



Cover image

Bubble Magic on the Avon

The winner of the Christchurch City Council's city-wide competition to find an image for the front cover of our Draft Long Term Council Community Plan 2009-19 is Christchurch amateur photographer Heather Gibson.

Heather took this photograph of her nine-year-old grandson Dorian blowing bubbles while they were taking a punt ride on the Avon River in January 2009. She says this is one of Dorian's favourite pastimes.

A large number of entries were received to the competition and there were several photographs that caught the eye of the judging panel. *Bubble Magic on the Avon* was chosen for the cover because it shows a traditional, well-loved Christchurch activity – punting on the Avon.



Christchurch Long Term Council Community Plan 2009–19

Christchurch Ōtautahi

Volume 2 of 2

Long Term Council Community Plan

For the Ten Year Period Beginning 1 July 2009

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General and technical information

Our Long Term Council Community Plan 2009–2019
Christchurch Ōtautahi

The following pages contain assessments of certain services and information about Council controlled organisations, as required by the Local Government Act. They are also potentially of interest to stakeholders seeking specific technical information.

Christchurch City Council

General and technical information**Assessments of
various services****Cemeteries and crematoria**

This assessment considers the adequacy of the provision of cemeteries and crematoria in Christchurch City to meet future demands for disposal of the dead in a controlled, hygienic and dignified manner for the period 2009 to 2019. The following report is a compilation of information provided by the former Banks Peninsula District Council and Christchurch City Council in a Sanitary Services Assessment in 2005 and updated to 2008.

Key findings are:

- Following the last sanitary services assessment it was decided to prepare a Cemeteries Master Plan to be completed in 2009. This plan will consider use and burial practices for all the cemeteries.
- There is sufficient capacity within existing urban district cemeteries to meet predicted demand for the next 8 years with further existing land to be developed through the capital programme to meet a 20 year period. Location of urban cemeteries is an issue though that needs to be addressed and more land acquired.
- Rural district and small settlement cemeteries on the peninsula have capacity from 25 years with further existing land to be developed through the capital programme to meet a 46 years period.
- Current crematoria estimated capacity is adequate to meet predicted demand well beyond a 20 year period.
- Because of community preference for locally accessible cemeteries, there is a requirement for a new cemetery site to service the northern urban part of the city and additional capacity is required to further extend Avonhead Cemetery. (One site has been acquired at Ouruhia but establishment as a cemetery is subject to resource consent and planning processes).
- A partnership with Selwyn District Council for the joint use of Shands Road Cemetery could be further explored, but currently the southern part of the city is well met by Yaldhurst Cemetery which does have a long term capacity.

- Limitations on the pre-purchase of cemetery plots is required to extend cemetery life spans and optimise cemetery use as there is a significant number of pre-sold plots using up land that will take many years to be utilised.
- Returned Services needs will continue to be met, and a wider range of cultural preferences to meet differing people's needs.
- Marketing to improve the use of less known cemeteries and ashes interment areas is required.
- Current capacity at both cemeteries and crematoria is sufficient to deal with death rates from a civil emergency or pandemic. However, during the next 10 years, it would be prudent to investigate an area that could be used for both mass burial and as a future cemetery.
- No public health issues were identified by the Medical Officer of Health. The issues of groundwater contamination from cemeteries and air discharges from crematoria which were raised by other agencies are considered in the assessment.

Asset description

There are 24 cemeteries located within the Christchurch district with 12 on the peninsular and 12 in the urban area which are managed by the Christchurch City Council (Council). Three cemeteries on the peninsula are owned by the Council but are managed by others. Eight of the 24 Council cemeteries are either closed or have reached capacity with the only burials being a second burial in an existing plot or burial in a reserved plot. In addition to the Council cemeteries, a number of churches (14) have their own burial grounds and there are 3 privately owned burial grounds on the peninsula.

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Cemeteries and crematoria are provided for the community and the provision of this activity does not significantly alter, based on the geography or demographic profile of different parts of a community. However, the Christchurch district differs from most others around New Zealand in that most districts have only two or three larger operational cemeteries whereas in Christchurch there are six operational in the urban area and 12 typically smaller rural cemeteries on the peninsula. The effect is that there tends to be a localised community need around each cemetery.

The Christchurch City Council does not own or operate any crematoria. Cremation services within the Christchurch district are provided by two private companies. The Cremation Society of Canterbury has two facilities, one located at Linwood and the other at Harewood. The Garden City Crematory also has a cremator, and it is located at Sockburn. No defined catchment could be determined for each of the crematoria; therefore, the assessment considers the entire district of Christchurch as a single community for cremation services.

Public health issues

Public health issues in cemeteries relate to work around graves, potential environmental effects such as contamination of ground water, and The ability of cemeteries and crematoria to cope with large numbers of dead following a natural disaster or pandemic. The few public health issues relating to cremation relate to air discharges, radiotherapy effects and devices, such as pacemakers.

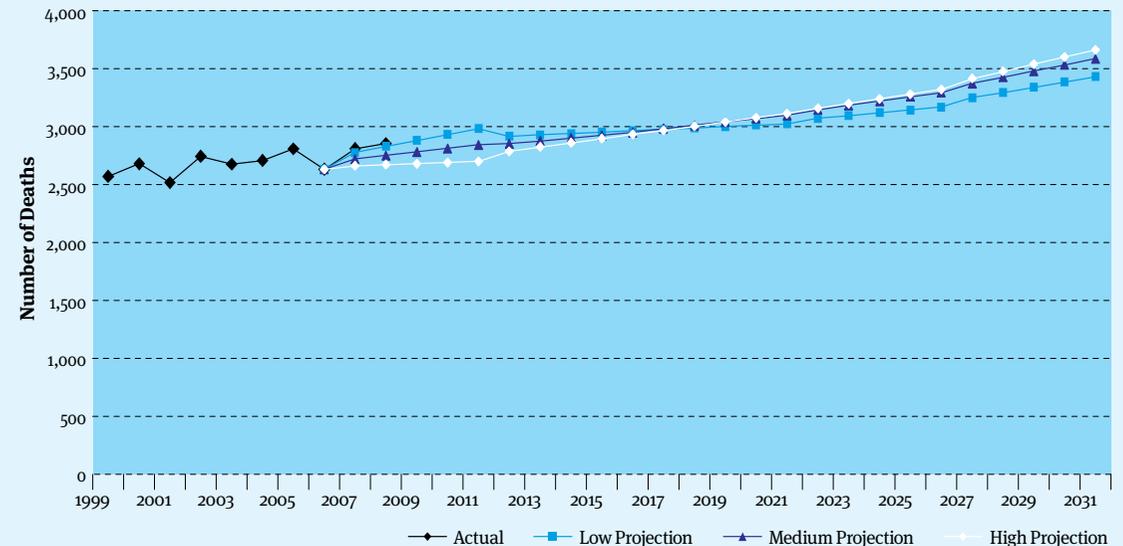
Appropriate operating procedures are in place and documented for public health issues relating to both cemetery operations and cremations. The application of the procedures is audited as part of the ISO certification process.

Forecast of deaths

The figure below shows that there will be a substantial increase in predicted deaths for the resident population over the next 20 years owing to a combination of an aging population and the large increase in population in the district.

Actual urban district cemetery numbers of grave plots interments for the last four years are shown in the figure below.

Urban cemeteries	Total number burials
2005	845
2006	835
2007	851
2008	835



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Current capacity

The current capacity of cemeteries is calculated by considering both the current number of available plots both for burials and ashes and the future demand projections.

Christchurch City records information on the number of burial plots available. This excludes plots that have been pre-sold.

Cemetery	Full burial plots developed ¹	Ashes plots developed ¹	Extra capacity undeveloped ³
Avonhead	1104	361	450
Akaroa	120	0	0
Diamond Harbour	41	36	260
Duvauchelle	160	0	150
Kaituna valley	20	20	0
Little Akaloa	5	0	50
Little River	100	45	452
Lyttelton Public and RSA	No new plots		0
Lyttelton Anglican	12	0	0
Le Bons Bay		0	300
Memorial Park	1122	114	5800
Okains Bay	48	0	0
Pigeon Bay	100	0	150
Ruru Lawn	486	40	0
Sydenham	253	456	0
Wainui	25	0	110
Yaldurst	602	81	2900
Addington	Closed		
Barbadoes Street	Closed		
Belfast	0	65	0
Bromley	No new plots	0	85*2
Linwood	13	50	250
Waimairi	0	152	0
Woolston	Closed		
Total	4211	1420	10872

¹ Land is prepared but does not include all beams for headstones which are constructed on an annual basis ahead of need, or paths and landscaping.

² Subject to removal of former sextons house.

³ Vacant land will need to be developed with landscaping.

Note: The projection of burial requirements and capacity includes all special burial plots (RSA, ethnic and religious) in the overall calculation.

There is a significant number of pre-purchased burial plots in the Christchurch cemeteries, representing about 3 to 5 years of total burial capacity for the City. At present there is no restriction on the pre-purchase of plots, accelerating the need for additional burial plots. The impact is highlighted by the 457 plots sold but unoccupied at Belfast Cemetery. It now has only a few burial plots remaining and a new cemetery site for the northern part of the city is being sought.

Future demand

Future demand projections from the previous sanitary services assessment were based on a growing number of new full burials and ashes plots use. As at 2008 the new plots full burial use in the urban district cemeteries was low prediction 465 and high prediction 499. The actual average for the last four years is estimated at 400 based on all double and triple death plots sold and 50% of new single death plots sold. As there is no faster method of checking all the single death figures, an average of 400 may be conservative.

Therefore based on the 450 new full burial plots demand forecast, by adding a 2% growth factor (based on the increase in numbers of deaths predicted) urban district cemetery capacity will be reached in 2017 for prepared land, and with all land yet to be developed by 2029 (all available plots used). In the rural district all developed plots will be used in 2034 and all land yet to be developed by 2055.

No new plots are available at Bromley and Linwood cemeteries but land is available for development if the former sextons house is removed at Bromley and there are a number of pre-sold plots still remaining at these cemeteries. Linwood Cemetery similarly has an area occupied formerly by the sextons house which could be developed into an estimated 250 lots.

The first operational cemetery to reach capacity is Belfast which has only six new plots available. This creates a significant gap in the cemetery distribution, there being no operational cemetery in the northern part of the district.

Estimated number of new full plots predicted to be used in Urban District

2008	400
2009	408
2010	416
2011	424
2012	432
2013	440
2014	448
2015	456
2016	464
2017	472
2018	480

Burial numbers have remained fairly static reflecting a greater preference for cremation, which is outside the scope of the Christchurch City Council's responsibility. Urban cemeteries have areas of land available but with new beams to be installed as part of the capital programme for the next eight years.

There is overall extra capacity for the next 20 years. However this does not show a true picture as the Yaldhurst Cemetery which does have the capacity is considered too far out in the country and there are no bus routes to take visitors to the cemetery. The whole north and west area of the city is not well serviced with cemeteries and the current small extension to Avonhead Cemetery will soon fill. Land adjoining Belfast Cemetery was investigated for possible purchase but purchase could not be completed.

In the mainly rural area of Banks Peninsula there is capacity based on a growing average of 25 burials per year for 25 years, with overall undeveloped capacity for 46 years at this current rate. However Lyttelton Public Cemetery is full and the Lyttelton Anglican Cemetery in a similar situation which is an issue that needs to be addressed. Diamond Harbour Cemetery will need to take over for the burials in the Lyttelton Basin area.

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Another trend that needs to be addressed is that as people become larger, so do full burial caskets and plot sizes will need to be increased which will again use more land.

Ash Plots

Ash plots are easily accommodated as they take up minimal area. At present there are 1420 plots available in Council cemeteries. It is possible that additional ash plots could be created if required.

Based on the continuation of the high demand forecast for new ash plots, which is averaging 280 per year in the urban district, capacity will be reached in 2014 (all available plots used). It should be noted that Christchurch City Council provides for only a small proportion of ash burials in the district. The majority are held or scattered by friends and relatives, interred in an ash plot or columbarium at one of the churches, or in the memorial gardens at one of the crematoria.

Pre-purchased ash plots represent a small proportion of total ash plot capacity for the City, in the order of one to two years. Although allowing pre-purchase has no major effect on the long term net capacity of the city's cemeteries, except where they remain unused, they accelerate the need for new areas and additional infrastructure. New ashes beams are required at Akaroa Cemetery as all existing have been pre-sold. Any new ash plots at Akaroa and at Diamond Harbour, where there are plans for more ashes beams, should not be pre-sold

Special designated areas

Special burial plots available in Council cemeteries include White Russian, (Belfast), Indian, (Sydenham), Muslim (Rum Lawn; Memorial Park), non-local Maori (268 plots, Memorial Park) and Jewish, (Linwood). In addition, a request has been received through the 2005 consultation process for an area to be set aside at Memorial Park Cemetery for Russian Orthodox burials. It is recommended that this request receive further consideration as required under Burial and Cremations Act 1964.

Representatives of Pacific Island people have asked that a more culturally-sensitive approach be applied to their burial needs which could involve the designation of special areas to meet these requirements. It is recommended that this request is further investigated in consultation with Pacific Island representatives. The proposed Cemeteries Master Plan will consider community and other needs for denominational areas in cemeteries as the newer ones no longer have different religions in segregated areas.

Returned Services Association plots

Returned Services Association (RSA) plots are provided in the Ruru Lawn cemetery. Analysis of the actual burial records and plot availability indicates that the RSA ash plots section will have room for further headstones beams extension. RSA burial plots can be extended as well as there is room in the current location for more headstone beams to be laid.

The expected use of the RSA section is expected to taper off in the next 10 years as the WWII veterans pass away. It is therefore recommended that RSA areas be monitored regularly and if another area is required that a dedicated site be provided across the road at Memorial Park Cemetery which will be included in the proposed Cemeteries Master Plan.

Crematoria

There was a lack of detailed information provided by the crematorium operators for the 2005 assessment perhaps relating to commercial sensitivities. It was therefore difficult to accurately assess the provision for cremation. However, from the cremation information available and the Christchurch City burial records, assumptions could be made about the expected average annual resident and out-of-district cremations. Analysis showed that the total capacity of the operating crematoria in the district was well in excess of forecast demand. Time has not allowed for renewed discussions with the cremation owners but will be followed up.

Options to meet demand

The assessment of cemeteries and crematoria has shown that the overall provision of land for cemeteries and total number of cremators is adequate to meet overall demand within the district for the 10 year planning period and beyond. However there are localised issues that need to be addressed with Lyttelton cemeteries full and a similar situation in the north of the urban district with more land needed in that locality.

The assessment highlights a community preference for the provision of local cemeteries. In order to continue to meet this need the following actions are recommended:

- A new cemetery is provided in the northern part of the city as a replacement for Belfast Cemetery which may still include extending this cemetery or obtaining resource consent for Ouruhia.
- Develop additional capacity with additional adjoining land purchase at Avonhead Cemetery.
- A denominational area for Russian Orthodox burials is developed at Memorial Park Cemetery.
- Investigate provision of designated burial areas to meet the needs of Pacific Island people.
- A new area is developed at Memorial Park Cemetery for RSA burials if needed within the next 10 years.
- A limit on the pre-purchase of plots is established.

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- Further explore the shared use of Shands Road Cemetery with Selwyn District Council and continue to use Yaldhurst in the meantime.
- Options for improved use of plots are investigated, particularly ash plots.
- A public promotion plan for less known cemetery sites is developed and implemented.
- Investigate future provision of an area that could be used for mass burial purposes and as a future cemetery site.
- Restrict all first burials to double depth to use land in a more sustainable manner and to cater for future family internments.
- Lyttelton basin area burials will need to be located in Diamond Harbour Cemetery.
- Akaroa requires additional ashes beams that are not to be pre-sold but held for use as needed.
- Larger casket sizes being used will require larger plot sizes and the uptake of available full burial space at a faster rate than currently.

Role of the Council

The Council owns and operates all but three of the operational cemeteries in the city, excluding the church cemeteries, and has purchased land for one new cemetery (Ouruhia) and extensions to several of the existing cemeteries. Funding for further provision in the north of the urban area is provided for in the draft capital programme for 2013. It provides a service for interment by burial and of ashes. The management, design, development and maintenance of both operational and closed cemeteries are also provided by Christchurch City Council.

In order to meet future demand, the Council will plan for increased need and develop new areas for cemeteries. It will provide funding for cemetery infrastructure, such as landscape treatment, roads, footpaths, water supply and drainage. Appropriate funding provision for cemetery infrastructure will be made in The Christchurch City Council Long Term Council Community Plan.

Identification of issues

Discussions were held with The following persons/ organisations in 2005 in order to identify any issues relating to the provision of cemeteries and crematoria and/ or any public health issues. It was considered important to ensure that any issues were identified and addressed through the assessment. There has been no further discussions since that date.

- The Medical Officer of Health did not identify any current public health concerns relating to cemeteries and crematoria in the Christchurch district.
- Environment Canterbury raised potential issues as being air discharges from crematoria and contamination of groundwater from cemeteries.
- Christchurch City Council Environmental Health raised a number of issues including high water tables in some cemeteries, potential hazards from unstable headstones and ensuring that burials are performed at correct depths. Measures have been taken to eliminate or manage all of these concerns to mitigate any public health risks.
- The Selwyn District Council raised the possibility of joint development with Christchurch City Council of the Shands Road cemetery, located close to the Christchurch City boundary. Further investigation into this option was proposed.

Adequacy of assessment

The assessment of 2005 was considered to fully meet the requirements for a sanitary services assessment as set out in Part 7 Sub-part 1 of the Local Government Act 2002. The information has been updated to 2008 figures.

The information used in the assessment is considered to be adequate to provide an informed view about the adequacy of cemetery services and facilities in the Christchurch district. In preparing the assessment, a number of assumptions have been made relating to death rates, the ratio of burials to cremations, and the number of out-of-district burials. The information used in calculating future demand is based on statistical information provided by the Department of Statistics and burial and cremation records held by the Christchurch City Council. This information has been extrapolated to provide a comprehensive view of capacity and future demand.

There was a lack of detailed information provided by the crematorium operators, perhaps relating to commercial sensitivities that made it difficult to accurately assess the provision for cremation. However, enough information was gathered to determine that neither operator is operating at anywhere near capacity. Therefore, this is unlikely to become an issue within the assessment period. If capacity were to become an issue, it is likely that one of the operators would install an additional cremator or one of the larger funeral directors would consider purchase of a cremator.

The assessment has not been compromised by a lack of information or by cost of obtaining information and is considered to be a full and balanced assessment of cemeteries and crematoria.

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Public conveniences

Public conveniences summary

Under the Local Government Act 2002 (LGA) councils are required to periodically assess the provision of sanitary services – including public toilets.

This assessment focuses on non-residential toilets as a sanitary service provided in the City, mainly in public parks. This report is a compilation of information provided by a 2008 survey of all buildings in parks in relation to building maintenance and updates the Sanitary Services Assessment in 2005. No update information was available for non parks toilets and the cleanliness survey has not been repeated.

In delivering this assessment the report:

- identifies the current and forecast metropolitan situation relative to the total supply and demand for public conveniences, as distinct from those provided in residential dwellings, in order to ensure that appropriate and adequate provision is made
- identifies Councils current response, both regulatory and through direct provision of services, to the demand and to the maintenance of appropriate health outcomes for the community
- identifies and presents options for ongoing and future provision – including options to reduce, maintain, change or enhance levels of service provided directly or indirectly to the public
- recommends Council preferred options to meet ongoing demand and maintain appropriate health outcomes for the community.

This assessment considers the public access to non-residential toilets in terms of the:

- contribution to achieving public health outcomes through ensuring the public have adequate access to clean and safe toilet facilities, while away from home
- capacity to meet reasonable expectations of Christchurch residents visiting public places
- capacity to meet reasonable expectations of tourists visiting public places.

Identification of public health and other issues

The following perspectives and issues have been identified through consultation with stakeholders and interested parties, and also through complaints received by the Council about public toilets.

Public toilets need to be:

- located in convenient places
- open at convenient times
- occur in sufficient quantities to reflect demand (e.g. at events)
- hygienic, safe and secure (e.g. are clean at all times, have sufficient hand washing facilities, have sufficient lighting, have safe disposal for other wastes left by the public including sanitary items, condoms and syringes etc)
- fully functioning and regularly maintained (e.g. all fixtures are fully operational, and septic tanks or composting toilets are emptied and cleaned appropriately).

Council's role and other service providers

Public access to toilets, other than those in residential homes, is currently provided by a wide range of businesses activities, educations, institutions and other organisations – with toilets located either within or associated with their facilities. These businesses and organisations have an obligation to provide toilet facilities for their staff and in most cases for their customers (for the purposes of this report these toilets are referred to as in the Public Domain”).

The provision of public toilets is not the primary driver for most organisations, consequently the extent and quality of the toilets is driven by staff and/or customer expectations and regulatory compliance. However, some businesses do view the provision of toilets as part of a complementary service (e.g. service stations generically provide toilet facilities, in much the same way as they provide free air for tyres). In general the presence of staff at these businesses and the requirements of customers result in reasonable levels of monitoring toilets in terms of cleanliness, supplies and condition.

The Council is also engaged in a number of activities such as libraries, community centres, parking buildings and services centres, providing toilets for staff and visitors at these locations (for the purposes of this report these toilets are referred to as “Secondary Council Sites”). Separate to these are “public toilets” provided by the City Council and hire companies. The latter generically provide portable toilets for specific events or worksites (in this report these toilets will be referred to as “Primary Public Toilets”).

Within the Christchurch district there are over 214 Council-owned public toilets:

- 175 are toilets located in or associated with parks;
- 26 toilets are also located in pavilions
- 13 are located in predominantly retail areas (including Cathedral Square).

Assessment of the level of service

In this assessment of the sanitary services, a city-wide audit was made on the levels of service provided by Primary Council sites and a sample survey of both Secondary Council and Public Domain sites. In addition, a building condition assessment was completed on Primary Council sites to determine current maintenance issues and long term maintenance and renewal requirements.

The results of the condition assessment showed that on the whole the buildings were in relatively good condition with some notable exceptions. Future maintenance and renewal requirements for surfaces, fixtures and fittings are planned based on the passing of time, industry standards and/or a decline in condition. It can also be triggered by other enhancement programmes associated with the facility.

The table below shows a comparative assessment of toilets available to the public throughout the city, on the basis of a levels of service audit of current provision. The audit graded sites on the basis of availability, location, cleanliness, and general amenity values. The level of service evident within the Primary Public Toilets varied considerably.

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	Primary public toilets		Secondary Council sites	Public domain toilet sites			Comments
	All	BAP		Shopping Centres	Fast Food Outlets	Petrol Stations	
Availability	9.7	9.9	9.5+	9.5	9.6	9.0	
Location	8.7	9.2	9.5	9.9	9.9	9.9	
Cleanliness	7.0	8.4	8.0	9.0+	8.9	8.4	McDonalds cleaning exemplary
Amenities	9.0	9.3	9.0	9.5	9.5	9.0	

Shopping centres and major fast food outlets perform well in terms of the provision of public conveniences due to their location at high usage points, availability during all normal shopping hours, high standard of amenity, and in particular, frequency and standard of cleaning. Petrol stations also performed well but with less consistency in terms of access for non-patrons, the standard of amenity and the level and frequency of cleaning.

As a large, diverse portfolio of properties, Council's secondary sites scored better than petrol stations in terms of availability but inferior to other providers with some facilities providing staff-only access. The general level of amenity was also inferior to shopping centres and fast food outlets as was the standard and frequency of cleaning. Location factors were however high. Within the secondary Council sites are several sub-groupings and their performance varied markedly. In general terms, for example, libraries performed very well on all criteria, whereas other community facilities such as parking buildings did not. Mostly this related to availability and cleanliness.

It is clear that the overall assessed performance of Private Domain toilets is at a consistently high level against the criteria used in the audit and that in general Council-owned facilities are inferior, in particular with regard to cleanliness.

While most of the Primary Council sites scored well, the cleanliness criterion was the poorest performing category by a significant factor and highlights the difficulty of keeping these sites clean with a lack of on-site monitoring by staff, and the open nature of the facilities.

The following details criteria used in the evaluation with the average scores for the 2005, then 171 Primary site toilets.

Toilets are clean and hygienic with no build up of excessive litter	80%
Litter bins are installed internally and available adjacent externally to the site	57%
The site is free of unpleasant odour	84%
Sanitary bins are supplied and clean	46%
Automatic flush unit is operational and sufficient to dispose of waste	97%
Soap dispensers and automatic hand driers are fully functional	35%
Overall average 2005	66%

Particular issues that impact on the performance of cleaning at Primary and Secondary Council sites are;

- Only one public toilet staffed (Cathedral Square);
- Cleaning regimes only as good as the last person using the facility, therefore, frequency of cleaning is a crucial factor in maintaining standards and public perceptions;
- Some surfaces more difficult to clean and maintain hygiene standards than others;
- Toilet facilities managed and cleaned by a range of different parties! contractors with a lack of consistent standards;
- Audits of cleaning standards required;
- Accountability for public toilets as a service is managed by different parts of the Council.

New auditing

An auditing system developed by the city contractor who is the primary cleaning provider for the majority of public parks toilets in the city has been developed and covers areas such as, cleanliness and hygiene, refreshed with toilet paper, pipes and sumps are working satisfactorily, and the internal and external walls are clean after each service. Auditing shows that the demerit points system for not meeting the standards taken across all factors is that 3% of these factors relate to not meeting the toilet cleaning standards. For Banks Peninsula there is a different cleaning contractor and the contracts manager reports the toilets generally on the peninsula were not well cleaned and this has recently been addressed. Some of the toilets in the domains and camping grounds are maintained by the reserves committees that manage the reserves. No recent detailed assessment has been undertaken for the peninsula toilets for the condition of the building asset or cleanliness.

Current and future demand

Demand for public conveniences is influenced and modified by compliance and customer expectations, however in total capacity terms it is driven by population. This needs to account not only for the resident population, but also tourist numbers and those outside the immediate geographic area who frequent the city for work, leisure or other reasons.

In the context of a total city wide provision of toilets in public places by Primary, Secondary and Public Domain providers, the current supply is considered adequate. The standard of some facilities, however, is less than adequate and presents a modest degree of public health concerns. More detailed demand analysis is required to inform site specific requirements with options to expand, maintain or contract (over time) the number and nature of facilities provided at individual sites. A recent condition assessment of 103 toilets and changing rooms on parks has found that operational maintenance of \$125,000 per year is required over the next six years to address needed maintenance repairs. As the survey shows reactive maintenance needs to be replaced with a proper Facilities Management (FM) contract which will introduce a regular maintenance programme. There is sufficient funding for operational maintenance in the current programme, however many of the facilities require

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a capital upgrade to ensure there are better surfaces to aid cleaning and replacement of fixtures and fittings.

Many of the toilet facilities on the peninsula which cater for visitors sometimes in larger numbers and the buildings are not adequate for this purpose due to age and size. Water supply can also be a problem with untreated water or slow supply.

Again there needs to be a complete appraisal of the peninsula toilets to ascertain the capital upgrades that are needed to bring the facilities to a required standard. In some cases total replacement is required. Many of these toilets are the old concrete block type with inadequate access, light, and air movement or are from converted buildings that were not designed to be toilets.

While site specific provision falls outside the statutory requirements of this assessment, the Special Consultative Procedure provided a legitimate vehicle for individuals, groups and the wider community to express their desires for additional or different facilities at specific locations. No specific funding is available for such sites and initiatives, however, these are now being considered within the context of the 2006 to 2016 Long Term Council Community Plan.

Options to meet demand

Public Domain and Secondary Council toilets are subject to the Building Act and Building Code in terms of toilet design and capacity. Most of these sites take responsibility for the toilets on behalf of their staff and customers, based on user expectations and compliance. This also applies to parks and locations where Council encourages large numbers of residents and tourists to aggregate, such as in Cathedral Square or at Council-run events.

However, the Building Code falls to require retailers to provide facilities for their customers in the same way that a Shopping Centre must. While true for all retailers, this inconsistent approach is most noticeable with the larger retail outlets, such as supermarkets, large format warehouse-styled retailers and bulk retailers. Similar issues exist with the provision of toilet facilities within nightclubs and other late night venues. Anecdotal evidence suggests inadequate toilet facilities are provided, which in turn contributes to anti-social behaviour in adjacent public areas.

In light of these factors, the following options are available:

1. Status Quo. Provision by a mix of Council and non-Council providers is adequate to meet the overall demand. This does not address differences in the quality of the toilets provided.
2. Improve level of service at existing Council-owned toilets. Options to achieve this include:
 - Increase the frequency of cleaning;
 - Rationalise cleaning contracts and develop consistent cleaning standards for Council facilities;
 - Improve signage to encourage the reporting of damage or cleanliness problems to the Council;
 - A quick response cleaning service when notification of problems is received by the Council;
 - Upgrading buildings including surfaces, fixtures and fittings to those more resistant to vandalism and easier to clean;
 - Place the building maintenance on a facilities maintenance contract.
3. Increase provision of Council-owned toilets in retail locations. Council could choose to provide toilet facilities in retail areas to address the lack of services provided by the retailers linked to the limitations of the Building Code.
4. Reduce provision of Council-owned toilets in retail locations. Council could rely more fully on businesses to provide services for their customers.
5. Lobby for changes to the Building Code. Council could lobby central government for amendments to the Building Code that would require the retail sector, including nightclubs to provide (or enhance) sanitary facilities.
6. Complete site specific monitoring of demand. Commission monitoring to develop demand profile for specific groups of sites identifying current demand on a seasonal basis and at peak demand periods, etc. This would enable services to be customised better to demand.
7. Improve community awareness of availability and standards. Explore opportunities to improve awareness of the availability of public conveniences for residents and tourists, the standards they should expect and the options available for them to raise concerns.
8. Charge for access to public toilets. Some cities in other parts of the world charge for access to public toilets as a means to fund the service. The same could be implemented here.
9. Options for sanitary waste disposal from vehicles. Some provision for sanitary waste disposal from trailer homes and motor homes exists with camping ground facilities and truck stop facilities (ostensibly for livestock). However, the adequacy and appropriateness of these needs to be researched and alternate options considered

Council's preferred options

The recommendation of the assessment is for adoption by Council of a combination of options included within 1, 2, 5, 6, 7 and 9 outlined above. Where there is no existing funding within Council's budgets, the initiatives should be considered within the context of the LTCCP.

Once detailed site specific demand profiles have been identified and the private sectors provision of toilet facilities for public access is better understood, Council needs to indicate clearly and consistently its provision of service relating to options three, four and eight.

With regard to 24-hour, central city public conveniences, additional facilities are most likely to be safe and effective if staffed and delivered as part of a wider strategy for addressing behavioural problems within the Central City. This wider strategy is outside the scope of this assessment and the role that public conveniences may or may not have in this strategy is yet to be determined.

Christchurch City Council

General and technical information

Stormwater

Stormwater summary

Purpose and scope

The objective of the stormwater assessment is to identify risks and show how these services will be managed by the Christchurch City Council to achieve community outcomes in a sustainable manner.

Stormwater services in Christchurch city

The roles of Council with respect to stormwater drainage services in the city are to coordinate the setting of Community Outcomes and as a service provider. The key service functions of storm water drainage infrastructure are the:

- protection of property, public safety and access
- protection of ecosystems
- creation of productive land

Adequacy of stormwater services

Christchurch city has invested heavily in flood relief works over the past 40 years in response to a series of destructive floods through the 1960s, 1970s and 1980s. A combination of historical investment in physical upgrading works and planning measures has effectively mitigated risks associated with the inundation of dwellings and buildings, and there are few urban development constraints in the city that are not mitigated by planning rules, proper subdivision design and building design.

Investment in urban stormwater services on Banks Peninsula has been more modest, and service improvements are warranted in some Peninsula communities.

In rural areas, stormwater is generally disposed of by ground soakage or to watercourses. There are unlikely to be any significant constraints on additional rural-type development related to drainage or disposal of stormwater.

Public health risks

Risks associated with stormwater services

Potential health impacts associated with the stormwater drainage network are:

- Illness caused by contact with micro-biological or chemical contaminants in natural water resources, through the use of streams, rivers, estuaries and beaches for recreational purposes, or drinking potable water drawn from polluted water sources.
- Injury or death caused by falls from stormwater structures or drowning.
- Illness from mosquito bites.

The range of contaminants in stormwater and the extent of environmental impacts on the city's watercourses are:

- Microbiological concentrations, including bacteria, viruses and protozoa, generally exceeding contact recreation guidelines. The main source of contamination in dry weather is believed to be waterfowl. The impact of wet weather pollution is lessened by rain water dilution and the low level of recreational activity at these times.
- Chemical contaminants, including organic compounds, such as hydrocarbons, pesticides and organic wastes, and inorganic compounds, such as metals and metalloids.
- The concentration of heavy metals in stormwater and river sediments exceeding the relevant water quality guidelines for the protection of aquatic organisms.
- Nutrients, including nitrogen and phosphorus, can cause algal blooms and prolific growth of aquatic plants when at elevated levels. There is extensive growth of algae, especially in the Avon River and Lake Forsyth, likely to be linked to nutrient enrichment in the streams.

Although microbiological concentrations, at times, exceed contact recreation guidelines, neither the Council nor the Medical Officer of Health has any record of injury or illness that is attributable to deficiencies in the design, operation or maintenance of the stormwater network, and health risks are assessed as low.

Risks associated with the lack of a reticulated stormwater drainage system

There are less likely to be stormwater systems in rural areas. Because of the much larger allotments in rural areas and the higher proportion of permeable, vegetated areas, there are few problems when reticulated stormwater disposal is unavailable.

Risks to stormwater communities

Assessments of stormwater services were carried out at a "community" level to identify risks to particular communities. (see table opposite)

Environmental risks

Water-quality monitoring indicates that several of the environmental parameters monitored exceed minimum guideline levels. Ecosystems in the majority of streams are in a degraded condition, however the impact on waterway habitats appears to be accepted by the majority of The community and a rigorous debate on the community costs and benefits of markedly improving environmental outcomes is required.

Environment Canterbury has issued for comment a draft Natural Resources Plan which will, when adopted, set the rules and water-quality standards with which Council must comply for all existing point source discharges. It is likely that the standards will require additional planning, investigations and investment in land and treatment facilities.

Options to address risks

Options to address water-quality degradation.

