

Ōtautahi-Christchurch

Annual Report 2021

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PO Box 73015, Christchurch, New Zealand
Tel: +64 3 941 8999
Web: ccc.govt.nz

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Council vision

The Christchurch City Council has a vision for this city:

Ōtautahi-Christchurch is a city of opportunity for all.

*We're open to new ideas, new people and new ways of doing things –
a city where anything is possible.*

Introduction



Welcome to the Christchurch City Council's Annual Report 2021.

The introduction to this report describes the city we live in and its vision for the future. It includes a message from Christchurch Mayor Lianne Dalziel and Council Chief Executive Dawn Baxendale, reflecting on the Council's achievements over the past year.

Introduction

What is the Annual Report?

Each year, local bodies across New Zealand are required to present to their community an annual report that includes a set of audited financial statements, the statements of service performance for each Group of Activity for the years and summary of controlled entities.

What you will find in the annual report

The annual report sets out what the Christchurch City Council (the Council) did in the past year, why we did those things, how much they cost, and how they were funded.

This report shows how the Council is delivering on the commitments made to our community – after we asked Christchurch residents what they wanted for their city as part of our three year planning process. It also shows how the Council continues to respond to the rebuild of our city.

About the councillor/management statements

The annual report is adopted by Council on the recommendation of Council staff and the Audit and Risk Management Committee. This ensures that both the management and governance functions have responsibility.

About the Council activities and services statements

The Council activities and services section shows the Council's performance in each activity, measured by its achievement against performance indicators. Performance indicators are the levels of service (LOS) and their expected net cost, which were agreed in the 2020/21 annual plan approved by Council on 23 July 2020.

About the primary financial statements

The financial statements incorporate four primary statements:

- 1. The statement of comprehensive revenue and expense**
More commonly referred to as the income statement or profit and loss, this summarises the Council's financial performance for the year, listing all income and expenses, and records other comprehensive income such as changes in the fair values of the Council's infrastructure and property, plant and equipment.
- 2. The statement of financial position**
Commonly referred to as the balance sheet, this is a 30 June snapshot of the Council's financial position indicating its assets, liabilities and net wealth.
- 3. The statement of changes in net assets/equity**
Often known as the statement of changes in equity, this details the overall change for the year of the Council's net wealth.
- 4. The statement of cash flows**
This statement indicates where the Council's cash came from and where it was spent.

These four statements also display the budget, adopted by Council at the end of the prior year, to allow comparison between what was projected and what actually occurred.

About the notes to the financial statements

The notes to the financial statements give greater detail and more information on the four primary financial statements.

The content of the four statements and their notes are directed by the requirements of the accounting standards. The financial statements are prepared using Public Benefit Entity (PBE) accounting standards.

About the auditor's report

The Council's external auditor, Audit New Zealand on behalf of the Office of the Auditor General, is required to audit the Annual Report.

Introduction

Message from the Mayor Lianne Dalziel and Chief Executive Dawn Baxendale

This has been a challenging year, not just for the Council, but for many households and businesses throughout Christchurch and Banks Peninsula, as we begin to recover from the economic effects of the ongoing COVID-19 pandemic.

Over the past decade, the people of Christchurch and Banks Peninsula have learned to be adaptable. We know we can take on challenging circumstances, whether it be earthquake, fire, flood, terrorist attack or pandemic, and what we learn from each experience helps us prepare for future challenges, whatever they may be.

Waterworks

One of the biggest responsibilities in local government is providing water that is safe to drink and safely discharging wastewater and stormwater.

This year has seen further steps towards the implementation of the Government's Three Waters Reform programme, which comprises:

- Establishing a new dedicated drinking water regulator, Taumata Arowai, with roles around regulation and oversight of stormwater and wastewater.
- Introducing a new regulatory framework for drinking water through the Water Services Bill, with some provisions for regulation of wastewater and stormwater.
- Proposing to transfer the delivery of three waters services from councils to regional providers.

The last of these came at the very end of the financial year and has caused real concern in the community about what it means for our residents and the impact it would have on council operations.

The Water Services Bill will also have an impact on Christchurch when it comes into effect, given that it will require all water supplies to be chlorinated, unless they hold an exemption.

Christchurch drinking water is famously pure, and it's disappointing for everyone that we are still required to treat it with chlorine. We have been able to significantly reduce the dose as we complete the wellhead programme, and 20 per cent of the city's water supply is now chlorine free.

We remain committed to removing chlorine from the city's drinking water, and we will apply for an exemption to the requirement for all New Zealand drinking water to be treated.

It's important to remember there is nothing wrong with our drinking water – the need to chlorinate came about through a national change in the way water contamination risks are assessed, following contamination of the water supply in Havelock North in 2016.

Our well heads were considered a contamination risk, which set off a programme of work to bring them above ground for easier maintenance and inspection. To further reduce the contamination risk we have also started a rolling programme of inspection and repair work for our reservoirs and working with commercial and industrial users to install backflow prevention devices.

We have spent millions of dollars improving our three waters infrastructure over the past 10 years. The earthquakes of 2010 and 2011 caused a lot of damage, especially to our ageing underground pipes, and our programme of repairs and renewals continues.

Flooding has been a significant issue since the earthquakes. We've installed new pumps and water retention basins – wetlands – throughout the city, to hold excess stormwater until it can be safely released into city waterways.

The retention basins were severely tested in May when record rainfall drenched much of Canterbury. For the first time in the 10 years since the earthquakes, none of the properties that flooded before was flooded over its floor level. This shows that all the expensive and disruptive work done to protect low-lying areas like the Flockton Basin and the Dudley Creek area, and alongside the Heathcote River has been worthwhile and is now protecting property in those areas.

This is work that will continue, especially as we grapple with rising groundwater levels and the effects of global warming and sea-level rise.

Climate change

We consulted on our Draft Climate Change Strategy this year. This global problem will bring significant local effects that we need to prepare for – longer hot dry spells and more extreme rainfall, wind, fire and floods. We need to act, collectively and individually, to reduce greenhouse gas emissions and help mitigate these effects.

Our draft strategy sets out four goals for Christchurch and 10 action programmes to help us achieve those goals. Climate change is such a big issue that it's easy to feel overwhelmed and disempowered. This Council, in partnership with Ngāi Tahu Papatipu Rūnanga and others, wants to lead positive change and inspire people to take the steps possible in their own lives to reduce carbon emissions. Together, we can make a difference for our environment, our community, our economy and our future.

Long Term Plan 2021-31

We know it's important to get the basics right. The quality of our water and the condition of our roads and footpaths really matter to residents. This, along with keeping rates increases as low as possible, was a priority in preparing our Draft Long Term Plan 2021-31.

The plan sets out what we plan to do over the next 10 years, and how we will fund it. We update the plan every three years. We received more than 2300 submissions over a five-week period of public consultation, including 296 oral submissions. The feedback we receive from across Christchurch and Banks Peninsula is hugely valuable and shows how passionate people are about making the most of our opportunities over the coming decade.

Every submission we received is considered and ultimately helps inform our final decisions about our investment in infrastructure and services, and how we will navigate the challenges and opportunities ahead. After considering all the feedback and debating possible changes, the Long Term Plan 2021-31 was adopted by Council in June.

Change at the top

Our organisational structure changed this year, halving the number of general managers in the Executive Leadership Team from six to three and reducing the number of groups.

The general manager roles for Strategy and Transformation, Consenting and Compliance, City Services, Corporate Services, and Finance and Commercial were disestablished.

Three long-serving general managers – David Adamson (City Services), Leonie Rae (Consenting and Compliance), and Brendan Anstiss (Strategy and Transformation) decided to move on to new opportunities and challenges.

We welcomed three new people to the team.

First to come on board, in April, was our new Assistant Chief Executive, Lynn McClelland. She came to us from the University of Canterbury, where she was Executive Director, Student Services and Communications.

In May, we welcomed our new General Manager Resources, Miles McConway. He is no stranger to local government processes, having come from Environment Canterbury.

In early June, the team was completed with the arrival of Jane Davis to lead Infrastructure, Planning and Regulatory Services. She also is experienced in local government, having been Chief Executive of the Carterton District Council before joining us in Ōtautahi-Christchurch.

COVID-19

We continue to be tested by the economic and financial effects of COVID-19.

In preparing our revised 2021 Annual Plan and the Long Term Plan 2021-31, management conducted a 'root and branch' analysis of our operational expenditure to identify savings of \$34.2 million. The changes to the Executive Leadership Team realised a saving of \$719,989.

The Christchurch economy was impacted by hosting fewer tourists, especially from overseas, which affected the operations of both Christchurch International Airport and Lyttelton Port Company. We're working closely with Christchurch NZ and others to ensure we pivot to market Christchurch as a highly desirable destination for domestic travellers, while ensuring we can again focus on overseas visitors when international travel is able to resume.

Finances

Not all the economic and financial pressures we face today are due to the pandemic. Christchurch has faced a series of crises and shocks over the past 10 years – earthquakes, floods and wild fires.

We also have to face ongoing and longer-term challenges, such as adapting to the effects of climate change.

How we respond to all our competing priorities needs a carefully balanced approach.

We need to know we are providing value for money, and that we are using the right combination of debt, rates and asset recycling.

Greater Christchurch 2020

While we respond to the needs we have now, it's important to plan for the future. Greater Christchurch 2050 is a project under the Greater Christchurch Partnership. The partnership includes representatives from our neighbouring councils (Waimakariri and Selwyn Districts), the Canterbury Regional Council (Ecan), Te Rūnanga o Ngāi Tahu, the Canterbury District Health Board and is supported by Waka Kotahi the NZ Transport Agency. It uses all the information we have available now to help us anticipate the future needs of the wider Christchurch area.

It's a vitally important piece of work that describes the kind of place we want for future generations, and what we need to do over the next 30 years to make it happen.

This is about setting a confident vision for our future – as a place to live, work and invest, and as a significant contributor to national wellbeing. We are working towards a more prosperous, inclusive, sustainable and resilient future – and it's important that we don't let future generations down.

Looking forward

We have some exciting things to look forward to in Christchurch. Te Pae (the new convention centre) and Te Pou Toe Toe (the new Linwood Pool) will both open in the 2021-22 financial year, and Parakiore (the Metro Sports Facility) the following year.

There will be developments in the Ōtākaro Avon River Corridor (formerly the Residential Red Zone) that we now own and manage, including new wetlands in the Bexley area and the completion of more of the Green Spine alongside the Ōtākaro-Avon River, providing a walking and cycling pathway from the city to the sea.

The final section of the Coastal Pathway will soon be under construction and the site for the new Canterbury Multi Use Arena is being prepared, with building to start in early 2022.

Much of what we achieve is only possible because of the strong relationships we have with central government, iwi, our neighbouring councils and all our strategic partners. We will continue building on these important relationships and those with our communities, to ensure we maintain a strong foundation for the future.



Lianne Dalziel
Mayor of Christchurch

12 October 2021




Dawn Baxendale
Chief Executive

12 October 2021

Statement of compliance

Compliance

The Council and management of the Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.



Lianne Dalziel
Mayor of Christchurch

12 October 2021



Dawn Baxendale
Chief Executive

12 October 2021

Highlights

The Council provides the services needed to keep the city running, including supplying water, removing wastewater and collecting rubbish. In addition to leading many significant rebuild projects, it carries out large infrastructure, building and community projects as part of its long-term programme to improve the city. Outlined below are some of the highlights of the past year.

Highlights Our Achievements

From new facilities to infrastructure planning and delivery, we have delivered a range of amenities and services to the people of Christchurch.

Communities and citizens

Christchurch Art Gallery Te Puna o Waiwhetū

The gallery welcomed 303,245 visitors this year. With part of the year being at COVID-19 Alert Level 2 and New Zealand's borders being closed to international travellers, visitor numbers were lighter than usual. Visitor satisfaction remains high at 98 per cent, up 1 per cent on the previous year.

We presented 16 exhibitions over the period, including, *Ātete (to resist) – Ralph Hotere*, developed in partnership with Dunedin Public Art Gallery. Our public programmes remain popular, with 35,066 people participating over the year. This was well in excess of our target of 22,000. The number of children enjoying our education programmes was 11,703 – about 203 more than our target of 11,500.

We added 124 works to our collection this year, 70 of which were gifted plus we published and distributed four editions of our quarterly magazine, *Bulletin*, and four exhibition and collection-related publications. We were delighted to receive five publication awards and to be short-listed for another three. Public art was supported in line with the recommendations of the Public Art Advisory Group.

Libraries

We had another strong year, with a 95 per cent customer satisfaction rating and 20,886 new members and the circulation of physical collections increased by 13.1 per cent. There was continued strong growth in the use of online services and digital resources, although downloads were down 5.1 per cent on the previous year's increase of 36.6 per cent, mainly due to higher use than usual during the COVID-19 lockdown.

Canterbury Stories, our Digital Heritage Repository, has been live for 18 months and includes more than 30,000 items. The Discovery Wall had 11.9 million touches over the year.

Māori and Multicultural Services grew, with 8,548 people attending 252 sessions. Demand for specialist reference and research services is strong. Programmes included a *kōhanga* outreach programme, *Ngā Pakiwaitara* a regular Māori language storytimes, and in collaboration with University of Canterbury and Te Pā o Rākaihautū on a Māori STEM project.

This year 170,186 people attended 8,766 public programmes and events (including Māori and Multicultural). Libraries provided Children's University experiences over the summer break, as well as Stories on Wheels with the outreach van visiting parks, Summer Stories at Riverside Market, Pop-Up Library events and reading at pool parties. Planning was a focus this year, with the Long Term Plan 2021-31 and service delivery reviews for the Mobile Library Service, the Fingertip Library and the Library Management System.

Parklands, Linwood and Little River libraries and service centres were refurbished, continuing the roll-out of citizen hubs. Earthworks were almost completed for a new library in Hornby, due to open in late 2022. Tūranga has forged an important role as a civic and community hub, hosting a diverse range of events, including cultural events, technology events music events and many others. These events help increase the use of our collections.

Our collaboration with Digital Inclusion Alliance Aotearoa continued, helping families in lower socio-economic areas to gain home access to the internet via Skinny Jump. This year we partnered with Recycle a Device (RAD), to offer used corporate computers refurbished by school students to the Linwood community for free.

Community development and facilities

Over the year we assessed 2,117 applications for community funding grants, and allocated \$11,627,144 toward community initiatives that rely on the goodwill of volunteers. Volunteers are involved in a wide range of activities including sports coaching, menz sheds, teaching arts and crafts, helping at food banks, pulling out weeds in reserves, painting walls in volunteer early learning centres. They visit the elderly and the emotionally unwell and mentor children suffering deprivation, especially the children of prisoners (particularly young men).

Over the year volunteers gave up 3,296,600 volunteer hours of their time to help others in our community.

Our Graffiti Team received 17,185 reports of tagging and worked with community partners who gave 4,240 working group hours of volunteer help to remove it. A working group can be up to 70 people, so this is a significant contribution to reducing tagging across the city.

Community partner organisations operate 74 of our 91 community facilities – that's 82 per cent of the network. We celebrated three openings this year:

- Opawa Volunteer Library, in August 2020
- Manuka Cottage, in September 2020
- Kohinga-St Albans Community Centre, in April 2021

Recreation, sports, community arts and events

We had another strong year and this is reflected in our customer satisfaction ratings. The range and quality of our recreation and sport centres received 87 per cent satisfaction score and the quality of support we provided scored 92 per cent.

He Puna Taimoana, the new hot pools at New Brighton, officially opened on 30 May 2020. It has had a very successful first year, with 134,178 attendances and many positive reviews.

All facilities remained open during the year with participation at 4,785,765 across our multipurpose recreation and sport centres, outdoor pools and stadia for the year. This is 467,000 more than the target, which was adjusted to take account of COVID-19 and the disruption to services from lockdown.

In collaboration with funding partners we were able to provide 126,216 affordable swim lessons to primary school-age children.

Work continued on planning, designing and project managing three new facilities – Parakiore: Metro Sports Facility, the Hornby Centre and Te Pou Toetoe: Linwood Pool.

Events and festivals

The Events, Partnership and Development Team provided more than 17,352 hours of staff support to community groups and received a customer satisfaction rating of 92 per cent for the quality of event support.

Events help us to promote Christchurch and attract visitors to the city. We supported a full calendar of events at all levels over the year. Event highlights included international cricket, New Year's Eve, Kidsfest, Ti Rama Mai and Symphony in the City.

Civil Defence and Emergency Management

We engaged with community groups to identify local hazards and for emergencies. Our community resilience coordinators continued working in dedicated areas across Christchurch and Banks Peninsula, using a community-focused approach to develop resilience. This included continued support for the Stan's Got a Plan school programme, delivered by the Parks Team.

Plans for local readiness and response arrangements were reviewed. We focused on plans that cover medium or high-impact hazards – earthquake, tsunami, flooding (severe weather), and land instability – for which we are the lead agency.

With new tsunami evacuation zones in place for Christchurch and Banks Peninsula, we began our city-wide tsunami public education campaign, Know Your Zone. This focused on the need for people to be aware of the tsunami evacuation zone that they live or work in and encouraging them to plan ahead for an eventuation.

We continued to recruit, train and equip Emergency Operations Centre staff, New Zealand Response Team volunteers, and Emergency Support Team volunteers across the city.

We worked closely with partner agencies in the Justice and Emergency Services Precinct in central Christchurch. As a result, we were well-placed to respond to the COVID-19 pandemic, the three tsunami warnings on March 5 2021 after a 7.3 magnitude earthquake off East Cape was followed by a 7.4 and 8.1 magnitude quakes near the Kermadec Islands, and the Canterbury flooding event in May 2021.

Citizen and customer services

After improving our residents' satisfaction rating last year we improved again this year, with 97 per cent of walk-in customers and 92 per cent of phone-in customers saying they were satisfied or very satisfied with the service we provided.

Significant projects this year included the planning and site development for building the new Hornby Centre, with a new customer service hub, to open late in 2022, plus we undertook service hub refurbishments at Linwood and Little River. We introducing Post and Post Plus services at Shirley and Riccarton service centres, continuing the implementation of the 'citizen hub' model. The Service Request Enhancement Project continued, with particular focus on improvements in citizen notifications, the management of service completion timeframes and organisational performance reporting and the migration of our Contact Centre technology solution to the cloud was also completed

Inquiries, transactions and service requests:

- 386,061 phone inquiries (up 2 per cent on last year)
- 86,815 email inquiries (up 32.5 per cent on last year)
- 60,984 online inquiries (up 22.3 per cent on last year)
- 200,977 face-to-face financial transactions (up 58.8 per cent on last year, mainly because of new postal services at Riccarton and Shirley service centres)
- 151,655 service requests (up 16 per cent on last year)

Akaroa Museum

Akaroa Museum received 24,579 visitors, more than our target of 24,300. Of those visitors, 42 per cent were Christchurch residents and ratepayers. The museum was open seven days a week – 363.5 days, or 2,102 hours. We presented three new temporary exhibitions: Banks Peninsula Landscapes from May to December 2020; The Cocksfoot Harvest from December 2020 to Mar 2021; and Comte de Paris 180 from March to June 2021.

Our collection grew, with the addition of 86 objects (32 accessions), all documented, insured and safely stored. Access to the collections was maintained, with 104 collection-related enquiries and 333 family history enquiries received and answered.

Parks, heritage and coastal environment

Parks

Our focus this year has been on community-led climate change initiatives, especially those involving ecological restoration projects. More and more people are volunteering their time to such projects – something we are keen to see keep growing. A community partnership that has strengthened as it has grown is that with the Eco Action Trust. The programme involves primary and secondary students in collecting seeds, propagating, potting and growing on seedlings to plant in parks and the former residential red zone.

We collaborate with the trust, which has experienced exponential growth as more schools, students and volunteers have got involved. Our support will continue, with land preparation and maintenance until these reforested areas are self-sustaining.

Another successful collaboration is our work with the Ministry of Social Development, where we established an 18-week cadetship programme where people who are struggling to enter the workforce receive training with the Parks Unit. We have had 12 people through the programme, with more than 75 per cent going on to permanent employment, including fulltime roles in the Parks Team.

We completed our two-year trial of a modified service provision. This involved maintenance officers and park rangers directly managing customer service requests for areas where a high level of service is needed – heritage park gardens, playgrounds and inner city greenspaces. This has resulted in higher customer satisfaction – 82 per cent for inner city parks – and has brought about performance gains and cost efficiencies.

The installation of smart 'big belly' bins began as we replace 85 per cent of park bins with fewer bigger bins. This has realised a significant financial benefit and enables service providers to use a demand-driven maintenance regime, giving much improved use of resources.

Hagley Park

Most of the park's internal pathways and tracks have been upgraded and this work will continue into 2021-22. We have received very positive feedback about this work. Maintenance areas of the park have also been upgraded. This will enable the removal of unnecessary buildings.

A new policy was introduced for public trees and we now plant two trees for every tree we remove. This policy supports positive action as we prepare for climate change and recognises that the Christchurch tree canopy is not as protective as it will need to be in future.

Botanic gardens

We began a programme to modernise and improve our plant species records and align our systems with internationally recognised methods. Work to renew several significant paths in the gardens was completed. This will ensure that accessibility is at the highest standard. We will continue upgrading paths in the gardens into 2021-22 and beyond.

Our collaboration with the Friends of the Botanic Gardens and the Botanic Gardens Trust continued. These organisations provide vital funding and resources to help us to continue providing a world-class gardens. The Friends of the Botanic Gardens also donated funds to support staff training and apprenticeships.

Regional Parks

Our investment in a range of biodiversity programmes continued. This included plantings, pest control and land management. We ensured the tracks and trails were maintained and open for the public to use, plus we continued to provide opportunities for volunteers to participate in protecting and enhancing the environment.

As interest in community pest control continues to grow, rangers supported various partnerships with Pest Free Banks Peninsula, Whaka Ora, Healthy Harbour and Te Kahahu Kahukara (Banks Peninsula Conservation trust), among others.

Community parks

We began a significant programme of work to renew gardens, pathways and tracks and we continue to renew as many playgrounds as our budget allows. We improved our sports fields with continued investment in field renewals.

The Ministry of Business, Innovation and Employment supported our work to improve the quality and capacity of public restrooms in tourist areas.

Education programmes

Our work with schools continued and we also developed environmental education initiatives for adults.

The concept of school students ‘looking after their own back yards’ has gone from strength to strength, with an increase in interest from secondary schools.

Lancaster Park

This deconstruction project has progressed to its final stages before being made into a large community sports park, with the main focus being on completing the demolition and rehabilitating the land. The project will continue into 2021-22, with work about to begin to restore the war memorial gates. The park is expected to open towards the end of 2021.

Cemeteries

Investment in preparing for increasing our cemetery capacity continued. This programme would have served the city well, had the worst-case scenarios modelled for the COVID-19 pandemic eventuated. It's important to plan ahead to ensure all the available land is in a fit-for-purpose state and to maximise its use. This programme will continue into 2021-22 and beyond.

Heritage

Our focus remains on the rebuild of city-owned heritage buildings, particularly those out of the central city.

A publically notifiable process for identifying a continued or new use of these buildings has been completed for almost all the buildings that we own or manage.

This has led to a contract relationship with private company Box 112 to rebuild the former Council Municipal Chambers.

A decision to relocate the Citizens War Memorial to a new permanent location in Cathedral Square was implemented.

The memorial has been dismantled and put into storage until 2021-22 when it will take pride of place at the former police kiosk site. This mitigates the risk of it being damaged during the restoration of Christ Church Cathedral.

Restoration of the few remaining earthquake-damaged buildings in our portfolio continues, including Chokebore Lodge, Penfolds Cobb Cottage and Little River Coronation Hall.

Coastal environment

The Naval Point Development Plan was adopted and work continues.

Planning was completed for improvements to the Diamond Harbour and Akaroa wharfs.

Water supply

The revision of our Water Safety Plans in line with the new framework from the Ministry of Health has continued to drive several water safety improvements across the district.

We have completed our Well Head Security Improvement Programme and associated upgrades at some of our pump stations.

The water safety plans identified inadequate backflow prevention and that some storage tanks were in poor condition, both presenting a high water safety risk. The plans also identified a need for better information about lead-jointed pipes, to find out if lead was leaching into the water supply.

We installed 508 backflow prevention devices to properties identified with high and medium backflow risk.

We completed comprehensive condition assessments of high-priority suction tanks and reservoirs and started remediation works on the Denton and Prestons suction tanks and the Hackthorne reservoir.

A monitoring programme to measure lead levels in vulnerable parts of our network was initiated. So far, the results confirm that lead concentrations are well below half of the maximum acceptable value set by the Drinking Water Standards for New Zealand. This work will continue into 2021-22 as we prioritise replacing cast iron, lead jointed, pipes.

Our revised water safety plan for Akaroa and Takamātua was approved under the Ministry of Health's new water safety plan, making it the second water safety plan approved under this much stricter framework.

