



Financial policies

Our Long Term Council Community Plan 2009–2019
Christchurch Ōtautahi

The following pages contain details of the Council's proposed financial policies, including details of its proposed fees and charges. They are potentially of interest to stakeholders seeking specific technical financial information.

Christchurch City Council

Financial policies

Council's financial strategy

Council's Goal

The goal of Council's financial strategy is the prudent and sustainable stewardship of Council resources on behalf of current and future ratepayers.

This entails consideration of Council's financial performance and position through the ten year period of this LTCCP and beyond – balancing the current affordability of rates with equity for future ratepayers (for example, not borrowing for expenditure that only benefits current ratepayers when future ratepayers will have to repay that debt).

Through its financial strategy Council seeks to maintain existing levels of service, ensure that costs are kept under tight control, ensure that rates increases are kept as low as realistically possible, while at the same time maintaining a strong balance sheet and affordable levels of debt.

Challenges

Growth and demographic change

Over the next decade Council's long term growth projections suggest the population of Christchurch will grow by approximately 1 percent per annum. Over the same period the number of households will grow by approximately 0.7 percent each year. To provide services to this growing community Council has assumed that the cost of providing its services will increase by 0.5 percent per annum (this is less than the rate of growth because of an assumption of increased scale efficiencies in providing these services).

Further into the future Council expects to see significant changes to the City's population. Christchurch and its surrounding districts have experienced significant population growth in recent years. The Greater Christchurch area is projected to grow by a further 75,000 households, 135,000 people, by 2041. In addition to this Christchurch's population is ageing. In 2006, 13% of the population was aged 65 or over, but by 2031 this is projected to increase to 23%, including significant increases in the number of people in their 80s and older.

At the same time the ethnic mix in the City is also changing. Christchurch's population is predominantly New Zealand European, with 86.6% of residents identifying themselves as European or Other in 2006. The Maori (8%), Asian (8%) and Pacific Island (3%) ethnic groups are much smaller, but are projected to increase at a faster rate than the European population in coming years (note: the total of these ethnicity percentages is above 100% because individuals can identify with more than one ethnic group). By 2021, Europeans are expected to make up 81.2% of the population, while Maori will have increased to 9.6%, Asians to 13%, and Pacific Island people to 4%. This changing ethnic make-up will be most marked amongst younger age groups.

These changes to the City's population will require Council to plan and build a 'new city' that will reflect:

- the needs of an ageing workforce as older people become an increasingly significant proportion of those in work
- how we design facilities and services, from footpaths and park benches to buildings and recreation and transport networks, for our aging community
- how our aging and increasingly ethnically diverse population will change the demand for
 - different kinds of housing
 - health and social support services
 - different kinds of leisure activities.

This growing and changing population and their needs will require Council to invest in major new infrastructure projects, such as roading, water supply and sewerage facilities for these residents. At the same time many of the City's post-war assets will have reached the end of their life and require renewal or replacement.

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Since the early 1990s, much of the growth in Christchurch's population has occurred in new "greenfield" suburban and rural lifestyle block developments. As a result, people are travelling increasing distances to get to work, to visit friends and family, and to get access to goods and services. Some existing suburban and town centres have struggled to retain their identity. Rural land and natural landscapes have come under development pressure, and councils have been facing significant costs to provide infrastructure to dispersed growth areas.

In order to manage growth more effectively, the Christchurch City Council, along with its partners the Waimakariri and Selwyn District Councils, Environment Canterbury and Transit New Zealand (now part of the New Zealand Transport Agency), developed the Greater Christchurch Urban Development Strategy (UDS). The UDS, which was adopted in 2007 after lengthy public consultation, sets out a preferred long-term urban development pattern for the Greater Christchurch area, which would see 45% of all new households between 2006 and 2041 accommodated within existing urban areas—a major change from business-as-usual (25%).

The more detailed planning and action to implement the UDS is now underway. For Christchurch City, this means:

- planning for more people to live in high-quality higher density residential and mixed-use development in the city. The primary focus is on the central city, where the Council's 25-year revitalisation programme aims to increase the number of residents, grow the business and commercial sector, improve public spaces and transport networks, and redevelop underused sites. See City and Community Long-Term Policy and Planning, District Plan and Capital Programme in Volume 1.
- ensuring that planning and infrastructure are coordinated to support staged greenfield growth in the south-west of the city and in Belfast. See City and Community Long-Term Policy and Planning, District Plan District Plan and Capital Programme in Volume 1.

- working with the New Zealand Transport Agency and Environment Canterbury to provide an efficient transport system that is integrated with residential development, business and leisure activity. In particular, the Council will, over time:
 - concentrate urban development in order to reduce the distances people have to travel to get to work, and maximise the potential for public transport use, walking and cycling. See Urban Growth, above.
 - invest to make the most efficient use of our existing road network. See Road Network in Volume 1.
 - invest in facilities for walking and cycling, and encouraging active travel. See Active Travel in Volume 1.
 - invest in public transport infrastructure. See Public Transport Infrastructure in Volume 1.

In addition to this investment in the transport system, in the coming years the city needs to invest in the other infrastructure networks that keep the city running, such as water supply, wastewater (sewerage), and stormwater drainage, as well as in its community facilities. This is because:

- new or upgraded infrastructure is needed to provide for the city's growth and to meet changing community needs.
- many existing assets are now reaching the end of their life and need renewal or replacement.
- the amalgamation of Christchurch City and Banks Peninsula District Councils in 2006 brought with it responsibility for rural infrastructure on the Peninsula that provides a lower level of service than that in Christchurch.
- the Council needs to meet new environmental standards and legislative requirements, particularly for the management of water resources.

Christchurch City Council is a major provider of low-cost housing for people on low incomes. Historically, it has focussed on the needs of older people and more recently those with disabilities, but there is growing demand for social housing across a range of low-income groups. Looking ahead, the Council will need to consider how it can best work alongside Housing New Zealand and the many non-profit organisations involved in social housing to meet this demand. More immediately, the Council needs to upgrade or renew a number of its housing complexes either because they are reaching the end of their life or because they do not have adequate insulation. Council manages this housing activity separate from its other operations so that ratepayers' funds do not subsidise the operation. See Social Housing in Volume 1.

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Economic uncertainty

At the time of finalising this LTCCP the global economy continues to be in a period of uncertainty. Economic commentators and market analysts are uncertain how long the current recession will last or what its long term consequences will be.

Although this LTCCP has been prepared based on the best data available at the time the nature of the economic uncertainty is such that assumptions made in this document, along with other planning assumptions made by Council, may not eventuate.

One of the key ways in which current economic uncertainty may affect Council is in its growth assumptions. Over the longer term, i.e. beyond the period of this LTCCP, Council believes that its growth projections are accurate. However, economic conditions and other factors can impact on year on year growth. This may mean that Council's growth assumptions over the short term are inaccurate, and these growth assumptions flow into other assumptions around rating base, inflation, borrowing costs, return on investments, capital works, and Development Contribution revenue.

To mitigate the possible consequences of inaccurate growth assumptions in the short term Council has taken a conservative approach in preparing other assumptions. Specifically:

- Rating base: Council has assumed that the growth in the number and value of properties on which Council can collect rates will generate approximately \$3 million in additional rates each year. This is at the low end of the range of anticipated growth.
- Inflation, borrowing costs, and return on investments: Council has sought specialist advice on likely inflation (Business and Economic Research Limited) and interest rates (Asia Pacific Risk Management) over the period of this LTCCP.

- Capital works: the capital works programme has been prepared on the basis of the best information available to Council at the time of preparation. Should actual growth differ markedly from anticipated growth Council will need to revise its capital programme, via a special consultative procedure, to ensure that capital works are affordable and match the City's changed needs.
- Development contribution revenue: Because Council expects the subdivision and development of new property to dip in the short term the revenue forecast from Development Contributions payable by developers has been discounted by 40 percent in 2009–10 and by 25 percent in 2010–11. To offset this short term decrease, forecast revenue in the later years of this LTCCP has been increased.

Further information on these assumptions is available in the Significant Assumptions section of this LTCCP.

Asset renewal and replacement beyond 2018–19

Building, maintaining and managing the major infrastructural assets needed for Christchurch will place the Council under considerable financial pressure beyond the ten years of this LTCCP. Despite this financial pressure Council's long-term asset management planning shows that, with robust planning and careful consideration of the timing of asset maintenance, replacement, and construction, the necessary investment is affordable and Council's financial strategy over the period of this LTCCP will build towards the future infrastructural funding needs.

Asset management plans developed by Council to plan for the long term infrastructural needs of Christchurch show that over the rest of this century Council will be faced with some significant peaks of asset renewal and replacement. These peaks reflect the times when major components of the City's infrastructure which were built in the post-World War II years reach the end of their useful lives. For example: 2016 will see a peak in the Council's need to replace roadside kerb and channel; water main renewals will reach a peak in the decade between 2020 and 2029; and wastewater reticulation renewals will peak in the decade 2050 to 2059 and again in 2080 to 2089.

In many cases it will not be possible for Council to meet these asset renewal costs in the years they are anticipated because it will not have sufficient funds and because Christchurch contractors are unlikely to have enough capacity to carry out the work. To overcome these potential problems Council plans for and manages peaks in asset renewal and replacement by carrying out work in advance of need – replacing the assets before they are exhausted and smoothing the workload so that Council and contractors have the resources to carry out the work.

Financial analysis carried out in the preparation of this LTCCP shows that, for the remainder of this century, Council's renewal and replacement strategy will ensure the replacement of assets as or before they reach the end of their useful life. This will be achieved at current forecast expenditure levels for renewals and replacements and will not require significant increases in rates or borrowing.

Intergenerational equity

Council seeks to ensure that today's ratepayers pay only for the services and assets which currently provide a benefit to the City, and not for benefits that will be received by ratepayers in the future. This is known as intergenerational equity. Intergenerational equity is primarily achieved by funding the cost of renewing and replacing assets through revenue sources including rates. This means that the cost of replacing the assets which benefit existing ratepayers are being funded by those ratepayers.

Funding for assets that are new or relate to level of service improvements is provided either from capital subsidies, development contributions, or from debt which is repaid over 30 years (previously Council funded a portion of these new assets from rates). The repayment of this debt is funded through rates or corporate revenues. This means that rates in future years, received from ratepayers who are benefiting from those new assets, are servicing the debt on these new assets.

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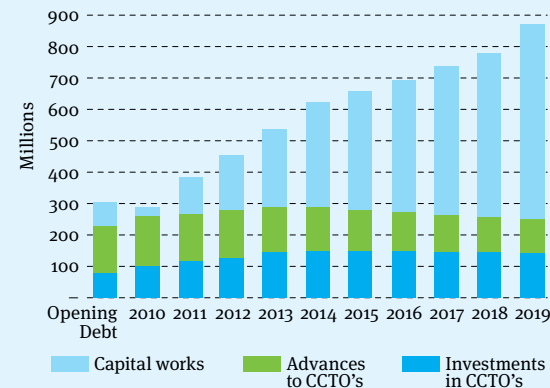
Financial policies**Long term implications of this financial strategy**

Christchurch City Council is committed to sustainable management of the City's finances and this LTCCP demonstrates this in two key ways:

1. for every year of the 2009–10 to 2018–19 LTCCP Council plans to earn sufficient operating revenue to meet that year's projected operating expenditure (see the Income Statement in Volume 1)
2. for every year of the 2009–10 to 2018–19 LTCCP Council plans to have a positive cash-flow (i.e. finish the year with more cash than it started with – see the Cash Flow Statement in Volume 1).

Over the next ten years it is not anticipated that Council's financial strategy will change from that outlined in this section. The Council will continue to fund its operations and capital programme in the same manner as detailed in this LTCCP document. This financial strategy differs from that outlined in previous LTCCPs in that, for the first time, the Council will borrow significantly to fund the purchase and construction of new assets. The cash reserves that the Council has previously enjoyed has enabled it to fund new assets from existing financial resources and rates. Looking forward this will no longer be the case. From 2009/10 the Council will need to begin a borrowing programme that will partially fund new assets. This borrowing will have a term of thirty years which will ensure that those residents benefiting from the use of new assets will pay for those assets through interest and principal repayments.

The implications of this borrowing strategy for Council's total debt over the next ten years is shown in the following graph:

Total Debt 2009–19

Despite this anticipated increase in debt over the next ten years the Council is continuing to ensure prudent and sustainable financial management of its operations. The implication of this is that Council will not borrow beyond its ability to service and repay that borrowing. This is shown by the Council's commitment to maintaining a credit rating of AA or better, and by it continuing to operate within the following self imposed credit limits which reflect the requirements of a AA+ rating:

Key Financial Ratios

net debt as a percentage of equity	<20%
net debt as a percentage of total revenue*	<100%
net interest as a percentage of total revenue*	<10%
net interest as a percentage of annual rates income (debt secured under debenture)	<15%
liquidity (term debt + committed loan facilities + liquid investments to current external debt)	>120%

*excludes non government capital contributions

At the end of this ten year LTCCP period Christchurch City Council expects to remain in a healthy financial position, although with higher levels of debt than it does now. It will have \$172 million in cash and financial assets (compared to \$105 million in 2009/10) and own companies worth over \$1.5 billion. It will hold over \$8 billion (\$5 billion) of other assets, and offsetting this it will have liabilities of under \$1 billion (\$480 million).

By 2018/19 the Council will spend around \$843 million (\$662 million in 2009/10) to deliver the activities and services it undertakes on behalf of the City and its residents, including around \$322 million (\$231 million) for new and replacement assets. This expenditure will be primarily funded by rates, with around \$399 million (\$256 million) to be collected from ratepayers. This represents an average annual increase in rates of 4 percent for individual ratepayers. Council will also collect around \$154 million (\$114 million) in fees and charges, and fund the balance of its expenditure through dividends, interest income, grants and subsidies, development contributions, and borrowing. Overall Council considers its financial strategy to be prudent. It ensures that Council resources are safeguarded, assets are maintained and renewed, debt remains at an affordable level, while ensuring that rates increases are kept at an affordable level throughout the period of this LTCCP and beyond.

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Funding impact statement

Table 1: Funding needs over the 2009/10 – 2018/19 LTCCP

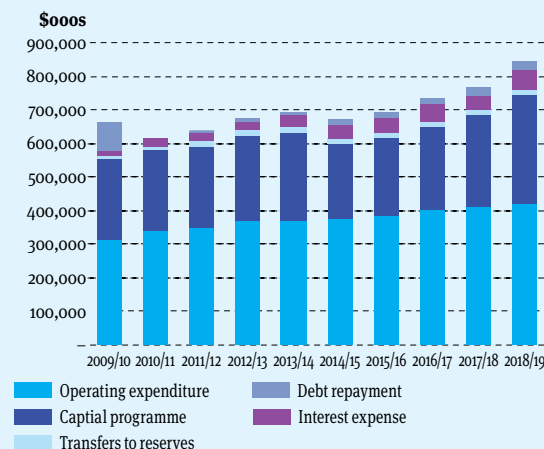
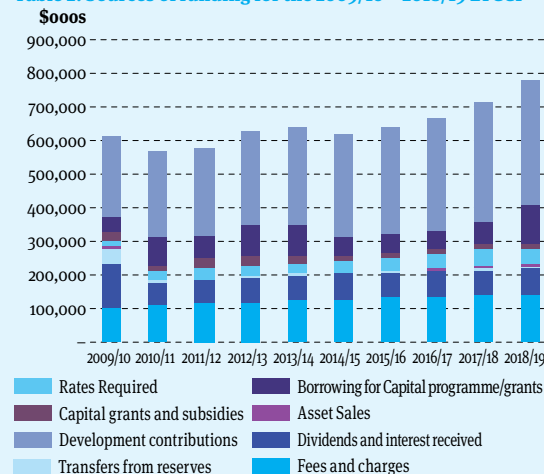


Table 2: Sources of funding for the 2009/10 – 2018/19 LTCCP



This Funding Impact Statement and the following Rating Policies are designed to enable ratepayers to see where Council funding comes from and to determine how their rates are calculated.

Sources of funding

Over the period of the 2009–19 LTCCP the Council’s expected funding needs are shown in table 1:

Over that same 2009–19 period, the Council will use the sources of funding shown in table 2:

Selecting sources of funding

The revenue and financing mechanisms selected were developed from an analysis of the Council activities and funding requirements under the Revenue and Financing Policy.

The particular revenue and financing mechanisms selected by Council, including the amount to be produced by each mechanism to meet budgeted costs (as outlined in the financial statements, are set out on the page opposite:

Plans published in this document. The Council receives a subsidy from the New Zealand Transport Agency to support its Streets activities. The subsidy has an operating and a capital component and varies from year to year depending on the capital programme. Because the effect of any grant or subsidy collected by the Council is to reduce the amount of funding Council needs to source from rates, Council seeks to maximise these funding sources.

Dividends and interest received

The Council receives dividends from the various Council Controlled Trading Organisations that it owns or has an ownership interest in. The Council also receives interest from its financial investments and loans to various Council controlled and community organisations.

The effect of any dividends or interest received by the Council is to reduce the amount of funding Council needs to source from rates.

Reserve funds

Council maintains a number of reserve funds. Many of these have resulted from bequests or gifts to the city, while others are the result of specific decisions by Council (such as the Capital Endowment Fund) or the exercise by Council of its statutory powers (such as for the collection of financial contributions under the Resource Management Act). These funds are invested by the Council in accordance with its Investment Policy, and funds are drawn from individual reserves for expenditure that meets the purpose of that reserve.

Borrowing

Council’s capital expenditure is financed under the policy outlined in the Revenue and Financing Policy. However, as a general principle Council borrows to provide the funding necessary to purchase or construct new long-term or infrastructural assets. In some instances Council will also borrow to fund expenditure that is classified as operating expenditure in Council’s financial statements, but which is provided to Council Controlled Organisations to fund capital expenditure. For example, funding provided to Canterbury Museum Trust Board for additions to the Museum buildings.

All borrowing is carried out in accordance with the Liability Management Policy set out in this LTCCP.

Detailed information about funding sources

Fees, charges and rates penalties

Fees and user charges are developed from the various pricing policies under the Activity Management Plans for each Group of Activities (as published in this document). The effect of any fee or charge levied by Council is to reduce the amount of funding the Council needs to source from rates.

Rates penalties are charged in accordance with Council’s Rating Policy (as set out below).

Development contributions

Development contributions are charged to property developers to recover the estimated cost of increasing the capacity of the city’s community facilities to meet the needs of growth. A detailed explanation of development contributions is provided in the Development Contributions Policy published in this LTCCP.

Grants and subsidies

The grants, subsidies, and other funds collected by the Council are set out in the various Activity Management

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	Plan 2009–10 \$000's	Plan 2010–11 \$000's	Plan 2011–12 \$000's	Forecast 2012–13 \$000's	Forecast 2013–14 \$000's	Forecast 2014–15 \$000's	Forecast 2015–16 \$000's	Forecast 2016–17 \$000's	Forecast 2017–18 \$000's	Forecast 2018–19 \$000's
Costs:										
Operating expenditure	319,882	341,290	353,220	364,003	370,247	374,618	385,399	398,316	407,495	421,350
Capital programme	230,808	235,598	235,425	258,083	262,049	222,036	228,744	252,594	269,964	322,268
Transfers to reserves	11,271	11,427	12,508	13,600	14,697	15,733	15,990	16,485	17,323	17,026
Interest expense	21,054	21,588	27,485	32,397	37,909	42,379	44,552	47,182	49,849	53,991
Debt repayment	78,653	1,626	5,577	7,781	9,065	14,667	18,190	20,224	25,645	27,641
Total expenditure	661,668	611,529	634,215	675,864	693,967	669,433	692,875	734,801	770,276	842,276
Funded by:										
Fees and Charges	114,451	122,324	126,648	131,100	134,975	139,272	141,959	146,407	150,303	154,274
Dividends and interest received	141,075	71,881	72,579	74,780	76,930	79,060	80,018	81,630	82,882	84,511
Transfers from reserves	47,551	5,150	5,165	5,065	5,064	5,064	4,750	5,100	7,285	9,985
Asset sales	4,289	1,128	5,774	1,206	1,243	1,282	1,322	1,362	6,428	930
Development contributions	18,672	25,854	31,978	33,948	37,186	39,150	41,937	50,780	52,008	54,707
Capital grants and subsidies	30,570	18,634	31,712	33,802	23,634	13,882	13,977	13,135	15,860	15,068
Total funding available	356,608	244,971	273,856	279,901	279,032	277,710	283,963	298,414	314,766	319,475
Balance required	305,060	366,558	360,359	395,963	414,935	391,723	408,912	436,387	455,510	522,801
Borrowing for capital programme/grants	48,994	97,536	76,898	97,491	100,228	60,732	61,076	72,707	74,972	123,922
Rates required	256,066	269,022	283,461	298,472	314,707	330,991	347,836	363,680	380,538	398,879
Rates collected										
General rate	168,610	177,471	189,558	202,850	216,705	231,848	248,142	261,875	276,956	292,825
Uniform annual general charge	19,656	20,650	21,695	22,793	23,946	25,158	26,431	27,768	29,173	30,649
Targeted rates										
Water supply										
Full charge	21,890	22,278	22,903	23,731	24,490	24,840	24,596	25,206	25,658	26,225
Half charge	212	223	234	246	258	271	285	299	314	330
Restricted supply	110	115	121	127	134	140	148	155	163	171
Excess water ¹	–	–	–	–	–	–	–	–	–	–
Fire service connection	88	93	97	102	107	113	119	125	131	138
Land drainage	17,430	17,858	18,141	18,388	18,617	18,673	18,778	18,899	18,993	19,189
Sewerage	37,438	40,874	42,966	44,246	46,164	47,519	48,776	50,497	52,295	54,642
Waste minimisation	22,602	23,048	23,138	23,258	23,585	23,763	24,001	24,315	24,422	24,571
Governors Bay water loan	16	16	16	16	16	16	16	16	16	16
Governors Bay sewer loan	24	24	24	24	24	24	24	24	24	24
	288,074	302,650	318,894	335,781	354,045	372,365	391,316	409,140	428,105	448,739
<i>including GST of</i>	<i>32,008</i>	<i>33,628</i>	<i>35,433</i>	<i>37,309</i>	<i>39,338</i>	<i>41,374</i>	<i>43,480</i>	<i>45,460</i>	<i>47,567</i>	<i>49,860</i>
Rates collected (GST excl.)	256,066	269,022	283,461	298,472	314,707	330,991	347,836	363,680	380,538	398,879

Note 1. Excess water, although a rate, is accounted for as a user charge in Council's budgeting. Revenue relating to excess water rates is shown as fees and charges in this table. Dogs and housing activities which are operated as self funding activities, are excluded from any calculation for rates funding.

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Rates are the residual funding source of both operational and capital expenditure (i.e. rates fund the balance of Council costs once all other funding sources are taken into account).

Christchurch City Council sets rates under Clause 10 of Schedule 10 of the Local Government Act 2002 and Section 23 of the Local Government (Rating) Act 2002.

The Council has set rates totalling \$256 million in accordance with this LTCCP for the 2009–10 financial year.

Valuation system used for rating

Where rates are set based on the rateable value of a property, Christchurch City Council uses capital value (the value of the land plus any improvements).

The Local Government Commission determined in 1989 that capital value was to be the rating basis for Christchurch. Since then Christchurch City Council, along with the majority of other territorial authorities, has continued to use capital value. Research shows the use of capital value helps to ensure rating equity because there is a strong correlation between capital value and household income and therefore ability to pay rates.

The value of each rating unit is set by independent valuers and based on values as at 1 August 2007. A rating unit is the property which is liable for rates and is generally a separate property with its own certificate of title. The next revaluation will occur on 1 August 2010 and will be used to assess 2011–12 rates.

Inspection of rates information

The capital values, the District Valuation Roll, and the Rate Information Database information, along with the estimated liability for 2009–10 rates for each rating unit are available for inspection on the Council's Internet site (www.ccc.govt.nz) under the heading 'Rates info' or by enquiry at any Council Service Centre.

Detailed information about rates

The following rates will be set for the rating year commencing 1 July 2009 and ending 30 June 2010. It is anticipated the same rate mechanisms will be applied over the length of the 2009–19 LTCCP.

Figures in this policy are GST inclusive.

General rates

General rates are set on capital values on a differential basis for rating units liable for General rates under the Local Government (Rating) Act 2002.

Purpose of general rate:

General rates [including the Uniform Annual General Charge, (UAGC)] provide for approximately 66% of the total rate requirement of the Council, being the net rate requirement after targeted rates are determined. General rates (and UAGCs) therefore fund all activities of the Council except those funded by targeted rates.

Differential rates

Differential rating is used for general rates only. Other targeted rates are set without differentials. The quantum of general rates required from each differential sector is based on the Revenue and Financing Policy and Funding Impact Statement calculations on an activity-by-activity basis, giving the Council-wide rate requirement.

The differential basis and the definition of differential categories used for assessing General rates are as follows:

Business

Any rating unit which is:

- (a) used for a commercial or industrial purpose (including travellers and special purpose accommodation, offices and administrative and associated functions, and commercially-owned and operated utility networks); or
- (b) land zoned Business, Central City, Commercial, Industrial or Rural-Industrial (or equivalent zoning) in the City Plan administered by the Council, situated anywhere in the city, except where the predominant use is residential.

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Any rating unit which is:

- (a) used for residential purposes (including home–ownership flats); or
- (b) land zoned Living, Residential (or equivalent zoning) or Rural–Residential, Small Settlement, Papakainga, Akaroa Hill Slopes, Residential Conservation or Boat Harbour in the City Plan administered by the Council, and is within the sewered area and used other than for a commercial or industrial purpose (including travellers and special purpose accommodation, offices and administrative and associated functions); or
- (c) a Council–operated utility network; or
- (d) land not otherwise classified as Business or Rural Non–Residential.

Rural (farming and forestry)

Any rating unit which is:

- (a) zoned residential or rural in the City Plan administered by the Council and situated outside of the sewered area, and where the rating unit is:
 - (i) used solely or principally for agricultural, horticultural, pastoral or forestry purposes or the keeping of bees or poultry; or
 - (ii) vacant land not otherwise used.

For the purposes of clarity it should be noted that the Rural (Farming and Forestry) classification does not include any rating unit which is:

- (i) used principally for industrial (including quarrying) or commercial purposes (as defined in Business above); or
- (ii) used principally for residential purposes (including home–ownership flats).

For the purposes of the differential sector definitions in this part of the LTCCP, the City Plan means the operative City Plan of the Christchurch City Council and any parts of the transitional or proposed district plans of any former local authority that are operative.

Calculation of differential rates

All liable rating units are assigned to a differential rate sector. The liability of the rating unit is the capital value times the decimal (multiplier) applicable for the differential sector applying to the rating unit.

When determining the net rate requirements for each activity, the Council has determined that all activities except for Streets activities should be funded from the General rate on a straight capital value basis. That means that, in general, the liability of a ratepayer for General rates to fund Council activities will be determined purely by the capital value of their property.

The exception to this is the Streets activity. Analysis by the Council shows that the majority of expenditure on maintaining the City's streets and roadways is incurred because of the movement of heavy vehicles. The movement of cars causes comparatively little damage. The Business sector is the primary cause of, and beneficiary of, heavy traffic movements. Therefore, 55 per cent of the cost of maintaining streets and roads is allocated to the Business sector. As a result the Business sector pays more General rates per dollar of capital value than Residential ratepayers.

When all rate types are taken together, including the differential split for Streets activities, in 2009–10 Business ratepayers will pay 142 per cent more rates per dollar of capital value than Residential and Other ratepayers. This compares to 143 per cent in 2008–09.

Council has also concluded that the Rural (Farming and Forestry) sector should be charged less General rates than the Residential sector because of the low level of demand for Council services, per dollar of capital value, generated by farming and forestry blocks. Therefore a property in the Rural (Farming and Forestry) sector will be charged 75% of the General rate (excluding UAGCs) that a property in the Residential sector is charged.

General Rates (in cents per dollar of capital value) for the 2009–10 year are:

Differential category	Rate decimal (cents / \$)	Differential factor	Revenue sought (\$'000)
Business	0.336450	1.63	49,652
Residential and Other	0.206160	1.00	114,388
Rural (Farming and Forestry)	0.154620	0.75	4,570

Uniform annual general charge

The Council has decided a portion of General rates is to be assessed as a uniform annual general charge (UAGC) per rating unit on each separately–used or inhabited part of a rating unit. This is not based on a calculation of part of any activity costs but is assessed to be a reasonable amount to charge.

Purpose of the UAGC:

The uniform charge modifies the impact of rating on a city–wide basis ensuring all rating units are charged a fixed amount to recognize the costs, associated with each property, which are uniformly consumed by the inhabitants of the community.

The Uniform Annual General Charge is assessed on each separate rating unit or, if relevant, on each separately used or inhabited part of a rating unit. It is set under section 15(1)(b) of the Local Government (Rating) Act 2002.