- Prepare and implement integrated catchment management plans (ICMPs) as required by the Proposed Natural Resources Regional Plan (NRRP). This option will require the Council to be aware of land use activities in the catchment and to control harmful discharges;
- Prepare and implement ICMPs; investigate operational measures such as street sweeping and sump cleaning that will improve discharge quality, and implement selected measures;
- As above, but improve stormwater treatment by construction of in-line treatment devices;
- Undertake a study of stormwater discharge quality in selected catchments and assess the impact of stormwater quality on the receiving waterways.

Christchurch City Council

General and technical information

Risks to stormwater communities		
Types of communities	Community	Risk assessment
Communities served by public drainage systems	Urban area to receiving waters– drained by street channels, street, sumps, pipes, open water courses and streams	<ul style="list-style-type: none"> • Quality of water in urban rivers and streams continues to degrade due to urban discharges • Increasing risk of land flooding due to inner urban intensification • Risk of flooding due climate change • Risk of insect borne diseases if an exotic vector establishes in Christchurch
	Banks Peninsula Settlements	<ul style="list-style-type: none"> • Risk of flooding and access difficulties from under–capacity stormwater infrastructure • Water quality from time to time not compliant with ECan rules
	Rural areas serviced by Council maintained streams and drains	Low levels of risk
	Brooklands – discharge to a controlled groundwater storage zone	Low levels of risk
Communities served by private drainage systems	Rural areas discharging storm–water run–off by either direct soakage to ground or to open drains funded privately	Low levels of risk
	Industrial areas discharging to ground via soakage basins	Risks of ground water contamination through leakage or spills onto ground or contaminants entering soak pits

Options to address the risk of land flooding due to urban intensification:

- Continuous improvement of stormwater infrastructure, as proposed in the storm water drainage assetmanagement plan;
- An increase in stormwater capacity early in the development cycle.

Options to address the risk of insect–borne diseases:

- Minimise the potential habitat for insects by minimising the number of open water bodies in the city (i.e. eliminate ornamental and environmental water bodies);
- Limit the number of likely habitats while monitoring for insect nuisances and maintaining an awareness of potential problems. The Council currently implements this option;
- Control insect populations only if an exotic insect establishes in Canterbury.

Climate change and associated effects is a risk which should be dealt with through planning measures until the timing of effects is better understood.

The risk of groundwater contamination in industrial areas through private stormwater soakage is primarily controlled by Environment Canterbury which authorises these discharges via resource consents. Options available to the Christchurch City Council are:

- Advocate for appropriate levels of environmental protection;
- Construct additional stormwater infrastructure to provide services to at–risk areas.

Council’s role

The proposed role of Council is to continue as:

- Facilitator of community consultation to establish community outcomes and service standards for stormwater services;
- Owner of infrastructure delivering public stormwater services to the community;
- Partner to Environment Canterbury and the Ministry of Health in the achievement of regulatory outcomes, and advocate for the community in the setting of environmental standards;
- Monitoring city growth, water quality and the health of habitats, and the development of policies, infrastructure management and development plans, District Plan measures and public education programmes to ensure environmental and public health standards are achieved.

Christchurch City Council

General and technical information

Wastewater collection and treatment

Wastewater summary

This is a compilation of two assessments; the 2005 Council assessment and the 2005 Banks Peninsula District Council assessment. It has also been adjusted to take into account known changes that have occurred since the assessments were prepared.

Methods used to dispose of wastewater

For the purpose of making the assessment, the city has been broken up into a number of separate community classifications. These are Christchurch City urban community, the Banks Peninsula wastewater reticulated communities, the Banks Peninsula non reticulated settlements. In addition there are a significant number of individual premises located away from others on the city fringe and throughout the peninsula with their own individual treatment and disposal systems.

The city urban community is defined by all those properties that are connected to the Council's sewer network that delivers wastewater to the treatment plant at Bromley.

Banks Peninsula Reticulated communities include Lyttelton, Diamond harbour, Governors Bay, Akaroa, Duvauchelle, Robinsons Bay Tikao bay and part of Wainui. In addition two non Council schemes (Wainui YMCA and Living Springs) are known to be operating.

The Banks Peninsula non-reticulated settlements number approx 14 and include Purau, Charteris Bay, Little River, Birdlings Flat, parts of Wainui, Takamatua, Pigeon Bay, Le Bons Bay.

Wastewater from Christchurch treated at the wastewater treatment plant at Bromley and the treated effluent is discharged into the Avon–Heathcote Estuary. The Christchurch City Council has works underway to replace the estuary discharge with an ocean outfall in 2009.

Individual stand alone properties use stand-alone schemes for wastewater treatment and disposal. These schemes consist mostly of single-chamber septic tanks with gravity disposal trenches.

Risk assessment

The discharge of effluent from the Christchurch Wastewater Treatment Plant contributes to the health risk for users of the estuary. The risk zone is assessed as being small and centred on the point of discharge. Commissioning of the Ocean Outfall in 2009 will eliminate this risk.

Wet weather overflows from the sewer reticulation into the Avon and Heathcote Rivers contribute to the increase the levels of contaminants in these rivers during this time and for a period afterwards, presenting a public health risk to users of the rivers. A significant mitigating factor is the prevalence of low-contact water related activities being discouraged by the poor weather or high river flow conditions that coincide with the sewer overflows.

Risks with the Peninsula reticulated schemes are degradation of receiving sea water quality due to discharge of treated effluent, and the Maori cultural concerns in respect to human waste being discharged into water rather than to land or via a land element prior to discharge.

The main risks associated with septic tanks (particularly when several are in close proximity) are summarised below:

- Treatment plant or disposal field poorly designed leading to a low level of treatment;
- Treatment plant or disposal field poorly maintained leading to uneven distribution of effluent;
- Shallow groundwater leading to contamination of groundwater;
- Poor quality or hydraulically limited soils leading to surface ponding or shallow groundwater contamination.
- Free draining spoils that allow wastewater to drain directly into groundwater or surface water.

The higher risk areas identified are:

- Marshlands owing to its shallow groundwater and peaty soils.
- Wainui due to the difficulties expected in renewing the existing consent and problems with overloading of the private YMCA scheme.

- Birdlings Flat due to the impact on groundwater quality.
- Little River due to high water table and water quality problems due to its proximity to Lake Forsythe.
- Purau and Charteris Bay due to the increasing numbers of holiday homes with poor septic tanks being used as permanent residences.
- Takamatua due to the number of individual schemes and some poor maintenance practices.
- Aging pipe work particularly Lyttelton, Akaroa and Christchurch allowing increasing volumes of infiltration into the systems and thus overloading treatment plants and causing overflows into water bodies.

There is a potential health risk for properties on night soil collection because of the untreated wastewater being held on-site for up to a week.

Quality and quantity of discharged wastewater

The Christchurch City wastewater system collects about 55 million cubic metres of wastewater each year, transporting it through a series of sewers and pump stations to the treatment plant at Bromley. The advanced secondary treatment process produces a high-quality effluent which is discharged into The Avon–Heathcote Estuary. There are also 12 consented locations, and 13 recently identified unconsented locations where diluted untreated effluent is discharged, during periods of high rainfall, into the Avon and Heathcote Rivers.

There are a considerable number of domestic septic tank systems in operation on the of Christchurch area. These systems consist mainly of single chamber septic tanks with gravity disposal trenches. The estimated volume of effluent associated with this number of tanks is 500–800 cubic metres a day. The effluent quality of these systems is highly variable and dependent on design, construction and maintenance standards adopted by the owners.

There are currently 11 properties in the northeast fringe area served by a night soil collection. Untreated effluent is kept in a holding tank, emptied out and taken to the Christchurch Wastewater Treatment Plant. Four of these properties are being connected to the city reticulation, five collected on a weekly basis and two only occasionally.

Christchurch City Council

General and technical information

While the Council controlled wastewater collection and treatment systems are operated by appropriately trained and qualified staff, it is assumed the private schemes and domestic tank systems are operated by property owners with varying and limited knowledge of wastewater treatment systems.

The peninsula schemes generally meet their present resource consent conditions. However there has been a trend over recent years of increasing standards for wastewater treatment, driven by higher environmental expectations and made possible through technical advancements. Consent condition standards could increase further in the future as resource consents come up for renewal. There is also an increasing public desire to stop discharging into the harbour waters altogether. Many of the Banks Peninsula discharge consents expire in the near future, or contain conditions that require wholesale review of the discharge methods. This, together with many of the plants having ageing or poorly maintained assets create a significant challenge for the city.

Current and estimated future demands

Future demand for the Council-operated supplies are assessed in detail in the Wastewater Asset Management Plan. Wastewater flows are projected to increase as a result of:

- increased population (about 7% in the next 10 years)
- intensification of development in urban fringe areas and settlements meaning septic tank effluent disposal fields are less acceptable from a public health perspective
- increases in inflow and infiltration into the existing systems. This has been estimated to increase by 10% over the next 40 years as the collection network ages.

Upgrades to the Christchurch wastewater treatment plant and reticulation system have been designed to provide sufficient system capacity for future planned demands within the Urban Development Strategy time horizon of 2041.

However increasing environmental and cultural requirements are likely to have an impact on future treatment and disposal processes and methods.

There is also demand to get properties served by night soil collection on to alternative methods of wastewater collection, treatment and disposal.

Options to meet the demands

Options to meet demand resulting from population growth;

- construction of additional pumping stations and pipelines to increase capacity to help meet peak demands
- inflow and infiltration reduction programmes (ongoing maintenance programme)
- increase capacity of treatment plants and pipe networks.
- construction of new wastewater systems
- wastewater system modelling to identify operational changes to increase system efficiencies, monitor effectiveness of capital works and rehabilitation programmes, assist with pipe sizing and capacities required
- investigate alternative systems such as storage or decentralised treatment systems, to help cater for peak flows and cater for growth above the current capacities.

Options to meet demand related to environmental issues:

- inflow and infiltration reduction programmes
- capital works to reduce wet weather overflows
- construction of ocean outfall to replace the current estuary discharge
- construct new wastewater systems
- attempt to limit growth etc to avoid issues
- renewals programmes to retain assets in acceptable condition.

Options to meet demand related to night soil collection:

- investigate options to get properties off night cart collection
- investigate reticulated septic tank options (STEP/STEG systems)
- extend city reticulation to service the properties.

Christchurch City Council's role

The Council considers the collection and disposal of wastewater an essential activity and will continue to own and manage the many wastewater schemes it presently owns. For these existing schemes it will continue to monitor scheme performance and maintain them to the level of service identified. It will

aim to identify gaps and improve the service where required. Council will monitor discharges to ensure acceptable risk to public health as well monitoring changes in legislation that may impact upon standards required for wastewater.

The Christchurch City Council will play the role of facilitator in meeting the demands for wastewater services. It is expected that any new infrastructure for growth will ultimately be funded by developers. The Council may also consider assistance with providing or funding of the service where there are significant public health and/or environmental issues. This would be assessed on a case by case basis.

Proposals for meeting the demands

The Christchurch City Council has several initiatives underway to meet the future demands. These include:

- Upgrade of Christchurch wastewater treatment plant to increase capacity and effluent quality.
- A major sewer upgrade programme of new sewers to cater for projected growth; some of these works are also aimed at reducing the wet weather overflows to the rivers;
- Construction of an ocean outfall to divert all treated wastewater from the estuary and discharge offshore through a three kilometre pipeline;
- Inflow and Infiltration reduction programmes;
- Capital works to reduce wet weather overflows;
- Expansion of the Wainui reticulation (with a new land based disposal system) to include most of the settlement and with the capacity for the YMCA camp effluent.
- Akaroa harbour basin investigation on future options for wastewater including options for disposal.
- Lyttelton harbour basin investigation on future options for wastewater including options for disposal.
- Extensive pipe and pumping, and treatment asset renewal programme.

The Council also proposes to investigate options to get the remaining properties off night cart collection.

Christchurch City Council

General and technical information

Waste management strategy

Waste Management Plan 2006

Waste minimisation and the efficient use of our natural resources is fundamental to a sustainable way of life and to the future wellbeing of our city and its residents.

The Council's Waste Management Plan 2006 is focussed on solid waste and establishes a vision, goals and targets for waste in the city. The Plan will be updated during the next three year period.

Vision

A prosperous city, where each person and business takes responsibility for waste minimisation and actively works towards zero waste.

Goals

- Individuals and businesses take greater responsibility for waste minimisation
- Council provides much enhanced reuse and recycling services at the kerbside
- Council supports and incentivises waste reduction, reuse and recycling
- Council ensures that environmentally sound waste disposal services are provided

The Plan also contains specific targets for the different components of the waste stream and can be viewed at www.ccc.govt.nz/waste/strategiesplans/managementplan

In 2007–08 Christchurch disposed of 250,000 tonnes to landfill. This means that every person produced an average of 682 kg of waste per year that ended up in the landfill (domestic and commercial waste combined). Actions taken to date to reduce solid waste to landfill include, but are not limited to:

- The introduction in early 2009 of a new kerbside collection service for a large part of the city with separate wheelie-bins for recyclables, kitchen and garden waste, and residual waste;
- The commissioning in early 2009 of a new enclosed composting plant and a new mechanised sorting plant for recyclables;
- Offering assistance to businesses to become more resource efficient through the Target Sustainability programme;
- Providing free drop-off facilities for domestic quantities of recyclable materials at Council owned transfer stations;
- Offering free drop-off facilities for domestic quantities of paints and hazardous wastes at Council owned transfer stations;
- The completion of a collection service of unwanted and banned agricultural chemicals from farms in Christchurch;
- Working with the construction and demolition industry to identify methods to reduce waste from their activities;
- Facilitating recycling at public events; and
- Implementing opportunities within the Council to become more resource efficient and sustainable in its operations.

Total waste to landfill has started declining in the recent past however more needs to be done to achieve the targets contained in the Plan.

Each person in Christchurch can affect how successful we are in meeting our vision, goals and waste reduction targets. How each person and business responds to this challenge will determine our success in making Christchurch a more sustainable place to live.

General and technical information

Water supply

This is a compilation of two assessments; the 2005 Council assessment and the 2005 Banks Peninsula District Council assessment. It has also been adjusted to take into account known changes that have occurred since the assessments were prepared.

How drinking water is obtained

For the purpose of making this assessment, the city has been divided into a number of separate communities: the Christchurch City urban community, the Banks Peninsula water reticulated communities, private community schemes, and the Banks Peninsula non-reticulated settlements. In addition there are a significant number of individual premises located away from others on the city fringe and throughout the peninsula, with their own individual systems.

The Christchurch City urban community includes Lyttelton, Diamond Harbour and Governors Bay, and several hospitals and schools which have independent supplies within the urban area. The Peninsula has seven reticulated public schemes: Akaroa, Takamatua, Duvauchelle, Wainui, Pigeon Bay, Birdlings Flat, and Little River.

Private schemes number about 12, plus a number of schools, hospitals and Christchurch Airport. The Banks Peninsula non-reticulated settlements number approximately nine and include Purau, Charteris Bay, parts of Le Bons Bay, and Port Levy. The urban fringe community includes supplies on the outskirts of the city.

Christchurch City and the surrounding areas on the plains source their water from wells into the aquifers, extending under the city and the Canterbury Plains. However water sources for Bank Peninsula supplies are from a variety of sources including wells, springs and streams.

Risk assessment

Contamination can occur at any point in the water supply system, being at the source, during treatment, storage or reticulation. The various public supplies provide different levels of treatment or mitigation of these risks resulting in differing probabilities of a contamination event occurring.

The potential risks to each of the supplies with a groundwater source (well) are similar. The main risks identified are summarised below:

- Ill fitting well heads or access hatches leading to contamination of the source or stored water;
- No residual treatment provided, except for Paparua Prison, leading to risk of contamination of water during storage or reticulation;
- Contamination (protozoa – cryptosporidium and giardia, and faecal) in shallow wells (known as non secure wells)
- Salt water intrusion into aquifers that discharge into the sea;
- Loss of service due to lack of storage or backup electricity;
- Insufficient backflow protection leading to backflow of contaminants into the reticulation from industrial, commercial or domestic premises.

For schemes with surface water sources (streams, springs etc) the potential risks are similar to each other:

- Unsecured access hatches etc on reservoirs leading to contamination of the stored water;
- No residual treatment provided, leading to increased risk of contamination of water during storage or reticulation (all stream/spring fed public schemes do have treatment);
- Contamination (Protozoa – Cryptosporidium and Giardia,) in water source.
- Contamination (faecal) from animals in vicinity of water sources as well as from poorly performing septic tanks etc.
- Insufficient backflow protection leading to backflow of contaminants into the reticulation.

All these risks can be treated in order to reduce the probability of a contamination event occurring. Christchurch City Council has Public Health Risk Management Plans in place. Operators of other supplies have some preventative measures in place.

Additional water quality testing may be necessary to guard against any public health risks resulting from some of these risks.

Quality and adequacy of drinking water

Most of the water supplies have sufficient water to meet their current demand. Akaroa is the immediate exception, but growth in some other smaller communities may be limited due to the water scheme. The North West supply zone of the City has a very good history for water quality but the relatively shallow groundwater (wells) does not meet the technical requirements to be classified as low risk.

Dirty water overloading treatment processes during storm events is an issue with a number of peninsula supplies. Also treatment processes for most of the peninsula schemes do not meet Ministry of Health standards. Rudimentary controls and the lack of remote (electronic) monitoring limit the performance of these schemes.

The Council currently abstracts over 50 million cubic metres of water a year for its reticulated supply. This represents about half of the water taken annually within the city boundaries.

The policies and rules set out in Chapter 4 and 5 of Environment Canterbury's proposed National Resources Regional Plan have been developed to ensure no significant long-term decline in groundwater levels as a result of abstraction; no significant long-term decline in water quality as a result of land-use activities, particularly the Christchurch aquifers source water and no contamination of groundwater as a result of abstraction. These rules will ensure that the long-term sustainability of the aquifers as a water source is protected.

Christchurch City Council

General and technical information

However the geology of the peninsula is predominantly fractured volcanic basalt and much of it is steep and rocky. Groundwater is generally only located in fractured rock near streams and the water quality is highly variable. There are no major rivers on the peninsula and so most water supplies are sourced from small streams on farmed land. In general, this area is poor for water quantity and quality and droughts severely aggravate the problem. Water restrictions can be severe.

Christchurch City groundwater is well known for its high quality. As a result, this water has not needed to be treated to date to meet drinking water standards. Papanui Prison, in the Urban Fringe community, is the only supply which treats its water with a chlorine solution to provide residual treatment. There is no infection incidence data suggesting that any of the sources of drinking water in either the Urban or Urban Fringe Communities have been a cause of water-borne diseases.

The Council-owned water supply schemes are operated by adequately trained staff to ensure compliance with the New Zealand Drinking Water Standards. The training and qualifications of the operators of non-council-operated supplies have not been established. Supplies to schools are generally operated by school caretakers with only a rudimentary understanding of their supply systems. It is believed that preventative maintenance is generally not practised on school supplies. The hospital, airport and prison supplies appear to be operated by personnel knowledgeable in the operation and maintenance of water-supply systems. They have preventative maintenance systems in place.

Current and estimated future demands

The current total annual consumption from the Christchurch City Water Supply is about 50 million cubic metres per year. The Council has consented approvals with Environment Canterbury to draw in about 75 million cubic metres per annum from the aquifers serving the city. The peak demand for the whole city is about 21,000 cubic metres an hour. Accurate consumption figures are not available for the non-Council-operated supplies.

Future demand for the Council-operated supplies is assessed in detail in the Water Supply Asset Management Plan. The population served by the Christchurch City Water Supply is expected to increase by about 7% in the next 10 years. A large proportion of the peak water demand in Christchurch is for domestic irrigation. For new greenfield developments the peak demand will increase proportionally to the number of households. Infill housing decreases the irrigable land area and therefore does not increase peak demand. Only a small increase in the total annual consumption is expected because of the demand management methods already in place. The Water Supply Activity Management Plan includes an aim to reduce consumption from 369 Cubic Metres/property/annum 2007/08 to 321 Cubic Metres/property /annum in 2019/20.)

Future demands are not expected to increase for non-council urban suppliers. Of the known private schemes, only the Christchurch Airport and Papanui Prison are predicting an increase in demand. The increase is expected to be in the order of 10% to 15%.

The Health (Drinking Water) Amendment Act (2007) requires greater responsibilities with regard to the quality of water supplied. This may become too onerous for many non-council suppliers and therefore increased demand for the council provided supply may result.

Options to meet the demand

Demand resulting from population growth can be met in the following ways:

- construction of additional pumping stations, wells and other infrastructure to increase capacity to help meet peak demands up to the agreed maximum take levels as stipulated in Environment Canterbury consents
- implementation of demand management programmes, including public education to encourage efficient water use, water loss reduction programmes, implementation of water restrictions
- water system modelling to identify operational changes to increase system efficiencies, monitor effectiveness of capital works and rehabilitation programmes, assist with pipe sizing and capacities required

Options to meet demand related to non-secure groundwater sources can be met by:

- additional water quality testing
- addition or upgrading of water treatment
- connection to Council reticulated supply, for non-council supplies
- drilling new wells into secure (deeper) sources.

Options to meet demand related to supplies in areas with septic tanks and insufficient drainage:

- further investigation to establish if there is a public health risk
- ensure supplies are operated correctly
- addition to or upgrading of water treatment
- abandon existing supply and connect to Council reticulated supply.

General and technical information

Options to meet demand related to the Health (Drinking Water) Amendment Bill and the greater responsibilities with regard to the quality of water supplied:

- continue to manage own supply ensuring staff are adequately trained and risk management procedures are in place
- employing external qualified staff to operate and maintain supply and manage risks
- addition or upgrading of water treatment, or the drilling of new deeper wells
- renewals programmes to retain assets in acceptable condition
- backflow protection programme to reduce the risk of backflow of contaminants into the reticulation
- abandon existing supply and connect to Council reticulated supply.

Council's role in meeting the demand

Most of the responsibility for ensuring water supplies are appropriate rests with the local Medical Officer of Health (Community Public Health Unit of Christchurch District Health Board) who is charged with this responsibility through the Health Act and via administration arrangements with the Ministry of Health.

The Council's role will be to ensure its own public water supply system is managed in an appropriate manner to meet compliance and community needs.

It is expected that any new infrastructure for growth will be funded by developers. The Council may consider assistance with funding of the service where there are significant public health issues. This would be assessed on a case-by-case basis. The Council may also have a future role to liaise with water scheme owners and other agencies, such as Environment Canterbury and Community Public Health, to ensure appropriate water supply arrangements are in place to meet the total community's reasonable needs. This would be assessed on a case-by-case basis.

Proposals for meeting the demand

The Health (Drinking Water) Amendment Act (2007) requires water-supply owners to construct, manage and monitor the supplies in a manner that will ensure acceptable levels of risk are achieved.

The Christchurch City Council, for its own supply, is already implementing plans to meet future demand. This includes:

- capital works programmes to provide additional infrastructure for growth
- demand management programmes to reduce per capita consumption
- implementation of Public Health Risk Management Plans
- a projected increase in the operating budget to cover likely additional water-testing and compliance requirements
- upgrading of water treatment at most Banks Peninsula schemes
- consideration of options for Akaroa and Takamatua schemes to overcome demand and water quality issues
- water system modelling to identify operational changes to increase system efficiencies, monitor effectiveness of capital works and rehabilitation programmes, assist with pipe sizing and capacities required
- renewals programmes to retain assets in acceptable condition
- backflow protection programme to reduce the risk of backflow of contaminants into the reticulation
- consideration of provision of water treatment and/or deeper wells for the Christchurch North West zone.

The Council will consider applications to connect to the supply from non-council-operated supplies within the reticulated area, although there may be restrictions on the size of connection that can be made. Non-council supplies outside the city's reticulated area may also apply but permission to connect will be made on a case-by-case basis. Extension of reticulation beyond appropriate land use zonings will not generally be allowed. Assistance with funding to connect, where there are public health issues, will also be assessed on a case-by-case basis.



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.

Christchurch City Council

Financial policies

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.

Christchurch City Council

Financial policies

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.

Christchurch City Council

Financial policies

Long term implications of this financial strategy

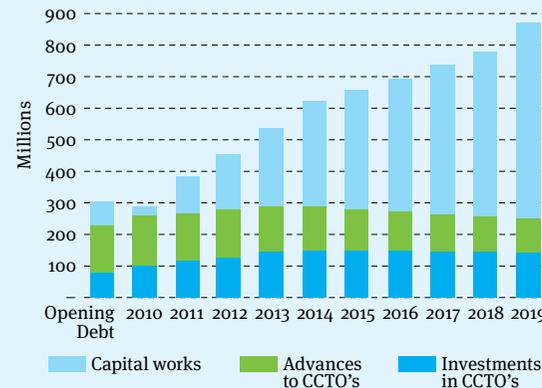
Christchurch City Council is committed to sustainable management of the City’s finances and this LTCCP demonstrates this in two key ways:

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.

Christchurch City Council

Financial policies

Funding impact statement

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

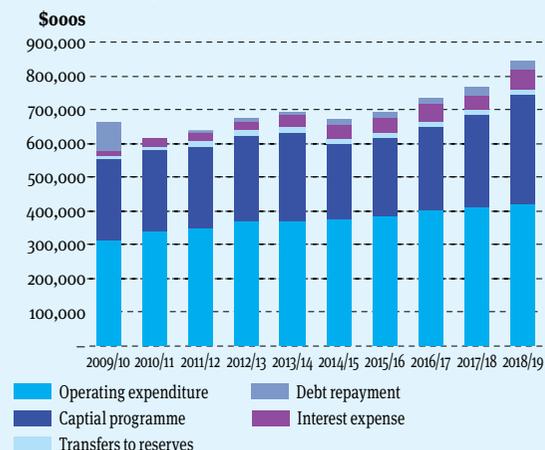


Table 2: Sources of funding for the 2009/10 – 2018/19 LTCCP



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:

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

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.

Christchurch City Council

Financial policies

	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.

Christchurch City Council

Financial policies**Rating policy**

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.

Christchurch City Council

Financial policies**Residential and other properties**

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.

Christchurch City Council

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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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 through 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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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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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

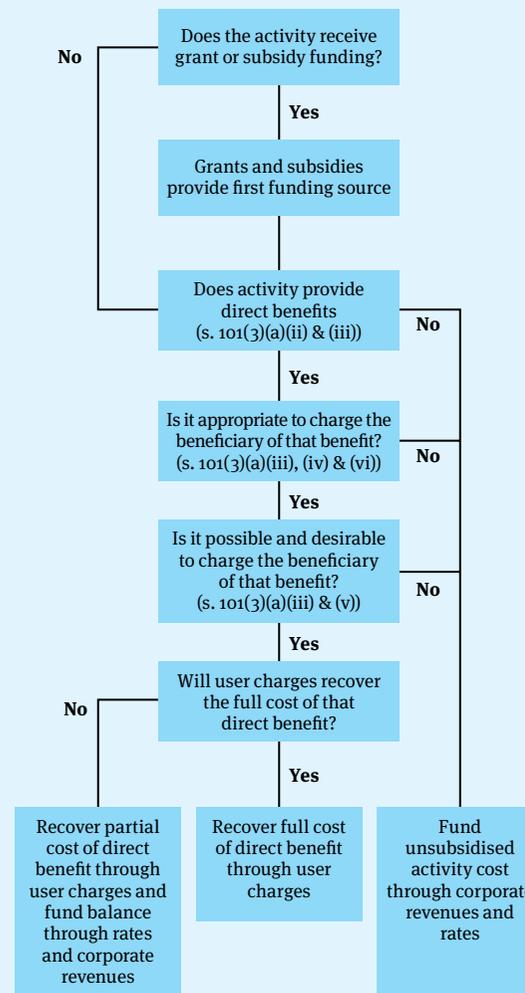
The activities and services undertaken by the Council are analysed as being either for public good or private good. Public good provides general benefits to the community as a whole, while private good yields direct benefits to specific individuals and community groups. The majority of services provided 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%

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 %

Christchurch City Council

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 %

Christchurch City Council

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 %

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 %

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	

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

Christchurch City Council

Financial policies

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	
	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

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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)	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
			\$180.00
			\$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	
		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	

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)	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	
		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

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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

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		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:	
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.			

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 (cont'd)	Slipway Fees	Current fees GST Inclusive
		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

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	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****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

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		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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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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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 – Avic 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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		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				

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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	

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)	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			

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)	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	

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)	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

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)	
	Swim:	
	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

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)	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

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)	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	

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)	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		

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)	Banks Peninsula charges – where not elsewhere included (cont'd)	Akaroa Amenities	Current fees GST Inclusive
		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

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
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

Christchurch City Council

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	

Christchurch City Council

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)	
	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

Christchurch City Council

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:	$\frac{\text{Officer's remuneration} \times 2.25}{1267.5 \text{ hours}} + \text{GST}$

Christchurch City Council

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)	Subdivision Applications (cont'd)	Category 2	Current fees GST Inclusive
		<p>Category 2</p> <p>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.</p> <p>1 : 10 Lots</p> <p>11 :30 lots</p> <p>21 :50 lots</p> <p>Greater than 50 lots</p>	<p>\$700.00 per lot</p> <p>\$650.00 per lot</p> <p>\$600.00 per lot</p> <p>\$550.00 per lot</p>
		<p>Category 3</p> <p>More than 5 Units/flats Unit Titles or Cross Lease</p> <p>1 : 10 Units / Flats</p> <p>11 :20 Units / Flats</p> <p>21 :30 Units / Flats</p> <p>> Greater 30 Units / Flats</p>	<p>\$265.00 per unit</p> <p>\$230.00 per unit</p> <p>\$210.00 per unit</p> <p>\$190.00 per unit</p>
		<p>Additional fees for Categories 2 and 3</p> <p>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.</p>	<p>Officer's remuneration x 2.25 1267.5 hours + GST</p>
		<p>Notified Applications – Subdivisions</p> <p>Limited Notified</p> <p>Publicly Notified</p> <p>plus – if a pre hearing meeting (Section 99) is held</p>	<p>\$5,000.00</p> <p>\$10,000.00</p> <p>Actual Cost</p>
		<p>Associated Fees</p> <p>– Section 127 RMA Cancellation/Variation of Consent Condition</p> <p>– Section 221(3) RMA Variation/Cancellation of Consent Notice</p> <p>– Section 226 RMA Certification</p> <p>– Section 241 RMA Cancellation of Amalgamation</p> <p>– Section 243 RMA Surrender of Easements</p> <p>– Section 348 LGA Certification on Documents</p>	<p>\$450.00</p> <p>\$450.00</p> <p>\$450.00</p> <p>\$450.00</p> <p>\$450.00</p> <p>\$450.00</p>

Christchurch City Council

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)	– 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	actual costs recovered
	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	
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)

Christchurch City Council

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)	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

Christchurch City Council

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)	
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

Christchurch City Council

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)	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

Christchurch City Council

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)	
– 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

Christchurch City Council

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)	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

Christchurch City Council

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

Streets and Transport (cont'd)	Off street parking (cont'd)		Current fees GST Inclusive
	(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

Christchurch City Council

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
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

Christchurch City Council

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
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		

Christchurch City Council

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
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	

Christchurch City Council

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	
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	

Christchurch City Council

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

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.



Other policies

Our Long Term Council Community Plan 2009–2019
Christchurch Ōtautahi

The following pages contain details of other proposed policies as required by the Local Government Act. They are potentially of interest to stakeholders seeking detailed information on those proposed policies.

Development Contributions Policy 2009–19

Part 1 Introduction

152 1.0 Introduction

- 1.1 How to find your way around this policy
- 1.2 What is a development contribution?
- 1.3 Application of development contributions
- 1.4 Relationship with financial contributions and works and services in the City Plan
- 1.5 Effective date
- 1.6 Supporting information for this policy

Part 2 Operation of Policy

153 2.0 Glossary of terms

155 3.0 Application of the policy and schedule of development contributions

- 3.1 Assessment and payment
 - 3.1.1 Requirement for development contributions
 - 3.1.2 Timing of assessment and payment
 - 3.1.3 Enforcement powers of the Council if development contribution is not paid
- 3.2 How to calculate your development contribution
 - 3.2.1 Step 1 – Determining the number of HUEs per activity
 - 3.2.2 Step 2 – Determining HUE credits
 - 3.2.3 Step 3 – Calculate net increase in HUEs (demand) from the development
 - 3.2.4 Step 4 – Identify development contribution catchment
 - 3.2.5 Step 5 – Check schedule of development contributions for reserves and network and community infrastructure
 - 3.2.6 Step 6 – Calculate the development contributions for reserves and network and community infrastructure
 - 3.2.7 Step 7 – Calculate total development contribution

Part 2 Operation of Policy (cont'd)

- 3.3 Additional information on assessing the development contribution payable
 - 3.3.1 Cash and/or land for development contributions for reserves
 - 3.3.2 Basis of land valuation
 - 3.3.3 Private developer agreements
 - 3.3.4 When the Council will not require a development contribution
 - 3.3.5 Other charges
 - 3.3.6 Construction demand
- 3.4 Postponement, review, remission, reduction and refund of development contributions
 - 3.4.1 Postponement of development contributions
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 - 3.4.3 Remission and reduction of development contributions
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Part 3 Substantiation of Policy

183 4.0 Basis for the policy

- 4.1 Statutory requirements and options for contributions
 - 4.1.1 Development contributions
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185 5.0 Planning for growth

- 5.1 Growth model
- 5.2 Application of household unit equivalents (HUEs) as the unit of demand

188 6.0 Rationale for funding the costs of growth through development contributions (consideration of Section 101(3) of the LGA)

- 6.1 Overview
- 6.2 Step 1 – Considering community outcomes
- 6.3 Step 2 – Benefits of performing the activity
- 6.4 Step 3 - Funding the activity
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- 7.1 Activities and catchments for which development contributions may be required
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- 7.3 Use of development contributions

195 8.0 How development contributions have been calculated

- 8.1 LGA requirements
- 8.2 Level of service
- 8.3 Cost allocation methodology
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Christchurch City Council

Development Contributions Policy

Part 1 Introduction

1.0 Introduction

The Development Contributions Policy (DCP) 2009-19 is part of, and is to be read in conjunction with, Our Community Plan – Christchurch O-Tautahi 2009-19, being Christchurch City Council's Long-Term Council Community Plan (LTCCP).