We replaced or installed 15 kilometres of water supply mains and 18 kilometres of submains. A total of 2,100 new water connections were processed.

Design of the new Ben Rarere water supply pump station, replacing the earthquake-damaged Bexley station, was completed. We also completed design work for the replacement of the Jeffreys and Sydenham pump station water suction tanks, which were also severely damaged by the earthquakes of 2010 and 2011.

We used stimulus funding from the Department of Internal Affairs to complete some outstanding maintenance at our water supply pump stations.

We have entered into contracts with four vendors to deliver the comprehensive smart water monitoring system in the Rawhiti water supply zone. This work includes the installation of a real-time water quality monitor, pressure transient loggers, acoustic detection devices, intra-zone bulk water meters, and up to 1,200 smart meters.

The Christchurch Water Supply Master Plan is being updated using our water supply hydraulic model. This will inform a new configuration for our water supply zones so that they are more resilient and easier to manage in emergencies, and to plan additional supply capacity for future needs.

Operationally, we reviewed our key performance indicators and standard operating procedures. This will improve our ability to monitor performance and compliance in the operation and maintenance of our water supply networks.

Wastewater

Construction of the Lyttelton wastewater scheme is almost complete. This project will take wastewater from Lyttelton, Diamond Harbour and Governors Bay to the Christchurch Wastewater Treatment Plant at Bromley and cease discharges of treated wastewater into Lyttelton Harbour.

After public consultation, the Council accepted a hearings panel recommendation to use treated wastewater from Akaroa's new wastewater treatment plant to irrigate new areas of native trees and plants at Takamātua, Robinsons Bay and Hammond Point. Preliminary work is now under way on the Akaroa Reclaimed Water Treatment and Reuse Scheme resource consent applications and land purchases.

Modifications to the Christchurch plant's oxidation ponds have dramatically reduced the survival rate of midge larvae, resulting in no midge complaints during the 2020-21 summer. It is expected that this work will also reduce algae growth, leading to a reduction in suspended solids in the effluent.

The new laboratory at the Christchurch plant was completed. The laboratory provides accredited water sampling and testing of our drinking water, wastewater, stormwater and natural waterways.

We replaced several kilometres of wastewater pipes. Ten kilometres of new gravity pipes, six kilometres of new local pressure pipes and 1.6 kilometres of new vacuum pipes were also installed.

Computer optimisation technology was applied to determine the works needed to reduce our wastewater overflows during wet weather and to ensure continued compliance with our wet weather overflow consent.

Approximately 1,500 Internet of Things (IoT) monitoring devices were installed to provide visibility of vacuum valve operations.

A significant amount of work was undertaken to improve processes that support our levels of service to customers. This includes an improved sewer overflow management process and enhanced management of low pressure and vacuum wastewater systems by using dashboard information to support the resolution of issues, repairs and renewals.

Operationally, we reviewed our key performance indicators and standard operating procedures. This will improve our ability to monitor performance and compliance in the operation and maintenance of our water supply networks.

Stormwater drainage

Our focus has remained on asset repairs and planning for the rebuild or renewal of damaged or deteriorated assets. Network renewal and upgrade work was completed in many areas across the city and Banks Peninsula.

This has included improvements to inlet structures and bank linings, which are being replaced with more ecologically sensitive designs.

Some major capital infrastructure renewals were completed, including Jacksons Creek at Brougham and Selwyn streets and at further section at Brougham and Barrie streets, Estuary Drain, Sissons Drain and Canal Reserve Drain (Stage 1 works).

Work on the Lyttelton Stormwater Brick Barrel Network continued with the construction of new manholes to allow access for future lining work.

Other work has focused on the planning and delivery of significant projects that will improve the management of stormwater, both the volume and the quality. A dry summer gave us a longer construction season, enabling good progress on the Cashmere Worsleys Flood Storage Scheme, St. Albans Creek widening work and Pump Station 205 earthquake reinstatement. We made good progress on design work for the Waitaki Street Stopbank Realignment. These works be beneficial for flood-prone properties in St Albans and alongside the Ōpawaho-Heathcote River and Ōtākaro-Avon River.

Design work for the Waitaki Street stormwater treatment facility was completed, and good progress was made on the design concept for the Waikakariki Te Oranga-Horseshoe Lake stormwater treatment facility. These are cornerstone projects in the Ōtākaro-Avon River Corridor (OARC) Regeneration Programme, are a requirement of Council's Comprehensive Stormwater Network Discharge Consent (CSNDC) and are crucial in reducing the discharge of stormwater contaminants to waterways.

Many projects were started, with the design phases either under way or substantially complete for some large waterway relining projects in 2021-22, including Mairehau Drain, Canal Reserve (Stage 2 works), Paparoa Drain and Scotston Avenue works.

We're closely monitoring our weed harvesting programme to ensure optimum benefit in managing river water levels.

Progress was made in planning for equipment renewal at storm water pump stations, and for replacing ageing assets and maintaining current infrastructure.

Activities and project to support the Comprehensive Stormwater Network Discharge Consent were implemented, including work on Stormwater Management Plans, the Environmental Monitoring Programme and several investigations and studies relating to stormwater quality and floodwater management.

We are developing a climate change implementation plan for surface water infrastructure and waterways. This is a key component in the infrastructure programme that will give effect to Council's Climate Change Strategy, included in the Long Term Plan 2021-31.

We continued to support the Coastal Hazard Adaptation Planning programme and the Ōtākaro-Avon River catchment Multi-hazard Study, and we are leading Council's input to the Canterbury Regional Climate Change Working Group.

To improve the modelling of flood risk, we developed a method for determining the correlation between the two main drivers of high river water levels – extreme rain events and extreme high tides. This has resulted in an update of high tide levels.

Flood protection and control works

We made significant progress with ongoing projects to reduce the risk and effects of flooding.

Work in the Ōpawaho-Heathcote River catchment was a key focus and included bank stabilisation, dredging and the construction of new storage facilities, such as the Coxs-Quaifes, Eastman, Sutherlands and Hoon Hay wetlands.

Work to extend the South New Brighton stop bank near to South New Brighton School continued.

Other significant projects we worked on or completed include Eastman wetlands, Ōpawaho-Heathcote River dredging, Bullers Stream naturalisation and storage facility, Cox's-Quaifes storage facility and Sutherlands Basin.

Monitoring and maintenance of the Ōtākaro-Avon River temporary stop banks continued. The stop banks provide short-term protection against tidal events while planning is under way for the Ōtākaro-Avon River Corridor. An updated risk assessment of the existing stopbanks was completed.

We continued upgrading our hydraulic models and made significant progress on models for the Huritini-Halswell River and Ōpawaho-Heathcote River catchments and the Matuku Takotako-Sumner model. The Pūharakekenui-Styx River catchment model has been approved for development in 2021-22. This modelling tells us where flood water will go in periods of persistent rain, when pipes, culverts and streams are unable to contain it, and helps determine where infrastructure is needed.

Design work is under way or nearly complete for several environmental projects. These include projects to improve fish passage by reducing known fish barriers throughout the Christchurch and Banks Peninsula area and waterway enhancements for Cashmere Stream, Steamwharf Stream in the lower Ōpawaho-Heathcote catchment, Opara Stream at Okains Bay, and the realignment of Arran Drain in Woolston.

Our project in the central city to refurbish the stormwater culvert in Hereford Street was complex and required us to work closely with teams involved in significant street enhancements.

Another significant project was the work to support the Highsted development in the Pūharakekenui-Styx River Catchment.

Roads and footpaths

Our road maintenance contractors resealed 78 kilometres of roads and another 3.3 kilometers of new roads were added to the network through subdivision development.

We renewed 22 kilometres of footpaths throughout the city. Significant projects included completing reconstruction of Hereford Street between Manchester Street and Cambridge Terrace, and of Victoria Street.

The installation of bus priority lanes on Main North Road and major resurfacing works were completed.

We renewed six bridge decks and multiple other bridge components, including piers and railings, and built six new retaining walls at bridge sites.

Major components in five other retaining walls were renewed and design work was completed for another seven retaining walls.

An ongoing programme of works to convert existing street lights to LED technology continued through the year and is close to completion, with 98 per cent street lights converted.

The new Christchurch Northern Corridor route into the city was completed, including works on the local road networks downstream of the new route. These roads are now open. This was a joint project with Waka Kotahi, the New Zealand Transport Agency.

Transportation

Much of our work for the past three years has focused improving safety on our roads to reduce transport-related harm.

Since 2018, there have been 30 fewer fatal and serious injury crashes on our roads. This has been achieved through a wide range of infrastructure improvements, cycleways, walkways, crossing points and education.

Other safety improvements have included the installation of dedicated right-turn signals at five busy intersections, improvements to two Zebra crossings, pedestrian and cyclist safety improvements at five signalised intersections and the installation of active school signs at St Anne's School on Ferry Road.

We delivered five speed management or speed limit review projects, resulting in safe, appropriate speeds being set on 34 roads and road sections (around 20km in total). Most of this work established 30km/h and 40km/h speed limits in residential areas and key activity centres, including Yaldhurst Village (coordinating with safer speed limits on SH73 delivered by Waka Kotahi), Woolston Village (and surrounds), Beckenham Loop and Selwyn Village.

Minor safety improvements were carried out at the three intersections along Whiteleigh Avenue and at the intersections of Buchanans and Hasketts roads, and Barters, Maddison and Hasketts roads. We constructed a new pedestrian path along Western Valley Road to provide a link to Little River School.

This year we supported a high number of consent processes for subdivisions and large developments throughout the city, ensuring the transport and access implications of consent approvals are as aligned as possible with the Christchurch District Plan and with the Council's strategic priorities.

With our strategic partners, we completed a suite of business cases for public transport as we prepare to transform public transport over the next 10 years. These aim to deliver more efficient and attractive services that will encourage greater use of public transport.

Work continued on our Major Cycle Routes network. Uni-Cycle, Papanui Parallel, Little River Link, Quarryman's Trail and Heathcote Expressway are now fully open and another three are partially open.

Post-earthquake streetscape projects continued in the central city, with Victoria Street and Hereford Street now completed. Work to upgrade High Street and extend the tram route will start in 2021-22.

We have been working on the implementation of our new real time information (RTI) system. This has involved extensive work across the network, including the removal of redundant infrastructure at over 300 bus stops, the installation of 160 new bus stop signs and 89 new RTI displays, five new bus shelters, two new seats and improved accessibility and operational performance at 24 bus stops. This work will continue into 2021-22.

Refuse disposal

Our kerbside collection system continues to perform well, diverting about 65 per cent of waste away from the landfill.

The kerbside collection service has an overall customer satisfaction rate of 78 per cent in the residents' survey.

We are working with our collections contractor to maximise efficiencies, as part of our commitment to continuous improvement. Under our Radio Frequency Identification Programme, we electronically tagged the city's 480,000 wheelee bins. This work was recently completed and will give us the data we need to better manage our collections, bin allocations and to respond to issues more quickly.

Our COVID-19 pandemic response presented a challenge in the area of recycling, with an increase in contamination of kerbside recycling bins. We put significant effort into reducing the contamination rate, including by implementing a gold star reward and education programme, which has involved checking the contents of 315,000 bins. We have seen a 39 per cent improvement in the proportion of truck loads being accepted at the recycling plant.

A service delivery review of refuse disposal and resource recovery services is under way. The public will be consulted in 2201-22 on any changes proposed in light of the review. This work will help us deliver on our six-year Waste Management and Minimisation Plan, which is supported by a detailed Action Plan outlining short, medium and long-term strategies to minimise waste.

A significant programme of works is planned for remediating 'at risk' former landfills.

Gas extracted from the Burwood Landfill is used at Te Hononga Civic Building for heating, cooling and lighting, at the Christchurch Art Gallery for heating and at the Christchurch Wastewater Treatment Plant for drying biosolids.

We continue to work as part of the Canterbury Waste Joint Committee towards regional waste minimisation projects and identifying opportunities to further reduce waste.

Regulatory compliance

Our priority is always to ensure a safe and healthy environment for the residents of Christchurch and Banks Peninsula. This year we had a strong focus on maintaining service delivery during a period of high workloads. We also worked on improving relationships with our stakeholders and our customer service.

Regulatory compliance and licencing

We monitor our environment to ensure both the community and the environment are safe and healthy. While our activities remained steady, our regulatory compliance investigations have been more complex, especially those investigating illegal building works, environmental compliance and bylaw enforcement.

We had anticipated a drop in the number of alcohol licenses and food premises registrations because of COVID-19, but this did not eventuate and volumes were similar to previous years. Border restrictions changed the nature of the freedom camping season. Campers this year were mainly from New Zealand, and there was a notable increase in compliance with the bylaw.

We continued prioritising our investigations according to risk, as set out in our new compliance strategy, which aims to protect the community and the environment.

Building consents

Consent volumes were stronger than expected, with 4,806 being granted, 294 more than in the previous year. We had expected a drop in consent numbers because of COVID-19, but this did not eventuate, and strong building activity across the city kept us busy.

Building regulations

Demand for both commercial and residential building consents rose throughout the year, with a significant increase in the final four months. This increase was not forecast. Forecasting is completed in advance for each year, based on the information available at the time, and updated throughout the year based on trends and updated economic forecasting. Accurately forecasting building consent application numbers is difficult, but we are working to improve in this area of work.

Earthquake-prone buildings

The Ministry of Building Innovation and Employment has 707 Christchurch buildings on its earthquake-prone buildings register. Of these, 177 are considered 'priority' buildings and must be strengthened or demolished within 7.5 years of being identified. This means 105 owners of priority buildings will need to have work completed by 2025 and 72 between 2026 and 2028.

Owners of the 530 non-priority buildings have up to 15 years to complete the work.

Earthquake-prone building assessments continued throughout the year. Originally there were 7,219 buildings to assess. The number is now down to 3,400 and these assessments will be completed by the July 2022 deadline councils were given.

During the year, 99 buildings were removed from the register. Of those, 13 were demolished, six were reassessed as being no longer earthquake prone, and 80 were strengthened to above 34 per cent of the new building standard, including a small number of buildings were assessed as being at 100 per cent of the standard.

Building warrant of fitness

There were 199 building warrant of fitness audits performed over the year. This is significantly down on last year's 351 as the workload demands of large projects reduced our capacity to conduct audits.

Eco-design advice

The advisor continued to provide a high-quality eco-design service, with 337 individual consultations and numerous public and stakeholder engagements. Activities included participating in the Conztruct NZ Show and presenting to many groups, including Branz, Ara, and many architecture and engineering firms.

Other work included providing advice on the Ministry of Business, Innovation and Employment's proposal for Climate Change through the use of sustainable and low-emission building supplies and designs.

Public advice

We received 6,109 walk-in customers at Te Hononga Civic Offices – 35 per cent more than last year. The duty building consent officers received 12,024 calls and email inquiries, with 75 per cent of calls being answered in the first instance and 85 per cent of emails being acknowledged within 24 hours.

External stakeholder engagement

We continued engaging with a wide group of stakeholders representing the building industry, and have built strong relationships with them, enabling constructive feedback about the service we provide. Wherever possible we work to improve our systems, processes and customer service in response to this feedback.

Building Act exemptions and Certificates of Acceptance

We completed 2116 Building Act exemptions during the year, with 97.9 per cent being processed, on average, within 10 days.

Certificates of Acceptance were up 30 on the previous year, with 217 being completed, 99.5 of them within the required timeframes.

Land and property information services

We maintained performance, with all requests being processed within statutory timeframes, despite a significant and unexpected increase in LIMs and residential property file requests. LIMs were up 27 per cent on last year and residential property file requests were up 26 per cent.

The LIM and property file request process was migrated to a new request and pay system. This has enabled us to deliver the information requested to customers more quickly, resulting in a better customer experience.

Resource Consenting

Resource consent application numbers increased significantly in 2021, to 2,728 – up 340 on the previous year. Despite this, we maintained compliance, processing 99 per cent within the set timeframe.

Customer satisfaction was up on the previous year, at 73 per cent, and 3 per cent more than our 70 per cent target. (In 2019-20 it was 69 per cent.) Other survey information (pulse survey feedback) showed customer satisfaction to be consistently over 90 per cent.

There were also more public inquiries to the duty planner phone and email.

We also responded to some contentious issues, where there were concerns about neighbourhood developments.

Strategic planning and policy

Land-use planning

Our proposal for noise management measures for concerts at the Canterbury Multi-Use Arena was approved and sent to the Associate Minister of Finance in June 2021. We completed the 30-year Infrastructure Strategy, which was approved in June 2021 with the Long Term Plan 2021-31. Plan changes to the Christchurch District Plan were progressed and we started implementing the National Policy Statement on Urban Development (NPS-UD).

We started implementing the Coastal Hazards Plan Change with the programme of Coastal Hazards Adaption Planning endorsed by Council and the first adaptation area is Te Whakaraupō-Lyttelton Harbour.

Continued working with the Greater Christchurch Partnership to give effect to Our Space project, assist with develop the Greater Christchurch Spatial Plan, undertake and complete the Greater Christchurch Housing Development Capacity Assessment in order to meet requirements of the National Policy Statement on Urban Development.

The planning team continues to develop cross-organisational response to upcoming changes to resource management reforms and develop submission to the Parliamentary Select Committee on the Natural and Built Environments Act Exposure Draft.

Strategic Transport

We completed Future Public Transport business case, identifying the need for transformational investment in public transport for Christchurch and Greater Christchurch. The first 10 years of the Council's investment is included in the Long Term Plan 2021-31.

We worked with other agencies on Mass Rapid Transport indicative business case and the interim report was published in June 2021. We also completed draft Central City Parking Policy to support the Transport Strategy and public transport work and developed greenhouse gas emissions dashboard for transport.

Strategic policy

When it came to climate change we adopted the Kia Tūroa te Ao, Ōtautahi Christchurch Climate Resilience Strategy in June 2021 and led Council submission to the Climate Change Commission on greenhouse gas emission budgets and policy direction plus contributed to development of national climate policy.

In the areas of housing, economic policy, advocacy, we delivered the Community Housing Strategy in January 2021, completed the review of the development contribution policy and introduced contributions rebate scheme for development on Māori land in the Papakāinga zone of the Christchurch District Plan.

Finally we provided advice to a range of projects, including issues related to short-term guest accommodation, destination management planning for Banks Peninsula, our Business Improvement District programme, our draft Financial Strategy and Long Term Plan 2021-31.

Regulations and bylaws

We developed draft replacement bylaws for water supply, wastewater and stormwater and completed stage two of the Freedom Camping Bylaw 2015 review and public consultation. We started work on the review of the Waste Management Bylaw 2009 and Cleanfill and Waste Handling Bylaw 2015 plus started the three-yearly review of the Class 4 Gambling and TAB Venue Policy.

Natural environment

We provided advice and support for wide range of activities including allocating \$200,000 of Christchurch Biodiversity Funding for fencing, pest control and planting on privately owned Sites of Ecological Significance. We worked with Three Waters and the Natural Environment Team to begin implementing Te Wai Ora o Tāne Integrated Water Strategy.

We led dozens of reviews of non-notified resource consent applications lodged with ECan for water takes and discharges to water, land and air, plus we provided feedback to ECan on 15 regional resource consent applications.

We led and/or contributed to submissions on matters of regional and national importance, including on the National Environmental Standards for Air Quality amendments and the Water Services Bill.

We provided advice to other Council teams and units, senior management and elected members on topics including Canterbury Water Management Strategy Fit for Future programme and zone committee review, report to the Three Waters, Infrastructure and Environment Committee on merits of seeking a water conservation order for Christchurch groundwater, three waters reform and nitrates in drinking water.

We continued monitoring for the cut-slope erosion trial and facilitated implementation of our Resource Efficiency Greenhouse Gas Emission programme.

Urban Design and Regeneration policy, planning and grants

We continued our focus on central city regeneration by guiding regeneration initiatives and programmes, and encouraging coordination across a range of council services and with partner organisations under the Central City

Action Plan. Under the Central City Residential Programme we engaged with central city communities on what makes central city neighbourhoods attractive places to live.

Work began on how the Canterbury Multi-Use Arena can be a catalyst for residential development.

The city saw 402 new homes being built by private developers – the most built in the central city in one year since 2011.

The Vacant Sites Programme was established in December 2020 to support owners to develop sites or to improve them until they are developed.

Just three properties remain as barriers to regeneration, with no clear plan for progress.

The Enliven Places Programme delivered projects across the city and suburban areas, adding to the city's creative, cultural and community identity. The programme's \$100,000 contestable grant fund was fully allocated to a wide range of community projects.

Suburban regeneration continues with the plan development, safety and community capacity building for Linwood Village underway along with plans for the Central East. We continued streetscape enhancement work in Woolston and commenced evaluation of the masterplan projects for Sumner. The investment case and divestment framework for Bishopdale were progressed.

Sustainability

Our work on healthy and energy efficient homes continued in partnership with Ecan plus we continued to support the Food Resilience Network to deliver fruit and nut trees to schools and community groups and support food growing in the Ōtākaro-Avon River Corridor and throughout the city. The Sustainability Fund continued for a fourth year, with \$400,000 allocated to a wide range of projects.

Heritage Education, Advocacy and Advice

The Our Heritage, Our Taonga, Heritage Strategy guides all Council's heritage work and provided the framework for all new policies and guidelines for grants that were approved for the Heritage Incentive, Intangible and Festival. The five Heritage Incentive Grant applications were approved, allocating \$494,332 to support the conservation, repair, and upgrade of the districts heritage buildings and structures plus one Intangible Grant was approved. The Christchurch Heritage Festival in October and November 2020 attracted more than 13,000 people to 70 events over its 16 days.

Economic Development

ChristchurchNZ is tasked with a large work programme to promote economic development in Christchurch and the wider Canterbury. They played a lead role in the development of the Christchurch 2050 Strategic Framework and assisted with the preparation of the Council's COVID-19 socio-economic recovery plan.

ChristchurchNZ significantly enhanced the New Zealand best practice award-winning Innovation Eco-System with 44 businesses receiving incubation support through Te Ōhaka and Thinclab created around 50 new jobs and raised \$14.5 million in venture capital. They also worked with 51 national and global businesses on potential relocation to, or expansion in Christchurch, with a potential GDP impact of \$89 million. Of note fourteen businesses relocated to the city with an estimated 3-year GDP contribution of \$30.9 million.

The Food Fibre, Agritech and Health Tech challenges were completed to elevate Christchurch's Supernode industries through the creation of new investable businesses, also a partnership has been developed with Whitiora, a hapū-led skills hub aiming to set a path to training and employment. They delivered major marketing and promotion campaigns, including #ExploreCHC, BLOOM and Christchurch is Hiring.

ChristchurchNZ has attracted and sponsored 16 major events with an estimated attendance of 340,000 and visitation spend impact of \$6 million, despite closed borders and lockdowns in Auckland with two events setting new records for domestic television viewership. New Zealand's largest tourism industry event, TRENZ, was held in Christchurch with around 800 domestic and trans-Tasman delegates attending. They also assisted with the publishing of the Ōtautahi Screen Protocols which processed 125 screen production inquiries were progressed, including the first international production since 2017.

ChristchurchNZ have ensured that the delivery of development projects in New Brighton, the central city and Sydenham that were transferred from DCL on 1 November 2020 continued plus they began to establish a new urban development function from 2021-22 in response to the letter of expectation received from Council while reprioritised activities to attract tourists, talent and international students in light of COVID-19 border restrictions

Greater Christchurch Partnership

The partnership embarked on a strategic reset – Greater Christchurch 2050 – and in the current year an assessment of wellbeing, extensive community engagement, the development of a draft plan for consideration by the Greater Christchurch chief executives were completed.

We have advanced discussions with central government regarding an Urban Growth Partnership and embarked on the development of a new Spatial Plan for Greater Christchurch with central government. This will consider how Greater Christchurch responds to climate change and provides wellbeing in the context of population growth. We completed an interim business case into the feasibility of Mass Rapid Transit for Greater Christchurch and continued to progress implementation of actions from Our Space.

Public Information and Participation

As a resident-focused, outward looking organisation, we need to provide our community with timely, relevant and accurate information, using the channels residents use. Tone of voice training is included in shared service induction and customer services training.

News media

We made better use of online and social media and targeted electronic communications to interest groups, supplementing and improving on traditional communication means with reduced advertising costs – since 2016 this has gone from \$1.4 million to \$924,000, with a further reduction in in-house social media of \$60,000 and 95 per cent of submissions on engagements (not including the Long Term Plan) were online, with 5 per cent hard copy.

Facebook interactions dropped slightly (artificially high in 2019-20 because of COVID-19 lockdown) and total engagement (reactions, comments, shares) was 1,442,159, a drop of 1.7 per cent with posts totalled 1072, with the most popular posts relating to recycling, lost dogs and transport.

We increased our spending for Instagram and doubled the number of posts and engagement increased by 47.7 per cent, with the most popular posts being the earthquake anniversary service, the School Strike for Climate Change and the Botanic Gardens.

