

Mayor's introduction

He toa takitahi, he kāinga takitahi;
He toa takimano, he kāinga takitini
*A champion alone only has one way forward;
A champion of many has many ways forward*

“We’re in this together” was the theme that I chose for the Long Term Plan 2018-2028 (LTP). I wanted to signal a collaborative approach both in terms of planning for the next decade and the delivery of our goals. However, after reading and listening to the submissions (1500 in total, with nearly 200 individual and 180 group submissions heard), we got the message we needed to focus on getting the basics right first.

When I wrote the introduction to the first post-earthquake LTP in 2015, the Council was still facing significant financial uncertainties around the true cost of the repair and rebuild of the city, and our insurance position was not resolved. What is now clear is that substantial investment is still required in Council’s key infrastructure assets of roads, water supply, sewerage and flood protection just to restore them to pre-earthquake levels. This does put pressure on our budget that we would not have anticipated 3 years ago.

We have also been clear in this LTP that we need to maintain capacity to respond to unexpected events as they arise such as fires, floods or earthquakes, while at the same time keeping the ability to take advantage of new opportunities

as they emerge. Although we need to get the basics right it’s important that we still have aspirations for our city. One of our aims as we rebuild has been to create a sustainable 21st century city and there is more to be done.

Strategic Framework

The Council has developed a new strategic framework to support our vision:

Christchurch, a city of opportunity for all; a place that is open to new ideas, new people and new ways of doing things – a place where anything is possible.

We have identified six strategic directions in areas where we want to see a change in approach or an increased focus:

- Enabling active citizenship and connected communities
- Maximising opportunities to develop a vibrant, prosperous and sustainable 21st century city
- Climate change leadership
- Informed and pro-active approaches to natural hazard risks
- Increasing active, public and shared transport opportunities and use
- Safe and sustainable water supply and improved waterways.

We are asking staff to regularly report back to the Council and community on how we are progressing with actions to deliver on these strategic priorities, and how we can drive progress by building the priorities into our levels of service, while at the same time ensuring that the basics are being delivered.



Key decisions from the LTP include:

Prioritising work to ensure Christchurch's drinking water supply is safe, secure and unchlorinated

Making sure our drinking water is safe, secure and unchlorinated is our top priority so we have brought forward budget to do the necessary work as soon as possible.

The full programme of work on the wellheads does not need to be completed before we remove the chlorine, so we will have a better idea of the extent of the funds we require in the first quarter of 2018/19. We may need to conduct a further consultation on the extent of the repair programme, depending on the advice we receive.

Maintain and renew wastewater infrastructure

In the draft LTP we proposed deferring work to renew our wastewater pipe network to free up funding for other infrastructure work. After listening to the community, we have provided sufficient funding for wastewater renewals to maintain our network in its current state. We have also increased the budget to prevent further degradation of the wastewater network, bringing forward work on a Wainui wastewater scheme, and affirming that we have allocated sufficient funds to investigate options for providing treatment of wastewater for Akaroa (adjusting budgets if necessary once the final treatment option is agreed).

We can better protect our waterways by working in partnership, collaborating with community groups and agencies to continue planting and biodiversity initiatives, and supporting environmental education programmes like EnviroSchools. We're working towards attaining our new stormwater consent, and giving effect to this will require further work programmes to protect our waterways from stormwater overflow events and contamination.

Prioritising work to reduce the flood risk in vulnerable areas of the city

We asked the community if we are on the right track with prioritising work to reduce the flood risk in vulnerable areas of the city, and in particular the Heathcote/Ōpāwaho River. We resoundingly heard that this is what the community wants so we have affirmed the budgets for these programmes of work.

Regenerate Christchurch is expected to deliver the Southshore and South New Brighton Regeneration Strategy by March 2019. We anticipate it will create an adaptive management planning framework to support people and communities both understand and prepare for the future.

There will be a variety of ways to resolve the issues in this particular area, and although there is significant funding for flood and stormwater projects proposed within the draft LTP, we will need to review that as soon as the Strategy is completed.

With regard to the Styx River Catchment, there is funding currently for the Styx Catchment in our programmes that will be considered for re-phasing along with continued maintenance of the waterway and take into account future growth issues in the upper catchment.