This policy applies within the territorial boundaries of Christchurch City Council (Council), including Christchurch City and Banks Peninsula.

The Council has been experiencing growth pressures, particularly on the northern and south-western periphery of Christchurch City, in the inner city and in the small residential and rural-residential settlements on Banks Peninsula. This growth is placing a significant strain on existing reserves, network infrastructure and community infrastructure and raises questions about how to fund such new infrastructure.

The Local Government Act 2002 (LGA) allows councils to require development contributions from developers to assist in funding community facilities if the effect of their developments requires the councils to provide new or upgraded infrastructure. The Council has prepared this policy to detail how it will do this.

The basis, structure and application of the DCP 2009-19 builds on earlier DCPs, including by a Council-appointed joint Council and development industry working party. Significant changes made between the DCP 2007-09 and this policy are:

- adoption of revised catchments for reserves;
- extension of development contributions for community infrastructure to include for libraries and cemeteries; and
- removal of the transitional discount.

Other changes include:

- clarification that development contributions for reserves include development contributions for regional parks, garden and heritage parks, sports parks and neighbourhood parks; and
- clarification that transport-related development contributions for network infrastructure include development contributions for the road network, active travel, parking and public transport.

The level of costs allocated to growth for major projects, and a random sample of smaller projects, has been independently reviewed to ensure that cost allocations for different projects are robust and consistent. Independent audits will continue following the adoption of this policy and will feed into the next LTCCP/DCP.

1.1 How to find your way around this policy

This policy is in four parts:

- Part 1 Introduction (Section 1.0);
- Part 2 Operation of policy (Sections 2.0 – 3.0). This explains what development contributions are payable, how they are calculated, when they are assessed and when they need to be paid;
- Part 3 Substantiation of policy (Sections 4.0 – 8.0). This explains the legislative framework and the process, rationale and methodology for the Council making the decision to use development contributions to fund growth-related capital expenditure; and
- Part 4 Appendices (Appendices 1 – 2). These contain the methodology used to establish the HUE equivalences.

1.2 What is a development contribution?

A development contribution is a contribution from developers of cash and/or land to fund the additional demand for reserves, network infrastructure and community infrastructure created as a result of growth.

Development contributions may be required in relation to developments if the effect of the developments (on their own or in combination with another development) is to require new or additional assets of increased capacity and the Council incurs capital expenditure to provide reserves, network infrastructure and community infrastructure. This includes development contributions to pay, in full or part, for capital expenditure already incurred by the Council in anticipation of the developments.

1.3 Application of development contributions

This policy provides for the Council to impose development contributions to fund growth-related capital expenditure on:

- Reserves:
 - Regional parks;
 - Garden and heritage parks;
 - Sports parks; and
 - Neighbourhood parks.
- Network infrastructure:
 - Water supply;
 - Wastewater collection;
 - Wastewater treatment and disposal;
 - Waterways and land drainage;
 - Road network;
 - Active travel;
 - Parking; and
 - Public transport.
- Community infrastructure:
 - Leisure facilities;
 - Libraries; and
 - Cemeteries.

1.4 Relationship with financial contributions and works and services in the City Plan

This DCP is distinct from, and in addition to, the City Plan provisions that allow the Council to require financial contributions under the Resource Management Act 1991 (RMA). Financial contributions are contributions that can be imposed under the RMA where provided for by the City Plan and as a condition of resource consent. Development contributions and the DCP are created under the LGA, not the RMA. The Council cannot collect development contributions and financial contributions for the same purpose. The Council will continue to impose financial contributions in accordance with the City Plan (refer to section 4.1.2 of this policy).

Development Contributions Policy

Development contributions for network and community infrastructure are for the installation or improvement of assets over and above the works and services required in respect of a subdivision or development, as explained in Section 3.3.5, and are usually, but not exclusively, located beyond the development boundaries.

1.5 Effective date

The inaugural version of the Council's DCP was adopted as part of the LTCCP 2004-14, effective as of 1 July 2004. Subsequent DCPs were adopted as part of the LTCCP 2006-16, effective as of 1 July 2006, and as an amendment to the LTCCP 2006-16, effective as of 1 July 2007. This DCP, adopted as part of the draft LTCCP 2009-19, is effective as of 1 July 2009.

1.6 Supporting information for this policy

The following supporting information for this policy is obtainable online at <http://www.ccc.govt.nz/thecouncil/plans/longtermcouncilcommunityplan/dcp200919.aspx> and at the Council's Civic Offices, 163-173 Tuam Street:

- Council 2009-2019 LTCCP Growth Model;
- Schedule of growth-related capital expenditure;
- Workings supporting the growth allocation of capital expenditure projects;
- Catchment maps (both city-wide and local), for a more detailed view down to individual property boundaries; and
- Methodology for Determining Development Contributions.

Part 2 Operation of Policy

2.0 Glossary of terms

In this policy, unless the context otherwise requires:

Active travel means walking, cycling and other non-motorised forms of transport.

Activity means the provision of community facilities by the Council, as grouped within the following capital programmes:

- Reserves:
 - Regional parks;
 - Garden and heritage parks;
 - Sports parks; and
 - Neighbourhood parks.
- Network infrastructure:
 - Water supply;
 - Wastewater collection;
 - Wastewater treatment and disposal;
 - Waterways and land drainage;
 - Road network;
 - Active travel;
 - Parking; and
 - Public transport.
- Community infrastructure:
 - Leisure facilities;
 - Libraries; and
 - Cemeteries.

BA means Building Act 2004.

Backlog means that portion of a project that relates to historical catch-up to meet the required level of service for the existing community.

Banks Peninsula means applicable within the territorial boundaries of the former Banks Peninsula District Council only, i.e. pre-merger with the Council.

Base units means the demand of an average household unit for each activity.

BPDC means the former Banks Peninsula District Council, i.e. pre-merger with the Council.

Catchment means a geographical area of the City for which separate development contributions exist.

Christchurch City means applicable within the territorial boundaries of the former Council only, i.e. pre-merger with the BPDC.

City Plan means Christchurch City Plan, operative in part from 21 November 2005, and the former Banks Peninsula Proposed District Plan, notified 30 January 1997, including as amended or substituted.

City/City-wide means applicable to Christchurch City and Banks Peninsula.

Community facilities means reserves, network infrastructure or community infrastructure for which development contributions may be imposed.

Community infrastructure means land, or development assets on land, owned or controlled by the Council to provide public amenities, including land that the Council will acquire for that purpose.

Community services development means land or development assets on land owned or controlled by private providers of public amenities (including land leased from the Council) which consume infrastructural capacity, such as sporting, educational, cultural, religious and charitable activities.

Complete application means an application that is complete, as prescribed in Section 88 of the RMA and/or Section 45 of the BA.

Cost allocation means the allocation of the capital costs of a project to the various drivers for the project, such as renewal, backlog and additional capacity to meet growth.

Council means the Christchurch City Council.

Credits means credits as calculated under Section 3.2.2 of this policy.

DC means development contribution.

DCP means Development Contributions Policy. This policy is effective as of 1 July 2009 until such time as it is reviewed or amended.

Christchurch City Council

Development Contributions Policy

Developed means land on which physical improvements have been made or where development to land has occurred (refer to the definition of ‘development’).

Developer means an individual or firm, or a group of individuals or firms, who is/are an applicant for a consent or service connection for which a development contribution is assessed under this policy.

Development means:

- (a) any subdivision, building, land use or other development that generates a demand for reserves, network infrastructure, or community infrastructure; but
- (b) excluding the pipes, lines or lots of a network utility operator.

Examples include residential development, being the creation of additional lots and/or household units, and non-residential development, being the creation of additional lots and/or an increase in gross floor area (GFA), water usage, impervious surface area (ISA) and traffic movements (VPD), including through a change in land or building use.

Effective date means the date on which any version of the DCP took or takes effect as set out in Section 1.4.

Family flat means self-contained living accommodation, whether contained within a residential unit or located separately to a residential unit on the same site, which is occupied by family member(s) who are dependent in some way on the household living in that residential unit; and which is encumbered by an appropriate legal instrument which ensures that the use of the family flat is limited to dependent family members of the household living in the residential unit.

Funding model means the funding model developed by the Council to support the DCP.

Funding period means the period over which the funding model applies, which is not less than 10 years. Otherwise it is the lesser of the asset capacity life, asset useful life or 30 years.

GFA means gross floor area, being the sum of the total area of all floors of all buildings. The GFA is measured from the exterior walls or from the centre line of walls separating two buildings and excludes:

- car parking;
- loading docks;
- vehicle access and manoeuvring areas/ramps;
- plant and equipment enclosures on the roof;
- service station canopies;
- pedestrian circulation space in an enclosed retail shopping centre, and any foyer/lobby or a primary means of access to an enclosed retail shopping centre, which is accessed directly from a public place.

Growth model means the processes used to determine the anticipated future residential and non-residential growth for each catchment.

GST means Goods and Services Tax.

HUE means household unit equivalent.

Industrial means the use of land, infrastructure and buildings for the manufacturing, fabricating, processing, packing or storage of goods, substances, energy or vehicles; the servicing and repair of goods and vehicles whether by machinery or hand; or any other similar activities.

Infrastructure Design Standard means Infrastructure Design Standard, operative 1 July 2009, including as amended or substituted. The IDS replaces the Christchurch Metropolitan Code of Urban Subdivision.

ISA means the impervious surface area to be drained to the reticulated surface water network.

Leisure facilities means facilities used for leisure purposes and includes swimming pools and other sporting facilities.

Level of service means the standard of service provided for each activity.

LGA means Local Government Act 2002.

Lot means the same as ‘Allotment’ in the Christchurch City Plan.

LTCCP means the Christchurch Long Term Council Community Plan 2009-19. The LTCCP covers a period of not less than 10 consecutive financial years from the date of adoption.

Network infrastructure means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

Non-residential means any development of land or buildings that does not fall under the definition of ‘residential.’

NZTA means New Zealand Transport Agency.

Private developer agreement means any private agreement relating to a development that is assessed for development contributions and signed between a developer and the Council under Section 3.3.3 of this policy.

Renewal means that portion of project expenditure that has already been funded through depreciation of the existing asset.

Reserves means land acquired or purchased for a reserve, including the cost of providing improvements necessary to enable that land to function as a reserve useable for its intended purpose as defined in the Reserves Act 1977.

Residential means the use of land and buildings for living accommodation purposes, including residential units, serviced apartments (except where used for travellers’ accommodation) and unit/strata developments, but excluding travellers’ accommodation (such as hostels, hotels and motels) and prisons.

Residential unit means a self-contained building (or group of buildings, including accessory buildings) used for a residential activity by one or more persons who form a single household. Where there is more than one kitchen on a site (other than a kitchen in a family flat) there will be deemed to be more than one residential unit. A residential unit may include no more than one family flat as part of that residential unit.

Retail means the use of land, a building or parts of a building for the sale or display of goods or the offer of goods for hire.

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Retirement village means a development that contains two or more residential units and shared-use community facilities for the residential accommodation of people who are predominantly retired and/or require residential care. Retirement villages are the only residential activity that have a HUE equivalence.

RMA means Resource Management Act 1991.

Rural means the use of land or buildings for the purposes of agricultural, horticultural or pastoral farming; intensive livestock management; boarding or training of animals; outdoor recreation activity; or forestry; or any other similar activities; and may include a residential unit.

Service connection means a physical connection to a service provided by, or on behalf of, the Council.

Site means the area covered by the development being assessed for development contributions, being made up of one or more lots or part lots.

Small residential unit means a residential unit less than 100m² (inclusive of 17.05m² parking allowance). Examples include an elderly person's housing unit, high-rise apartment and serviced apartment.

Subdivision means the same as a 'subdivision' under the RMA.

UDS means The Greater Christchurch Urban Development Strategy.

Undeveloped means land on which development, as defined in this policy, has not been undertaken and includes lots deemed to be undeveloped under Section 3.2.2 of this policy.

Unit, for the purposes of accommodation, means a separate and habitable area, e.g. a motel unit or hotel room.

Unit of demand means a HUE, being the typical demand for an activity by an average household.

VPD means vehicles per day (two way trips).

3.0 Application of the policy and schedule of development contributions

Section 3.0 contains the Council's schedule of development contribution charges payable by activity in different parts of the City and the event that will give rise to the requirement.

3.1 Assessment and payment

3.1.1 Requirement for development contributions

The Council may require a development contribution, in accordance with Sections 197 and 199 of the LGA where:

- (a) a particular subdivision or development proposal generates a demand for reserves, network infrastructure or community infrastructure;
- (b) the subdivision or development (either alone or in combination with another development) requires new or additional assets or assets of increased capacity (reserves or infrastructure) which causes the Council to incur capital expenditure; and
- (c) the development contributions policy provides for the payment of a contribution in the circumstances.

For such development, the Council may require that a development contribution be paid under Section 198 of the LGA when:

- Resource consent (including a certificate of compliance) is granted under the RMA for a development; or
- Building consent (including a certificate of acceptance) is granted under the BA for building work; or
- Authorisation for a service connection is granted.

Development that does not generate additional demand for community facilities will not be liable to pay a development contribution. An example of such development could include the unit or strata titling of an existing development.

3.1.2 Timing of assessment and payment

Applicable policy

Under the LGA, a development contribution can be required for any resource consent, building consent or authorisation for a service connection granted on or after 1 July 2003 and lodged after 19 December 2001.

The Council's policy is that only applications lodged and granted on or after 1 July 2004 (the date on which the Council's inaugural DCP came into force) will be subject to development contributions.

Developments which have completed the consenting process, i.e. have already been granted all necessary consents and authorisations, will not attract any additional development contributions. This means that any consents and authorisations applied for before 1 July 2004, and all those subsequently applied for, assessed and approved under the DCPs 2004-14, 2006-16 and 2007-09, will not be reassessed for or attract any additional development contributions.

On any application for further consent or authorisation in relation to a development, credit will be given for any development contributions previously paid or the pre-existing status of the development in accordance with Section 3.2.2.

If a complete application for resource consent, building consent, or service connection authorisation is received by the Council before the effective date for this or any previous policy then, even if it is not granted before the effective date, the development contribution will be assessed in accordance with the DCP that applied at the time the complete application was received by the Council.

If a complete application is received by the Council on or after 1 July 2009 then the development contribution will be assessed in accordance with this policy.

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Assessment

The Council will assess whether development contributions are payable before granting:

- A resource consent (subdivision or land use); or
- A building consent; or
- An authorisation for a service connection that is not part of a resource consent or building consent.

As a general rule, development contributions will be assessed at the resource consent (subdivision) and building consent stages. Resource consent (land use) and service connection applications provide an opportunity for the Council to assess any development which is independent of subdivision or building activity. As with any assessment, only the additional demand on community facilities being created by a development will be assessed for development contributions.

The Council will invoice the assessed development contribution for:

- Resource consents (subdivision) – prior to release of the Section 224(c) certificate (including, in the event of a staged subdivision consent, prior to the release of the Section 224(c) certificate for each stage).
- Resource consents (land use) – prior to commencement of the consented development.
- Building consents – prior to issue of the code compliance certificate.
- Service connection – prior to authorisation for connection.

Development contributions will be assessed and advised at the earliest opportunity and reassessed and invoiced at each later stage at which a development contribution may be payable for a development. Where previous development contributions have been assessed and paid, a development contribution is sought only in relation to the additional demand created by each stage as assessed. Generally, the Council considers that the

resource consent (subdivision) stage is the most appropriate time to take a development contribution, for the following reasons:

- It creates the legal framework for the development of the lots and buildings which cause the demand for additional reserves, network infrastructure and community infrastructure;
- Practicality of implementation;
- Economies of scale in implementation cost;
- Fairness; and
- Best available knowledge for projections and allocating budgets.

Large subdivisions may be developed in stages, where one resource consent (land use) may be granted for the entire development prior to any resource consents (subdivision) being granted. In such situations, the Council may collect the initial DC at the time of issuing the land use consent or, at its discretion, may defer this collection until the subsequent subdivision consents are issued.

Similarly, development contributions will be sought at resource consent (land use) or building consent stage, or on application for a service connection, where intensification for residential or non-residential purposes takes place independently of subdivision, although credits under Section 3.2.2 may be available to ensure only additional demand is assessed at each stage.

Payment

Development contributions must be paid on invoice. Without limiting the Council's ability to recover development contributions under Section 208 of the LGA, reassessment of the development contribution payable will occur under the DCP which is current at the time of reassessment if payment for all activities assessed is not received within 12 months of issuing the assessment or reassessment. The Council may enter into a memorandum of agreement or encumbrance if standard payment terms cannot be achieved.

Applications to vary consents or the conditions of consents

Where applications are granted to vary consents or the conditions of consents, resulting in a change to HUEs, GFA, ISA or actual demand calculated for special assessments (to the extent of the variation), these will be considered to be new development for the purpose of requiring development contributions and revised, or new assessments of the development contributions payable will be issued. The receipt of applications for new development will not limit the Council's ability to collect any development contribution already owing in relation to existing development under Section 208 of the LGA.

3.1.3 Enforcement powers of the Council if development contribution is not paid

If payment of the development contribution is not received on invoice the Council will use the powers outlined in Section 208 of the LGA. Those provisions state that until a development contribution required in relation to a development has been paid, the Council may:

- in the case of a development contribution required under Section 198(1)(a) of the LGA:
 - withhold a certificate under Section 224 (c) of the RMA;
 - prevent commencement of a resource consent under the RMA.
- in the case of a development contribution required under Section 198(1)(b) of the LGA, withhold a code compliance certificate under Section 95 of the BA;
- in the case of a development contribution required under Section 198(1)(c) of the LGA, withhold a service connection to the development; and
- in each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution is required.

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3.2 How to calculate your development contribution

Table 3.2 Process for determining development contribution charge

Step 1 – Number of HUEs per activity	Determine the number of HUEs applicable to the development (refer to Section 3.2.1).
Step 2 – HUE credits per activity	Determine any credits applicable (refer to Section 3.2.2 and Table 3.2.2a).
Step 3 – Net increase in demand per activity	Calculate the increase in HUEs (Step 1 minus Step 2) (refer to Section 3.2.3).
Step 4 – Development contribution catchment per activity	Refer to Section 3.2.4 and check what (geographical) development contribution catchment the development lies within.
Step 5 – Pricing schedule	Refer to the Schedule of development contributions (Table 3.2.5) and identify the development contributions payable per HUE for the catchment for each activity.
Step 6 – Charge per activity	For each activity multiply the net increase in the number of HUEs (Step 3) by the charges payable (Step 5). Sum the results for each activity to achieve the total charge.
Step 7 – Development contribution charge	Add GST of 12.5%.

3.2.1 Step 1 – Determining the number of HUEs per activity

If the Council has assessed a development as one coming within Sections 197 and 199 of the LGA, it then determines the HUEs based on whether the development is residential or non-residential.

For resource consent (subdivision) applications, the Council will assess (based on zoning and site-specific factors) whether the likely development on the lot will be residential.

Where the site being developed will not be within the areas of service in respect of water supply, wastewater collection, treatment and disposal or waterways and land drainage, on completion of the development no HUE assessment will be made for those activities at that time. However, if, at a future time, the above catchment boundaries expand and/or the site or any part of it is to be connected or further developed and is thus able to use such services, it may attract a development contribution for those activities.

Residential development

For resource consent (subdivision) applications where the Council has determined that the likely development will be residential, it is assumed that every lot created will contain one household unit. A development contribution at the rate of 1 HUE per lot for each activity will be assessed. For any application for resource consent, building consent or service connection for residential activity, a development contribution will be assessed at the rate of 1 HUE per household unit for each activity. A lot that accommodates more than one household unit by virtue of containing more than one kitchen (other than a kitchen in a family flat) will be assessed at a rate of 1 HUE per kitchen as appropriate to the circumstances.

Where the development includes two or more additional residential units, a small residential unit adjustment will apply for residential units less than 100m² each (inclusive of 17.05m² parking allowance per unit). The adjustment reduces the HUE calculation

on a sliding scale from 100% to 60% for residential units less than 100m² each. For example, if the average size of the units is 80m² the small residential unit adjustment reduces the HUE assessment to 0.8 HUEs per unit (80%).

Where two or more residential units are attached in a configuration that does not increase ISA over the average HUE demand, then the charge will be the greater of 1 HUE or actual demand on ISA determined by the area to be drained to the reticulated surface water network.

The Council will not assess any development contribution in respect of consent applications to replace or enlarge the GFA of any existing residential unit, except where the existing residential unit/s have received a small residential unit adjustment in a prior development contributions assessment (note that replacement of an existing residential unit receives 1 HUE credit for each activity under Section 3.2.2).

Non-residential development

For resource consent (subdivision) applications where the Council determines that the likely development is non-residential, HUEs will be assessed for each activity at 1 HUE per additional lot.

For non-residential applications for resource consent (land use), building consent or for service connection, HUEs will be assessed for each activity based on whether demand is known or determined by zone and site-specific factors, including GFA on building. All non-residential development will be assessed accordingly for leisure facilities and libraries, for the following reasons:

- it improves equity between residential and non-residential activities;
- it recognises that some of the workforce associated with non-residential activities are not residents of Christchurch; and
- both that workforce and non-residential activities, in addition to the City's residents, can be users of leisure facilities and libraries and can change the pattern of demand.

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All non-residential development will be assessed at zero HUEs for cemeteries.

Non-residential buildings accessory to rural activities, which do not place additional demand on infrastructural services, will be assessed at zero HUEs for each activity.

Non-residential demand is known

Where the Council is satisfied that demand for an activity is known, the HUE for each activity is calculated from the base units in the following Table 3.2.1a. By comparing expected demand against the figure contained in the third column, a HUE for that activity for the development can be obtained.

Table 3.2.1a Base unit measures for assessment of non-residential development

Activity	Base unit measure	Demand per HUE	Comments
Water supply	Litres per day	571	Design demand from Infrastructure Design Standard
Wastewater collection, treatment and disposal	Litres per day	456	Design demand from Infrastructure Design Standard
Waterways and land drainage	Impervious area m ²	427	Assessed average impervious area per household
Transport-related	Vehicles per day	10	Assessed as passenger car unit equivalents

No HUE assessment for development contributions for reserves is undertaken on non-residential development, except on an application for resource consent (subdivision) where the demand is assessed at 1 HUE per additional lot.

Non-residential demand is unknown

Where the Council is not satisfied that demand for an activity is known, the HUE for each activity is calculated from the following Table 3.2.1b.

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Extraordinary circumstances and special assessment

If a development has a significantly different impact than that envisaged in the averaging implicit in the above methodology, a ‘special assessment’ may be undertaken at the Council’s discretion. The developer will be required to provide detailed calculations of their development’s present and future demand on community facilities. Using the base unit/HUE conversions, these will be converted to HUEs in the same manner as defined in Table 3.2.1a and charged accordingly on the net increase in HUEs. This additional information could be requested or provided at the pre-application stage, or as part of a further information request under Section 92 of the RMA or Sections 33 or 48 of the BA.

In order to provide greater certainty as to when a special assessment would be required, it is proposed that a special assessment will only be required in the following circumstances:

- For transport, where the type of development proposed is not adequately covered by the standard classes of land use (refer to Table 3.2.1b). This would include, for example, applications such as education, wet industries, hospitals, medical centres, gymnasia, sports stadia, airports, courier depots and any other land uses for which an equivalent is not provided; and/or
- Where the demand for an activity from the development is expected to be greater than double the value identified as average for that type or location of development (refer to Tables 3.2.1a and 3.2.1b).

At the time of writing this policy, the Council was investigating transport-related trip generation. When this work is completed, it will be applied when undertaking special assessments under this policy. It will also be used to inform the development of the next DCP.

Summary

The following table summarises the HUE assessment process.

Activity	Subdivision	Other Development
Residential	1 HUE per activity per additional lot.	1 HUE per activity per additional household unit, including units in strata title type developments, subject to the small residential unit adjustment.
Non-residential		Standard table of HUEs per activity in units of 1 m ² GFA/ISA (Tables 3.2.1a and 3.2.1b).
Mixed		To be assessed as applicable based on the proportions of the type of development that are proposed.
Extraordinary circumstances	At the discretion of, and on demand by, the Council. Developer to provide detailed assessments of their development’s water supply, wastewater, land drainage and transport-related demands utilising the mechanism in Table 3.2.1a. Using the standard base unit/HUE conversions, these estimates may then be converted into HUEs and charged accordingly.	

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3.2.2 Step 2 – Determining HUE credits

Credits address the fact that development contributions are only payable in respect of additional demand on community facilities created by the development. The credit is designed to recognise that a development may replace existing demand for service activity, which in itself places no additional demand on the community facilities. Credits cannot be used to reduce the level of development contribution for any activity below zero.

Credits towards the assessment of a development contribution for any activity will be calculated for the development in accordance with the principles in Table 3.2.2a.

Table 3.2.2a Principles for determining credits

Residential

- On any application for consent or authorisation in respect of a residential unit which replaces an existing unit, or for subdivision of land containing any existing residential unit (including the unit and strata titling of existing development), a credit from the development contribution for reserves, network infrastructure and community infrastructure will be assessed on the basis of 1 HUE per activity per existing residential unit and/or lot, unless a memorandum of agreement or encumbrance exists on the title/s that recognises any credits or arrangements associated with amalgamation or amalgamation reversal respectively.
- Where the average size of any existing residential units, where more than one on a lot, is less than 100m² each, the credit will be reduced by the small residential unit adjustment described in Section 3.2.1.
- For any undeveloped residential lot a credit of 1 HUE per lot per activity will apply.

Non-residential

- On any application for resource consent, building consent or authorisation for service connection in respect of non-residential development which will replace any existing non-residential development, or for subdivision of a site containing existing non-residential development, credits will be assessed for each activity by applying the equivalences in Table 3.2.1b to the GFA/ISA of the existing development.
- On any application for resource consent, building consent or authorisation for service connection in respect of a non-residential development on any undeveloped lot which was created after 1 July 2004, the development will receive a credit for the greater of 1 HUE per lot or the HUEs which were assessed at time of subdivision (under the DCP 2006-07);
- On any application for resource consent (subdivision) on any undeveloped non-residential lot which was created prior to 1 July 2004, the development will receive a credit of 1 HUE per lot per activity.
- On application for building consent for development on any undeveloped non-residential lot which:
 - was created prior to 1 July 2004; and
 - has been vacant and unused since before 1 July 2004 (i.e. not including sites where demolition or other destruction has occurred after 30 June 2004);
 the development may receive a credit per activity of the greater of:
 - 1 HUE; or
 - HUEs calculated as:
 - the average 2004 GFA or ISA ratio for the zone of the development (Table 3.2.2b); multiplied by
 - lot size; multiplied by the non-residential land use equivalences for that zone (Table 5.2).
 For example, an average 2004 GFA ratio of, say, 31% in the Business 4 Zone x a 2,000m² lot x the 0.0051 Transport equivalence would result in a credit of 3.2 HUEs for transport.
- For any other application in respect of an undeveloped non-residential lot, a credit to the value of 1 HUE per activity will apply. No credit will be given for a utility site, stopped road or similar site

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- For any existing residential unit/s or non-residential development demolished or destroyed by fire or some other cause after 30 June 2004, 1 HUE credit for each residential unit or the calculated (using Table 3.2.1b) GFA/ISA credit for the non-residential development demolished or destroyed will apply to the calculation of development contributions payable for any such residential unit/s or development where the application to rebuild is received within a period of 10 years from the date of demolition or destruction. Where demolition or destruction precedes or has preceded the application for redevelopment or change in land use by more than 10 years but occurred after 30 June 2004, the lot will revert to an undeveloped lot and receive a credit of 1 HUE per lot. Any additional residential units or non-residential development above that demolished or destroyed will be assessed for development contributions pursuant to this policy.
- The Council will assess credits available to existing developments on building consent application for demolition from 1 July 2007. Where demolition or destruction has occurred prior to this date, or if, for any reason, an assessment of current use credits has not been calculated prior to the demolition or destruction, the onus is on the developer to establish the land use and extent of residential or non-residential development which has been demolished or destroyed. In the absence of such information a credit of 1 HUE per lot per activity will be applied.
- An undeveloped lot will be a vacant lot which has not had any development, as defined in this policy, for a period of at least ten years prior to the application for resource or building consent or service connection.
- No transfer of credits between titles can occur, except where the titles relate to the same development site (e.g. new titles created on subdivision).
- Where it is proposed to amalgamate existing titles and the proposal will result in a lesser number of titles, credits will be held for the difference. These credits will be made available for any future development of the amalgamated titles, provided any such future development is carried out within ten years of the date of issue of the amalgamated titles. Where an amalgamation occurs, a memorandum of agreement will be registered on the title/s associated with the amalgamation. Where an amalgamation is reversed, a memorandum of encumbrance will be registered on the title/s associated with the amalgamation reversal.
- Except at the Council's discretion, an historical credit will not be given for a lot that is redeveloped, either in its original configuration or, following a boundary change, as part of another lot, where the original activity on that lot was non-residential and it did not pay, or was unlikely to have paid, a contribution towards reserves and network and community infrastructure when it was originally developed.
- Lots that have been or are being used by a network utility operator for utility purposes will not be given any credit.

Table 3.2.2b Average 2004 GFA/ISA ratio by zone

Zone	GFA	ISA
Business 1	37%	87%
Business 2	44%	87%
Business 3	43%	97%
Business 4	31%	75%
Business 5	24%	83%
Business 6	7%	56%
Business Retail Park	39%	79%
Central City & Central City Edge	1.14%	97%
Other non-residential	30%	66%

3.2.3 Step 3 – Calculate net increase in HUEs (demand) from the development

The number of HUEs which result from subtracting Step 2 (credits) from Step 1 (HUEs) represent the increased demand from a development.

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3.2.4 Step 4 – Identify development contribution catchment

Explanation of the Council's catchment definition methodology

Catchments have been determined for each activity based on their key characteristics. These characteristics include the physical geography and topography, the need to protect environmental and human health, the nature and level of service delivery and the nature and complexity of solutions.

Individual capital works projects are allocated to either city-wide or local catchments, depending on the nature of the project and the community it is required to serve.

Developments lying within a catchment will be charged a development contribution for that area.

For catchments, estimates of number of lots, household units or other developments from which a development contribution can be expected are based on an analysis of:

- The existing zoning in the catchment and the implied likely development based on existing City Plan rules;
- The likely development of localities within the catchment where the City Plan has indicated deferred zoning or identified areas for future growth, or the Council has signalled a proposed variation to the City Plan; and
- Other potential development within the area where the City is experiencing pressure for re-zoning to more intensive land uses.

The Council has considered a number of different catchment options, ranging from a single city-wide catchment to catchments based on individual infrastructural schemes (in particular, see the following supporting document: the report to the Council on Resolution 21 (Banks Peninsula Charging). After deliberation on the merits of the different options, the Council has adopted a single city-wide catchment for all reserves (except neighbourhood parks), water supply, wastewater and transport-related works.

The waterways and land drainage catchments are based on physical surface water catchment areas (drainage basins), however catchment boundaries are mapped to the closest meshblock boundary. Meshblocks are geographic boundaries defined by Statistics New Zealand and are used by the Council as the building block of the Council 2009-2019 LTCCP Growth Model from which the Council develops its capital expenditure programme and development contributions charges. Integrated Catchment Management Plans (ICMPs) specific to Area Plans, such as the South West Area Plan, may cross development contribution catchment boundaries.

High growth in the south-west and north-east is requiring substantial investment in new reserves and network and community infrastructure. This is particularly noticeable in areas such as the Heathcote waterways and land drainage catchment, where the development contributions charge has increased significantly from the DCP 2007-09. Catchments may be reviewed and amended at any time, through a special consultative procedure, following any changes in the pattern and distribution of development in the City, including as a result of regular liaison with developers.

