

Mayor's Foreword

**Ko te paenga tāwhiti, whāia kia tata.
Ko Mangōrua e kōpae pū ana.**
*Seek the distant horizon and pursue it
more closely. The Milky Way shines.*

As we make our way through these times,
the goal is always there.



Before commenting on the Annual Plan, I wish to pay tribute to the 51 members of our community, whose lives were so cruelly taken from us on March 15 this year, and all those who suffered at the hands of the terrorist who attacked Al Noor Mosque and Linwood Islamic Centre, while they were gathered in peaceful worship. The attacks shocked us all.

The response was extraordinary – the genuine compassion of our Prime Minister; the way Christchurch came together to lay tributes with love, compassion and kindness and to stand in solidarity with our Muslim communities, and the expressions of humanity, peace and forgiveness from our Muslim communities, all combined to send a powerful message to the world. An act born of hatred that was designed to divide us, instead united us. We came together as one.

We need to ensure that we continue to make this real every day. Where no one feels excluded or isolated, no matter where we were born, or the colour of our skin or the faith we hold. Connected communities are an important part of our strategic directions as a city, however we can only deliver that collectively, and we must all play our part.

Protecting Christchurch's drinking water supply and improving the health of the city's waterways while keeping rates at below forecast levels are the key focus of this year's Annual Plan.

Having a safe and reliable drinking water supply remains one of this Council's top priorities. Over the next 12 months we will continue to invest heavily in upgrading the city's water supply network. We have added \$1.5 million in capital expenditure and \$500,000 in operational expenditure to the budget so that we can install pressure and acoustic monitoring devices into our water supply network.

This smart technology will enable us to identify and pinpoint leaks, allowing quick repairs and avoiding bigger problems like pipe bursts that risk disruption to our water supply.

We have also put extra money into the budget so we can meet the conditions of our new global stormwater consent and allow more monitoring of water quality in the city's waterways.

In May 2019 the Council declared a global climate and ecological emergency and committed itself to doing all it could to reduce carbon emissions. Climate Change leadership has previously been one of this Council's Strategic Priorities and this Annual Plan already included funding for a number of projects and work streams that demonstrate our commitment.

We are developing an updated Climate Change Strategy and as part of that strategy we will soon be setting a carbon neutral target for Christchurch, in consultation with our communities and other organisations that influence carbon emissions.

This Annual Plan also reallocates some of the \$4 million that we had originally set aside as funding for Regenerate Christchurch to other regeneration projects.

We will use \$1.3 million to continue the Southshore and South New Brighton work that was started by Regenerate Christchurch and an additional \$800,000 has been split between a variety of regeneration related projects. A further \$900,000 has been allocated to funding Council's ongoing programme of work in urban development and regeneration.

A large number of the submissions on the Draft Annual Plan talked about the need to make routine maintenance repairs a much higher priority. In response we re-allocated an extra \$900,000 of funding to basic maintenance work on parks, roads and footpaths. We have also provided out of rates growth further funding for reduction in glyphosate use.

During consultation on the Draft Annual Plan, we were asked by the leaders of our ethnic communities for funding for a multicultural recreation and community centre for Christchurch. The terrorist attacks of March 15 became the rallying cry for the importance of this request. In response, we have put money on budget and have committed to work with our multicultural communities and other funders to develop options.

In May 2019 we received notification that due to national funding constraints the NZ Transport Agency (NZTA) had withdrawn its Targeted Enhanced Funding Assistance Rate and were also unlikely to fund their normal share of key

projects. However, there may be still be opportunity to convince NZTA to fund their share of some projects. Projects which have been signalled as unlikely to be funded remain in the Council's capital programme, but will not proceed until funding is confirmed (or substitution projects are identified) so there is no impact on rates.

Even given these additional pressures and necessary investments in our city, this Council has managed to reduce average rate increase to 4.79 per cent for this year, compared to the 5.5 per cent increase forecast in the 2018-28 Long Term Plan.

Over recent months the Council and the Crown have been working together to finalise a global settlement. The global settlement is designed to resolve key outstanding matters from the original cost sharing agreement in 2013 and associated matters that have arisen since this time. This includes the long term ownership of city and civic assets, the increased opportunity for local leadership at this juncture of the recovery, and necessary clarity, momentum, and certainty on where opportunity, risk and cost for key projects is apportioned.

It is currently expected that the global settlement proposal will be completed and made available to the public at the end of July 2019. Deputations on the proposal will be received at an early August Council meeting and the Council will consider the proposal in public meeting shortly after.

During 2019-20 the Council will need to produce a further Annual Plan before considering the next Long Term Plan 2021-31, with an updated 30 year infrastructure strategy for which internal planning is already underway.

There will be a number of government decisions that will impact on these, including:

- Regulatory proposals for the drinking water suppliers (including the issue of mandatory disinfection and whether exemptions will be allowed);
- The Three Waters Review, and any impact on delivery obligations;
- NZ Productivity Commission inquiry into Local Government Funding and Finance.

All of these will pose challenges for the incoming council and indicate that the environment within which local government operates remains dynamic. We have continued to signal to government that we are more than willing to work in partnership with them to trial new ways of both delivering services and encouraging active participation in the range of activities that make Christchurch and New Zealand a better place.



Lianne Dalziel
Mayor of Christchurch