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Financial policies**Multiple Uniform Annual General Charges per rating unit**

The Council will charge multiple uniform charges against each separately-used or inhabited part of a rating unit provided such UAGC is not subject to a rate remission under the policy.

The basis of a unit of occupancy is that which can be separately let and permanently occupied. For the purposes of this charge, where the occupancy is an accessory to, or is ancillary to, another property or part thereof, no separately used part exists. For example:

- not separately used parts of a rating unit include:
 - a residential sleep-out or granny flat without independent kitchen facilities;
 - rooms in a hostel with a common kitchen;
 - a hotel room with or without kitchen facilities;
 - motel rooms with or without kitchen facilities;
 - individual storage garages/sheds/partitioned areas of a warehouse;
 - individual offices/premises of partners in a partnership.
- separately used parts of a rating unit include:
 - flats/apartments;
 - flats which share kitchen/bathroom facilities;
 - separately leased commercial areas even though they may share a reception.

Uniform Annual General Charge (UAGC) for common usage rating units

Section 20 of the Act precludes the Council from charging UAGCs where contiguous land is in common usage and in the same ownership. In addition, Council has resolved on a remission policy that will allow it to remit the additional UAGCs on contiguous land in common usage where the rating units are not in the same ownership name.

Also remission of the charge will be considered where Council has determined that a building consent will not be issued for the primary use of the land (under the City Plan).

Differential category	Uniform Annual General Charge (\$)	Revenue sought (\$'000)
Business	115	2,039
Residential and Other	115	17,270
Rural (Farming and Forestry)	115	347

Targeted rates

Targeted rates are set under sections 16(3)(b), 16(4)(a), 18(1), schedule 2 clause 5, and schedule 3 clause 8 of the Local Government (Rating) Act 2002.

There is no differential applying to these targeted rates.

Water supply targeted rate – full charge and half charge:

The purpose of this rate is to recover the net operating cost of water supply. It is assessed on every separately rated property to which water is supplied through the on-demand water reticulation system. The half charge is assessed on rating units which are serviceable, i.e. situated within 100 metres of any part of the on-demand water reticulation system, but which are not connected to that system.

Liability for the Water Supply Targeted Rate is calculated as a number of cents in the dollar of capital value.

Categories	Rates decimal (cents / \$)	Revenue sought (\$'000)
Connected	0.030668	21,890
Serviceable	0.015334	212

Restricted water supply targeted rate:

The purpose of this rate is to recover the net operating cost of water supplied through restricted water supply systems. A Restricted Water Supply Targeted Rate is assessed on every rating unit receiving the standard level of service as defined by the city Water and Waste unit manager. Where a rating unit receives multiple levels of service, they will be assessed multiple Restricted Water Supply Targeted Rates.

Liability for the Water Supply Targeted Rate is calculated as a uniform amount for each standard level of service received by a rating unit.

Categories	Rates (\$)	Revenue sought (\$'000)
Connected	130	110

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Financial policies**Land drainage targeted rate:**

The purpose of this rate is to recover the net operating cost of waterways and land drainage. It is assessed on every separately rated property which is within the serviced area. The serviced area is that of the current land drainage area extended to include all developed land within the city or where there is a land drainage service and also includes:

- the areas of Banks Peninsula zoned:
 - Akaroa Hill slopes
 - Boat Harbour
 - industrial
 - Lyttelton Port
 - Papakaiainga
 - recreation reserve
 - residential
 - residential conservation
 - small settlement
 - town centre
- those Land Drainage areas in Okains Bay and Purau that have been charged Land Drainage Targeted Rates

Liability for the Land Drainage Targeted Rate is calculated as a number of cents in the dollar of capital value.

Categories	Rates decimal (cents / \$)	Revenue sought (\$'000)
Within serviced area	0.024879	17,430

Sewerage targeted rate:

The purpose of this rate is to recover the net operating cost of wastewater collection, treatment and disposal. It is assessed on every separately rated property which is in the serviced area.

Liability for the Sewerage Targeted Rate is calculated as a number of cents in the dollar of capital value.

Categories	Rates decimal (cents / \$)	Revenue sought (\$'000)
Within serviced area	0.051147	37,438

Waste minimisation targeted rate:

The purpose of this rate is to recover the net operating cost of the collection and disposal of recycling and organic waste.

The Full Charge is assessed on every separately used or inhabited part of a rating unit, as defined by the UAGC definition, in the serviced area.

The charge will be made to non-rateable rating units where the service is provided.

The charge will not be made to rating units in the serviced area which do not receive the service as defined by the city Water and Waste unit manager. These may include:

- rating units (land) on which a Uniform Annual General Charge is not made,
- land which does not have improvements recorded,
- land with a storage shed only and the capital value is less than \$30,000,
- CBD properties (as defined by the CBD refuse map).

Where ratepayers elect and Council agrees, additional levels of service may be provided. Each additional level of service will be rated at the Full Charge.

For rating units outside the kerbside collection area, where a limited depot collection service is available, a uniform targeted rate of 75% of the full rate will be made.

Liability for the Waste Minimisation Targeted Rate full charge and part charge is calculated as a uniform amount for each rating unit receiving service.

Categories	Rates (\$)	Revenue sought (\$'000)
Full charge	141.19	22,426
Part charge	105.90	176

Water supply fire connection rate

The purpose of the Water Supply Fire Connection Rate is to recover costs of water supply fire connection on a per-connection basis. It is assessed on a uniform basis to the rating units serviced.

Categories	Rates (\$)	Revenue sought (\$'000)
Connected	100	88

Excess water supply targeted rate

The purpose of the Excess Water Supply Targeted Rate is to recover water-supply costs beyond those included in the water-supply rates. It is assessed as the water meters are read on every separately rated liable property as defined by the bylaw (see below) which has a metered water supply, and invoiced after each reading.

This targeted rate is set under section 19(2) (b) of the Local Government (Rating) Act 2002, in addition to sections 16(3) (b), 18(1), schedule 2 clause 5, and schedule 3 clause 8 of the Local Government (Rating) Act 2002.

Categories	Rates (\$ per m3 of excess water supplied)	Revenue sought (\$'000)
Liable	0.55	2,874

Rating units having an ordinary supply, i.e. non-commercial consumers being principally residential single units on a rating unit, will not be charged an excess water supply targeted rate. Consumers having an extraordinary supply, are the liable rating units for this rate. For the purposes of this policy extraordinary supply is defined as water that is not ordinary supply as defined in the Water Related Services Bylaw 2008 and includes water supplied to:

- (a) land under single ownership on a single certificate of title and used for three or more household residential units
- (b) boarding houses
- (c) motels
- (d) rest homes
- (e) fire protection systems

Each liable rating unit has a water allowance. Water used in excess of this allowance will be charged at the rate of 55 cents per cubic meter.

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The water allowance is determined by dividing the Water Supply Targeted Rate assessed on the rating unit by an allowance factor. The allowance factor unit rate will be determined by Council resolution from time to time and is now 55 cents. The water allowance is 1 cubic meter for each complete 55 cents (the factor) of the targeted water rate assessed. It is determined following the annual rates assessment and is expressed as a daily allowance, that is the total water allowance for the rating unit divided by 365 with a minimum of .6986 cubic meters per day. The daily allowance shall continue until the next rates assessment is issued for the rating unit.

The annual rates assessment identifies those ratepayers who are potentially liable for excess water charges. It does not include the calculated liability as the water reading does not coincide with the assessment. Water meters are read progressively throughout the year. Following each reading, a water-excess charge invoice is issued for those rating units which are liable. The invoice will refer to the assessment and will bill for the consumption for the period of the reading. The latest water allowance will be used, calculated on a daily basis.

Where two or more rating units share a water meter and have, in the opinion of the Council, a common usage, the readings and allowances may be aggregated, not withstanding the charge is payable by the ratepayer of the rating unit to which the meter is attached.

Uniform Targeted Rates for loan servicing costs for the Governors Bay water and sewerage schemes

The Uniform Targeted rates for loan servicing costs for the Governors Bay water and sewerage schemes is a continuation of the original agreements between liable ratepayers and the Banks Peninsula District Council to fund the capital costs of those schemes. These uniform charge rates are charged only to rating units where the ratepayer elected to pay the capital contribution over time rather than as a lump sum.

These rates will end on 30 June 2016.

Categories	Rates (\$)	Revenue sought (\$'000)
Liable rating units: sewerage loan	176	24
Liable rating units: water supply loan	111	16

Indicative rates

The following table shows the impact of Christchurch City Council rates for 2009–10¹:

Rates Payable	2008/09 Actual Rates GST Inc \$	2009/10 LTCCP Rates GST Inc \$	% change
Capital Values			
Residential			
200,000	817	882	8%
300,000	1,126	1,195	6%
322,000 Median Capital Value	1,195	1,264	6%
383,000 Average Capital Value	1,384	1,454	5%
400,000	1,436	1,508	5%
500,000	1,746	1,820	4%
600,000	2,056	2,133	4%
700,000	2,366	2,446	3%
800,000	2,675	2,759	3%
900,000	2,985	3,072	3%
1,000,000	3,295	3,385	3%
Business			
200,000	1,080	1,142	6%
300,000	1,522	1,586	4%
400,000	1,963	2,029	3%
500,000	2,405	2,472	3%
600,000	2,847	2,915	2%
700,000	3,288	3,358	2%
800,000	3,730	3,801	2%
900,000	4,171	4,244	2%
1,000,000	4,613	4,688	2%
Rural (not water, sewerage, or drainage rates, but includes waste minimisation rates)			
200,000	504	530	5%
300,000	667	685	3%
400,000	831	839	1%
500,000	994	994	0%
600,000	1,158	1,149	-1%
700,000	1,321	1,303	-1%
800,000	1,485	1,458	-2%
900,000	1,648	1,612	-2%
1,000,000	1,811	1,767	-2%

¹As noted above the Waste Minimisation Targeted Rate increased from the part year charge of \$82.00 for 2008/09 to \$141.19 for the full years service in 2009/10. Because this increase is the same amount for all serviced properties it reduces the proportion of total rates collected based on capital value. The effect is that as the capital value of ratepayers property increases the percentage total rates increase is less. This largely explains why residential ratepayers actual increase in rates may be different to the overall rates increase of 3.90 percent.

Summary of Changes to the Rating System

Rates set for the 2009–10 rating year differ from 2008–09 in the following ways:

- The Restricted Water Supply Targeted Rate has been introduced. Christchurch City has two groups of rating units receiving their water supply though the restricted supply water reticulation system: those in the territory of the former Banks Peninsula District Council; and those within the former boundaries of Christchurch City. In 2008–09 those rating units in the former Banks Peninsula receiving restricted water supply were levied the Water Supply Targeted Rate (at the same cents per dollar of capital value as assessed on ratepayers receiving the on-demand water service). Those rating units within the former Christchurch City territorial boundaries were charged a restricted water supply fee of \$110. The Restricted Water Supply Targeted Rate replaces these two former cost recovery methods.
- The Waste Minimisation Targeted Rate was introduced in 2008–09 to fund the introduction of the new recycling and organic waste collection and disposal activities. As such it was a part charge to cover the first five months operation of the service. The 2009–10 rate will fund a full year of that service.
- The 2008–09 Rural category for assessing differential rates has been renamed Rural (Farming and Forestry). It has not changed in any other respect.

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Payment of Rates

Rate instalment due dates

Rates are invoiced to ratepayers in four instalments each rating year. The due dates for payment of those instalments in 2009–10 are:

Area One: includes generally the Central City and the suburbs of St Albans, Merivale, Mairehau, Papanui, Riccarton, Addington, Spreydon, Sydenham, Beckenham, Opawa and Banks Peninsula.

- Instalment one – 15 August 2009
- Instalment two – 15 November 2009
- Instalment three – 15 February 2010
- Instalment four – 15 May 2010

Area Two: includes generally the suburbs of Shirley, New Brighton, Linwood, Woolston, Mt Pleasant, Sumner, Cashmere and Heathcote.

- Instalment one – 15 September 2009
- Instalment two – 15 December 2009
- Instalment three – 15 March 2010
- Instalment four – 15 June 2010

Area Three: includes generally the suburbs of Belfast, Parklands, Harewood, Avonhead, Bishopdale, Ilam, Fendalton, Hornby, Templeton and Halswell.

- Instalment one – 31 August 2009
- Instalment two – 30 November 2009
- Instalment three – 28 February 2010
- Instalment four – 31 May 2010

Where a due date falls on a day that is not a working day the next working day convention applies.

The due date for excess water supply rates will be the 20th of the month following the invoice date. The due date for any amended rates invoice issued outside of the normal dates shall be specified on that rate invoice as determined by the Council.

The imposition of the current penalty occurs two business days after the due dates above.

During the three year currency of this LTCCP, the Council intends to replace the three rating areas, and their staggered due dates, with a single rating area and a single due date for all ratepayers regardless of their geographic location. Before taking this step, the Council will continue to encourage ratepayers to take up direct debit and online credit card payment options. This will reduce the volume of ratepayers seeking to pay rates in person so that the introduction of a single rating area will not result in an unacceptable deterioration of Council's levels of customer service.

Payment

Council will accept the following methods of payment:

- Payments by cash will be accepted at any Council service centre office.
- Rates are payable during normal business hours by cash, EFT/POS, or cheque made out to the Council.
- Cheques may be posted to the Council prior to the due date as evidenced by the postmark.
- Payment by credit card will be accepted via an on-line payment through the BNZ (accessible through the Council's website www.ratesinfo.ccc.govt.nz).
- Payments by direct debit or automatic payment will be facilitated and encouraged.

The Council may modify these acceptable methods of payment in the future after giving appropriate notice. For the 2009–10 rating year Council currently has an agreement with Environment Canterbury to collect regional council rates on their behalf. It is anticipated that this agreement will continue throughout the life of this LTCCP. Christchurch City Council has no role in setting these rates and merely acts as Environment Canterbury's agent by invoicing ratepayers on their behalf, collecting their rates, and forwarding the money collected to Environment Canterbury.

When rates payments are received they will be allocated pro rata to the oldest rates due to Environment Canterbury and Christchurch City Council.

Rate penalties

Penalties are imposed for the late payment of rates to provide incentives for payments by the due date.

Current penalties

A penalty of 10% on so much of any instalment that has been invoiced after 1 July 2009 and which is unpaid after the due date plus two working days.

First arrears penalty

A further penalty of 10 per cent on so much of any rates (including penalties) assessed in any previous financial year and which are unpaid as at 1 October 2009; and

Second arrears penalty

This is a further penalty of 10 per cent on any rates to which the first arrears penalty has been added and which remain unpaid as at 1 April 2010.

Dates for penalties will be adjusted annually thereafter.

Penalties will not be imposed on rates postponed or on current year's rates where payment is being made by monthly direct debit, on any excess water supply targeted rate, or where the Council believes a remission will be granted.

Once imposed, penalties become rates and may be subject to rates remissions.

Where the penalty imposition date falls on a day that is not a working day, the next working day convention applies.

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Revenue and Financing Policy

Introduction

The Local Government Act 2002 requires the Council to adopt a Revenue and Financing Policy that sets out how operating and capital expenditure will be funded. It is an important policy because it sets out who pays for Council services, and how those services will be paid for.

In setting this Revenue and Financing Policy, the Council's aim is to fund activities from the most appropriate source, according to who benefits from the service, and to promote sustainable financial management.

The financial tables that form part of this policy show how the Council will ensure that the LTCCP 2009–2019 is financially sustainable (i.e. that operating revenue is sufficient to meet projected operating expenses, and that funding is sufficient to meet planned capital expenditure).

This policy covers two areas: financing capital expenditure and financing operating expenses.

Financing capital expenditure

The Council's capital expenditure covers:

- the purchase of assets, and
- new investments in Council controlled organisations (CCOs) and Council controlled trading organisations (CCTOs).

In developing its capital programme the Council has considered, on both an individual asset basis and an activity basis, the following issues:

1. the community outcomes to which the capital expenditure will contribute
2. who creates the need for that capital expenditure
3. who benefits from the asset, and
4. the period over which the benefit will occur

Following these considerations Council has considered a variety of funding options and sought that which best addresses the issues while minimising funding costs

On that basis Council will fund the capital expenditure programme in the following way:

- where revenues are available to fund a specific capital expenditure project, such as New Zealand Transport Agency subsidies, these revenues will be the first source of funding for that project.
- where capital expenditure provides a direct benefit to the growth community Council will collect development contributions in accordance with the Development Contributions Policy which will be used towards funding that expenditure.
- where reserve or special funds are available to fund a specific capital expenditure project, such as development contributions, financial contributions, or bequests, these reserves will be the second source of funding for that project.
- any funds received from the sale of assets will go to the remaining unfunded portion of the capital programme as a whole.
- Funding sources for the balance of the capital programme as a whole will be as follows:

Capital expenditure type	Funding source
strategic property investments	Interest-only borrowing
equity investments in CCTOs	Interest-only borrowing
investment property	borrowing
new short-life assets	borrowing
other assets	borrowing
housing assets	housing revenue (this includes borrowing which is 'ring-fenced' from other Council debt and serviced through housing revenue)
renewal and replacement assets	rates

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Financial policies

The following definitions are used in this policy:

A **strategic property investment** is real estate which is purchased in advance of its requirement and held by the Council until required to support the Council's strategic objectives or Community Outcomes (e.g. a drainage basin purchased to support anticipated future development).

Short-life assets are items of property, plant and equipment with an expected life of 10 years or less, and all non-financial intangible assets.

Council has determined that any borrowing to fund the capital programme will be done on a programme wide basis rather than activity by activity. The reasons for this decision are that:

- the capital expenditure programme is developed on a city-wide priority basis
- the majority of capital expenditure is on assets which form part of a citywide network
- city-wide funding of the capital programme reduces overall cost, whereas linking sources of funds to individual projects fragments funding sources, which increases costs and reduces operational flexibility and transparency.

Overall Council considers that this funding method allocates liability for funding needs in a manner which minimises the impact on the community while maximising the wellbeing of the current and future communities.

In particular:

- the funding methodology adopted ensures that the infrastructure necessary to support the economic, social, cultural and environmental wellbeing of current and future communities is available and affordable.
- the funding of renewal and replacement assets through rates, and most new assets through development contributions and borrowing, ensures a balance between the economic wellbeing of current and future ratepayers (intergenerational equity).

When borrowing is undertaken to fund new intergenerational assets, the debt will be repaid within 30 years to ensure both intergenerational equity and the best possible debt terms for the Council.

Throughout the period of the LTCCP 2009–2019, the Council will continue to collect rates to cover the cost of asset depreciation. The money collected, combined with other funding sources such as NZ Transport Agency subsidies, will fund the replacement and renewal of Council's existing assets. In any year when the cost of asset renewal and replacement is less than the depreciation charged on existing assets, the Council will limit the amount collected through rates to the total cost of asset renewal and replacement.

Rating for the renewal and replacement of existing assets:

- provides a direct link between planned expenditure (based on condition of assets) and the rates levied, rather than a theoretical link to the non-cash expense of depreciation
- eliminates potential volatility in annual rates caused by fluctuations in asset valuations

Financing operational expenditure

The Council services are divided into 42 activities, further organised into 12 groups of activities. (See the Activities and Services section in this LTCCP). These services are funded by operating expenditure.

The full description of each Activity, its service description and objectives is contained within the Council Activities and Services section of this document. That section also outlines the costs of the activities and the revenue sources associated with them.

The table at the end of this policy is a summary of the analysis undertaken by Council when determining the most appropriate sources of funding for each activity.

In determining sources of funding the Council has considered the following:

- Community Outcomes to which the activity contributes
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- the period in which those benefits are expected to occur
- the extent to which actions or inaction by the community contribute to the need to undertake the activity
- the costs and benefits, including consequences for

transparency and accountability, of funding the activity

- the overall impact of allocating liability for revenue on the social, economic, environmental and cultural well-being of the community.

As noted above, the Council will not necessarily rate to cover 100 per cent of depreciation expenditure. In the past, the Council rated to cover the full cost of depreciation, and applied these funds to the capital expenditure programme. Other funding sources for the capital expenditure programme were, and continue to be, capital revenues such as the NZ Transport Agency Subsidies and debt funding. Under this Revenue and Financing Policy, the Council will rate to cover the cost of asset depreciation, but only up to a limit determined as the cost of asset renewals and replacements, as set out in the capital expenditure programme.

Targeted rates set to provide funding for specific Council activities, will continue to be set based on the net operating cost (including depreciation) of those activities. Any difference between Council-wide depreciation, and asset renewal and replacement cost, will be included in the general rate, rather than in any activity-specific targeted rate. This will ensure that fluctuations in activity-specific capital expenditure, as assets are renewed or replaced, do not cause major fluctuations in targeted rates.

One possible consequence of this policy is that in future, the Council might plan for and record an accounting deficit (a loss). This would result if the cost of the Council's renewal and replacement of assets was less than the depreciation being charged on assets. Although the Council might record an accounting deficit in this situation, it would still be ensuring that the actual cash cost of its operations, plus the cost of its asset renewal and replacement programme, was being met through rates and other revenue sources. That is, the Council would still have a balanced budget.

Capital Endowment Fund

In April 2001, the Council set up a Capital Endowment Fund of \$75 million, using a share of the proceeds from the sale of Orion's investment in a gas company. It is intended that this fund will be maintained by the Council in perpetuity. Part of

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Financial policies

the original fund will comprise a fluctuation reserve of \$3.5 million to help offset the effect of fluctuations in earnings from investments, and to enable budgeted commitments for earning distributions to be met. The balance of the income will be available to the Council to provide for civic, community and economic development projects. In determining how Council activities should be funded, income generated by the Fund will be treated in the same way as external grant or subsidy funding.

The Capital Endowment Fund is managed in accordance with the Council's Investment Policy.

Determining how activities should be funded

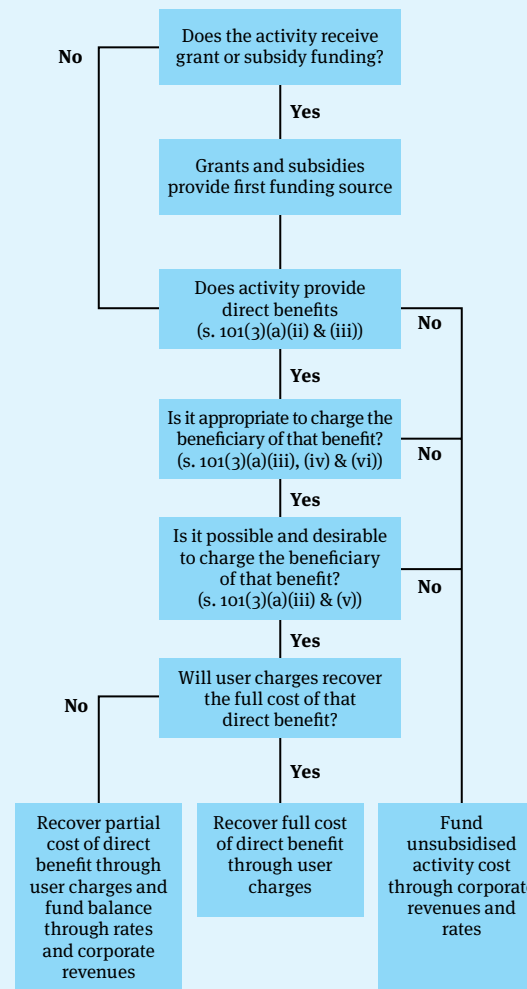
The activities and services undertaken by the Council are analysed as being either for public good or private good. Public good provides general benefits to the community as a whole, while private good yields direct benefits to specific individuals and community groups. The majority of services provided by the Council have some public good characteristics and lie on a continuum between the two. For example, parks activities provide direct benefits to the individual users, and general benefits to the community, who have public parks and open spaces in their neighbourhood.

The distinction between general and direct benefits is largely based on the nature of the service, who they are produced for, the customers of the service, and why the Council provides them. The benefits for each activity and its contribution to Community Outcomes have been identified by Council, and these are recorded in the table at the end of this policy.

The activities of the Council have been reviewed and the following general conclusions reached:

- Interest costs are part of corporate operating expenditure and will be funded from operating revenue.
- The initial source of funding for any activity will be any grants or subsidies available for that activity.
- The general benefit of an activity will be recovered by rates based on capital values.
- Direct benefits may be recovered by fees and charges.
- In many activities, there is no practical charging mechanism and therefore charging for direct benefits is not possible.
- Where there is a shortfall between fees and charges and the direct benefits they fund, rates are the best source of funding for the shortfall.
- The rate-funded shortfall of direct benefits accrues to rating units.
- Corporate revenues, made up of interest on funds, dividends and petroleum tax are raised to the maximum possible amount and are assumed to accrue to ratepayers who pay General rates on the basis of straight capital value. They do not offset activity costs, but reduce the total rates.
- In some instances operational expenditure which is provided by the Council to trusts and community organisations to fund capital assets may be funded by the Council through borrowing (for example, funding provided to the Canterbury Museum Trust Board for additions to the museum buildings).

On the basis of these general conclusions, the Council determines the appropriate sources of funding for individual activities by undertaking the following analysis:



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The result of this analysis for each activity is shown in the table at the end of this policy.

Determining the level of rates to be set

In essence the amount of funding collected through rates is the difference between the total cost of Council activities and the revenue collected by the Council from other 'non-rate' sources. The amount of rates collected from ratepayers is therefore determined by the revenue and expenditure planned for each of the activities.

Determining which rating tools to use**Capital value as the primary basis for rates**

Council funds general benefits by rates, generally on a straight capital value basis, as the benefit applies to the community as a whole. The community is represented by the capital values of rating units and therefore capital values are the rating base, because:

- Capital value reflects the relative value of utilisation of services.
- The Local Authority Rates Inquiry in 2007 showed that in general, capital value reflects relative ability to pay rates.
- Conceptually, the ownership of property reflects an acceptance of the holding costs of a property, including rates.
- Rates are a property-based tax, and sound taxation principles should be applied such as transparency, neutrality and fairness of allocation.
- There is an underlying assumption that all Council services add to the quality of life in the city and are therefore of value to all sectors of the community.

The portion of any activity cost that is not funded by any other source is also funded by rates, through the General rate, on a straight capital value basis.

The basis of the exception to straight capital value rating
The exceptions that have been identified by the Council are:

- Streets and Transport: analysis by the Council shows that the majority of expenditure on maintaining streets and roadways is due to the movement of heavy vehicles. Cars cause comparatively little damage. The business sector is the primary cause of, and beneficiary of, heavy traffic movements. Therefore, 55 per cent of the cost of maintaining streets and roads is allocated to the business sector. As a result the business sector pays more General rates per dollar of capital value than residential ratepayers.
- land classed as Rural (Farming and Forestry) for differential rating purposes: the Council has concluded that the Rural (Farming and Forestry) sector should be charged less general rates than Residential ratepayers because of the low level of demand for Council services, per dollar of capital value. A property in the Rural (Farming and Forestry) sector will be charged 75% of the General rate (excluding Uniform Annual General Charges) that a residential property is charged.
- Uniform Annual General Charges: this uniform charge modifies the impact of rating on a city-wide basis, ensuring that all rating units are charged a fixed amount to recognize the costs associated with each property, which are uniformly consumed by inhabitants of the community.

- targeted rates which are set to recover the net operating cost of specific Council activities, and which benefit a specific group of ratepayers:
 - charges by capital values, but to serviced properties for water, sewerage, and land drainage;
 - uniform rates assessed on serviced properties for waste minimisation, fire service connection, and restricted water supply;
 - targeted rates for the Governors Bay water and sewerage schemes; and
 - excess water charges to recover water supply costs from commercial water users beyond those included in water supply rates.

Detailed information regarding the rating tools selected is provided in the Funding Impact Statement and Rating Policy within this LTCCP. The rating tools selected for each activity are detailed in the tables below.

Funding Impact Statement and the rating policies

The financial results of this policy are expressed in the tables contained in the Funding Impact Statement.

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Revenue and Financing Policy – Summary Table

Funding of operating expenses for 2009–10 (\$'000)

Activity	Total cost of activity	Direct benefit	Activity revenue and subsidies	Shortfall in activity revenue	Direct benefit funded by other sources	General benefit	Rates and corporate revenues funding required
City development	17,903	2,059	1,682	376	18%	15,844	16,221
Community support	41,155	20,718	18,459	2,259	11%	20,437	22,696
Cultural and learning services	44,027	19,387	3,585	15,802	82%	24,640	40,442
Democracy and governance	9,458	0	0	0	0%	9,458	9,458
Economic development	9,221	5,516	82	5,435	99%	3,705	9,139
Parks, open spaces and waterways	50,557	20,461	2,478	17,983	88%	30,096	48,079
Recreation and leisure	33,527	22,320	15,015	7,305	33%	11,207	18,512
Refuse minimisation and disposal	38,455	30,764	8,120	22,644	74%	7,691	30,335
Regulatory services	26,190	21,158	22,602	-1,444	-7%	5,032	3,588
Streets and transport	101,184	56,874	26,132	30,743	54%	44,310	75,052
Wastewater collection and disposal	37,133	29,706	3,855	25,851	87%	7,427	33,278
Water supply	22,696	17,849	2,874	14,975	84%	4,847	19,822
	431,506	246,813	104,884	141,929		184,693	326,622
Net Corporate Revenues							70,556
Rates Funding Requirement							256,066
Rates Funding Sources					Share of capital value	Share of rates	Rates funding required
			Residential and Other		73.4%	73.6%	188,396
			Business		19.5%	23.7%	60,685
			Rural (Farming and Forestry)		3.9%	2.0%	5,243
			Non-Rateable		3.2%	0.7%	1,742
							256,066

Note: activity revenues and subsidies excludes capital revenues used to fund capital expenditure.