The attached fifteen A4-sized maps are an overview of the growth catchments for development contributions for each activity. They are also available separately in hard copy upon request to the Council by phoning 03-941-8999 or emailing ccc-plan@ccc.govt.nz, or online for a more detailed view at: <http://www.ccc.govt.nz/thecouncil/plans/longtermcouncilcommunityplan/dcp200919.aspx>

- Map 1 Reserves catchment: regional parks (city-wide)
- Map 2 Reserves catchment: garden and heritage parks (city-wide)
- Map 3 Reserves catchment: sports parks (city-wide)
- Map 4 Reserves catchments: neighbourhood parks (local)
- Map 5 Network infrastructure catchment: water supply (city-wide)
- Map 6 Network infrastructure catchment: wastewater collection (city-wide)
- Map 7 Network infrastructure catchment: wastewater treatment and disposal (city-wide)
- Map 8 Network infrastructure catchments: waterways and land drainage (local)
- Map 9 Network infrastructure catchment: road network (city-wide)
- Map 10 Network infrastructure catchment: active travel (city-wide)
- Map 11 Network infrastructure catchment: parking (city-wide)
- Map 12 Network infrastructure catchment: public transport (city-wide)
- Map 13 Community infrastructure catchment: leisure facilities (city-wide)
- Map 14 Community infrastructure catchment: libraries (city-wide)
- Map 15 Community infrastructure catchment: cemeteries (city-wide)

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Map 1 Reserves catchment: regional parks (city-wide)

This map is an overview of the growth catchment for development contributions for regional parks. For a detailed view visit:

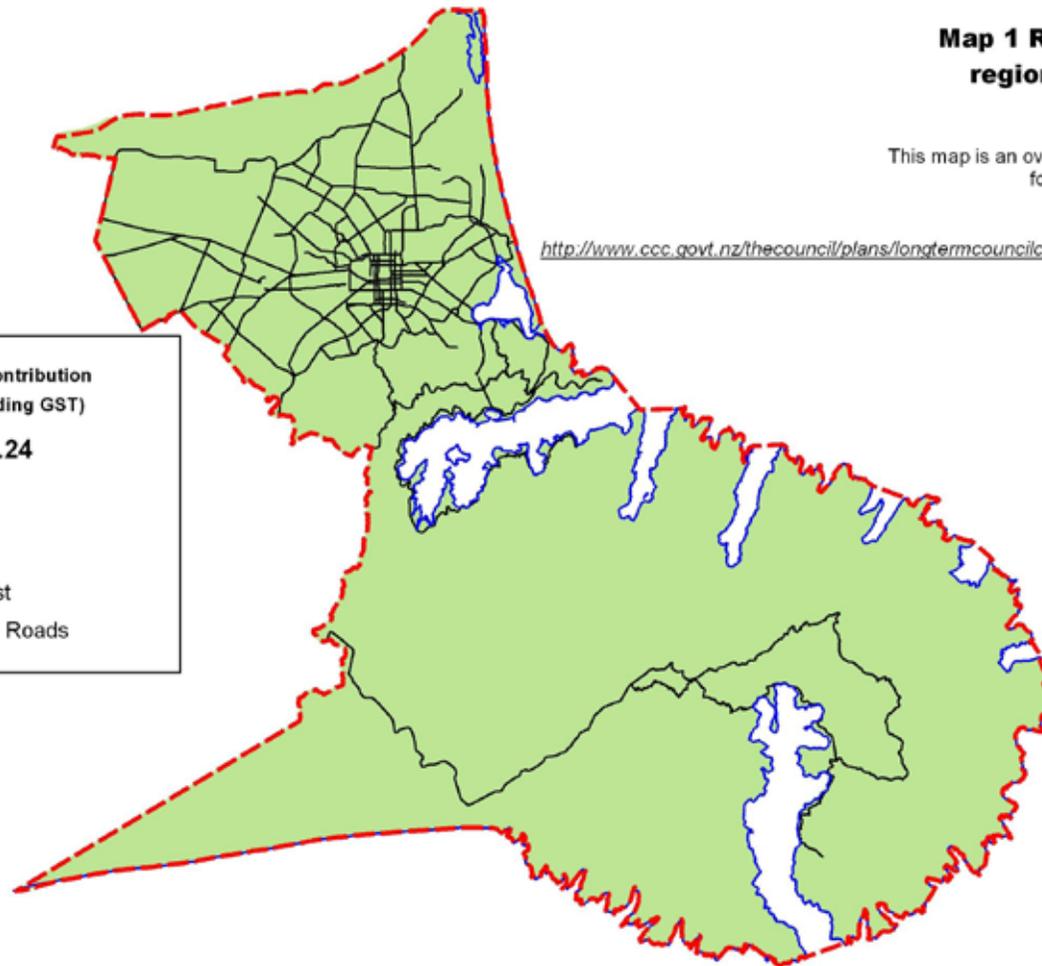
<http://www.ccc.govt.nz/thecouncil/plans/longtermcouncilcommunityplan/dcp200919.aspx>

Development contribution per HUE (including GST)

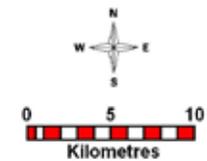
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Legend

- Coast
- Main Roads

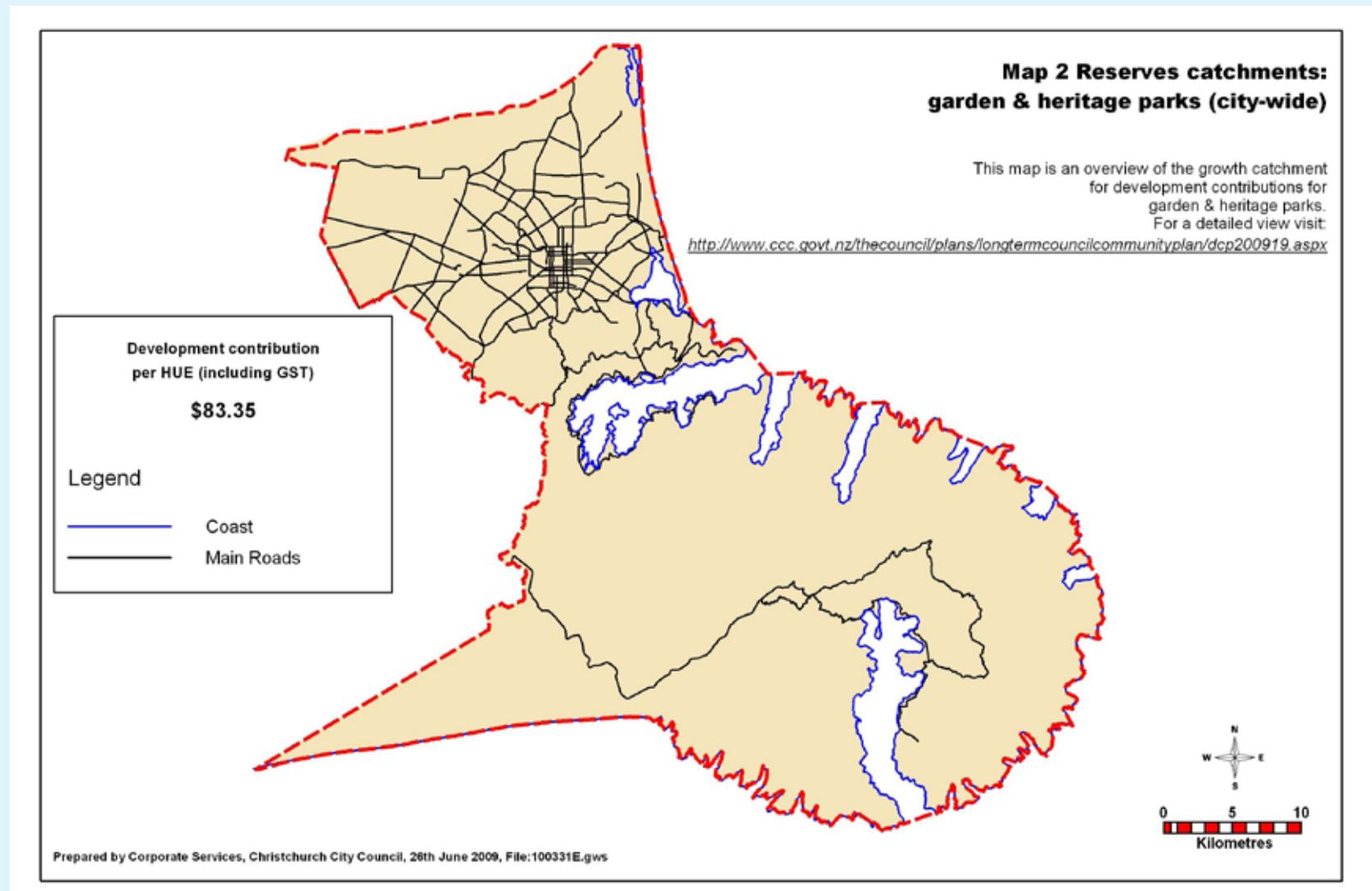


Prepared by Corporate Services, Christchurch City Council, 26th June 2009, File:100331E.gws



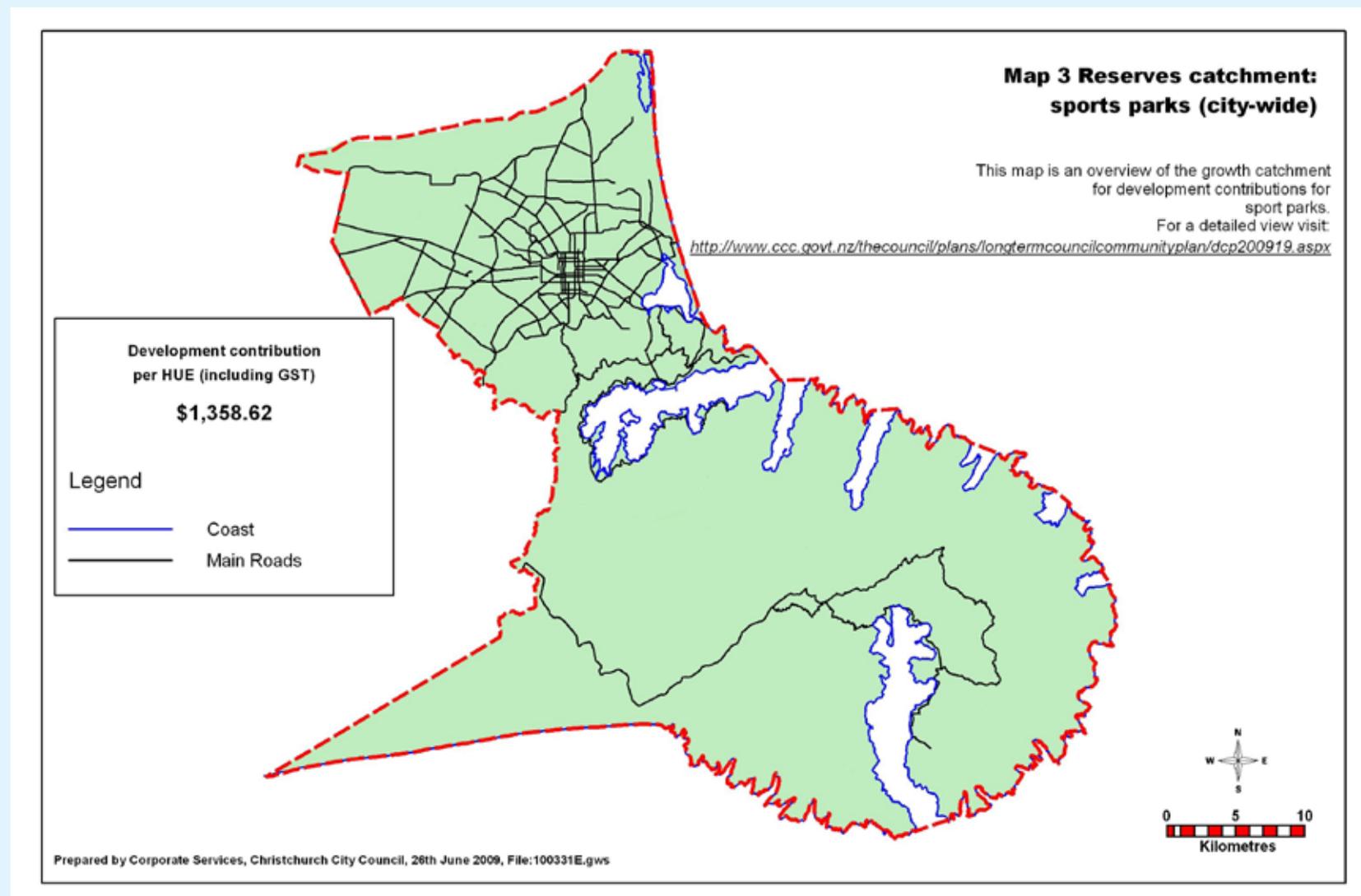
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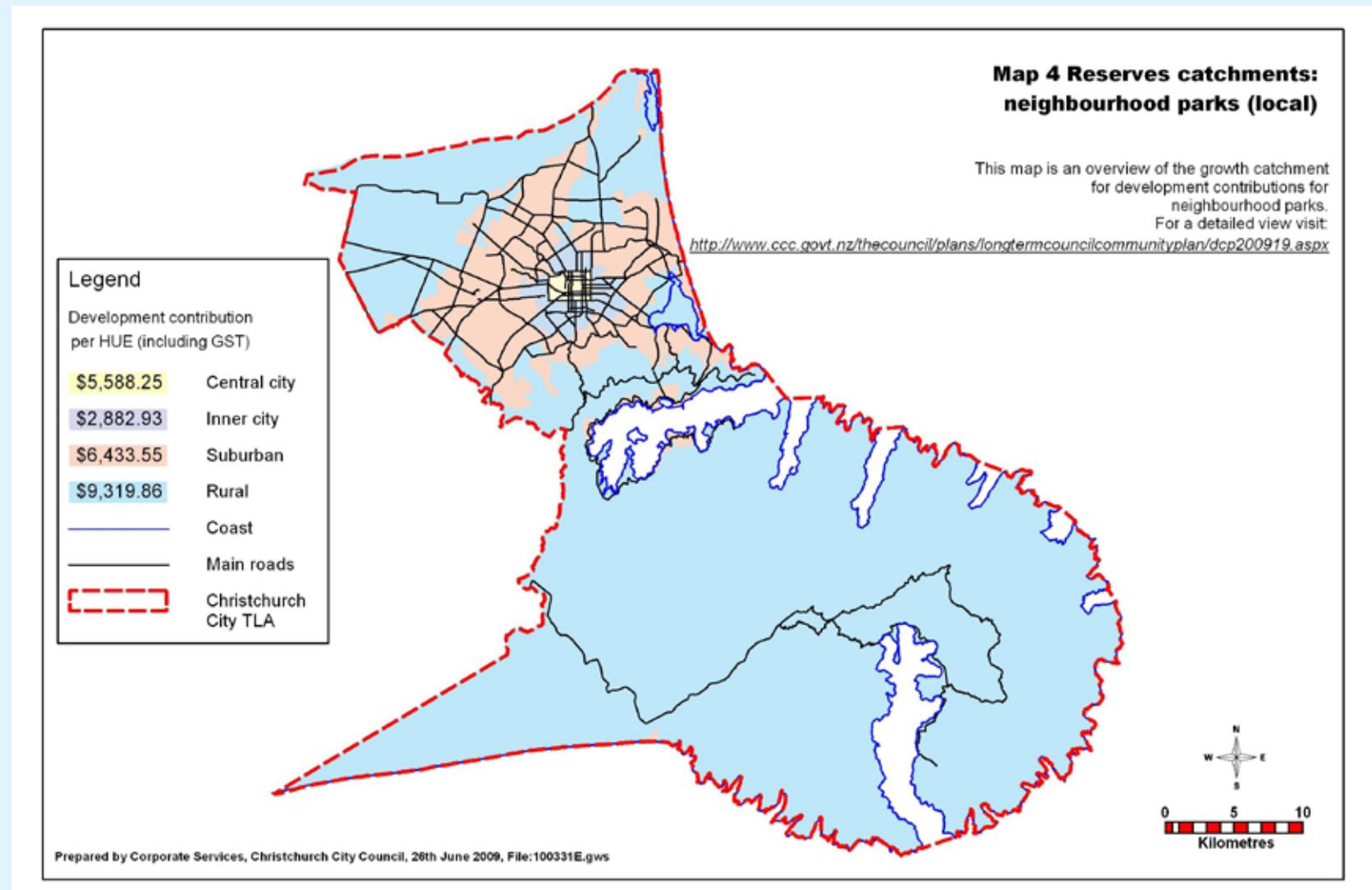
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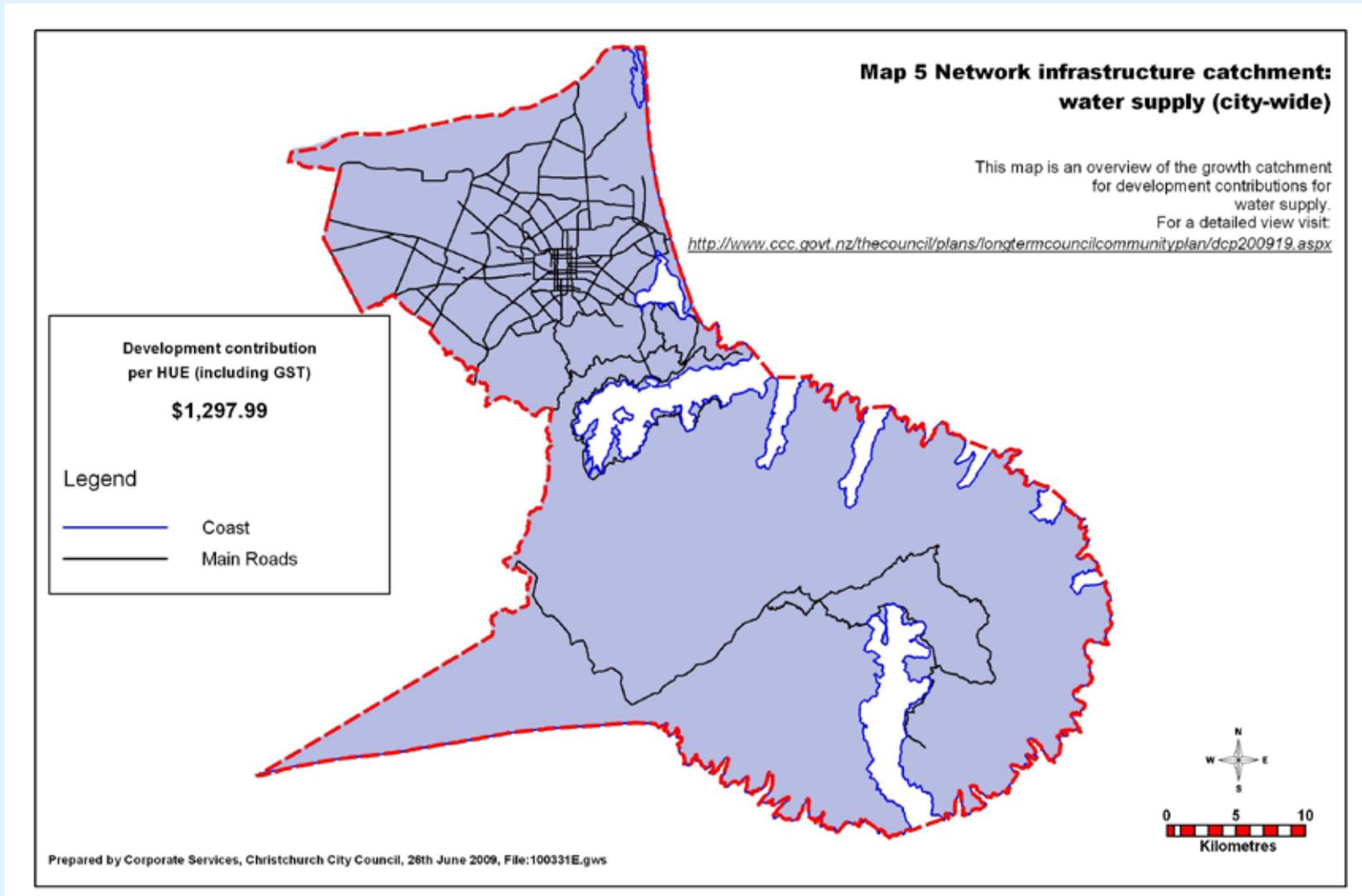
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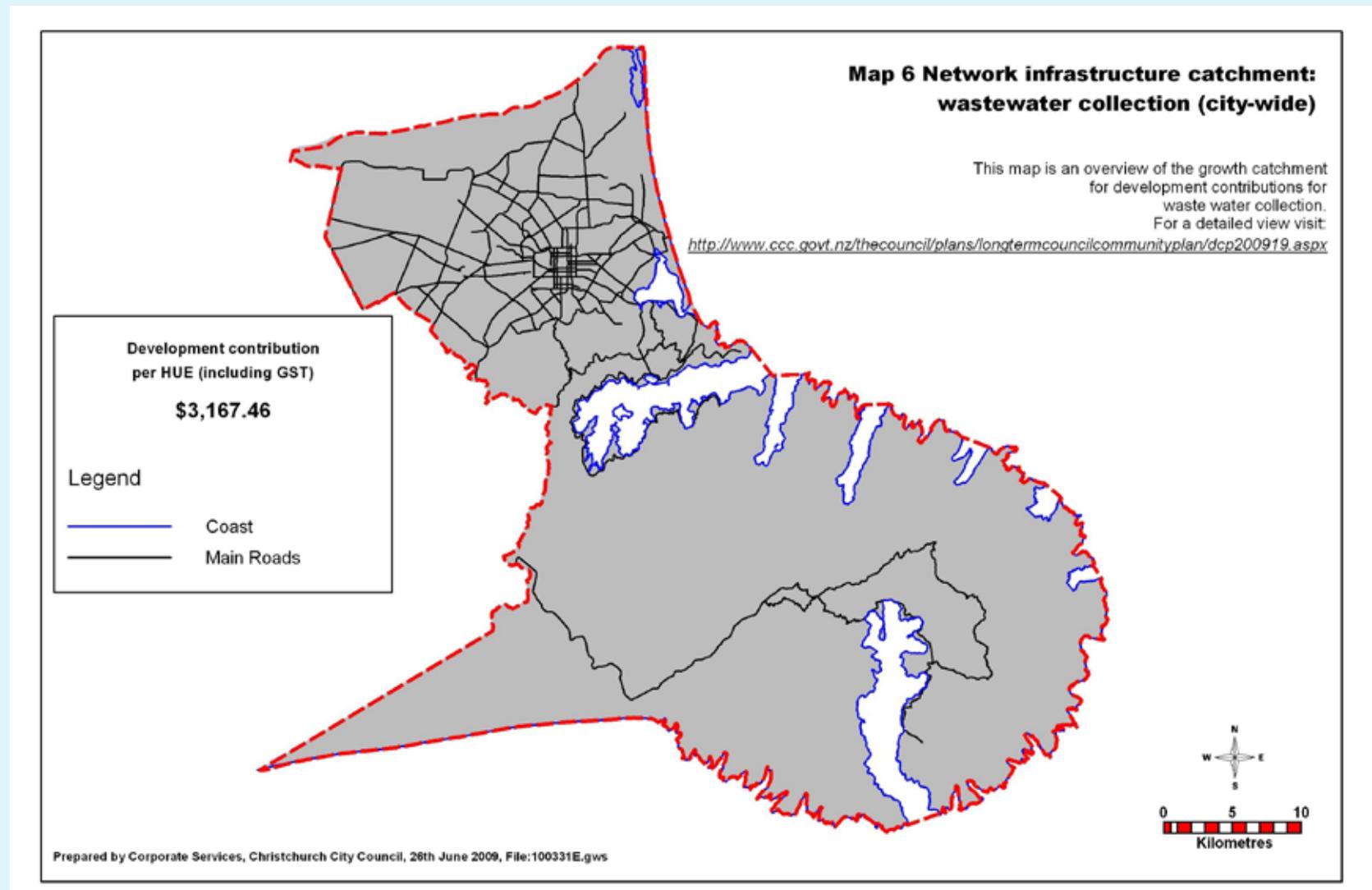
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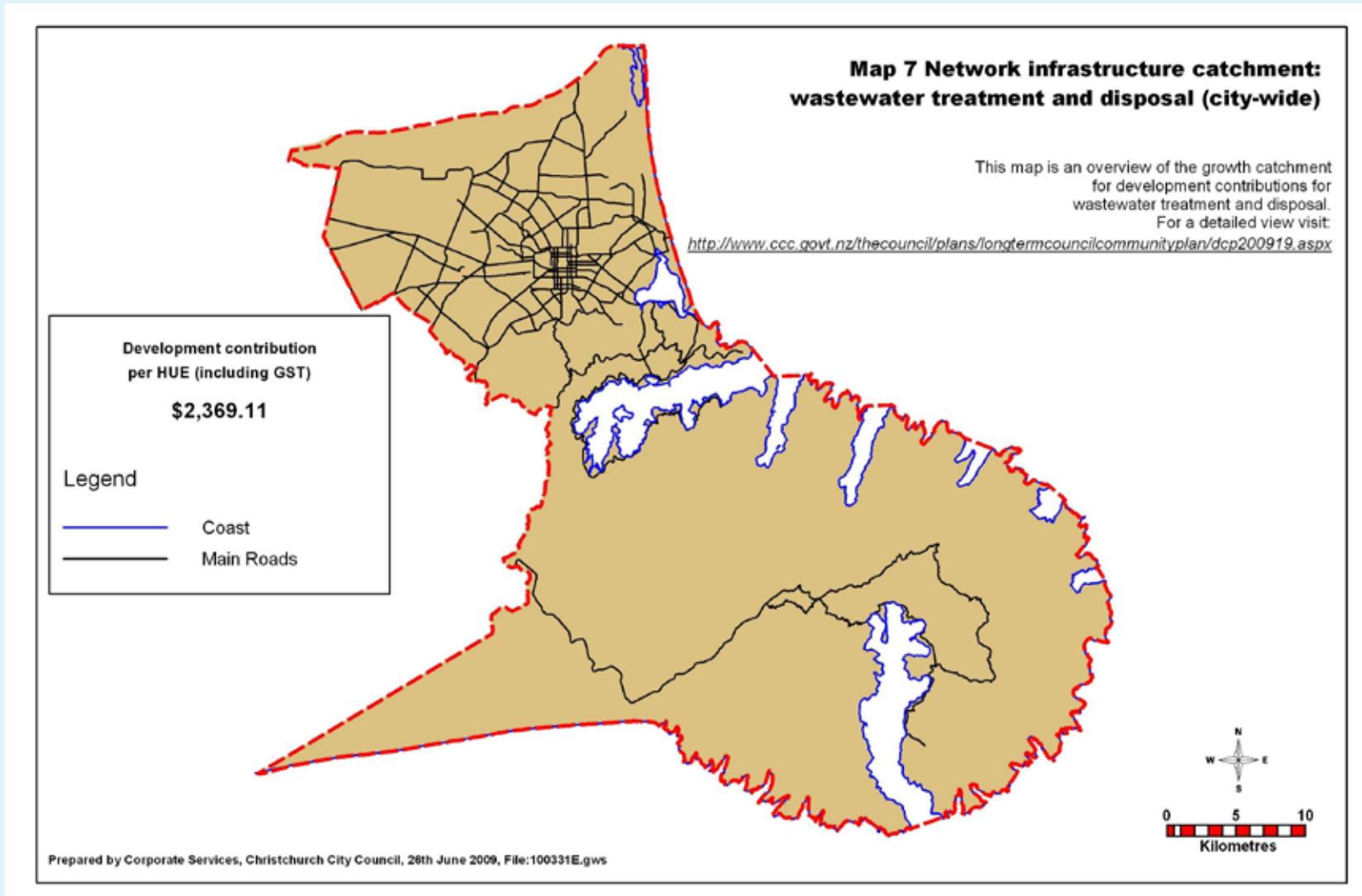
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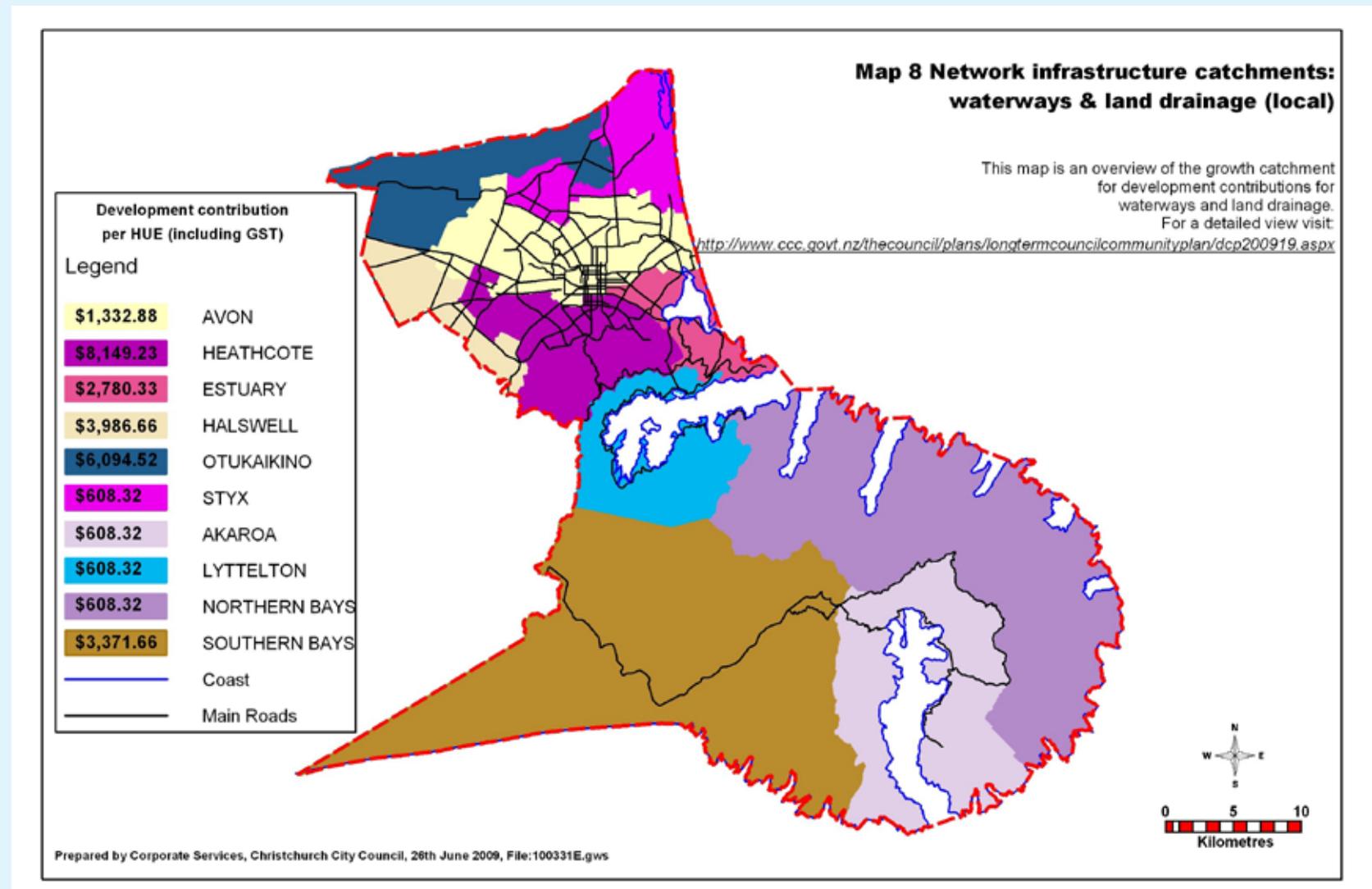
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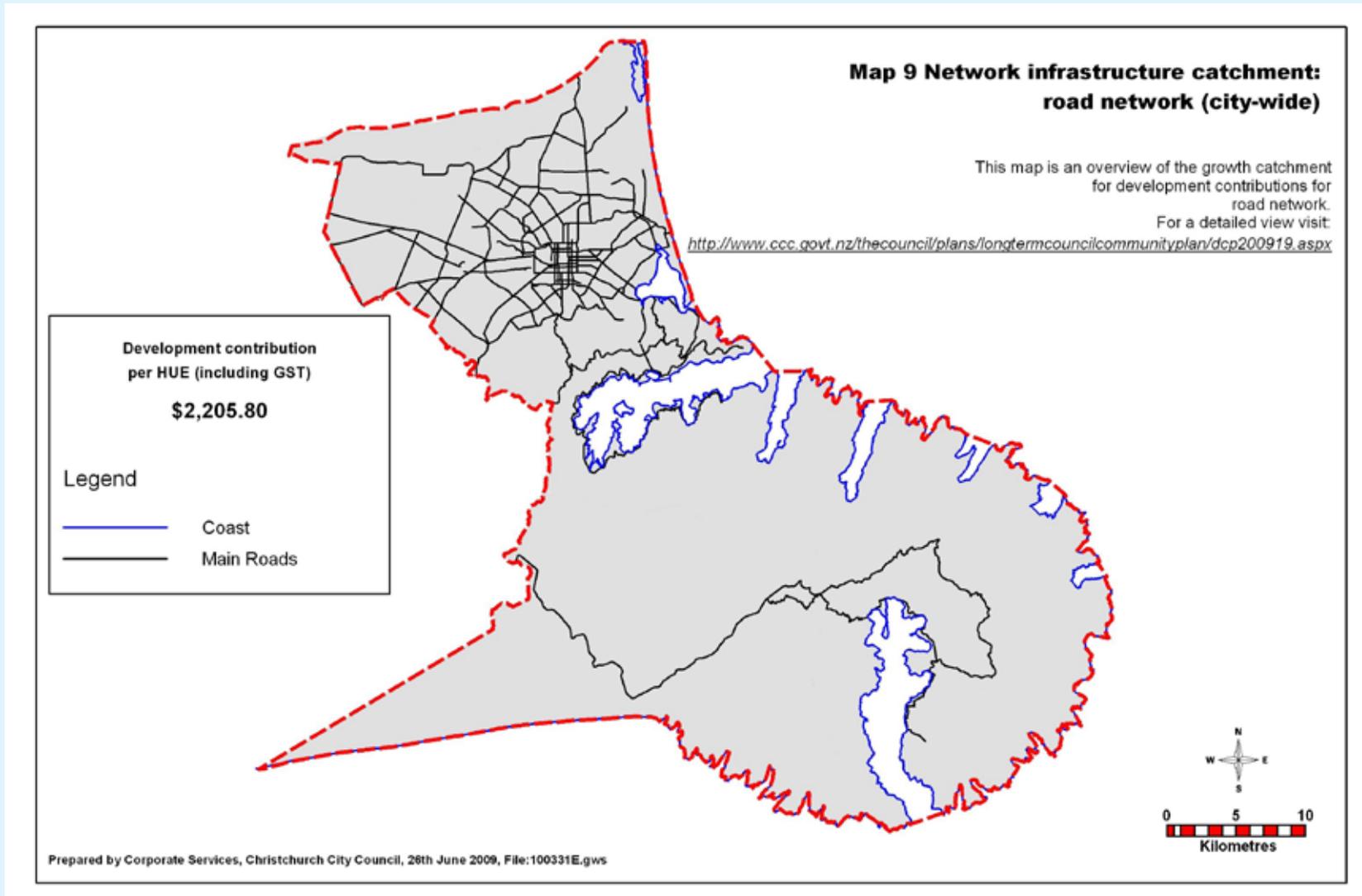
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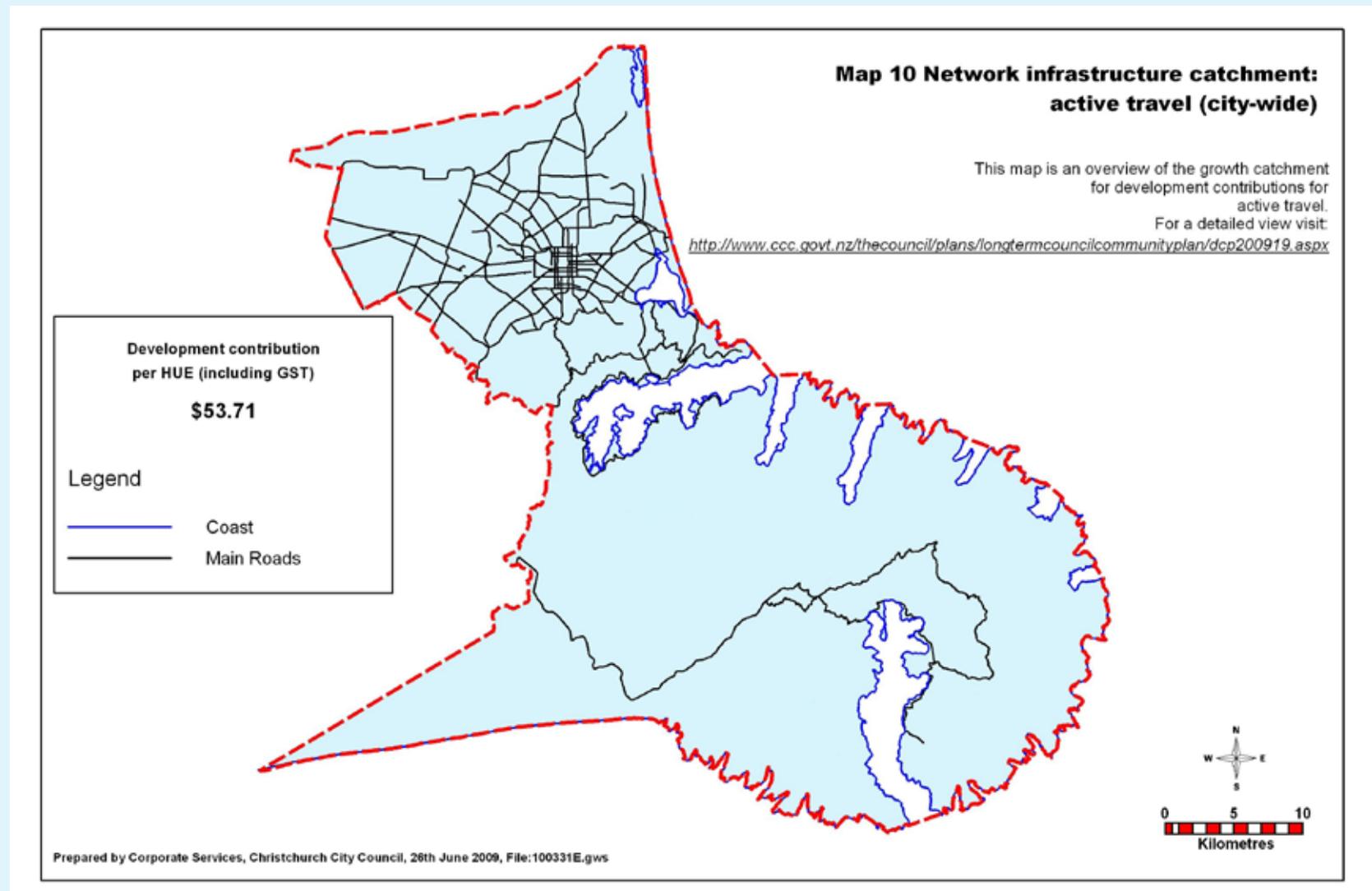
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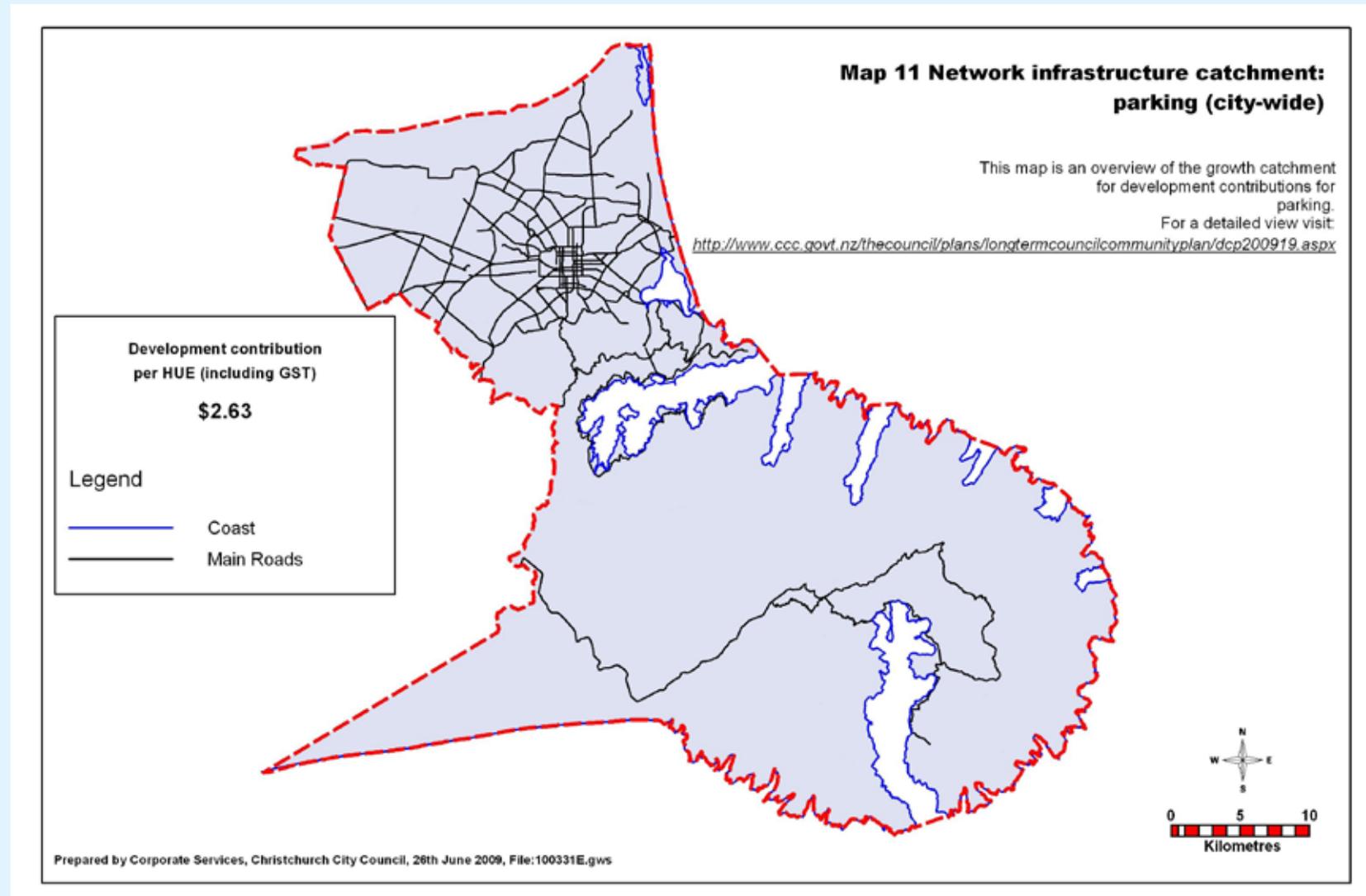
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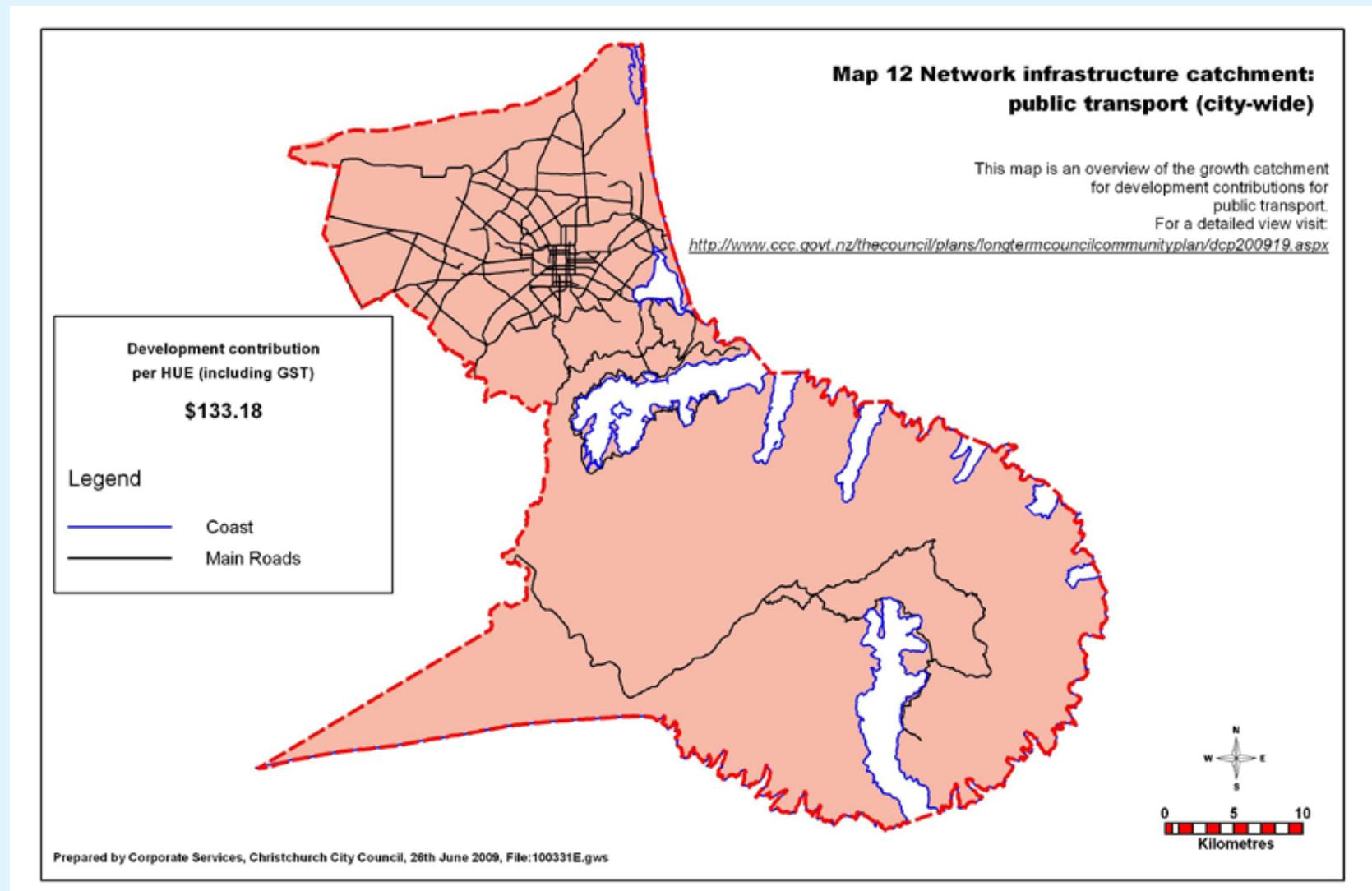
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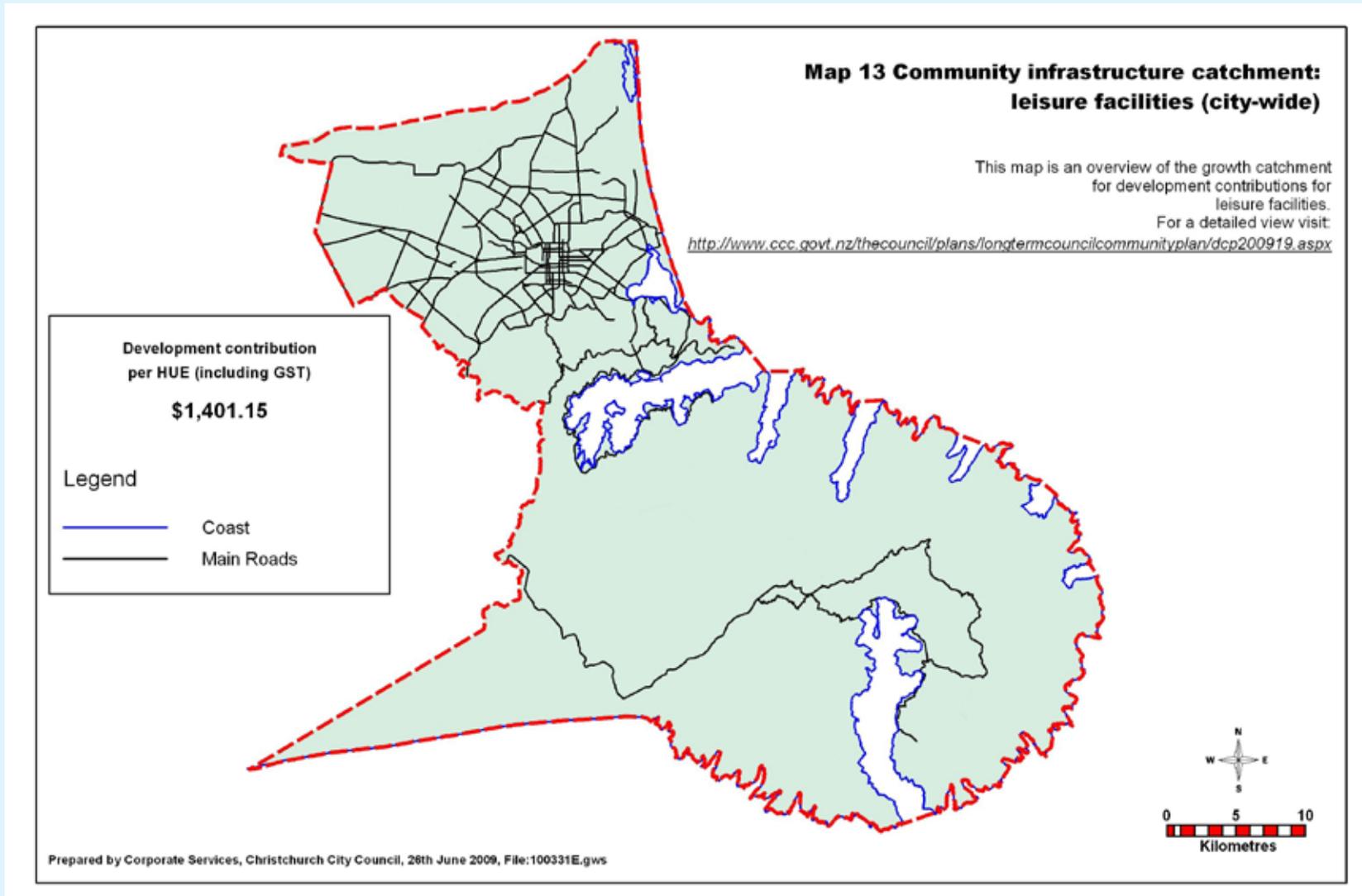
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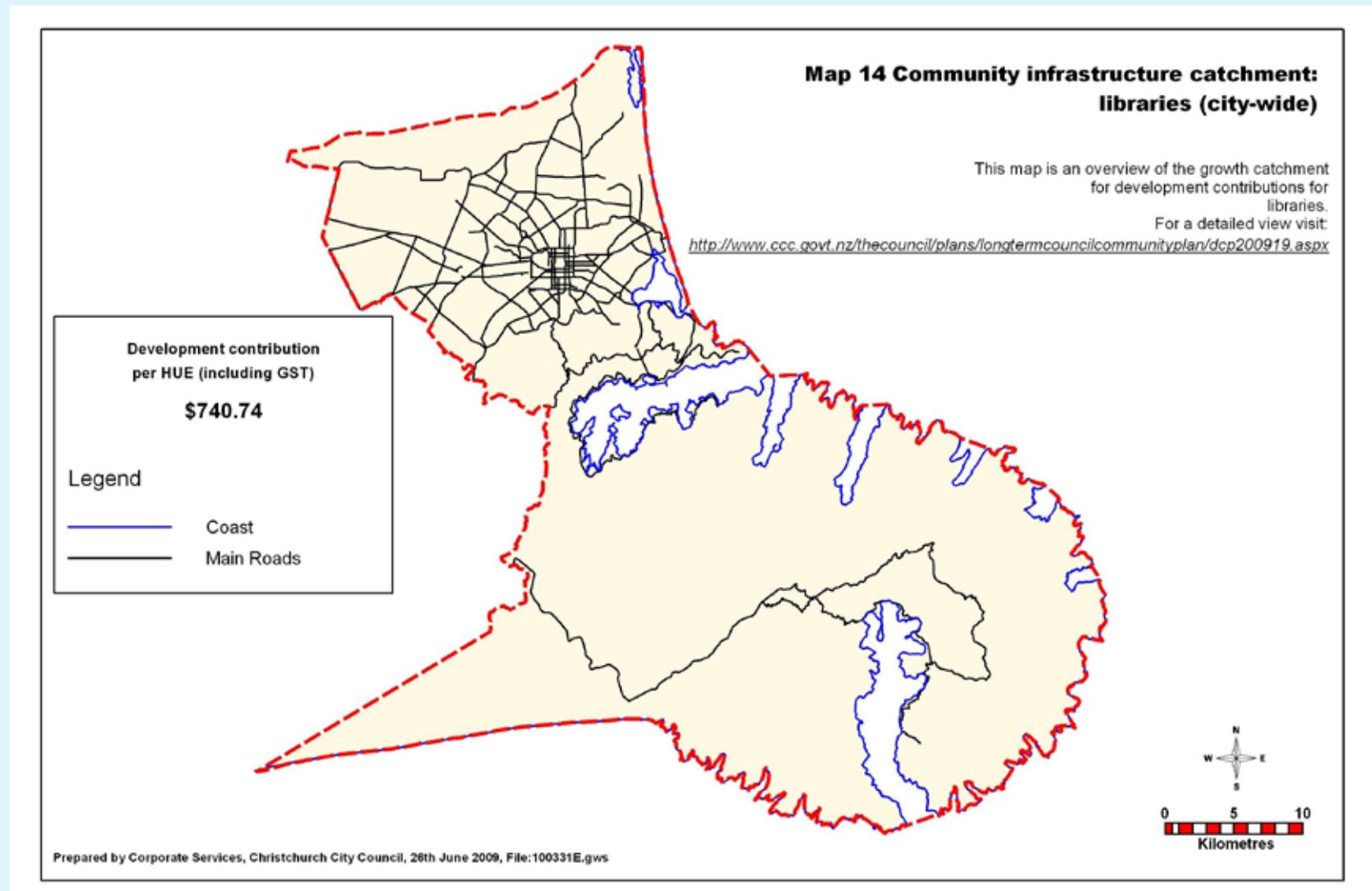
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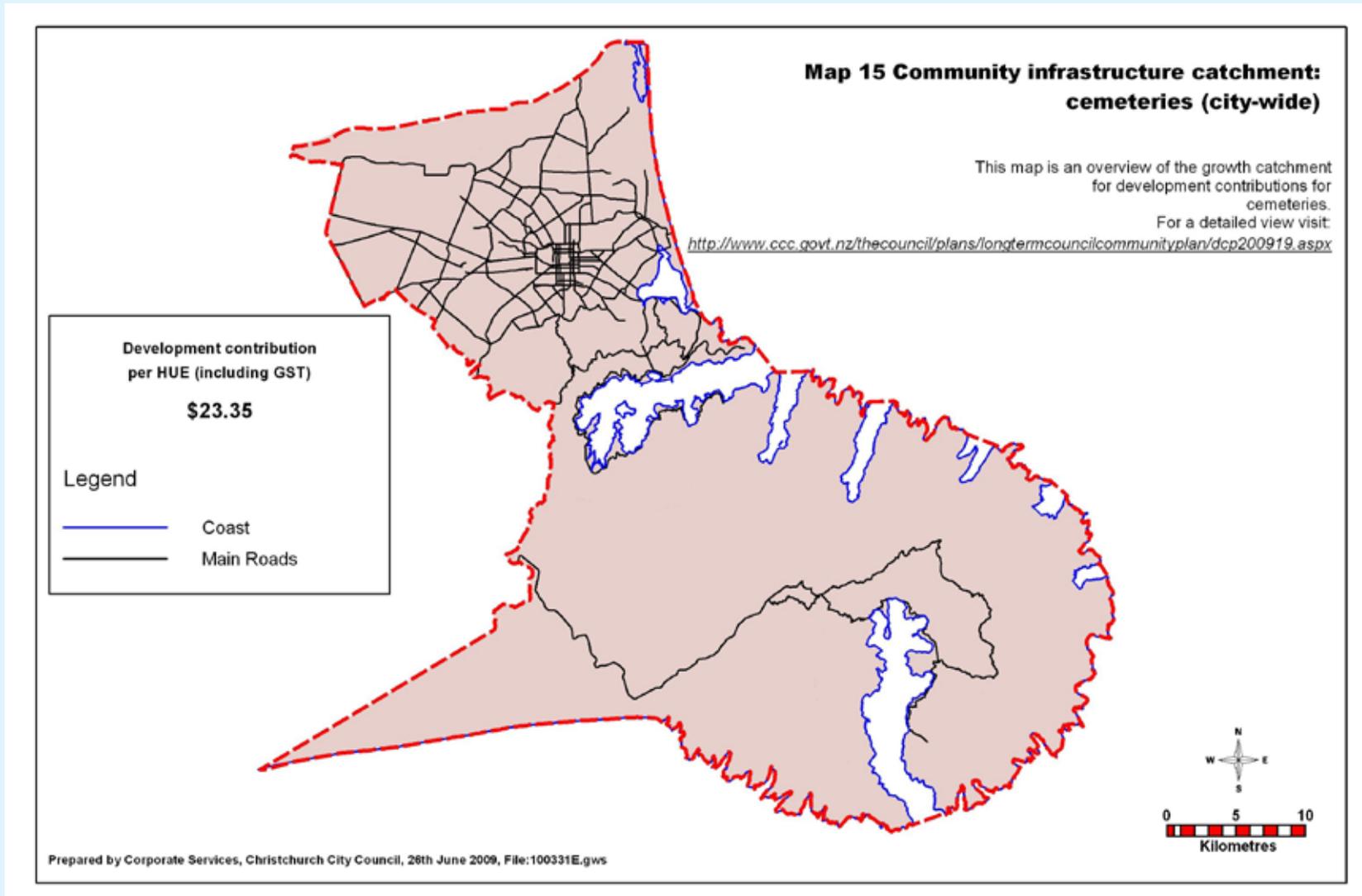
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3.2.5 Step 5 – Check schedule of development contributions for reserves and for network and community infrastructure