Prioritising work to improve our roads and footpaths

We heard very clearly that people want the roads repaired faster, so we are re-phasing our transport programme to enable more of the worst condition roads and footpaths to be addressed sooner. This will be further increased if additional funding becomes available through the Government's forthcoming National Land Transport Programme.

We will use the knowledge of local communities to inform the prioritisation of maintenance work on our rural unsealed roads, and will set up a joint local working party to inform this.

We have also provided additional funding to address safety issues at intersections around the city.

We have been able to give these roading projects greater priority by re-phasing the work on our masterplans to realistic delivery timeframes and by deferring some central city transport projects outside the 10 year LTP period. We are also bringing additional funding into the later part of the LTP for the next stage of the Coastal Pathway.



Priority cycle ways

After listening to submitters, we are progressing some sections of two Major Cycle Routes (Quarryman's Trail and Nor'West Arc) sooner than proposed. These routes enable us to ensure more schools are reached so our young people can ride safely and confidently to their schools. We will also consider prioritising other cycle ways, including the "Green Spine" of the Ōtākaro Avon River Corridor, once the National Land Transport Programme is announced.

We're also able to give these cycleway projects greater priority through the re-phasing of suburban masterplans.

Prioritising work to maintain and improve our parks and riverbanks, open spaces, and marine structures

We brought forward funding to carry out development work at Thomson Park by deferring some work at Horseshoe Lake until the Regeneration Plan is completed for the area. Re-phasing the budgets for major marine facilities work will allow health and safety issues to be prioritised at Naval Point, Akaroa and Diamond Harbour.

We are increasing funding to support community partnerships across Banks Peninsula, to support developing internships at Council and, given the importance of working with our youth on sustainability, to support EnviroSchools. We will also continue to support other community led projects such as the 360 Trail and the Banks Peninsula Geopark/Te Pātaka o Rākaihautū.

Funding new and existing community facilities

We heard from a wide range of submitters concerned about or with ideas for new community facilities. Given the importance of working in partnerships with communities, we are allocating funds to urgently complete a "network plan" for community facilities so potential development ideas can be considered in the context of a city wide network. The capital and operational expenditure required will be considered as part of the 2019-20 and 2020-21 Annual Plan processes.

With regard to our major facilities we have re-phased the capital and operating costs for the Metro Sports facility in line with the new delivery timeline and will continue to work on developing the Linwood Pool, looking for value-management, partnerships and sponsorship. We will re-phase development of the South West

Leisure Centre, but are allocating sufficient funds to enable work to continue.

We have allocated additional funds to enable Matuku Takotako: Sumner Centre to extend its opening hours at weekends. We will also continue the Council's support of the 'Green Prescription' and pre-schoolers' use of Council swimming facilities and are also proposing to support the community to develop an outdoor pool at Edgware.