Financial policies

Application of the Council's Revenue and Financing Policy to Council activities.

The following information summarises Council's consideration of section 101(3) matters. All dollar figures show 2009/10 budgets and are expressed in thousands (\$000s).

City development: City and community long-term policy and planning

Gross Operating Cost:	\$9,932
Capital Expenditure:	\$238

This activity contributes to the following Community Outcomes: A safe city; A city of inclusive and diverse communities; A city of people who value and protect the natural environment; A well-governed city; A prosperous city; A healthy city; A city for recreation, fun and creativity; A city of lifelong learning; and An attractive and well-designed city.

Who benefits

Direct: 1%	General: 99%
The Council considers that 1 per cent of benefit is provided direct to the Council's strategic partners including government agencies, its Urban Development Strategy partners, the Canterbury District Health Board, and Te Runanga o Ngai Tahu.	A further 99 per cent of the benefit of this activity is of general benefit to the city and its community.

Period of benefit

Effective long-term policy and planning will benefit the city and its communities for decades.

Who creates a need for this activity

The simple existence of Christchurch City in its current size and shape creates the need for this activity.

Consideration of separate funding sources

There is no benefit to Christchurch ratepayers or the wider community in establishing a separate funding mechanism for the general benefit component of this activity.

Recovering the cost of the Central City Tram, which is included in this activity through user charges, provides accountability and transparency to ratepayers.

Rationale for the Council's decision about funding sources

Given the benefit to the community as a whole, it is appropriate to fund most of this activity through General Rates.

As the Central City Tram directly benefits patrons, it is appropriate to recover costs through user charges.

Funding sources	Operating cost
User charges	0–10%
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100%

Christchurch City Council

Financial policies**City development: District Plan**

Gross Operating Cost:	\$2,455
Capital Expenditure:	nil

The Christchurch City District Plan, of which the Banks Peninsula District Plan is now a part, sets out how the Council intends to manage land use and development. This is to ensure the sustainable management of the city's natural and physical resources and to promote the social, cultural and economic wellbeing of the community.

The District Plan contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A prosperous city; A well-designed and attractive city.

Who benefits

Direct: 3%	General: 97%
Persons seeking private plan changes receive a direct benefit that makes up 3 per cent of this activity.	Current and future residents of Christchurch, businesses, property owners and network utility operators receive a general benefit from this activity.

Period of benefit

Effective long-term city planning will benefit the city and its communities for decades.

Who creates a need for this activity

The simple existence of Christchurch City in its current size and shape creates the need for this activity.

Consideration of separate funding sources

Recovering costs associated with direct benefits via charges for private plan changes will provide accountability and transparency to ratepayers.

There is no benefit to Christchurch ratepayers or the wider community in establishing a separate funding mechanism for the general benefit aspect of this activity.

Rationale for the Council's decision about funding sources

Given the benefit to the community as a whole, it is appropriate to fund the majority of this activity through General Rates.

The direct benefit received by applicants for private plan changes makes it appropriate to recover all costs through fees.

Funding sources	
	Operating cost
User charges	0–10%
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100%

Christchurch City Council

Financial policies

City development: Heritage protection

Gross Operating Cost:	\$4,569
Capital Expenditure:	\$844

This activity protects heritage items and values which contribute to a unique city and community identity and provide links to the past. Promoting the city’s heritage as a valuable educational resource also contributes to the tourism industry and provides an economic benefit to the city.

Heritage protection contributes to the following Community Outcome: A well–designed and attractive city.

Who benefits

Direct: 40%	General: 60%
A direct benefit is provided to owners of listed heritage property; developers; Maori/Tangata Whenua; heritage interest groups (such as the Christchurch and Akaroa Civic Trusts, Christchurch Heritage Trust); City Trusts (for example the Arts Centre); the Christchurch City Council (for heritage assets it owns); the tenants of heritage buildings; the recipients of grants and covenants; and those attending Heritage Week.	The community as a whole receives a general benefit from an attractive and well designed city, and local communities receive a general benefit from heritage activities within their immediate area.

Period of benefit

Protection, maintenance and promotion of the city’s heritage items will benefit the city and its communities for decades.

Who creates a need for this activity

The desire of residents, property owners, businesses and visitors for an attractive city that values its heritage creates the need for this activity.

Consideration of separate funding sources

The funding sources considered include external grants, fees and charges, rental charges and rates funding.

The nature of this activity is such that it is not possible to charge the recipients of many of the direct benefits. For example, it is not realistic to charge the recipients of a heritage grant for that grant.

Rationale for the Council’s decision about funding sources

Given the benefit to the community as a whole it is appropriate to fund the majority of this activity through General Rates.

Funding is received from Creative NZ for the Arts Centre, and rental income from Council–owned heritage buildings partially funds heritage activity.

Funding sources	Operating cost
User charges	10–20%
Other revenue	
Targeted rate	
General rate and corporate revenues	80–90%

Christchurch City Council

Financial policies**City development: Energy conservation**

Gross Operating Cost:	\$947
Capital Expenditure:	nil

The Council works with the community and businesses to reduce their energy consumption and to increase the use of renewable energy.

Energy conservation contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A prosperous city; A healthy city.

Who benefits

Direct: 0%	General: 100%
	Households, businesses, schools, and the community as a whole benefit indirectly from this activity.

Period of benefit

Energy conservation and improved energy efficiency will benefit the city and its communities for decades.

Who creates a need for this activity

The acts and omissions of residents, property owners, businesses, and visitors create the need for this activity.

Consideration of separate funding sources

With no direct benefits provided by this activity it is not possible to fund it from fees and charges. Other funding sources considered were rates, grants and subsidies, and revenue from the (now defunct) Emissions Trading Scheme.

Rationale for the Council's decision about funding sources

Funding is generated through the sale of emissions credits. Activity costs not funded through the sale of emissions credits are funded through general rates because of the general benefit of this activity.

Funding sources	
	Operating cost
User charges	70–80%
Other revenue	
Targeted rate	
General rate and corporate revenues	20–30%

Christchurch City Council

Financial policies

Community support: Community facilities

Gross Operating Cost:	\$2,184
Capital Expenditure:	\$1,769

The Council ensures that communities have access to a range of facilities (halls, community centres, and early learning centres) that enable social, educational, cultural and recreational activities.

Community facilities contribute to the following Community Outcomes: A city for recreation, fun and creativity; A city of inclusive and diverse communities.

Who benefits

Direct: 50%	General: 50%
Casual or regular user groups (community, recreation, art and culture, childcare, social, education), local residents, local businesses. Exclusive-use groups: tenants, lessees.	The community receives a general benefit as community capacity and connectedness is built.

Period of benefit

The direct benefit of this activity is provided at the time groups use community facilities. The benefits resulting from greater community capacity and connectedness are anticipated to last for more than a year.

Who creates a need for this activity

The groups who use community facilities create the need for such facilities.

Consideration of separate funding sources

Funding sources considered included fees and charges, rental charges, and rates funding.

Rationale for the Council's decision about funding sources

Because of the high level of general benefit from this activity, and the Council's support for organisations and groups that provide a community service or benefit, rates are the appropriate first source of funding.

Funding sources	
	Operating cost
User charges	20–30 %
Other revenue	
Targeted rate	
General rate and corporate revenues	70–80 %

Christchurch City Council

Financial policies**Community support: Early learning centres**

Gross Operating Cost:	\$2,108
Capital Expenditure:	nil

The Council provides and operates early-learning centres where children under the age of five are safe, well cared for, and nurtured.

Early learning centres contribute to the following Community Outcomes: A city of inclusive and diverse communities; A safe city; A city of lifelong learning.

Who benefits

Direct: 80%	General: 20%
Parents and guardians of children attending early learning centres, and the children themselves.	The community receives a general benefit from the development of resilient, resourceful and safe communities.

Period of benefit

The Period of benefit for the direct benefit portion of this activity essentially immediate, with benefit received when a child attends a centre. The wider community benefit can be expected to last over the long-term.

Who creates a need for this activity

Parents and guardians of children attending early learning centres.

Consideration of separate funding sources

Funding sources considered include external grants, fees and charges, and rates funding.

Rationale for the Council's decision about funding sources

Government funding for early childhood education is the primary source of funding for this activity. Because of the nature of the activity allows collection of fees from direct beneficiaries, and because of the high level of direct benefit, the majority of the remaining costs will be funded through user charges.

Funding sources	Operating cost
User charges	30–40%
Other revenue	60–70%
Targeted rate	
General rate and corporate revenues	0–10%

Christchurch City Council

Financial policies

Community support: Community grants

Gross Operating Cost:	\$11,373
Capital Expenditure:	nil

The Council operates four schemes to assist community and voluntary groups that work for the benefit of the wider Christchurch community.

Community grants contribute to the following Community Outcomes: A city of inclusive and diverse communities; A safe city; A city for recreation, fun and creativity; A city of lifelong learning; A city of people who value and protect the natural environment.

Who benefits

Direct: 0%	General: 100%
	The community receives a general benefit from the development of strong communities.

Period of benefit

An immediate benefit is provided when a grant is made, and the City and its residents are expected to benefit from a strong and vibrant community for a number of years.

Who creates a need for this activity

The existence of Christchurch City and its residents', and the residents' desire for strong and vibrant communities, creates the need for this activity.

Consideration of separate funding sources

Funding sources considered include external grants and rates funding.

Rationale for the Council's decision about funding sources

With 100 percent general benefit generated by this activity rates are the most appropriate source of funding.

Funding sources	Operating cost
User charges	
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies**Community support: Social housing**

Gross Operating Cost:	\$16,906
Capital Expenditure:	\$3,385

The Council provides housing to low-income people whose housing needs are not met by other housing providers.

Social housing contributes to the following Community Outcomes: A city of inclusive and diverse communities; A prosperous city; A healthy city.

Who benefits

Direct: 92%	General: 8%
Tenants in Council-owned housing.	The community as a whole benefits if housing is provided to residents that might not otherwise be able to afford accommodation.

Period of benefit

An immediate benefit is provided to tenants in Council housing. There is a longer term benefit to current and future tenants as the Council renovates and renews housing stock.

Who creates a need for this activity

The existence of Christchurch City residents on low incomes creates the need for this activity.

Consideration of separate funding sources

Funding sources considered include external grants, user charges, and rates funding.

Rationale for the Council's decision about funding sources

Given the very high level of direct benefit received by tenants Council has determined that user charges are the most appropriate source of funding.

Funding sources	
	Operating cost
User charges	80–90 %
Other revenue	
Targeted rate	
General rate and corporate revenues	10–20 %

Financial policies

Community support: Strengthening communities

Gross Operating Cost:	\$5,086
Capital Expenditure:	\$51

Council works in a coordination and facilitation role with community and voluntary organisations, Iwi, Mana Whenua and other key stakeholders to develop resilient, resourceful and ultimately, self-sustainable communities to which all residents feel they belong, and to improve engagement in local decision-making.

Strengthening communities contributes to the following Community Outcomes: A city of inclusive and diverse communities; A safe city; A city for recreation, fun and creativity;

A well-governed city; A city of lifelong learning.

Who benefits

Direct: 9%	General: 91%
Government agencies, community organisations, iwi, residents groups, businesses, education providers, youth groups, ethnic groups, migrants, people with disabilities and other groups.	The community receives a general benefit from the development of resilient, resourceful communities.

Period of benefit

The development of resilient, resourceful communities is expected to benefit Christchurch in the long term.

Who creates a need for this activity

The existence of Christchurch City and its residents, and their desire strong and vibrant communities, creates the need for this activity.

Consideration of separate funding sources

The funding sources considered include external grants, fees and charges, and rates funding.

Rationale for the Council's decision about funding sources

The nature of this activity is such that it is not generally possible to charge the recipients of the direct benefits. The high proportion of general benefits generated by this activity mean that rates is the most appropriate source of funding.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies**Community support:****Civil defence emergency management**

Gross Operating Cost:	\$869
Capital Expenditure:	\$533

Council provides an organisational structure for effective civil defence emergency management within the boundaries of Christchurch City Council. It also responds to and manages the adverse effects of emergencies, and identifies, assesses, and manages hazards together with communicating the risks from hazards.

This activity contributes to the following Community Outcome: A safe city.

Who benefits

Direct: 50%	General: 50%
Members of the public who may be affected by a civil defence emergency, emergency services, government departments, welfare agencies, utility (e.g. power) suppliers, property owners, the health sector, educational institutes, community volunteers, and Canterbury local authorities.	The community as a whole benefits from having an emergency management service available.

Period of benefit

An immediate direct benefit is received as Council responds to civil defence emergencies. A longer term general benefit is received by the community from the availability of an emergency management service.

Who creates a need for this activity

The existence of Christchurch City in its current form and location creates the need for this activity.

Consideration of separate funding sources

The funding sources considered include external subsidies, user charges, and rates funding.

Rationale for the Council's decision about funding sources

The Council receives a subsidy from the Department of Internal Affairs, and where possible and appropriate, user charges are collected. The balance of funding comes from the general rate.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Community support:

Walk-in customer services

Gross Operating Cost:	\$2,629
Capital Expenditure:	nil

Council provides this activity as a first point of contact for the following: finding information, submitting drainage plans, making payments, reception and bookings, kerbside collection services, dog licensing, and dispatching requests for service to various Council departments.

Walk-in customer services contributes to the following Community Outcome: A well-governed city.

Who benefits

Direct: 50%	General: 50%
Ratepayers, residents, developers, visitors seeking information, dog owners, contractors, solicitors, architects, drain layers, recreational groups.	The community benefits from being able to access Council information and services.

Period of benefit

An immediate direct benefit is received by customers of the walk in service.

Who creates a need for this activity

The existence of Christchurch City and the Council creates the need for this activity.

Consideration of separate funding sources

Funding sources considered include user charges and rates funding.

Rationale for the Council's decision about funding sources

User charges are collected where possible and appropriate. The balance of funding comes from the General Rate.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies**Cultural and learning services:****Art gallery and museum**

Gross Operating Cost:	\$14,424
Capital Expenditure:	\$1,630

The Christchurch Art Gallery develops, maintains and presents a collection of works of art on behalf of current and future generations. The Council also provides grant funding to the Canterbury Museum and operates the Akaroa Museum.

The art gallery and museums contribute to the following Community Outcomes: A city for recreation, fun and creativity; A city of life-long learning; A city of inclusive and diverse communities; A prosperous city.

Who benefits**Direct: 34%**

There is a direct benefit to patrons of the Art Gallery, the Akaroa Museum, and the Canterbury Museum.

General: 66%

The community as a whole benefits through the preservation of cultural heritage, and the contribution of this activity to cultural identity and social cohesion.

Period of benefit

An immediate direct benefit is received by patrons of the Art Gallery and museums. A multi-year general benefit arises from the contribution to cultural heritage, cultural identity and social cohesion.

Who creates a need for this activity

The need for this activity is created by the community as a whole, and also Christchurch residents who patronise the Art Gallery and Museums, National and international tourists, teachers and students, researchers, and artists.

Consideration of separate funding sources

The funding sources considered include user charges, and rates funding.

Rationale for the Council's decision about funding sources

Some funds are generated through merchandise sales and attendance fees for specific exhibitions. This partially recovers the cost of providing direct benefits. The remainder of the funding of this activity is received from rates, reflecting the large portion of general benefit produced by this activity.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	80–90 %

Christchurch City Council

Financial policies

Cultural and learning services: Libraries

Gross Operating Cost:	\$29,602
Capital Expenditure:	\$7,175

This activity provides access to collections of recreational reading, listening and viewing materials, print and digital information, lifelong learning and literacy opportunities and community spaces, through a network of libraries and online services.

Libraries contributes to the following Community Outcomes: A city of lifelong learning; A city of inclusive and diverse communities; A city for recreation, fun and creativity.

Who benefits

Direct: 50%	General: 50%
Residents of Christchurch including: children, students, adult readers, special interest groups, visitors to Christchurch, and online customers. Also customers from other libraries via reciprocal agreements or partnerships.	Libraries provide considerable general benefit by: contributing to literacy and lifelong learning; supporting communities; fostering cultural identity and social cohesion.

Period of benefit

Customers receive a direct benefit from their use of library services. The City and its communities receive a multi-year benefit from the Libraries contribution to literacy and lifelong learning, and from its support of the communities.

Who creates a need for this activity

The demand of library customers, as well as the City's need for well educated and literate residents and strong communities, generate the need for this activity.

Consideration of separate funding sources

The large degree of direct benefit makes a degree of user charges feasible, however full recovery of direct benefit costs would significantly cut demand for Library services. The general benefit provided to Christchurch as a whole makes some rates funding appropriate.

Rationale for the Council's decision about funding sources

Some user charges will be levied to recover the costs of specific direct benefit services. However the bulk of library funding will come from the General Rate, reflecting the general benefit to the community and the price sensitivity of demand.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies**Democracy and governance:
City governance and decision-making**

Gross Operating Cost:	\$8,160
Capital Expenditure:	nil

This activity provides elected members with advice and support, to enable them to provide strong leadership and to make good decisions on behalf of the residents of Christchurch.

Democracy and governance activities contribute to the following Community Outcomes: A well-governed city; A city of inclusive and diverse communities.

Who benefits

Direct: 0%	General: 100%
	The wider Christchurch community benefits indirectly from this activity.

Period of benefit

The benefits from democracy and governance activities are expected to last decades.

Who creates a need for this activity

The simple existence of Christchurch City in its current size and shape creates the need for this activity.

Consideration of separate funding sources

Given the 100 per cent general benefit generated by this activity, the only appropriate source of funding is rates.

Rationale for the Council's decision about funding sources

The 100 per cent funding from general rates reflects the 100 per cent general benefit.

Funding sources	
	Operating cost
User charges	
Other revenue	
Targeted rate	
General rate and corporate revenues	100 %

Financial policies

Democracy and governance: Public participation in democratic processes

Gross Operating Cost:	\$1,298
Capital Expenditure:	nil

This activity supports public participation and informed decision-making by the Council and community boards.

It contributes to the following Community Outcomes:
A well-governed city; A city of inclusive and diverse communities.

Who benefits

Direct: 0%	General: 100%
	The wider Christchurch community benefits indirectly from this activity.

Period of benefit

The benefit generated by this activity is expected to last decades into the future.

Who creates a need for this activity

The importance of democratic participation and informed decision making, and the simple existence of Christchurch City in its current size and shape creates the need for this activity.

Consideration of separate funding sources

Given the 100 per cent general benefit generated by this activity, the only appropriate source of funding is rates.

Rationale for the Council's decision about funding sources

The 100 per cent funding from general rates reflects the 100 per cent general benefit.

Funding sources	Operating cost
User charges	
Other revenue	
Targeted rate	
General rate and corporate revenues	100%

Christchurch City Council

Financial policies**Economic development:
Civic and international relations**

Gross Operating Cost:	\$928
Capital Expenditure:	nil

This activity is carried out to foster economic development and cultural understanding, to attract talented migrants and high-value tourists, and to influence international peace and environmental sustainability.

Civic and international relations contribute to the following Community Outcomes: A well-governed city; A city of inclusive and diverse communities.

Who benefits

Direct: 33%	General: 67%
The groups receiving direct benefit from this activity are: city agencies such as the Canterbury Development Corporation; learning institutions; business and tourism operators; migrant communities; Kiwi Expats; and Sister City committees	The wider Christchurch community benefits indirectly from this activity through increased prosperity and more vibrant and diverse communities.

Period of benefit

The benefit generated by this activity is expected to last decades into the future.

Who creates a need for this activity

The need for is driven by the existence of the City and its communities.

Consideration of separate funding sources

Council has considered both grants and subsidies, and user charges as sources of funding for this activity. Although one third of the benefits of this activity are direct, in most instances it is impossible to charge the recipients of that benefit.

Rationale for the Council's decision about funding sources

Grants and subsidies will be collected where possible. Where it is possible and desirable to collect user charges, these will be used to cover the costs of direct benefits. All other funding will be from the General Rate, reflecting the high proportion of general benefit from this activity.

Funding sources	Operating cost
User charges	0–10 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	90–100 %

Financial policies

Economic development: Regional economic development, business support, and employment development

Gross Operating Cost:	\$7,545
Capital Expenditure:	nil

This activity promotes regional economic development in Canterbury, with a business and tourism focus. It also provides employment support and skills development.

Regional economic development contributes to the following Community Outcomes: A city of inclusive and diverse communities; A prosperous city.

Who benefits

Direct: 63%	General: 37%
The business community benefits from Canterbury Development Corporation grants, mentoring, and other business development initiatives (such as emerging entrepreneur programmes); employees, and employers benefit from skills development.	Current and future residents benefit indirectly from this activity through increased prosperity, a bigger pool of skilled employees, and increased employment opportunities.

Period of benefit

The direct benefit of this activity provides both current and long term benefits. The general benefits of this activity can be expected to last several years.

Who creates a need for this activity

The desire of residents for a prosperous City with a wide range of employment opportunities creates the need for this activity.

Consideration of separate funding sources

Council has considered both grants and subsidies and user charges as sources of funding for this activity. Although one third of the benefits of this activity are direct, in most instances it is undesirable to charge the recipients of that benefit, for example it is unrealistic to charge a fee to the recipient of an economic development grant.

Rationale for the Council's decision about funding sources

Grants and subsidies will be collected where possible. Where it is possible and desirable to collect user charges from the users of the Town Hall these will be used to cover the costs of direct benefits. All other funding will be from general rates, reflecting both the general benefit aspect of this activity and the community wide creation of need for this activity.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Economic development: City promotions

Gross Operating Cost:	\$748
Capital Expenditure:	\$100

This activity promotes Christchurch as a great place to live, work and visit. It informs residents and visitors about key city attributes, in particular parks, events, attractions and facilities. It also provides seasonal colour to the city through the banner programme.

City promotions contribute to the following Community Outcomes: A prosperous city; A city for recreation, fun and creativity; An attractive and well-designed city.

Who benefits

Direct: 50%	General: 50%
Residents, domestic and international tourists, Christchurch and Canterbury Tourism, the Canterbury Development Corporation, the Christchurch City Council, conference and event organisers, and tourism and accommodation operators.	Residents, domestic and international tourists, Christchurch and Canterbury Tourism, the Canterbury Development Corporation, the Christchurch City Council, conference and event organisers, and tourism and accommodation operators

Period of benefit

The direct benefit of this activity provides current benefits. The general benefits of this activity, the branding of Christchurch as a great place to live, work and visit, can be expected to last several years into the future.

Who creates a need for this activity

The desire of Christchurch communities to live in a vibrant, colourful, and attractive city, and the desire of tourists to visit such a city, create the need for this activity.

Consideration of separate funding sources

It is impossible to limit access to the majority of benefits, both direct and general, generated by this activity. For example, there is no way to charge beneficiaries of the banner programme. Although some materials can be sold, the majority of funding from this activity must come through rates.

Rationale for the Council's decision about funding sources

Where it is possible to sell material this revenue will be used to fund a portion of direct benefits from this activity. All other funding will be from general rates, reflecting both the general benefit aspect of this activity, the community wide creation of need for this activity, and the publicly available nature of the benefit.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Financial policies

Parks, open spaces and waterways:

Neighbourhood parks

Gross Operating Cost:	\$10,491
Capital Expenditure:	\$5,144

Neighbourhood parks provide places for reflection, relaxation, informal recreation and small-scale community events and facilities. They contribute to our communities' natural character and amenity values, and form part of a network of open space that includes walkways and cycle ways. They also play an important role in supporting the city's garden image, and treescape, and ecological values.

Neighbourhood parks contribute to the following Community Outcomes: A city of people who value and protect the natural environment; A city for recreation, fun and creativity; An attractive and well-designed city; A city of inclusive and diverse communities.

Who benefits

Direct: 20%	General: 80%
Park visitors.	Residents, property owners, business owners, visitors to Christchurch, and local communities.

Period of benefit

The direct benefit of neighbourhood parks provides current benefits. The general benefits can be expected to last several years.

Who creates a need for this activity

The needs of residents, including schools and children, for attractive and accessible open space are the primary driver of need for Neighbourhood Parks. In addition to this, the desire of Christchurch communities to live in an attractive city, and the desire of tourists to visit such a city, create the need for this activity.

Consideration of separate funding sources

It is impossible to limit access to the majority of benefits, both direct and general, generated by this activity. For example, it is not realistic or desirable to fence Neighbourhood parks and then charge for admission. Therefore the majority of funding from this activity must come through rates.

Rationale for the Council's decision about funding sources

Funding will be from general rates to reflect both the general benefit aspect of this activity, the community wide creation of need for this activity, and the publicly available nature of the benefit.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Parks, open spaces and waterways:

Sports parks

Gross Operating Cost:	\$8,572
Capital Expenditure:	\$2,912

Sports parks enable people to participate in organised sport and other forms of active and passive recreation. They provide open space opportunities for large social gatherings, significant amenity treescapes, and also help protect and enhance both exotic and local native biodiversity. They also support Christchurch's Garden City image.

Sports parks contribute to the following Community Outcomes: A city for recreation, fun and creativity; An attractive and well-designed city; A healthy city.

Who benefits

Direct: 50%	General: 50%
Christchurch residents, visitors to Christchurch, sports participants and club members, sports clubs and associations, event organisers, lease holders, schools.	Residents, property owners, business owners, visitors to Christchurch, and local communities.

Period of benefit

The direct benefit of this activity provides current benefits. The general benefits can be expected to last several years into the future.

Who creates a need for this activity

The needs of residents, visitors to Christchurch, sports participants and club members, sports clubs and associations, event organisers, lease holders, and schools for large open spaces is the primary driver of need for Sports Parks. In addition to this, the desire of Christchurch communities to live in an attractive city, and the desire of tourists to visit such a city, create the need for this activity.

Consideration of separate funding sources

It is impossible to limit access to the majority of benefits, both direct and general, generated by this activity. For example, it is not realistic or desirable to fence Sports parks and then charge for admission.

Rationale for the Council's decision about funding sources

this activity will be from general rates to reflect the general benefit of this activity, the communitywide creation of need and the publicly available nature of the benefit. However, some charges will be made for special events (e.g. fairs) or where a higher level of service is required (such as cricket pitches).

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Financial policies

Parks, open spaces and waterways:

Garden and heritage parks

Gross Operating Cost:	\$6,003
Capital Expenditure:	\$1,134

Garden and heritage parks have a significant place in our natural, cultural, social and botanical heritage, and are managed to protect and enhance these values. They also play a significant role in supporting the Garden City image, and both exotic and local native biodiversity.

Garden and heritage parks contribute to the following Community Outcomes: An attractive and well-designed city; A city for recreation, fun and creativity; A city of people who value and protect the natural environment; A city for learning.

Who benefits

Direct: 50%	General: 50%
Residents and visitors to Christchurch who visit the parks, concession and lease holders, garden and horticultural societies, botanical education, research centres, and schools	Christchurch residents, property owners, business owners, and local communities.

Period of benefit

The direct benefit of this activity provides current benefits. The general benefits can be expected to last several years.

Who creates a need for this activity

The desire of residents, visitors to Christchurch, concession and lease holders, garden and horticultural societies, botanical education, research centres, and schools create the need for this activity. In addition, the desire of Christchurch communities to live in an attractive city, and the desire of tourists to visit such a city, create the need for this activity.

Consideration of separate funding sources

Some booking fees and retail sales are possible, but in general it is impossible and undesirable to charge the direct and indirect beneficiaries of this activity.

Rationale for the Council's decision about funding sources

funding for this activity will be from general rates the general benefit of this activity, the community wide creation of need for this activity, and the publicly available nature of the benefit. However, some charges will be made for booking fees and retail sales.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Parks, open spaces and waterways:

Regional parks

Gross Operating Cost:	\$7,049
Capital Expenditure:	\$7,803

Regional parks protect and enhance scenic, cultural and environmental values and enable residents and visitors to experience a range of natural landscapes, with associated visitor facilities.

Regional parks contribute to the following Community Outcomes: A city of people who value and protect the natural environment; A city for recreation, fun and creativity; A healthy city.

Who benefits

Direct: 20%	General: 80%
Christchurch residents and visitors who visit the parks, recreation concessionaires, lease holders, outdoor recreationists, ecological and environmental groups, park volunteers, and schools and universities.	Christchurch residents, property owners, business owners, local iwi and local communities.