Newsline – our digital news channel had 978,545 page views – 0.4 per cent down on the previous year when COVID-19 boosted traffic to the site and its reach is increasing as mainstream media use the stories as a resource and people share content with 700 stories published.

E-newsletters included the Newsline publications – 5,146 subscribers (up 20 per cent on 2019-20) with specific projects publications – about 29 newsletters each month to 51,719 subscribers and information for community boards – 154 newsletters to 5,726 subscribers.

Communications, engagement and media

We undertook 47 engagements and consultations and received 7,072 submissions and/or feedback. We wanted to make consultations easy and accessible for those who haven't participated in the past, including youth and migrant groups. We adopted a new process for low-level issues, where people have little ability to influence outcomes. This will help manage public expectations.

We developed and implemented 79 communication strategies or plans on a range of topics and provided communication support for the many changes to the Christchurch District Plan.

We responded to 2,155 media inquiries of which 95 per cent of media inquiries acknowledged within 24 hours.

Housing

This year, in partnership with the Ōtautahi Community Trust, we increased the supply and quality of social housing in the city.

We helped fund the development of four new complexes, adding 118 new homes to the trust's portfolio, and construction began on another 72. We have loaned the trust \$55 million for this work, which will help meet the needs of some of our most vulnerable citizens.

Warm and Dry Programme

We worked with the trust to bring this programme close to completion and our tenants tell us that this has made a significant difference to the warmth and dryness of units.

This \$16 million was approved to accelerate our compliance with the new Healthy Homes standards. We've reached the end of that programme two years ahead of the compliance date set by central government.

Fire, methamphetamine and asbestos

Unfortunately we had to repair five fire-damaged units. To reduce fire risks, we are working with Ōtautahi Community Trust to educate tenants about fire prevention and safety. The trust is also working with Fire and Emergency New Zealand (FENZ) to install more smoke alarms, exceeding regulatory requirements.

In addition, nine units were contaminated with methamphetamine and required decontamination.

We've been inspecting units for asbestos, to help plan for future works.

One damaged complex was sold because the repair and upgrade costs were too high. Units in this complex had poor layout and there was an over-supply of public housing in the area. The money from this sale is used to improve the quality of some other units.

Maintenance

Ōtautahi Community Housing Trust is now responsible for delivering major maintenance work. Previously a Council responsibility, this change allows more integrated planning, improved tenant experience, and potential for added value through procurement changes.

Community Housing Strategy

This new policy frames community housing as central to the city's wellbeing. It sets the future direction for the Council's role in both social housing and affordable housing and focuses on working in partnership with other providers.

Priorities under the strategy include investigating options for providing community housing at scale, and ensuring that the use of Council land and resources supports and retains a range of community housing.

Other achievements

- 12 units had full exterior painting
- 16 units had significant tree maintenance work
- 14 units had path and driveway repairs or replacement
- Concrete balconies at Gloucester Courts now meet the current building code
- 5 units had services repaired or replaced
- Harman Courts received a full roof replacement
- 2 complexes had communal laundry upgrades
- 25 units had interior upgrades
- Ground work and consent applications were completed for drainage work at McKenzie Courts (starting in 2021/22)
- 16 bathroom upgrades were started (continuing in 2021/22)
- 1 complex is undergoing floor levelling (continuing in 2021/22)

Corporate services

Our project to remediate employees and former employees for historic underpayments of leave entitlements reached a significant milestone in June.

The underpayments came about through misinterpretations of the Holidays Act 2003 – mistakes made by many other employers throughout New Zealand.

By the end of June all current employees had received remediation payments for underpayments that occurred from 1 April 2011 to 31 December 2019. Early in 2021-22 we will start making payments to former employees for the same period.

This extremely complex project has involved staff from payroll, finance, HR and IT. It will continue until our payroll system is updated to be fully compliant with the Act, and current and former employees owed money from 1 January 2020 to the date of compliance are paid what they are owed.

We supported staff members, providing payroll, training and other organisational support services. At 30 June 2021 we employed 2,684 people in 1,756 fulltime equivalent roles.

We ensured short and long-term planning documents, including the Long Term Plan 2021-31, and other finance reports were prepared to a high standard and accurately reflected our position and our forecast activities.

We managed the \$1.96 billion external borrowing programme and worked with credit rating agencies to ensure our credit rating is appropriate and maintained at the highest possible level.

Our focus on continuous improvement and making it easier for citizens to work with us to get things done continued.

We continued to refresh our information systems to enable us to present a consistent, relatable identity across our face-to-face, written and online communications, to enhance our interactions with citizens at all levels of our community.

Internal audit support was provided in planning for and managing risk and to ensure our legal obligations as a territorial authority were met.

We managed the vehicle fleet and we supplied professional property management and consultancy services relating to the property portfolio and property transactions.

Advice was provided to elected members on a wide range of technical and legal matters.

We provided information and communication technology (ICT) services, including application support and development, website and intranet content and development, document and records management, GIS, aerial photography and mapping services, and ICT infrastructure and security services. A high standard of data security was maintained.

Annual survey of residents

The Residents Survey has two components: a General Service Satisfaction Survey and a range of Point of Contact surveys.

Overview of Results

The 2020-2021 residents' survey shows that 46 per cent of services surveyed with a resident satisfaction component met their level of service targets, slightly more than last year. Thirteen services returned satisfaction scores of 85 per cent or above (up slightly from 11 last year).

Services that residents rated highly that scored over 85 per cent, include our environmental education programmes, libraries, walk in and telephone customer services, recreation and sport facilities, Botanic Gardens, Mona Vale, Hagley Park, regional parks, cemeteries, and customer support provided to funeral directors, and to the events and recreation and sport industries.

General Service Satisfaction Survey

The General Service Satisfaction Survey measures satisfaction for services most people in the city will have had experience using, such as roads, water and waste.

The General Service Satisfaction Survey was conducted from 20 January to 11 February 2021. The survey was conducted via an online panel. Anyone who had not lived in Christchurch for a 12-month minimum was excluded, as was anyone who elected not to identify their suburb or age.

The survey sample was 770 respondents. The resulting data provided a maximum margin of error of ± 3.5 per cent. Overall satisfaction with Council is measured via the General Service Satisfaction Survey and hasn't changed much since last year. Overall satisfaction sits at 49 per cent, a 1 per cent decrease on last year's result of 50 per cent. 57 per cent of General Service Satisfaction Survey respondents agreed the Council as a whole was easy to interact with (down from 65 per cent in 2020).

What we do well are:

Activity	Satisfaction
Inner city parks presentation	82%
Residual waste collection	80%
Kerbside organic collection	77%
Kerbside recycling collection	76%
Water supply reliability	75%

What we could improve:

Activity	Satisfaction
Road condition	29%
Understanding how Council makes decisions	33%
Footpath condition	36%

Roading has remained the main underperformer for the last few years.

Only 29 per cent of those surveyed are satisfied with the condition of city roads, up slightly from 26 per cent last year, and 36 per cent are satisfied with the footpaths, down slightly from 40 per cent last year.

Point of Contact Survey

Point of contact surveys measure service satisfaction at a customer's point of contact with the service. These surveys are used for a range of services where there is a specific customer base such as consents, libraries and event attendees.

Point of Contact Service Satisfaction Surveys are conducted at service sites, or users are contacted by either telephone, email, post or mail drop. Respondent sample sizes range from approximately 15 to 1,500 per service, depending on user numbers and the scale of site services.

Overall, more than 5,360 point of contact surveys were completed (2019-2020: 7,300).

What we do well are:

Activity	Satisfaction
Delivery of environmental, conservation, water and civil defence education programmes	100%
Cemeteries administration services (interment application processes)	100%
Hagley Park	98%
Botanic Gardens and Mona Vale presentation	97%
Libraries	95%

What we could improve:

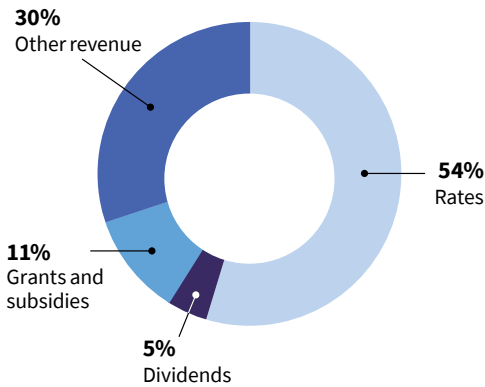
Activity	Satisfaction
Community parks presentation	63%
Email customer services	71%
Marine structures: equitable access for recreational, commercial and transportation purposes	71%

Two Point of Contact Service Satisfaction Surveys recorded a 100 per cent satisfaction rating: education programmes and cemeteries administration services (interment application processes).

Financial highlights

Total revenue

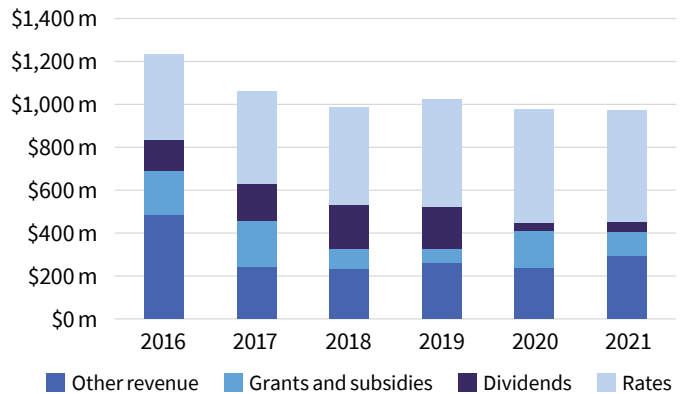
Sources of revenue 2021



Council Operations

The increase in income from fees and charges and development contributions, which form part of other revenue, have risen on the back of an increase in building activity.

Sources of revenue actual



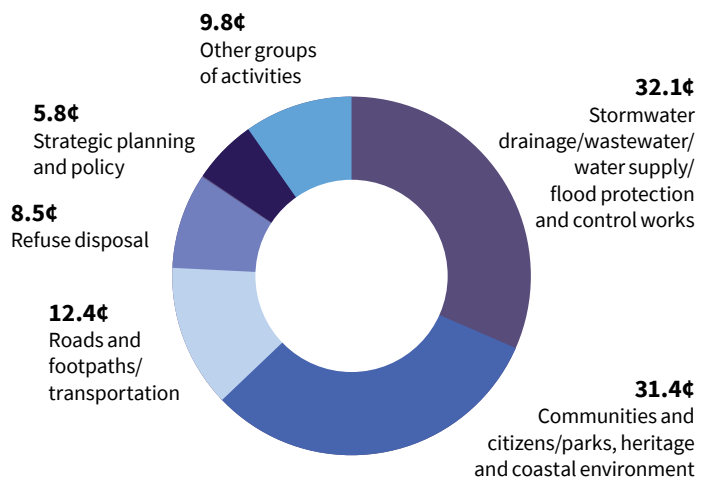
Over the past six years

During the past five years, revenue has remained relatively constant however the mix from which this revenue is sourced has changed. The proportion of rates income to other revenue streams has increased as historical earthquake related recovery funding has subsided and this has resulted in a shift in the reliance on rating income over other sources.

Where do my rates go?

Major components of the rates dollar

- 32.1 cents goes to the three waters (water supply, stormwater drainage and wastewater) plus flood protection and control works;
- 31.4 cents goes to communities and citizens* and parks, heritage and coastal environment;
- 12.4 cents goes to transport, roads and footpaths;
- 8.5 cents goes to refuse disposal;
- 5.8 cents goes to strategic planning and policy; and
- 9.8 cents goes to other GOA (including regulatory and compliance, governance and corporate).

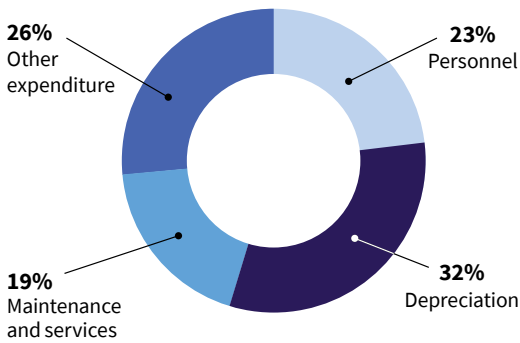


* This includes Christchurch Art Gallery, museums, libraries, community development and facilities, pools and recreation centres, community arts and events, and civil defence and emergency management

Financial highlights

Total expenditure

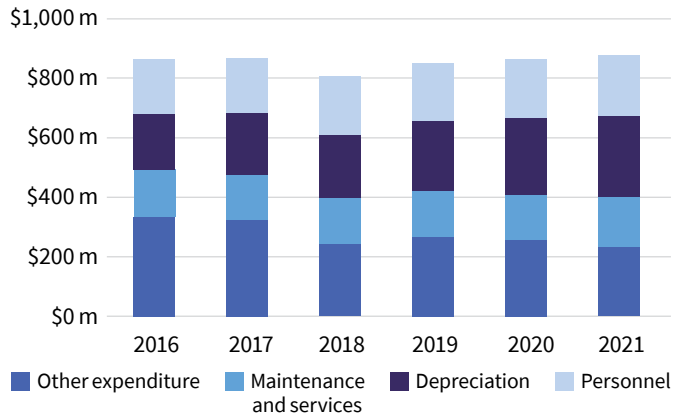
Expenditure categories 2021



Council Operations

Our policy is to rate for the long run average cost of asset renewals and replacements. In the 2021 year, the Council recorded an accounting charge of \$277 million for the depreciation and amortisation of Council assets. Personnel costs of \$203 million represents 23% of total expenditure which is consistent with previous years. Other expenditure includes finance costs of \$87 million on total borrowing of \$2.1 billion.

Expenditure categories actual



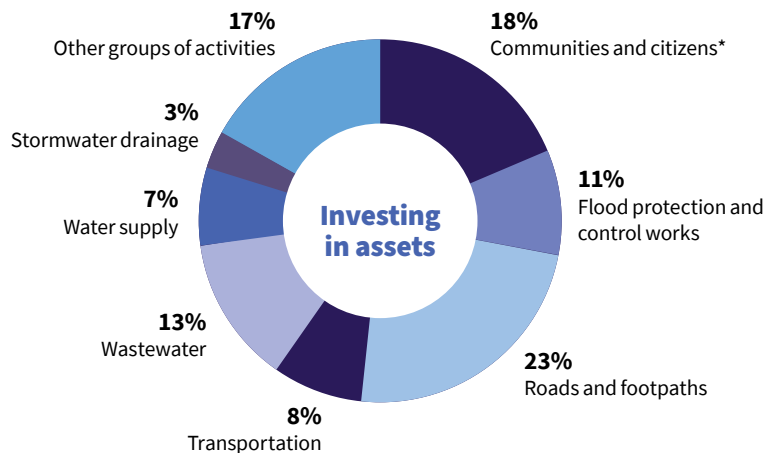
Over the past six years

During the past five years, with the exception of 2018, expenditure has remained relatively consistent with even the proportional mix of expenditure being constant with personnel cost remaining within a small band of 21-24% of total expenses. Increasing capital expenditure on infrastructure has resulted in a steady climb in the depreciation charge recognised by Council. Significant revaluation increases will also impact future depreciation costs.

Capital expenditure

The Council spent \$446 million on significant asset investment in the 2021 year on:-

- infrastructure works including the Northern Arterial Extension, Christchurch Northern Corridor, the Major Cycleways and Accessible Cities programmes for Hereford and Victoria Streets
- sports facilities, including the Parakiore Recreation and Sports Centre
- community facilities, including the Saint Albans Community Centre



* This includes Christchurch Art Gallery, museums, libraries, community development and facilities, pools and recreation centres, community arts and events, and civil defence and emergency management

Your Council



Your Council

How the Council works

Elected members

Christchurch residents and ratepayers are represented by the Council and Community Boards. Every three years the Council holds elections for the people who will act and speak for our community. The last triennial election was on 12 October 2019

Council

The Mayor and 16 Councillors, govern the city and ensure the needs of its residents are met. The Mayor is elected from the whole city and one Councillor is elected from each of the 16 wards.

The wards that make up the city are Banks Peninsula, Burwood, Cashmere, Central, Coastal, Fendalton, Halswell, Harewood, Heathcote, Hornby, Linwood, Innes, Papanui, Riccarton, Spreydon and Waimairi

The Council makes decisions for Christchurch's future, plans the way forward and is accountable for delivering what the community has identified as necessary to provide good quality local infrastructure, local public services and to perform regulatory functions.

The main direction of the Council for the period of this Annual Report is outlined in the LTP 2018-2028, which the Council consulted on then adopted in June 2018.

The elected members agree on the Community Outcomes that they want to achieve as the city evolves.

They are published in the LTP and together with the community and its strategic partners, the Council prepares a work programme aimed to achieve the Liveable city, Resilient communities, Healthy environment and Prosperous economy outcomes.

There is more information on Community Outcomes in our Community Outcomes section of this report.

Community Boards

At a local level, seven Community Boards represent and are an advocate for the interests of their communities.

Community Boards make decisions on some local matters and advise the Council on local needs, community views and how Council proposals will affect their communities.

The Community Boards are made up of 37 Community Board members and the 16 Councillors elected from each ward.

The Community Boards are Banks Peninsula, Coastal-Burwood, Fendalton-Waimairi-Harewood, Halswell-Hornby-Riccarton, Linwood-Central-Heathcote, Papanui-Innes, Spreydon-Cashmere

Community Outcomes

What are Community Outcomes?

The purpose of local government is to promote the present and future wellbeing of its community. Our Community Outcomes define what wellbeing means for our community. The Community Outcomes listed below helped set the direction for the 2018-2028 Long-Term Plan (LTP) and 2020/21 Annual Plan. All Council activities described in the 2018 LTP and 2020/21 Annual Plan contribute towards them.

These Community Outcomes were reviewed at the end of 2019 as part of the incoming Council's consideration of its key direction-setting document, the Strategic Framework. The Community Outcomes were slightly revised and these revisions have been shared as part of the March 2020 consultations on the 2020/21 Annual Plan. The revised Community Outcomes will be available on the Council website when the consultations on the revised Annual Plan are complete.

The Community Outcomes

Our Community Outcomes are grouped under four themes that reflect the four wellbeings specified in the Local Government Act – social, cultural, environmental and economic wellbeing.

For the 2018 LTP, these themes were: strong communities, liveable city, healthy environment and a prosperous economy. The revised Community Outcomes adopted for the 2021 Annual Plan have amended the strong communities theme to resilient communities.

This Annual Report is for the 2020/21 financial year, 1 July 2020 – 30 June 2021. It records the financial impacts and qualitative narrative of the activities and services the Council and its organisations delivered to Christchurch residents during the year. It is underpinned by the strategic directions and community outcomes in the Long Term Plan 2018-28 and the Annual Plan for 2020/21.

The Strong Communities outcome includes Strong sense of community, Active participation in civic life, Safe and healthy communities, Celebration of our identity through arts, culture, heritage and sport, Valuing the voices of children and young people.

The Liveable City outcome includes Vibrant and thriving central city, suburban and rural centres, a well connected and accessible city, sufficient supply of, and access to, a range of housing and 21st century garden city we are proud to live in.

Healthy environment

- Healthy waterways
- High-quality drinking water
- Unique landscapes and indigenous biodiversity are valued
- Sustainable use of resources

Prosperous economy

- Great place for people, business, and investment
- An inclusive, equitable economy with broad-based prosperity for all
- A productive, adaptive and resilient economic base
- Modern and robust city infrastructure and facilities network

How do we achieve these outcomes?

All of the Council's work programmes and budgets are designed to support progress towards our Community Outcomes. We cannot achieve these Outcomes alone so we collaborate closely with the Government, other agencies and the community. There will be challenges in achieving these Outcomes. The 2010-2011 earthquake sequence was one such challenge and the COVID-19 pandemic and associated recession is another. Further information on each Outcome, what it means for the community, and how we monitor our progress towards these Community Outcomes is available on our website.

The elected Council



Back Row (from left):

Councillor Aaron Keown, Councillor Jake McLellan, Councillor Sam MacDonald, Councillor Dr Melanie Coker, Councillor Tim Scandrett, Councillor Mike Davidson, Councillor Anne Galloway, Councillor James Daniels.

Front Row (from left):

Councillor Sara Templeton, Councillor Yani Johanson, Councillor Catherine Chu, Councillor James Gough, Mayor Lianne Dalziel, Deputy Mayor Andrew Turner, Councillor Phil Mauger, Councillor Pauline Cotter, Councillor Jimmy Chen.

Chief Executive and Executive Leadership Team



From left:

Miles McConway	General Manager Resources
Jane Davis	General Manager Infrastructure, Planning and Regulatory Services
Dawn Baxendale	Chief Executive
Lynn McClelland	Assistant Chief Executive Strategic Policy and Performance
Mary Richardson	General Manager Citizens and Community

Community Board Members

Banks Peninsula Community Board

Tori Peden (Chairperson) – *Wairewa subdivision*
Tyrone Fields (Deputy Chairperson) – *Lyttelton subdivision*
Jamie Stewart – *Akaroa subdivision*
Nigel Harrison – *Akaroa subdivision*
Reuben Davidson – *Lyttelton subdivision*
Howard Needham – *Mount Herbert subdivision*
Scott Winter – *Mount Herbert subdivision*

Councillor

Andrew Turner – *Banks Peninsula ward*

Coastal-Burwood Community Board

Kelly Barber (Chairperson) – *Coastal ward*
Jo Zervos (Deputy Chairperson) – *Coastal ward*
Bebe Frayle – *Burwood ward*
Linda Stewart – *Burwood ward*

Councillors

James Daniels – *Coastal ward (resigned 1 July 2021)*
Phil Mauger – *Burwood ward*

Fendalton-Waimairi-Harewood Community Board

David Cartwright (Chairperson) – *Fendalton ward*
Bridget Williams (Deputy Chairperson) – *Fendalton ward*
Linda Chen – *Harewood ward*
Jason Middlemiss – *Harewood ward*
Mike Wall – *Waimairi ward*
Shirish Paranjape – *Waimairi ward*

Councillors

James Gough – *Fendalton ward*
Aaron Keown – *Harewood ward*
Sam MacDonald – *Waimairi ward*

Halswell-Hornby-Riccarton Community Board

Mike Mora (Chairperson) – *Hornby ward*
Andrei Moore (Deputy Chairperson) – *Halswell ward*
Debbie Mora – *Halswell ward*
Mark Peters – *Hornby ward*
Helen Broughton – *Riccarton ward*
Gamal Fouda – *Riccarton ward*

Councillors

Jimmy Chen – *Hornby ward*
Anne Galloway – *Halswell ward*
Catherine Chu – *Riccarton ward*

Linwood-Central-Heathcote Community Board

Alexandra Davids (Chairperson) – *Central ward*
Sally Buck – *Central ward*
Sunita Gautam – *Central ward*
Michelle Lomax – *Central ward*
Darrell Latham – *Heathcote ward*
Tim Lindley – *Heathcote ward*
Jackie Simons – *Linwood ward*

Councillors

Yani Johanson – *Linwood ward*
Jake McLellan – *Central ward*
Sara Templeton – *Heathcote ward*

Papanui-Innes Community Board

Emma Norrish (Chairperson) – *Papanui ward*
Simon Britten (Deputy Chairperson) – *Papanui ward*
Ali Jones – *Innes ward*
Emma Twaddell – *Innes ward*

Councillors

Pauline Cotter – *Innes ward*
Mike Davidson – *Papanui ward*

Spreydon-Cashmere Community Board

Karolin Potter (Chairperson) – *Spreydon ward*
Lee Sampson (Deputy Chairperson) – *Spreydon ward*
Keir Leslie – *Cashmere ward*
Callum Stewart-Ward – *Cashmere ward*

Councillors

Melanie Coker – *Spreydon ward*
Tim Scandrett – *Cashmere ward*

Governance and management

The Council works for the people of Christchurch, providing essential services and planning for the future, based on the desires of the community.

Governance is about setting direction and achieving the vision and goals of the city. This is the role of the Mayor and Councillors who set priorities and policies, and review progress. The Mayor and Councillors employ the Chief Executive and delegate to her the management and delivery of Council services. The Chief Executive and her staff are then responsible for implementing the policies and strategies set by the Council.

The Council's elected members and staff work within a range of systems and processes that help ensure they comply with New Zealand laws and follow good business practice. These checks and balances help the community to interact with the Council, and assure the public that the Council is acting in their best interests. The checks and balances include:

Training elected representatives

After every election, Council staff and others, such as Local Government New Zealand, assist in training incoming elected members. Training is ongoing and includes meeting procedures, conflicts of interest, and an overview of the boundaries that local authorities operate within.

Listening to the community

On many occasions the Council is required to listen to the community and consider the views of residents and ratepayers when making decisions. It does this by holding formal public consultation on city projects that include public hearings, and receiving petitions and deputations at Council, Committee and Community Board meetings. It also receives public opinion via social media and the internet, through programs such as 'Have Your Say', which actively solicits public views on many matters.

