in the west section are below MCR guidelines. Will not qualify for NZTA funding in the current LTP period. A new decision report and limited community consultation would be required. Requires additional funding of \$6.9M. 							
No change	+\$3.5M	0.01%	+\$3.4M	0.03%		0.02%								+\$6.9M
Option 3 - Delivers most of the MCR as approved by Council however there are some minor design changes for cost savings as per Option 2, and it does not include the traffic signals at the Woolridge/Harewood intersection, or at Harewood School.														
Option Advantages <ul style="list-style-type: none"> Provides a separated cycle facility in the busiest and highest risk sections of the route and provides some improvement to the existing cycle facility west of Nunweek Boulevard. 							Option Disadvantages <ul style="list-style-type: none"> The MCR standard is not implemented over the whole route Will not qualify for NZTA funding in the current LTP period. A new decision report and limited community consultation would be required. Requires additional funding of \$1.9M. 							
FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change	
No change	+\$3.5M	0.01%	-\$1.6M	0.02%		-0.01%								+\$1.9M
Option 4 - Delivers as much of the MCR as possible within the existing budget, starting at the eastern end and would include the Breens/Gardiners Harewood intersection signalisation. Cost estimates indicate that works would stop at Cotswold Ave.														
Option Advantages <ul style="list-style-type: none"> Completes half of the route to the MCR design guidelines The remainder of the route could be constructed at some time in the future. Allows a reduction in funding of \$0.6M. 							Option Disadvantages <ul style="list-style-type: none"> Does not complete the full MCR route Will not qualify for NZTA funding in the current LTP period. 							
No change	+\$3.5M	0.01%	-\$4.1M	0.01%		-0.03%								-\$0.6M

Option 5 - Staged approach to delivery, with as much work as possible being completed within the current budget, and further budget being allocated in future years beyond the current LTP period to allow completion of the MCR.

Option Advantages <ul style="list-style-type: none"> Realises some of the benefits of the MCR in the short term, with the remaining benefits being delivered in future years. There may be opportunity for NZTA funding in the next LTP period for the second stage. 							Option Disadvantages <ul style="list-style-type: none"> Does not provide all the benefits of the MCR in the short term. Will not qualify for NZTA funding in the current LTP period. Requires additional funding of \$9.9M. 						
No change	-\$6.5M	-0.02%	-\$5.2M	-0.06%		-0.03%	+\$10M	0.03%	+\$10M	0.09%	+\$1.6M	0.08%	+\$9.9M

Option 6 - Includes the connection linking Nor'West Arc and Northern Line MCR's, and all traffic signal changes up to Nunweek Boulevard. Painted cycle lanes with a painted buffer would be installed between Nor'West Arc connection and Nunweek Boulevard. West of Nunweek Boulevard it includes some minor safety improvements, and minor widening of existing paths to approximately 1.5m.

Option Advantages <ul style="list-style-type: none"> Provides a safer and more comfortable rider experience than the current situation for more confident riders Can be delivered within the remaining available budget Allows a reduction in funding of \$8M. 							Option Disadvantages <ul style="list-style-type: none"> Would not be classified as an MCR as it does not provide physical separation between cyclists and vehicles. Full community consultation and a new decision report would be required Will not qualify for NZTA funding in the current LTP period. 						
No change	-\$3.3M	-0.01%	-\$4.7M	-0.04%		-0.03%							-\$8M

Option 7 - This would deliver the connection linking Nor'West Arc and Northern Line MCR's, and the signalisation of the Breens/Gardiniers/Harewood intersection. Budget would be allocated in future years beyond the current LTP period to allow completion of the MCR.

Option Advantages <ul style="list-style-type: none"> Completes the connection between Nor'West Arc and Northern Line MCR's. Signalises the Harewood/Gardiniers/Breens intersection. 							Option Disadvantages <ul style="list-style-type: none"> Will not qualify for NZTA funding in the current LTP period. The majority of the benefits of the MCR will not be realised in the short term. Requires additional funding of \$9.9M. 						
FY25	FY26	Rates %	FY27	Rates %	FY28	Rates %	FY29	Rates %	FY30	Rates %	FY31	Rates %	Total budget change
No change	-\$6.5M	-0.02%	-\$5.2M	-0.06%		-0.03%	+\$10M	0.03%	+\$10M	0.09%	+\$1.6M	0.08%	+\$9.9M

Option 8 -PREFERRED OPTION -This option delivers the connection at the eastern end linking the Nor'West Arc and Northern Line MCR's and installs the traffic signals and associated improvements at Harewood School, and at Harewood/Gardiners/Breens intersection. Budget would be allocated in future years beyond the current LTP period to allow completion of the MCR.