Period of benefit

The direct benefit of this activity provides current benefits as park users visit reserves. The general benefits can be expected to last several years into the future.

Who creates a need for this activity

The desire of residents, visitors to Christchurch, concession and lease holders, ecological and environmental groups, park volunteers, and schools and universities to visit regional parks create the need for this activity. In addition, the desire of Christchurch communities to live in an attractive city, and the desire of tourists to visit such a city, create the need for this activity.

Consideration of separate funding sources

Charging for direct benefits has been considered, including rental and grazing fees, and facility hire. Also, Council has considered the seeking grants and subsidies for the education component of this activity. However, in general it is impossible and undesirable to charge the direct and indirect beneficiaries of this activity.

Rationale for the Council's decision about funding sources

The majority of funding for this activity will be from general rates to reflect both the general benefit aspect of this activity, the community wide creation of need for this activity, and the publicly available nature of the benefit. However, where possible charges will be made for facility hire, and rental and grazing fees. Also, where possible grant and subsidy funding will be accessed.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Parks, open spaces and waterways:

Cemeteries

Gross Operating Cost:	\$1,421
Capital Expenditure:	\$214

Cemeteries are provided and managed to meet the burial, remembrance and heritage needs of the community. Cemeteries also support the Garden City image.

Cemeteries contribute to the following Community Outcomes: A city of inclusive and diverse communities; A healthy city; An attractive and well-designed city.

Who benefits

Direct: 60%	General: 40%
Purchasers of burial plots and administrative services, funeral directors, heritage and genealogical societies, and government agencies.	The Christchurch community as a whole.

Period of benefit

This activity provides both short and long-term benefits to both direct and general beneficiaries.

Who creates a need for this activity

The existence of Christchurch as a city creates the need for this activity.

Consideration of separate funding sources

Charging for direct benefits has been considered, including burial and plot maintenance fees. Also, Council has considered the seeking grants and subsidies. Also, given the large component of general benefit the general rate has been considered as a funding source.

Rationale for the Council's decision about funding sources

The majority of funding for this activity will be from general rates to reflect both the general benefit aspect of this activity, the community wide creation of need for this activity, and the publicly available nature of portions of the direct benefit. However, where possible charges will be made for burial and plot maintenance. Also, where possible grant and subsidy funding.

Funding sources	
	Operating cost
User charges	70–80 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	20–30 %

Christchurch City Council

Financial policies

Parks, open spaces and waterways:

Waterways and land drainage

Gross Operating Cost:	\$15,509
Capital Expenditure:	\$15,339

Waterways and land drainage activity is carried out to protect the community from flooding events, to protect and enhance the waterway environment, and to provide key linkages for connecting open spaces.

This activity contributes to the following Community Outcomes: A city of people who value and protect the natural environment; An attractive and well-designed city; A healthy city; A city for recreation, fun and creativity.

Who benefits

Direct: 50%	General: 50%
The direct benefit of flood protection and mitigation is received by property owners in the serviced area. Direct benefits are also received by Christchurch residents and visitors who use the open spaces.	The Christchurch community as a whole, and visitors to the city. Also businesses, local iwi, environmental societies, fishing enthusiasts, NZTA, property developers, and regulatory authorities.

Period of benefit

The benefit of this activity is expected to last decades into the future.

What creates a need for this activity

The geographic location of Christchurch City and the soils it is built on creates the need for this activity.

Consideration of separate funding sources

Funding sources considered for this activity include grants, targeted rates, and the general rate. Where specific properties benefit from land drainage, funding that activity through a targeted rate will provide greater transparency for ratepayers, and accountability for affected property owners.

Rationale for the Council's decision about funding sources

Where land drainage qualifies for NZ Transport Agency funding Council will apply for that funding. The cost of land drainage will be recovered through a targeted rate on serviced properties. The remaining costs of this activity will be funded through the general rate because this reflects the general benefit aspect of this activity, the community-wide creation of need for this activity, and the publicly available nature of the benefit.

Funding sources	
	Operating cost
User charges	
Other revenue	
Targeted rate	100%
General rate and corporate revenues	

Christchurch City Council

Financial policies**Parks, open spaces and waterways:
Harbours and marine structures**

Gross Operating Cost:	\$582
Capital Expenditure:	\$99

The Council provides wharves, marine and other harbour structures to enable and encourage marine recreation and economic activity.

This activity contributes to the following Community Outcomes: A city for recreation, fun and creativity; A prosperous city; An attractive and well-designed city.

Who benefits

Direct: 80%	General: 20%
Recreational boat users, commercial and tourism operators, fishermen, and lease holders.	Christchurch residents and ratepayers, visitors to Christchurch, and businesses.

Period of benefit

The benefit of this activity is essentially short term.

Who creates a need for this activity

Recreational boat users, commercial and tourism operators, fishermen, and lease holders create the need for this activity.

Consideration of separate funding sources

Given the high level of direct benefit resulting from this activity the initial funding source considered was user charges. However, given the often remote location of facilities it is impractical to recover costs in most cases. The only other funding source that could be considered to be appropriate for this activity is the general rate.

Rationale for the Council's decision about funding sources

Where possible Council will recover the direct benefit of this activity via user charges. The un-recovered portion of direct benefit, along with the general benefit, will be funded through the general rate.

Funding sources	
	Operating cost
User charges	10–20 %
Other revenue	
Targeted rate	
General rate and corporate revenues	80–90 %

Christchurch City Council

Financial policies**Parks, open spaces and waterways:****Rural fire fighting**

Gross Operating Cost:	\$930
Capital Expenditure:	\$104

This activity is provided to protect life and property from the threat of rural fires and to respond to actual fires. It is also provided to meet the Council's statutory obligations as a Rural Fire Authority.

Rural fire fighting contributes to the following Community Outcomes: A safe city;

A city of people who value and protect the natural environment

Who benefits

Direct: 50%	General: 50%
The rural community and visitors to rural areas, those people living in residential areas adjacent to rural land, emergency services, forest owners, Environment Canterbury, Canterbury territorial authorities, and the Department of Conservation.	Christchurch residents and ratepayers, visitors to Christchurch, and businesses.

Period of benefit

Responding to rural fires provides an immediate benefit to the owners of properties affected and neighbouring properties. The benefit resulting from the capacity to respond to fires and from fire prevention and education will last over a period of several years.

Who creates a need for this activity

The rural community and visitors to rural areas create the need for this activity.

Consideration of separate funding sources

Funding sources considered for this activity are rates, user charges, subsidies, and cost recovery from the National Rural Fire-fighting Authority (NRFA). Because the direct beneficiaries of fire-fighting are not necessarily the same as those whose acts create then need for that activity a user charge is not appropriate. Also, for this reason it is not necessarily appropriate to levy a targeted rate on the rural community.

Rationale for the Council's decision about funding sources

Given the high proportion of general benefit resulting from this activity, and the potential mismatch between direct beneficiaries and those whose acts cause the need for the activity, the majority of funding for this activity will come from the general rate. Where possible costs will be recovered from the NRFA, and Council will seek to grants and subsidies for this activity wherever possible.

Funding sources	
	Operating cost
User charges	10–20 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	80–90 %

Financial policies

Recreation and leisure: Recreation and sports services

Gross Operating Cost:	\$25,977
Capital Expenditure:	\$14,869

The Council provides recreation facilities and supports opportunities for all members of the community to participate and enjoy recreation and sport. The Council also complements the existing network of services, particularly where other organisations are unable to meet an identified community need.

Recreation and sports services contribute to the following Community Outcomes: A city of inclusive and diverse communities; A healthy city; A city for recreation, fun and creativity; A city of lifelong learning; A safe city; A prosperous city.

Who benefits

Direct: 65%	General: 35%
All Christchurch residents and visitors who wish to participate in recreation and sport.	Community based organisations including schools, recreation and sports clubs, regional associations and networks; funding agencies, commercial entities including event organisers, venue providers, and commercial partners. National and international recreation and sporting organisations, government agencies, and event managers. Christchurch communities, residents, ratepayers, and businesses.

Period of benefit

While a large portion of the benefit from this activity is enjoyed in the short term as beneficiaries use Council facilities and services, the health and community benefits can be expected to last for years to come.

Who creates a need for this activity

Participating individuals, groups and organisations create the primary need for this activity.

Consideration of separate funding sources

In most instances it is appropriate and cost effective for Council to levy a charge on users of its facilities and services. However, the level of user charges that can be set is limited by: the need to ensure that Recreation and Sports Services are accessible to all members of the community; and Council and community desire for the promotion of active and healthy lifestyles for Christchurch residents. Other funding sources considered are rates, and grants and subsidies.

Rationale for the Council's decision about funding sources

User charges have been set at a level that will recover 33 percent of the costs of this activity while allowing access to most members of the community and encouraging participation in sport and recreation activities. The balance of costs are funded through grants and subsidies where available, and the general rate to reflect the public benefit nature of this activity.

Funding sources	
	Operating cost
User charges	40–50 %
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	50–60 %

Christchurch City Council

Financial policies**Recreation and leisure: Events and festivals**

Gross Operating Cost:	\$7,550
Capital Expenditure:	\$50

The Council delivers a year-round calendar of free or affordably-priced events aimed primarily at Christchurch residents. It also supports festivals and events for both residents and visitors which attract visitor spend into Christchurch. Events strengthen community pride, help cement our reputation as the Garden City, promote the understanding of different cultures and healthy lifestyle choices, and showcase the quality of life available in Christchurch.

Events and festivals contribute to the following Community Outcomes: A city of inclusive and diverse communities; A prosperous city; A city for recreation, fun and creativity.

Who benefits

Direct: 70%	General: 30%
Those attending events, event managers, suppliers of event equipment, venue owners, performers, Maori and other ethnic communities, and commercial sponsors.	Christchurch residents, visitors, visitor industry businesses, and the wider Christchurch community.

Period of benefit

The direct benefit aspect of this activity provides a benefit at the time of events and festivals. The general benefit resulting from strong and vibrant communities and a prosperous city provides a medium to long term benefit for the City.

Who creates a need for this activity

The need for this activity is created by event organisers and attendees, and also through Council and the communities desire to attract visitors to Christchurch, build strong communities, and help cement our reputation as the Garden City.

Consideration of separate funding sources

It is possible and cost effective to charge entrance fees and raise sponsorship for a large portion of the funding needed for this activity. Where it is not possible to identify direct beneficiaries or to charge those beneficiaries, for example at open air and open access events, the most appropriate funding source is general rates.

Rationale for the Council's decision about funding sources

Where possible and appropriate Council will charge entrance fees for events and festivals. It will also raise as much funds through sponsorship as possible. The balance of funding requirements will be met through the general rate to reflect the general benefit aspect of this activity as well as the need for this activity being created by Council and community desires.

Funding sources	
	Operating cost
User charges	20–30 %
Other revenue	20–30 %
Targeted rate	
General rate and corporate revenues	50–60 %

Christchurch City Council

Financial policies

Refuse minimisation and disposal: Recyclable materials collection and processing

Gross Operating Cost:	\$6,350
Capital Expenditure:	\$141

The Council delivers these services to improve the resource efficiency of the city and to reduce the environmental effects of waste.

Recycling contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, event organisers, schools, commercial and industrial businesses, (domestic quantities only), recycling industries, and developers.	Christchurch residents and communities, and business owners.

Period of benefit

The collection and processing of recyclables provides an immediate direct benefit, and the general benefit as a result of reducing the environmental impact of waste will last for many years.

Who creates a need for this activity

All residents, visitors, and businesses within Christchurch create a need for this activity.

Consideration of separate funding sources

Because all residents of the City benefit from this activity all beneficiaries of the service should fund it. Funding via volume based user charges is possible and would create transparency and accountability for those who create the need for this activity and benefit from it. However, this would compromise Council's waste policy which seeks to minimise the quantity of general waste by maximising the collection and processing of recyclable materials.

Rationale for the Council's decision about funding sources

Because the levels of service being provided within this activity are standardised for ratepayers Council has chosen to fund this activity through a uniform targeted rate.

Funding sources	
	Operating cost
User charges	0–10 %
Other revenue	
Targeted rate	90–100 %
General rate and corporate revenues	

Christchurch City Council

Financial policies

Refuse minimisation and disposal: Residual waste collection and disposal

Gross Operating Cost:	\$13,913
Capital Expenditure:	\$232

Residual waste is waste that is unable to be recycled or composted. This activity provides convenient, reliable and safe residual waste collection and disposal so that the social and environmental effects of residual waste are minimised.

Residual waste management contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, rate payers, businesses (for domestic refuse quantities only), developers, and purchasers of carbon credits.	Christchurch residents, visitors, communities, and businesses.

Period of benefit

The collection and processing of residual waste provides an immediate direct benefit, and the general benefit as a result of reducing the environmental impact of waste will last for many years.

Who creates a need for this activity

All residents, visitors, and businesses within Christchurch create a need for this activity.

Consideration of separate funding sources

Because all residents of the City benefit from this activity all beneficiaries of the service should fund it. Funding via volume based user charges is possible and would create transparency and accountability for those who create the need for this activity and benefit from it. However, this would be expensive and would compromise Council's waste policy which seeks to minimise the quantity of general waste by maximising the collection and processing of recyclable materials.

Rationale for the Council's decision about funding sources

Because the level of service being provided within this activity are standardised for ratepayers Council has chosen to fund this activity through a uniform targeted rate.

Funding sources	
	Operating cost
User charges	30–40%
Other revenue	
Targeted rate	
General rate and corporate revenues	60–70%

Christchurch City Council

Financial policies

Refuse minimisation and disposal: Organic material collection and composting

Gross Operating Cost:	\$17,465
Capital Expenditure:	nil

This activity provides convenient, reliable and safe organic waste management services to make best use of the city’s organic waste, to reduce the city’s residual waste, and to reduce environmental effects from its disposal.

Organic material collection and composting services contribute to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, commercial and industrial businesses, compost users, farms, land rehabilitation projects, developers.	Christchurch residents, visitors, communities and businesses.

Period of benefit

Collection and composting organic waste provides an immediate direct benefit, and the general benefit from reducing the environmental impact of waste will last for many years.

Who creates a need for this activity

All residents, visitors, and businesses within Christchurch create a need for this activity.

Consideration of separate funding sources

Volume based funding via user charges for waste collection would create transparency and accountability for this activity. However, this would increase the cost of the service and a potential consequence of volume based charges is increased illegal dumping.

Rationale for the Council’s decision about funding sources

The majority of funding required for this activity will be collected through a targeted rate. This reflects the standard service of one collection per domestic customer per fortnight.

Funding sources	Operating cost
User charges	10–20 %
Other revenue	
Targeted rate	80–90 %
General rate and corporate revenues	

Christchurch City Council

Financial policies**Refuse minimisation and disposal:
Commercial and industrial waste minimisation**

Gross Operating Cost:	\$727
Capital Expenditure:	nil

This service assists businesses to reduce waste and to be energy and water efficient, to improve the resource efficiency, resilience and competitiveness of the Christchurch economy, and reduce waste to landfill.

Commercial and industrial waste minimisation contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A prosperous city.

Who benefits

Direct: 80%	General: 20%
Christchurch commercial and industrial businesses using the Target Sustainability Services	Christchurch residents, visitors, communities, and businesses.

Period of benefit

Businesses using the Target Sustainability Services receive a current and potentially long term benefit from this activity. The general benefit from improving the efficiency of Christchurch businesses and reducing the environmental impact of waste will last for many years.

Who creates a need for this activity

The need for this activity is created by the direct beneficiaries and by the desire of the Council and communities to have a prosperous economy and live in a clean and healthy city.

Consideration of separate funding sources

Funding sources considered for this activity were user charges and rates.

Rationale for the Council's decision about funding sources

Although this activity provides a high level of direct benefit to users of the Target Sustainability Services, the long term importance of a prosperous economy, efficient industry, and a clean and healthy city is such that Council considers this activity should be funded through the general rate.

Funding sources	
	Operating cost
User charges	
Other revenue	
Targeted rate	
General rate and corporate revenues	100 %

Christchurch City Council

Financial policies

Regulatory Services: Enforcement and inspections

Gross Operating Cost:	\$10,087
Capital Expenditure:	\$58

This activity is carried out to protect the public from hazards and nuisances, to educate people about their obligations, and to enforce compliance with the City Plan, legislation, bylaws and other regulations.

Enforcement and inspections contribute to the following Community Outcomes: A safe city; A healthy city.

Who benefits

Direct: 88%	General: 12%
Dog & stock owners, food sellers & manufacturers, liquor proprietors, builders, home and property owners, and complainants to Council regarding regulatory matters.	The community as a whole.

Period of benefit

This activity provides both immediate benefits and benefits that can last many years into the future (for example through ensuring buildings constructed are sound).

Who creates a need for this activity

Dog & stock owners, food sellers & manufacturers, liquor proprietors, builders, and home and property owners.

Consideration of separate funding sources

The regulatory enforcement and inspections process allows for the collection of user charges prior to the issue of compliance certificates. This provides a cost effective method of collecting funding for this activity, and also ensures transparency and accountability for those who cause the need for this activity and benefit from it. Where this activity provides a general benefit to the community as a whole it appropriate to fund those costs via the general rate.

Rationale for the Council's decision about funding sources

Funding for this activity will primarily be raised via user charges. In some instances it is not possible to fully recover the cost of this activity through user charges, often because fees are set nationally by central government. Funding requirements for this activity that are not met through user charges will be met from the general rate.

Funding sources	
	Operating cost
User charges	90–100 %
Other revenue	
Targeted rate	
General rate and corporate revenues	0–10 %

Christchurch City Council

Financial policies**Regulatory services: Regulatory approvals**

Gross Operating Cost:	\$16,103
Capital Expenditure:	nil

This activity provides for the processing of consents, compliance certificates and other regulatory applications.

Regulatory approvals contribute to the following Community Outcomes: A safe city; A healthy city; An attractive and well-designed city.

Who benefits

Direct: 77%	General: 23%
Builders, developers, planning consultants, architects, surveyors, building and property owners, housing companies, plumbers and drain-layers, signwriters, hire companies, real estate salespeople, engineers, lawyers, property purchasers and walk-in customers.	The community as a whole.

Period of benefit

This activity provides both immediate benefits and benefits that can last many years into the future (for example through ensuring buildings constructed are sound).

Who creates a need for this activity

Builders, developers, planning consultants, architects, surveyors, building and property owners, housing companies, plumbers and drain-layers, sign-writers, hire companies, real estate, engineers, lawyers, and property purchasers.

Consideration of separate funding sources

The regulatory approvals process allows for the collection of user charges prior to the issue of compliance certificates.

Rationale for the Council's decision about funding sources

Funding for this activity will primarily be raised via user charges. In some instances it is not possible to fully recover the cost of this activity through user charges, often because fees are set nationally by central government. Funding requirements for this activity that are not met through user charges will be met from the general rate.

Funding sources	
	Operating cost
User charges	80–90 %
Other revenue	
Targeted rate	
General rate and corporate revenues	10–20 %

Christchurch City Council

Financial policies

Streets and transport: Road network

Gross Operating Cost:	\$74,605
Capital Expenditure:	\$50,194

This activity provides for the management of road use and the provision of safe, easy and comfortable access to homes, shops, businesses and many recreational and leisure destinations. The road network corridor also provides access to utilities for power, telecommunications, water supply and waste disposal activities.

This activity contributes to the following Community Outcomes: A safe city; A healthy city; An attractive and well-designed city.

Who benefits

Direct: 50%	General: 50%
All vehicle users and occupants, including both residents and visitors to Christchurch. Cyclists and pedestrians also benefit from this activity.	All Christchurch residents, businesses, and visitors to the city.

Period of benefit

Many of the assets created and maintained through this activity will service road users for more than a century. The Period of benefit for this activity is therefore long-term.

Who creates a need for this activity

Vehicle users, cyclists, and occupants. In particular, analysis by the Council shows that the majority of expenditure on maintaining the City's streets and roadways is incurred because of the movement of heavy vehicles. The movement of cars causes comparatively little damage.

Consideration of separate funding sources

Council has no legal ability to attempt to collect funding for this activity via user charges (i.e. tolls), nor would it be cost effective to do so. The funding sources considered for this activity are therefore rates and subsidies.

Rationale for the Council's decision about funding sources

This activity is to be funded from NZ Transport Agency subsidies where possible, with the balance of funding to be provided from general rates. The Business sector is the primary cause of, and beneficiary of, heavy traffic movements. Therefore, 55 percent of the cost of maintaining streets and roads is allocated to the business sector, via the Business differential. As a result the business sector pays more general rates per dollar of capital value than residential ratepayers.

Funding sources	
	Operating cost
User charges	0–10%
Other revenue	10–20 %
Targeted rate	
General rate and corporate revenues	80–90 %

Christchurch City Council

Financial policies**Streets and transport: Active travel**

Gross Operating Cost:	\$13,757
Capital Expenditure:	\$5,538

The purpose of this activity is to promote sustainability, to encourage alternate travel modes, and to provide safe and attractive networks for those who choose to walk or cycle.

Active travel contributes to the following Community Outcomes: A safe city;

A healthy city; A city for recreation, fun and creativity; An attractive and well–designed city.

Who benefits

Direct: 45%	General: 55%
Cyclists and pedestrians, including Christchurch residents and visitors. Businesses adjacent to public pedestrian malls benefit from amenity improvements	All Christchurch residents, business, and visitors.

Period of benefit

This activity provides immediate benefits for users of cycle and walkways, and benefits that can last many years into the future as many of the assets created and maintained through this activity will last for decades.

Who creates a need for this activity

Cyclists and pedestrians.

Consideration of separate funding sources

Some NZ Transport Agency subsidies are available for this activity. It is not possible to collect user charges from direct beneficiaries of this activity, so the only funding source considered for this activity was rates.

Rationale for the Council's decision about funding sources

It is not possible or desirable to collect user charges from direct beneficiaries of this activity, and since the activity provides a large proportion of general benefit to all Christchurch residents it is appropriate to fund this activity through general rates.

Funding sources	
	Operating cost
User charges	
Other revenue	0–10 %
Targeted rate	
General rate and corporate revenues	90–100 %

Christchurch City Council

Financial policies

Streets and transport: Parking

Gross Operating Cost:	\$7,119
Capital Expenditure:	\$920

Providing safe, accessible parking supports the economic vitality of the city and the community’s aspirations for its development by providing for an appropriate mix of transport options, and traffic flow solutions.

This activity contributes to the following Community Outcomes: A prosperous city; An attractive and well-designed city.

Who benefits

Direct: 95%	General: 5%
Users of Council owned car-parks.	Motorists and other road users, commercial businesses, retail and business associations, and pedestrians.

Period of benefit

This activity provides immediate benefits for users of Council car-parks as well as benefits that last many years into the future as assets created and maintained through this activity will last for decades.

Who creates a need for this activity

Motorists and other road users.

Consideration of separate funding sources

Funding this activity through user charges (not including fines) is a cost effective method of ensuring that those who cause and benefit from this activity are the funders of the activity. This provides both transparency and accountability for the activity.

Rationale for the Council’s decision about funding sources

The Council has determined that revenue from parking meters and off-street parking is the most appropriate funding source for this activity. This activity generates a profit which is used to reduce the amount of general rates required by Council

Funding sources	
	Operating cost
User charges	160–170 %
Other revenue	
Targeted rate	
General rate and corporate revenues	-60 to -70 %

Christchurch City Council

Financial policies**Streets and transport:****Public transport infrastructure**

Gross Operating Cost:	\$5,703
Capital Expenditure:	\$9,828

The Council provides and manages public passenger transport infrastructure in a way that: enables access to goods and services, and to work and leisure activities; ensures that people feel safe using public transport; helps to encourage more people to use public transport; and contributes to the attractiveness of the city; and supports sustainability.

This activity contributes to the following Community Outcomes: An attractive and well–designed city; A prosperous city; A city of people who value and protect the natural environment; A safe city.

Who benefits

Direct: 80%	General: 20%
Public transport users, Environment Canterbury, bus operators, and lessees.	Other road users, businesses, residents, and visitors to Christchurch.

Period of benefit

This activity provides immediate benefits for users of public transport. It also provides benefits that last many years into the future as assets created and maintained under this activity will last for decades.

Who creates a need for this activity

Public transport users.

Consideration of separate funding sources

Some funding from NZ Transport Agency is available for this activity. In general it is not possible to collect user charges from the users of public transport infrastructure (e.g. the users of bus shelters). However, would be possible to charge users of the inner city shuttle bus.

Rationale for Council's decision about funding sources

Where NZ Transport Agency subsidies are available Council will use that funding for this activity. Lease revenue from commercial property will also be used to fund this activity. Council seeks to maximise the use of public transport within Christchurch and therefore the balance of unfunded costs for this activity will be funded through the general rate rather than by passing on costs to the beneficiaries of the activity.

Funding sources	
	Operating cost
User charges	10–20 %
Other revenue	10–20 %
Targeted rate	
General rate and corporate revenues	70–80 %

Christchurch City Council

Financial policies

Wastewater collection and disposal:

Wastewater collection

Gross Operating Cost:	\$22,834
Capital Expenditure:	\$13,861

The Council provides reliable and efficient wastewater collection services that protect public health; are environmentally sustainable and culturally acceptable; and that meet the needs of present and future generations.

Wastewater collection contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, ratepayers' properties, commercial and industrial businesses, developers, and the Selwyn District Council.	The Christchurch community as a whole.

Period of benefit

This activity provides immediate benefits for residents and owners of buildings connected to the wastewater collection system. It also provides benefits that last many years into the future as the assets created and maintained under this activity will last for decades.

Who creates a need for this activity

All residents, visitors to Christchurch, and businesses throughout the City.

Consideration of separate funding sources

Both the direct and indirect benefits of this activity are received by all connected property owners in the City. Rates funding is therefore the most cost effective method of funding the activity, as well as providing the same level of transparency and accountability as any other funding method.

Rationale for the Council's decision about funding sources

Council has determined that funding for this activity should be via a capital value based targeted rate assessed on all properties connected to the wastewater system.

Funding sources	
	Operating cost
User charges	
Other revenue	
Targeted rate	100%
General rate and corporate revenues	

Christchurch City Council

Financial policies

Wastewater collection and disposal: Wastewater treatment and disposal

Gross Operating Cost:	\$14,301
Capital Expenditure:	\$21,799

The Council provides reliable and efficient wastewater treatment and disposal services that protect public health, that are environmentally sustainable and culturally acceptable, and that meet the needs of present and future generations.

This activity contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, ratepayers, local residents adjacent to plants, commercial and industrial businesses, developers, and the Selwyn District Council.	The Christchurch community as a whole.

Period of benefit

This activity provides immediate benefits for residents and owners of buildings connected to the wastewater collection system. It also provides benefits that last many years into the future as the assets created and maintained under this activity will last for decades.

Who creates a need for this activity

All residents, visitors to Christchurch, and businesses throughout the City.

Consideration of separate funding sources

Both the direct and indirect benefits of this activity are received by all connected property owners in the City. Rates funding is therefore the most cost effective method of funding the activity, as well as providing the same level of transparency and accountability as any other funding method. Funding is also generated through user charges for trade waste, laboratory fees, energy sales, and tinkered waste.

Rationale for the Council's decision about funding sources

The Council has determined that the shortfall between user charges and the cost of this activity should be funded by a capital-value-based targeted rate assessed on all properties connected to the wastewater system.

Funding sources	
	Operating cost
User charges	20–30 %
Other revenue	
Targeted rate	70–80 %
General rate and corporate revenues	

Christchurch City Council

Financial policies

Water Supply: Water supply

Gross Operating Cost:	\$22,544
Capital Expenditure:	\$11,223

The Council provides a reliable supply of water that is safe to drink.

Water supply contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A healthy city; An attractive and well-designed city; A safe city.

Who benefits

Direct: 80%	General: 20%
Christchurch residents, visitors to Christchurch, ratepayers, commercial and industrial businesses, the New Zealand Fire Service, and property developers.	The Christchurch community as a whole.

Period of benefit

This activity provides immediate benefits for residents and owners of properties connected to the water supply system. It also provides benefits that last many years into the future as the assets created and maintained under this activity will last for decades.

Who creates a need for this activity

Christchurch residents, visitors to Christchurch, ratepayers, commercial and industrial businesses, the New Zealand Fire Service, and property developers.

Consideration of separate funding sources

Both the direct and indirect benefits of this activity are received by all property owners in the City. Rates funding is therefore the most cost effective method of funding the activity, as well as providing the same level of transparency and accountability as any other funding method.

Rationale for the Council's decision about funding sources

Council has determined that this activity should be funded via a capital value based targeted rate assessed on all properties connected to the water supply system.

Funding sources	
	Operating cost
User charges	10–20 %
Other revenue	
Targeted rate	80–90 %
General rate and corporate revenues	

Christchurch City Council

Financial policies**Water Supply: Water conservation**

Gross Operating Cost:	\$152
Capital Expenditure:	nil

This activity is provided to the community to preserve our potable water resources, to ensure that our water sources meet our drinking water needs now and in the future, and to promote and enhance the value that the community places on this valuable resource.