Legislative compliance

The Council uses in-house lawyers and hires consultants to help ensure it complies with the wide range of laws and regulations governing local authority activities.

Accountability

The law requires Council activities to be clear and transparent. The Council does this by holding open meetings, live-streaming full Council meetings on the web and posting meeting agendas and reports on its website for public and media scrutiny. It also distributes printed copies of these documents through its network of service centres and libraries.

The Council complies with the Local Government Official Information and Meetings Act 1987, which provides for Council information to be made available on request unless there is good reason to withhold it. The Council informs residents of Council decisions and projects through its website, social media, newspaper features, radio interviews, public notices, e-newsletters, at public meetings and by informing the media.

Audit

The law requires the Council to prepare financial statements that fairly reflect the organisation's financial position, performance and cash flows. In addition, the Council must report on how well it achieved non-financial objectives, set three-yearly as part of the LTP process. The Auditor-General is the auditor of Christchurch City Council and its subsidiaries and controlled entities. The Auditor-General uses the staff and resources of Audit New Zealand, to report on the information in the City Council's annual report that we are required to audit under the Local Government Act 2002. They are also required to report on whether the City Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and the completeness and accuracy of the City Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

Internal audit

The Council's internal audit monitors its internal controls and reviews function. Deloitte provide resource and expertise to aid delivery of this function.

Risk management

The Council has an Audit and Risk Management Committee, comprising Council representatives and external members experienced in financial and risk management.

Monitoring Council Controlled Organisations

The Council has financial and governance interests in other organisations.

CCHL is a significant wholly-owned subsidiary. It groups trading activities under one umbrella and keeps the Council at arm's length from the activities of Council Controlled Organisations (CCOs), which operate as profit-making enterprises.

The major CCOs are:

- Christchurch City Holdings Limited (CCHL)
- Orion New Zealand Limited (Orion)
- Christchurch International Airport Limited (CIAL)
- City Care Limited (City Care)
- Lyttelton Port Company Limited (LPC)
- RBL Property Limited (RBPL) formerly known as Red Bus Limited
- Enable Services Limited (ESL)
- EcoCentral Limited (EcoCentral)
- Development Christchurch Limited (DCL)

The Council also has interests in other smaller CCOs:

- ChristchurchNZ Holdings Limited (CNZ)
- Civic Building Limited (CBL)
- Venues Ōtautahi Limited (VŌ) formerly known as Vbase Limited
- CMUA Project Delivery Limited (CMUA)
- Transwaste Canterbury Limited (Transwaste)
- Riccarton Bush Trust (RBT)
- Rod Donald Banks Peninsula Trust (RDBPT)

Each CCO is required to produce a Statement of Intent (SOI) that it develops in consultation with the Council. This sets out the objectives, the nature and scope of its activities, its performance targets and how its performance will be measured. CCOs are required to report to their shareholder bi-annually.

For more detail go to: [Group Structure and Council Controlled Organisations](#).

Māori involvement in decision making

Te Tiriti o Waitangi and subsequent legislation such as the [Resource Management Act 1991](#), the [Te Rūnanga o Ngāi Tahu Act 1996](#) and the [Local Government Act 2002](#), guide how Christchurch City Council engages with Māori.

Combined, these documents set the basis of consultation with Iwi and Mana Whenua to ensure that the views and values of Māori are considered across Council activities as we make decisions about the city, its resources and the environment. Land, water (all forms) and the natural environment are of significant cultural value for Māori – similarly this is true for the wider Christchurch Community.

Council directly engages with iwi - Te Rūnanga o Ngāi Tahu, and six of the Papatipu Rūnanga who fall within the Council catchment as mana whenua of respective rohe: Te Ngāi Tūāhuriri Rūnanga, Te Hapū o Ngāti Wheke, Wairewa Rūnanga, Te Rūnanga o Koukourāata, Ōnuku Rūnanga and Te Taumutu Rūnanga. The Papatipu Rūnanga collectively formed a body (Te Kāhui Kahukura) to engage in decision making at the strategic level with Council to advance mutual goals, namely to support the environmental, social, cultural and economic wellbeing for Māori, as well as benefiting the wider Canterbury community through strengthened relationships in related areas of interest.

This engagement is achieved through committee under the auspices of the Te Hononga - Papatipu Rūnanga Committee which meets quarterly.

At the operational level the relationship is strengthened through the Ngāi Tahu Relationship Team consisting of a Principal Advisor (reporting directly to the Chief Executive), and a Senior Advisor. The purpose of this team is to foster working and strategic relationships between the Council and Papatipu Rūnanga on a daily basis. The team also guide Council staff on cultural substance of policies, procedures and strategies set within Christchurch City Council.

The Council has an operational and functional relationship with urban Māori whose tribal affiliations are from outside of the region. Te Rūnanga o Ngā Maata Waka is a valuable stakeholder who provides social services to the Māori community.

Māori specialist organisations also have an important part of the Council / Māori relationship.

The Mahaanui Kurataiao Limited relationship has grown and developed. This is the vehicle where the six Rūnanga provide cultural expertise into decision-making on environmental matters and resource management to assist in developing policy statements and plans for the city.

Matapopore, a charitable trust that is mandated by mana whenua has provided design, arts and urban planning advice. Their contribution to the rebuild of Christchurch has created a Ngāi Tūāhuriri aesthetic in the city that is exciting and unique.

Council values these relationships with Ngāi Tahu/ Māori and will continue to promote opportunities for partnership and greater community benefit.

Over the current year, Council and Rūnanga have engaged on important environmental matters and in particular, activities to protect and replenish our natural environmental resources. Mana whenua continue to support the Council through the city recovery and regeneration.

Cultural support and presence was also provided to many key events and projects throughout the reporting period including the 10th anniversary of the Christchurch Earthquakes and the recent Muslim memorial service.

The Council continues to develop staff cultural capability and provides pathways for staff to participate to extend their understanding of Te Ao Māori and to engage successfully with Te Rūnanga o Ngāi Tahu and the six Papatipu Rūnanga within the city catchment. As well as providing Treaty of Waitangi workshops for all newcomers to the organisation, Council employees enjoy access to:

- Learning Te Reo Māori.
- Broadening their understanding of Te Ao Māori through attending various engagement workshops.
- Learning waiata.

Christchurch City Council is committed to extending its engagement with Māori beyond legislative requirements and through association by partnering in key activities of mutual interest. We aspire to be known as a good Treaty partner - making things happen because we know it is the right thing to do.

Council activities and services



Activities and services summary

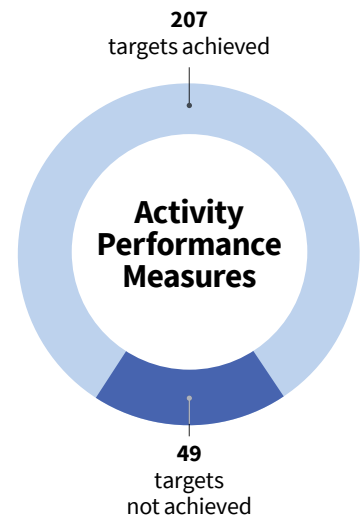
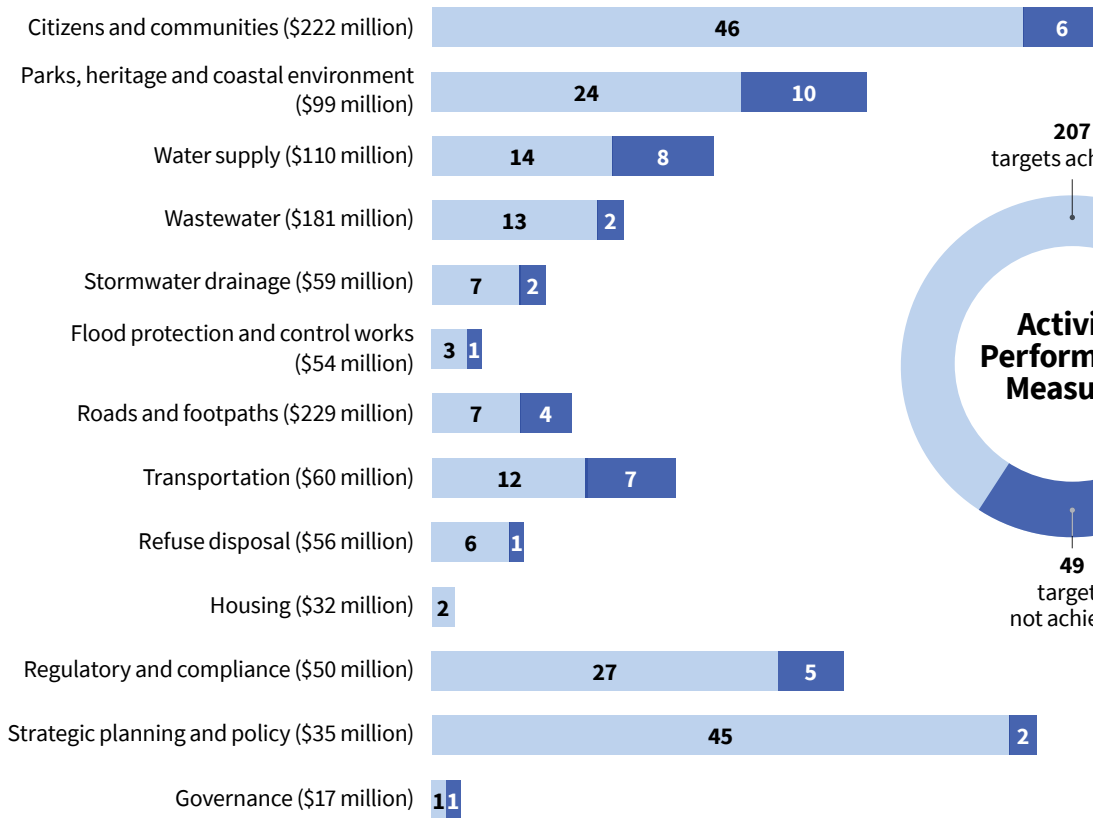
We are responsible for a large range and variety of services and activities. For example, we collect rubbish, recycling and green waste, build and maintain roads and the water supply network, and run the Botanic Gardens, Christchurch Art Gallery, city libraries and many festivals and events.

These activities are grouped into 14 Council Activities and Services; you can find further detail in the Council activities and services section of the Annual Report. There are no performance measures for Corporate services (\$121 million of capital and operating expenditure).

The summary graph below shows that, of 256 (2020: 261) measures we use to track performance:

- we have met the targets for 207 (2020: 197)
- we have not met the targets for 49 (2020: 62), and
- we have nil targets (2020: 2) that are no longer applicable or there is insufficient data available to report against.

Activity (with capital and operating expenditure) and performance measures



■ Number of targets achieved
 ■ Number of targets not achieved
 ■ Not measured

The Council has allocated its service delivery activities into groups, to facilitate management and reporting.

Summary of Income and Net Costs by Group of Activities

The following pages contain information on the Council activities and services listed below.

Group of Activity			2021	2020	
	Cost	Income	Net Cost	Net Cost	Net Cost
	Actual \$000	Actual \$000	Actual \$000	Plan \$000	Actual \$000
Communities and citizens	140,985	27,289	113,696	87,510	105,026
Parks, heritage and coastal environment	71,750	57,452	14,298	54,234	12,609
Water Supply	79,419	13,921	65,498	70,610	64,883
Wastewater	125,328	35,688	89,640	99,202	80,912
Stormwater drainage	44,193	12,602	31,591	42,472	24,974
Flood protection and control works	4,854	2,907	1,947	(1,894)	4,102
Roads and footpaths	123,779	64,701	59,078	72,443	(949)
Transportation	24,847	41,985	(17,138)	1,069	(51,539)
Refuse disposal	55,711	13,835	41,876	46,928	42,722
Housing	22,219	14,909	7,310	6,287	28,551
Regulatory and compliance	49,524	44,735	4,789	8,388	9,640
Strategic planning and policy	34,062	863	33,199	35,382	37,796
Governance	17,047	39	17,008	17,861	17,957
Corporate	86,243	644,867	(558,624)	(532,936)	(522,136)
Total cost of service delivery	879,961	975,793	(95,832)	7,556	(145,452)
Total cost of service delivery (excl Corporate)	793,718	330,926	462,792	540,492	376,684

Note: Actual Costs in internal recoveries.

Major net cost of service variance explanations are provided for each activity in their individual “*What did it cost?*” sections.

The table below reconciles the Council’s cost of services outlined in this section of the Annual Report with the total revenue and expenses per the financial statements.

Group of Activities Reconciliation to Financial statements

	Parent 30 Jun 21 Actual \$000	Parent 30 Jun 20 Actual \$000
Council activities and services revenue excluding Corporate activities	330,926	393,557
Rates revenue	556,696	530,297
Other revenue (primarily interest and dividends)	88,171	86,140
Total revenue	975,793	1,009,994
Council activities and services expenditure excluding Corporate activities	793,720	770,240
Other expenditure	86,239	94,301
Total expenditure	879,959	864,541

Summary of capital expenditure and depreciation & amortisation expenses charged to Activities

	Capital expenditure			Depreciation and amortisation		
	2021		2020	2021		2020
	Actual	Plan	Actual	Actual	Plan	Actual
	\$000	\$000	\$000	\$000	\$000	\$000
Communities and citizens	81,351	111,945	61,538	25,028	25,079	23,472
Parks, heritage and coastal environment	27,535	26,996	19,442	22,529	22,039	23,166
Water Supply	30,441	35,462	37,422	39,273	39,631	36,242
Wastewater	55,888	55,755	64,444	66,699	65,768	52,840
Stormwater drainage	14,835	21,861	12,727	21,688	20,036	13,682
Flood protection and control works	48,849	24,376	21,662	99	300	113
Roads and footpaths	104,935	87,354	84,679	65,062	62,873	61,439
Transportation	35,348	14,976	41,858	5,025	4,650	4,457
Refuse disposal	2,500	2,966	1,255	2,518	2,743	2,503
Housing	9,546	11,527	8,074	6,134	6,543	5,731
Regulatory and compliance	-	3	-	77	74	76
Strategic planning and policy	580	904	425	322	200	68
Governance	(23)	-	12	-	-	-
Corporate	34,298	112,965	36,763	22,330	20,600	20,956
Total	446,083	507,090	390,301	276,784	270,536	244,745

Major capital expenditure variance explanations are provided for each activity in their individual “*What did it cost?*” sections.

Summary of COVID-19 statements pertaining to service delivery impacts for each Group of Activity

Due to the unique circumstances that have faced New Zealand (and the world) over the past 18 months, the Council Group has continued to recover from COVID-19 and contribute to the city’s economic and social recovery. Whilst the impact of COVID-19 on some of CCHL’s trading entities has been significant, the wider Council Group holds a diverse group of key infrastructure assets and has the ability to balance the challenges of some of the entities in the short term, with others that have not been as adversely impacted. As Council provides a wide range of services and facilities to residents, due to the nature of these services, there have been no noticeable impacts to service delivery results due to COVID-19 lockdown.

Three waters service delivery

Over the past three years, central and local government have considered solutions to the challenges facing delivery of Three Waters services. This has seen the creation of Taumata Arowai, a national water services regulator, to oversee and enforce a new drinking water regulatory framework, with additional oversight of waste water and storm water networks.

The Council has signed a memorandum of understanding with the Crown, that commits us to work together to explore future service delivery options. This Financial Strategy, the Infrastructure Strategy and the LTP 2021-31 have been based on the assumption that we will continue to provide water, waste water and storm water services as there is not enough information at this stage on which to base any alternative delivery model.

Given the community will continue to require Three Waters services to be delivered, regardless of whether the Council does this or not, the core issues, work programmes and budgets will remain relevant. If, in future, these services are to be provided by a new entity this will significantly change our financial position as revenue, costs and debt along with asset ownership associated with provision of water, stormwater and wastewater services transition out of the Council’s books.

This would require significant changes to the Financial and Infrastructure Strategies, either as part of the process to develop the LTP 2024-34 or as an amendment to this LTP 2021-31.

At this stage, it is not possible to assess the likely impact and outcome of the reforms with any certainty.

Communities and citizens

What is communities and citizens, and what does the Council do?

Communities and citizens provides:

- community facilities: Christchurch Art Gallery Te Puna o Waiwhetū, museums and libraries;
- community: funding, events and festivals;
- facility and community-based programmes;
- recreation & sports facilities;
- sector co-ordination, support and advice;
- civil defence and emergency management; and
- first point of contact customer service for enquiries and interactions for the citizens and customers of Christchurch.

Citizens increasingly expect accessible and joined-up services, easy one-stop interactions and choice in how they engage with Council. The focus of Citizen and Customer services is to deliver first point of contact services ensuring an integrated and citizen-centric experience that makes it simple and easy to interact with Council.

Our community facilities, community development and funding activities support and encourage residents to volunteer and participate in community initiatives and to build community capacity and social capital.

The City's Art Gallery, museums and libraries provide residents and visitors with access to art, historical and other educational material. Their collections will continue to be enjoyed by future generations.

Our sport and recreational facilities deliver facility and community-based programmes. Sport and recreation activities contribute to the social and economic well-being of the community by offering a wide range of facilities such as pools, recreation centres, stadia and sporting facilities as well as services, programmes and events, many of which are based around those facilities.

Civil defence and emergency management (CDEM) work with communities to build resilience to disasters, promote understanding of hazards and risks, and to develop emergency preparedness. Along with other organisations and the community, the team responds to emergencies.

Why is the Council involved?

Local government's purpose includes meeting the current and future needs of communities by developing cost effective local infrastructure and public services, and promoting the cultural and social well-being of communities for the present and future. We contribute to this by running art galleries, libraries and museums and by offering various services to those using them.

We supply community and social infrastructure such as public amenities and facilities that allow residents to meet, socialise and develop strong and inclusive networks. Events strengthen community pride, promote the understanding of different cultures and a healthy lifestyle,

and showcase the good quality of lifestyle available in Christchurch.

We contribute to the community outcomes by helping make the city a place of diverse and inclusive communities, a city for recreation, fun and creativity and of life-long learning. These activities contribute to cultural identity and social cohesion, and enrich the lives of present and future citizens.

We contribute to the Strong Communities and Liveable City Community Outcomes. We do this through CDEM initiatives, by supporting community groups with development and funding. Community support helps build community and individual resilience by involving and encouraging local input into council decision-making.

We enhance the experience of visitors to the wider city, assisting their understanding of the influences that have shaped communities. The Art Gallery, museums and libraries have an important place in the region's tourism infrastructure, contributing to economic wellbeing.

The ability to participate in sport and recreation is seen as a fundamental component of community life in Christchurch.

The Council aims for a number of outcomes. For sport and recreation these include:

- people having equitable access to parks, open spaces, recreation facilities and libraries
- more and more people taking part in recreation and sport
- Christchurch being recognised as a great place to work, live, invest and do business
- services being available locally in urban areas
- people being actively involved in their communities, local issues and decision-making.

Sport and recreation activities contribute to the social and economic well-being of the community by offering a wide range of facilities such as pools, recreation centres, stadia and sporting facilities as well as services, programmes and events, many of which are based around those facilities.

Sport and recreation services also contribute to achieving four of the City's Community Outcomes:

- people have a sense of connection to and participate in their community
- people participate in a wide range of recreational activities
- Christchurch's culture and heritage is valued
- Christchurch is a good place to do business.

We do this by giving everyone the opportunity and encouragement to take part in leisure, sport and physical activities. We also promote the city economy through enabling the industry associated with providing residents an opportunity to live a healthy and active lifestyle.

How does it affect me?

Community services help us live in a safer, stronger community. We offer communities expert advice on developing groups and projects. We fund projects that make neighbourhoods better and safer places, and we provide neighbourhood facilities for socialising and recreation.

We stage community events throughout the year such as Summer Theatre, Lazy Sundays, Kite Day, Sparks, Fireworks Spectacular and KidsFest. We also support a range of events such as New Zealand Track and Field Championships, WORD Festival, and Jazz and Blues Festival.

Every time you visit Christchurch Art Gallery Te Puna o Waiwhetū or local museums and city libraries, you are using our cultural and learning services. You can find interesting material and collections, and participate in programmes, exhibitions and public events. There are also many online services and learning opportunities.

You may use our recreation and leisure facilities like the Pioneer, Graham Condon, Taioia:QEII or Jellie Park Recreation and Sport Centres or our specialist facilities around the City.

What activities are involved?

Christchurch Art Gallery Te Puna o Waiwhetū

The Art Gallery collects, preserves and presents our region's artistic heritage to residents and visitors. Christchurch Art Gallery Te Puna o Waiwhetū is a vibrant, dynamic space which caters to a strong and growing arts audience.

Museums

We run and support museums so that our region's heritage is collected, preserved and made accessible to residents and visitors. Akaroa Museum preserves and displays the history of Akaroa and Banks Peninsula.

Under the terms of the Canterbury Museum Trust Board Act 1993 we also contribute funds to the Canterbury Museum. Whilst Council has no operational responsibilities for the Museum, it does have four representatives on the Canterbury Museum Trust Board

Libraries

Christchurch public libraries are vibrant and welcoming community hubs, at the heart of local communities. They provide vital connections to the world of knowledge, ideas and imagination and foster literacy and learning from an early age. By ensuring free and equitable access for all, libraries enable people to participate as citizens and strengthen their communities, culturally, socially and economically. Libraries are an agent for community building, social inclusion and engagement. Cultural services are provided, often in partnership, to meet the needs of specific user groups, such as Māori, Pasifika and

people of other ethnicities. Services include: collections, both general and heritage; access to information and professional services; programmes and events and community spaces through 20 libraries, the mobile library and digital channels.

Community development and facilities

We distribute grants to community groups and not-for-profit organisations for projects and initiatives that benefit the city, local communities and communities of interest. We partner with a wide range of community organisations to build capacity and social capital within communities to deliver their own unique services and care for potentially vulnerable sectors.

We provide many community centres, halls and cottages that can be used for activities such as public meetings, dance or exercise classes, social gatherings, craft groups and sports workshops. While Council manages a number of these community facilities, we also empower and support community organisations to manage facilities for the benefit of the whole community.

Recreation, sports, community arts and events

Recreation and sport centres, swimming pools and stadia enable residents to take part in recreation and sport. As well as running these facilities, we support other groups running recreation and sport programmes, and secure regional, national and international sporting events for Christchurch.

We provide a variety of specialised facilities to cater for organised sports and other associated recreational activities. Examples include Nga Puna Wai, the Fencing Centre and the Denton Park velodrome.

We provide a year-round programme of free and affordable community arts and events, supporting a range of festivals that enhance the city's lifestyle qualities, and build capacity in the local events industry. Our major events attract visitors and support key industries in Christchurch and Canterbury.

Civil Defence and Emergency Management

We co-ordinate local CDEM activities, train Emergency Operations Centre (EOC) staff and community volunteers and respond to civil defence emergencies in a collaborative manner with partner agencies.

We promote community awareness of the likely impact of a disaster and encourage individuals, community groups, other organisations and businesses to be prepared.

Citizen and customer services

Citizen and customer services delivers multi-channel first point of contact customer service to the Council's citizens and customers. 12 Customer Service Hubs from Papanui in the north to Akaroa in the south enable face to face, phone, and email interactions. 24/7 phone, email and social media service channels are also delivered via our Civic Service

Hub. We provide information, take payments, bookings, registrations, and create and manage requests for service for a wide range of Council services.

What did we achieve?

Christchurch Art Gallery Te Puna o Waiwhetū

Christchurch Art Gallery welcomed 303,245 visitors during the 20/21 financial year, 84% of target. With reduced public movements at alert level 2, and New Zealand's borders remaining closed to an international audience, visitor numbers have been lighter than usual.

The overall visitor satisfaction for Christchurch Art Gallery is 98%, an increase of 1% from the previous year.

The Gallery presented 16 exhibitions over the period, with one exhibition, *Ātete (to resist) – Ralph Hotere*, developed in partnership with Dunedin Public Art Gallery.

35,066 visitors took part in public programmes during the twelve months. The target was 22,000.

11,703 children took part in education programmes at the Gallery. The target was 11,500.

124 works were added to the city's collection during the year; 54 were purchased, and 70 were gifted to the Gallery.

The Gallery published and distributed four editions of its quarterly magazine *Bulletin*, as well as four exhibition and collection-related publications. The Gallery received five publication awards and was shortlisted for a further three awards in 2020/21.

We supported public art in line with Public Art Advisory Group recommendations.

Museums

24,579 people visited Akaroa Museum during the 2020/21 year, exceeding the target of 24,300. Christchurch City residents and ratepayers represented 42% of the visitor total.

The Museum was open seven days a week, 363.5 days, a total of 2,102 hours for the year.

Three new temporary exhibitions were presented: *Banks Peninsula Landscapes May – Dec 2020*; *The Cocksfoot Harvest Dec 2020 – Mar 2021*; *Comte de Paris 180 Mar – Jun 2021*.