Identify the charges per HUE payable within the relevant catchments (identified from Step 4) for each activity from the following table.

Activity		Catchment	Development contribution per HUE (excluding GST)	Development contribution per HUE (including GST)	
Reserves	Regional parks	City-wide	\$1,361.99	\$1,532.24	
	Garden and heritage parks	City-wide	\$74.09	\$83.35	
	Sports parks	City-wide	\$1,207.66	\$1,358.62	
	Neighbourhood parks	Central city	\$4,967.33	\$5,588.25	
		Inner city	\$2,562.60	\$2,882.93	
		Suburban	\$5,718.71	\$6,433.55	
		Rural	\$8,284.32	\$9,319.86	
Network infrastructure	Water supply	City-wide	\$1,153.77	\$1,297.99	
	Wastewater collection	City-wide	\$2,815.52	\$3,167.46	
	Wastewater treatment and disposal	City-wide	\$2,105.88	\$2,369.11	
	Waterways and land drainage	Avon	\$1,184.78	\$1,332.88	
		Heathcote	\$7,243.76	\$8,149.23	
		Estuary	\$2,471.41	\$2,780.33	
		Halswell	\$3,543.70	\$3,986.66	
		Otukaikino	\$5,417.35	\$6,094.52	
		Styx	\$540.73	\$608.32	
		Akaroa	\$540.73	\$608.32	
		Lyttelton	\$540.73	\$608.32	
		Northern Bays	\$540.73	\$608.32	
		Southern Bays	\$2,997.03	\$3,371.66	
		Road network	City-wide	\$1,960.71	\$2,205.80
		Active travel	City-wide	\$47.74	\$53.71
	Parking	City-wide	\$2.34	\$2.63	
	Public transport	City-wide	\$118.38	\$133.18	
Community infrastructure	Leisure facilities	City-wide	\$1,245.47	\$1,401.15	
	Libraries	City-wide	\$658.43	\$740.74	
	Cemeteries	City-wide	\$20.76	\$23.35	

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3.2.6 Step 6 – Calculate the development contributions for reserves and network and community infrastructure

For each reserves and network and community infrastructure activity, multiply the number of HUEs (as calculated at Step 3) by the charges payable for that activity for the relevant catchment (from Step 4).

The total fixed development contribution charge per HUE for reserves is applied:

- on both residential and non-residential subdivision, being 1 HUE charge for every additional lot created.
- on residential building, being 1 HUE charge for every additional household unit created.

The charge will also be subject to the statutory maximums under Section 203(1) of the LGA, namely development contributions for reserves must not exceed the greater of:

- 7.5% of the value of the additional lots created by subdivision; and
- the value equivalent of 20m² of land for each additional household unit created by the development.

Furthermore, the HUE charge will be reduced for small household units as provided for in Section 3.2.1.

3.2.9 Step 7 – Calculate total development contribution

The total end-to-end process for assessment of development contributions is exclusive of GST. Once all the assessments are complete, GST will be added to the final invoice as required by the statutory and/or regulatory requirements of the day.

3.3 Additional information on assessing the development contribution payable

3.3.1 Cash and/or land for development contributions for reserves

The Council will generally take development contributions towards providing reserves for open space and recreation from subdivision and/or development in cash, particularly in infill areas. However, it will take land in lieu of, or in addition to, cash where provision is practicable, such as from larger 'greenfield' sites, depending on which will more effectively add to the quality, diversity and distribution of open spaces and recreation areas in the City, as determined by the Council's mechanisms for identifying and acquiring strategic land.

The basis for development contributions for reserves is the additional actual or potential demand anticipated for open space and recreational land, and associated facilities, consequent to subdivision and/or development; that is, its effects in terms of land use and intensification.

The Council needs to retain the ability to make decisions on the appropriateness of land needed for open space and recreation purposes. The Council acknowledges that, in designing a subdivision, the developer has an understanding of the needs of the potential occupiers and has a financial stake in ensuring that the subdivision is attractive and satisfies those needs. As the City grows, there is a continuing need for more land to satisfy open space and recreational needs, new areas of which will inevitably become more difficult to acquire in appropriate locations as the City becomes more intensively developed. The resource consent process instead provides the opportunity for the Council to consult with the developer on whether a cash and/or land contribution is appropriate in the circumstances, so that it is possible for the Council to acquire suitable land as, where and when opportunities arise. In the final analysis, the Council has the right to decide on the appropriate level of cash and/or land contribution.

The following are some examples to provide a guide as to when the Council may accept land in lieu of cash:

- a flat, usable area of land for a sports park, accessible with full road frontage and a size (at least 4ha) adequate to accommodate at least two sports fields, tree planting and other open space. To accommodate sports clubs, at least 4ha, ideally more, would be needed;
- a relatively flat, useful area of land for a neighbourhood park, accessible to the user population and of a size (at least 2,000 - 3,000m²) adequate to accommodate children's play equipment, substantial tree plantings and open space;
- a linkage, or potential linkage, along or to significant natural features, or between other areas of public open space and community facilities;
- protection or enhancement of significant mature trees, significant areas of indigenous vegetation, indigenous wildlife habitat, margins of waterways or other significant natural features;
- protection or enhancement of historic or cultural features of significance to the City's population; or
- a usable area of open space for planting as visual relief from a built or highly developed environment.

The Council accepts that there are benefits for the future occupants of subdivisions of having plenty of local open space and recreation areas. However, the Council is often asked to take over and maintain larger open space and recreation areas within a new subdivision than are required under the development contribution provisions. Because there are also additional demands from the future occupants of such subdivisions on the Council's other open space and recreation resources, the Council also needs to ensure that it obtains sufficient cash contributions, in addition to land contributions, to fund the acquisition and development of regional, garden and heritage, sports and neighbourhood parks and walking and cycling tracks. While the Council is prepared

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to accept the vesting and future maintenance of such land, it will not accept, as a credit towards the development contribution required, additional land provided (over and above the development contribution requirements according to this policy) for open space and recreation where it is only for the benefit of the future occupants of the subdivision. Likewise, the Council will not accept, as a credit towards the development contribution required, unnecessary levels of development, such as the provision of entrance gateways and fountains, etc. If developers choose to provide such features for the benefit of the subdivision, its future occupants and its competitiveness within the market, it is appropriate that they do so at their own expense.

To avoid doubt, Section 3.3.4 does not in any way limit the Council's discretion on whether development contributions for reserves be paid in the form of cash or land.

3.3.2 Basis of land valuation

Land valuation for the purpose of calculating development contributions for reserves will be determined by the Council on the basis of the market value at the time the development contribution is assessed as per Sections 3.2.5 and 3.2.7, but including the rights and configuration given to the land under the consent application which gives rise to the development contributions assessment, and including any rights or configuration given by consents already granted. The Council will consider and give due weight to all other methods of land valuation, but retains discretion as to how it will be determined and who bears the cost.

Without limiting the Council's ability to recover under Section 208 of the LGA, if for any reason the development contribution is not paid within 12 months of assessment then a revised valuation will be required.

Land valuation for the purpose of vesting land will be separately calculated according to the nature of the land being vested.

3.3.3 Private developer agreements

A private developer agreement (PDA) is an agreement, between the developer and the Council governing the payment of development contributions, that can be used for special developments, not as a case by case bargaining tool. Under a PDA, land or works may be provided instead of a development contribution of cash, as assessed under this policy, for reserves, network infrastructure and community infrastructure. Alternatively land or works may be deferred, reallocated or used as compensation for additional demand placed on infrastructure resulting from development.

A PDA will be a contractual agreement in writing and will identify the terms of the agreement, the extent to which they depart from the standard process and assessment for development contributions and the reasons for entering into the agreement. The terms of a PDA may include the treatment of HUEs and/or the funding arrangements, statements regarding the impacts of the development on the Capital Works Programme and agreement on the timing of payments and other transactional matters.

A PDA cannot be entered into if the consent has already been granted.

The Council may initiate or, at its reasonable discretion, enter into a PDA with a developer at the request of the developer before, or as part of, the consent application process for the development. Representatives of the developer, the Council and, if the Council considers it appropriate in relation to its decision-making obligations under the LGA, the City, will be consulted before the implementation of any PDA. The Council requires the general managers from the Council units associated with the PDA to approve the terms of the PDA.

PDAs may be considered in the following circumstances and in any other circumstance where the Council considers the best interests of the developer, the Council and the City will be met by using a PDA, rather than requiring the payment of a development contribution under the standard provisions of this policy:

1. Where additional reserve and/or network and community infrastructure requirements for a development are supplied by the developer that will benefit the current and future requirements of growth and/or levels of service. Where the cost of the works exceeds the total development contributions assessed and payable for that development, the Council may, at its discretion, reimburse the developer;
2. Where land offered by the developer is accepted by the Council as environmental compensation for development opportunities, generally in addition to, and not instead of, development contributions of cash and/or land for reserves. It is the Council's policy to apply the concept of 'environmental compensation' where land of high landscape or natural value is protected or made available for public use and/or significant public benefit will be gained from hazard mitigation measures which would substantially enhance amenity values, e.g. planting and wetland protection; and
3. Where a major infrastructure development project is being undertaken, e.g. some types of project carried out by Christchurch International Airport Limited or by NZTA.

The Council may also enter into other agreements outside of the DCP with a developer for infrastructure provision, such as in the following situations. These will not necessarily lead to an adjustment of the development contributions payable:

4. Where the developer of a residential or non-residential subdivision applies a development contribution of cash and/or land for reserves to provide immediate landscaping and other amenities on a neighbouring or other local reserve outside the subdivision area from which it was derived;
5. Where the developer will meet the additional costs of providing above normal levels of service for reserves or infrastructure, provided the Council agrees to the above normal levels of service for that particular reserve or infrastructure; and

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6. Where reserves or network infrastructure are funded or supplied by a developer to meet levels of service and the infrastructure requirements of rezoning. Deferred reimbursement may be required if the current capital programme at the time of consent does not reflect the requirements of the rezoning.

3.3.4 When the Council will not require a development contribution

Limitations to the application of development contributions

The Council will not require a development contribution to the extent that:

- it has, under Section 108(2)(a) of the RMA, imposed a condition on a resource consent in relation to the same development for the same purpose; or
- the developer will fund or otherwise provide for the same reserve, network infrastructure or community infrastructure (fund in this sense excludes the cost of community facilities funded by the developer in the short term, but recovered from the Council in the long term); or
- the Council has received, or will receive, full funding from a third party for those works.

Development contributions payable by the Council

The Council is exempt from paying any assessed development contributions for each activity if the development itself is a capital expenditure for which development contributions are required. This avoids the possibility of collecting development contributions on development to pay for the funding of development. The Council is otherwise required to pay development contributions as appropriate.

Development contributions exemption for the Crown

Where the Crown is the landowner, it is exempt from paying development contributions by statute, but it is invited to pay development contributions as appropriate on any activities which consume

infrastructural capacity. The invitation to pay will not be a condition of the issue of a property information memorandum (PIM) or consent, Section 224(c) certificate, code compliance certificate or service connection.

Development contributions payable by private development on reserves

Where the Council permits private developments on reserves, such as clubrooms, as non-residential developments these will be subject to development contributions.

Boundary adjustments

Where a resource consent (subdivision) is granted for a boundary adjustment and no additional lots are created, development contributions will not be assessed or payable on the resource consent.

3.3.5 Other charges

Works and services

Nothing in this policy will prevent the Council from requiring, as a condition of resource consent, the provision of works and services usually, but not exclusively, internal to or on the boundaries of the development site required to service that development, to connect it to existing infrastructural services and to avoid, remedy or mitigate the environmental effects of the development, except where such works are provided for in the LTCCP.

The City Plan defines the nature and standard of the works and services that are to be provided (refer to Part 14: Subdivisions in Volume 3 of the Christchurch City Plan and Chapter 31: Subdivision in the former Banks Peninsula Proposed District Plan) and these works and services standards also apply to development fronting existing legal roads. These works and services are provided by the developer at their cost and, where the asset created is normally owned and maintained by the Council, transferred without charge into Council ownership.

Nothing in this policy will prevent the Council from requiring, at its request and cost, the provision of additional ‘extra-over’ works by the developer, such as installing a larger pipe and/or constructing a wider road through their development, in anticipation of future demand on those services beyond the boundaries of the development. Where additional extra-over works for a development are supplied by the developer that will benefit the current and future requirements of growth and/or levels of service, and where the cost of the extra-over part of the works exceeds the development contribution assessed and payable for that development, the Council may, at its discretion, reimburse the developer. The reimbursement will be via a contractual agreement entered into by both parties, being the developer and the Council. The payment terms of any monies will be negotiated in the terms of the contractual agreement.