Water conservation contributes to the following Community Outcomes: A city of people who value and protect the natural environment; A prosperous city; An attractive and well–designed city; A safe city.

Who benefits

Direct: 25%	General: 75%
Christchurch residents, visitors to Christchurch, ratepayers, commercial and industrial businesses, and property developers.	All Christchurch residents, business, and visitors to the city.

Period of benefit

This activity is expected to provide a long–term benefit to the City through the preservation of our potable water resources and ensuring that our water sources meet our drinking water needs now and in the future.

Who creates a need for this activity

Current and future residents, visitors and businesses create the need for this activity.

Consideration of separate funding sources

Both the direct and indirect benefits of this activity are received by all residents, visitors, and businesses in the City. Rates funding is therefore the most cost effective method of funding the activity, as well as providing the same level of transparency and accountability as any other funding method.

Rationale for the Council's decision about funding sources

Council has determined that this activity should be funded via a capital value based targeted rate assessed on all properties connected to the water supply system.

Funding sources	Operating cost
User charges	
Other revenue	
Targeted rate	100%
General rate and corporate revenues	



Christchurch City Council

Financial policies

Investment Policy

Introduction

The Council's investments are made up of bank deposits, interest bearing financial instruments, shareholdings in Council controlled organisations (CCOs) and Council controlled trading organisations (CCTOs), other shareholdings, investment property, and loans. All of these investment types are explained in more detail below.

The Christchurch City Council invests money for a number of reasons. In general this is to:

- manage liquidity: The sources of Council revenue provide the Council with funds in a different pattern to the timing of Council expenditure. This means that, from time to time, the Council has an excess of funds built up from revenue and not yet spent. This mismatch in the timing of cash coming into the Council and being paid out means that the Council can sometimes invest surplus funds.
- provide a return on reserve and trust funds: The Council maintains a number of reserves, where funds are set aside for a specific purpose, and trust funds, where money has been provided to the Council for a specific use.
- invest in Council controlled organisations: When the Council establishes new Council controlled organisations (CCOs) and Council controlled trading organisations (CCTOs) it purchases shares in those organisations as a means of providing them with the resources necessary to start operations. From time to time the Council also increases its investment in existing CCOs by purchasing additional shares.
- provide funding to Council controlled organisations: To assist CCOs to gain the best possible interest rates on their borrowings Council borrows and then on-lends funds to CCOs at the borrowed rate plus a margin.

Generally when the Council invests money the return on that investment, interest or dividends, is not linked to a specific activity – the return is considered to benefit all ratepayers who pay the general rate.

As well as borrowing from external sources to fund some of its capital expenditure, the Council also has a significant level of funds invested externally. Where possible the Council will reduce its level of external borrowing by borrowing from funds managed by the Council where there are no relevant restrictions on the investment of those funds. The net effect of this will be to lower both external borrowing and external investment, reduce borrowing costs, and maintain investment income for reserve funds.

Purpose

This policy establishes the framework within which the treasury function of Christchurch City Council will operate, be monitored, and be reported upon. In particular this will set guidelines for the Council on its level of exposure to investment limits, interest rate risk, liquidity risk, and counterparty risk.

This policy has been established in compliance with section 105 of the Local Government Act 2002.

Objectives

The Christchurch City Council's investment objectives in order of priority are to:

1. limit the Council's exposure to risk
2. maintain a prudent level of liquidity to meet both planned and unforeseen cash requirements
3. maximise returns on investments
4. maintain the Standard and Poor's credit rating of the Council and Christchurch City Holdings Limited at AA (long-term) and A1+ (short term), or better.

The statutory objective of this policy is to ensure that all investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet the requirements of the Local Government Act 2002.

Christchurch City Council

Financial policies**Policy**

Responsibility and delegations	
	Responsibility
Council	<ul style="list-style-type: none"> • approve the Investment Policy and review it, at least three-yearly as part of the LTCCP process. • authorise acquisition and disposal of investments other than financial investments. • delegate responsibility to the CEO
Audit and Risk Committee	<ul style="list-style-type: none"> • oversee the implementation of this policy and monitor and review the effective management of the treasury function. • receive regular information from management on risk exposure and financial instrument usage.
Chief executive	<ul style="list-style-type: none"> • ensure compliance with this policy. • appoint a Treasury Review Team. • maintain a register of delegations made by the Council in relation to this policy.

General policy

Investments are maintained to meet specified business reasons. Such reasons can be:

- for strategic purposes consistent with the Council's long term strategic plan
- holding short-term investments for working capital requirements
- holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

The Christchurch City Council recognises that as a responsible public authority, any investments that it does hold should be low-risk. It also recognises that lower risk generally means lower returns.

In its financial investment activity, the Council's primary objective is the protection of its investment. Accordingly, only credit worthy counterparties are acceptable.

While the Council is a net investor of funds it will, from time to time, internally borrow from identified reserve funds to meet future capital expenditure needs. Internal borrowing will be undertaken when it is operationally and financially effective to do so.

Investment mix

Council maintains investments in the following assets from time to time:

- equity investments, including CCOs and CCTOs and other shareholdings
- property investments incorporating land, buildings, a portfolio of ground leases and land held for development
- financial instruments incorporating longer term and liquidity investments.

Equity Investments

The Council maintains equity investments in CCOs and CCTOs and other minor shareholdings.

The Council's equity investments fulfil various strategic, economic development and financial objectives as outlined in this LTCCP.

The Council seeks to achieve an acceptable rate of return on all its equity investments consistent with the nature of the investment and with this policy.

Any purchase or disposition of equity investments requires Council approval.

The Council recognises that there are risks associated with holding equity investments. To minimise these risks the Council monitors the performance of its equity investments on a regular basis to ensure that the stated objectives are being achieved. The Council seeks professional advice regarding its equity investments when it considers this appropriate.

Investments in CCOs

From time to time the Council resolves to provide debt funding to CCOs and CCTOs. This assistance generally involves the Council borrowing at commercial rates and then on-lending to provide them with debt funding on better terms than they could achieve if they went direct to the market.

When the Council borrows to on-lend to CCOs and CCTOs, that on-lending will be on terms no better than the Council has agreed in the associated borrowing. The interest rate on the on-lending will be at that being paid by the Council plus a margin for its increased administration and exposure to risk.

Property investments

The Council's primary objective is to only own property investments (including land and building, ground leases and land held for development) that are necessary to achieve its strategic objectives as stated in this LTCCP. Council may also maintain property investments which have been vested in it.

The Council seeks to achieve an acceptable commercial rate of return from all property investments consistent with the nature of the property and Council's stated investment objectives.

Any purchase or disposition of property investments requires Council approval.

The Council recognises that there are risks associated with holding investment property. To minimise these risks the Council reviews the property portfolio on a regular basis to ensure that the stated objectives are being achieved. The Council seeks professional advice regarding its property investments when it considers this appropriate.

Land and buildings

The Council owns land and buildings for the purposes of providing services and parks and reserves. In addition other land is held for strategic and commercial purposes. These holdings of land and buildings are not considered to be investments for the purpose of this policy.

Christchurch City Council

Financial policies

Financial instruments

Liquid investment funds will be prudently invested as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Interest income from financial investments is credited to general funds, except for income from investments for special funds, reserve funds and other funds where interest is credited to the particular fund.
- Internal borrowing may be used for the investment of funds managed by the Council where there are no relevant restrictions on the investment of those funds.

Financial investment objectives

- The Council's primary objective when investing is the protection of its investment capital and then to maximise returns. Accordingly, only creditworthy counterparties as defined by this policy are acceptable.
- The Council may invest in acceptable short-term debt instruments such as Commercial Paper or Floating Rate Notes (FRNs) and make interest rate duration positions using investor swaps. This will further meet the Council's objectives of investing in high credit quality and highly liquid assets yet allow for optimal interest rate decisions.
- The use of funds received or invested by the Council for any other purpose is subject to the Council resolving to repay the funds used (section 112(b)(iii) Local Government Act 2002).

Special funds and reserve funds

- Liquid assets will not be required to be held against special funds and reserve funds. Liquid assets will not be required to be held against trust funds unless that is a specific condition of the trust. Instead the Council should internally utilise or borrow these funds wherever possible.
- By adopting this Policy, the Council supersedes any previous Council resolutions pertaining to the continued funding or internal borrowing of specific special funds and reserve funds.
- Accounting entries representing monthly interest accrual allocations will be made using the Council's average weighted financial investment portfolio return for that period.

Trust funds

- Where the Council hold funds as a trustee then such funds must be invested on the terms provided within the trust.

Risk management

Instruments

Dealing in interest rate products must be limited to financial instruments approved by the Council. Current approved interest rate instruments are as follows:

Category	Instrument
Investments	<ul style="list-style-type: none"> • short term bank deposits • bank bills • bank certificates of deposit (CDs) • treasury bills • Local Authority stock, FRNs and bonds • State Owned Enterprise (SOE) bonds and FRNs • corporate bonds • Floating Rate Notes • promissory notes/commercial paper • Redeemable Preference Shares (RPS)
Interest rate risk management	<ul style="list-style-type: none"> • forward rate agreements (FRAs) on: <ul style="list-style-type: none"> – bank bills – government bonds • interest rate swaps including: <ul style="list-style-type: none"> – forward start swaps (start date <24 months) – amortising swaps (whereby notional principal amount reduces) – swap extensions and shortenings (i.e. changes to swap duration) • interest rate options on: <ul style="list-style-type: none"> – bank bills (purchased caps and one-for-one collars) – government bonds • interest rate swaptions (purchased only)

Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved. Credit exposure on these financial instruments is restricted by specified counterparty credit limits.

Christchurch City Council

Financial policies

Interest rate risk

Interest rate risk is the risk that Investment returns or funding costs (due to adverse movements in market interest rates) will materially exceed or fall short of adopted annual plans and strategic 10-year plan interest returns or cost projections, so as to adversely impact cost control, capital investment decisions/returns/and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty to interest rate movements through fixing of investment returns or funding costs. Both objectives are to be achieved through the active management of underlying interest rate exposures.

Financial investments should be restricted to a term that meets future cash flow projections and be mindful of forecast debt associated with future capital expenditure programs as outlined within the LTCCP. Financial investments will match off against external debt in terms of interest rate risk and duration (gap risk) with the balance being defined as the Net Financial Investment Portfolio (NFIP)

The following interest rate re-pricing percentages are calculated on the projected 24-month rolling NFIP total. This allows for pre-hedging in advance of projected physical receipt of new funds. When cash flow projections are changed, the interest rate re-pricing risk profile may have to be adjusted to comply with the policy limits. Forecast cashflow projections will be evidenced monthly and signed of by the General Manager Corporate Services.

Interest rate re-pricing period	Minimum limit	Maximum limit
0–1 year	40%	100% of NFIP
1–3 years	0%	60% of NFIP
3–5 years	0%	40% of NFIP
5–10 years*	0%	20% of NFIP

* To ensure maximum liquidity, any interest rate position beyond five years may also be made with acceptable financial instruments such as Investor Swaps.

The re-pricing risk mix can be changed within the above limits through sale/purchase of fixed income investments and/or using approved financial instruments such as swaps.

Exchange rate risk

The Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment and the on-going purchase of items such as library books.

Generally, all significant commitments for foreign exchange are hedged, using foreign exchange contracts, once expenditure is approved. Both spot and forward foreign exchange contracts can be used by the Council.

The Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency.

Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Council. Treasury related transactions would only be entered into with organisations specifically approved by the Council.

Counterparties and limits can only be approved on the basis of long-term credit ratings (Standard & Poor's or Moody's) being A- and above or short-term rating of A2 or above; with the exception of New Zealand Local Authorities.

Counterparty Credit Risk Limits

Counterparty/ Issuer	Minimum long-term / short-term credit rating	Investments maximum per counterparty (\$m)	Interest rate risk management instrument maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	A-/ A2	unlimited	none	unlimited
NZD Registered Supranationals	AAA	50.0	none	50.0
State Owned Enterprises [name]	A-/ A2	15.0	none	15.0
NZ Registered Bank [name]	A-/ A2	50.0	70.0	70.0
NZ Registered Bank [name]	Government guaranteed	Up to guarantee maximum	none	Up to guarantee maximum
Corporate Bonds/ CP [names]*	A-/ A2	10.0	none	10.0
Local Government Stock/ Bonds/ FRN/ CP [name]**	A-/ A2 (if rated) unrated	40.0 25.0	none none	40.0 25.0

* Subject to a maximum exposure no greater than 20% of the NFIP being invested in corporate debt at any one time.

** Subject to a maximum exposure no greater than 60% of the NFIP being invested in Local Government debt at any one time

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The table below will determine limits. This summary list will be expanded on a counterparty named basis which will be authorised by the CEO

In determining the counterparty credit limits, the following product weightings will be used:

- Investments (e.g. bank deposits): transaction notional × weighting 100%.(unless a legal right of set-off over corresponding borrowings exist whereupon a 0% weighting may apply)
- Interest rate risk management (e.g. swaps, FRAs): transaction notional × maturity (years) × 3%.
- Foreign exchange: transactional principal amount x the square root of the maturity (years) x 15%

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of counterparties as possible. Where possible, transaction notional sizes and maturities should also be well spread. The approval process to allow the use of individual financial instruments must take into account the liquidity of the market the instrument is traded in and re-priced from.

Christchurch City Council

Financial policies

Performance measurement

The effectiveness of the Council's investment management and related interest rate management activities will be measured by:

- adherence to policy
- comparison of actual monthly and year-to-date investment return compared to budget and comparable fund and financial market indices

Monitoring and reporting

Role of Christchurch City Holdings Limited

Christchurch City Holdings Ltd (CCHL) is an infrastructure investment and monitoring company established by the Council to hold its significant CCTOs and other subsidiary companies on behalf of the Council.

Each company which is held directly by the Council or CCHL is required to prepare annually a Statement of Intent that sets out its activities and strategic direction and to report in accordance with the Statement of Intent to CCHL.

Regular monitoring will be carried out by CCHL on the operational performance, and periodically CCHL will review the ownership options, business strategy and operating plans, capital structure and risk management affecting both the CCHL and Council-owned CCTOs and other subsidiary companies.

Investment performance of CCTOs and other subsidiary companies will be assessed in comparison to the performance of similar companies in the same industry, taking account of the objectives established in the Statements of Intent.

The CCHL Board will report directly to the Council at least six times a year on issues arising from its monitoring role. Ad hoc briefing sessions and seminars for Councillors will also be arranged.

The Council is responsible for the approval of Statements of Intent and the appointment of directors for all CCTOs and other subsidiaries held directly by the Council and CCHL.

Directors of all CCTOs and other subsidiary companies will be selected according to the policy established by the Council.

Ownership of shares in CCTOs and other subsidiaries may be transferred to CCHL when a subsidiary has an established record of financial performance and it is Council policy to retain the investment in the long term.

This policy does not apply to non-trading companies or companies which are subsidiary to companies which report directly to the Council or CCHL.

Primary responsibility for the monitoring the performance of the Council against this Investment Policy rests with the Treasury Review Team.

Role of the Treasury Review Team

The Treasury Review Team will meet monthly to review the following:

- risk exposure position: the Council's current interest rate position including underlying physical exposures, hedges in place and the actual net risk position, compared to the risk control limits of the policy
- policy compliance: conformity with policy limits and requirements in the areas of portfolio composition, counterparty credit risk, and operational risk
- return on the portfolio and the relevant market return
- cost of funds: actual cost against plan

The Treasury Review Team will report twice yearly to the Audit and Risk Management Committee. The Audit and Risk Management Committee will report to Council as it deems necessary.



Christchurch City Council

Financial policies**Liability
Management
Policy****Introduction**

The Council's Liability Management Policy focuses on borrowings as this is the most significant component of its liabilities and exposes the Council to the most significant risks. Other liabilities are generally non-interest bearing. Cash flows associated with other liabilities are incorporated in cash flow forecasts for liquidity management purposes and determining future borrowing requirements. The Council also holds \$350 million in uncalled redeemable preference shares in Christchurch City Holdings Limited. While this holding is a contingent liability to the Council, the Council manages this through its objective of maintaining its Standard and Poor's credit rating for the Council and Christchurch City Holdings Limited at AA or better.

Christchurch City Council borrows money for a number of different reasons. In general the Council borrows to:

- fund the purchase of assets: When the Council borrows to fund the purchase or construction of assets the repayment of that debt over a number of years ensures that the ratepayers benefiting from the assets are the ones that pay for it through their rates. This is in line with the Council's policy on intergenerational equity
- fund investment in Council Controlled Organisations: The Council uses debt to fund its equity investments in Council Controlled Organisations. Using debt to fund investment in the Council Controlled Organisations improves the financial efficiency of the group. Ultimately this benefit flows back through to ratepayers in the form of increased dividends
- fund capital grants made to trusts and community organisations within Christchurch to assist them with the purchase or refurbishment of assets: For example, the Council may borrow to provide funding to the Canterbury Museum Trust Board for extensions to Museum buildings. Use of debt in these instances is designed to spread the cost over the same period of time as the benefits provided

- provide funding to Council controlled organisations: In order to gain the best possible interest rate the Council borrows funds and then on-lends those funds to the Council controlled organisations at the borrowed rate plus a margin
- provide liquidity: The Council collects rates in four instalments throughout the year. However, Council's costs are generally spread evenly throughout the year. Also, the Council sometimes makes significant one-off payments for the purchase or construction of assets. This mismatch in the timing of cash coming into the Council and being paid out means that the Council sometimes needs to borrow money to meet its capital requirements

Generally when the Council borrows money the debt is not linked to a specific activity – the debt is considered to be part of the overall cost of operating the Council. This general rule is not necessarily followed in relation to debt which is linked to a service covered by a targeted rate, for example the Water Supply Targeted Rate. In such cases the debt repayment cost may be recovered within the targeted rate.

As well as borrowing from external sources to fund some of its capital expenditure, the Council also has a significant level of funds invested externally. Where possible the Council will reduce its level of external borrowing by borrowing from funds managed by the Council where there are no relevant restrictions on the investment of those funds. The net effect of this will be to lower both external borrowing and external investment, reduce borrowing costs, and maintain investment income for reserve funds.

Christchurch City Council

Financial policies

Purpose

This Policy establishes the framework within which the treasury function of Christchurch City Council will operate, be monitored, and be reported upon. In particular this will set guidelines for the Council on its level of exposure to borrowing limits, debt repayment, interest rate risk and credit risk, liquidity requirements, and the giving of security.

This policy has been established in compliance with section 104 of the Local Government Act 2002.

Objectives

Christchurch City Council's liability management objectives, in order of priority, are:

1. to limit the Council's exposure to risk
2. to maintain a prudent level of liquidity to meet both planned and unforeseen cash requirements
3. to minimise the cost of borrowing
4. to maintain the Standard and Poor's credit rating of the Council and Christchurch City Holdings Limited at AA (long-term) and A1+ (short term), or better.

The statutory objective of this policy is to ensure that all borrowing and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet the requirements of the Local Government Act 2002.

Policy

Responsibility and delegations	
	Responsibility
Council	<ul style="list-style-type: none"> • approve the Liability Management Policy and review it, at least three yearly as part of the LTCCP process • approve new debt through the adoption of the LTCCP, Annual Plan, or specific resolution and the approval of this policy • approve the appointment of the Trustee to the Debenture Trust Deed • delegate responsibility for day to day management to the CEO
Audit and Risk Committee	<ul style="list-style-type: none"> • oversee the implementation of this policy and monitor and review the effective management of the treasury function • receive regular information from management on risk exposure and financial instrument usage
Chief Executive	<ul style="list-style-type: none"> • ensure compliance with this policy • appoint a Treasury Review Team • maintain a register of delegations made by the Council in relation to this policy • execute charge instruments charging rates revenue for the benefit of lenders to Council

Liquidity and funding risk

The Council's long-term financial forecasts show cashflow deficits in some future periods. Liquidity risk management focuses on the ability to borrow at that future time to fund those cashflow deficits. Funding risk management centres on the ability to refinance or raise new debt at a future time, and on the ability to obtain the same or more favourable pricing (fees and borrowing margins).

A key factor of liquidity and funding risk management is to spread and control the risk to reduce the concentration of risk at one time so that when any of the above events occur, the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to market conditions.

Liquidity and funding risk management

To manage and mitigate its liquidity and funding risk the Council has imposed the following controls:

- the Council must approve all new loans and borrowing facilities
- alternative funding mechanisms such as leasing must be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration ownership, redemption value and effective cost of funds
- debt and committed debt facilities together with liquid investments must be maintained at an amount that exceeds existing external debt

The General Manager Corporate Services has the discretionary authority to refinance existing debt on more favourable terms.

The maturity profile of the total committed funding in respect of all loans and committed facilities, is to be controlled by the following system with percentages calculated off existing external debt:

Maturity Profile Limits		
Period	Minimum	Maximum
0–3 years	10%	60%
3–5 years	20%	60%
5 years plus	0%*	60%

* This minimum will rise to 15% when the Council's net debt exceeds \$50 million.

A maturity schedule outside these limits requires specific Council approval.

Christchurch City Council

Financial policies

Borrowing mechanisms and limits

The Council's ability to readily attract cost-effective borrowing is largely driven by its ability to rate, maintain a strong credit rating, and manage its relationships with its investors and financial institutions.

The Council is able to borrow through a variety of market mechanisms including issuing stock and debentures, direct bank borrowing, accessing the short and long-term capital markets directly, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the Council will take into account the following:

- available terms from banks, capital markets and loan stock issuance
- the Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time
- prevailing interest rates and margins relative to term for loan stock issuance, capital markets and bank borrowing
- the market's outlook on future interest rate movements as well as its own
- legal documentation and financial covenants together with credit rating considerations

Debt will be managed within the following macro limits:

Policy Limits

net debt as a percentage of equity	<20%
net debt as a percentage of total revenue*	<100%
net interest as a percentage of total revenue*	<10%
net interest as a percentage of annual rates income (debt secured under debenture)	<15%
liquidity (term debt + committed loan facilities + liquid investments to current external debt)	>120%

* excludes non-government capital contributions

Revenue is defined as earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue. Revenue excludes developer contributions and vested assets.

Net debt is defined as total consolidated debt less liquid financial assets/investments.

Rates income excludes regional levies.

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

Disaster recovery requirements are met through the liquidity ratio.

Interest rate exposure

Exposure to interest rate risk is managed and mitigated through the controls below. These risk control limits will be only activated once 24-month forecast net debt exceeds \$25 million.

Master fixed/floating risk control limit	
Minimum fixed rate	Maximum fixed rate
50%	95%

Fixed rate is defined as an interest rate re-pricing date beyond 12 months forward on a continuous rolling basis.

Floating rate is defined as an interest rate re-pricing within 12 months.

The percentages are calculated on the rolling 24-month projected net debt level calculated by management and signed off monthly by the General Manager Corporate Services. Net debt is the amount of total debt net of liquid financial assets/investments. This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the policy minimums and maximums.

At any time, the total of the fixed rate debt should be within the following maturity bands:

Fixed rate maturity profile limit

Period	Minimum	Maximum
1–3 years	15%	60%
3–5 years	15%	60%
5 years plus	10%	60%

- floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months
- FRAs outstanding at any one time must not exceed 75% of the total floating rate debt. FRAs may be "closed out" before maturity date by entering an equal and opposite FRA to the same maturity date or, alternatively, by purchasing an option on a FRA for the equal and opposite amount to the same date.
- interest rate options must not be sold outright. However, 1:1 collar option structures are allowable whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, one side of the collar cannot be closed out by itself, both must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate "in-the-money"
- purchased borrower swaptions must mature within 12 months
- interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 1.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation

Internal borrowing

When Council borrows from reserve funds the interest income credited to those reserve funds will be determined by the General Manager Corporate Services and will generally be at the rate which could be achieved for an investment in financial markets at the time the loan is made. Notwithstanding, the minimum rate will be that which could be achieved in investing via financial markets

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at the time the loan is made, and the maximum rate will be that which could be achieved by borrowing from financial markets at the time the loan is made.

Risk management

Instruments

Dealing in interest rate products must be limited to financial instruments approved by the Council.

Current approved interest rate instruments are as follows:

Approved interest rate instruments	
Category	Instrument
Cash management and borrowing	<ul style="list-style-type: none"> bank overdraft committed cash advance and bank accepted bill facilities (short term and long term loan facilities) uncommitted money market facilities wholesale bond and Floating Rate Note (FRN) commercial paper (CP) New Zealand dollar denominated private placements retail bond and FRN
Interest rate risk management	<ul style="list-style-type: none"> forward rate agreements (FRAs) on: <ul style="list-style-type: none"> bank bills government bonds interest rate swaps including: <ul style="list-style-type: none"> forward start swaps (start date less than 24 months) amortising swaps (whereby notional principal amount reduces) swap extensions and shortenings interest rate options on: <ul style="list-style-type: none"> bank bills (purchased caps and one-for-one collars) government bonds interest rate swaptions (purchased only)

Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved. Credit exposure on these financial instruments is restricted by specified counterparty credit limits.

Counterparty credit risk

In using Interest Rate Risk Management instruments the Council can be exposed to counterparty credit risk. This is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Council. Treasury-related transactions would only be entered into with organisations specifically approved by the Council.

Counterparties and limits can only be approved on the basis of long-term credit ratings (Standard & Poor's or Moody's) being A- and above or short-term rating of A2 or above; with the exception of New Zealand Local Authorities.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The following matrix guide will determine limits.

Counterparty credit risk limits

Counterparty/ Issuer	Minimum long-term / short-term credit rating	Interest rate risk management instrument maximum per counterparty (\$m)
NZ Registered Bank (per bank)	A- / A2	70.0

In determining the usage of the above gross limits, the following product weightings will be used:

- interest rate risk management (e.g. swaps, FRAs): transaction notional × maturity (years) × 3%

To avoid undue concentration of exposures, financial instruments must be used with as wide a range of counterparties as possible. Where possible, transaction notional sizes and maturities should also be well spread. The approval process to allow the use of individual financial instruments must take into account the liquidity of the market the instrument is traded in and re-priced from.

Debt repayment

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

The Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

In accordance with Council's Revenue and Financing Policy, debt acquired to fund strategic land purchases and equity investments in CCTOs will be interest-only borrowing and will not be repaid until the underlying asset is disposed of. Other debt will have a term no greater than 30 years.

In the case of other debt that is raised for the acquisition of a specific asset, the term of the debt may not exceed the lesser of: the economic life of the underlying asset; or thirty years. A loan may be raised in several tranches for terms less than the economic life of the asset being funded. Repayments at maturity of a tranche and the refinancing of that tranche may be carried out without further Council resolution. However, these refinancing loans may not exceed the lesser of: the economic life of the underlying asset; or thirty years.

Debt may be repaid by one or a combination of the following:

- annual contributions to a Loan Repayment Reserve held by the Council for the sole purpose of repayment or reduction of loans
- annual table repayment instalments providing for full repayment over the term of a loan being 30 years or less
- repayment from revenue or other sources

Christchurch City Council

Financial policies**Giving of securities and charges**

When the Council's borrowings and interest rate risk management instruments are secured, they will generally be secured by way of a charge over the Council's rates revenue. Any internal borrowing against special funds / reserve funds and other funds will be on an unsecured basis.

Under the Debenture Trust Deed the Council offers deemed rates as security for general borrowing programs.

From time to time, with prior Council and Debenture Trustee approval, security may be offered by providing a charge over one or more of the Council's assets. Physical assets will be charged only where:

- there is a direct relationship between the debt and the purchase or construction of the asset which it funds (e.g. a finance lease, or project finance)
- the Council considers a charge over physical assets to be appropriate
- any pledging of physical assets complies with the terms and conditions contained within the Debenture Deed

Performance measurement

The effectiveness of the Council's liability management and related interest rate management activities will be measured by:

- adherence to policy
- comparison of actual monthly and year-to-date borrowing margins against the rate budgeted in annual plans and, for public issued securities, similar New Zealand rates entities issuing into the New Zealand securities market
- comparison of the Council's debt and interest rate management instrument portfolio against limits set in this policy

Monitoring and reporting

Primary responsibility for monitoring the performance of the Council against this Liability Management Policy rests with the Treasury Review Team.

The Treasury Review Team will meet monthly to review the following:

- cash and debt position: the tracking of cash-flow and debt levels against plan, the reasons for variances, and updated cash and debt projections
- risk exposure position: the Council's current interest rate position including underlying physical exposures, hedges in place, and the actual net risk position compared to the risk control limits of the policy
- policy compliance: conformity with policy limits and requirements
- funding facility report: actual loans against limits, and projected debt levels against facility limits
- cost of funds: actual cost against plan

The Treasury Review Team will report twice yearly to the Audit and Risk Management Committee. The Audit and Risk Management Committee will report to the Council as it deems necessary.