The Museum's collection grew with the addition of 86 objects (32 accessions), all documented, insured and safely stored. Access to the collections was maintained, with 104 collection-related and 333 family history enquiries received and answered.

Libraries

The Library service experienced another year of strong performance with a 95% customer satisfaction rating and 20,886 new members joining. The ongoing COVID-19 level changes continued to have a negative impact on visitor numbers, programme attendance, and use of physical collections, however digital resources and online services continue to experience strong growth.

2020/21 was a busy year for planning, with the development of the LTP 2021-31. In addition, three service delivery reviews (part of the LGA Section 17A process) were finalised for the Library Mobile Service, the Fingertip Library and the Library Management System.

In the last few months of the financial year, contractors have been busy getting the site ready for the build work to begin on the new Hornby Centre, which includes a new library, to be opened in late 2022. Building refurbishments have been completed this year at Parklands, Linwood and Little River libraries and service centres, continuing the roll out of the Citizen Hub model.

Circulation of physical collections increased by 13.1%, but there was a 5.1% decrease in digital downloads this year. This was not unexpected following the growth of 36.6% in 2019/20, which was mostly due to the COVID-19 lockdown bringing digital to the forefront for many customers. Canterbury Stories, the Digital Heritage Repository, has been live for 18 months and now offers access to over 30,000 items. The Discovery Wall had 11.9 million touches in the past year.

Māori and Multicultural Services continue to be offered with 8,548 attendees at 252 sessions in 2020/21. Demand has continued to steadily increase for specialist reference and research services. This year programmes included a *kōhanga* outreach programme, Ngā Pakiwaitara a regular Māori language storytimes, and a collaboration with University of Canterbury and Te Pā o Rākaihautū on a Māori STEM project.

Public programmes and events continue to meet customers' diverse learning and recreational needs with overall attendance for the year reaching 170,186 attendees at 8,766 sessions (including Maori and Multicultural above). Delivery with sustainable partnerships and collaborations remains a priority. Libraries provided Children's University experiences over the summer break, as well as Stories on Wheels with the outreach van in parks, Summer Stories at Riverside Market, Pop Up Library events and reading at pool parties.

Tūranga continues to forge an important role as a civic and community hub for the city of Christchurch and the wider metropolitan area. Tūranga hosted the inaugural E-Sports event in September 2020, in partnership with Smart Cities and sponsors PBTech and TSB. Cultural community celebrations at Tūranga this year have included: Matariki Wānaka Matariki Takiura, Chinese Lunar New Year, Philippines Independence day, Japan day, and Festa Della Repubblica. The library is an appealing venue for partners to deliver their events. Last December, the NZ Opera held a performance of 'Eight Songs for a Mad King on the Hapori floor. In April, a locally-developed autonomous electric aircraft was on display next to the café as part of 'Take

Charge Christchurch'. In May, staff hosted engineering tours with the team who designed Tūranga's seismic systems as part of the Open Christchurch series. These types of events help drive up use of the library collections, and they give people one more reason to come to the library.

Libraries are continuing to collaborate with Digital Inclusion Alliance Aotearoa, to help families in lower socio-economic areas to gain internet access at home via Skinny Jump. This year Libraries have partnered with Recycle a Device (RAD) offering used corporate computers, refurbished by school students, free for the Linwood community.

Community development and facilities

Over 2020/2021 Council assessed 2,117 applications for community funding. \$11,627,144 was granted toward community initiatives that continue to exist through the goodwill of volunteers.

Volunteers are involved in a wide range of activities including sports coaching, menz sheds, teaching arts and crafts, helping at food banks, pulling out weeds in reserves, painting walls in volunteer early learning centres. In addition they visit the elderly and emotionally unwell and mentor the children of prisoners (particularly young men). In the 2020/21 year we benefitted from just over 3,296,600 volunteer hours

Council's Graffiti team received 17,185 reports of tagging and worked with community partners to deliver 4,240 working group hours of volunteer help in removing it. A working group can be up to 70 people!

Opawa Volunteer Library opened in August 2020, Manuka Cottage in September 2020 and Kohinga - St Albans Community Centre in April 2021. Community partner organisations now operate 74 of a total of 91 facilities, 82% of the network.

Recreation, sports, community arts and events

Recreation and Sport

Recreation and Sport recorded another strong year with an 87% rating from customers satisfied with the range and quality of Council Recreation and Sport Centres and 92% satisfied with the quality of Council Recreation and Sport support.

He Puna Taimoana (New Brighton Hot water Pools) which officially opened on 30th May 2020 has been very successful in its first year of operation and continues to receive positive reviews.

All facilities remained open during the year with participation for the year at 4,785,765 within multipurpose recreation and sport centres, outdoor pools and stadia for the year. This is 467,000 more than the adjusted target.

In collaboration with funding partners we were able to provide 126,216 affordable swim lessons through primary schools in the community.

Our team continues to work on the planning, design and project management on three major recreation and sport facilities Parakiore Recreation and Sport Centre, the Hornby Centre, and Te Pou Toetoe: Linwood Pool.

Events and festivals

The Events, Partnership and Development team provided over 17,352 hours of staff support to community groups and received a customer satisfaction rating of 92% with the quality of Council event support.

We supported a full calendar of events at all levels. Highlights include international cricket, New Years Eve, Kidsfest, Ti rama Mai and Symphony in the City. Events allow us to promote the Christchurch story and attract visitors to the city.

Civil Defence and Emergency Management

This year, the Civil Defence Emergency Management (CDEM) unit, despite some logistical and deployment issues which are reflected in the levels of service, has continued to engage with community groups, where possible, to identify hazards in the community, and to assist in planning for emergencies. Our Community Resilience Coordinators (CRC) continued to work within dedicated areas across Christchurch City and Banks Peninsula. This community-focused approach to developing resilience has continued to receive support on the education front by our Stan's Got a Plan School programme, delivered by our colleagues from the Parks team.

Plans covering local readiness and response arrangements were reviewed throughout FY2020/21. The key focus was placed on those plans that have high or medium impact hazards for which CDEM are the lead agency such as earthquake, tsunami, flooding (severe weather) and land instability.

This year, with the new tsunami evacuation zones in place for the Christchurch City and Banks Peninsula, we were able to begin the city-wide tsunami public education campaign 'Know Your Zone'. This focused on the need to be aware of the tsunami evacuation zone that people lived or worked in, and to ensure they planned ahead should there be a need to evacuate.

We have continued to recruit, train and equip emergency operations centre (EOC) staff, New Zealand Response Team (NZRT) volunteers, and Emergency Support Team (EST) volunteers across the city.

We have continued to work closely with partner agencies in the Justice and Emergency Services Precinct in the City. As a result, we continue to be well-placed to respond to the COVID-19 pandemic, along with our responses to the triple-tsunami threat and the recent flooding event that affected the whole of Canterbury.

Citizen and customer services

The success of our team is measured by the feedback we get from our citizens and customers in response to the service we provide. This year we achieved a Residents satisfaction rating from satisfied to very satisfied from our Community of 97% for our walk in service and 92% for our phone service.

Significant projects completed this year include:
The planning and development for the LTP 2021-31.

Planning completion and site development for the build work to begin on the New Hornby Centre, which includes a new Customer Service Hub, to be opened in late 2022.

Service Hub refurbishments have been completed this year at Linwood and Little River. Post and Post Plus services introduced at Shirley and Riccarton, continuing the implementation of the Citizen Hub model.

The Service Request enhancement project continues to progress with improvements in citizen notifications, the management of service completion timeframes and organisational performance reporting as key focusses.

The migration of our Contact Centre technology solution to the cloud was also completed this year.

We completed 386,061 telephone enquiries, an increase of 2% compared to last Financial Year (378,419 calls). Email enquiries increased by 32.5 % from last year to 86,815 and online enquiries increased by 22.3% to 60,984 resulting in a combined increase of 28.1% for these digital channels. Our financial face to face transactions increased by 58.8% to 200,977 from last year, predominantly due to the launch of NZ Post Services at Shirley and Riccarton in July 2020. The number of requests for service this year was 151,655 which was also an increase of 16% from last year.

How did we measure up?

Christchurch Art Gallery Te Puna o Waiwhetu

Level of Service	Target	Achieved	Result	Prior Years
Develop, maintain and provide access to a collection of nationally significant art				
Hours of opening	[3.0.6] Hours of opening: No fewer than 2,749 per annum from re-opening	Achieved	The Art Gallery was open for 2,767 hours	2020: 2,311 hours 2019: 2,758.5 hours 2018: 2,756 hours
Visitors per annum	[3.0.1] Increase visitors by 5% per annum In 2020/21 = 362,747	Not achieved	303,245 visits for year 16.4% below target.	2020: 271,769 visits, 26% decrease per annum. 2019: 367,376 visits, 5.6% decrease per annum 2018: 388,968 visits
Visitor satisfaction with the Gallery experience	[3.0.2] At least 92% of visitors satisfied with the overall Art Gallery experience	Achieved	98% satisfaction	2020: 97% satisfaction 2019: 98% satisfaction 2018: 98% satisfaction
Develop and host art exhibitions and present a range of public programmes				
Exhibitions & publications presented	[3.0.8.2] No fewer than 12 exhibitions presented per annum	Achieved	16 exhibitions	2020: 17 exhibitions 2019: 16 exhibitions 2018: 15 exhibitions
	[3.0.8.1] 4-6 publications pa, with at least 1 significant publication every 2 years	Achieved	8 publications produced this financial year, including 4 editions of the Bulletin magazine and 4 exhibition and collection-related publications	2020: 4 editions of the Bulletin magazine and 1 significant publication 2019: 4 editions of Bulletin magazine and 3 exhibition publications 2018: 4 editions of the Bulletin magazine
Public and school-specific programmes delivered	[3.0.9.1] Average of at least 11,500 attend school specific programmes per annum	Achieved	11,703 attended school specific programmes	2020: 7,838 attendees 2019: 12,910 attendees 2018: 12,635 attendees
	[3.0.9.2] Average of at least 22,000 people attend advertised public programmes per annum	Achieved	35,066 people attended advertised public programmes	2020: 14,855 attendees 2019: 25,271 attendees 2018: 27,124 attendees

Museums

Level of Service	Target	Achieved	Result	Prior Years
Hold and distribute the Canterbury Museum levy				
Canterbury Museum levy paid annually.	[3.3.1] Canterbury Museum levy funding paid as required	Achieved	Levy was paid as required	2020: Levy was paid in line with timing agreed with Museum 2019: Planned levies in line with the amounts budgeted 2018: Levies agree with the Annual Plan targets
Operate the Akaroa Museum				
Visitors per annum to Akaroa Museum	[3.3.2] Visitors per annum of at least 24,300 per annum	Achieved	Visitor total 24,579	2020: 29,307 visitors 2019: 40,547 visitors 2018: 29,984 visitors
Hours of opening at Akaroa Museum	[3.3.3] Minimum 2,093 opening hours per annum	Achieved	2,102 hours of opening	2020: 1,739 hours open 2019: 2,093 hours open 2018: 2,105.5 hours open
Exhibitions presented	[3.3.4] No fewer than 2 exhibitions presented	Achieved	3 exhibitions presented	2020: 3 exhibitions 2019: 3 exhibitions 2018: 3 exhibitions
Collections developed and maintained with access provided.	[3.3.6.1] Collection grows in line with policy, with at least 98% accessioned within 3 months	Achieved	100% accessioned within 3 months. The Museum received an annual total of 32 accessions (86 objects)	2020: 99% accessioned within 3 months. 2019: 126 objects, 41 accessions and 100% documented within 3 months New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
Collections developed and maintained with access provided.	[3.3.6.2] All collection items stored safely and securely with access maintained	Achieved	Security of the Museum's collection was maintained, with all items stored safely and securely . Access to the collection was provided throughout the year, with 100 collection enquiries received and answered	2020: All collection items stored safely and securely with access maintained 2019: Collects safely stored and insured with access maintained New measure in 2019

Libraries

Level of Service	Target	Achieved	Result	Prior Years
Collections – including general, specialist, heritage and digital content, are available to meet the needs of the community.				
Collections in a variety of formats are available to meet the needs of the community	[3.1.1.3] Maintain collections at 3 - 3.5 items per capita	Achieved	3.4 items per capita	2020: 3.26 items per capita 2019: 3.19 items per capita 2018: 3.21 items per capita
Community spaces through a comprehensive network of libraries, the mobile service and digitally				
Residents have access to a physical and digital library relevant to local community need or profile – provide weekly opening hours for existing libraries.	[3.1.2.1] Metropolitan and Suburban 52 to 74 hours	Achieved	Metropolitan and large suburban libraries were open an average of 65.5 hours per week being within the required range	2020: Metropolitan and large suburban libraries were open 52-74 hours per week 2019: Metropolitan and large suburban libraries were open on average 52-74 hours per week 2018: Metropolitan: 52-59 hours. Large Suburban: 67 hours
	[3.1.2.2] Suburban Medium 48 to 57 hours	Achieved	Medium suburban libraries were open an average of 55.8 hours per week being within the required range	2020: Medium suburban libraries were open 48-51 hours per week 2019: Medium suburban libraries were open 48-57 hours per week 2018: Suburban Medium: 57 hours
	[3.1.2.3] Neighbourhood 36 to 57 hours	Achieved	Small community libraries were open an average of 40.6 hours per week being within the required range	2020: Small community libraries were open 36-46 hours per week 2019: Small community libraries were open 36-57 hours per week 2018: Neighbourhood: 48 hours
	[3.1.3.4] Free 24/7 Wifi access is available at Metropolitan, Suburban, and Neighbourhood Libraries	Achieved	Free Wifi available at all libraries 24/7	2020: Free Wifi available at all libraries 24/7 2019: Free Wifi available at all libraries 24/7 2018: Free Wifi available at all libraries 24/7
Provide a mobile library service to extend the library reach in order to increase community participation and reduce isolation	[3.1.2.4] Maintain a mobile library service of up to 40 hours per week	Achieved	The mobile van has been available an average of at least 40 hours a week over the past year	2020: 40 hours per week 2019: 40 hours per week 2018: 45 hours per week
Library user satisfaction with library service at Metro, Suburban and Neighbourhood libraries	[3.1.5] At least 90% of library users satisfied with the library service	Achieved	95% satisfaction	2020: 95% satisfaction 2019: 94% satisfaction 2018: 95% satisfaction
Equitable access to relevant, timely information and professional services				
Free access to online information using public computing devices and	[3.1.3.1] Access to online information using public computers and customer	Achieved	Access freely available	2020: Access freely available

Level of Service	Target	Achieved	Result	Prior Years
the internet and access to mainstream and new technologies	devices is freely available at all libraries			2019: Access is freely available New measure in 2019
Access to information via walk-in, library website, phone, email, professional assistance and on-line customer self-service. In library access to online information using public computing devices and the internet and access to mainstream and new technologies	[3.1.3.5] Maintain ratio of public internet computers at least 4 per 5,000 of population	Achieved	Ratio of 5.4 per 5,000 of population	2020: 5 public internet computers per 5,000 of population 2019: 6 public internet computers per 5,000 of population 2018: 6 public internet computers per 5,000 of population
Programmes and events designed to meet customers' diverse lifelong learning needs				
Programmes and events designed to meet customers' diverse lifelong learning needs	[3.1.4] Maintain participation of 250-350 per 1,000 of population	Achieved	Achieved 369 per 1,000 of population	2020: 397 per 1,000 of population 2019: 313 per 1,000 of population 2018: 296 per 1,000 of population

Community Development and Facilities

Level of Service	Target	Achieved	Result	Prior Years
Manage Community Grants funding and Community Loans, on behalf of Council and other funding bodies				
Effectively administer the grants schemes for Council	[2.3.1.1] 95% of reports demonstrate benefits that align to Council outcomes and priorities	Achieved	100% of reports demonstrate benefits that align to Council outcomes and priorities	2020: 100% 2019: 100% New measure in 2019
Community facilities provision and operation, including the provision of facilities for volunteer libraries				
Provide a range of well utilised community facilities, including voluntary libraries	[2.0.1.1] All Council-managed facilities have occupancy rates of 35% or higher	Achieved	38% utilisation rate	2020: 32-32.5% utilisation rate 2019: 38% average utilisation rate New measure in 2019

Recreation, Sports, Community Arts & Events

Level of Service	Target	Achieved	Result	Prior Years
Delivery of recreation, sports, community arts and events				
Provide citizens access to fit-for-purpose recreation and sporting facilities	[7.0.1.4] 4 Multi-purpose recreation and sport centres, QEII, Graham Condon, Jellie Park and Pioneer open 364 days pa for 106 hours per week	Achieved	4 Multi-purpose recreation and sport centres open as planned	2020: Achieved, 4 Multi-purpose recreation and sport centres open 2019: Achieved 2018: Achieved
	[7.0.1.1] 8 outdoor pools, 1 hot water pool and 8 paddling pools are open seasonally	Achieved	All pools remained open as planned (8 outdoor pools, 1 hot water pool and 8 paddling pools)	2020: All 8 paddling pools and all 8 outdoor pools open 2019: All 8 paddling pools and all 8 outdoor pools open 2018: Achieved. All 8 paddling and 7 outdoor pools open
	[7.0.1.3] 5 stadia are available for use 364 days per annum	Achieved	All 5 stadia open	2020: All 5 stadia open 2019: All 5 stadia open 2018: Not achieved; Nga Puna Wai did not open in 2017/18 due to vandalism of the track & hockey artificial surfaces delaying their opening to Spring 2018

Level of Service	Target	Achieved	Result	Prior Years
	[7.0.1.6] 13 leased recreation and sporting facilities are available for community use	Achieved	13 leased facilities available	2020: Achieved. 13 leased facilities available 2019: Achieved. 13 sports facilities available for lease 2018: Achieved. 16 sports facilities available for lease
	[7.0.1.8] 4 campgrounds are available for use 365 days per annum	Achieved	4 campgrounds available for use 365 days per annum	2020: 4 campgrounds available for lease 2019: 4 campgrounds available for lease New measure in 2019
Provide well utilised facility based recreational and sporting programmes and activities.	[7.0.2.2] The number of participants using multipurpose recreation and sport centres, outdoor pools and stadia at least 4.32 million (subject to meeting COVID-19 H&S requirements)	Achieved	4,785,765 participants	2020: 3.76 million 2019: 3.99 million 2018: 4.12 million
	[7.0.2.1] At least 100,000 Swimsafe lessons delivered(subject to meeting COVID-19 H&S requirements)	Achieved	126,216 Swimsafe lessons delivered	2020: 104,687 2019: 121,164 2018: 109,298
Support citizen and partner organisations to develop, promote and deliver recreation and sport in Christchurch	[7.0.3.1] 4,000 of hours of staff support provided to 100 community organisations	Achieved	4,005 hours provided to 205 organisations	2020: 4,644 hours provided to 200 organisations 2019: 4,091 hours provided to 114 organisations 2018: 12,968 hours provided to 384 organisations
	[7.0.3.2] 80% satisfaction with the quality of Council recreation and sport support	Achieved	88% satisfaction with support	2020: 87% 2019: 76% New measure in 2019
Deliver a high level of satisfaction with the range and quality of facilities	[7.0.7] At least 80% satisfaction with the range and quality of facilities (5.6 on a 7 point scale using CERM international benchmark)	Achieved	87% satisfaction with range and quality of facilities, a 6.1 CERM rating	2020: 92% satisfaction with range and quality of facilities and a 6.0 CERM rating 2019: 93% satisfaction with range and quality of facilities and a 6.0 CERM rating 2018: Survey not run in time for 2017/18 annual reporting
Provide facilities that have current PoolSafe accreditation and meet national standards for water quality	[7.0.6.1] Maintain PoolSafe accreditation for all eligible pools	Achieved	All eligible facilities achieved Poolsafe accreditation	2020: Achieved 2019: Achieved 2018: Achieved
	[7.0.6.2] Pool water quality standards are maintained at least 85% of NZS 5826-2010	Achieved	100% Pool water quality standards maintained	2020: Achieved 2019: Achieved 2018: Achieved
Produce and deliver an engaging program of community events	[2.8.5.1] A minimum of 11 events delivered annually of which three are marquee events. (Outdoor events subject to weather and meeting COVID-19 H&S requirements)	Achieved	11 events delivered	2020: 11 events 2019: 11 events New measure in 2019
	[2.8.5.2] At least 80% satisfaction with the content and delivery across three delivered events	Achieved	85.5% satisfaction	2020: 79% 2019: 81% 2018: 68%

Level of Service	Target	Achieved	Result	Prior Years
Support community based organisations to develop, promote and deliver community events and arts in Christchurch.	[2.8.6.1] 15,000 hours of staff support provided to 600 community organisations	Not achieved	17,352 hours provided to 475 organisations	2020: 15,878 hours provided to 468 organisations 2019: 16,440 hours provided to 563 organisations New measure in 2019
	[2.8.6.2] 80% satisfaction with the quality of Council event support	Achieved	92% satisfaction	2020: 88% satisfaction 2019: 90% satisfaction New measure in 2019

Civil Defence Emergency Management

Level of Service	Target	Achieved	Result	Prior Years
Public education to increase community awareness and preparedness				
Build resilience through public education and community engagement programmes	[2.5.4.1] At least 60 CDEM public education activities occur annually, including tsunami public education and Stan's Got Plan school programmes	Not achieved	45 CDEM public education activities delivered	2020: 71 CDEM public education activities occurred 2019: 71 CDEM public education activities occurred 2018: 55 CDEM activities occurred
	[2.5.4.2] At least 30 communities have developed community resilience planning documentation, resources, or activities	Not achieved	26 community response planning activities conducted	2020: 20 communities engaged in resilience planning 2019: 22 communities engaged in resilience planning New measure in 2019

Citizens & Customer Services

Level of Service	Target	Achieved	Result	Prior Years
Provide a "first point of contact" Council customer service				
Provide a walk-in service that meets future citizen and customer demand	[2.6.1] 7-13 walk in customer service hubs. Number, locations and hours to be determined by population growth and demand	Achieved	12 Walk in Customer Service Hubs	2020: 12 walk-in locations provided within the Greater Christchurch area 2019: 12 Service desks located within the Greater Christchurch area 2018: 12 walk in customer service desks provided
Ensure Citizen and Customer Services are available to answer enquiries	[2.6.3] Citizen and Customer Services are maintained 24 hours per day, at least 99% of the time	Achieved	24/7 operation maintained 99.95% of the time	2020: Achieved 99.9% 2019: Achieved 100% 2018: Achieved
Citizen and Customer expectations for service response are delivered in a timely manner	[2.6.4.1] Telephone enquiries have an average speed to answer of no more than 90 seconds	Not achieved	Average speed to answer 127 seconds	2020: Average speed to answer 94.2 seconds 2019: Average speed to answer 142.0 seconds 2018: 70% answered within 25 seconds
	[2.6.4.2] Email enquiries have an average response time of no more than 48 hours	Achieved	Average response time to emails of 27.4 hours	2020: Average response time to emails of 21.5 hours 2019: Average response time to emails of 26.2 hours New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
	[2.6.4.3] Social media enquiries have an average response time of no more than 4 hours	Achieved	Average response time of 2 hours 22 minutes achieved. (Call centre covers after hour responses only)	2020: Average response time of 4 hours achieved 2019: Average response time of <4 hours achieved New measure in 2019
	[2.6.4.4] Online / chat / private messaging to be defined by industry standards and service analysis	Achieved	Cloud technology has been implemented to enable this functionality	2020: Service pilot will be completed before the end of 2020 calendar year enabling the development of appropriate performance statistics 2019: Interaction channel to be developed in conjunction with review of 2021-31 LTP New measure in 2019
Citizens and customers are satisfied or very satisfied with “first point of contact” across all service channels	[2.6.7.1] At least 95% of citizens and customers are satisfied or very satisfied by the quality of the service received at the first point of contact via walk-in services	Achieved	97% satisfaction (walk-in services)	2020: 89% customer satisfaction 2019: 86% customer satisfaction 2018: 93% customer satisfaction
	[2.6.7.2] At least 75% of citizens and customers are satisfied or very satisfied by the quality of the service received at the first point of contact via email	Not achieved	71% satisfaction (email)	New measure in 2021 No comparative results
	[2.6.7.3] At least 85% of citizens and customers are satisfied or very satisfied by the quality of the service received at the first point of contact via phone	Achieved	92% satisfaction (phone)	New measure in 2021 No comparative results

Where are we heading?

Christchurch Art Gallery Te Puna o Waiwhetū

We aim to grow visitor numbers by continuing to build a nationally significant collection with identified major acquisitions, including gifts. We will continue to provide an excellent range of collection-based exhibitions, themed exhibitions, artist projects, publications, education and public programmes with broad audience appeal, as well as continuing to present a programme of themed events that help attract new and repeat audiences. The impact of COVID-19 and closed borders will continue to affect the Gallery’s international visitation. The focus will therefore be on continuing to develop local audiences, and helping promote Christchurch as an important national tourist destination.