Service connection

In addition to development contributions payable at the time of any applicable service connection, the Council may continue to collect service connection fees in accordance with current practice and the LGA for the following assets:

- Water supply connection;
- Wastewater connection;
- Surface water connection; and
- Vehicle crossing.

3.3.6 Construction demand

The demand on infrastructure of any activity will be assessed based on the demand which will exist once the activity is established and operational, not on the demand during construction.

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3.4 Postponement, review, remission, reduction and refund of development contributions

3.4.1 Postponement of development contributions

There are no specific situations where payment of a development contribution will be postponed. The Council may, at its discretion, enter into a memorandum of agreement or encumbrance to grant a postponement of any development contribution payable under this policy (such as in the situations outlined in Sections 3.1.2 and 3.2.1).

3.4.2 Review of development contributions

The Council does not consider it appropriate to provide any formal review process. Sufficient opportunities exist for any developer to discuss all matters relating to this policy with Council staff, to outline any extraordinary circumstances and for matters to be brought before the Council for a decision.

3.4.3 Remission and reduction of development contributions

This policy does not provide for any remissions or reductions to be applied for or granted, other than the credits described elsewhere in the policy. The Council does not consider development contribution remissions to be an appropriate means of advancing strategic objectives unrelated to growth-related capital cost recovery (such as the retention of heritage buildings or the provision of social housing), for the following reasons:

- The introduction, and a large number or range, of remissions leads to less transparency and more complexity in the administration of development contributions. If the Council wishes to advance particular strategic objectives, it is considered more appropriate to do so via a means separate to DCP remissions.
- It may be considered unfair that developers, rather than the City as a whole, should pay to achieve such strategic objectives; and

- The availability of relevant remissions is likely to be capitalised into and increase the land value of development sites. Remissions may not advantage the developers of developments that remissions seek to encourage.

3.4.4 Refund of development contributions

The refund of cash and return of land will occur in accordance with Sections 209 and 210 of the LGA, in the following circumstances:

- If the development does not proceed;
- If a consent lapses or is surrendered;
- If the Council does not provide any reserves, network infrastructure or community infrastructure for which a development contribution was required; or
- If the Council does not apply money within 20 years, or use land within 10 years, or any relevant agreed period, of that contribution being received for any specified reserve purpose.

For the avoidance of doubt, and except in relation to any money or land taken for a specified reserves purpose, the Council will not refund a development contribution where any specific project does not proceed, unless the activity for which the development contribution was taken is not provided.

Any refunds will be issued to the current consent holder and/or title holder for the development to which they apply. The amount of any refund will be the development contribution paid, less any costs already incurred by the Council in relation to the development and its discontinuance, but may include any interest earned depending on the circumstances of the case

Part 3 Substantiation Of Policy

4.0 Basis for the policy

4.1 Statutory requirements and options for contributions

The Council has historically required those developers whose developments (including subdivision and buildings) place new demands on the City's reserves and network and community infrastructure to make a fair contribution toward the expansion of those services. An exception to this has been the network effects of incremental growth, which have been paid for by the ratepayer.

The LGA allows councils to require development contributions from developers if the effect of their developments requires the councils to provide new or upgraded reserves and infrastructure. Councils may use either the provisions of the LGA (development contributions) or those of the RMA (financial contributions), or a combination of both, to obtain cash or land from developers. The Council uses a combination of both.

Section 102(4)(d) of the LGA requires the Council to have a policy on development or financial contributions as a component of its funding and financial policies in its LTCCP and sets out the requirements and constraints that must be observed in its preparation. This DCP seeks to establish a transparent, consistent and equitable basis for requiring development contributions in order that the Council's following objectives are achieved:

- To obtain from those responsible for development that places additional demands on the Council's provision of community facilities a fair and reasonable contribution towards the expansion of those services;
- To generate income for the City, in addition to rates and other funding options, to cover the capital costs of growth;
- To generate information for the Council on what infrastructure investments need to be made

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to cater for growth, to assist the Council and City to differentiate between investments in growth infrastructure and investments made for other purposes; and

- To ensure that the level of such contribution does not generally act to discourage development, while recognising that the contribution will be influenced by locality-specific factors and that this may act to discourage development in a particular area.

4.1.1 Development contributions

A development contribution is a contribution from developers of cash or land, or a combination of these, provided for under the DCP. The Council is required to use development contributions only for the activity for which they are collected.

This will be undertaken on an aggregated project category basis for each of the activities, not on a project by project basis. The Council may and will require a development contribution in respect of any developments in the City that create a demand for new reserves and network and community infrastructure. This will include, but not be limited to, developments that create additional lots (except with respect to the unit and strata titling of existing development), additional residential units, additional or changed non-residential development, additional accommodation and additional community services development (such as sporting, educational, religious and charitable activities) irrespective of City Plan zoning and as applicable to the development, for the following:

- to meet the growth component of the future capital expenditure budgets over the following 10 years as set down in the LTCCP for the following activities:
 - Reserves:
 - Regional parks;
 - Garden and heritage parks;
 - Sports parks; and
 - Neighbourhood parks.

- Network infrastructure:
 - Water supply;
 - Wastewater collection;
 - Wastewater, treatment and disposal;
 - Waterways and land drainage;
 - Road network;
 - Active travel;
 - Parking; and
 - Public transport.
- Community infrastructure:
 - Leisure facilities;
 - Libraries; and
 - Cemeteries.
- capital expenditure already incurred in anticipation of development.

A summary of this expenditure is set out in Table 7.1 and in the Schedule of growth-related capital expenditure available online at <http://www.ccc.govt.nz/thecouncil/plans/longtermcouncilcommunityplan/dcp200919.aspx>

The DCP contributes to the achievement of community outcomes in the LTCCP by ensuring the provision of appropriate infrastructure to meet the needs of growth.

4.1.2 Financial contributions

A financial contribution is a contribution from developers of cash or land, or a combination of these, provided for under the RMA. The key purpose of financial contributions is to take account of the wider impact of a specific development, which may include offsetting or mitigating any adverse effects on the natural and physical environment, including infrastructural services, of a new development. The following financial contributions are provided for in the City Plan and will remain in that document because they do not fall within the scope of the LGA provisions for development contributions:

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- A financial contribution towards the provision of parking spaces where it is not practical to physically provide the required amount on-site as part of the development in specified Central City and business zones (refer to Part 13: Transport, Appendix 2 in Volume 3);
- A financial contribution towards the conservation of heritage assets where the development causes the demolition or alteration of a protected building, place or object (refer to Part 9: General City Rules, Section 7.3.3 in Volume 3); and
- A financial contribution towards the provision of esplanade reserves where a development occurs without subdivision, but which would have invoked esplanade reserve provisions had subdivision occurred (refer to Part 9: General City Rules, Section 7.3.1 in Volume 3). Esplanade reserves do not therefore fall within the ambit of reserves for development contributions and will continue to be dealt with under the RMA.

Former Banks Peninsula Proposed District Plan

- A financial contribution towards both existing and proposed facilities, works or services within the Council's approved development programme; and facilities, works and services specific to a proposed subdivision outside of the Council's approved development programme towards:
 - reserves;
 - water supply and wastewater disposal;
 - new road/s and upgrading that portion of any existing road/s outside the site being developed where expected traffic from the development will exceed 50% of existing vehicle movements; and
 - works and services specific to a proposed subdivision outside of the Council's approved development programme for stormwater disposal and other district facilities (refer to Chapter 32: Development Contributions).

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- A financial contribution towards esplanade reserves or strips on land use adjacent to Wairewa (Lake Forsyth) and Te Waihora (Lake Ellesmere), the coast and rivers (refer to Chapters 10: Water Resources and 31: Subdivision);
- A financial contribution towards the manufacture and erection of all new road name plates (refer to Chapter 31: Subdivision); and
- A financial contribution of cash in lieu of on-site parking provision (refer to Chapter 35: Access, Parking and Loading).

The financial contributions in the former Banks Peninsula Proposed District Plan are not operative or enforced and will be the subject of a proposed variation to align them with the Council's approach to development and financial contributions.

The Council may in the future include site-specific provisions in the City Plan requiring financial contributions for reserves, network infrastructure and community infrastructure in exceptional circumstances that cannot be covered by the LGA or by PDAs.

The capital expenditure summarised in Table 7.1 and the Schedule of growth-related capital expenditure does not include any projects funded by financial contributions.

4.2 Review of the policy

The LTCCP and therefore this policy can only be amended through a special consultative procedure. It is intended that the DCP will be reviewed every three years in parallel with the LTCCP cycle (i.e. 2009, 2012, ...), but the Council may review it at shorter intervals in parallel with the Annual Plan cycle or at any time, if the Council deems it necessary to take account of:

- Any changes to the significant assumptions underlying the DCP;
- Any change in policy as the Council continues to develop and implement the UDS and other strategies of significance for the City;

- Any changes to the City Plan;
- Any changes in the capital works programme for growth, including as a result of regular liaison with developers;
- Any changes in the pattern and distribution of development in the City, including as a result of regular liaison with developers;
- Any corresponding changes necessary to the growth catchments for development contributions for each activity;
- Any audits and reviews of the LTCCP;
- Any significant changes in cost indices; and
- Any other matters the Council considers relevant.

In addition to the above, it is intended that the schedule of development contribution charges will be updated annually with each annual plan to account for inflationary adjustments to the costs of projects and changes to the capital expenditure programme.

Opportunities for interested or affected parties to seek amendment to the policy are available whenever the special consultative procedure is used to propose an amendment under the above scenarios. In addition, the Council welcomes suggested amendments at any time and will consider these as it prepares the three yearly LTCCP and DCP review or any annual amendment. The Council's decision to adopt this policy is subject to judicial review to the High Court only.

At the time of preparing this policy, the Council does not expect future versions of the DCP to require development contributions for any activities additional to those for which this policy already provides.

5.0 Planning for growth

5.1 Growth model¹

City growth assumptions underpin the Council's asset management plans and capital expenditure budgets in the LTCCP for the 2009-19 period. Growth in the City has been projected for the following three components: additional residential households, additional non-residential floor area (m²) and additional non-residential impervious surfaces (m²).

Population and household growth is based on The Greater Christchurch Urban Development Strategy (UDS) population and household projections for the City adjusted to include the area outside the UDS area of the City. These projections assume high rates of migration and medium rates of fertility, mortality and household structure. Non-residential growth as estimated by the Council is based on historic rates of development collected from the Council's non-residential building consent records. These were projected using either the LTCCP 2009-19 population growth projections or the UDS labour force projections², whichever was appropriate for each specific business zone defined by the City Plan. Changes in impervious surfaces in the City are based on impervious information provided by Landcare Research derived from landsat satellite imagery. Impervious surface projections were then generated by using the projected non-residential growth to identify the amount and location of future change.

The cost of growth due to increased visitors is recovered through residential development contributions charged to holiday homes and through non-residential development contributions charged to new and growing businesses benefiting from visitor volume growth, such as hotels, motels, tourism operators, passenger transport operators and food and beverage providers.

¹ Christchurch City Council, *Development Contributions Policy 2009–19 Growth Model Documentation as at November 2008*.

² UDS labour force projections were produced in September 2006 by Statistics New Zealand using a set of assumptions agreed with the UDS management team.

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Table 5.1 City growth projections

	2009	2019	10 year percentage change 2009–19	2041	Percentage change 2009–41
Population ³	369,400	396,200	7%	453,000	23%
Households	149,000	164,800	11%	197,400	32%
Business floor area (million m ²)	8.1	9.3	15%	10.9	36%
Non-residential impervious surfaces (million m ²)	28	29	4.6%	29.4	5.3%

These projections indicate that:

- Residential growth between 2009 and 2019 will produce 15,800 additional households (11% growth) spread across greenfield, infill and rural locations;
- Household growth from 2009 to 2041 is estimated to produce around 48,400 additional households (32% growth);
- Non-residential growth between 2009 and 2019 is expected to be in the order of 1.2 million m² of new floor area, a growth rate of 15%;
- Non-residential growth from 2009 to 2041 is expected to be around 2.8 million m² (36% growth); and
- Impervious surfaces for non-residential areas of the City is expected to increase by 1.3 million m² (4.6% growth) in the ten years from 2009 to 2019 and by 1.5 million m² from 2009 to 2041 (5.3% growth).

Growth projections are subject to significant uncertainties as to the amount, timing and location of growth. Therefore the regular update and assessment of growth projections is a key component of monitoring growth and planning future infrastructure requirements.

The Council will continue to monitor the actual growth in residential development, non-residential development and impervious surfaces and compare these trends with the forecast growth from the growth model. It is anticipated that over the short term there will be periods where growth will be above or below the forecast growth. However, the aim is that these periods will average out close to the forecast trend. The monitoring of actual trends versus the predicted growth will be used to adjust the growth model to improve the accuracy of forecasting over time. It will also inform future asset management planning and its subsequent capital programmes in future LTCCPs. The increase in capital expenditure resulting from growth is not necessarily proportional to the increase in population, household or business growth, i.e. actual costs for growth will depend upon the particular capital works required.

5.2 Application of household unit equivalents (HUEs) as the unit of demand

The most equitable way to apportion the cost of new reserves, network infrastructure and community infrastructure in response to growth demand is on the basis of the number of equivalent new households expected as detailed in Section 5.1 for both residential and non-residential development. A growth model has been developed in order to predict growth throughout the City in HUEs and this growth information is presented per activity, per catchment. In the growth model, a HUE is defined as being equivalent to one 'average' household unit. It is recognised that household units vary throughout the City and that the demands they generate also cover a broad range. Given the relatively large size of the development contribution catchments and the implied averaging, the approach is considered equitable and appropriate, as well as being consistent with the level of detail recognised by the growth model itself.

The projections in Section 5.1 for the non-residential floor area (GFA) and non-residential impervious surface area (ISA) are multiplied by the equivalences in Table 5.2 to convert the non-residential growth to HUEs.

In a subdivision, 1 HUE applies per lot. In a residential development, 1 HUE applies per household unit, subject to the small residential unit adjustment. In a non-residential development, the m² of non-residential floor and impervious surface areas are subsequently converted into HUEs as follows.

³ Household and population projections are rounded to the nearest 100.

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Development Contributions Policy

Land use classification	Measure	Reserves	Water supply	Wastewater collection	Wastewater treatment and disposal	Waterways and land drainage	Transport-related	Leisure facilities	Libraries	Cemeteries
All land uses	m ² ISA					0.0038				
Business 1	m ² GFA		0.0037	0.0046	0.0046		0.0140	0.0028	0.0028	
Business 2 & 2P	m ² GFA		0.0040	0.0050	0.0050		0.0214	0.0028	0.0028	
Business 3 & 3B	m ² GFA		0.0036	0.0045	0.0045		0.0042	0.0028	0.0028	
Business 4, 4P & 4T	m ² GFA		0.0037	0.0047	0.0047		0.0052	0.0028	0.0028	
Business 5	m ² GFA		0.0038	0.0047	0.0047		0.0028	0.0028	0.0028	
Business 6	m ² GFA		0.0044	0.0055	0.0055		0.0014	0.0028	0.0028	
Business 7	m ² GFA		0.0037	0.0047	0.0047		0.0052	0.0028	0.0028	
Business Retail Park	m ² GFA		0.0038	0.0048	0.0048		0.0150	0.0028	0.0028	
Central City & Central City Edge	m ² GFA		0.0036	0.0045	0.0045		0.0066	0.0028	0.0028	
Special Purpose (Airport)	m ² GFA		0.0039	0.0048	0.0048		Special assessment	0.0028	0.0028	
Special Purpose (Awatea)	m ² GFA		0.0037	0.0047	0.0047		0.0052	0.0028	0.0028	
Special Purpose (Hospital)	m ² GFA		0.0035	0.0044	0.0044		Special assessment	0.0028	0.0028	
Other non-residential zones	m ² GFA		0.0038	0.0047	0.0047		Special assessment	0.0028	0.0028	
Household (residential)	Per residential unit	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Holiday home (residential)	Per residential unit	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Retirement villages	Per residential unit	0.2500	0.5000	0.5000	0.5000		0.3000	0.5000	0.5000	1.0000

Development Contributions Policy

6.0 Rationale for funding the costs of growth through development contributions (consideration of Section 101(3) of the LGA)

The development contribution charges in this policy have been set by the Council after considering the requirements of Sections 101(3)(a) and (b). The following is an explanation of the issues considered.

6.1 Overview

In determining whether development contributions are an appropriate funding source for different activities, the Council considers, for each of its activities:

- how they relate to community outcomes;
- who benefits from that activity;
- the period over which those benefits are expected to occur;
- who created the need for that activity to be undertaken;
- the costs and benefits, including consequences for transparency and accountability, of funding that activity distinctly from other activities; and
- how any decision about funding this activity will impact on the social, economic, environmental and cultural wellbeing of the community.

In practice, this consideration can be summarised into four main steps:

Step 1

On a citywide basis, the Council considers how groups of activities contribute to community outcomes. For example, the Council has determined that wastewater infrastructure projects contribute to the community outcomes of ‘a safe city’, ‘a city of people who value and protect the natural environment’ and ‘a healthy city’.

Step 2

Within the framework of the Council’s activities, and how they contribute to community outcomes, the Council develops a programme of infrastructural capital works and reserves purchases. For each of the individual capital projects on that programme, the Council makes judgements about who created the need for that project, who will benefit from the asset that it creates and how long that benefit will last.

This step is carried out by the Council with proprietary software which assists it to make and record judgements about whether the need for a particular project is driven by Christchurch’s existing community, or by demand that will be created by properties that are yet to be developed (the growth community). The software also assists the Council to make and record judgements about who the various beneficiaries of those projects are. Based on this information, the software calculates the value of the benefit that can be attributed to either the existing or growth community. It also enables the Council to calculate how this benefit is spread across the city and across time. The value of the benefit attributed to the growth community in each part of the city over the next ten years is the amount that could potentially be recovered from that community via development contributions.

Step 3

On an activity by activity basis, the Council considers the costs and benefits of funding each activity distinctly from other activities. The benefits of additional community infrastructure capacity accrue to the improved or new properties generating demand for that capacity. Development contributions paid by developers are likely to be passed on through section and lease prices to the occupants of those improved or new properties. Where existing residents gain a benefit from new infrastructure that is created to meet the needs of the growth community, the value of this benefit is not included within development contributions.

Therefore the Council concludes that the use of development contributions to partially fund the cost of growth in community facilities, in proportion to the benefit received by the growth community, provides the benefits of greater transparency, greater accountability and intergenerational equity. These benefits exceed the cost of using development contributions as a separate and distinct funding source.

Step 4

Finally, the Council considers how funding each activity will impact on the wellbeing of the community. In general, the Council believes that the majority of the cost of assets being created or enhanced for the growth community should be paid for by the growth community through development contributions. Failing to fund growth in this manner would impose an unfair burden on the economic wellbeing of the existing ratepayer community.

Each of these steps are discussed in more detail below.

6.2 Step 1 – Considering community outcomes

Considering community outcomes (Section 101(3)(a)(i))

The Council considers that capital expenditure being incurred to meet the increased demand for community facilities contributes to achievement of the following community outcomes:

Development Contributions Policy

Table 6.2 Contribution to achievement of community outcomes

Community outcomes	Reserves	Network infrastructure projects	Community infrastructure projects
A safe city: <ul style="list-style-type: none"> We are safe at home and in the community. Risks from hazards are managed and mitigated. 		✓	
A city of people who value and protect the natural environment: <ul style="list-style-type: none"> Our lifestyles reflect our commitment to guardianship of the natural environment in and around Christchurch. We actively work to protect, enhance and restore our environment for future generations. 	✓	✓	
A well governed city: <ul style="list-style-type: none"> Our values and ideas are reflected in the actions of our decision-makers. Our decision-makers manage public funds responsibly, respond to current needs and plan for the future. 	✓	✓	✓
A prosperous city: <ul style="list-style-type: none"> We have a strong economy that is based on a range of successful and innovative businesses. We value sustainable wealth creation, invest in ourselves and in our future. 	✓	✓	✓
A healthy city: <ul style="list-style-type: none"> We live long, healthy and happy lives. 	✓	✓	✓
A city for recreation, fun and creativity: <ul style="list-style-type: none"> We value leisure time and recognise that the arts, sports and other recreational activities contribute to our economy, identity, health and wellbeing. 	✓		✓
A city of lifelong learning: <ul style="list-style-type: none"> Our learning opportunities help us to participate in the community and the economy. Quality education is available for people of all ages. 			✓
An attractive and well-designed city: <ul style="list-style-type: none"> Christchurch has a vibrant centre, attractive neighbourhoods and well-designed transport networks. Our lifestyles and heritage are enhanced by our urban environment. 	✓	✓	✓

The list above summarises some of the most relevant outcomes, however, the specific outcomes for each activity are listed in Volume 1 of the LTCCP under the respective Council Activities and Services pages and are not repeated in full here.

Charging new development a development contribution towards additional or increased capacity of community facilities ensures an appropriate contribution to these community outcomes.

6.3 Step 2 – Benefits of performing the activity *Who creates the need for the community facilities (Section 101(3)(a)(iv))*

The Council has estimated the extent of growth within the City and has translated that to the expected number of developments which constitute that growth. The Council has also identified its capital expenditure necessary to meet the needs of the growth community and this is explained in this policy.

Where the existing capacity of community facilities is insufficient to provide the levels of service to new residential and non-residential users specified by the Council in the LTCCP, those new users/the growth community are therefore the ones who create the need for new community facilities which requires the Council to incur capital expenditure.

The Council also recognises that there may be capital expenditure necessary to increase the level of service for all, due to:

- ratepayers who want increased levels of service;
- obligations on the Council to raise the levels of service to meet resource consent or statutory obligations and conditions; and
- visitors to this city using the facilities.

The allocation of the benefits and the costs take these other factors into account.

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Development Contributions Policy***Who benefits from the community facilities (Section 101(3)(a)(ii))***

For each of the individual projects that require capital expenditure, the Council makes a judgement about whether the asset being created will provide capacity to, and therefore benefit, the existing community (which includes the current volumes of visitors to the city), the growth community, or both of those groups.

The capital expenditure and benefit allocation in this policy is analysed as follows:

- renewal expenditure – this benefits the existing community only and replaces the existing asset base;
- backlog expenditure – new asset capacity is of benefit to the existing community only, to meet the shortfall in the current level of service;
- changed (increased) levels of service - capital expenditure that benefits all of the community. The pro-rata portion which benefits the growth community is allocated to them and is potentially recoverable by development contributions;
- new services expenditure – capital expenditure to provide the benefits to both the existing and the growth community on a pro-rata basis. The portion which benefits the growth community is potentially recoverable by development contributions; and
- growth expenditure – that which benefits and is needed by the projected growth in the community, estimated over the next 10 years. Asset capacity which provides benefits beyond that period may be allocated to future growth communities and may form part of future development contributions.

Built into the existing network of community facilities are components with excess capacity which will benefit the growth community. Some components are included in development contributions, but many are not. The growth community therefore benefits from some past capital expenditure without any additional charge made to them.

Likewise, both existing and growth communities share proportionately in the benefits of excess capacity until consumed by the expanding community.

In determining the value of benefits being received by the growth community, it is assumed that the value of those benefits is equal to the cost of providing them.

The period over which those benefits will occur (Section 101(3)(a)(iii))

For each of the individual projects that require capital expenditure, the Council determines the length of time over which the asset created by that expenditure will provide a benefit to the community. The Council also determines the capacity of that asset and the amount of capacity that will be utilised by the growth community. For example, the Council might determine that a new culvert might last for seventy years and therefore provide benefits to the community over that period. This culvert may alleviate flooding for existing residents as well as providing capacity to deal with surface water run-off for the growth community. Based on the Council's assessment of the culvert's capacity and growth forecasts, the Council may determine that the excess capacity provided by the culvert will meet the needs of the growth community for ten years.

6.4 Step 3 – Funding the activity***Costs and benefits, including consequences for transparency and accountability, of funding an activity distinctly from other activities (Section 101(3)(a)(v))***

The benefits of funding additional infrastructure capacity to meet demand from development include greater transparency and efficiency by requiring an appropriate share of the actual costs to be paid by developers. An additional benefit also arises, because the use of development contributions ensures that existing ratepayers are not paying for infrastructural capacity that they do not require, and this ensures intergenerational equity.

Therefore the Council concludes that the use of development contributions to partially fund the cost of growth in community facilities, in proportion to the benefit received by the growth community, provides the benefits of greater transparency, greater accountability and intergenerational equity. These benefits exceed the cost of using development contributions as a separate and distinct funding source.

For some activities, the use of catchments also aids transparency and efficiency by identifying the variations in the cost of providing infrastructure according to the characteristics of the particular locality and the nature of the works required. Although development contributions do not incur significant administrative cost once systems are established, the use of small local catchments to collect development contributions are not always cost effective because of the requirement to collect and maintain detailed data at a localised level. Therefore a city-wide charge will be more efficient for some activities, particularly ones with a larger number of widely located projects and projects that benefit a wide geographic area.

Development Contributions Policy

6.5 Step 4 – Considering community wellbeing

Overall impact on community wellbeing (Section 101(3)(b))

Ensuring adequate levels and balance between the various sources of funding to provide appropriate infrastructure is central to promoting the social, economic, environmental and cultural wellbeing of the City. The DCP impacts on the four wellbeings in the following way:

- social wellbeing – this benefits the existing community only and replaces the existing asset base. The DCP provides for some of the costs incurred in providing reserves and infrastructure to be recouped from developers, therefore assisting in providing necessary community facilities for a growing community. Some new facilities also benefit existing residents, who pay their share of those costs through rates. Comparing our DC charges with those of adjoining councils also requires a comparison of the facilities which each council provides. Although the level of DC charges may be different across each district, the Council believes that it provides a high level of community facilities for its new and existing residents, thereby contributing to the sense of social wellbeing in the wider city. The DCP assists in achieving the Council's aims in relation to social wellbeing;
- economic wellbeing – the provision of necessary network and community infrastructure, assets and services is vital in enabling economic development to occur. Funding the Council's net cost of providing increased capacity in the City's infrastructure largely through development contributions, rather than rates-serviced debt or other forms of funding, promotes equity between existing and new residents. Therefore, the Council

believes that the majority of the cost of assets being created or enhanced for the growth community should be paid for by the growth community through development contributions, reducing the financial burden on the 'general ratepayer'. The Council also recognises that the DC charges need to be at a level that is affordable in the current economic climate and will not inhibit development within the city, and believes the charges it has provided for in this policy achieve that balance;

- environmental wellbeing - the provision of necessary infrastructure, assets and services enhances environmental wellbeing. For instance, the provision of wastewater and surface water management systems results in improvements to water quality and reduces erosion. Establishing new reserves also has environmental benefits for the city, as recognised in the Council's community outcomes; and
- cultural wellbeing – the ability of the Council to protect or provide areas of cultural significance, such as by purchasing land for reserves and establishing libraries and other community infrastructure, are some of the means by which the provision of necessary infrastructure, assets and services, through DC funding, enhances cultural wellbeing.

The practical result of the Council's consideration of the overall impact of the development contributions on the four 'wellbeings' has been implemented by calculating the full charge based on the cost allocation methodology and the Section 101 considerations.

7.0 Capital expenditure in response to growth

7.1 Activities and catchments for which development contributions may be required

The LGA allows the Council to require a development contribution from any development for:

- Capital expenditure expected to be incurred as a result of growth; or
- Capital expenditure already incurred in anticipation of growth.

Development contributions will be required on either a city-wide or local catchment basis for the Council-funded capital works summarised in Table 7.1 resulting from growth associated with the provision of the following reserves and network and community infrastructure.

A full breakdown of the Council's capital programme is available in the Capital Works Programme section of LTCCP 2009-19. The Council Activities and Services section of the LTCCP 2009-19 also provides information about the Council's capital programme, including a breakdown of why capital expenditure is being incurred (e.g. for growth) and how it is being funded.

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Development Contributions Policy**Table 7.1 Summary of capital expenditure (GST exclusive)**

Activity	Sum past years	Sum future years	Total cost	3rd party funding	Renewal	Backlog	Unallocated	Growth
Regional parks	10,167,033	7,835,980	18,003,013		2,420,211	82,350		15,500,452
Garden and heritage parks	3,554,209	7,502,000	11,056,209			8,636,570		2,419,639
Sports parks	4,180,998	14,828,748	19,009,746			384,500		18,625,246
Neighbourhood parks	610,500	18,192,767	18,803,267		3,586,039	291,325		14,925,903
Water supply	11,295,871	88,864,566	100,160,437		30,484,576	34,472,794	2,293,048	32,910,019
Wastewater collection	57,782,576	204,144,710	261,927,286		6,753,562	138,466,257	1,332,762	115,374,705
Wastewater treatment and disposal	161,975,000	92,183,832	254,158,832		23,907,664	165,688,254	4,594,018	59,968,895
Waterways and land drainage	17,223,837	175,069,955	192,293,792		16,826,934	58,949,024	1,026,079	115,491,755
Road network	42,653,295	130,915,730	173,569,025	19,776,773	1,460,380	65,502,705		86,829,167
Active travel		3,135,000	3,135,000	913,853		955,093		1,266,054
Parking		146,250	146,250			62,888		83,363
Public transport	18,232,937	127,227,377	145,460,314	80,719,045		51,766,927		12,974,342
Leisure facilities	32,215,301	42,737,312	74,952,613		3,013,739	27,828,263		44,110,610
Libraries	226,004	90,070,953	92,296,957		14,977,338	43,518,102		33,801,516
Cemeteries	207,696	2,404,602	2,612,298			2,263,992		348,306
Total	360,325,257	1,007,259,782	1,367,585,039	101,409,670	103,430,443	598,869,043	9,245,908	554,629,974

Note: These figures are un-inflated 2009–10 dollars. The full schedule of past and pending growth-related capital expenditure is obtainable online at <http://www.ccc.govt.nz/thecouncil/plans/longtermcouncilcommunityplan/dcp200919.aspx> and at the Council's Civic Offices, 163–173 Tuam Street.

Development Contributions Policy

Reserves

Development contributions will be required for:

- The expansion of the reserves assets portfolio, through the continued purchase of new reserves and through vesting new reserves from subdivision, to:
 - hold the existing level of service of 15.7ha for regional parks, 0.25ha for garden and heritage parks and 3.6ha for sports parks per 1000 people; and
 - maintain the existing level of service per 1000 people for neighbourhood parks in each catchment; and
- The development of reserves and levels of service provided to meet new needs.

The Council's reserves assets portfolio includes the following (internally classified) types of reserves:

- Regional parks – large, predominantly rural reserves, including coastal areas, the plains, wetlands and the Port Hills, intended primarily to protect and conserve natural, cultural and heritage landscapes and features while providing for passive recreation with a feeling of visual relief and remoteness from urbanity, and to contribute to the 'Garden City' image of Christchurch City;
- Garden and heritage parks – small to large, predominantly urban reserves intended primarily to provide for distinct 'Garden City' landscapes and protect heritage features, such as Victorian heritage gardens, fountains, clocks and statues;
- Sports parks – large reserves intended primarily to provide for formal, city-wide, active recreation (sporting activities and events) and open space;
- Neighbourhood parks – small to medium sized reserves intended to provide for informal, local, passive and active recreation and open space;
- Reserves for amenity purposes within or adjoining non-residential areas;

- Pedestrian and cycling linkages along or to significant natural features, or between other reserves and community facilities; and
- Works for any other purpose permitted by Sections 205 and 206 of the LGA.

Reserves may be comprised of either soft or hard landscaping, along with associated infrastructure such as seating, lighting, play equipment, public conveniences, artworks and water features, i.e. grassed with planting, or paved with raised planters in a highly developed environment such as the Central City.

Funding provision for growth over the next 3 years will focus on the continued expansion of the neighbourhood parks asset portfolio, mainly through vesting from new subdivisions, by maintaining the rate per 1000 people in each catchment. One significant regional park will be purchased on Banks Peninsula and minor land will be acquired to open up frontages to existing sports parks.

Strategic reserve purchases from the Port Hills Acquisition Programme is on hold. Neighbourhood parks purchases are being made as part of the Local Parks Acquisition Strategy to balance infill housing in Living 3 Zones and to meet the goal of the strategy to ensure at least 90% of residents in the urban environment live within 400m of a reserve. In particular, additional local reserve purchases are planned in areas such as Addington, Riccarton, Central City, St Albans, Papanui and the inner city east. The purchase of a new major sports park is on hold until the capacity for use of existing sports parks is established.

In addition to extensions to existing reserves or the formation of linkages between them, the new reserve vesting programme adds around 10 new reserves per year, which also need to be developed and levels of service provided to meet new needs. Population, as measured by the last four census periods from 1991 to 2006, has been growing at an average of 5.4% per census. The take up of vacant residential land for

new housing is averaging 95ha per year (1994 – 2008). This creates the demand for new reserve assets to be developed.

Open space service levels have also been raised in many infill areas, such as the Central City, where there has been an increase in unit development leading to the purchase of houses beside existing parks to incorporate into the reserve and create greater space for new recreation equipment.

The development of land for residential purposes increases the actual or potential number of users of the open space and recreational facilities that reserves provide. Similarly, the development of land for non-residential purposes usually implies an increase in employment in an area, with consequent demands for open space to meet the leisure, walking and cycling needs of workers in, and visitors to, business areas and to enhance local amenity values. The emergence of residential units above businesses in the light industrial zones as part of recent subdivision trends and the greater mixed-use zoning proposed by the UDS further supports the need for development contributions for reserves from subdivision for non-residential purposes.

Significant work has been required by the Council to change from a percentage of land value charge to a fixed HUE-based charge which is more directly linked to the Council's capital expenditure programme. The current reserves charges for regional, garden and heritage and sports parks have been kept to a city-wide charge because this best reflects the usage of those parks and the benefits that will accrue from them to the growth community. However, four local catchments (central city, inner city, suburban and rural) have been created for neighbourhood parks, to reflect the localised nature of their usage and the relative cost of land acquired in each of the catchments for neighbourhood parks.

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Development Contributions Policy**Water supply**

Development contributions will be required for the ongoing city-wide upgrade in capacity of the water supply network of pipes and pumping stations, and capital works to provide additional reservoir capacity.

Wastewater collection

Development contributions will be required for the ongoing city-wide upgrade in capacity of the network of wastewater pipes and pumps.