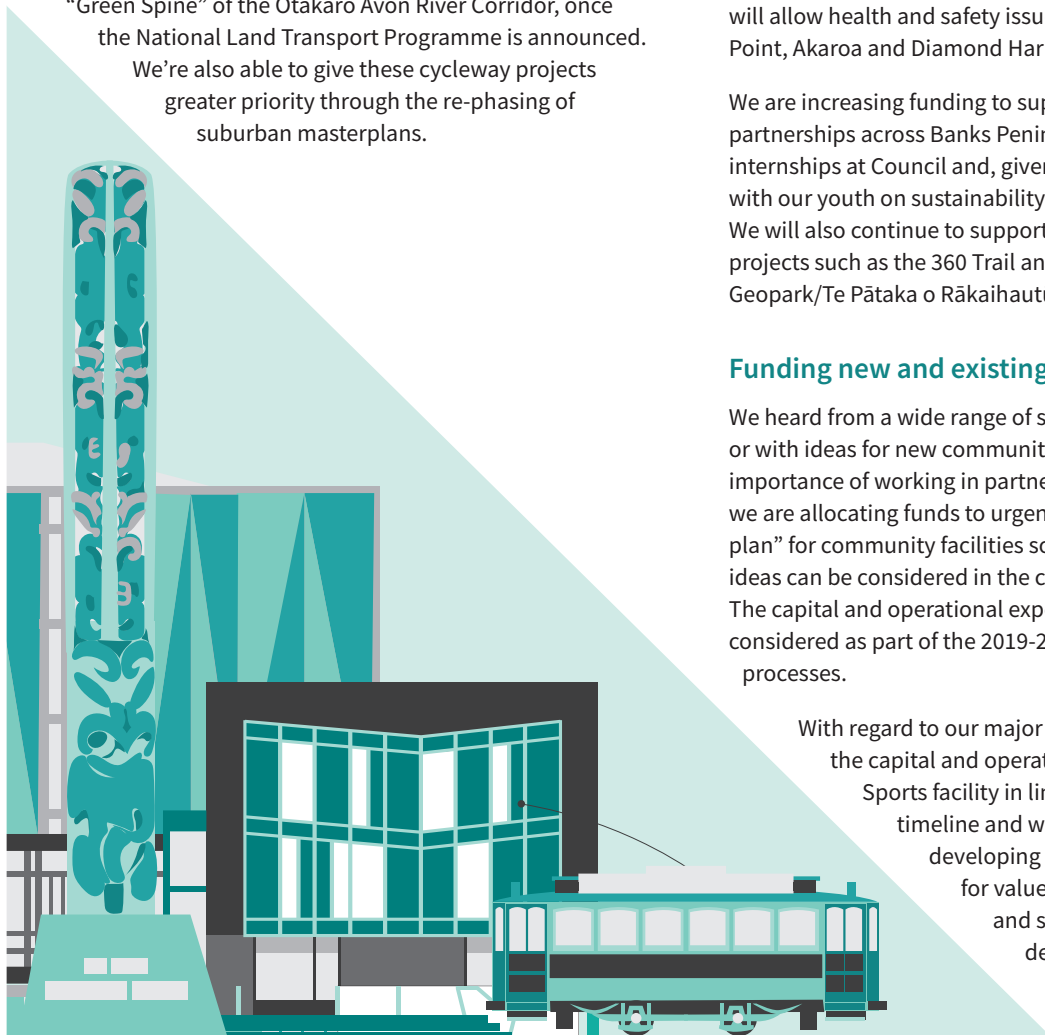
We will continue the work required to complete a review of community funding and consider the level of funding in the 2019-20 Annual Plan.

Maintaining momentum in the city

The building of a Multi-Use Arena (Stadium) was included in the Blueprint Plan (within the Christchurch Central Recovery Plan) and provided for in the Cost Sharing Agreement (June 2013). Due to funding pressures and uncertainty, the 2015 LTP pushed out the Council's funding (capped at \$253 million) to the end of the LTP period. We have now brought that funding forward by two years to 2020/21-2023/24, to provide certainty that it will proceed.

At the same time the Government has announced a \$300 million Christchurch Regeneration Acceleration Facility to support such projects and we note that the Government considers the Stadium should be one of the priorities for the Facility.

In addition to bringing forward funding for the Stadium, we have provided additional funding to ChristchurchNZ and more support for the Central City Business Association's implementation of its strategic plan. For a limited time, we are continuing the provision of one-hour free parking at Council-owned and operated parking buildings and will progress work on the tram route. We are offering to extend the term of the current loan to the Isaac Theatre Royal Trust and endorsing the progressive development of public realm improvements in Cathedral Square.



Retaining the cap for average rates at 5.5%

In order to pay for these decisions we have managed to keep to our proposal in the draft LTP to cap the average rate increase at 5.5% over the next three years.

There is a slight increase in the following two years due to bringing forward the new Stadium/Multi-Use Arena, after which rate increases track downwards slightly faster than proposed in the draft LTP to settle at a level in line with local government inflation.

There is a standalone Special Heritage (Cathedral) targeted rate of \$6.52 per year per property over the term of the LTP.

Other decisions in response to views expressed by the community:

Housing

We are making provision for a borrowing facility of up to \$30m to enable social housing to be built in Christchurch. We intend to continue to support the Build Back Smarter programme.