Museums

The effect of COVID-19 and closed borders on Akaroa Museum’s visitor numbers during 2020/21 was not as dramatic as may have been expected as a surge of domestic travellers partially filled the gap left by internationals. It is anticipated that visitor numbers will remain at least at 2020/21 levels during the 2021/22 year. The focus for the museum will be on presenting exhibitions and providing services for visitors from Christchurch and beyond as domestic tourists visit Akaroa in increasing numbers.

Libraries

A main focus for the year 2020/21 has been on reinstating all key services, including the resumption of programmes, events and exhibitions, as soon as COVID-19 levels allowed. Libraries will continue to develop and maintain partnerships to encourage participation from our local communities.

Work continued over the first 6 months of the 2020/21 financial year to ensure that Library Activity and Asset plans were fully developed in preparation for the LTP 2021-31. The first few months of 2021/22 will see the changes made through the LTP rolled out across the Libraries business. This will also include continued work on library finances, especially operational budgets, to meet Council’s fiscal reality in the light of the ongoing economic impact of COVID-19 pandemic.

Planning for the new Hornby Centre continues with more detailed operational planning on library services and staffing as well as the development of an integrated hub model for operating the new facility. This involves close collaboration with the other units involved, particularly Customer Services and Recreation, Sports and Events. Community engagement will be a focus in 2021/22, to help to determine which services and programmes the local community would like to see included in the new facility.

The Linwood Library and Service Centre was refurbished in April 2021 and given a new layout to reflect the Citizen Hub model.

Community development and facilities

Council will focus on the ongoing development of partnerships with a range of community organisations city wide to build social capital, value diversity and ensure every volunteer hour spent or dollar invested has the maximum impact.

Understanding the lasting impact of COVID-19 on communities city-wide and working with Community Boards and partner organisations to optimise the value of any Council contribution to community recovery is a priority for the year ahead.

Following the adoption of the Community Facilities network Plan in December 2020 Council's contribution to the provision and operation of community facilities will be focused on assisting community partner organisations and customers rebuilding capacity and re-establishing the effectiveness and efficiency of the network.

Recreation, sports, community arts and events

The Council remains committed to building and opening the Parakiore Recreation and Sport Centre (Metro Sports Facility), Te Pou Toetoe:Linwood Pool, and the new Hornby Centre. All three are planned to open within a 14 month period (October 2021 - December 2022). The detailed operational planning will be implemented to achieve the community outcomes, ensuring the right partnerships and resourcing is in place.

The events team will focus on sustaining recovery and community engagement by supporting local event organisers with advice, permits and funding partnerships. The calendar of council community delivered events will be adapted to respond to any change in COVID-19 alert levels and to better align to the community events implementation plan.

Toi Ōtautahi The Christchurch Art Strategy will be a key focus. Recognising the arts are central to our city's identity, wellbeing and spirit of creative exploration. The arts are a tool for community wellbeing, healing and nurturing with will continue to be important in the recovery from COVID-19 in the year ahead.

Civil defence and emergency management

The CDEM Unit will continue to advise our partners and community stakeholders. This means:

- Reviewing and updating CDEM related plans, procedures and guidelines.
- Testing the tsunami warning sirens when daylight saving begins and ends.
- Supporting and enabling communities to develop their own community response plans.
- Delivering public education programs to increase community awareness of hazards, risks and how to be prepared.
- Working with Canterbury CDEM Group Emergency Management Office and partner agencies on joint planning, training and community resilience projects.

- Implementing recommendations identified in post event reporting.
- Enhancing the professionalism of our volunteers and Emergency Operations Centre personnel.

Citizen and Customer Services

Our service principle is to have the flexibility to respond to changing customer demand for hours, locations and channels.

Citizens and customers increasingly expect professional, responsive, consistent quality service. This includes accessible, joined-up and simple interactions, with choice in how they engage with us.

We have undertaken research to better deliver an integrated and citizen-centric service experience.

Our Citizens and Customers have identified these priorities:

- Know me and value me
- Understand my needs
- Personalise our interaction
- Provide easy access to quality services online, 24/7
- Connect me with Council
- Communicate with me
- Empower and guide me

Citizen and Customer Services is a key building block in bringing these priorities to life through supporting the Council in listening, understanding and designing for our citizens, customers and communities.

To further support this change ongoing commitment and investment is critical. Initiatives underway include:

- Broadening the current activities of the Analytics and Insights team to include the management of a programme of work to improve the citizen experience.
- Supporting the implementation of the organisational Digital Strategy
- Continued progress with the implementation of the Citizen Hub Strategy
- Undertaking regular user research, survey's and workshops to capture the voice of the citizen

Service delivery in 2021/22

Christchurch Art Gallery Te Puna o Waiwhetū

The Gallery is planning to present 15 new exhibitions during 2021/22, including a range of projects by local and national artists. We anticipate that the new exhibitions and the regularly refreshed large-scale collection exhibition, Te Wheke will continue to attract keen interest from local and national audiences. The exhibitions programme will be supported by a broad range of hands-on activities for visiting school students. Our Design store, our audience-focused public programmes and a range of partnership programmes developed with our cultural/arts organisation neighbours, will help assist us in meeting the levels of service agreed in the Long Term Plan.

Museums

Akaroa Museum plans to continue delivering services consistent with those existing in 2020/21. At least two temporary exhibitions are planned for the year 2021/22. The Museum will also continue to provide a full range of museum services for the community and visitors, including research services and access to the collection by appointment.

Libraries

Timely implementation of the service level changes arising from the LTP 2021-31 will be a priority in 2021/22, including any appropriate recommendations from the three S17A service reviews.

Libraries will continue to make the most of the secondment opportunities provided by the New Zealand Libraries partnership programme, with a particular focus on improving connections with Māori and Pasifika communities. A Community Stories Liaison role will also work directly with communities of interest, to identify the gaps in our collection and to proactively seek material to reflect the ever-increasing diversity in our communities.

Marketing efforts will continue to focus on encouraging existing library customers to re-engage with libraries, promoting the full range of services, programmes, and content on offer, in particular our digital platforms, as well as continuing to grow the membership base.

Community development and facilities

Council will work more strategically with other funding organisations and key community groups to increase the overall value of community funding whilst supporting more targeted funding decisions to be made at a local level by Community Boards.

City-wide and locally focused community development teams will work with community boards, partner organisations and communities to continue a community based recovery whilst providing a targeted response to prioritised need.

The community facilities team will continue to strengthen community partnerships that underpin successful community operation.

Recreation, sports, community arts and events

Recreation and sports services will enable over 4.4 million active participations in 2021/22, including over 100,000 school swimming lessons (Swimsafe) and increase the online fitness content provided to the community.

All RSE teams will contribute to sustaining the recovery from COVID-19 as we provide support, advice and targeted partnerships across the Arts, Events, Sports and Community sectors; recognising the contribution we make to active and connected communities.

Civil defence and emergency management

Civil Defence's focus for 2021/22 will be on ensuring we are ready as a city to effectively respond to emergencies; to work with our communities to build resilience through community education programmes and, to enhance our

staff and volunteering capability and capacity through advanced training and engagement.

Citizen and Customer Services

Citizen and Customer Services focus for 2021/22 will be on:

- Continuing to improve the customer experience
- Increasing digital services and service channel choice
- Simplifying the way things happen for customers, the community and our staff
- Providing the organisation with insight and improvement support to enhance the citizen experience and service delivery. Facilitating process re-engineering and digitisation of services

Work is underway to lead and support the implementation of various projects articulated in the Organisational Digital Strategy, continuing our commitment to provide choice of interaction channel and to make interacting with Council simple and easy. The transformation of our Service Request system has largely been completed which has delivered options for 24/7 access to a range of channels for requests for service to be raised, including enhanced customer notifications and visibility of our service performance. We will continue to champion and advocate for our citizens.

Continued implementation of the Citizen Hub Strategy is also vital to ensure greater integration of external customer-facing Council services and ensuring that we deliver a walk in service that meets the needs of our Citizens.

Post Plus and Metrocard support our commitment for services that meet the needs of individual communities.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Christchurch Art Gallery	12,445	12,619	12,535
Museums	9,268	9,066	9,039
Libraries	46,457	48,213	49,390
Community development and facilities	17,085	17,042	17,043
Recreation, sports, comm arts & events	44,392	44,189	42,337
Civil defence emergency management	1,771	1,923	2,195
Citizen and customer services	9,567	9,855	9,351
	140,985	142,907	141,890
Operating revenue from services			
Christchurch Art Gallery	943	755	776
Museums	43	35	40
Libraries	2,393	2,071	1,921
Community development and facilities	1,158	859	990
Recreation, sports, comm arts & events	16,639	13,482	12,104
Civil defence emergency management	(3)	-	383
Citizen and customer services	738	482	298
	21,911	17,684	16,512
Capital revenues	730	-	6,183
Vested assets	4,648	37,713	14,169
Net cost of services	113,696	87,510	105,026

Explanation of significant variances

Christchurch Art Gallery

There was no significant variances to plan or the prior year.

Museums

There was no significant variances to plan or the prior year.

Libraries

The cost of service was \$1.8 million lower than plan due to \$1.3 million staff vacancies (including overheads), and \$0.5 million due to National Library fee waiver through NZ Libraries Partnership Programme.

The cost of service was \$2.9 million lower than 2020 due to \$1.2 million staff vacancies, \$0.85 million of reduced costs across insurance, rates, service contracts, external property rent and marketing costs. Libraries also received a fee waiver during the 2022 financial year of \$0.5 million as part of the Central Government COVID-19 recovery package. The remaining \$0.3 million relates to lower debt servicing and corporate overheads.

Operating revenue was \$0.5 million higher than 2020 due to \$0.3 million extra library charges revenue from having an uninterrupted service in 2021 financial year and 0.2 million from the National Library partnership agreement to fund specialized staff and promotions as part of their COVID-19 relief recovery package.

Community Development and Facilities

There was no significant variances to plan or the prior year.

Recreation, Sports, Community Arts & Events

The cost of service was \$0.2m higher than plan due to \$0.7 million higher grants expense resulting from reclassification of capital expenditure that enabled integration of the New Brighton Surf Life Club facilities with regeneration of New Brighton. This is offset by \$0.5 million lower personnel costs (with reduced programmes at the beginning of the year during COVID-19 restrictions), the temporary closure of Pioneer Pool, reduced investment with sporting partner funding and the alternate delivery options across produced events this financial year in response to COVID-19 planning.

The cost of service was \$2 million higher than 2020 due to the opening of He Puna Taimoana New Brighton Hot Pools and in 2020 there was reduced operating and maintenance costs during the lockdown period.

Operating revenue was \$3.2 million higher than plan due to revenue budgets adjusted for expected COVID-19 risk, strong initial demand in the opening of He Puna Taimoana New Brighton Hot Pools and unplanned recognition of prior year deferred revenues related to recreation programmes and memberships. Operating revenue is \$4.5m higher than 2020 due to the lockdown period resulting in closure and restricted participations at recreation and sporting facilities.

Civil Defence and emergency management

The cost of service was \$0.4 million lower than 2020 due to the COVID-19 response in 2020. Operating revenue was \$0.4 million lower than 2020 which included reimbursement of COVID-19 costs by National Emergency Management Agency.

Citizen and customer services

Revenue was \$0.3 million higher than plan and the cost of service was \$0.3 million lower than plan from NZ Post services. The cost of service was \$0.2 million higher than in 2020, and operating revenue \$0.4 million higher than 2020, this is primarily due to increased NZ Post services.

Capital revenues

Capital revenues were \$0.7 million higher than plan due to funding received for Nga Puna Wai, the Art Gallery and QEII Park. Capital revenues were \$5.4m lower than 2020 due to the prior year containing significant grants for the Nga Puna Wai sports hub.

Vested assets

Vested assets of \$4.6 million were received during the year, this was \$33.1 million less than planned due to the land for the Canterbury Multi Use Arena not yet transferred from the Crown. Vested assets is \$9.5 million less than 2020. This was due to land gifted to the Council from Otakaro for the Performing Arts Precinct and less Art received from donors in 2020.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	118,280	118,080	122,316	116,471
Targeted rates	285	285	-	-
Subsidies and grants for operating purposes	1,183	897	1,068	1,046
Fees and charges	20,387	16,667	17,724	17,222
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	352	120	120	117
Total operating funding (A)	140,487	136,049	141,228	134,856
Applications of operating funding				
Payments to staff and suppliers	87,474	90,613	94,675	90,141
Finance costs	2,103	2,103	2,681	1,976
Internal charges and overheads applied	4,693	4,693	5,877	6,227
Other operating funding applications	20,785	20,419	27,092	26,623
Total applications of operating funding (B)	115,055	117,828	130,325	124,967
Surplus (deficit) of operating funding (A-B)	25,432	18,221	10,903	9,889
Sources of capital funding				
Subsidies and grants for capital expenditure	591	-	-	-
Development and financial contributions	129	-	-	-
Increase (decrease) in debt	55,833	93,276	92,113	62,763
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	56,553	93,276	92,113	62,763
Applications of capital funding				
Capital expenditure				
- to replace existing assets	57,871	92,528	84,663	60,008
- to improve the level of service	2,947	1,500	-	431
- to meet additional demand	20,533	17,917	18,353	12,213
Increase (decrease) in reserves	634	(448)	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	81,985	111,497	103,016	72,652
Surplus (deficit) of capital funding (C-D)	(25,432)	(18,221)	(10,903)	(9,889)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The operating funding surplus was \$7.2 million higher than plan. This was principally the result of \$4.4 million higher fees and charges due to revenue budgets being adjusted down by \$3.2m for expected COVID-19 risk. In addition extra fees and charges revenue reflect the strong initial demand in the opening of He Puna Taimoana New Brighton Hot Pools and a review of deferred revenue historical processes.

Payments to staff and suppliers \$3.1m lower than plan: Libraries \$2.2 million including \$1.3 million staff savings and vacancies (including overheads), and 0.5 million

savings in Licences due to National Library fee waiver and Recreation, Sports, Community Arts and Events \$0.5million for lower personnel cost and temporary closure of Pioneer Pool.

Art Gallery \$0.1 million- lower than budget due to vacancies and staff savings.

Capital expenditure

Capital expenditure was \$30.5 million lower than plan. This is driven by \$41 million of project spend lower than planned: Parakiore Recreation and Sports Centre, \$38.6 million, Multi-Cultural Recreation and Community Centre \$1.5 million, Parakiore Recreation and Sports Centre

Equipment \$0.9 million, These works are scheduled for delivery in future years.

This is offset by \$5.8 million overspend related to works complete in advance of future funding: Te Pou Toetoe: Linwood Pool \$3.4 million, Pioneer Pool Earthquake Renewals \$2.4 million and \$4.7 million overspend related to works completed on prior year funding: St Albans Community Centre \$1.9 million, QEII Park - School of Gymnastics Car Park Repair \$0.6 million, Ngā Puna Wai Sports Hub - Athletics Indoor Training Facility \$0.6 million, other community facilities renewal and replacement projects \$1.4 million.

Significant capital expenditure

Significant capital expenditure included: Art Gallery renewals \$0.4 million, Art Gallery collection acquisitions \$0.5 million, Library resources \$4.5 million, Library asset renewals \$0.7 million, Community facilities \$2.4 million, Building repairs \$4.6 million, Equipment renewals \$0.8 million, QEII Park & grounds renewals \$1.1 million, New pools & leisure centres \$21.0 million, Sport structures repairs \$1.0 million, Parakiore Recreation and Sports Centre \$42.7 million, New library assets \$0.7 million

Other minor work included: Library furniture & equipment \$0.2 million, Manuka Cottage \$0.4 million, Civil Defence equipment replacement \$0.3 million

The remainder was spent on smaller projects throughout the city.

Parks, heritage and coastal environment

What is parks, heritage and coastal environment, and what does the Council do?

Parks and foreshore are an integral part of our city infrastructure that contribute to the community's natural character and landscape values. We provide parks, we develop them for different purposes, we manage and maintain them, and we provide various visitor and community services and programmes to facilitate use and understanding.

The Council also provides foreshore structures to facilitate access to the marine environment for citizens, visitors and commercial operators for the purposes of water based recreation, sport, tourism, and transport.

The structures include marine access such as wharves, jetties, slipways and ramps, recreational rafts, boat moorings, wharf buildings and seawalls that protect park land or assets. The Council also manages coastal land, and the plantings on that land, to assist land stability, erosion control, ecology and biodiversity.

The Council maintains these structures and natural areas, to provide sustainable coastal access and a protection network that is safe, operational and fit for purpose. Foreshore structures of heritage value are also conserved for their historical significance where practicable.

We maintain and manage 1255 parks covering 9384 hectares in Christchurch City and Banks Peninsula. They include the Botanic Gardens, Hagley Park, community parks including sport, neighbourhood and heritage garden parks, nature-based regional parks, and cemeteries.

We also run environmental education programmes including the Learning Through Action programme for schools.

Parks heritage delivers management and maintenance of a range of places, buildings, public artworks, monuments, artefacts and ornamental fountains. We have approximately 50 buildings scheduled in the District Plan and other scheduled items such as a cannon, try pots, a culvert, park gates, a Victorian phone box, and a horse watering ramp. We also have numerous artworks and monuments.

Why is the Council involved?

Local government is responsible for promoting the cultural, economic, environmental and social well-being of communities for the present and future.

The purpose of Public Open Space is to provide a publicly accessible network that enhances and protects health, recreation and liveability for the residents and visitors to Christchurch.

Christchurch residents have a strong affinity with their parks, foreshore, heritage spaces and coastal environment

which contribute strongly to their quality of life. The notion that Christchurch is New Zealand's 'Garden City' resonates with its citizens. Peoples' relationships with their parks, foreshore, and heritage is a key component in building resilient and sustainable communities through the provision of eco-services, business opportunities, physical and psychological health benefits, historical and environmental education and awareness, cultural landscapes, and sense of community.

Our network of parks, heritage and coastal environment areas contributes to the cultural, economic, environmental and social well-being of the community by providing a diverse range of recreation, sport, community, landscape, ecological and environmental opportunities for all ages and abilities. Cemeteries offer places for burial, remembrance, and reflection. Christchurch is acknowledged as a garden city, and the appearance of its public spaces is a high priority for citizens.

Parks help achieve our Community Outcomes (Liveable City, Resilient Communities, Healthy Environment and Prosperous Economy). There are 18 goals within these five Community Outcomes of which Parks and open spaces contribute significantly to nine of these. We do this by providing opportunities for people to engage in a range of healthy activities in a diverse range of settings, enabling them to achieve personal and social benefits and contribute to environmental projects and providing a well-cared-for environment.

Significant parks such as the Botanic Gardens, Mona Vale, major sports parks such as Hagley Park and Ngā Puna Wai and the regional parks also contribute to the economic wellbeing of the city due to the high number of tourists visiting these sites and large events.

How does it affect me?

Everyone benefits by having access to parks and the marine environment for recreation and sport. We provide an attractive liveable urban environment and pristine natural areas for all to enjoy up close or from a distance. The tourism, sporting and cultural events associated with the Council's significant parks helps Christchurch businesses to thrive. Participating in park activities, including volunteering, improves our physical and mental health and builds strong social connections.

Understanding, valuing and enjoying our heritage helps develop our sense of place, identity and belonging to a place, city and country. By raising awareness and helping to protect Christchurch's heritage buildings, as well as its cultural and natural heritage, we can build this understanding and facilitate this enjoyment.

What activities are involved?

Parks and foreshore

We provide parks, develop them for different purposes, manage and maintain them and provide various visitor and community services and programmes to facilitate use and understanding of them.

Community parks range from a variety of small spaces for the local community to enjoy informal and spontaneous outdoor recreation and community activities, to large, busy multi-use spaces with an extended user catchment. Community parks provide for the incorporation of amenity gardens and trees and play spaces for all ages.

Our sports parks and facilities cater for international to local community sport. Hagley Park is our largest sports park attracting users from around the world for international sporting events while also catering for local school sport. It is part of a diverse network of sports parks spread across the city.

The Botanic Gardens and heritage parks are home to an impressive collection of flora and associated biodiversity from New Zealand and around the globe. Botanic gardens are institutions holding documented collections of living and preserved plants (held as dried specimens), from bulbs to trees, for the purposes of scientific research, conservation, display and education. Our garden and heritage parks primarily provide opportunities to relax and enjoy manicured gardens (some of heritage value), plant collections, and botanical diversity, while contributing to plant conservation and research, and Christchurch's Garden City image, e.g. Mona Vale and Woodham Park. Many also contain heritage assets.

We also provide extensive naturalised parks and reserves on the coast, hills and plains for all to enjoy. They protect the region's natural landscape and biodiversity values while accommodating extensive outdoor recreation and education opportunities. Halswell Quarry regional park houses many sister city gardens and displays.

We provide, manage and maintain piers, wharves, moorings, jetties and boat ramps along the coast and in harbours for both recreational and commercial use.

We provide and maintain cemeteries and administer burials and plot purchases. In addition we manage and maintain closed cemeteries and the heritage associated with them.

Educating the community about the environment through the 'Learning through Action' programmes (biodiversity, civics, water and waste) are based at sites around Christchurch. This programme is for school groups with a focus on sustainability. The programmes encourage people to use parks and reserves, waterways, facilities, roads and spaces respectfully and safely, and work through some of the challenges we face as a community to create a sustainable open space environment.

Heritage

Our aim within Heritage is to protect and promote the built, cultural and natural heritage of Christchurch City and Banks Peninsula. These features and places contribute to our sense of place, community and city identity, as well as to the character and economic wellbeing of the city.

Besides the heritage parks, Christchurch City Council also owns and looks after the city's publically owned heritage buildings and sites on behalf of Christchurch's citizens. Many of these buildings reside on parks. Notable buildings include the Provincial Chambers, Municipal Chambers, and Mona Vale homestead. In addition there are several more important historic buildings within suburban communities such as Risingholme, Sign of the Takahe along with various statues and monuments.

What did we achieve?

Parks and foreshore

The Parks team have been increasing their focus on community led climate change initiatives, in particular a focus on ecological restoration. We have had a pleasing increase in the number of volunteer hrs recorded in public spaces. We will be looking to further increase this in the future. One particular example is the growth of a partnership with the Eco Action Trust. This programme focuses on secondary age children. The participating schools have developed small propagation nurseries for growing seedlings that they then plant into parks and the former residential red zone. Council collaborates with the Eco action trust to support these activities. Due to the exponential growth of the programme in the future council will be supporting the trust with land preparation and maintenance ongoing maintenance until the reforestation areas are self-sustainable.

In respect to enhanced community partnerships we have developed a strong relationship with the Ministry of Social Development collaborating on a cadetship programme where persons struggling to enter the workforce are provided with an 18 week training programme within the wider parks unit. Of the 12 participants more than 75% have gone onto permanent employment including fulltime roles within the parks team.

We have completed 2 years of a modified service provision methodology whereby council parks and garden maintenance officers and park rangers directly manage Customer Service requests and parks and assets that require a high level of service, such as heritage park gardens and playgrounds as well as the greenspaces within the inner city. We have achieved much higher levels of satisfaction as well as performance and cost efficiency under this model.

In Hagley Park most of the internal pathways and tracks have been upgraded and this will continue for the next year or so. Feedback on this has been very positive. We have completed the upgrade of parks maintenance facilities. This will enable the removal of unnecessary buildings in Hagley Park.

We introduced a new tree policy for the city's public trees, whereby 2 trees must be planted for every one removed. This policy is to support positive action in regard to climate change as well as recognising that the Canopy cover for Christchurch is not optimal for the future.

Within the Botanic Gardens a programme has commenced to modernise and improve our plant species records and align our systems with world recognised methodologies.

We completed the renewal of several significant pathways in the Botanic gardens to ensure that accessibility is maintained to the highest standard. This programme will extend into the future.

Our collaboration with the Friends of the Botanic Gardens and the Botanic gardens Trust has continued. These organisations provide vital funding and resources to assist council to provide a world class facility. The Friends of the Botanic Gardens donated funds to support staff training as well as funding apprenticeships for staff.

In Foreshore Planning, work has been completed for the improvements to the Diamond Harbour and Akaroa wharf. The Naval point development plan has adopted and we are now developing part of the carpark at Naval Point which is planned to serve as a base for the International SailGP event.

Our Regional parks team continued to invest resources into a range of biodiversity programmes including plantings, pest control and land management practices. This team has ensured that the Regional Parks' tracks and trails are available throughout the year to the citizens of Christchurch. The team also continue to provide volunteer opportunities across Parks for people to participate in protecting and enhancing the environment. Park Rangers continue to work with numerous groups as interest in community pest control continues to grow. Rangers support various partnerships such as Pest Free Banks Peninsula, Whaka Ora, Healthy Harbour and Te Kahahu Kahukara (banks Peninsula Conservation trust)

We continued investing in preparation works for cemetery capacity. This programme served the City well when the COVID-19 -19 pandemic struck as Council was well positioned to cope should the worst case scenarios that were modelled eventuate. This programme will expand in the New Year to ensure all available land is in a fit for purpose state and to ensure we maximise the use of available land.