Christchurch City Council

Financial policies

Remission and postponement policy of rates on Maori freehold land

The city contains a number of Maori Land properties which are either unoccupied and unimproved or partially occupied. In some cases these are creating a significant rating burden on their Maori owners who often do not have the means nor, in some cases, the desire to make economic use of the land. Often this is because of the nature of the ownership, because the land has some special significance which would make it undesirable to develop or reside on, or is isolated and marginal in quality.

The Council has recognised that the nature of this Maori Land is different to General Land and has therefore formulated this policy to deal with some of the issues that this raises.

Objective

The Council has recognized that certain Maori Owned Lands have particular conditions, ownership structures or other circumstances which make it appropriate to remit or postpone rates for defined periods of time.

The Council and the community benefit through the improved collection of rates that are collectable and the removal from the rating debt of that debt which is considered non-collectable.

The Council is required to consider every application for remission and/or postponement of rates on Maori Owned Land pursuant to Section 108(4) of the Local Government Act 2002 and will then consider the most appropriate tool if any, either remission or postponement, to assist in making ownership and occupancy of the land feasible.

Conditions and criteria for postponement or remission

General:

- The rating units must be either Maori Customary Land or Maori Freehold Land as defined by s.129 of the Te Ture Whenua Act 1993.
- The Council will have the sole discretion on whether or not to grant the remission or postponement and may seek such additional information as may be required before making its final decision.
- The policy does not provide for the permanent remission or postponement of rates on the property concerned.
- If the status of the land changes so that it no longer complies with the criteria, the remission or postponement ceases unless further relief is granted in accordance with the policies below.
- The Council expects that any rating relief will be temporary, and each application will be limited to a term of three years, however the Council may consider renewing the rate relief upon the receipt of further applications from the owners. The Council may also, at its sole discretion, renew the rating relief without application from the owners.
- In the event that subsequent applications for rating relief are made by only one or a minority of owners, the Council may require that these are signed or supported by such greater proportion of owners as may be required from time to time.
- The land must have, in the opinion of the Council, historical, ancestral or cultural significance.

Financial policies

Policy application where the rating unit is not in use

In general, the criteria for granting rates relief would include some or all of the following:

1. The land is not *in use* (as defined below).
2. The land is unimproved. (The land has no or minimal improvements).
3. The land is land-locked. (The land does not have legal access to the Council or national roading network.)
4. The land is in multiple ownership or fragmented ownership. (The land has multiple owners and ownership rights and individual share proportions vary. Owners are scattered throughout the country and even worldwide. Attempts to contact a majority representation are often painstaking and difficult.)
5. The land has particular value as ancestral land in relation to its owners' culture and traditions.
6. The presence of waahi tapu may affect the use of the land for other purposes.
7. It is the Government and the Council's desire to avoid further alienation of Maori freehold land.
8. The land has particular conservation value; because of its remoteness and inaccessibility the land has a high conservation value which Council or the community wish to preserve.
9. The land has an unsecured legal title. Land titles have not been surveyed; therefore they cannot be registered with the District Land Registrar. Owners seeking finance for development of their land are restricted as mortgages cannot be registered against the title.
10. The land is geographically isolated and marginal in quality.
11. The owners of the land have no management or operating structures in place to administer matters.
12. There are rating problems: because of the above factors there is a history of rate arrears and/or a difficulty in establishing who is/should be responsible for the payment of rates.

In accordance with Part 2 Section 96 of the Local Government (Rating) Act 2002 Maori Land is defined as *in use* when a person or persons does one or more of the following for his/her profit or benefit:

- resides upon the land
- de-pastures or maintains livestock on the land
- stores anything on the land
- uses the land in any other way

Policy application where the rating unit is in use

Where an insignificant or inconsequential portion of the land is in use the Council may, at its sole discretion, provide rating relief on that portion of land not in use. For example, the de-pasturing of a pony on the rating unit is likely to be considered inconsequential.

Any such relief shall be determined following consideration of the criteria for granting rates relief on land not in use (as detailed above). In addition, the Council is more likely to grant rates relief when one or both of the criteria below are met:

1. where the land is used by its owners for traditional purposes, and
2. where the land is used to provide economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere)

Policy application where there is a change in status, ownership, or use

In some circumstances Maori Land may change status (for example from Maori Freehold Land to General Land Owned by Maori), ownership, or use (for example persons may choose to reside upon land previously unoccupied). Where the Council deems it to be in the interests of the community it may, at its sole discretion, choose to remit or postpone any postponed rates or rates arrears and penalty arrears on that land.

For example, should the land be developed in order to establish a conservation estate, the Council may grant rates relief. Similarly, should the land be developed in such a manner as to change it from unproductive to productive land, and therefore become liable for rates in the future, the Council may grant rates relief.

The amount and timing of any rates relief provided under this policy is entirely at the discretion of the Council. However in general such relief will not exceed the following:

- 100% remission of historic unpaid rates and penalties
- 100% remission of general rates in the year of change in use
- 50% remission of general rates in the year following change in use

Remission applies to

The owners, or authorised agents of the owners of Maori Land, with different conditions applying to occupied, unoccupied or partially occupied land.

Christchurch City Council

Financial policies

Policy on partnership with the private sector

Purpose

From time to time the Council has opportunities to work in partnership with private sector organisations to deliver its planned community outcomes. These opportunities can be quite diverse, and for this reason this policy is broadly based.

For example, it is possible that the Council could enter into partnership with a charitable trust for the provision of services to low income city residents. Alternatively, the Council could seek a partner from the commercial private sector to provide some of the funding and expertise needed for a new infrastructural asset.

The Local Government Act 2002 (Sections 102(4)(d) and 107) requires that a policy be prepared on Partnerships with the Private Sector ('partnerships') and adopted by the Council as part of its Long Term Council Community Plan (LTCCP).

Section 107 of the Act states that this policy applies to: "... any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business".

Partnerships specifically do not include arrangements between the Council and other local authorities or council organisations, nor do they include contracts for the supply of goods or services.

Policy objective

The objective is to use business partnerships as a means of accessing opportunities within the private sector for innovation, risk minimisation, expertise, capacity, and capital funding, where such business partnerships provide value for money, maximise social returns, and are in the public interest.

Circumstances where Council will consider a partnership

The Council may consider entering into a partnership if it would allow access to opportunities within the private sector for innovation, risk minimisation, expertise, capacity, or capital funding.

Council will not enter into a partnership unless:

- it will contribute to the achievement of community outcomes identified in this LTCCP; and
- it will promote the social, economic, cultural or environmental well-being of the city; and
- it is a prudent, efficient and effective use of the Council's resources; and
- it is in the public interest.

In determining whether or not a partnership is in the public interest, the Council will consider the following:

- effect on individuals and community
- transparency
- equity
- public access
- consumer rights
- security
- privacy
- governance arrangements
- accountability arrangements
- operational arrangements
- financial arrangements
- specific risk management mechanisms

Christchurch City Council

Financial policies**Form of consultation**

Generally, where the Council decides to enter into a partnership in accordance with this policy and on matters which are provided for in the Council's LTCCP or Annual Plan, there will be no further requirement for the Council to consult.

However, further public consultation may be undertaken where it is appropriate in the context of the Council's Policy on Significance or where:

- a partnership is assessed as being greatly beneficial, but falls outside the conditions or circumstances identified in this policy;
- financial provision has not been made in the Annual Plan or LTCCP;
- the partnership will result in significant changes in service levels not already reflected in the Annual Plan or LTCCP;
- ownership or control of a significant asset is to be transferred away from the Council; or
- there is expected to be considerable public interest in whether the partnership should proceed.

Process for approving partnerships

A partnership may only be entered into following a Council resolution or under a delegation from the Council to the Chief Executive. Where the issue is deemed to be significant in terms of the Council's Policy on Significance, the Council will not delegate the decision.

Before making a decision to enter into a Public Private Partnership (PPP) a comprehensive report which addresses the following issues must be considered:

- the specific strategic directions and Community Outcomes which the proposed partnership will contribute to;
- a full description of the Council's resources (physical and financial) which will be allocated to this partnership;
- an explanation of the nature of the relationship to be entered into, and key performance measures;
- details of the financial projections of the PPP for a minimum of five years;

- an analysis of the financial implications for the Council over the life of the PPP, including an independent assessment from the General Manager Corporate Services or delegated staff;
- an analysis of why the PPP structure is preferable to other service delivery options;
- an assessment of the risks and the Council's potential liabilities, and proposed procedures for mitigating these (at a minimum the risks considered must include: design and construction risk; commissioning and operating risk; service and under-performance risk; financial risk; risk to the capacity of the Council to carry on its activities (whether associated with this partnership or not); risk to the reputation of the Council and the city; and counterparty risk);
- an analysis of potential partners, and the reason for selecting the proposed partners;
- details of the conditions and milestones that must be met before the Council commits funding or other resources to the PPP;
- the form of the Partnership agreement to be entered into which reflects the intentions and obligations of all parties;
- details of the proposed monitoring regime of the PPP, including internal and external audit requirements;
- the degree of delegated authority to be given to the partnership arrangement to act on behalf of the Council;
- details of how the PPP is to be administered and accounted for and the estimated resource requirements and cost to the Council (if any) for administration and accounting;
- an exit strategy and how and when this could be commenced;
- a summary of professional or other advice taken.

Conditions

Prior to committing any resources to a partnership, financial or otherwise, the Council will ensure that:

- the benefits to the community of the proposed partnership will exceed the costs
- partnership outcomes are specified in service level terms
- partnership outcomes are quantified and measurable
- community demand for the outcomes being met through the partnership are unlikely to materially change in the long-term
- the performance of the partnership has both rewards and sanctions to the partnership itself and the participating partners
- risk is shared equitably between partners
- partners are responsible for full service provision (for example, a private sector partner responsible for building, but not running, an asset will seek to maximise its profit during construction. They have no interest in ensuring that the asset constructed has minimal operating and maintenance costs.)
- the proposed private sector partner has demonstrated the ability to meet the terms of a proposed agreement between it and the Council
- risks associated with entry into the partnership have been reviewed. A summary of the risks identified (along with proposed mitigation action) has been reported to and accepted by Council or the appropriate committee.

Christchurch City Council

Financial policies

Monitoring and assessing the performance of partnerships

A partnership agreement will incorporate performance objectives and a report on progress in achieving those objectives will be brought to Council or the appropriate committee on a regular (not less than annual) basis.

When a partnership is significant, in terms of Council's Policy on Significance, reports on its performance will also be incorporated in the Council's annual report and/or triennial report on the achievement of Community Outcomes, as appropriate.

The monitoring and reporting on partnerships will assess the performance of the partnership in terms of both Community Outcomes and financial considerations. The following points shall be considered for inclusion in a monitoring regime to assess how Community Outcomes are being achieved by the PPP:

- the specific strategic directions and Community Outcomes which the proposed partnership was planned to contribute to
- performance against specified service levels
- other strategic directions and Community Outcomes which the partnership has impacted upon, the extent of that impact, and whether that impact was positive or negative
- whether community demand for the outcomes being met through the partnership have materially changed
- whether the benefits to the community from the proposed partnership are exceeding the costs

Monitoring and reporting shall also consider the current and anticipated risks associated with the partnership, along with proposed mitigation action.

In the case of major business partnerships the Council may choose to delegate its monitoring role to Christchurch City Holdings Limited.

Exclusions from this policy

For the sake of clarity it should be noted that this policy does not apply to:

- grants to community organisations
- investment of funds solely for the purpose of financial return
- normal contractual arrangements for the supply of goods and services
- commercial arrangements made by Council-controlled trading organisations and their subsidiaries.



Christchurch City Council

Financial policies

Rates remission policy

Objective of the policy

It is Christchurch City Council policy to provide rates relief on properties that are held and maintained for the benefit of the community, where there is significant public good in providing relief, and where the Council considers it just and equitable to do so.

Other circumstances where the Council will provide for the remission of rates are:

- remission of rates penalties where there is a reasonable excuse for late payment
- remission of Uniform Annual General Charge on contiguous parcels of land in common usage but where the rating units are not in the same ownership
- remission of Uniform Annual General Charge may be considered where the Council has determined that a building consent will not be issued for the primary use of the land under the City Plan.

Details of these remissions are set out below.

Remission of rates where the land is used by not-for-profit clubs, associations and churches, for sport or for community benefit

Objective

To support community-based organisations and the benefit they provide to the wellbeing of Christchurch by partially remitting rates.

Conditions and criteria

Up to 100% remission of all rates (except excess water supply targeted rate and waste minimisation targeted rate) may be made for not-for-profit organisations occupying Council land under lease where there is a predominant community benefit.

Remission of rates on property not owned by the Council, where it is used by not-for-profit community or sports organisations, may be granted on the basis of:

- a) up to 100% remission of general rates and uniform annual general charge; and
- b) up to 50% (i.e. of the rates that would be payable if they were fully rateable) remission of targeted rates for water supply, sewerage, and land drainage rates;
- c) the remission does not apply to any excess water supply targeted rate, targeted water supply fire connection rate, or waste minimisation targeted rate.

All remissions are at the discretion of the Council and will be assessed on a case-by-case basis.

The remission applies where the land is used by qualifying entities, predominantly those that are fully or partially non-rateable under Schedule 1 of the Local Government (Rating) Act 2002.

The remission may include land over which a liquor licence is held provided this is incidental to the primary purpose of occupancy.

The distinction between those occupying Council land and those on their own land recognises the benefits of independent ownership that accrue to the private land owners.

Applications for remissions must be in writing. The Council reserves the right to require annual applications to renew the remission or to require certification from the applicant that the property is still eligible for the remission and that the land use has not changed.

It is a precondition of remission that the residual rates are paid in full.

The remission may be phased in over several years.

Christchurch City Council

Financial policies**Remission applies to:**

All incorporated sport and recreation clubs, associations and community organisations (which includes places of religious worship, or used for any branch of the arts) which have within their constitution appropriate clauses to qualify them as charities or where there are clauses which ensure they are not-for-profit and where there is, in the opinion of the Council, significant public good which results from the occupation of the land.

The Council (at its absolute discretion) shall determine the extent of public benefits that are provided to the community. This determination shall be the basis of the extent of the remission.

The remission does not apply to rating units owned or occupied by:

- a) chartered clubs, except that a sports area may qualify provided it is significant and is set aside exclusively for that use
- b) political parties
- c) trade unions and associated entities
- d) dog or horse racing clubs
- e) any other entity where the benefits are restricted to a class or group of persons and not to the public generally.

Remission of all rates on land occupied and used by the Christchurch City Council for community benefit**Objective**

To support facilities providing benefit to the community by remitting rates.

Conditions and criteria

The Council may remit all rates other than an excess water supply targeted rate or a targeted water supply fire connection rate on land owned by or used by the Christchurch City Council and which is used for:

- a) a public garden, reserve, or children's playground
- b) games and sports (except galloping races, harness races, or greyhound races)
- c) a public hall, community centre, library, art gallery, or other similar institution
- d) swimming pools
- e) public conveniences
- f) rental housing provided within the Council's Housing activity
- g) any other community benefit use excluding infrastructural asset rating units.

This remission does not apply to Council land that is leased to others and is not occupied by or used by the Council.

Remission applies to:

All Council-owned and/or used land where the use is for the purposes set out in the remission statement.

The remission does not extend to land used as Council offices or yards, infrastructural asset rating units, or land which is leased for commercial purposes.

Remission of any rates or penalties where it is just and equitable to do so**Objective**

To recognise that the Council's policies for rates remission cannot contemplate all possible situations where it may be appropriate to remit rates.

Conditions and criteria

The Council may, by specific resolution, remit any rate or rates penalty when it considers it just and equitable to do so.

Remission of current year's rate penalties due to one-off non-payment or where there are timing mismatch issues**Objective**

It is appropriate that the Council show consideration to ratepayers who have made genuine mistakes provided that it is not a repetitive omission. The objective of this remission is therefore to avoid penalising ratepayers:

- a) who have paid their rates late due to a genuine mistake; or
- b) who are paying by regular bank transaction and where minor penalties are incurred due to timing differences.

Conditions and criteria

Business ratepayers may be allowed one current-year rate-penalty remission in five years and all other ratepayers may be allowed one current-year rate-penalty remission in two years where the ratepayer can illustrate that a genuine error or oversight has occurred.

Written applications will generally be required for other than minor timing mismatch issues. However, staff may waive the written application provided they are satisfied the full details of the application are recorded.

Applications must state the reason for the late payment.

Deliberate non-payment will not be accepted as a reason for late payment.

All outstanding rates (excluding the penalties to be remitted) on all properties owned by the applying ratepayer must be paid in full for the remission to be granted.

Remission applies to

All ratepayers, although with different criteria.

Christchurch City Council

Financial policies

Remission of rates penalties imposed where there is an inability to pay

Objective

To encourage ratepayers who are in arrears due to financial difficulty or other genuine unusual circumstances to make arrangements to clear arrears and keep their payments up to date.

Conditions and criteria

The remission may apply to properties that are the primary private residence owned and occupied by the ratepayer, and the remission applies under the following circumstances:

- a) To penalties which have been imposed in the last two-year period, and:
 - i) where payment has been overlooked due to sickness, death or significant financial hardship or generally where it is considered to be just and equitable to do so; and
 - ii) where such action would facilitate immediate payment of all outstanding rates;
- b) Where there is an acceptable arrangement to pay existing arrears and annual rates over an agreed time frame, any penalties that would have otherwise been imposed will be remitted.

Written applications will generally be required for all remissions. However, staff may waive the written application provided they are satisfied there is good reason and provided that full details of the application are recorded.

Remission of penalties may be considered where there is an offer for immediate settlement of all rates outstanding which can be facilitated by the remission of arrears penalties, in addition to remission of the current penalties. This would apply where there are substantial arrears.

Remission applies to

All ratepayers where the rating unit is the primary residence.

Remission of current penalties where there is payment in full for the year

Objective

To encourage payment of current rates in a lump sum or the balance of the current rates where non-payment of an instalment has occurred.

Conditions and criteria

Remission of current year penalties where there is payment in full for the year once the full year's rates have been assessed.

The remission applies where a ratepayer chooses to make payments on a different basis from the instalment due dates, typically paid in full on an annual one-payment basis where the total current year's rates are paid by the due date for instalment two.

Remission applies to

All ratepayers.

Remission of the Uniform Annual General Charge on contiguous parcels of land in common usage but where the rating units are not in common ownership

Objective

To recognise that parcels of land sharing a boundary and used for the same purpose, but with separate ownership, should be treated as a single unit to achieve the purpose of the Uniform Annual General Charge as set out in the Council's Rating Policy.

Conditions and criteria

Where rating units sharing a boundary and used for the same purpose have separate ownership, the Uniform Annual General Charge on all but one of those rating units shall be remitted.

The remission applies to contiguous parcels of land that are in common usage but where the rating units are not in common ownership.

Remission applies to

All ratepayers.

Remission of Uniform Annual General Charge where the Council has determined that a building consent will not be issued for the primary use of the land under the City Plan

Conditions and criteria

Council may consider remitting the Uniform Annual General Charge on a rating unit where it has determined that a building consent will not be issued for the primary use of the land under the City Plan.

Remission applies to

All ratepayers.

Christchurch City Council

Financial policies

Rates postponement policy

Objective of the postponement

To assist owner–occupiers of property to continue living in their home when they do not have the financial capacity to pay their rates or where the payment of rates would create financial hardship.

The Rates Postponement Policy is primarily, but not exclusively, designed for ratepayers over 65 years of age. Younger ratepayers may apply and will be considered on their merits.

Postponement statement

Up to 100% of rates may be postponed for a period determined by the Council where the ratepayer is experiencing financial hardship.

Conditions and criteria for the postponement

The postponement applies to properties that are the primary private residence owned and occupied by the ratepayer; and the ratepayer can demonstrate:

- a) they do not have the financial capacity to pay their rates; or
- b) the payment of rates would create financial hardship.

Written applications and a declaration of eligibility will generally be required for all postponements. However, staff may waive the written application provided they are satisfied there is good reason and provided that full details of the application are recorded.

Applications for postponement will be considered on their individual merits.

Rates penalties will not be applied or will be remitted for any rates that have been postponed.

The postponement will continue to apply until:

- a) the ratepayer ceases to be the owner or occupier of the rating unit; or
- b) the ratepayer ceases to use the property as their primary private residence; or
- c) until a date specified by the Council at the time of granting the postponement,

whichever is the sooner.

Postponement applies to

Any land owned and occupied by the ratepayer as their primary private residence.

Transitional postponements

There are transitional postponement provisions provided for in the Act and generally these cease on revaluation or change of circumstances. The Council will only apply the requirements of the Act, but will go no further unless the ratepayer qualifies under other policy conditions.

Postponement: general issues

The postponed rates will remain a charge against the property and must be paid either when the property ceases to be the place of residence of the applicant or the criteria no longer apply. Postponed rates may include rate arrears owing from a previous financial year.

A fee (effectively interest) will be charged annually where rates have been postponed. This fee will be calculated at the end of each rating year on the accrued rates postponed (including any fees) outstanding at the beginning of that financial year. The fee will be based on the Council's estimated cost of borrowing as published in the Annual Plan.

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Cultural and learning services	Art Gallery	Curatorial	
		Photographic reproduction	General Managers discretion to set fees
		Corporate Evening Functions	
		Standard Fee for all hirers plus set fee	
		Hire of Auditorium – part day	\$300.00
		Hire of Auditorium – day and evening	\$500.00
		Audio / Visual equipment hire including technician – per part day	\$300.00
		Gallery Tours associated with a venue hire	General Managers discretion to set fees
		Hire of Foyer – evening 5.05pm to 11.00 pm	\$1,500.00
		Hire of Foyer – additional costs after 11.00 pm	\$500.00 Per half hour
		Exhibition fees	
		Admission fees for special exhibitions	General Managers discretion to set fees
		Gallery Tour charges	
		Acoustic guide – per person per tour – permanent collection or exhibition	\$5.00
		Prebooked group tours – per student	\$2.00
		Prebooked group tours – per adult	\$5.00
		Art appreciation courses – 4 sessions at 1.5hr – per course fee	\$60.00
		School classes – 1.5 hr session – per person	\$1.00
		Akaroa Museum	
		Admission charge:	
		– Adult	\$4.00
		– Child under 16	\$1.00
		– Family group – Max 2 adults and 4 Children	\$8.00
		– Student over 16	\$3.50
		– Senior citizen (65 and over)	\$3.50
		– School groups – per person	\$1.00
		Family history, genealogical enquiry	\$5.00

Christchurch City Council

City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

Current fees GST Inclusive

Cultural and learning services	Library		Current fees GST Inclusive
		Stock:	
		Bestseller collection	\$5.00 per item per week
		Non-book stock:	
		Audio Visual Materials:	
		Singles	\$1.00
		Doubles	\$2.00
		Cancelled Stock	General Managers discretion to set charges
		Non City resident charges	
		Adult non resident : additional fee on all loan of items or requests	\$3.00 per item
		Annual subscription as an alternative to the per item charge	\$100.00 per annum
		Overdue Fines	
		per item per day (except bestsellers)	\$0.50 per day per item \$15.00 per item max.
		Videos & Bestsellers	\$0.50 per day per item \$15.00 per item max.
		Reservations & interloans	
		Adults – per item	\$2.00 per item
		Interloan – per item	\$7.00 per item
		Urgent interloan – full charge per item	\$27.00 non refundable fee
		Same day holds	\$2.00 per item
		Replacements (General Revenue)	
		Membership cards – Adults	\$5.00
		Membership cards – Children	\$2.00
		Lost stock	Replacement cost plus \$10 fee
		Handling Fee	
		Cassette and CD cases	General Managers discretion to set charge
		Other services	
		CINCH annual subscription	\$50.00
		Information products	General Managers discretion to set charges
		Reprographics	General Managers discretion to set charges
		Products	General Managers discretion to set charges
		Bindery	General Managers discretion to set charges

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Parks and open spaces	Nursery Section	Shrubs and Ground Cover	
		Fast Growing Lines:	
		Root Trainers/Olive pots	\$1.95
		PB 5	
		PB 5 - minimum	\$5.10 dependent on growing line
		PB 5 - maximm	\$5.45 dependent on growing line
		25 Litre	\$45.30
		35 Litre	\$58.20
		45 Litre	\$58.20
		60 Litre	\$97.00
		80 Litre	\$122.90
		100 Litre	\$148.80
		RX 90 Pots	\$2.25
		RX 1 litre pots	\$3.15
		Slower Growing Lines:	As above plus 30%
		Open Ground Trees	
		Faster Growing Lines:	
		170mm–200mm	\$15.20
		200mm–230mm	\$16.30
		230mm–260mm	\$18.60
		260mm–300mm	\$21.30
		300mm–375mm	\$31.00
		375mm–450mm	\$44.40
		Slower Growing Lines:	As above plus 30%
		Plants Purchased in	
		External Supplier	Cost plus 16.5% plus freight if charged
	Land Drainage	Information & advice	
		Plan Sales (together with Waste Management) per A4 sheet	\$10.00

Christchurch City Council

Financial policies

City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002		Current fees GST Inclusive			
Parks and open spaces (cont'd)	Garden Parks	Lectures			
		Lecture and demonstrations	\$5.00 per person		
		Garden Club talks at Botanic Gardens (1 hr)	\$49.00		
		Garden Club talks at Botanic Gardens with walks (1.5 Hrs)	\$90.00		
			Overseas Tour Group talks at Botanical gardens with walk – 1.5 Hrs	\$180.00	
	Botanic Gardens	Miscellaneous	Parking Infringements	\$46.00	
			Commercial Television and Photography – base fee per day or part of (maximum according to the potential for the applicant)	\$426.00	
			Sale of Plants	\$5.00 average per unit	
	Aboriculture		Timber and Firewood Sales – per truck load	\$245.00	
			Lectures, reports etc for private individuals, and groups of students	\$69.00 per hour	
	All parks city wide	Miscellaneous	Brochures & Publications	up to \$50.00	
			Photocopying	\$0.20 per copy	
			Horse Grazing – specific charge at the General Managers discretion	\$10 – \$15 per week	
		Fairs/Carnivals (Any Park excl Hagley)		Garage Sales/ Fundraising Events on Parks & Reserves	\$28.00
				Application Fee – all bookings	\$33.00
				Commercial – per day or 1/2 day	\$208.00
				Set up and dismantle –	50% of daily fee
				Bond – Level dependent on nature of activity	\$200.00 to \$5,000.00
				Community Groups and Schools, Churches etc	\$96.00
			If financially supported by Community Board	No Charge	
	Any additional services – recovered at cost	General Managers discretion to set fees			

Christchurch City Council

Financial policies

City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

Current fees GST Inclusive

Parks and open spaces (cont'd)	All parks city wide (cont'd)	Picnics	Current fees GST Inclusive
		Small Groups – Less than 20 people – No Booking	No Charge
		Small Groups – Less than 20 people – booking made	\$26.00
		Medium Groups – 21 to 60 people approx	\$54.00
		Large Groups – 61 to 150 people approx	\$101.00
		Large Groups – 150 to 300 people plus bond (see below)	\$121.00
		Large Groups – 300 people plus bond (see below)	\$240.00
		Booking Fee for Non Payment on Day	\$24.00
		Picnics – Schools and Church Groups:	
		Monday to Friday	No Charge
		Weekends & Stat Holidays up to 20 people	No Charge
		Weekends & Stat Holidays above 20 people	\$49.00
		Polytechnics and Universities up to 20 people	\$24.00
		Polytechnics and Universities above 20 people	\$49.00
	Sports grounds – association & clubs	Ground Markings	\$93.00
		Hockey, Rugby, League, Soccer	
		Tournaments – daily charge per ground (outside normal season competition)	\$38.00
		Softball	
		Tournaments – per diamond per day (outside normal season competition)	\$38.00
		Cricket	
		Grass Prepared – Season	\$1,142.00
		Junior/ Secondary School prepared wicket (50% of preparation cost only)	\$570.00
		Daily Hire – Club prepared/ artificial (outside normal season competition)	\$38.00
		Artificial – Council owned – season	\$492.00
		Practice nets per time	\$14.00
		Hagley Park Wickets – Council Prepared Rep Matches	
		Level 1 – club cricket / small rep matches – cost per day	\$220.00
		Level 2 – first class domestic 1 day match	\$946.00
		Level 3 – first class domestic 3 or 4 day or 5 day international	\$649.00
		Non CCA Events / Charity Match	\$1,043.00
		Associations may receive a 10% discount if account paid within 1 month of invoice	