Heritage

We have brought forward funding to address urgent weather-tightness issues on the Robert McDougall Art Gallery and Old Municipal Chambers, as well as funding to undertake repairs to Coronation Hall, to support a strong community use for the building.

Alternative sources of funding


We consulted on a range of alternative sources of funding, including a regional fuel tax. A number of submitters identified the regional nature of some facilities under consideration. There was a strong desire for a level playing field in the hospitality sector with Airbnb. We are also

seeking staff advice on the proposal to fund the Akaroa Health Hub through a targeted rate for people in Akaroa, which, if adopted, would take effect from 1 July 2019.

Conclusion

Although this LTP has not had the same challenges as the one in 2015, in many respects it has been more difficult due to the competing interests at play. We have worked hard to balance the aspirational with the need to get the basics right. We remain committed to ensuring the city of Christchurch and the Peninsula have a vibrant and prosperous future.

A special thank you to all those who participated in the LTP process, especially those who have offered to partner with us in delivering our shared goals. Together we can do so much more.



Lianne Dalziel
Mayor of Christchurch

Our Partnership with Mana Whenua

The Christchurch City district falls within the takiwā of Ngāi Tahu which extends over 80 per cent of Te Waipounamu.

The governing body, Te Rūnanga o Ngāi Tahu was created by virtue of the Te Rūnanga o Ngāi Tahu Act in 1996 to represent Ngāi Tahu whānui for all purposes including protecting and advancing the collective interests and assets of the tribe.

Papatipu Rūnanga are the tribal institutions of Ngāi Tahu and are the mandated representatives of whānau and hapū who hold mana whenua.

Within the Council's administrative area there are six papatipu rūnanga; Te Ngāi Tūāhuriri Rūnanga, Te Hapū o Ngāti Wheke (Rāpaki), Te Rūnanga o Koukourārata, Ōnuku Rūnanga, Wairewa Rūnanga and Te Taumutu Rūnanga. Papatipu Rūnanga have a traditional responsibility, as kaitiaki (guardian), to uphold the mana of their people and care for the whenua (land), the sea and natural resources, to keep alive their cultural traditions and stories and to keep the home fires burning within their takiwā (area).

Te Tiriti o Waitangi guarantees mana whenua the right to fulfill their kaitiaki obligations to protect and care for taonga in the environment, including land, waterways and springs, natural features, wāhi tapu and flora and fauna within tribal areas.

Te Ngāi Tūāhuriri Rūnanga, Te Hapū o Ngāti Wheke (Rāpaki), Te Rūnanga o Koukourārata, Ōnuku Rūnanga, Wairewa Rūnanga, Te Taumutu Rūnanga and Te Rūnanga o Ngāi Tahu are working with the Council to develop collaborative relationships and to maintain and improve participation in its decision-making processes.

A strong relationship is essential to the long term future and wellbeing of the people of Christchurch.

The Elected members



Back Row (from left):
Councillor Glenn Livingstone,
Councillor Yani Johanson,
Councillor Deon Swiggs,
Councillor Anne Galloway,
Councillor Tim Scandrett,
Councillor Jimmy Chen,
Councillor Vicki Buck,
Councillor Aaron Keown,
Councillor Mike Davidson ,
Councillor RafManji.

Front Row (from left):
Councillor Phil Clearwater,
Councillor Sara Templeton,
Deputy Mayor Andrew Turner,
Mayor Lianne Dalziel,
Councillor Jamie Gough,
Councillor Pauline Cotter,
Councillor David East.

To the reader:

**Independent auditor's report
on Christchurch City Council's 2018 28 Long Term Plan**

I am the Auditor General's appointed auditor for Christchurch City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 26 June 2018.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long term, integrated decision making and co ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 44 to 55 (Volume 1) represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;

- the rationale for the Council’s activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council’s intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan’s policy content.

Independence

In carrying out our work, we complied with the Auditor General’s:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and

- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits, and an assurance report on certain matters in respect of the Council’s Debenture Trust Deed, we have no relationship with or interests in the Council or any of its subsidiaries.



Andy Burns
Audit New Zealand
On behalf of the Auditor General, Christchurch, New Zealand