Our work with schools has continued and we have also developed environmental education initiatives targeted at adults. The concept of school students looking after their 'own back yards' has grown from strength to strength with an increase in interest within secondary schools.

Programmes such as the Eco Action Trust have continued to grow with Council's support.

We have improved our sports fields with ongoing investment in field renewals

In the Community parks space we have commenced a significant programme of work to renew gardens, pathways and tracks and we continue to renew as many playgrounds as the budget allows. We again were successful in gaining support from the Ministry of Business and Innovation and Employment assisted us in improving the quality and capacity of our public convenience facilities associated to tourism destinations.

Deconstruction of Lancaster Park has progressed to the final stages before it will be converted into a large Community Sports park. Work is about to commence on the rebuild of the War memorial gates at Lancaster Park. We anticipate this work being complete by the end of 2021.

We have introduced a new smart bin programme whereby we have removed 85% of static bins in parks and replaced these with a fewer number of smart bins. This has enabled a significant financial saving to be realised as well as enabling our service providers to have a demand driven maintenance regime, maximising resource utilisation.

We now have ownership and management responsibility for the former residential red zone land in Brooklands, the Port hills and South Shore and management responsibility for the Ōtākaro Avon River Corridor. Implementation planning for the implementation of the Ōtākaro Avon River regeneration plan is well advanced with works commencing in earnest on the City to Sea Pathways with 3 of the 4 bridges required underway. It is anticipated that this will be completed within 3 years.

Heritage

Our focus remains on the rebuild of our city owned heritage buildings, particularly those in the wider community areas. We have completed the publically notified process for identifying an ongoing use of these facilities for almost all of the occupiable buildings that Council owns or manages.

This has led to a contract relationship with a 3rd party to rebuild the former Council Municipal Chambers. A decision on the Citizens War memorial in regard to shifting to a permanent location in Cathedral Square has meant that the memorial will be removed from its position aside the Cathedral and restored in its new location, mitigating the risk of damage during the cathedral restoration works. It anticipated this will be complete within 12 months

We continue to restore the final few buildings in the portfolio including Chokebore Lodge, Penfolds Cobb Cottage, Little River Coronation Hall.

How did we measure up?

Parks and Foreshore

Level of Service	Target	Achieved	Result	Prior Years
Community Parks, Cemeteries, Botanic Gardens, Hagley Park, Regional Parks, Environmental Education				
Parks are provided managed and maintained in a clean, tidy, safe, functional and equitable manner (Asset Condition)	[6.8.2.1] The ratio of trees removed and replaced is 1:1	Achieved	1:1.8 ratio of trees removed and replaced	2020: 1:1.49 ratio of tree removed (492) to trees replaced (733) 2019: Achieved New measure in 2019
	[6.8.2.2] Gardens - condition average or better: 80%	Achieved	82% condition average or better	2020: 78% 2019: 100% New measure in 2019
	[6.8.2.3] Sports fields - condition average or better: 70%	Achieved	90% condition average or better	2020: 91% 2019: 84% New measure in 2019
	[6.8.2.4] Playgrounds - condition average or better: 90%	Achieved	90% condition average or better	2020: 82% 2019: 100% New measure in 2019
	[6.8.2.5] Structures, fixtures and furniture - condition average or better: 95%	Achieved	96% condition average or better	2020: 96% 2019: 95% New measure in 2019
	[6.8.2.6] Public Convenience - condition average or better: 90%	Not achieved	84% condition average or better	2020: 82% 2019: 90% New measure in 2019
	[6.8.2.7] Recreational tracks and pathways - condition average or better: 75%	Achieved	91% condition average or better	2020: 79% 2019: 79% New measure in 2019
	[6.8.2.8] Vehicle access and parking - condition average or better: 90%	Achieved	90% condition average or better	2020: 79% 2019: 86% New measure in 2019
Parks are provided managed and maintained in a clean, tidy, safe, functional and equitable manner	[6.8.3.1] 100% of Customer Service Requests (CSRs) addressed within priority timeframes	Not achieved	65% of CSRs addressed within priority timeframes	2020: 53% 2019: 85% New measure in 2019
	[6.8.3.2] Annual reduction in CSRs	Achieved	Decrease in CSRs of 0.37%	2020: Increase in CSRs of 12.4% 2019: Decrease in CSRs of 6% from year-end 2018 New measure in 2019
	[6.8.3.3] Annual increase in rate of CSR clearance	Achieved	1.7% increase in rate of CSR clearance.	2020: Increase in rate of CSR clearance of 36%. 2019: Increase in rate of CSR clearance of 53% to year-end 2019 New measure in 2019
Cemeteries administration services meet customer expectations	[6.4.5] Funeral directors satisfaction with interment application process: 100%	Achieved	100% satisfaction	2020: 100% 2019: 80% New measure in 2019
	[6.4.3] Satisfaction with response time for interment applications: 100%	Achieved	100% satisfaction	2020: 95% 2019: 60% New measure in 2019
Provide community participation opportunities across the parks network	[6.3.7.1] Regional Parks: 80 volunteer hours/1,000 people	Achieved	96.8 volunteer hours / 1,000 people	2020: 97 volunteer hours / 1,000 people 2019: 80 volunteer hours / 1,000 people New measure in 2019
	[6.3.7.2] Botanic Gardens: 7 volunteer hours/1,000 people	Achieved	Over 10 volunteer hours / 1,000 people	2020: 12 volunteer hours / 1,000 people 2019: 4.1 volunteer hours / 1,000 people New measure in 2019
	[6.3.7.3] Community Parks & Cemeteries: 6 volunteer hours/1,000 people	Achieved	86.1 volunteer hours / 1,000 people	2020: 29.6 volunteer hours / 1,000 people 2019: 6 volunteer hours / 1,000 people New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
	[6.3.9] 100% of funded conservation group project agreed outcomes met	Achieved	100%	2020: 100% 2019: 100% New measure in 2019
Overall customer satisfaction with the presentation of the City's Parks	[6.3.5] Regional Parks presentation: resident satisfaction ≥80%	Achieved	85% satisfaction	2020: 81% 2019: 79% 2018: 71%
	[6.2.2] Botanic Gardens & Mona Vale presentation: resident satisfaction ≥95%	Achieved	97% satisfaction	2020: 97% 2019: 96% 2018: 96%
	[6.8.4.1] Hagley Park presentation: resident satisfaction ≥90%	Achieved	98% satisfaction	2020: 94% 2019: 97% New measure in 2019
	[6.8.4.2] Inner City presentation: resident satisfaction ≥85%	Not achieved	82% satisfaction	2020: 80% 2019: 82% New measure in 2019
	[6.4.4] Cemeteries presentation: resident satisfaction ≥85%	Achieved	86% satisfaction	2020: 65% 2019: 78% 2018: 80%
	[6.0.3] Community Parks presentation: resident satisfaction ≥80%	Not achieved	63% satisfaction	2020: 57% 2019: 67% 2018: 58%
Satisfaction with the range and quality of recreation opportunities within parks	[6.8.5] Resident satisfaction with range and quality of recreation facilities within Parks: ≥85%	Not achieved	78% satisfaction	2020: 75% 2019: 74% 2018: 66%
Delivery of Environmental, Conservation, Water and Civil Defence education programmes	[6.8.6] Education programmes: 26 Participants / 1,000 people	Achieved	38.4 participants per 1,000 people (15,151 participants)	2020: 21.6 participants per 1,000 people (8,646 participants) 2019: 39.6 participants per 1,000 people (15,388 participants) New measure in 2019
	[19.1.6] Teachers satisfied with education programmes delivered: 95%	Achieved	Teacher satisfaction at 99.7% for education programs delivered, averaged across three programmes. Parks: 99.9% 3 Waters and Waste: 99.8% Civil Defence: 99.5%	2020: Teacher satisfaction at 100% for education programs delivered 2019: Teacher satisfaction at 99% for regional park programmes, 98% for 3 waters and waste programmes, and 99% satisfaction with CDEM programmes New measure in 2019
Provision of a network of publicly available marine structures that facilitate recreational and commercial access to the marine environment for citizens and visitors.	[10.8.1.1] Customer satisfaction with marine structure facilities: 90%	Not achieved	80% satisfaction	2020: 70% 2019: 55% New measure in 2019
	[10.8.1.3] Wharves and Jetties ramps and slipways (condition average or better): 90%	Not achieved	79% condition average or better	2020: 85% 2019: 74% New measure in 2019
	[10.8.1.4] Seawalls (condition average or better): 70%	Achieved	97% condition average or better	2020: 92% 2019: 57% New measure in 2019
	[10.8.1.5] Customer satisfaction with equitable access provided to the marine environment for recreational, commercial and transportation purposes: ≥50%	Achieved	71% satisfaction	2020: 65% 2019: 71% New measure in 2019
	[10.8.1.2] Annual increase in partnership agreements	Not achieved	No new agreements.	2020: Achieved - Robinson Bay Jetty repair was completed this year in partnership with local community 2019: Increased input from community partnerships on marine structures this year

Level of Service	Target	Achieved	Result	Prior Years
				2018: Planned maintenance schedule implemented
Conserve, enhance and restore natural coastal features and landforms.	[6.8.8] Increase of native coastal plant species to enhance natural coastal protection	Achieved	Achieved - Over 24,000 plants planted in coastal dune and wetland sites	2020: Achieved - Approximately .6215 ha of Coastal species planted 2019: Achieved - native coastal plants planted to enhance natural coastal protection at some coastal sites New measure in 2019

Heritage

Level of Service	Target	Achieved	Result	Prior Years
Manage and maintain the network of Parks heritage buildings, public monuments, sculptures, artworks.				
To manage and maintain Public Monuments, Sculptures, Artworks and Parks Heritage Buildings of significance	[6.9.1.5] Resident satisfaction with presentation of Public Monuments, Sculptures & Artworks: ≥90%	Not achieved	67% satisfaction	2020: 64% 2019: 71% New measure in 2019
	[6.9.1.6] Resident satisfaction with presentation of Parks Heritage Buildings: ≥70%	Not achieved	48% satisfaction	2020: 51% 2019: 63% New measure in 2019

Where are we heading?

Parks and foreshore

We have assumed responsibility for management of the Residential red zone areas in Brooklands, the Otakaro Avon Corridor, Port Hills and Southshore on behalf of the Council. During the 2021/22 financial year parks will become the legal owner of the former residential red zone meaning that council will assume all ownership and governance responsibilities. The Global Settlement agreement with the Crown states that co-governance of the Ōtākaro/Avon River corridor with Ngāi Tūāhuriri will be explored. This will be a focus for the remainder of 2021 with an aim to transition to co-governance as soon as practicable.

The ongoing asset renewal programme for Hagley Park and the Botanic Gardens continues. The pathway renewal programme continues and it is anticipated that this will be completed over the next 2 years.

The Botanic Gardens continues to mobilise two key new initiatives being the research and science facility and restoration of the main conservatory, Cunningham House. This remains on target to be complete in time for the 100th anniversary in August 2024, whilst interest in the Research facility has been harnessed with a potential partnership opportunity with Canterbury and Lincoln Universities being explored.

Across all park activities we will continue to focus on increased tree plantings. The recent adoption of the Council's tree policy includes a requirement to replace every tree removed with 2 new plantings. This is in response to the declining tree canopy cover in the city. This and the impending implementation of the Ōtākaro/Avon River Corridor Regeneration Plan has required that Council increases its ability to provide appropriately sourced plants and trees. Our response to this has been to invest in the Council's nursery at Harewood Park and increase capacity and productivity. This investment will continue through to June 2022.

Lancaster Park demolition and reconstruction as a Community park will be completed in 2022 which will be a

welcome positive regeneration project for the Phillipstown Community.

Heritage

We will continue to focus on earthquake related repair of heritage buildings. The process of identifying partners for rebuild and or future use is complete and we will be focused on completion of all rebuilds during the next 3-4 years. We have completed many rebuilds to date including the very prominent Edmonds Band rotunda. Over the next year we will be removing and reinstalling the Citizens War Memorial in a new permanent location in the cathedral Square as well as completing the restoration of the Lancaster Park War Memorial gates

Service delivery in 2021/22

Parks and foreshore

The ongoing focus on service efficiency gains and cost reduction opportunities will continue with further refinements of the Hybrid in-house/3rd party contractor service model. Cost efficiency gains to date have reduced operating costs across community parks activities in particular.

Resident satisfaction survey results indicate we are improving year on year and meeting the vast majority of our targets. A key focus going forward is to further enhance our community partnership achievements in parks. There will be a continued focus on enabling community participation and a focus on again increasing the participation and community led activity as has been experienced over the past 2-3 years. To facilitate this 3 new Park Ranger resources will be dedicated to mobilising the community with a particular focus on Environmental and Climate change initiatives.

Heritage

The heritage protection activity will focus on the regeneration of the city and there will be no change to the Council's capacity to deliver this activity.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021	2021	2020
	Actual	Plan	Actual
	\$000	\$000	\$000
Cost of services			
Parks and foreshore	68,673	68,847	67,534
Heritage	3,077	2,607	3,225
	71,750	71,454	70,759
Operating revenue from services			
Parks and foreshore	3,335	3,414	3,915
Heritage	233	271	337
	3,568	3,685	4,252
Capital revenues	21,419	8,473	49,156
Vested assets	32,465	5,062	4,742
Net cost of services	14,298	54,234	12,609

Explanation of significant variances

Parks and foreshore

The cost of services is \$0.2 million less than plan for 2021 but includes \$1.6m savings from staff vacancies, rates as a result of delayed transfer of red zoned land from the Crown and lower maintenance costs. These are offset by \$0.7 million related to the Naval Point redevelopment works, \$0.3 million loss on other asset disposals and \$0.4 million higher depreciation.

The cost of service was \$1.1 million higher than in 2020. This was mainly due to \$2.8 million of personnel costs, maintenance, operating costs and internal overhead for Residential Red Zone maintenance team. This team was established in 2021 to maintain red zoned land in the Port Hills, Brooklands, Southshore, and the Avon River corridor. This is partially offset by \$0.5 million less depreciation, \$0.6 million less internal overhead costs, due to depreciation correction in FY21, and \$0.6 million less grant for Governors Bay wharf restoration.

The operating revenue from services was 0.6 million lower than in 2020, mainly due to COVID-19 restrictions impacting Akaroa cruise ships revenue.

Heritage

The cost of service was \$0.5 million higher than plan, mainly due to capital cost write-offs on Robert McDougall Art Gallery.

Capital revenues

Capital revenues were \$13 million higher than plan mainly due to \$13.7 million higher development contributions and \$1.9 million unplanned grants and donations for parks developments. This is partially offset by less than planned funding for Ōtākaro Avon River works that will be delivered in 2022.

Capital revenues were \$27.7 million lower than 2020, mainly due to funds received in 2020 for Ōtākaro Avon River works.

Vested assets

Revenues were \$27.4 million higher than plan and \$27.7million higher than 2020, mainly due to receiving residential red zone in 2021.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties Targeted rates	56,144	56,049	52,190	49,781
Subsidies and grants for operating purposes	975	10	10	10
Fees and charges	3,303	3,278	3,732	3,655
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	39	397	396	388
Total operating funding (A)	60,461	59,734	56,328	53,834
Applications of operating funding				
Payments to staff and suppliers	44,078	44,114	41,636	39,836
Finance costs	1,908	1,908	1,354	1,203
Internal charges and overheads applied	2,305	2,305	2,133	2,370
Other operating funding applications	774	1,088	836	667
Total applications of operating funding (B)	49,065	49,415	45,959	44,076
Surplus (deficit) of operating funding (A-B)	11,396	10,319	10,369	9,758
Sources of capital funding				
Subsidies and grants for capital expenditure	5,487	6,990	-	-
Development and financial contributions	15,185	1,483	1,483	1,718
Increase (decrease) in debt	7,970	7,998	16,274	17,204
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	28,642	16,471	17,757	18,922
Applications of capital funding				
Capital expenditure				
- to replace existing assets	15,716	14,504	22,728	23,325
- to improve the level of service	2,864	8,633	548	463
- to meet additional demand	8,955	3,859	5,074	5,045
Increase (decrease) in reserves	12,503	(206)	(224)	(153)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	40,038	26,790	28,126	28,680
Surplus (deficit) of capital funding (C-D)	(11,396)	(10,319)	(10,369)	(9,758)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The operating funding surplus was \$0.7 million higher than planned, mainly due to restoration grant for the Edmonds Band Rotunda and other grants, such as MBIE Responsible Camping grant, partially offset by less than planned rural fire Cost Recoveries, due to less fire activities.

Capital expenditure

Capital expenditure was \$0.5 million higher than planned, this is due to revised timeframes for Ōtākaro-Avon River Corridor \$5.1 million, Residential Redzone Buildings & Assets New Development \$1.6 million, Diamond Harbour Wharf Renewal \$1 million, which has been rescheduled for

delivery in future years. This is offset by Community Parks Land Development/Acquisition \$4.8 million, due to works complete in advance of future funding. Groynes, Roto Kohatu & Ōtukaikino Development \$1 million, and other parks development and replacement programme \$2.4 million due to works complete from prior year funding.

Significant capital expenditure

Significant capital expenditure included: New community parks \$3.1 million, and renewals \$3.9 million; new land acquisitions \$4.8 million; new plant and equipment \$1.3 million; Sports Parks renewals \$0.9 million; new toilets Hagley Park \$0.5 million; new developments Botanic Gardens \$1.1 million, and renewals \$1.3 million; new Regional parks \$2.3 million and renewals \$1.1 million;

Cemeteries \$0.5 million; Naval Point development plan \$1 million; Wharf renewals \$0.5 million; Marine structures renewals \$0.6 million; and Heritage buildings \$3.3 million.

Other minor work included: Neighbourhood park renewals \$0.3 million, Greenspace \$0.2 million, Garden & Heritage Parks \$0.4 million, Coastal structures renewals \$0.2 million.

The remainder was spent on smaller projects throughout the city.

Water supply

What is water supply, and what does the Council do?

We supply drinking water to provide for the needs of and to protect the health of the community, and to support businesses across the district. Water is supplied through a network of wells, surface water takes, pump stations, treatment facilities, reservoirs and underground reticulation pipes.

Why is the Council involved?

The Council has obligations under the Health Act 1956 and the Local Government Act 2002 to provide a drinking water supply for Christchurch and some Banks Peninsula residential settlements, to maintain its capacity, to protect it from contamination, and to ensure that it complies with the Drinking Water Standards for New Zealand 2005 (revised 2018).

Local government is responsible for promoting the cultural, economic, environmental and social well-being of communities.

Water supply is essential to the achievement of Council's Community Outcomes. The water supply service delivers high quality drinking water to achieve safe and healthy communities, whilst promoting the sustainable use of resources. It contributes to a prosperous economy by providing modern and robust water infrastructure. Council and its service providers plan, control, build, manage, operate and maintain the water supply system to reliably supply enough drinking water and water for fighting fires whilst encouraging water conservation.

The water supply service is delivered to achieve Council's strategic priority of ensuring a high quality drinking water supply that is safe and sustainable.

How does it affect me?

When you turn on your tap at home the water that flows is fresh and clean. We make sure that the supply is reliable and safe, the quality maintained, and that any interruption to the service is as short as possible.

What activities are involved?

Water supply (including water conservation)

We provide a safe and reliable water supply to approximately 170,000 customer connections through seven urban and six small residential settlement water supply schemes. We monitor and control water supply delivery and quality and maintain the network of water supply assets, and water treatment plants. We plan and deliver new and improved water systems and manage our water supply assets to sustain the service and to meet the needs of future generations. We limit the quantity of water taken to comply with resource consent conditions and to protect the health of waterways.

What did we achieve?

Pursuant to the completion of the Well Head Security Improvement Programme, we implemented several water safety improvements as directed by our Water Safety Plans and the new drinking water regulations.

The water safety plans found that inadequate backflow prevention and some poor condition storage tanks were a high risk to water safety, and that more information was needed about lead-jointed pipes to determine whether lead was leaching into the water supply.

In FY2021, we installed 508 backflow prevention devices to properties identified with high and medium backflow risk.

We also started with remediation works to suction tanks (Denton and Prestons) and reservoirs (Hackthorne), and completed comprehensive condition assessments of the identified high priority suction tanks and reservoirs.

We initiated a monitoring programme to measure lead levels in the vulnerable parts of our water supply system. The results to date confirmed that lead concentrations are well below 50% of the maximum acceptable value as directed by the Drinking Water Standards for New Zealand. The monitoring programme continues whilst we prioritize the renewal of cast iron pipes with lead joints.

We have continued to chlorinate water supplies where required by the Drinking Water Regulator. We also continued to test the drinking water in accordance with the requirements of the Drinking Water Standards for New Zealand.

Our revised water safety plan for Akaroa / Takamātua was approved under the new Ministry of Health water safety plan requirements, making it the second water safety plan approved under this much stricter framework.

We renewed several kilometres of water supply mains and submains during the year. Renewals and new development have resulted in 15 kilometres of new water supply mains and 18 kilometres of new submains. A total of 2,100 new water connections were processed.

We completed the design of the new Ben Rarere water supply pump station, which will replace the earthquake damaged Bexley water supply pump station. We also completed the design for the replacement of the Jeffreys water supply pump station suction tank and the Sydenham pump station suction tank. Both were severely damaged by earthquakes.

Through funding received as part of the Department of Internal Affairs Stimulus Funds programme, we have addressed several outstanding maintenance items at our water supply pump stations.

We have entered into contracts with 4 vendors to deliver the comprehensive smart water monitoring system in the Rawhiti water supply zone and which will entail the installation of a real-time water quality monitor, pressure

transient loggers, acoustic detection devices, intra-zone bulk water meters, and up to 1,200 smart customer meters.

We have started a project to update the Christchurch water supply master plan using our water supply hydraulic model. This will provide important information to help reshape our current water supply zones to be more

resilient, easier to manage in emergency situations, and plan additional supply capacity for the future.

In the water services operations space, we have reviewed our Key Performance Indicators and Standard Operating Procedures in order to improve the measurement of operations and maintenance performance and compliance.

How did we measure up?