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Financial policies

City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive
Parks and open spaces (cont'd)	Sports grounds – association & clubs (cont'd)	
	Casual hires – not affiliated clubs	
	Casual Hires and Miscellaneous Events – Application Fee	\$28.00
	Hockey, Rugby, League, Soccer	\$85.00
	Touch	\$42.00
	Softball	\$85.00
	Cricket – Prepared wicket	\$102.00
	Daily Hire – Club prepared – plus payment to club	\$38.00
	Artificial Wicket	\$38.00
	Samoan Cricket	\$38.00
	Korfball	\$38.00
	Athletics	
	Training Track Season	\$373.00
	Athletic Meetings (Hansens Park)	\$53.00
	Fun Runs	
	Sponsored Commercial Runs	\$175.00
	Club/ Community Runs – Hagley Park – Per Day	\$48.00
	Band and Marching Practice	\$175.00
	Ribbon Parades	\$85.00
	Multisport Event – Any Park – Club/ Community Event	\$48.00
Carparking associated with other Events		
Any Park (excluding Hagley)	\$42.00	
Any Events or Activities Solely for Children under 15 (Sports Related)	No charge	
Skateboarding parks and basketball courts (outdoor)		
Admin Fee	\$28.00	
Commercial Promotion/ activity 1/2 day	\$57.00	
Commercial Promotion/ activity full day	\$96.00	
River activities		
Administration Fee	\$28.00	
Commercial	\$57.00	
Non Commercial (Community Groups)	\$28.00	

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Parks and open spaces (cont'd)	Sports grounds – association & clubs (cont'd)	Miscellaneous non sporting events	Current fees GST Inclusive
		Commercial Fee plus Bond	\$109.00
		Non Commercial	\$49.00
		Beach activities – New Brighton & Sumner	
		Beach Volleyball – per court/day	\$17.00
		Beach Cricket – pitch/day	\$17.00
		Beach Soccer – pitch/day	\$17.00
		Beach Dig	\$49.00
		American Football	\$17.00
		Fundraising Activities (cost related to restoration)	General Managers discretion to set fees
		Filming	
		Commercial Television and photography – base fee per day or part of (maximum according to the potential for the applicant company)	\$448.00
		Filming (all parks/ public areas excl Cathedral Square/ Victoria Square Cashel Mall)	
		Administration Fee	\$28.00
		Commercial Filming – per venue / 1/2 day	\$170.00
		Commercial Filming – per venue / full day	\$339.00
		Educational Institutions – Admin Fee plus Fee	General Managers discretion to set fees
		Recreation Concessions	General Managers discretion to set fees or as per Council resolution
		Consents – Commercial Applications	\$240.00 – \$600.00 plus additional charges for time based on a quotation basis in advance
	Regional Parks	Halswell Quarry – stone sales	
		Flat Stones	\$220.00 per Cu Metre
		Boulders	\$44.00 per Cu Metre
		Hagley Park	
		Mobile Shops: per day	\$74.00
		Mobile Shops: per half day	\$34.00
		Parking Infringements	\$46.00

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive****Cemeteries****Plot purchases**

Child's plot	\$546.00
Ashes Beam	\$332.00
Full size plot	\$1,091.00
Side x side	\$2,183.00
Maintenance Fee – Burial (each plot opening)	\$156.00
Maintenance Fee – Ashes (each plot opening)	\$42.00

Burial Fees

Stillborn (up to 20 weeks)	\$101.00
Birth – Up to 12 Months	\$273.00 (25% of full burial)
12 Months to 6 Years	\$364.00 (33% of full burial)
6 Years and over	\$633.00
Ashes Interment	\$101.00
Additional Burial Fees – Saturday & Public Holidays	\$460.00
Poor & Destitute	\$79.00
Disinterment – Adult Casket	Greater of \$1,125.00 or actual costs
Disinterment – Child Casket	Greater of \$844.00 or actual costs
Disinterment – Ashes	Greater of \$281.00 or actual costs
Use of lowering device	\$79.00
Less than 6 hours notice	\$206.00
Burials after 4.00pm	\$206.00
Ashes Interment on Saturday – attended by Sexton	\$143.00
Transfer of burial right	\$24.00

Memorial Work

New plots	\$51.00
Additions	\$21.00
Renovating work	\$27.00

Search Fees

Written Information	\$24.00
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Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Parks and open spaces (cont'd)	Marine Facilities	Akaroa Wharf	Current fees GST Inclusive
		Casual Charter Operators	
		Rate per surveyed passenger head per vessel per day (Seasonal);	\$1.40
		With a minimum charge per vessel (Seasonal)	\$383.00
		Regular Charter Operators	
		Rate per surveyed passenger head per vessel (Annual); or	\$126.00
		Minimum charge per vessel (Annual)	\$633.00
		– Casual charter operator rate applies for up to 8 weeks. Longer than 8 weeks then operator is considered regular. Rate excludes berthage. Maximum time alongside wharf is 1 hour. Operators who do not have alternative overnight berthage will be charged an additional overnight berthage rate. Where the appropriate fee is paid for this wharf then no additional fee will be charged for the use of any other wharf, except for Wainui or Diamond Harbour Wharf. Casual charter operators who wish to use the wharf landing must give priority to the regular operator and the scheduled timetable.	
		Commercial Operators	
		Boat Length less than 10m – Seasonal	\$383.00
		Boat Length less than 10m – Annual	\$601.00
		Boat Length greater than 10m – Seasonal	\$601.00
		Boat Length greater than 10m – Annual	\$841.00
		– Includes fishing, service vessels. Rate applies to those vessels with access to a swing mooring. Rate provides for set down of catches. Maximum time alongside wharf of 1 hour, apart from maintenance periods. Seasonal rate applies for 6 months or less consecutive usage.	
		Passenger Cruise Vessels	
		Minimum charge per vessel for each visit to Akaroa Harbour:	
		0 – 50 (passenger capacity)	\$260.00
		51 – 150 (passenger capacity)	\$780.00
		151 – 350 (passenger capacity)	\$1,820.00
		351 – 750 (passenger capacity)	\$3,900.00
		751 – 1500 (passenger capacity)	\$7,800.00
		– Council reserves the right to negotiate a higher rate depending on the size of the passenger cruise vessel or the number of annual visits or length of stay. Passenger cruise operators who wish to use the wharf landing must give priority to the regular operator and the scheduled timetable.	

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive	
Parks and open spaces (cont'd)	Marine Facilities (cont'd)	Commercial/Charter Operator – overnight or temporary berthage	
		Boat Length less than 10m – per night	\$36.00
		Boat Length greater than 10m – per night	\$48.00
		– Rates to apply for a maximum period of 7 consecutive days. For periods greater than 7 days are by arrangement with an authorised officer of the Council	
		Recreation Boats	
		Per Night	\$30.00
		– Private vessels, not used commercially, requiring temporary overnight berthage requiring overnight berthage on a temporary basis. Maximum stay of 7 nights. During daylight hours, vessels are only permitted to lay alongside the wharf for a maximum of 1 hour, unless undertaking maintenance.	
		Service Vehicles	
		Per annum fee	
		Vehicles over 4 tonnes will be required to pay an annual access charge to use the Akaroa wharf due to the size and wear and tear on the wharf:	\$601.00
Wainui Wharf			
Commercial Operators			
– Seasonal		\$601.00	
– Annual		\$1,201.00	
Casual Charter Operators			
Rate per surveyed passenger head per vessel per day (Seasonal)		\$1.30	
With a minimum charge per vessel (Seasonal)		\$301.00	
Regular Charter Operators			
Rate per surveyed passenger head per vessel (Annual); or		\$96.00	
Minimum charge per vessel (Annual)		\$660.00	
– Casual charger operator rate applies for up to 8 weeks. Longer than 8 weeks operator is considered regular. Rate excludes berthage. Maximum time alongside wharf is 1 hour. Where the appropriate fee is paid for this wharf then no additional fee will be charged for the use of any other wharf, except for Wainui or Akaroa Wharf.			

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Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Parks and open spaces (cont'd)	Marine Facilities (cont'd)	Slipway Fees	
		Boat ramps subject to fees set by the Council; eg Lyttelton, Purau, Wainui, Duvauchelle and Akaroa	
		Commercial Users	
		per month	\$72.00
		per annum (non ratepayer)	\$168.00
		per annum (ratepayer)	\$108.00
		Private/Recreational Users	
		per day	\$5.00
		per month	\$48.00
		per annum (non ratepayer)	\$108.00
		per annum (ratepayer)	\$42.00
		Diamond Harbour	
		Mooring (with dinghy shelter)	\$480.00
		Mooring (without dinghy shelter)	\$361.00
		Akaroa Boat Compound	
		12 months per vessel site	\$633.00
		6 months	\$393.00
		3 months	\$262.00
		Per week	\$44.00
		Per day	\$9.00
		— In addition there is an initial licence preparation fee of \$25.00 incl GST and a \$20 refundable key bond. Per annum fees are payable by 1 December each year. In addition, an administration fee of \$25.00 will be charged on any fee or charge not paid on its due date to compensate the Council for its costs in recovering or enforcing payments due.	
		Other Facilities	
		Should any commercial operator wish to use a marine facility not covered in the above schedule then an appropriate fee will be set by negotiation	General Managers discretion to set fees

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive
Recreation and Leisure	Southern Trust – Multi-Sensory Facility	
	One caregiver free per person	
	Comprehensive Induction package – minimum of 4 caregivers	\$30.00 General Managers discretion to set fees to appropriate cost recovery
	Individual sessions with inducted caregiver (½ hour)	\$6.00 General Managers discretion to set fees to appropriate cost recovery
	Individual sessions with inducted caregiver (½ hour) – beneficiary	\$4.00 General Managers discretion to set fees to appropriate cost recovery
	Session with facility staff and caregiver	\$22.00 General Managers discretion to set fees to appropriate cost recovery
	Group Session (maximum 6, plus 6 caregivers)	\$30.00 General Managers discretion to set fees to appropriate cost recovery
	Group Session (maximum 6, plus 6 caregivers) – beneficiary	\$20.00 General Managers discretion to set fees to appropriate cost recovery
	Additional person in group session	\$2.50 General Managers discretion to set fees to appropriate cost recovery
	Group Session (maximum 6, plus 6 caregivers plus Facility staff)	\$35.00 General Managers discretion to set fees to appropriate cost recovery
	Swim Combo – Adult	\$9.00 General Managers discretion to set fees to appropriate cost recovery
	Swim Combo – Adult – beneficiary	\$7.00 General Managers discretion to set fees to appropriate cost recovery
	Swim Combo – Child	\$7.00 General Managers discretion to set fees to appropriate cost recovery
	Swim Combo – Child – beneficiary	\$5.00 General Managers discretion to set fees to appropriate cost recovery
	Adventure Drama – per person	\$5.00 General Managers discretion to set fees to appropriate cost recovery
	All Feet can Dance course	\$50.00 General Managers discretion to set fees to appropriate cost recovery
Adaptive Activities – per person (minimum 8 people)	\$35.00 General Managers discretion to set fees to appropriate cost recovery	
Santa’s Grotto – per person	\$2.00 General Managers discretion to set fees to appropriate cost recovery	

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

		Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Rawhiti Golf Links		
	Club Annual Subscriptions		
	Adult	\$295.00	
	Married Couple 85% Monday – Friday	\$500.00	
	Junior 18 yrs to 21 yrs inclusive	\$92.00	
	Midweek	\$204.00	
	Junior under 18	\$38.00	
	9 Hole membership	\$145.00	
	Note: 2.5% discount on club subscriptions paid to Council by 15 June each year.		
	Round Fees, no discount		
	18 Holes, includes weekends and stats	\$18.00	
	18 Holes, Monday – Friday	\$15.00	
	9 Holes	\$13.00	
	Concessions can apply to Group Bookings		
	Tournament Fees	General Managers discretion to set fees	
	Concession Card x 5	\$70.00	
	Concession Card x 10	\$130.00	
Children under 16	50% Discount		
Social League	50% Discount		
Students with Identification	\$2.00 Discount		
Community Service Card, KiwiAble Card and NZ Supercard Holders	\$2.00 Discount		
QEII Golf Park			
Weekday			
Adults	\$10.00		
Juniors	\$5.00		
Pensioners	\$7.00		
Weekend and Holiday			
Adults	\$12.00		
Juniors	\$6.50		

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive
Recreation and Leisure (cont'd)	Childcare Facilities	
	QE II Preschool – Fee	\$5.00 per hour
		\$38.00 per day
		\$170.00 per week
	Tuam Street Early Learning Centre – Fee	\$5.00 per hour
		\$40.00 per day
		\$180.00 per week
	Pioneer Early Learning Centre – Fee	\$5.00 per hour
		\$38.00 per day
		\$170.00 per week
	Community Halls	
	Base charge – all Council managed Community Halls	
	Usage Type:	
	Not for profit community programmes – with or without nominal entrance fee	
	Category A – see below	\$7.50 per hour
	Category B	\$7.50 per hour
	Category C	\$6.00 per hour
	Self Employed Tutors & Franchised programmes – entrance fee charged	
	Category A	\$10.00 per hour
	Category B	\$10.00 per hour
	Category C	\$7.50 per hour
	Private social events – family functions	
	Category A	\$40.00 per hour
	Category B	\$25.00 per hour
	Category C	\$15.00 per hour
	Commercial events – hires by corporates, government, and seminars	
	Category A	\$75.00 per hour
	Category B	\$50.00 per hour
	Category C	\$30.00 per hour

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

Current fees GST Inclusive

Recreation and Leisure (cont'd)	Community Halls (cont'd)	Community events – with door charges or prepaid tickets (Including organisation run dances, social events & concerts)	Current fees GST Inclusive
		Category A	\$35.00 per hour
		Category B	\$25.00 per hour
		Category C	\$15.00 per hour
		Weekend event hire (Friday and Saturday night hireage from 6pm to midnight for the following venues)	
		North New Brighton War Memorial & Community Centre (Upstairs)	\$220.00 per charge period
		North New Brighton War Memorial & Community Centre (Downstairs)	\$150.00 per charge period
		Templeton Community Centre	\$175.00 per charge period
		Harvard Lounge	\$175.00 per charge period
		Additional charges for halls	
		Bond for events – refund subject to condition of the facility after the event	\$300.00 per function
		Security charge – to ensure the facility has been vacated	\$18.00 per function
		Additional costs for materials & services associated with a facility hire	General Managers discretion to set fees
		Definition and scope:	
		Category A Facilities – large facilities with capacity for more than 50 people:	
		– Templeton Community Centre	
		– North New Brighton War Memorial & Community Centre (Upstairs)	
		– Bishopdale Community Centre (Main Hall)	
		Category B Facilities – large facilities with capacity for more than 50 people:	
		– Fendalton Community Centre (Hall)	
		– Fendalton Community Centre (Auditorium)	
		– Harvard Lounge	
		– Parklands Community Centre (Recreation Hall)	
		– Riccarton Community Centre (Downstairs Hall)	
		– Bishopdale Community Centre (Meeting Rooms)	
		– Wainoi / Aranui Family Centre (Main Hall)	
		– Hire of 2 of the “C” sized facility spaces	

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Current fees GST Inclusive

Recreation and Leisure (cont'd)	Community Halls (cont'd)	Category C facilities – smaller facilities with capacity for less than 50 people:	
		<ul style="list-style-type: none"> – Abberley Hall – Avice Hill – Richmond Community Centre – Wainoi/Aranui Activity Centre – Fendalton Community Centre (Seminar Room) – North New Brighton War Memorial & Community Centre (Downstairs) – Parklands Community Centre (Lounge) – Riccarton Community Centre (Upstairs Hall) – Riccarton Community Centre (Community Room) – Riccarton Community Centre (Ex Mayors Lounge) – Templeton Community Centre (Supper Room) – Waimairi Community Centre (Small Room) – Waimairi Community Centre (Large Room) – Wainoi / Aranui Family Centre (Lounge and Office 1) – Aranui Family Centre (Office 2) 	
	Holiday Programs		\$15.00 per day General Managers discretion to set fees up to \$20.00 per day
	Community recreation programmes – cost recovery fee		General Managers discretion to set fees
	Bottle Lake Forest Park	<ul style="list-style-type: none"> Mountain Bike Events – 1 Off Mountain Bike Events – Series Fun Runs/ Orienteering – per day 	<ul style="list-style-type: none"> \$48.00 \$96.00 \$46.00
	Miscellaneous sports events		General Managers discretion to set fees
	Cathedral Square and Cashel Mall Amphitheatre and Victoria Square Amphitheatre	Non commercial groups	
		Fee Per Day	
		Street Appeals	No charge
		Market Stalls	\$49.00
		Parades	\$27.00
		Petitions/ Surveys	\$27.00
		Raffles – First day charge	\$27.00
		Raffles – After first Day/ per day charge	\$11.00
		Rallies	\$27.00

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Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

		Current fees GST Inclusive		
Recreation and Leisure (cont'd)	Cathedral Square and Cashel Mall Amphitheatre and Victoria Square Amphitheatre (cont'd)	Displays	\$27.00	
		Launches/ Promotions	\$27.00	
		Other non-commercial uses (per half day)	\$84.00	
		Late Application Fee (Discretionary)	\$33.00	
		Filming Full Day	\$27.00	
		Commercial		
		Administration fee	\$33.00	
		Commercial (per hour)	\$121.00	
		Parades	\$60.00	
		Filming – Application Fee	\$33.00	
Filming Per Half Day	\$218.00			
Filming Full day	\$448.00			
Concerts, events, product launches, displays				
Commercial				
Admin Fee	\$55.00			
Venue Hire 2 hrs or less	\$27.00			
Venue Hire 1/2 Day	\$109.00			
Venue Hire Full Day	\$218.00			
Concerts, events, product launches, displays				
Commercial – Proceeds to Charity				
Admin Fee	\$55.00			
Venue Hire 2 hrs or less	\$17.00			
Venue Hire 1/2 Day	\$27.00			
Venue Hire Full Day	\$55.00			
City Council funded events				
Admin Fee	\$55.00			
Venue Hire 2 hrs or less	\$11.00			
Venue Hire 1/2 Day	\$17.00			
Venue Hire Full Day	\$27.00			
Major events (can be core funded)				
Fees by Negotiation based on North Hagley Park Rates				

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002			Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Cathedral Square and Cashel Mall Amphitheatre and Victoria Square Amphitheatre (cont'd)	Cathedral Square licence fee applications		
		3 month Licence	\$164.00	
		6 month Licence	\$274.00	
			More than 6 month Licence	\$437.00
			Electricity – all users	Actual cost recovered
			Set Up and dismantle – Same charges as for hire	
			Bond	
			Major Events	\$1,500.00 to \$5,000.00
			Minor Events (Discretionary)	\$274.00
			Non Commercial Events (Discretionary)	\$218.00
		Hagley Park	Banner frame hire (for use by Hagley Park events only)	
			Weekly Hire per frame	\$27.00
			Bond (per hire)	\$218.00
			Rugby clubrooms (separate hire only)	
		Per Day Hire	\$55.00	
		Weekly charge	General Managers discretion to set fees	
		Non commercial park hire		
		Application Fee 50 – 2,500	\$60.00	
		Application Fee 2,500 – 5,000	\$121.00	
		Application Fee 5,000 +	\$180.00	
		3 fees are discretionary to individual units:		
		Carparking Unit Admin Fee *	General Managers discretion to set fees	
		City Streets Admin Fee*	General Managers discretion to set fees	
		Ground Mark Out Fee & Consultation * (Parks)	\$240.00	
		Event day charge		
		50 – 1,000	\$121.00	
		1,000 – 2,500	\$180.00	
		2,501 – 7,500	\$240.00	
		7,501 – 15,000	\$301.00	
		15,001 – 25,000	\$361.00	

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002			Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Hagley Park (cont'd)	25,001 – 50,000	\$420.00	
		50,000 +	\$480.00	
		Set up and dismantle days	\$60.00	
		Carparking Fee paid to Council (based on car counter)	\$1.00 per car	
		Maximum Car Park Fee by Event Organiser	\$3.00 per car	
		Bond refundable if no damage occurs (dependent on the nature of the activity)		\$200.00 – \$5000.00
		Hagley Park commercial 1 park hire		
		Application Fee 50 – 2,500	\$306.00	
		Application Fee 2,500 – 5,000	\$613.00	
		Application Fee 5,000 +	\$917.00	
Carparking Unit Admin Fee *	\$180.00			
City Streets Admin Fee*	\$84.00			
Ground Mark Out Fee & Consultation * (Parks)	\$240.00			
Note Above 3 Fees are discretionary to individual units				
Event day charge				
50 – 1,000	\$306.00			
1,001 – 2,500	\$612.00			
2,501 – 7,500	\$1,223.00			
7,501 – 15,000	\$1,835.00			
15,001 – 25,000	\$4,292.00			
25,001 – 50,000	\$7,350.00			
51,000 +	\$12,247.00			
Set up and dismantle days	\$245.00			
Carparking fee paid to Council (based on car counter)	\$1 per car			
Maximum Car Park Fee by Event Organiser	\$3 per car			
Bond refundable if no damage occurs (dependent on the nature of the activity)		\$200.00 – \$5000.00		
Hagley Park commercial 2 park hire				
Application Fee 50 – 2,500	\$245.00			
Application Fee 2,500 – 5,000	\$426.00			
Application Fee 5,000 +	\$612.00			

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Fees and charges set under Section 12 Local Government Act 2002		Current fees GST Inclusive
Recreation and Leisure (cont'd)	Hagley Park (cont'd)	
	Carparking Unit Admin Fee *	\$180.00
	City Streets Admin Fee*	\$84.00
	Ground Mark Out Fee & Consultation * (Parks)	\$240.00
	Note Above 3 Fees are discretionary to individual units	
	Event day charge	
	50 – 1,000	\$245.00
	1,001 – 2,500	\$366.00
	2,501 – 7,500	\$612.00
	7,501 – 15,000	\$917.00
	15,001 – 25,000	\$2,140.00
	25,001 – 50,000	\$3,675.00
	50,001 +	\$6,127.00
	Set up and dismantle days	\$210.00
	Carparking Fee paid to Council (based on car counter)	\$1 per car
	Maximum Car Park Fee by Event Organiser	\$3 per car
	Bond refundable if no damage occurs (dependent on the nature of the activity)	\$200.00 – \$5000.00
Hagley Park commercial 3 park hire		
Application Fee 50 – 2,500	\$186.00	
Application Fee 2,500 – 5,000	\$336.00	
Application Fee 5,000 +	\$492.00	
Carparking Unit Admin Fee *	\$121.00	
City Streets Admin Fee*	\$84.00	
Ground Mark Out Fee & Consultation * (Parks)	\$240.00	
Note Above 3 Fees are discretionary to individual units		
Event day charge		
50 – 1,000	\$180.00	
1,001 – 2,500	\$240.00	
2,501 – 7,500	\$306.00	
7,501 – 15,000	\$366.00	

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive
Recreation and Leisure (cont'd)	Hagley Park (cont'd)	
	15,001 – 25,000	\$426.00
	25,001 – 50,000	\$552.00
	50,001 +	\$673.00
	Power box maintenance fee – per event	
	1 Power Box hired	\$60.00
	2 Power Boxes hired	\$121.00
	3 Power Boxes or more hired	\$240.00
	Bond for Key access	\$60.00
	Electricity Usage per Kw/hr (based on reading)	\$0.24
Set up and dismantle days	\$180.00	
Carparking fee paid to Council (based on car counter)	\$1 per car	
Maximum car park fee by event organiser	\$3 per car	
Bonds		
Bond refundable if no damage occurs (dependent on the nature of the activity)		\$200.00 – \$5000.00
The imposition of a bond on bookings is to enable the Council to recover expenses incurred to rectify any damage or clean up costs related directly or indirectly to the organisation making the booking.		General Managers discretion to set fees
Pools	Multi membership: pool, fitness	
	Adults x 12 months	\$595.00 General Managers discretion to set fees up to a 10% increase
	Adults x 6 months	\$335.00 General Managers discretion to set fees up to a 10% increase
	Adults x 3 months	\$185.00 General Managers discretion to set fees up to a 10% increase
	Beneficiary x 12 months	\$445.00 General Managers discretion to set fees up to a 10% increase
	Beneficiary x 6 months	\$250.00 General Managers discretion to set fees up to a 10% increase
	Beneficiary x 3 months	\$140.00 General Managers discretion to set fees up to a 10% increase

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive
Recreation and Leisure (cont'd)	Pools (cont'd)	
	Swim:	Swim (Indoor and outdoor pools have the same price structure)
	Adult	\$5.00
	Beneficiaries	\$4.00
	Children	\$3.00
	Additional child	\$2.50
	Parent/caregiver with preschooler	\$3.00
	School Student	\$2.50
	School Group – Minimum charge	\$1.50
	Family of 4 (2 Adults, 2 children)	\$13.00
	Family of 3 (1 adult, 2 children)	\$9.00
	Family of 2 (1 adult, 1 child)	\$6.50
		AquaFit, aerobics, group exercise (yoga pilates, stretch, tai chi etc)
Adult	\$8.00 General Managers discretion to set fees to ensure cost recovery	
Beneficiary	\$6.50 General Managers discretion to set fees to ensure cost recovery	
Adult 10 Concessions/ Block	\$72.00 General Managers discretion to set fees to ensure cost recovery	
Beneficiary 10 Concessions / Block	\$60.00 General Managers discretion to set fees to ensure cost recovery	
	SwimSmart	
Adults, Child, Pre Schooler	\$8.50 General Managers discretion to set fees to market rate	
Beneficiary	\$7.00 General Managers discretion to set fees to market rate	
Individual lessons 15 mins	\$18.00 General Managers discretion to set fees to market rate	
Shared lessons – 15 minutes	\$12.00 General Managers discretion to set fees to market rate	
Parent and Child	\$8.00 General Managers discretion to set fees to market rate	
Beneficiary	\$6.50 General Managers discretion to set fees to market rate	

Christchurch City Council

Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Recreation and Leisure (cont'd)	Pools (cont'd)	Pool Memberships: (single facility)	Current fees GST Inclusive
		Adult x 3 months	\$130.00 General Managers discretion to set fees up to a 10% increase
		Adult x 6 months	\$235.00 General Managers discretion to set fees up to a 10% increase
		Adult x 12 months	\$420.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 3 months	\$100.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 6 months	\$175.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 12 months	\$315.00 General Managers discretion to set fees up to a 10% increase
		Pool Concessions	
		Child x 10	\$25.00
		Child x 20	\$45.00
		Child x 50	\$100.00
		Adult x 10	\$45.00
		Adult x 20	\$80.00
		Beneficiary x 10	\$36.00
		Beneficiary x 20	\$64.00
		Pool Hire	
		25 Metre – lane per hour plus admission	\$15.00
		50 Metre – lane per hour plus admission	\$30.00
		Dive Pool – Per hour plus admission fee	\$75.00
		Suburban Pools	
		Adult	\$2.00
		Child	\$2.00

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Pools (cont'd)	Fitness Memberships: (single facility)	
		Adult x 3 months	\$150.00 General Managers discretion to set fees up to a 10% increase
		Adult x 6 months	\$270.00 General Managers discretion to set fees up to a 10% increase
		Adult x 12 months	\$475.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 3 months	\$115.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 6 months	\$200.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 12 months	\$360.00 General Managers discretion to set fees up to a 10% increase
		Fitness Casual:	
		Adult Casual	\$10.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary Casual	\$8.00 General Managers discretion to set fees up to a 10% increase
		Assessment Programme preparation	\$35.00 General Managers discretion to set fees up to a 10% increase
		Fitness Concession	
		Adult x 10	\$90.00 General Managers discretion to set fees up to a 10% increase
		Beneficiary x 10	\$70.00 General Managers discretion to set fees up to a 10% increase
		Recreation Programmes:	
		Children	\$6.50 General Managers discretion to set fees to ensure cost recovery
		Tumble times	\$3.00 General Managers discretion to set fees to ensure cost recovery
		Tumble times for 2 children	\$5.00 General Managers discretion to set fees to ensure cost recovery
		Older Adults Gentle Exercise	\$4.00 General Managers discretion to set fees to ensure cost recovery
	Specialist Programmes – based on costs	General Managers discretion to set fees at cost recovery level	

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City Council fees and charges 2009–10

Fees and charges set under Section 12 Local Government Act 2002

Current fees GST Inclusive

		Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Pools (cont'd)	Outdoor Stadia: per hour:	
		QEII Athletics Stadium –	\$100.00
		No 2 ground basic hire – per hour	\$40.00
		Major Events By negotiation	General Managers discretion to set fees
		Per head by negotiation	General Managers discretion to set fees
		Indoor stadia: (per hour)	
		Pioneer, QEII	\$105.00
		Pioneer, QEII Commercial	\$180.00
		Cowles	\$70.00
		Cowles Commercial	\$120.00
	Equipment hire:		
	Standard equipment (racquets, balls) – priced to cover costs and equipment replacement	General Managers discretion to set fees	
	Specialist equipment (timing devices) – priced to cover costs and equipment replacement	General Managers discretion to set fees	
	Retail sales prices	General Managers discretion to set fees	
	Corporate Membership (QEII, Pioneer, and Centennial)		
	10–25 people	10% discount	
	26–50 people	15% discount	
	51+ people	20% discount	
	Other group memberships by negotiation (includes community, sport, education, cultural groups etc).		
	Banks Peninsula charges – where not elsewhere included		
	Open Space Amenity		
	Recreation Grounds – Akaroa, Diamond Harbour and Lyttelton		
	Seasonal Users (including use of pavillion) – for season	\$535.00	
	Seasonal Users (excluding use of pavillion) – for season	\$260.00	
	Akaroa Netball / Tennis Courts	General Managers discretion to set fees	
	Akaroa Croquet Club	General Managers discretion to set fees	
	Casual Users with exclusive use of the Ground only		
	Commercial Use – Half day	\$55.00	
	Commercial Use – Full day	\$110.00	
	Community / Charitable Use – Half day	\$17.00	
	Community / Charitable Use – Full day	\$30.00	