Option Advantages							Option Disadvantages						
<ul style="list-style-type: none"> • Completes the connection between Nor'West Arc and Northern Line MCR's. • Provides the safety improvements at Harewood School. • Signalises the Harewood/Gardiners/Breens intersection. 							<ul style="list-style-type: none"> • Will not qualify for NZTA funding in the current LTP period. • The majority of the benefits of the MCR will not be realised in the short term. • Requires additional funding of \$9.9M. 						
No change	-\$6.5M	-0.02%	-\$5.2M	-0.06%		-0.03%	+\$10M	0.03%	+\$10M	0.09%	+\$1.6M	0.08%	+\$9.9M

4.45 The following options were considered but ruled out:

4.45.1 Alternative routes for the MCR – this was dealt with through the Hearings Panel process.

- [Agenda of Council - Thursday, 28 July 2022](#)
- [Minutes of Council - Thursday, 28 July 2022](#)

5. Considerations Ngā Whai Whakaaro

Risks and Mitigations Ngā Mōrearea me ngā Whakamātautau

- 5.1 There is a risk that the decisions proposed in this report are inconsistent with previous decisions of the Council. These are highlighted in this report and the attachments and any potential requirement to re-consult is noted.
- 5.2 Should the decisions in this report not be made there is a risk that the Transport Capital Programme will not be agreed in time for the publication of the draft Annual Plan 2025/26. This could result in delays to the delivery of projects and programmes.

Legal Considerations Ngā Hiraunga ā-Ture

- 5.3 Statutory and/or delegated authority to undertake proposals in the report:
 - 5.3.1 The Council has the delegation to make decisions relating to the Long Term Plan and Annual Plans.
- 5.4 Other Legal Implications:
 - 5.4.1 There is no legal context, issue, or implication relevant to this decision.

Strategy and Policy Considerations Te Whai Kaupapa here

- 5.5 The required decisions in this report:
 - 5.5.1 Align with the Christchurch City Council's Strategic Framework and form part of the development of the draft 2025/26 Annual Plan.
 - 5.5.2 Are assessed as medium significance based on the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by the city-wide nature of the projects discussed and the potential impact of the Annual Plan 2025/26 on the Transport Capital Programme.
 - 5.5.3 Are consistent with Council's Plans and Policies.
- 5.6 This report supports the [Council's Long Term Plan \(2024 - 2034\)](#):
- 5.7 Transport
 - 5.7.1 Activity: Transport
 - Level of Service: 16.0.3 Improve resident satisfaction with road condition - $\geq 30\%$
 - Level of Service: 16.0.1 Maintain roadway condition to an appropriate national standard, measured by the percentage of the sealed road network that is resurfaced each year(DIA 3) - $\geq 4\%$
 - Level of Service: 16.0.9 Improve resident satisfaction with footpath condition - $\geq 42\%$

Community Impacts and Views Ngā Mariu ā-Hāpori

- 5.8 The views and preferences of the community on the decision in this report will be gathered through the consultation on the draft 2025/26 Annual Plan.

Impact on Mana Whenua Ngā Whai Take Mana Whenua

- 5.9 The LTP 2024 – 2034 included consultation and engagement with Ngā Papatipu Rūnanga, which resulted in a wide range of initiatives being undertaken in the LTP. Those undertakings remain intact and are not proposed to be affected by the Annual Plan.

- 5.10 The decision does not impact on our agreed partnership priorities with Ngā Papatipu Rūnanga.

Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi

- 5.11 The proposals in this report may contribute to adaptation to the impacts of climate change or emissions reductions if options supporting mode shift to active choices of transport or public transport are funded.

6. Next Steps Ngā Mahinga ā-muri

- 6.1 Staff will use the information and decisions made by the Council to develop the Transport Capital Programme for the Draft Annual Plan 2025/26. This will be carried out during December 2024 and January 2025.
- 6.2 This will then follow the agreed process for the engagement and adoption of the Annual Plan 2025/26.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A 	2024-27 Transport Capital Programme <i>(Under Separate Cover)</i>	24/2115666	
B 	Carriageway Resurfacing Programme <i>(Under Separate Cover)</i>	24/2115325	
C 	Road Rehabilitation Programme <i>(Under Separate Cover)</i>	24/2115302	
D 	Footpath Resurfacing Programme <i>(Under Separate Cover)</i>	24/2115253	
E 	Street Renewal Programme <i>(Under Separate Cover)</i>	24/2115200	
F 	Safety Programme <i>(Under Separate Cover)</i>	24/2115025	
G 	Structures Programme <i>(Under Separate Cover)</i>	24/2115037	
H 	Cost and Time Revisions to Projects for the Annual Plan 2025/26 <i>(Under Separate Cover)</i>	24/2208175	
I 	MCR Wheels to Wings Memo <i>(Under Separate Cover)</i>	24/1679264	
J 	MCR Wheels to Wings Plans <i>(Under Separate Cover)</i>	24/2129091	
K 	MCR Wheels to Wings potential budget phasing <i>(Under Separate Cover)</i>	24/2081369	
L 	Legislative Policy Changes <i>(Under Separate Cover)</i>	24/2208176	

In addition to the attached documents, the following background information is available:

Document Name - Location / File Link
Not applicable

Signatories Ngā Kaiwaitohu

Authors	Lynette Ellis - Head of Transport & Waste Management Sharon O'Neill - Programme Manager Transport Tim Ward - Senior Corporate Planning & Performance Analyst Jacob Bradbury - Manager Planning & Delivery Transport
Approved By	Brent Smith - Acting General Manager City Infrastructure Bede Carran - General Manager Finance, Risk & Performance / Chief Financial Officer

Karakia Whakamutunga

Kia whakairia te tapu

Kia wātea ai te ara

Kia turuki whakataha ai

Kia turuki whakataha ai

Haumi e. Hui e. Tāiki e