Wastewater treatment and disposal

Development contributions will be required for the ongoing upgrade in capacity of wastewater treatment plants.

Waterways and land drainage

Development contributions will be required for the ongoing upgrade in capacity of the network of pipes and streams that make up the surface water management system and which benefit the City as a whole.

Where capital projects benefit a specific section of the growth community those projects have been attributed to a local catchment. These waterways and land drainage catchments are based on physical surface water catchment areas (drainage basins), however catchment boundaries are mapped to the closest meshblock boundary. These boundaries reflect the Council 2009-2019 LTCCP Growth Model from which the Council develops its capital expenditure programme and development contributions charges.

The use of local catchments best reflects the benefits that will accrue from capital expenditure to the growth community.

Road network

Development contributions will be required for the ongoing provision and upgrade of the public road network, including traffic services and safety programmes, road infrastructure (including bridges, walls and culverts), road drainage facilities (kerbs and channels) and road amenity (including street lighting and landscaping).

Active travel

Development contributions will be required for the ongoing provision and upgrade of facilities for active travel, including walking networks (including public footpaths, public pedestrian malls and open spaces), cycling networks, public on-road and off-road cycle linkages and travel behaviour change programmes.

Parking

Development contributions will be required for the ongoing provision and upgrade of public parking facilities, including on-street parking and off-street Council-operated parking facilities.

Public transport

Development contributions will be required for the ongoing provision and upgrade of public transport infrastructure, including the Transport Interchange, suburban interchanges, bus priority systems, bus stop infrastructure and the Shuttle bus service.

Leisure facilities

Development contributions will be required for the establishment, upgrade and expansion of multi-use facilities, swimming pool complexes and other leisure facilities.

Libraries

Development contributions will be required for the provision of new libraries, the purchase of library resources (books, serials, audiovisual and electronic) and relocation and/or expansion of libraries to meet growth needs.

Cemeteries

Development contributions will be required for the provision of new cemeteries for body and ashes burial and the expansion of existing cemeteries.

7.2 Capital expenditure already incurred in anticipation of growth

In the past, the Council has incurred expenditure in anticipation of development. Under the LGA the Council can recover the growth component of these projects implemented to support the future City. A 'Schedule of past projects with residual capacity' is included in the supporting information for this policy. The cost of the growth component is determined from the actual total cost to implement these projects.

Where the Council anticipates funding will be available from a third party for any part of the growth component of the capital expenditure budget, then this proportion of funding has been excluded from the total cost of estimated growth to be funded by development contributions.

7.3 Use of development contributions

The Council will use development contributions either for, or towards, the capital expenditure for which they were required, or for providing analogous reserves or network and community infrastructure.

Where a development contribution is received for capital expenditure that has already been incurred by the Council, the Council will have met its obligations under the LGA that relate to the use of the development contributions, unless a refund is due.

Where the Council has received development contributions for reserves, in addition to the powers governing the use of development contributions for reserves in the LGA, the Council must use the cash or land received as follows:

- Cash – within 20 years of it being received; and
- Land – within 10 years of it being received, unless a longer period is agreed with the party who paid the contribution (in all circumstances the Council will seek to meet such an agreement).

Development Contributions Policy

Should the development contribution revenue not meet the target, the Council may, at its discretion, reduce the cost of capital expenditure by varying the scope of the project or substituting the project for another more suited to the growth needs of the City.

There will be a review of the capital expenditure programme each year and changes to the development contribution charges may result. However, notwithstanding a change in any specific project, it is expected that the activity as a whole will continue to address the service level needs of the City.

8.0 How development contributions have been calculated

8.1 LGA requirements

Section 201(1)(a) of the LGA requires this policy to include, in summary form, an explanation of, and justification for, the way each development contribution in the schedule of development contribution charges is calculated. In summary, each development contribution has been calculated in accordance with the methodology set out in Schedule 13 of the LGA, by using the following seven step process.

Further explanation as to how development contributions have been calculated is provided in Sections 8.2, 8.3 and 8.4 as follows.

Table 8.1 Calculation of development contribution

Step	Explanation	LGA reference
One	From the capital expenditure projects included in the LTCCP:	Section 106(2)(a)
	• Determine the activity for the purposes of assessing the development contribution.	Section 106(2)(d) Schedule 13(1)(a)
	• Record the catchment where the project provides capacity to meet demand.	Schedule 13(1)(a)
	• Summarise in the DCP the capital works (with a component of capacity for growth) from the LTCCP that have been included in the determination of the development contribution charge (refer to Table 7.1).	Section 106(2)(a)
	• Deduct from the project cost all reasonably anticipated funding from third parties (typical sources of third party funding include NZTA, Lotteries Grant, community fund raising).	Section 200(1)(c)
	• Record the capacity life of the project – the growth cost share will be assigned to the demand reported in the growth model over the capacity life of the project to a maximum of the 30 years (as referred to in the Council's Revenue and Finance Policy).	Schedule 13(1)(b)
	• Include completed projects that were constructed to provide capacity for future demand and still have remaining surplus capacity. The actual costs of these projects less third party funding are included.	Section 199(2)
	• Exclude projects which may be implemented as works and services on condition of a resource consent, etc, from the determination of the development contribution charge.	Section 200(1)(a) Section 200(1)(b)
Two	• Assess each activity (and selected projects) that will use development contributions as part of their funding against the factors in Section 101(3)(a) (refer to Section 6).	Section 101(3)(a)
	Undertake a cost allocation analysis using the Modified Shared Drivers methodology to determine the share of cost to growth. (Refer to Section 8.3).	Schedule 13(1)(a) Schedule 10(2)(1)(d)
	• The cost allocation methodology provides a procedure based on the capacity and demand requirements of the current levels of service identified in the LTCCP to determine the growth cost share of the project cost.	Section 106(2)(a)
	• The cost allocation methodology provides a consistent and equitable methodology for assessing the project growth cost share.	Schedule 13(1)(b)
Three	• The outcomes of the cost allocation are summarised in the DCP to state the proportion of capital expenditure to be funded by development contributions and other sources of funding (refer to Table 7.1).	Section 106(2)(b) Schedule 10(2)(1)(d)
	The growth model forecasts changes in household numbers and business floor areas (refer to Section 5.1).	Schedule 13(1)(a) Schedule 13(1)(b)

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Step	Explanation	LGA reference
	<ul style="list-style-type: none"> Determine for each activity and catchment the changes in demand for service from the existing and growth communities over the capacity life of the project. Include measures of both household and business demand. 	
Four	Undertake a funding analysis of each project to determine the total cost of growth for each unit of demand. <ul style="list-style-type: none"> The project growth cost share is funded by development contributions from each of the incoming growth demand units (identified in the growth model) in the catchments serviced by the project over the capacity life of the project (refer above and to Section 8.4). When the timing of project expenditure collectable from the growth community via development contributions differs from the receipt of development contributions revenue, the mismatched amount will have interest applied for the duration of the timing difference. 	Schedule 13(1)(a) Schedule 13(1)(b)
Five	Aggregate the outcomes of the funding analyses for each project by activity and catchment to determine the development contribution charge for that activity and catchment. <ul style="list-style-type: none"> Present the Schedule of development contribution charges (refer to Table 3.2.5). 	Section 202(1) Section 202(3) Section 201(2) Section 202
Six	Audit and review. <ul style="list-style-type: none"> Undertake both internal and independent reviews of projects, cost allocation analyses and funding analyses. The purpose of the reviews is to check reasonableness of assumptions and correctness of the project data used in analysis. Internal reviews are comprehensive. External reviews are based on a mixture of selected and random samples. 	
Seven	Consider community wellbeing. <ul style="list-style-type: none"> Consider the overall impact of the use of development contributions to collect the cost of providing community facilities to the growth community on the current and future social, economic, environmental and cultural well-being of the community. Based on this consideration, determine the appropriate amount of the development community charge. 	Section 101(3)(b)

8.2 Level of service

The Council's activity management plans for each activity define the relevant level of service for that activity.

From these level of service statements a list of the capital projects necessary to meet projected growth has been identified and costed, based on sustaining, or where necessary changing, these levels of service.

In general, development contributions will be assessed based on the existing levels of service across the City.

Any requirement to increase the level of service for existing users will not be funded by development contributions.

8.3 Cost allocation methodology

The cost allocation methodology used in this policy is referred to as 'Modified Shared Drivers.' This methodology is applied to the 10 years of capital works projects expenditure set out in the LTCCP and expenditure on past projects that have provided residual capacity which is available to meet the needs of the growth community in the future (summarised in Table 7.1). The methodology has been applied to the programmes of capital expenditure delivering the levels of service defined in the LTCCP.

Programmes are planned capital expenditure to deliver the levels of service, while projects are planned or completed works delivering the programmes. The programmes and projects needed to deliver the defined level of service to existing and growth communities are developed by the Council through its LTCCP planning process. The forecast demand growth used to develop those programmes and projects is the same as the forecast growth that is used within the 'Modified Shared Drivers' methodology to attribute the cost in growth in community facilities to the growth community. The analysis to determine the cost of growth has been undertaken at either project level or at programme level as appropriate for that level of service.

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The Modified Shared Drivers approach takes the planned costs of a proposed project and assigns them to various drivers, with only the growth component of a project being recouped through development contributions. The categories of drivers within the methodology are:

- Renewal;
- Backlog;
- Growth; and
- Unallocated.

A summary of the cost allocation methodology is as follows:

- The scope and gross cost of the project are reviewed. Any non-capital (operations and maintenance costs, feasibility costs) are deducted.
- Third party funding (e.g. from NZTA) is identified and deducted.
- The catchment is established.
- A share for renewal is deducted, taking into account the scope of assets being renewed and their remaining life at the time of renewal.
- Capacity and demand information based on current levels of service is used to allocate shares to backlog and growth.
- Any remaining share is defined as unallocated.
- Capacity and useful life information is used to determine the period over which development contributions should be collected.

8.4 Funding model

The purpose of the funding model is to ensure an equitable assessment of the funding requirements to support the development contributions regime. The primary output of the funding model is an assessment of the required development contributions. These charges are listed in Table 3.2.5.

The model takes account of:

- The funding requirements to support the costs of growth infrastructure;
- Equitable application of those funding requirements to the incoming growth community;
- Recognition that the backlog components of the growth infrastructure are funded by the existing community, typically by rates;
- Future rating revenue from the increasing community (this has been estimated and incorporated into the assessment of the development contributions in the funding model as a deduction to the charge);
- Interest on funds raised to implement growth infrastructure;
- Interest on development contributions received in advance of provision of growth infrastructure; and
- The Council's consideration of current and future community wellbeing in accordance with Section 101(3)(b).

8.5 Significant assumptions

Information

Throughout the entire process of determining development contributions the Council has used the best information available. As more accurate or up-to-date information becomes available it will be used for amendment or review of this policy as necessary.

Planning horizons

A 40-year timeframe is used as a basis for forecasting growth and applying a development contribution. This is consistent with the Council's activity management planning horizons.

Growth

The Council's growth model makes use of the best available information in anticipating growth of the City, including alignment with the UDS.

Household unit equivalents (HUEs)

Refer to Section 5.2. Residential units within retirement villages are assumed to accommodate no more than 1.3 people on average.

Financial

The following financial assumptions have been applied:

- The methods of service delivery will remain substantially unchanged.
- In preparing the capital programme that is used to establish the capital costs of growth for this policy, the Council has used the financial assumptions set out in the Significant Forecasting Assumptions section of the LTCCP 2009-19. The Council has also made assumptions, based on the best information available at the time of developing this policy, about the life and capacity of each asset created through the capital programme, and the extent to which the growth community benefits from that capacity.

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- While the funding policies of third parties such as NZTA are subject to change, the Council has assumed that they will remain the same for the period of the LTCCP 2009-19 and eligibility criteria will remain unchanged.
- The Council has used the best information available at the time of developing this policy to estimate the cost of individual items of capital expenditure that will be funded in whole or part by development contributions. It is likely that actual costs will differ from estimated costs due to factors beyond the Council's ability to predict, such as changes in the price of raw materials, labour, etc, and the time of capital works. The Council will review its estimates of capital expenditure annually and adjust the LTCCP.
- All costs in the LTCCP are based on current known infrastructure prices in current 2009 dollars. The software used by the Council to help calculate development contribution charges takes these LTCCP costs and inflates them to estimate the likely costs of capital works in the future. The inflation adjusters used are nationwide figures provided by Business and Economic Research Limited (BERL) and adjusted by the Council to account for local conditions.

- The interest rates used within the development contributions funding model are those defined in the budget assumptions for the LTCCP 2009-19. While interest rates are subject to fluctuation and are reviewed annually, these are reasonable assumptions over the period of the LTCCP 2009-19.
- Income generated from rates will be sufficient to meet the operating costs of growth-related capital expenditure into the future.

Key risks/effects

The growth and uptake predictions in the growth model may not eventuate, resulting in a change to the assumed rate of development. If this happens, the Council's capital programme will be adjusted to reflect the changed demand resulting from growth. It is anticipated that these changes to the capital programme would offset the effect of incorrect growth forecasts and the net impact on development contribution charges would be minimal. However, the Council will continue to monitor the rate of growth compared to that forecast and, if any differences are not reflected in changes to its capital programme, it will update the DCP as necessary.

There is also a risk that the lag between expenditure incurred by the Council and development contributions received from those undertaking developments is different from that assumed in the funding model and that the costs of capital are greater than expected. This would result in an increased debt servicing cost and could also result in increased depreciation costs for future ratepayers. The Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models as required.

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Part 4 Appendices

Appendix 1

Methodology to establish HUE equivalences

Reserves

All non-residential development will be assessed, on subdivision, at 1 HUE per additional lot for reserves, as previously agreed by a joint Council and development industry working party in recognition of the definite, but limited, demand non-residential development places on them.

Water supply and wastewater

The methodology to establish the equivalences for both water supply and wastewater is the same and the calculations are shown below. Using typical water and wastewater daily usage figures and typical floor area allocations per person, water and wastewater usage figures per m² are established for a range of different non-residential land uses. These figures are then applied to the mix of these land uses that occur in the different business zones defined for the City, to arrive at water and wastewater demand figures per m² and by business zone. These figures are then compared to the City's household demand figures to determine the household equivalents.

Water supply						
Usage	238 L/p/day					(1)
Occupancy	2.4 p/HH					(2)
Average daily flow per household	571 L/HH/day					(3)
Background standards (4)	Floor area per person (m ² /p)	Use per person (L/p/day)			Use per floor area (L/day/m ²)	
Commercial	40	80			2.00	
Retail	35	80			2.29	
Industrial (light/dry)	40	80			2.00	
Industrial (heavy/noxious)	40	130			3.25	
Warehouse	40	80			2.00	
Education	12.5	25			2.00	
Usage per m ²	Commercial	Retail	Industrial (light/dry)	Industrial (heavy/noxious)	Warehouse	Total
L/day/m ²	2.00	2.29	2.00	3.25	2.00	
Zone (5)						
Business 1	58%	42%	0%	0%	0%	100%
Business 2 and 2P	7%	92%	1%	0%	0%	100%
Business 3 and 3B	15%	11%	16%	0%	58%	100%
Business 4, 4P and 4T	7%	19%	17%	6%	51%	100%
Business 5	1%	8%	23%	10%	58%	100%
Business 6	3%	20%	32%	37%	8%	100%
Business 7	7%	19%	17%	6%	51%	100%
Business Retail Park	33%	63%	3%	0%	1%	100%
Central City and Central City Edge	84%	15%	0%	0%	1%	100%
Special Purpose (Airport)	49%	9%	28%	14%	0%	100%
Special Purpose (Awatea)	7%	19%	17%	6%	51%	100%
Special Purpose (Hospital)	99%	0%	1%	0%	0%	100%
Other non-residential	0%	54%	22%	0%	24%	100%

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Business type/zone	L/day/m² (floor area measure) (6)	Household equivalents per m² (HH/m²) (7)	m²/HH (8)
Business 1	2.12	0.0037	269
Business 2 and 2P	2.26	0.0040	252
Business 3 and 3B	2.03	0.0036	281
Business 4, 4P and 4T	2.13	0.0037	268
Business 5	2.14	0.0038	266
Business 6	2.52	0.0044	226
Business 7	2.13	0.0037	268
Business Retail Park	2.18	0.0038	262
Central City and Central City Edge	2.04	0.0036	279
Special Purpose (Airport)	2.21	0.0039	259
Special Purpose (Awatea)	2.13	0.0037	268
Special Purpose (Hospital)	2.00	0.0035	285
Other non-residential	2.15	0.0038	265

Notes:

- (1) Estimate of average residential consumption per person (based on 10 year average residential water consumption).
- (2) Occupancy provided by the Council's Strategy and Planning Group.
- (3) Usage multiplied by occupancy.
- (4) From Auckland City: Sanitary Sewer Design Manual.
- (5) Breakdown of proportions of development in business zones provided by the Council's Strategy and Planning Group.
- (6) Standard discharge per m² weighted by activities carried out in zone.
- (7) Previous column divided by average daily flow per household.
- (8) Inverse of previous column.

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Wastewater						
Discharge	190 L/p/day					(1)
Occupancy	2.4 p/HH					(2)
Average daily flow per household	456 L/HH/day					(3)
Background standards (4)	Floor area per person (m²/p)	Discharge per person (L/p/day)			Discharges per floor area (L/day/m²)	
Commercial	40	80			2.00	
Retail	35	80			2.29	
Industrial (light/dry)	40	80			2.00	
Industrial (heavy/noxious)	40	130			3.25	
Warehouse	40	80			2.00	
Education	12.5	25			2.00	
Discharge per m²	Commercial	Retail	Industrial (light/dry)	Industrial (heavy/noxious)	Warehouse	Total
L/day/m ²	2.00	2.29	2.00	3.25	2.00	
Zone (5)						
Business 1	58%	42%	0%	0%	0%	100%
Business 2 and 2P	7%	92%	1%	0%	0%	100%
Business 3 and 3B	15%	11%	16%	0%	58%	100%
Business 4, 4P and 4T	7%	19%	17%	6%	51%	100%
Business 5	1%	8%	23%	10%	58%	100%
Business 6	3%	20%	32%	37%	8%	100%
Business 7	7%	19%	17%	6%	51%	100%
Business Retail Park	33%	63%	3%	0%	1%	100%
Central City and Central City Edge	84%	15%	0%	0%	1%	100%
Special Purpose (Airport)	49%	9%	28%	14%	0%	100%
Special Purpose (Awatea)	7%	19%	17%	6%	51%	100%
Special Purpose (Hospital)	99%	0%	1%	0%	0%	100%
Other non-residential	0%	54%	22%	0%	24%	100%

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Business type/zone	L/day/m ² (floor area measure) (6)	Household equivalents per m ² (HH/m ²) (7)	m ² /HH (8)
Business 1	2.12	0.0046	215
Business 2 and 2P	2.26	0.0050	202
Business 3 and 3B	2.03	0.0045	225
Business 4, 4P and 4T	2.13	0.0047	214
Business 5	2.14	0.0047	213
Business 6	2.52	0.0055	181
Business 7	2.13	0.0047	214
Business Retail Park	2.18	0.0048	209
Central City and Central City Edge	2.04	0.0045	223
Special Purpose (Airport)	2.21	0.0048	207
Special Purpose (Awatea)	2.13	0.0047	214
Special Purpose (Hospital)	2.00	0.0044	228
Other non-residential	2.15	0.0047	212

- Notes:
- (1) Estimate of average residential discharge per person (based on 10 year wastewater discharges and estimated residential indoor water use).
 - (2) Occupancy provided by the Council's Strategy and Planning Group.
 - (3) Discharge multiplied by occupancy.
 - (4) From Auckland City: Sanitary Sewer Design Manual.
 - (5) Breakdown of proportions of development in business zones provided by the Council's Strategy and Planning Group.
 - (6) Standard discharge per m² weighted by activities carried out in zone.
 - (7) Previous column divided by average daily flow per household.
 - (8) Inverse of previous column.

Waterways and land drainage

The waterways and land drainage equivalence concept entails the assessment of demand for surface water management services from a unit area of non-residential land as a proportion of the surface water management demand from a typical residential site.

Residential imperviousness

The demand measure for residential surface water is the average impervious area per site, being the sum of the building footprint (m²) and impervious surfaces (m²). It does not include any allowance for impervious surfaces off the site, such as roads, vehicle crossings and footpaths. Assessments of impervious areas have been made for a number of projects in the past, including measuring representative samples from aerial photographs.

A typical residential site impervious area was estimated from:

- Interpretation of satellite photography for degree of imperviousness by Landcare Research Ltd.
- Knowledge of a typical residential building footprint.

Residential imperviousness is therefore calculated as follows:

Typical residential building footprint	195m ²
Typical impervious area on a residential site	+ 232m ²
	427m²

Non-residential imperviousness

Each m² of impervious surface can be considered to have an equal impact on flooding and erosion regardless of the source being residential or non-residential. However, surface water management projects may have multiple drivers, including resolving surface water discharge quality in addition to flooding and erosion.

It is generally considered that the contamination of surface water runoff is higher in non-residential areas. The need to deal with additional contaminant loadings affects the cost of surface water management services

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and hence the equivalence calculation. For the purpose of this assessment, it is considered that surface water contaminants from non-residential environments are twice the load from residential environments and this differential is adopted for the equivalence calculation.

The calculation also makes the assumption, based on forward planning to date and experience from other cities, that 40% of capital expenditure will relate to flooding and erosion mitigation and 60% will relate to water quality mitigation.

Assumptions applicable to the non-residential surface water equivalence calculation are therefore:

- The portion of the capital works programme related to flooding and erosion is 40%.
- The portion of the capital works programme related to surface water quality is 60%.
- The contaminant load ratio between non-residential and residential is 2:1.

Non-residential imperviousness is therefore calculated as follows:

Share of 1 m ² of non-residential impervious surface related to flooding and erosion =	
1m ² x flooding and erosion portion =	x 40%
0.40m²	

Share of 1m ² of non-residential impervious surface related to surface water quality =	
1m ² x contaminant load ratio x surface water quality portion =	1m ²
	x 60% x 2
1.20m²	

Effective equivalent area =	
Flooding and erosion share + contaminant loading share =	0.40m ²
	+ 1.20m ²
1.60m²	
Equivalence 1m ² of non-residential impervious surface =	
	1.60
	÷ 427 HUE/m ²
0.00375 HUE/m²	

Transport-related

For transport-related activities, equivalence is based upon 'trips' generated by an activity and the unit of measure is based on the average annual daily trips for a weekday – vehicles per day (VPD).

The methodology to establish the equivalences for transport-related activities is based on a published database of information on vehicle generation by activity type, together with the Christchurch Transport Study (CTS) TRACKS model. This model extends from the Ashley River south towards the Selwyn River. It thus covers not only the former Christchurch City, but also the principal areas associated with commuting from surrounding districts, including Rangiora, Kaiapoi, Rolleston, Lincoln, Lyttelton and Diamond Harbour.

The trip data requires adjustment to reflect that the trips observed 'at the gate' are driven by activities at either end. For example, a one-way trip from home to work (e.g. office) is driven by both the residence at one end and the office at the other and thus the capacity taken up by that one trip should be allocated equally between the residence and the office. In terms of this allocation, the following table gives the allocations, by trip purpose, that have been calculated using data from the Christchurch Transport Model:

Trip purpose	Residential	Non-residential
Home-based work	50.0%	50.0%
Home-based shopping	50.0%	50.0%
Home-based social	83.4%	16.6%
Home-based other	71.3%	28.7%
Non-home based	32.9%	67.1%
Light goods vehicles	32.0%	68.0%
Heavy goods vehicles	30.9%	69.1%
External (trips with an origin or destination outside the former Christchurch City)	73.1%	26.9%
Overall	51.9%	48.1%

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Basic measures of transport demand from business land uses ('at the gate') adopted in the policy are:

Zone (1)	Base trips/100m ² (2)	GFA for zone (former Chch City only available) (3)	Business trips – at 'gate' (4)	Adjustment factor (5)	Adjusted total trips (6)	Equivalent HUE (7)	Equivalent HUEs/100m ² (8)	Adjusted equivalent trips/100m ² (9)	Equivalent HUEs/m ² (10)	Peak adjustment factor (11)	Equivalent HUEs/m ² (12)
Business 1	30.30	195,752	59,313	0.689	40,871	4,087.1	2.09	20.90	0.0209	0.6700	0.0140
Business 2 and 2P	46.40	562,968	261,217	0.689	179,999	17,999.9	3.20	32.00	0.0320	0.6700	0.0214
Business 3 and 3B	9.00	1,288,433	115,959	0.689	79,905	7,990.5	0.62	6.20	0.0062	0.6700	0.0042
Business 4, 4P and 4T	11.30	1,680,150	189,857	0.689	130,827	13,082.7	0.78	7.80	0.0078	0.6700	0.0052
Business 5	6.10	2,202,625	134,360	0.689	92,585	9,258.5	0.42	4.20	0.0042	0.6700	0.0028
Business 6	3.00	154,348	4,630	0.689	3,191	319.1	0.21	2.10	0.0021	0.6700	0.0014
Business 7	11.30	43,771	4,946	0.689	3,408	340.8	0.78	7.80	0.0078	0.6700	0.0052
Business Retail Park	32.48	103,507	33,619	0.689	23,166	2,316.6	2.24	22.40	0.0224	0.6700	0.0150
Central City and Central City Edge	14.35	1,688,733	242,333	0.689	166,987	16,698.7	0.99	9.90	0.0099	0.6700	0.0066
Special Purpose (Airport)						Special assessment					
Special Purpose (Awatea)	11.30	1,680,150	189,857	0.689	130,827	13,082.7	0.78	7.80	0.0078	0.6700	0.0052
Special Purpose (Hospital)						Special assessment					
Other non-residential						Special assessment					
All impervious surfaces											
Total/Average	13.21	7,920,287	1,046,235	0.689	720,939	72,094	0.91	9.10	0.0091	0.6700	0.0061

- Notes:
- (1) This is the City Plan land-use zoning classification adopted within the growth model.
 - (2) The existing estimated land use (household and non-residential GFA by each land use zone) for each of the traffic zones within the Christchurch Transport Model was provided from the growth model. This data was analysed (for 2006) to determine household trip generation (based on the notional assumption adopted for this equivalence exercise, of 10 total trips per household per day) and the 'residual' business generation ('at the gate') determined as a total across the UDS area. Only those traffic zones with exclusive land use (e.g. all B1, or all B2, etc) were used in this analysis, the output of which is this 'base trip rate' (for non-residential activities only) per 100m² GFA, that are shown in column 2.
 - (3) This column summarises the estimated GFA (for the base year 2006) across the former Christchurch City area only.
 - (4) The estimated business trip generation ('at the gate') is shown in this column, calculated from (Column 2 x Column 3)/100.
 - (5) Column 5 shows the adjustment factor applied to convert the estimated non-residential trip generation ('at the gate'), given in Column 4, to the actual total trips allocated to non-residential activities, which amount to 720,829 trips a day. This factor is thus (on average) 0.675, being (720,829/1,062,630).
 - (6) The adjusted total trips by land use zone shown in this column is simply Column 4 x Column 5. This column thus gives the actual 'true' number trips allocated to non-residential (within Christchurch City) within the Christchurch Transport Model.
 - (7) Column 7 indicates the equivalent HUE, based on the total adjusted trips in Column 6 and the standardised assumption (for the sake of simplicity) that 1 HUE represents 10 trips per day (note that this actual value is not critical, but is required to be accounted for, as this process is about obtaining an equitable relative value of equivalence for non-residential activities compared with residential activities).
 - (8) The equivalent HUEs per 100m² GFA of non-residential floor area is obtained from Column 7 (Column 3/100).
 - (9) This is simply the equivalent trips per 100m², based on the standardised assumption of 10 trips/household/day (Column 8 x 10).
 - (10) This is simply the equivalent HUEs per m², based on the standardised assumption of 10 trips/household/day (Column 8 ÷ 10).
 - (11) The ability of a road to deliver adequate level of service is driven principally by peak traffic flows. These peak flows are dominated by cars travelling to/from home/business, whereas business to business trips occur predominantly outside peak times. To account for this impact a peak adjustment factor of 0.67 is applied reducing the share of demand to non-residential.
 - (12) The final HUE equivalence for charging is determined from Column 10 x Column 11.

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Land use	Trips (VPD) (1)	Measure	Classification (2)			Net trips (3)	Equivalence HUE/ residential unit, HUE/m ² , or HUE/ accommodation unit (4)
			1	2	3		
			50%	20%	3%		
Residential							
Residential unit (including holiday homes)	10.0	Unit	100	0	0	10.0	1.0
Retirement villages	3	Unit	100	0	0	3.0	0.3000
Business							
Commercial premises/offices	20	100m ² GFA	50	30	20	6.3	0.0043
Retail							
Centres ≥ 10,000m ²	87	100m ² GFA	30	50	20	22.3	0.0151
Centres < 10,000m ²	160	100m ² GFA	30	50	20	41.0	0.0278
Supermarket	130	100m ² GFA	20	50	30	27.2	0.0184
Service stations with retail facilities	600	100m ² GFA	5	20	75	52.5	0.0356
Markets	5	100m ² GFA	40	50	10	1.5	0.0010
Bulky goods	40	100m ² GFA	60	30	10	14.5	0.0098
Drive-in fast food restaurants	320	100m ² GFA	10	20	70	35.5	0.0241
Restaurants	66	100m ² GFA	60	20	20	22.8	0.0155
Industry							
Manufacturing industry	18	100m ² GFA	60	30	10	6.5	0.0044
Warehouses/storage	5	100m ² GFA	70	20	10	2.0	0.0013
Accommodation							
Within Central City and Central City Edge Zones	0.3	Unit	95	5	0	0.1	0.0001
Within other zones	3	Unit	95	5	0	1.5	0.0010

Notes:

(1) The source of this data is primarily the New Zealand Trips and Parking database.

(2) Many trips include a number of stops. A portion of the total trips associated with the non-residential land use is assumed to fall under each of the following three classifications:

1 Primary: That portion where the sole purpose of the trip is to visit a single business. It is assumed that 50% of those trips are associated with that business land use.

2 Secondary: That portion where the purpose of the trip is to visit a number of businesses. It is assumed that 20% of those trips are associated with that business land use.

3 Incidental: That portion where the visit to the business is incidental to other purposes. For example, it is likely that a visit to a service station is incidental to the primary purpose of a trip. It is assumed that 3% of those trips are associated with that business land use.

(3) The net trip rate is the basic generation 'at the gate' (2nd column) proportioned by the classification of trips.

(4) The final HUE equivalence for charging is determined by applying the peak adjustment factor of 0.67 for business trips.

Christchurch City Council

Development Contributions Policy

Leisure facilities

The Council considers that non-residential development benefits from leisure facilities in a number of ways:

- non-residential development receives a substantial indirect benefit from their employees' use of leisure facilities during and at either end of their working day; and
- Christchurch has a high number of transient workers who commute from neighbouring territorial authorities. Some of the demand for leisure facilities is created by non-residential development and their employment of individuals who reside out of Christchurch.

On this basis, it is considered that non residential developments do receive benefit from the provision of a network of leisure facilities which make the City an attractive place to live, work and play.

The HUE equivalence for leisure facilities is calculated as follows:

Assessed business benefit	12.5%
Assessed residential benefit	87.5%
Non-residential floor area 2009-10	7,510,381m ²
Residential floor area 2009-10	150,473m ²
Non-residential benefit is equivalent to households	21,496
Non-residential equivalence	0.0028 HUE/m ²

Libraries

The Council considers that non-residential development benefits from libraries in a number of ways:

- non-residential development benefits directly from their employees' use of libraries for work purposes;
- non-residential development receives a substantial indirect benefit from their employees' use of libraries during and at either end of their working day; and
- Christchurch has a high number of transient workers who commute from neighbouring territorial authorities. Some of the demand for libraries is created by non-residential development and their employment of individuals who reside out of Christchurch.

On this basis, it is considered that non-residential developments do receive benefit from the provision of a network of libraries which make the City an attractive place to live, work and play.

The HUE equivalence for libraries is calculated as follows:

Assessed business benefit	12.5%
Assessed residential benefit	87.5%
Non-residential floor area 2009-10	7,510,381m ²
Residential floor area 2009-10	150,473m ²
Non-residential benefit is equivalent to households	21,496
Non-residential equivalence	0.0028 HUE/m ²

Cemeteries

All non-residential development will be assessed at zero HUEs for cemeteries.

Policy on determining significance

Changes from previous policy

This policy has been both simplified and strengthened when compared to the Policy on Determining Significance in the 2006 to 2016 LTCCP.

It has been simplified by removing sections of the Policy that duplicate Council's statutory obligations under the Local Government Act. These sections related to:

- The requirement to undertake a special consultative procedure if it changes the mode of delivery of a significant activity
- those decisions that can only be made if they are provided for in an LTCCP, including decisions to significantly alter levels of service for significant activities undertaken by Council
- the considerations to be made in respect to significant decisions that impact on the relationship of Māori with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga

While these sections have been removed from Council's Policy on Determining Significance, Council's obligations under the Act remain unchanged.

The Policy has been strengthened by replacing the old criteria for determining significance with a requirement that where a proposal requires a decision by the full Council that the Council consider as significant any matter except where the matter is approved in:

- the LTCCP or an Annual Plan.
 - any other process involving a public hearing.
- or
- the matter is urgent.
 - the matter is commercially sensitive.

Purpose

Christchurch City Council is committed to conducting its business in an open, transparent and democratically accountable way. This policy sets out the principles by which Council determines what proposals or decisions are 'significant' and on what proposals or decisions the Council will consider undertaking a special consultative procedure.

This policy is designed to reflect the requirements of Section 90 of the Local Government Act 2002.

General approach to determining significance

Note: In addition to this Policy sections 88 and 97 of the Local Government Act 2002 provide that certain types of proposals are significant and prescribe the consultative process to be used by the Council. Section 88 requires the use of a special consultative procedure where there is a change in the mode of delivery of a significant activity, and this change is not explicitly provided for in a LTCCP. An example of s. 88 would be a change in the delivery of an activity from the Council to a third party. Section 97 provides that certain types of decisions can only be taken if provided for in the Long Term Council Community Plan. Examples of s. 97 are the Council proposing to significantly alter the intended level of service provision for a significant activity or a decision to transfer the ownership of a strategic asset. The general approach below in this Policy on Significance is to those other full Council decisions where ss. 88 and 97 do not apply.