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Fees and charges set under Section 12 Local Government Act 2002

		Current fees GST Inclusive	
Recreation and Leisure (cont'd)	Banks Peninsula charges – where not elsewhere included (cont'd)	Casual users with exclusive use of the ground and building areas	
		Commercial use – half day	\$135.00
		Commercial use – full day	\$270.00
		Community / charitable use – half day	\$30.00
		Community / charitable Use – full day	\$55.00
		Note – additional charges will be made for cleaning, materials and supplies etc	General Managers discretion to set charges
		Bonds – Seasonal users key bond	
		Occasional users bond – dependent on event – minimum	\$20.00
		Occasional users bond – dependent on event – maximum	up to \$250.00
		Lyttelton recreation centre – regular bookings	
		Sports gym adult group per hour	\$20.00
		Sports gym child group per hour	\$15.00
		Sports gym commercial per hour	\$32.00
		Sports gym function (9 hrs +)	\$180.00
		Hall adult group per hour	\$15.00
		Hall child group per hour	\$11.25
		Hall commercial per hour	\$24.00
		Hall function (9 hrs +)	\$135.00
		Meeting room adult group per hour	\$12.00
		Meeting room child group per hour	\$9.00
		Meeting room commercial per hour	\$19.20
		Meeting room function (9 hrs +)	\$108.00
		Function whole complex (9 hrs +)	\$400.00
Key bond	\$20.00		

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Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

Recreation and Leisure (cont'd)	Banks Peninsula charges – where not elsewhere included (cont'd)	Akaroa Amenities	
		Hire of Gaiety Hall Supper Room:	
		Community or Youth Organisation Function	
		Each Hour (or part hour) thereafter to 4.0 hours	\$7.50
		Half Day or Evening (max 4.0 hours)	\$25.00
		Whole Day >4.0 hours	\$45.00
		Further Discount for >2 days consecutive	20%
		Commercial Functions	
		Each Hour (or part hour) thereafter to 4.0 hours	\$15.00
		Half Day or Evening (max 4.0 hours)	\$50.00
		Whole Day >4 hours	\$90.00
		Further Discount for >2 days consecutive	20%
		Hire of whole complex at Gaiety Hall	
		Community or Youth Organisation Function	
		Each Hour (or part hour) thereafter to 4.0 hours	\$17.50
		Half Day or Evening (max 4.0 hours)	\$45.00
		Whole Day >4.0 hours	\$75.00
		Further Discount for >3 days consecutive	20%
		Commercial Functions	
		Each Hour (or part hour) thereafter to 4.0 hours	\$35.00
		Whole Day or Evening (max 4.0 hours)	\$130.00
		Whole Day >4.0 hours	\$250.00
		Further Discount for >2 days consecutive	20%
		Banks Peninsula Reserves	
		Triathlon and Duathlon use of Council Maintained areas	
		Up to 4 hours – beach and slipway usage	\$55.00
		4 to 8 hours – beach and slipway usage	\$110.00
		Approval of traffic management plans	\$110.00

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Financial policies**City Council fees and charges 2009–10****Fees and charges set under Section 12 Local Government Act 2002****Current fees GST Inclusive**

		Current fees GST Inclusive
Economic Development	International Relations	
	Hosting visiting delegations	
	Standard visit briefing – one hour minimum fee	\$120.00 per hour
	Site visit to facilities – escorted – one hour minimum	\$180.00 per hour
	Technical visit – expert staff and written material – administration charge	\$60.00
	Plus per hour – one hour minimum	\$250.00 per hour
	Souvenir book	\$30.00
	Morning tea	\$3.75 per person
	City Plan	
	Sales of Plan: – Former Council area	\$100.00
Sales of Plan: – Former Banks Peninsula area	\$80.00	
Replacement Pages (from 8 May 99)	\$100.00	
Major Zoning Pattern maps (from City Plan)	A1 black and white \$10 A1 coloured \$25	
Building Control	Building Consent List (monthly publication)	\$16.00/copy
City Waste and Water Supply	Sales of Plans levied per A4 Sheet	\$10.00

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Financial policies**City Council fees and charges 2009–10**

Fees and charges set under Section 83 Local Government Act 2002 .Set under the Special Consultative Procedure.		Current fees GST Inclusive
Refuse minimisation and disposal	Waste minimisation levy	
	Council rubbish bags – pack of 5 – CBD collection only	\$10.00
	Recycling bags for the CBD recycling collection user pays service – pack of 5	\$4.00
	Wheelie Bins – change size of one bin	\$90.00
	Wheelie Bins – change size of two bins at the same time	\$101.50
	Wheelie Bins – change size of three bins at the same time	\$112.50
	Opt into kerbside collection for all three services – for non–rateable properties or properties with rates remission	\$235.00 per annum
Regulatory services	Resource consents	
	All fees are the minimum required and include GST. The processing of applications will not begin until payment has been made.	
	1.A. Non notified resource consents – minimum application fee	
	Applications in all Living zones except the Living 3, 4 (A–C) and 5 zones and which involve not more than one non–compliance with the following development standards:	
	– Sunlight and outlook for neighbours	\$650.00
	– Separation from neighbours	\$650.00
	– Continuous building length	\$650.00
	– Outdoor living space	\$650.00
	1.B. Other non notified resource consents – minimum application fee	
	Applications for works to protected (heritage/notable) trees	\$650.00
	Applications for up to two residential units (including EPH units) – all zones	\$1,000.00
	Applications for three or more residential units (including EPH units) – all zones	\$1,500.00
	Non–residential and other activities (e.g. Retirement village) – all zones	\$1,500.00
1.C. Non notified resource consents for protected trees – minimum application fee		
Applications for works to protected (heritage/notable) trees	\$650.00	
– Felling a diseased, unhealthy or hazardous tree	No charge	
– Felling healthy tree which is causing immediate damage to a dwelling	No charge	
– Pruning where necessary to remove a hazard or for tree health	No charge	
– Pruning or any work which is for the benefit of the safety, health or appearance of the tree	No charge	

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City Council fees and charges 2009–10

Fees and charges set under Section 83 Local Government Act 2002 .Set under the Special Consultative Procedure.		Current fees GST Inclusive
Regulatory Services (cont'd)	Resource Consents (cont'd)	
	2. Any application lodged under the following sections which do not require public notification – minimum application fee	
	– S 10 (2) Extension of existing use rights	\$650.00
	– S 125 Extension of time for consent which has lapsed	\$650.00
	– S 127 Application to change or cancel any condition	\$1,000.00
	– S 139 Certificate of Compliance	\$650.00
	– S 139A Existing use Certificate	\$1,000.00
	– S 176A Application for outline plan	\$650.00
	– S176A(2)(c) Waiver of outline plan	\$400.00
	– Surrender of resource consent	\$400.00
	– Confirmation of compliance with the NES for Telecommunication Facilities	\$400.00
	– Amendments to consented application and plans (i.e. immaterial changes which do not warrant a s127 application)	\$250.00
	3. Notified resource consent – minimum application fee	
	Limited notified	\$5,000
	Publicly notified	\$10,000
	4. Processing fees	
	If the cost of processing exceeds the minimum application fee an invoice will be sent for the additional processing fees. Alternatively, the balance of the Minimum Application Fee will be refunded if it is not required for processing. For a category 1A resource consent, the application fee is a fixed and final fee. There will be no additional fees invoiced or any money refunded.	
	The time taken to process an application, including pre-application advice, will be charged at an hourly rate determined by:	<u>Officer's remuneration x 2.25</u> + GST 1267.5 hours
	Where a Commissioner is required to make a decision on an application	Actual cost
	Cost of councillors/community board members attending hearing	Actual cost
	Reports commissioned by the Council	Actual cost
	Disbursements (including advertising and service of documents)	Actual cost

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Financial policies**City Council fees and charges 2009–10**

Fees and charges set under Section 83 Local Government Act 2002. Set under the Special Consultative Procedure.

Current fees GST Inclusive

Regulatory services (cont'd)	Resource consents (cont'd)		Current fees GST Inclusive
	5. Fee for monitoring of resource consent conditions (fixed fee included in the processing fees for every resource consent that requires monitoring)	If monitoring of resource consent is required (imposed as condition of a resource consent)	
		– Single inspection	\$100.00
		– Two site inspections	\$130.00
		– Additional monitoring	\$105.00 per hour
	6. Fast track fee (fixed fee on top of normal fees per the above schedule and any additional processing fees)	There are eligibility criteria for applications to be fast tracked. Please refer to fast track pamphlet for more information on the process.	\$350.00
	7. Bond or covenant under Section 108	Preparation and registration of bond or covenant under Section 108	\$450.00
		Cancellation of bond or covenant under Section 108	\$250.00
	8. Miscellaneous	File management charge (fixed fee included in the total processing fees for every resource consent application)	\$50.00
		File recovery fee (fixed fee included in the total processing fees for every resource consent application)	\$25.00
		Copy & Print Services	Schedule as per Regulatory & Property Information Services
	Subdivision Applications	The following categories are inclusive of consent processing fee, drainage fee, engineering approval and inspection fees and other Unit inputs.	
	Category 1	Boundary Adjustments, Rights of Way, Amalgamations, Fee Simple of 3 additional allotments or less, Unit Titles/Cross Lease of 5 units/flats or less.	
		Controlled Activity (fixed charge)	\$850.00
		Discretionary and non-complying activity (fixed charge)	\$1,300.00
		The fee for applications under this Category includes certifications under sections 223 and 224 RMA and section 5(1)(g) Unit Titles Act but excludes any engineering input which will be an additional fee at the scheduled hourly rate determined by:	<u>Officer's remuneration x 2.25</u> 1267.5 hours + GST

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City Council fees and charges 2009–10

Fees and charges set under Section 83 Local Government Act 2002. Set under the Special Consultative Procedure.

Current fees GST Inclusive

Regulatory Services (cont'd)	Subdivision Applications (cont'd)	Category 2	Current fees GST Inclusive
		Category 2: Applications for 4 or more allotments in ALL ZONES. No distinction between ZONES as a pricing mechanism. Initial Fee is based on the following schedule.	
		1 : 10 Lots	\$700.00 per lot
		11 :30 lots	\$650.00 per lot
		21 :50 lots	\$600.00 per lot
		Greater than 50 lots	\$550.00 per lot
		Category 3	
		More than 5 Units/flats Unit Titles or Cross Lease	
		1 : 10 Units / Flats	\$265.00 per unit
		11 :20 Units / Flats	\$230.00 per unit
		21 :30 Units / Flats	\$210.00 per unit
		> Greater 30 Units / Flats	\$190.00 per unit
		Additional fees for Categories 2 and 3	
		The schedules for these categories are to be regarded as a minimum fee. The final fee will be assessed at the time of request for Section 224 RMA Certificates and will be based on actual officers time by the scheduled hourly rate.	$\frac{\text{Officer's remuneration} \times 2.25}{1267.5 \text{ hours}} + \text{GST}$
		Notified Applications – Subdivisions	
		Limited Notified	\$5,000.00
		Publicly Notified	\$10,000.00
		plus – if a pre hearing meeting (Section 99) is held	Actual Cost
		Associated Fees	
		– Section 127 RMA Cancellation/Variation of Consent Condition	\$450.00
		– Section 221(3) RMA Variation/Cancellation of Consent Notice	\$450.00
		– Section 226 RMA Certification	\$450.00
		– Section 241 RMA Cancellation of Amalgamation	\$450.00
		– Section 243 RMA Surrender of Easements	\$450.00
		– Section 348 LGA Certification on Documents	\$450.00

Christchurch City Council

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City Council fees and charges 2009–10

Fees and charges set under Section 83 Local Government Act 2002 .Set under the Special Consultative Procedure.		Current fees GST Inclusive	
Regulatory Services (cont'd)	– All other documents not associated with a current subdivision application: Preparation of document fee	\$200.00	
	Execution of document fee	\$150.00	
	– Bond and Maintenance Clearances administration and inspection	\$250.00	
City Plan	1. Privately requested Plan changes Fixed fee payable at time of lodging a formal request for a change to the plan	\$10,000.00	
	100% Recovery of the cost of privately requested plan changes	<u>Officer's remuneration x 2.25</u> 1267.5 hours + GST	
	2. Designation Requests Fixed fee payable at time of lodging a notice of requirement for a new designation under Section 168 and Fixed fee payable at time of lodging a notice of requirement for alteration of a designation, other than a notice under Section 181(3)	\$10,000.00	
	Fixed fee payable at time of lodging a notice of requirement for alteration of a designation under section 181 (3)	\$1,000.00	
	Fixed fee payable at time of lodging a notice to withdraw requirement under section 168 (4)	\$1,000.00	
	When the costs to process an application exceeds fixed charge, then:		
	3. All staff time will be charged at the hourly rate established by formula	<u>Officer's remuneration x 2.25</u> 1267.5 hours + GST	
	4. Additional costs Costs of Commissioner or Council Hearings Panel attending hearing and making a recommendation to the Council will be charged at actual cost Disbursement costs such as advertising, photocopying and postage, and fees charged by any consultant engaged by the Council will be charged at actual cost	actual costs recovered	
	Environmental Effects and Sale of Liquor	Sale of liquor fees are set by government regulation.	
		Dangerous Goods fees are set by government regulation.	
1. Sale of Liquor			
(i) Application for on–licence/or for renewal of on-licence		\$776.00 (Net to Council = \$528)	
(ii) Application for off–licence/or for renewal of off-licence		\$776.00 (Net to Council = \$528)	
(iii) Application for club–licence/or for renewal of club-licence		\$776.00 (Net to Council = \$528)	
(iv) Special Licences		\$63.00	
(v) Temporary Authorities		\$132.00 (net to Council is \$90.00)	
(vi) Managers Certificates (application and renewals)	\$132.00 (net to Council is \$90.00)		
(vii) BYO	\$132.00 (net to Council is \$90.00)		

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		Current fees GST Inclusive
Regulatory Services (cont'd)	2. Environmental effects recoveries	
	(i) Noise surveys	Actual costs recovered
	(ii) Domestic fuel assessments	Actual costs recovered
	(iii) Court/Legal Recoveries	Actual costs recovered
	3. Offensive trades licences	
	(i) Annual Premise Registration	\$225.00
	(ii) New Application (incl Annual Registration if granted)	\$395.00
	(iii) Change of ownership	\$80.00
	4. Gambling	
	Application fee under the Gambling & TAB Venue Policy	\$150.00
Enforcement	Fencing of swimming pools: Application for Exemption	\$395.00
	Swimming Pool Registration Fee	\$90.00
	Enforcement Inspection Fee	\$105.00 per hour
	Enforcement Inspection Administration Fee	\$40.00
	Licences(Other):	
	Amusement Devices	\$11.25
	Hawkers	\$22.50
	Mobile Shops	\$112.50
	Hazardous Substances Test Certificates	\$95.00 per hour
	Hazardous Substances Approved Handlers	\$85.00 per hour
Regulatory & Property Information Services	1. Landinformation memoranda	
	– Land Information Memoranda	\$210.00 Includes \$25.00 electronic data creation fee
	2. Copy and print services	
	Cost of photocopying	A4 up to 10 pages 20c/page
	Cost of photocopying	over 10 pages/next day service 30c/page
	A3	\$2.00
	A2	\$2.50
	A1	\$5.00
	AO	\$10.00

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Regulatory Services (cont'd)	
Aerial Photographs A4	\$18.00
Aerial Photographs A3	\$25.00
Aerial Photographs A2	\$35.00
Aerial Photographs A1	\$45.00
Aerial Photographs Ao	\$80.00
3. Staff services and consultation beyond free public advice	
All staff time will be charged at the hourly rate established by formula	<u>Officer's remuneration x 2.25</u> + GST 1267.5 hours
Additional costs , advertisements , copies, postage etc	Actual costs recovered
4. Property file services	
Electronic Residential Property File Viewing Service for all files	\$25.00
Commercial Property File Service (hard copy viewing only)	\$25.00
Optional electronic scan of Commercial Property Files (to be offset by the \$25 viewing fee)	Actual Cost
Building Control	
1. Building Consent Fixed Fees	
– Solid Fuel and Liquid Fuel Heater (residential preapproved model only)	\$275.00
– Residential Demolition –(Single Dwelling and or accessory buildings only)	\$400.00
– Backflow Preventor (including compliance schedule)	\$375.00
– Marquees with inspection	\$180.00
– Marquees with producer statement	\$105.00
2. Residential applications	
– Non Habitable (includes workshops and garages)	\$750.00
– Habitable with no Reticulation	\$850.00
– Habitable with Reticulation	\$950.00
– Swimming Pool Fence (not constructed with or part of any other structure)	\$475.00
– Plumbing and or Drainage work	\$625.00
– Small Sign Consents Exemptions	\$325.00
– Minor Internal Alterations	\$650.00

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		Current fees GST Inclusive
Regulatory Services (cont'd)	Building Control (cont'd)	
	– External alterations and or additions	\$1,100.00
	– Dwellings/ Apartments	\$2,200.00
	– Solar Water Heaters	\$350.00
	– Amendments	\$350.00
	– Certificate of Exemption	\$325.00
	3. Commercial Applications	
	– Commercial/Industrial (Internal less than \$10,000)	\$800.00
	– Commercial/Industrial (Between \$10,000 – \$100,000)	\$1,200.00
	– Commercial/Industrial (More than \$100,000)	\$2,800.00
– Small Sign Consents Exemptions	\$325.00	
– Amendments	\$350.00	
4. Building Consents – Review and Grant		
Provided that where the time taken to process a Building Consent exceeds the scheduled minimum application fee then additional time may be charged at a hourly rate.	<u>Officer's remuneration x 2.25</u> + GST 1267,5 hours	
– BRANZ & BIA Levies – set by Government	3% of levies collected	
5. Preparation and registration of bond or covenant under Section 108	\$350	
6. Project Information Memoranda:		
– PIM Residential	\$270.00	
– Commercial/Industrial	\$350.00	
Provided that where the time taken to process a PIM exceeds the scheduled minimum application fee then additional time may be charged at a hourly rate.	<u>Officer's remuneration x 2.25</u> + GST 1267,5 hours	
7. Building Inspection Fees		
– Building Inspections	\$100.00 per inspection	
– Code Compliance Certificates	\$70.00	
– Application to extend the time for which a building consent is valid (set charge payable on application)	\$68.25	

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Regulatory Services (cont'd)	
– Issue of notice to fix	\$50.00
Basic Charge (plus all inspection and other action necessary to confirm compliance with the notice – charged at)	\$120.00/hr
– Certificate for public use	\$70.00
– Non Consent Inspections	\$120.00/hr
8. Certificates of Acceptance	
Actual cost based on hourly charge out rate for building consents review and grant and non consent inspections, plus PIM fee.	<u>Officer's remuneration x 2.25</u> 1267.5 hours + GST
9. Annual Building Warrants of Fitness	
– Annual fee for administering a Warrant of Fitness	\$110.00
– Issue and Register	\$110.00
Compliance Schedules	\$110.00
10. Other Fees	
Document storage fee for consents issued by other Building Consent Authorities	\$52.50
Administration and Management Fee (applicable to all building consents without fixed fees)	\$90.00
Health Licensing	
1. Food Premises	
(a) Food Service	
RC1 (Restaurants & Cafes 1 to 50 Seats)	\$290.00
RC2 (Restaurants & Cafes more than 50 Seats)	\$375.00
FE1 (Function Events Centres 1 to 2 kitchen/preparation areas)	\$390.00
FE2 (Function Events Centres more than 2 kitchen/preparation areas)	\$520.00
(b) General Food Premises	
G1 (Gift shops, shops selling pre-wrapped confectionary, fruit & vegetable shops)	\$195.00
G2 (Dairies, Butcheries, Bakeries, Delicatessens, Takeaway Food, Caterers, & All Other Premises)	\$300.00
(c) Manufacturers	
M1 (Manufacturer of Non-High Risk food and High Risk food with no heat treatment)	\$390.00
M2 (Manufacturer of High Risk food with heat treatment)	\$520.00
(d) Moveable and Mobile Food Premises	
MS (Mobile Shops)	\$195.00
MP (Moveable Premises)	Fee based on G1 or G2

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		Current fees GST Inclusive	
Regulatory Services (cont'd)	Health Licensing (cont'd)	(e) Supermarkets	
		SM (Supermarket)	\$422.00
		2. Other Registered Premises	
		HAR (Hairdressers)	\$117.00
		FND (Funeral Directors)	\$195.00
		CMP (Camping Grounds)	\$220.00
		3. General Fees	
		– Application for Registration (includes premises and Food Control Plans)	\$130.00
		– Change of Ownership/Noting Certificate (includes premises and Food Control Plans)	\$50.00
		– Exempt / Unregistered Premises	Fee based on premise categories as detailed above
– Inspection / Verification Visits (includes request and additional registration/ compliance visits from third visit each registration year)	The greater of \$130.00 or Actual Time x Chargeout Rate		
– Occasional Food Premises – per occasion	\$90.00		
– Late Payment of Food Premises Registration and FCP Verification Fees	Additional 10%		
	Chatham Island Fees and Charges	<u>Officer's remuneration x 2.25</u> + GST 1267.5 hours	
Streets and Transport	Off street parking	(i) Lichfield Street Car Park.	
		Basic Charge	First hour free
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		Reserved Parking – uncovered – per month	\$100.00
		Reserved Parking – floating – per month	\$140.00
		Reserved Parking – covered – per month	\$172.00

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Current fees GST Inclusive

Streets and Transport (cont'd)	Off street parking (cont'd)		
		(ii) Tuam Street Car Park	
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		(iii) Manchester Street Car Park	
		Basic Charge	First hour free
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		Reserved Parking – uncovered – per month	\$100.00
		Reserved Parking – floating – per month	\$120.00
		Reserved Parking – covered – per month	\$140.00
		(iv) Oxford Terrace Car Park	
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		Reserved Parking – uncovered – per month	\$180.00
		Reserved Parking – covered – per month	\$250.00
		(v) Kilmore Street Car Park	
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		Reserved Parking – uncovered – per month	\$100.00
		Reserved Parking – covered – per month	\$200.00
		(vi) Hospital Car Parking	
		a. Building – Basic Charge – per half hour or part thereof thereafter	\$1.20
		b. Main Site – Basic Charge – per half hour or part thereof thereafter	\$0.80
		(vii) Farmers Car Park	
		Basic Charge	First hour free
		Basic Charge – per half hour or part thereof thereafter	\$1.20
		Early Bird – per day	\$12.00
		Reserved Parking – covered – per month	\$180.00

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Current fees GST Inclusive

Streets and Transport (cont'd)	(viii) Centennial Pool Car Park	
	Basic Charge – per hour or part thereof thereafter	\$1.00
	(ix) Rolleston Avenue Car Park	
	Reserved Parking	\$120.00
	Pay and Display Revenue – per hour or part thereof	\$2.90
	(x) The Crossing Car Park	
	Basic Charge	First hour free
	Basic Charge – per half hour or part thereof thereafter	\$1.20
	Reserved Parking – covered – per month	\$250.00
	(xi) Art Gallery Car Park	
Basic Charge – per half hour or part thereof thereafter	\$1.20	
Early Bird – per day	\$12.00	
Reserved Parking – covered – per month	\$150.00	
On street parking	(a) Parking Meters	
	(i) 1 hour meters	\$2.90
	(ii) 2 hour and 3 hour meters	\$2.90
	(b) Coupon Parking	\$2.90
	(c) Meter Hoods – per day	\$17.00
	(c) Meter Hoods – per month	\$245.00
	(d) Waiver of Time limit restriction	\$110.00 per month
	(e) Residential Parking	\$50.00 per year
Activities on street	Trenches	
	– normal road opening	\$375.00
	– high grade pavement opening	\$600.00
	– footpath and minor openings – sewer	\$200.00
	– footpath and minor openings – stormwater	\$105.00
	– Trenching Application (Utilities)	\$292.50
	– Intersections Trenching	\$112.50
	– Water discharge	\$250 per site

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		Current fees GST Inclusive
Streets and Transport (cont'd)	Activities on street (cont'd)	
	Vehicle Crossing Inspection – per crossing	\$120.00
	Structures on Streets & application fees	
	– Landscape Features (retaining walls for landscaping / private land only)	\$210.00
	– Retaining walls for driveways (Board approval not required)	\$210.00
	– Retaining walls for driveways, parking platforms etc (Board approval required)	\$525.00
	– Preparation/Transfer of lease Document	\$315.00
	– Temporary use of legal road	\$6.50 per sq m per month \$50 minimum charge per month
	New street name plate & post	\$500.00
	Road Stopping	
	When any person applies to stop a road, then that person shall be responsible for meeting the costs and expenses associated with the road stopping process as determined by Council.	
	Application fee (provides for an evaluation of the application by Council)	\$500.00
Processing fee (following evaluation by Council, if the applicant wishes to proceed a non-refundable minimum fee will apply)	\$1,000.00	
Other Costs		
other costs and expenses that an applicant will be liable to meet include, but are not limited to:		
– survey costs		
– cost of consents		
– public advertising		
– accredited agent fees		
– Land Information New Zealand (LINZ) fees		
– legal fees		
– valuation costs		
– cost of Court and hearing proceedings		
– staff time		
– market value of the road		

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		Current fees GST Inclusive
Street Site Rentals		
	– Garage Sites	\$160.00 single \$320.00 double
	– Air Space	
	– Temporary site rental - development purposes	\$6.00 per sq m \$50.00 minimum charge per month
	– Miscellaneous Sites	\$2,100.00 per annum
	– Cell Site Rentals	\$7,350.00 per annum
	Application Fee for Discharging	
	–Ground Water to Road	\$250.00
Wastewater Collection Treatment & Disposal	Trade waste quarterly charge for flow rate over 5CuM / day	
	Volume – peak periods	\$0.5918 per Cu Metre
	Volume – off peak	\$0.2367per Cu Metre
	Suspended Solids – per Kg	\$0.2306 per Kg
	Biological Oxygen Demand – per Kg	\$0.2680 per Kg
	Metals – Cadmium	\$13,809.21 per Kg
	Metals – Chromium	\$0.00 per Kg
	Metals – Copper	\$75.90 per Kg
	Metals – Zinc	\$28.67 per Kg
	Metals – Mercury	\$24,704.10 per Kg
	Treatment and disposal Fees	
	Tankered Waste Fee	\$32.00 per Cu Metre
	Trade Waste Consent Application Fee	\$270.00
Trade Waste Annual Licence Fee <1,245 m3/yr (usually small food premises)	\$112.50	
Trade Waste Annual consent Fee <1,245 m3/yr	\$240.00	
Trade Waste Discharge Analysis	Actual Costs	
Laboratory Services	General Managers discretion to set fees	
Network fees		
Acceptance of Selwyn District Sewage	General Managers discretion to set fees	
Sewer Lateral Recoveries – actual costs recovered	General Managers discretion to set fees	

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Water Supply	Water rates	Included within LTCCP	
	Supply of water	For consumers not paying a water rate – per cubic metre	\$0.55 per Cu Metre
		Excess water supply charge (Rate charge) and Excess Factor	\$0.55 per Cu Metre
		Cross boundary rural restricted supply	\$130 annual fee per unit
		Supply of Bulk water ex Fire Hydrant – per hour	\$75.00 per hour
	Network cost recovery	Water Supply Connection Fees & Charges – Standard Domestic	\$575.00
		Commercial & Industrial Connections – actual costs recovered	General Managers discretion to determine cost recovery
New Sub Mains/Connections Cost Share		General Managers discretion to determine cost recovery	
	Damage Recoveries	General Managers discretion to determine cost recovery	
Corporate – Official Information requests	For requests for information under the Local Government Official Information and Meetings Act 1987. Where the information request is covered by fees elsewhere defined, then that fee shall prevail. Examples include Land Information memorandum, plan sales, cemetery and Library enquiries.		
	Staff time recovery		
	For time spent actioning the request in excess of two hours		
	– for the first chargeable half hour or part thereof	\$38.00	
	– for each hour thereafter	\$38.00	
Photocopying			
First 40 pages free			
For each page after the first 40 pages.		\$0.20	
Non standard sized photocopy paper such as that used for reproducing maps and plans will be charge on an actual and reasonable basis.		General Managers discretion to determine cost recovery	

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Current fees GST Inclusive

All other costs to obtain or supply the information

The amount actually incurred in responding to the request.

Actual costs General Managers
discretion to determine cost recovery

Deposit may be required

A deposit may be required where the charge is likely to exceed \$100 or where some assurance of payment is required to avoid waste of resources.

General Manger discretion to determine the deposit required.