The significance of any issue, proposal, decision, or any other matter that concerns or is before Council, its Committees, or Community Boards, will be determined on a case by case basis in terms of its likely impact on, and likely consequences for:

- a. the current and future social, economic, environmental or cultural wellbeing of Christchurch;
- b. any persons who are likely to be particularly affected by, or interested in the issue, proposal, decision or matter;
- c. the capacity of the Council to perform its role, and the financial and other costs of doing so.

Thresholds, criteria and procedures

Where a proposal requires a decision by the full Council the Council will treat as significant any proposal or decision that does not flow consequentially from a decision in an LTCCP, (as amended) an Annual Plan or any process involving a public hearing. In effect this means that Council will consider undertaking a special consultative procedure on decisions to:

- change a level of service specified in the LTCCP or Annual Plan (this does not include services that are internal to Council)
- undertake a capital project or programme, or an activity that is not specified in the LTCCP or Annual Plan
- not undertake a capital project or programme, or an activity that is specified in the LTCCP or Annual Plan

However, Council will not consult, or will tailor its consultation to the circumstances, for decisions which in the council's judgement are:

- urgent:
 - where failure to make a decision urgently would result in loss of opportunities which contribute to achieving Council's strategic directions.
- commercially sensitive
 - In circumstances where public consultation on an issue would compromise commercial sensitivity and could potentially result in substantially increased costs to Council or the loss of opportunities which contribute to achieving Council's strategic directions

In these circumstances Council will tailor its decision processes to allow as much evaluation and consultation as is practicable while either achieving the timeline required or maintaining an appropriate level of commercial sensitivity.

Christchurch City Council

Policy on determining significance**Strategic assets**

Section 90 (2) of the Local Government Act 2002 requires the Council to identify and list the assets it considers to be strategic assets. Section 97 of the Act requires that decisions to transfer the ownership or control of a strategic asset to or from the Council, or a decision to construct, replace or abandon a strategic asset can be taken only if the decision has been explicitly provided for by a statement of proposal in the Council's LTCCP.

The assets that the Christchurch City Council considers to be strategic assets include:

- its equity in Christchurch City Holdings Ltd;
- the equity that Christchurch City Holdings Ltd holds in each of the following subsidiaries (each subsidiary is treated as a separate strategic asset for the purposes of this policy);
 - Lyttelton Port Company Limited;
 - Christchurch International Airport Limited;
 - Orion Group Limited;
 - Redbus Limited;
 - Christchurch City Networks Ltd;
 - City Care Limited.
- the equity in VBase Ltd held either directly by the Christchurch City Council or through Christchurch City Holdings Limited;
- the following properties held by VBase Ltd:
 - Christchurch Convention Centre;
 - Westpac Stadium; and
 - AMI stadium.
- the equity in Civic Building Ltd held either directly by the Christchurch City Council or through Christchurch City Holdings Limited;
- its equity in Transwaste Canterbury Limited;
- Christchurch Town Hall;
- the land and buildings as a whole owned by the Council for its public rental housing provision;
- the Christchurch Art Gallery and its permanent collection;
- the library network as a whole including the central library, the suburban libraries and the mobile library service;
- the Christchurch City roading network as a whole;
- the water supply network as a whole including reservoirs, pump stations and reticulation;
- the sewage collection, treatment and disposal system as a whole including the sewers;
- pump stations and treatment works;
- the land drainage system as a whole including the stormwater pipe network, the open river system, waterways, wetlands and retention basins;
- the reserves lands as a whole including land held under the Reserves Act and land used for parks, gardens, sports fields, recreational areas and cemeteries;
- the Council's built recreational facilities including its suburban swimming pools (Waltham and Halswell) and indoor pool complexes;
- the system as a whole of off-street parking facilities owned or operated by the Council;
- the public transport infrastructure system as a whole including the Bus Exchange, bus shelters and other bus related facilities;
- the Council's portfolio of Heritage Assets as a whole (excluding assets specifically acquired for on-selling after providing them with protective covenants);
- harbour structures as a whole, including wharves, jetties, slipways, breakwaters and seawalls;
- the waste management system as a whole including transfer stations.

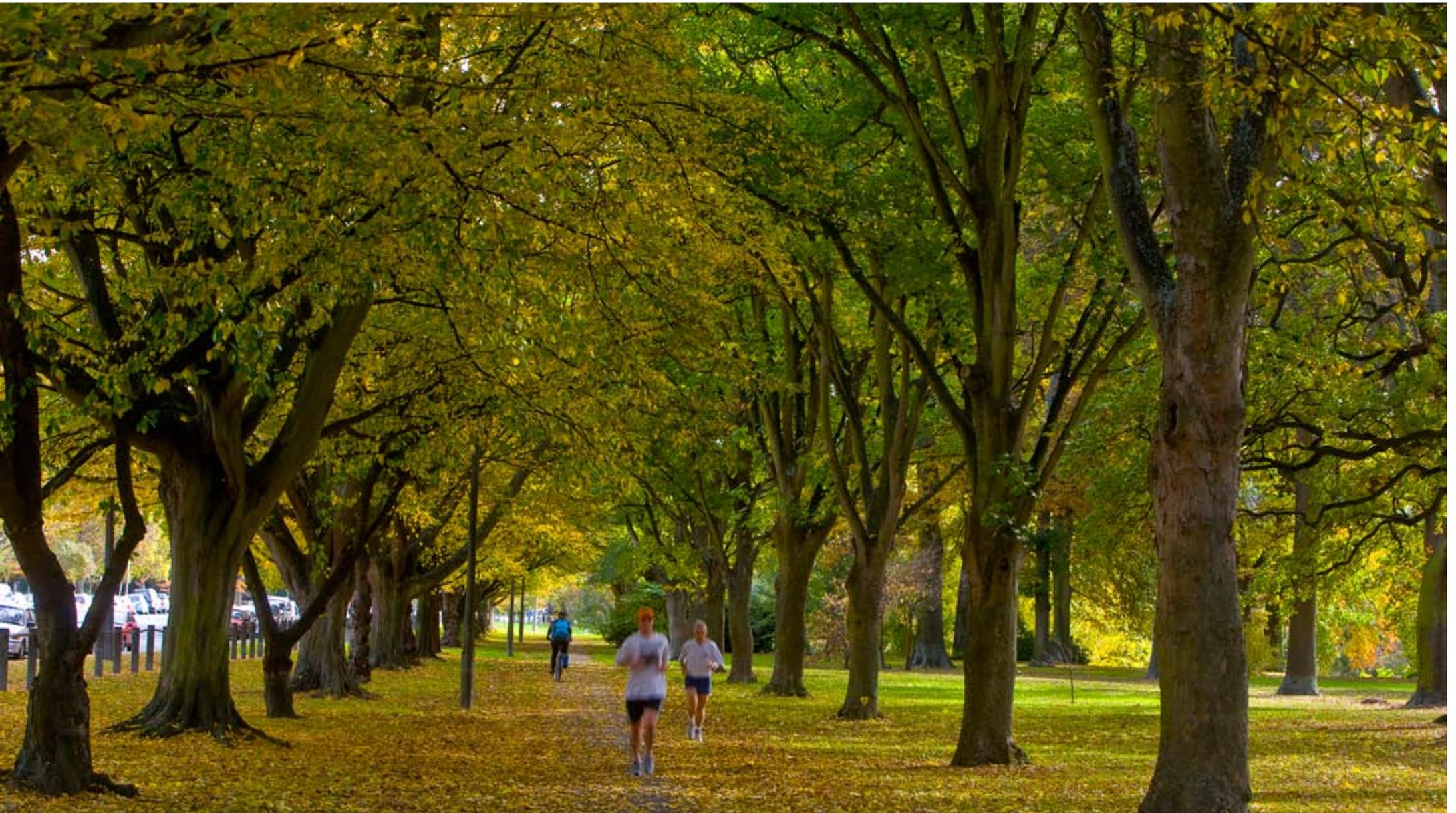
Strategic assets as defined above are the assets in total and not the separate elements of the assets. That is, the requirements of section 97 are only triggered if the proposal relates to the asset as a whole or a major sub-part of the asset.

For the avoidance of doubt, the restructuring or renaming of companies in which Council holds equity does not constitute a transfer of ownership in relation to Section 97 of the Act provided that Council retains the value of its equity and its existing level of control over subsidiary and associate companies.

Council's obligations under the Local Government Act

The Local Government Act places several obligations on the Council which operate in parallel to this policy. These obligations are:

- Section 88 of the Act, which requires Council to undertake a special consultative procedure if it changes the mode of delivery of a significant activity
- Section 97, which lists those decisions that can only be made if they are provided for in an LTCCP, including decisions to significantly alter levels of service for significant activities undertaken by Council
- Section 77(1)(c), which requires certain considerations to be made in respect to significant decisions that impact on the relationship of Māori with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga



Christchurch City Council

General and technical information**Council Controlled
Organisations****Christchurch City Holdings Limited (Parent)**

Christchurch City Holdings Limited (CCHL) is the wholly owned investment arm of Council, holding shares in various trading companies and monitoring other trading companies and their subsidiaries on Council's behalf.

Subsidiary companies

- Orion New Zealand Ltd
- Christchurch International Airport Ltd
- Lyttelton Port Company Ltd
- Christchurch City Networks Limited
- Red Bus Ltd
- City Care Ltd

Associate Companies

- Selwyn Plantation Board Ltd

Nature and scope of activities

CCHL manages the Council's portfolio of shares in key regional infrastructural trading companies. Its activities include:

- Advising the Council on strategic issues relating to its investments;
- Monitoring the governance and performance procedures of its subsidiary companies and other council-controlled trading organizations owned by the Council; and
- Encouraging subsidiary companies to increase shareholder value through growth and investment

Policies and objectives relating to ownership and control

This company was established to group the Council's interest in its trading activities under one umbrella, and to provide an interface between the Council and the commercial activities of its council-controlled trading organisations.

Key performance targets

- Pay ordinary dividends to the Council totalling \$38.0 million for the 2009/10 fiscal year

Statement of financial performance targets	2010	2011	2012
Net profit after tax (\$ m)	37.1	47.8	43.0
Dividend (\$ m)	38.0	38.0	38.0
Equity (\$ m)	1,378	1,388	1,393
Net debt (\$ m)	171	161	156
Net debt/net debt plus equity	11.0%	10.4%	10.1%
Interest cover (EBIT/ Interest)	3.1	4.4	4.5

Christchurch City Council

General and technical information



Christchurch City Networks Limited (Trading as Enable Networks)

This company is a council controlled trading enterprise, 100% owned by Christchurch City Holdings Limited.

Nature and scope of activities

Christchurch City Networks was established to make investment in fibre optic networks and ducting in Christchurch.

Policies and objectives relating to ownership and control

The Council, through CCHL, is the sole shareholder of this company. The company will;

- (a) make an investment in telecommunications infrastructure through an open access urban fibre network in metropolitan Christchurch,
- (b) encourage and support the development of policy and design standards for making telecommunications ducting mandatory for new building and subdivision consents granted by the Council,
- (c) sponsor the aggregation of demand for telecommunications infrastructure in sectors where a collective approach can bring substantial benefits to consumers, and
- (d) actively encourage private investment in telecommunications infrastructure in Christchurch.

Key performance targets

- Telecommunications ducting totalling 140 Km installed in 2009/10
- Network reliability of 99.9 % being achieved

Statement of financial performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Operating revenue	2,539	3,698	4,985
Net Profit after tax	(51)	117	565
Debt	6,500	14,500	16,000
Equity	16,290	16,407	16,972
Shareholders ratios (Shareholders Funds in Total assets)	70%	52%	50%

Christchurch City Council

General and technical information



Christchurch International Airport Limited

AA company jointly owned by Christchurch City Holdings Limited (75%) and the New Zealand Government (25%). The primary activity of the company is to own and operate Christchurch International Airport efficiently and on sound business principles.

Nature and scope of activities

Christchurch International Airport Limited operates the airport for the benefit of commercial and non-commercial aviation users, and in accordance with its aerodrome licence.

The company arranges for the design, provision and maintenance of runways, taxiways, turnouts and aprons in co-operation with the Airways Corporation of New Zealand and other airport users. It also seeks to earn revenue by providing services and facilities meeting the needs of air travellers.

In addition to its primary business of serving the aviation industry and its customers, the company will actively market Christchurch, Canterbury and the South Island as a major destination for overseas visitors.

Policies and objectives relating to ownership and control

Christchurch International Airport Limited is considered a regional strategic asset, and as such the Council wants it to be operated in a commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

- Deliver sustainable growth in revenue and earnings
- Handle 4.3 million domestic and 1.6 million international passengers in the 2009/10 fiscal year

Statement of financial performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Net profit after tax	19,507	27,515	27,665
Equity	572,957	590,653	604,399
Net debt	198,397	308,399	391,152
Net debt / net debt plus equity	25.70%	34.30%	39.30%
Interest cover (EBIT/Interest)	4.86	3.81	3.17

Christchurch City Council

General and technical information



City Care Limited

City Care Limited is a council controlled trading organisation, 100% owned by Christchurch City Council through Christchurch City Holdings Limited.

Nature and scope of activities

City Care Limited is in the business of management, construction and maintenance of New Zealand's infrastructure and amenity assets. The company operates in four key market segments – parks, underground services, roading and facilities management.

City Care Limited operates a profitable, sustainable and innovative business. It maintains a strong market presence in all areas of construction and maintenance of the infrastructure and amenity assets owned by its shareholder, the Council.

City Care ensures that there is capacity in the market to meet the Council's emergency obligations. It is therefore an important contractor to the Council.

Policies and objectives relating to ownership and control

The Council, through CCHL, is the sole shareholder of this company. It has no current plans to sell down or relinquish control of this company. The company has an important role in the city as a quality contractor. Through the negotiation of an annual Statement of Intent, the Council establishes broad parameters for this company without inhibiting proper commercial management.

Key performance targets

- Achieve a net after tax profit of \$3.38 million for the 2009/10 fiscal year
- Provide a quality service as attested by maintaining accreditation to quality standards such as ISO 4001, ISO 9001 and NZS 4801

Statement of financial performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Revenue	134,142	137,557	162,460
Net profit after tax	3,384	3,891	4,759
Equity	30,906	32,852	36,913
Net debt	10,186	11,752	14,470
Net debt/net debt plus equity	24.8%	26.3%	28.2%

Christchurch City Council

General and technical information**Civic Building limited**

This company is a council-controlled trading enterprise, 100% owned by Christchurch City Council. The company was incorporated on 12 October 2007 and amalgamated with its wholly owned subsidiary Tuam 2 Limited on 30 June 2009.

Nature and scope of activities

The company manages the Council's 50% interest in the joint venture with Ngai Tahu Property Limited. The JV is charged with expanding and refurbishing the existing building on Worcester Street that will become the new Civic offices.

The project is expected to be completed in time for the Council to occupy the premises in October 2010.

Subsidiary company

Tuam 2 Limited (prior to 30 June 2009)

Policies and objectives relating to ownership and control

Through a Statement of Intent, the Council established broad parameters around the design and refurbishment milestones, and management of the financial targets.

Key performance targets

- To achieve key milestones in the timetable to design and build the new Civic Building
- Post completion manage the investment in a commercially astute and prudent manner

Statement of financial performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Operating revenue	–	4,034	4,034
Operating and other expenses	4,489	8,099	8,109
Operating deficit after tax	(3,142)	(2,845)	(2,850)
Forecast capital structure			
Equity	7,100	7,100	7,100
Debt	61,100	61,100	61,100
Total assets	63,100	74,600	71,900
Shareholders ratios (Shareholders funds to total assets)	3%	18%	15%

Christchurch City Council

General and technical information



Central Plains Water Trust

The Central Plains Water Trust was established by the Christchurch City and Selwyn District Councils to facilitate sustainable development of Central Canterbury's water resource.

It continues the work of the Central Plains Water Enhancement Steering Committee to develop proposals for a large scale community water enhancement scheme providing water for irrigation between the Rakaia and the Waimakariri Rivers.

Trustees of the Central Plains Water Trust were appointed by the two Councils to reflect a broad range of skills and experience in areas such as governance, agriculture, engineering, commerce and resource management. Some Trustee appointments were made following recommendations from the Parliamentary Commissioner for the Environment and Te Runanga O Ngai Tahu.

Nature and scope of activities

To seek resource consents for the proposed Canterbury Plains Water Enhancement Scheme, and to hold these consents for the use of Central Plains Water Limited.

Policies and objectives relating to ownership and control

The Council recognises a major regional economic benefit in managing the water resource in the Central Canterbury Plains, including significant employment creation. The Council, through its involvement with the Trust, hopes to mitigate the adverse effects of any proposed scheme on its own water supply.

Key performance targets

- Obtain resource consents for water use and irrigation

Christchurch City Council

General and technical information**Lyttelton Port Company Limited**

This company was established under the Port Companies Act 1988 operating the Port of Lyttelton. Through Christchurch City Holdings Limited, the Christchurch City Council has a 78.6% shareholding in this company.

Nature and scope of activities

This company provides the land, facilities, plant and labour for the operation of the port in Lyttelton Harbour. Its activities also include providing facilities associated with the repair and servicing of vessels.

Policies and objectives relating to ownership and control

Lyttelton Port Company is considered a regional strategic asset and as such the Council wants it to be operated in commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

- To pay a minimum of 50% of tax paid profit by way of a dividend

Christchurch City Council

General and technical information



Orion New Zealand Limited

Orion New Zealand Limited is an energy network management company in which the Christchurch City Council has an 89.3% shareholding through Christchurch City Holdings Limited.

Subsidiary companies

- Connetics Ltd

Associate companies

- 4RF Communications Ltd

Nature and scope of activities

Orion plans, constructs and maintains a reliable and secure electricity distribution network in the Christchurch and Central Canterbury region. The network's capacity is matched as closely as possible to actual and forecast market demand for electricity.

Orion's network consists of approximately: 175,000 connections, 12,000 km of lines and cables, and 9,500 distribution substations and pole-mounted transformers.

Policies and objectives relating to ownership and control

As Orion is considered a regional strategic asset, the Council wants it to be operated in commercial manner, but also in a way that benefits the region as a whole.

Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of Orion New Zealand without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

Achieve the following reliability measures for the Orion network overall :

- Duration of supply interruptions per connected customer (SAIDI) : 64 minutes in any one year
- Number of supply interruptions per year per connected customer (SAIFI) : 0.8 interruptions in any one year

(The above performance measures are based on averages for a five year period . Actual performance for an individual year may vary)

Statement of financial performance targets	2010	2011	2012
Net profit after tax (\$ m)	42.7	41.7	42.2
Dividend forecast (\$ m)	37.0	37.0	37.0
Profit after tax / average shareholders funds	6.1%	5.9%	5.9%
Shareholders equity / total assets	73%	72%	71%

Christchurch City Council

General and technical information**Riccarton Bush Trust**

Riccarton Bush Trust manages a 6.4 hectare native bush remnant gifted to the people of Canterbury in 1914. The trust manages Riccarton House and its 5.4 hectares of grounds including Deans Cottage, the first house built on the Canterbury Plains. Incorporated under a 1914 Act of Parliament, the Riccarton Bush Trust has powers to levy the Council for funding which contributes towards the maintenance and operation of Riccarton Bush, Riccarton House and its grounds. The Christchurch City Council appoints six of the nine members on the Trust Board.

Nature and scope of activities

The Trust maintains and operates Riccarton Bush, Riccarton House and its grounds

Key performance targets

- To ensure a breakeven financial position for the Trust
- Achieve resource consent for the Integrated Development project

Statement of financial performance targets	2009	2010	2011
	\$000's	\$000's	\$000's
Operating revenue	402	412	419
Net surplus for the year	(5)	10	18
Forecast capital structure			
Equity	6,267	6,517	6,767
Debt	–	–	–
Shareholders ratios (Shareholders funds to total assets)	100%	100%	100%

Christchurch City Council

General and technical information



Red Bus Limited

This company is a council controlled trading enterprise, 100% owned by Christchurch City Holdings Limited. It provides public passenger transport, freighting and ancillary services to domestic and commercial users, including the tourist market.

Nature and scope of activities

Red Bus Limited provides scheduled urban public passenger transport services in Christchurch. It also operates bus charter and leasing services.

Policies and objectives relating to ownership and control

The Council, through CCHL, is the sole shareholder of this company. It has no plans to sell down or relinquish control of this company. The company has an important role in the city as a provider of quality bus services. Through the negotiation of an annual Statement of Intent, the Council establishes broad parameters for this company without inhibiting proper commercial management.

Key performance targets

- Provide economic contributions to the community through taxes paid, dividends and payments to suppliers and employees
- At least 85% of the bus fleet have Euro 2, Euro 3 or Euro 4 emission compliant engines

Statement of financial performance targets	2010	2011	2012
Operating revenue (\$ m)	37.7	37.0	37.3
Dividend payable (\$ m)	1.30	0.55	0.55
Equity (\$ m)	32.4	33.2	34.0
Debt (\$ m)	16.8	22.8	18.3
Ratio of shareholders funds to total assets	56.7%	52.5%	57.0%
Interest coverage ratio	>1.5 times	>1.5 times	>1.5 times

Christchurch City Council

General and technical information**Selwyn Plantation Board Limited**

This company is engaged in forestry and farming activities, and is jointly owned by Selwyn District Council (60.7%) and Christchurch City Holdings Limited (39.3%). Land area is 14,058 ha.

Nature and scope of activities

The core business of the company is (a) to manage its forests and lands on a commercial basis using environmentally and commercially sustainable methods, and (b) to convert plains and forests to higher value alternate uses.

Policies and objectives relating to ownership and control

The Council, through CCHL, has a minority interest in this company and holds it for investment purposes. It does not regard it as a strategic asset.

Key performance targets

Statement of performance targets	2010	2011	2012
Harvesting (tonnes)	150,000	150,000	150,000
Replanting (hectares)	160	150	100
Pruning/thinning (hectares)	200	220	220
Shareholders ratios (Shareholders funds to total assets)	95%	95%	95%
Return before interest and tax to total assets	1.5%	2.0%	2.5%
Return after tax to equity	1.1%	1.4%	1.7%

Christchurch City Council

General and technical information



Transwaste Canterbury Limited

Transwaste Canterbury Limited was incorporated on 31 March 1999 with the principal purposes of selecting, consenting, developing, owning and operating a non-hazardous regional landfill in Canterbury. The landfill was opened on 8 June 2005. The company is a joint venture between local authorities in the region and two private companies. The Council's share of the ownership of the company is 38.9%.

Nature and scope of activities

Transwaste is responsible for developing and operating a non-hazardous regional landfill, to at least the standard determined by regulatory authorities.

The company enters into contractual arrangements to ensure provision of a haulage fleet for hauling solid waste. This must be done economically and efficiently, and in compliance with relevant consents.

Transwaste will, in due course, invest in alternatives to landfilling for solid waste disposal, should these alternatives be more environmentally sustainable and cost effective.

Policies and objectives relating to ownership and control

It is critical that waste management achieves not only commercial requirements, but also wider social and economic objectives. Therefore the Council has a policy of maintaining a controlling interest in partnership with other local authorities in this trading activity.

Key performance targets

- Operate the landfill with no breaches of its Resource Management Act consents

Statement of performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Operating revenue	25,920	28,723	31,266
EBIT	9,895	12,014	13,809
Total Indicative dividends	3,728	6,968	8,326
Shareholders ratios (shareholders Funds to Total assets)	36%	37%	37%

Christchurch City Council

General and technical information**Tuam Limited**

This company is a council-controlled trading enterprise, 100% owned by Christchurch City Council. On 30 June 2006 the company purchased the existing Civic offices and associated property from the Council. Tuam Limited leases the Civic offices to the Council.

Nature and scope of activities

This company owns and manages the existing Civic building and related Tuam Street properties, and leases them to Council.

Policies and objectives relating to ownership and control

This company owns former Council property and manages it on a commercial and co-ordinated basis. Through a Statement of Intent, the Council established broad parameters reflecting the public nature of this company without inhibiting commercial management. To continue to do this the Council maintains a controlling interest in this company.

Key performance targets

- To own the current Council Civic Buildings and adjacent Tuam Street car park and lease these to the Christchurch City Council until a new Civic Building is developed
- To manage the Tuam St property in consultation with council staff to ensure that any maintenance expenditure is consistent with future use context

Key financial indicators

Statement of financial performance targets	2010
	\$000's
Operating revenue	1,324
Operating and other expenses	1,573
Net deficit after tax	(167)
Forecast capital structure	
Equity	9,135
Retained earnings	(7,333)
Debt	13,750
Total assets	15,552
Shareholders ratios (Shareholders funds to total assets)	12%

(Tuam Limited ceases to trade once Christchurch City Council move to the new Civic offices in August 2010)

Christchurch City Council

General and technical information



Vbase Limited

Vbase Limited is 100% owned by Christchurch City Council. On 30 April 2008 Christchurch City Facilities Limited, of which at that time Vbase Limited was a subsidiary, and Vbase No. 2 Limited, a wholly owned subsidiary of the Council were amalgamated into Vbase Limited. All three companies were part of the Vbase group, with the same directors and management. The amalgamation reflected the group's operations and was made both because of that and because of the resulting efficiencies.

Subsidiary company

Jet Engine Facility Limited

Nature and scope of activities

Vbase is a property holding and operating company for certain specialist properties or companies that the Council owns. Its responsibilities include:

- The Westpac Trust Centre
- The Christchurch Town Hall
- The Christchurch Convention Centre
- AMI Stadium
- Overseeing the contracted management of the above facilities
- Jet Engine Facility Limited

Policies and objectives relating to ownership and control

The Christchurch Convention Centre, the Christchurch Town Hall, the Westpac Trust Centre and AMI Stadium are all managed by Vbase Limited. These facilities are important to the region in terms of economic development, culture and sport. The Council wants them to be managed on a commercial and co-ordinated basis, and to build profitability while maintaining affordable community access.

Vbase may also undertake other property-related projects that have a commercial focus and/or a regional development impact (e.g. Jet Engine Facility Ltd).

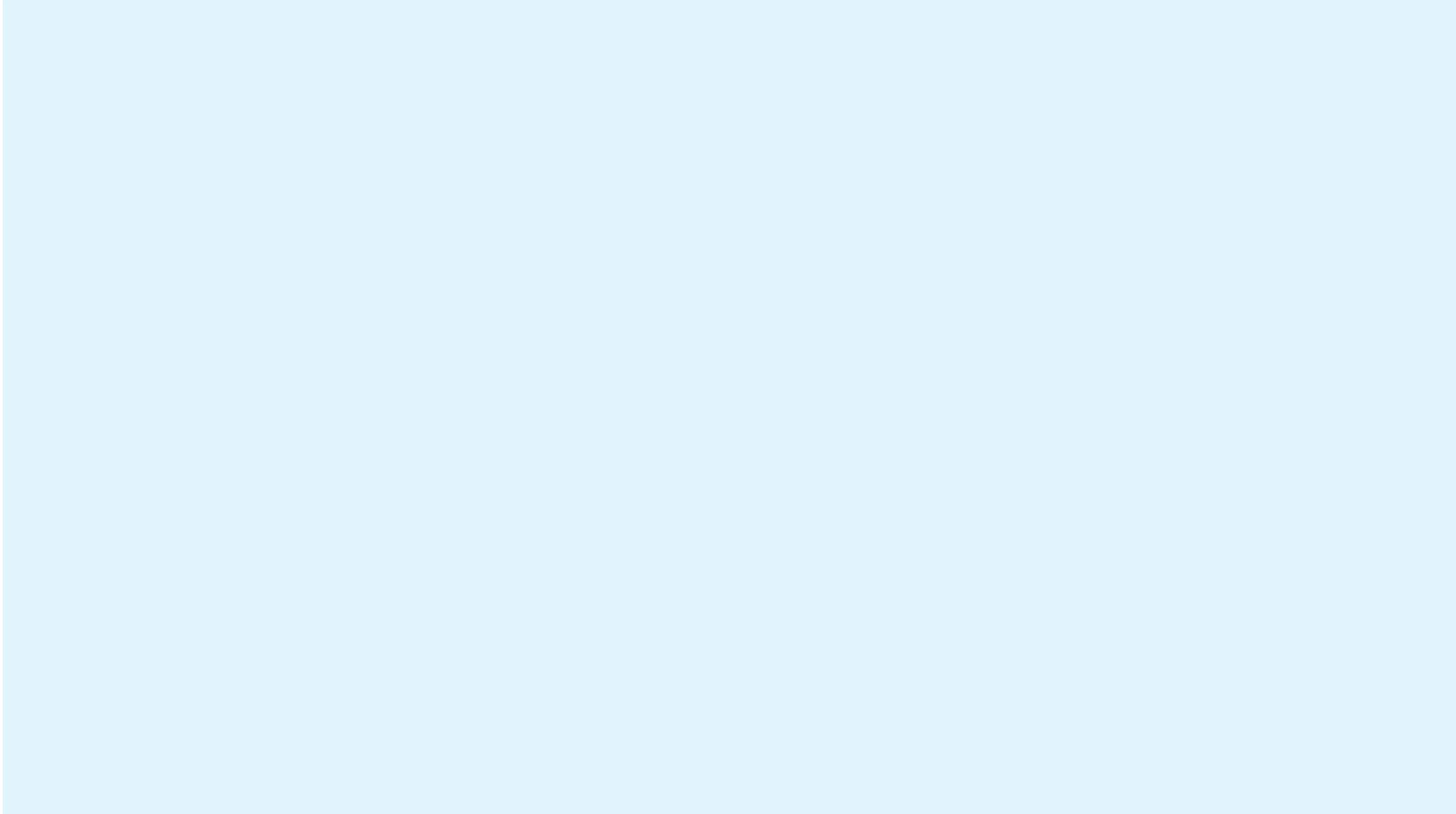
Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of Vbase, without inhibiting its proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key performance targets

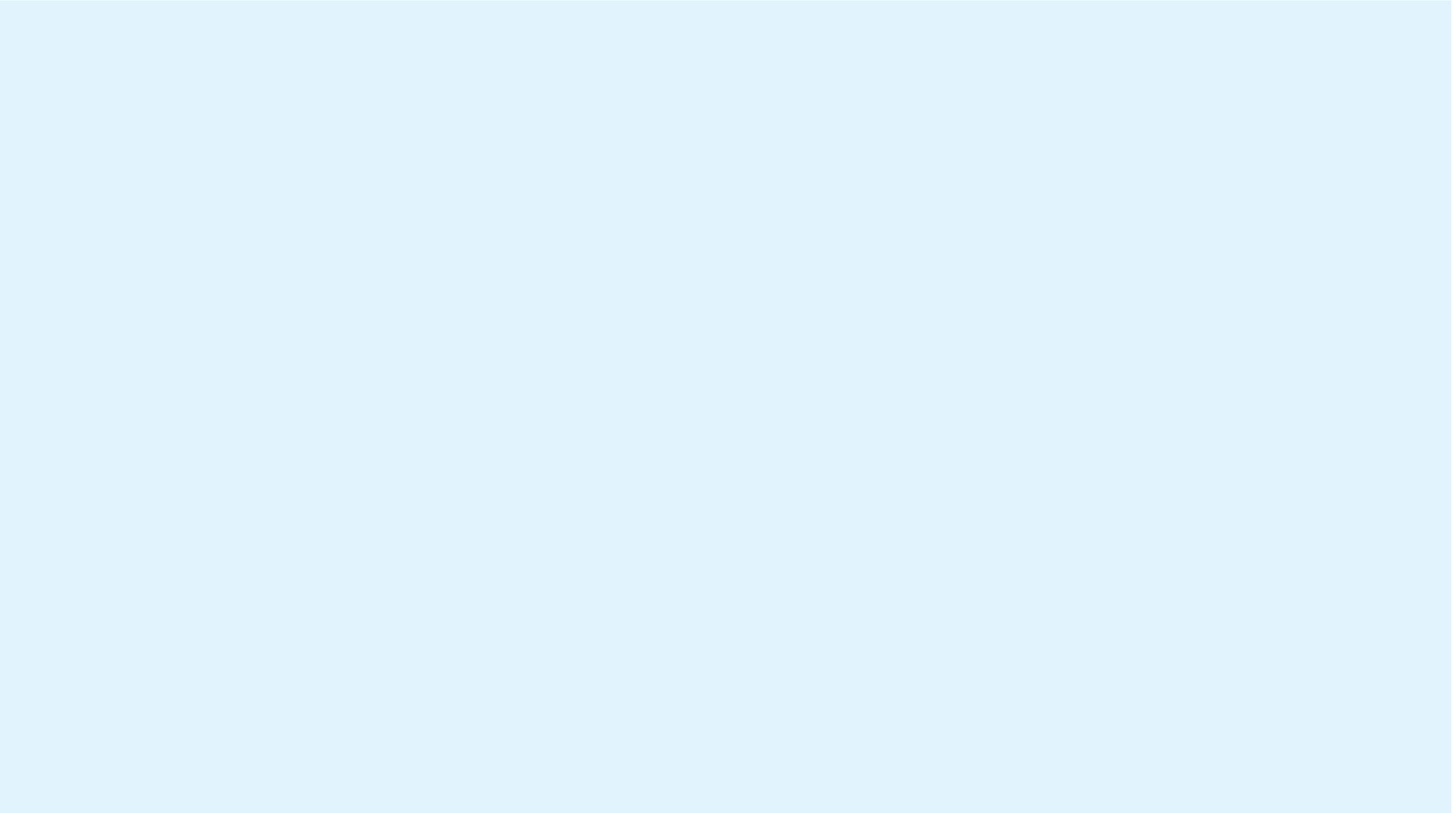
- Maximise event days at all venues
- Secure events that will attract national and international visitors to Christchurch and generate positive economic impact

Statement of financial performance targets	2010	2011	2012
	\$000's	\$000's	\$000's
Operating revenue	28,293	32,501	33,368
Operating and other expenses	36,612	39,762	40,284
Net deficit for the year	(6,010)	(5,165)	(4,691)
Forecast capital structure			
Equity	121,000	116,000	112,000
Debt	83,000	82,000	81,000
Total assets	238,000	232,000	224,000
Shareholders ratios (Shareholders Funds to Total assets)	51%	50%	50%

Notes



Notes



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