Water supply

Level of Service	Target	Achieved	Result	Prior Years
Supplying potable water to properties, through the provision of infrastructure to take, treat (where appropriate), store, deliver, maintain, manage and monitor the supply				
Council operates water supplies in a reliable and responsive manner	[12.0.1.13] Proportion of residents satisfied with the reliability of Council water supplies: >=85%	Not achieved	75%	2020: 72% 2019: 81% New measure in 2019
	[12.0.1.14] Proportion of residents satisfied with the responsiveness of Council water supplies: >=85%	Not achieved	52%	2020: 54% 2019: 60% New measure in 2019
	[12.0.1.2] Number of unplanned interruptions per 1,000 properties served per year: ≤16	Achieved	9.94 per 1,000 properties	2020: 38.43 per 1,000 properties 2019: 17.72 per 1,000 properties 2018: 12.24 per 1,000 properties
	[12.0.1.7] Number of continuity of supply complaints per 1,000 customers served per year: ≤2	Achieved	1.59 complaints per 1,000 customers	2020: 1.27 complaints per 1,000 customers 2019: 1.57 complaints per 1,000 customers 2018: 1.13 complaints per 1,000 customers
	[12.0.1.10] Median time from notification to attendance of urgent call-outs: ≤1 hour	Not achieved	1.07 hours	2020: Median response time 0.68 hours 2019: Median response time 0.62 hours 2018: Median response time 0.55 hours
	[12.0.1.12] Median time from notification to resolution of urgent call-outs: ≤5 hours	Achieved	3.87 hours	2020: Median resolution time 2.35 hours 2019: Median resolution time 2.02 hours 2018: Median resolution time 1.78 hours
	[12.0.1.9] Median time from notification to attendance of non-urgent call-outs: ≤3 days (72 hours)	Achieved	2 days 23 hours	2020: 19 hours 7 minutes 2019: 4 hours 36 minutes 2018: 2 days 2 hours 24 minutes
	[12.0.1.11] Median time from notification to resolution of non-urgent call-outs: ≤4 days (96 hours)	Achieved	3 days 4 hours 24 minutes	2020: 21 hours 7 minutes 2019: 5 hours 53 minutes 2018: 2 days 4 hours
Council water supplies are safe to drink	[12.0.1.8] Number of pressure or flow complaints per 1,000 connections per year: ≤2	Achieved	0.99 per 1,000 connections	2020: 0.8 per 1,000 connections 2019: 0.85 per 1,000 connections 2018: 1.27 per 1,000 connections
	[12.0.1.15] Number of complaints regarding Council's response to complaints about drinking water taste, odour, pressure or flow, or continuity of supply per 1,000 properties connected to the Council's water supply system per year: ≤0.6	Achieved	0.06 complaints per 1,000 properties	2020: 0.01 per 1,000 properties 2019: 0.03 per 1000 properties, 97.3% 2018: 97.7%
Council water supplies are safe to drink	[12.0.2.2] Number of highest risk properties assessed and required to install backflow prevention devices each year: ≥100	Achieved	263 properties	2020: 475 properties 2019: 110 properties New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
	[12.0.2.9] Proportion of urban residents supplied water compliant with the DWSNZ bacterial compliance criteria: ≥99.8%	Not achieved	85.15%	2020: 100% 2019: 100% 2018: 98.9%
	[12.0.2.7] Proportion of rural residents supplied water compliant with the DWSNZ bacterial compliance criteria: ≥99.8%	Achieved	100%	2020: 100% 2019: 98.9% 2018: 89.4%
	[12.0.2.10] Proportion of urban residents supplied water compliant with the DWSNZ protozoal compliance criteria: ≥ 99.8%	Not achieved	0% The urban water supply lost the 'secure bore' status on 22 December 2017. Work is underway to re-confirm all three secure bore criteria, as defined in the Drinking Water Standards <u>Criterion 1 (no surface influences)</u> will be demonstrated by groundwater modelling which is approximately 20% complete and groundwater age dating which is approx. 60% complete <u>Criterion 2 (secure well heads)</u> is mostly complete but there are still several 'temporary below ground well heads' which need to be raised <u>Criterion 3 (E. coli monitoring)</u> is mostly satisfied by our ongoing drinking water monitoring programme	2020: 0% 2019: 0% 2018: 0%
	[12.0.2.8] Proportion of rural residents supplied water compliant with the DWSNZ protozoal compliance criteria: ≥19%	Achieved	80.5%	2020: 71.9% 2019: 0% 2018: 0%
	[12.0.2.1] Proportion of water supply zones with a MoH approved Water Safety Plan: 100%	Achieved	100% The Drinking Water Assessor has assessed us as being "implementing", which translates to the water supplier using the existing water safety plan document, and good progress is being made with updating the water safety plan	2020: 100% 2019: 100% 2018: 100%
Council provides high quality drinking water	[12.0.2.19] Proportion of residents satisfied with the quality of Council water supplies: ≥70%	Not achieved	45%	2020: 48% 2019: 37% New measure in 2019
	[12.0.2.13] Number of water clarity complaints per 1,000 connections per year: ≤ 1.0	Achieved	0.41 per 1,000 connections	2020: 0.33 per 1,000 connections 2019: 0.35 per 1,000 connections 2018: 0.54 per 1,000 connections

Council activities and services – Water supply

Level of Service	Target	Achieved	Result	Prior Years
	[12.0.2.15] Number of water taste complaints per 1,000 connections per year: ≤ 0.5	Achieved	0.498 per 1,000 connections	2020: 0.45 per 1,000 connections 2019: 0.81 per 1,000 connections 2018: 1.12 per 1,000 connections
	[12.0.2.14] Number of water odour complaints per 1,000 connections per year: ≤ 0.5	Achieved	0.44 complaints per 1,000 connections	2020: 0.28 per 1,000 connections 2019: 0.44 per 1,000 connections 2018: 1.34 per 1,000 connections
	[12.0.7] Average consumption of drinking water per day in litres per resident per day: ≤ 298	Not achieved	398 litres per resident per day average use for 2020/21	2020: 229 litres per resident per day average use 2019: 209 litres per resident per day average use 2018: 201 litres per resident per day average use.
Council water supply networks and operations demonstrate environmental stewardship	[12.0.6] Percentage of real water loss from Council's water supply network: ≤ 15.0%	Not achieved	23.5%	2020: 23% water loss 2019: 23% water loss 2018: 18.4% water loss.

Where are we heading?

Our focus will remain on delivering a high quality drinking water that is safe and sustainable and we will continue to improve our systems, processes and infrastructure to deliver our water safety improvement action plans.

With additional water reform stimulus funding from the Crown we will co fund installation of a smart water monitoring system and deploy monitoring devices in the Rawhiti water supply zone to deliver on our Smart Water Strategy. This will include smart water meters for around 1,000 customers, pressure sensors to detect damaging pressure fluctuations in our network, and acoustic sensors to detect leaks. We will also install an online water quality monitoring device at the Keyes pump station. In addition, we will roll-out smart water meters in Akaroa for improved water demand management.

We will continue to perform detailed inspections of all our water storage reservoirs and suction tanks and will develop a programme of work to repair or replace reservoirs to meet 'demonstrably safe' standards for drinking water.

Work is underway to carry out repairs to the Hackthorne, Quarry, Denton and Sockburn Reservoirs.

Design is underway to replace the Akaroa water storage reservoir with two permanent storage tanks. We will also start building the replacement suction tanks at the Jeffreys water supply pump station and at the Sydenham pump station. Both were severely damaged by earthquakes.

We will complete our well head security programme at Woolston and St Johns water supply pump stations. We will drill new deep wells at Redwood, Blighs and Spreydon water supply pump stations to replace wells that were vulnerable to contamination.

We will start installing dedicated sampling points across Christchurch and Banks Peninsula to comply with Drinking Water Standards New Zealand and improve the Laboratory sampling conditions. This is to provide better water quality data for the several water supply zones.

Construction will start on the new Ben Rarere Water Supply Pump Station to replace the earthquake damaged Bexley Pump Station.

The design of the new Okains Bay water supply scheme will continue and we will start building the new water treatment plant. We will also complete the design and procurement of the replacement Duvauchelle water treatment plant.

We will install approximately 29.9 km of mains and 35.2 km of submains as part of renewal of water supply pipes.

Additionally, construction will commence to install approximately 3.34 km of pipe as part of the renewal and relocation of the major 600 mm Eastern Terrace trunk main.

We will develop Duvauchelle and Pigeon Bay Water Safety Plans under the new water safety framework. The submission of these plans will depend on the new regulator (Taumata Arowai) requirements once the new entity is fully functional.

We will complete the water supply rezoning master plan to determine the optimal water supply zones and infrastructure to deliver the future water demand and ensure safety and security of supply.

Our water supply safety and needs assessment for rural and community water supply schemes will be completed and will provide us with the necessary information to consider community water supply aspects as proposed in the Water Services Bill.

With further water reform stimulus funding from the Crown we will complete a number of shovel ready reticulation renewal projects.

Service delivery in 2021/22

A number of levels of service were not achieved this year. Predominately these were based on results from the annual residents' survey. Focus for the coming year will be to continue to do the basics right for reactive service requests. We are also replacing customer meters rather than undertaking repairs. This will help reduce the number of service requests, and reduce water loss, over the coming years.

The need to continue chlorinating Christchurch's water supply until a new water safety plan is approved, makes it unlikely we will meet the levels of service related to customer satisfaction.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Water supply	79,419	75,475	72,096
	79,419	75,475	72,096
Operating revenue from services			
Water supply	1,016	656	252
	1,016	656	252
Capital revenues	9,985	3,975	4,960
Vested assets	2,920	234	2,001
Net cost of services	65,498	70,610	64,883

Explanation of significant cost of service variances

The cost of service was \$3.9 million higher than planned due to \$5.2 million loss on Asset disposals, \$1.0 million internal services charges (driven by additional laboratory testing required), offset by \$0.9 million lower internal overhead allocations, \$0.5 million lower service contract costs, \$0.5 million lower insurance costs and \$0.4 million lower depreciation costs.

The cost of service was \$7.3 million higher than 2020 due to additional \$3.0 million depreciation charges, \$2.1 million loss on asset disposals, \$1.8 million rates costs, \$1.1 million additional maintenance costs, \$0.7 million additional insurance costs and \$0.4 million other additional costs. The additional costs are offset by \$1.8 million lower internal overhead allocations.

Capital revenues

Capital revenues were \$6.0 million higher than plan due to \$3.3 million unplanned crown contributions for water reform, \$1.3 million additional development contributions and \$1.1 million water connection fees. Other cost recoveries are \$0.3 million higher than plan.

Capital revenues were \$5.0 million higher than 2020 due to \$3.3 million unplanned crown contributions for water reform, \$0.8 million additional development contributions, \$0.6 million additional connection fees and \$0.3 million other cost recoveries.

Vested assets

The Council also received \$2.9 million of water supply network vested assets from new subdivisions this year which was \$2.6 million higher than plan and \$0.8 million higher than 2020 due to higher development activity.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	-	-	-	-
Targeted rates	62,630	63,868	58,479	54,904
Subsidies and grants for operating purposes	4,052	-	-	-
Fees and charges	247	656	650	637
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	360	-	-	-
Total operating funding (A)	67,289	64,524	59,129	55,541
Applications of operating funding				
Payments to staff and suppliers	30,535	29,935	23,363	22,437
Finance costs	3,468	3,468	4,589	3,376
Internal charges and overheads applied	2,438	2,438	2,493	2,643
Other operating funding applications	(5)	4	4	4
Total applications of operating funding (B)	36,436	35,845	30,449	28,460
Surplus (deficit) of operating funding (A-B)	30,853	28,679	28,680	27,081
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	4,071	2,803	2,804	2,534
Increase (decrease) in debt	(4,044)	2,807	20,624	5,598
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	2,291	1,173	1,173	1,220
Total sources of capital funding (C)	2,318	6,783	24,601	9,352
Applications of capital funding				
Capital expenditure				
- to replace existing assets	26,978	31,745	50,063	33,261
- to improve the level of service	1,422	1,983	52	128
- to meet additional demand	2,041	1,734	3,166	3,044
Increase (decrease) in reserves	2,730	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	33,171	35,462	53,281	36,433
Surplus (deficit) of capital funding (C-D)	(30,853)	(28,679)	(28,680)	(27,081)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant cost of service variancesOperating funding

The surplus of operating funding is \$4.5 million higher than plan. Operational funding is \$5.1 million higher than plan due to \$5.6 million water reform funding from central government, offset by \$0.4 million lower fees and charges and \$0.1 million other revenue. Applications of operational funding is \$0.6 million higher than plan due to \$0.7 million insurance costs, offset by \$0.1 million lower other costs.

Capital expenditure

Capital expenditure was \$5.0 million lower than plan, mainly as result of less work delivered in water supply

headwork renewal programme, this has been rescheduled for delivery in future years.

Significant capital expenditure

Significant capital expenditure included: new reticulation \$0.5 million, Mains renewals \$15.2 million, Submains renewals \$2.4 million, Well head conversions and improvements \$5.4 million, new connections \$1.4 million, Pump station renewals \$1.1 million, Headworks renewals \$4.0 million,

Other minor work included: New headworks \$0.3 million,

Wastewater

What is wastewater, and what does the Council do?

Wastewater is grey water and sewage collected from household drains, and commercial and industrial premises. It is generally referred to as wastewater. It is conveyed through an underground network of pipes and pumped to treatment plants, where contaminants are removed before it is discharged safely back into the natural environment.

Why is the Council involved?

The Council has obligations under the Health Act 1956 and the Local Government Act 2002 to assess and provide as directed, sanitary services to protect public health and to avoid nuisances.

Local government is responsible for promoting the cultural, economic, environmental and social well-being of communities.

Wastewater services contribute to this purpose statement through promoting the environmental and economic well-being of the community. We collect wastewater from Christchurch and some Banks Peninsula residential settlements in a reliable and safe way, and treat and dispose of it efficiently and in an environmentally acceptable manner.

The wastewater service contributes to the achievement of Council's Community Outcomes, by protecting public health, limiting wastewater overflows to waterways and promoting the sustainable use of resources. It contributes to a prosperous economy by providing a modern and robust infrastructure. Council and its service providers plan, control, build, manage, operate and maintain a sanitary wastewater collection and treatment service for residential, commercial and industrial customers.

How does it affect me?

The collection and treatment of our wastewater keeps residents safe from waterborne illnesses and protects our environment.

What activities are involved?

Wastewater collection

We provide for the continuous collection and conveyance of wastewater from approximately 170,000 properties, and maintain a wastewater network of pipes and pumps, to treatment plants. We plan and deliver new and improved wastewater systems and manage our assets to comply with resource consent conditions, to protect the health of waterways and to meet future demand.

Wastewater treatment and disposal

Wastewater from Christchurch, Lyttelton, Governors Bay, Diamond Harbour, Akaroa and Duvauchelle is processed through treatment plants before being disposed of through outfalls to the sea, and to land at Wainui and Tikao Bay. An accredited laboratory monitors results from the treatment

plants to ensure that discharged treated effluent meets the required quality standards of our resource consents.

What did we achieve?

Construction on the Lyttelton wastewater scheme is nearing completion. This project will convey wastewater from Lyttelton, Diamond Harbour and Governors Bay to the Christchurch wastewater treatment plant and remove discharges of treated wastewater into Lyttelton Harbour.

After public consultation, a decision was made on the preferred option for the Akaroa reclaimed water treatment and reuse scheme. Land purchases have been initiated and additional investigations are underway to support the resource consent process.

Modifications to the Christchurch wastewater treatment plant oxidation ponds have dramatically reduced the survival rate of midge larvae and resulted in zero midge complaints during the 2020/21 summer season. It is believed that work done will also reduce algae growth and lead to reduced suspended solids in the effluent.

We finished building the new laboratory at the treatment plant at Bromley. The laboratory provides accredited water sampling and testing of our drinking water, wastewater, stormwater and natural waterways.

We renewed several kilometres of wastewater pipes. Renewals and new development have resulted in 10 kilometres of new wastewater gravity pipes, 6 kilometres of new local pressure pipes and 1.6 kilometres of new vacuum pipes.

We applied computer optimisation technology to confirm the projects needed to reduce our wastewater overflows during wet weather and to ensure continued compliance to our wet weather overflow consent. As part of this project we used long time series hydraulic modelling and rainfall statistics to redefine our 2-year average recurrence interval design storm.

We have installed approximately 1,500 IoT (Internet of Things) monitoring devices to provide visibility of vacuum valve operations.

We have undertaken a significant amount of work on process improvements to support our Levels of Service to customers. This includes an improved sewer overflow management process and the enhanced management of low pressure and vacuum wastewater systems by using dashboard information to support issue resolution, repairs and renewals. We have reviewed our Key Performance Indicators and Standard Operating Procedures in order to improve the measurement of operations and maintenance performance and compliance.

How did we measure up?

Wastewater collection, treatment & disposal

Level of Service	Target	Achieved	Result	Prior Years
Collecting wastewater from properties within the reticulated area and conveying the wastewater to treatment plants				
Council wastewater services are reliable	[11.0.1.16] Proportion of residents satisfied with the reliability and responsiveness provided by Council wastewater services: ≥80%	Not achieved	60%	2020: 66% 2019: 71% New measure in 2019
	[11.0.1.5] Median time from notification to attendance of overflows resulting from network faults: ≤1 hour	Achieved	0.53 hours	2020: Median response 0.54 of an hour 2019: Median response 0.55 of an hour 2018: Median response 0.55 of an hour
	[11.0.1.6] Median time from notification to resolution of overflows resulting from network faults: ≤24 hours	Achieved	2.1 hours	2020: Year end result was 1.9 hours 2019: Year end result was 2.41 hours 2018: Median response of 1.59 hours
	[11.0.1.8] Number of wastewater odour complaints per 1,000 properties connected to the wastewater network per year: ≤0.6	Achieved	0.06 per 1,000 properties	2020: 0.41 per 1,000 properties 2019: 0.36 per 1,000 properties 2018: 0.36 per 1,000 properties
	[11.0.1.9] Number of wastewater system fault complaints per 1,000 properties connected to the wastewater network per year: ≤0.8	Achieved	0.58 per 1,000 properties	2020: 3.3 per 1,000 properties 2019: 0.56 per 1,000 properties 2018: 0.46 per 1,000 properties
	[11.0.1.7] Number of wastewater system blockage complaints per 1,000 properties connected to the wastewater network per year: ≤14	Achieved	0.18 per 1,000 properties	2020: 1.88 per 1,000 properties 2019: 4.17 per 1,000 properties 2018: 2.43 per 1,000 properties
	[11.0.1.19] Percentage of wastewater gravity network pipework identified as condition grade 5 through physical inspection rather than theoretical modelling: ≥95%	Not achieved	93.3%	2020: 93.6% 2019: 98.2% New measure in 2019
Council wastewater services are responsive	[11.0.6.2] Median time from notification to arrival on-site for non-urgent faults on urban wastewater networks: ≤5 days	Achieved	12 hours and 7 minutes	2020: 2 days 11 hours 7 minutes 2019: 2 hours and 17 minutes New measure in 2019
	[11.0.6.3] Median time from notification to arrival on-site for non-urgent faults on rural wastewater networks: ≤5 days	Achieved	3 days 2 hours and 47 minutes	2020: 1 day 13 hours 57 minutes 2019: 2 hours and 17 minutes New measure in 2019
	[11.0.6.4] Number of complaints regarding Council's response to issues with the Council wastewater system per 1,000 properties connected to the wastewater network per year: ≤0.1	Achieved	0.014 per 1,000 properties.	2020: 1.88 per 1,000 properties. 2019: 0.1 per 1,000 properties New measure in 2019
Council maximises public health through wastewater services	[11.0.5.2] Number of dry weather overflows from wastewater systems per 1,000 connected properties per year: ≤0.7	Achieved	0.52 per 1,000 properties	2020: 0.6 per 1,000 properties 2019: 0.54 per 1,000 properties 2018: 0.63 per 1,000 properties

Level of Service	Target	Achieved	Result	Prior Years
Operate and maintain treatment plants, discharge structures/outfalls and biosolids reuse/disposal				
Council disposes of wastewater in a responsible manner	[11.1.2.1] Number of abatement notices regarding Council resource consents related to discharges from wastewater systems per year: 0	Achieved	No abatement notices	2020: No abatement notices 2019: No abatement notices 2018: No abatement notices
	[11.1.2.4] Number of infringement notices regarding Council resource consents related to discharges from wastewater systems per year: 0	Achieved	No infringement notices	2020: No infringement notices 2019: No infringement notices 2018: No infringement notices
	[11.1.2.3] Number of enforcement orders regarding Council resource consents related to discharges from wastewater systems per year: 0	Achieved	No enforcement orders	2020: No enforcement orders 2019: No enforcement orders 2018: No enforcement orders
	[11.1.2.2] Number of convictions regarding Council resource consents related to discharges from the wastewater systems per year: 0	Achieved	No convictions	2020: No convictions 2019: No convictions 2018: No convictions

Where are we heading?

The Lyttelton Harbour wastewater scheme will be fully commissioned this year and will mean that there will no longer be a routine discharge of treated wastewater to the harbour from Lyttelton, Governors Bay and Diamond Harbour settlements.

We will deliver the resource consent application for the Akaroa Reclaimed Water Treatment and Reuse Scheme. We will continue to monitor the reduction in inflow and infiltration in Akaroa as a result of replacing damaged sewer pipes. The preliminary design of the several scheme components will be started this year.

We will complete the options analysis for the Duvauchelle wastewater reuse scheme and will consult with the community on the options for reusing treated wastewater from Duvauchelle.

We will use the results of our wastewater optimisation work to scope and design the infrastructure projects aimed at further reducing wet weather overflows.

At the Christchurch wastewater treatment plant, we will start implementation of our biogas master plan to improve bio-gas storage, reduce the amount of bio-gas flared to waste and improve our ability to match electrical generation with demand thereby reducing peak demand electricity charges. We are also studying methods to better understand and reduce our carbon footprint.

We will renew approximately 12.6 kilometres of wastewater mains in the next 12 months. Design will also commence for the wastewater mains renewals outside of the new Multi-use Arena. Works to renew and repair a significant number of manholes will continue.

We will start work on replacing the pumps at PS15, one of our largest and most critical wastewater pumping stations, to reduce service risk.

We will start constructing the Upper Riccarton Interceptor, to increase capacity for growth and reduce wastewater overflows in wet weather.

We will also continue with the upgrade to the wastewater pump station on Halswell Road and the wastewater main in Hayton Road to provide for growth in the west of the city.

A new odour treatment system will be installed near the Metro Sports Facility to reduce odour and corrosion of our pipes throughout the Central Business District. Construction is programmed to commence on four other odour treatment systems throughout the district.

Service delivery in 2021/22

A number of levels of service were not achieved this year due to financial constraints however using additional water reform stimulus funding from the Crown, we will be able to perform physical inspections of very poor condition (grade 5) pipes to increase the effectiveness of planning for pipe renewals and complete a number of shovel ready reticulation renewal projects.

We will continue to monitor compliance with our several wastewater discharge permits. Significant oversight has occurred this previous year and will continue to ensure compliance. In addition a significant amount investment has been injected to some of our oldest treatment plants.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Wastewater collection, treatment and disposal	125,328	113,995	102,053
	125,328	113,995	102,053
Operating revenue from services			
Wastewater collection, treatment and disposal	7,173	5,504	4,952
	7,173	5,504	4,952
Capital revenues	25,472	9,055	12,887
Vested assets	3,043	234	3,302
Net cost of services	89,640	99,202	80,912

Explanation of significant variances

Wastewater collection, treatment and disposal

The cost of services was \$11.3 million higher than plan. This was due to \$6.4 million of unplanned loss on asset disposal, \$4.5 million additional maintenance costs (driven by additional repairs required), \$0.9 million additional depreciation costs, \$0.6 million operating costs, \$0.4 million professional fees and \$0.3 million overheads and allocations, offset by \$1.0 million higher internal service recoveries (additional internal laboratory recovery from Water Supply activity), \$0.7 million lower insurance costs and \$0.1 million lower operating costs.

The cost of service was \$23.3 million higher than 2020. This was due to \$13.9 million higher depreciation costs (driven by additional assets), \$4.4 million loss on asset disposals, \$2.9 million maintenance expense (driven by additional repairs required), \$2.0 million additional rates expense and \$0.4 million higher operating costs, offset by \$0.3 million lower internal costs.

Operating revenues were \$1.7 million higher than plan due to \$1.4 million additional trade waste charges and \$0.8 million unplanned crown contribution revenue for water reform, offset by \$0.4 million lower cost recoveries and \$0.1 million lower other revenue. Operating revenues were \$2.2 million higher than 2020 due to \$1.2 million additional trade waste revenue, \$0.8 million crown contribution revenue and \$0.2 million other revenue.

Capital revenues and vested assets

Capital revenues were \$16.4 million higher than plan due to \$9.5 million unplanned crown contributions for water reform and \$6.9 million higher development contributions.

Capital revenues were \$12.6 million higher than 2020 due to \$9.5 million unplanned crown contributions for water reform and \$3.1 million higher development contributions.

The Council also received \$3.0 million of additional sewerage network vested assets from developers' new subdivisions this year, \$2.8 million higher than plan and \$0.3 million lower than 2020.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	-	-	-	-
Targeted rates	79,983	79,914	77,176	72,277
Subsidies and grants for operating purposes	10,240	-	-	-
Fees and charges	6,123	4,828	6,571	6,334
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	289	676	674	660
Total operating funding (A)	96,635	85,418	84,421	79,271
Applications of operating funding				
Payments to staff and suppliers	42,512	38,830	36,477	34,938
Finance costs	5,752	5,752	6,935	5,150
Internal charges and overheads applied	3,645	3,645	3,818	4,065
Other operating funding applications	(22)	-	-	-
Total applications of operating funding (B)	51,887	48,227	47,230	44,153
Surplus (deficit) of operating funding (A-B)	44,748	37,191	37,191	35,118
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	15,998	9,055	9,054	8,160
Increase (decrease) in debt	(6,204)	9,509	39,572	22,669
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	9,794	18,564	48,626	30,829
Applications of capital funding				
Capital expenditure				
- to replace existing assets	46,880	44,230	63,865	51,304
- to improve the level of service	8,119	10,132	20,673	14,279
- to meet additional demand	889	1,393	1,279	364
Increase (decrease) in reserves	(1,346)	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	54,542	55,755	85,817	65,947
Surplus (deficit) of capital funding (C-D)	(44,748)	(37,191)	(37,191)	(35,118)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The surplus of operating funding was \$8.9 million higher than plan. Operational funding was \$12.5 million higher due to \$11.5 million unplanned crown funding for water reform, and \$1.3 million higher than planned fees and charges revenue, offset by \$0.3 million lower other revenue. Applications of operational funding was \$3.6 million higher than plan. This was due to increased maintenance supplier payments \$2.9 million (driven by additional repairs required), \$0.4 million operating costs and \$0.3 million professional fees.

Capital expenditure

Capital expenditure was \$0.1 million higher than plan, due to \$2.0 million additional work delivered from prior year funding for the Treat & Dispose of Waste Water programme, and \$0.5 million additional work delivered from future year funding for Wastewater Laboratory Services. This was partly offset by revised timeframes where \$2.4 million capital work has been reprogrammed to future years for the Wastewater Collection programme.

Significant capital expenditure

Significant capital expenditure included: Reticulation infrastructure renewal programme \$30.3 million, Pumping infrastructure renewal programme \$2.6 million, Infrastructure improvements \$1.9 million, New

infrastructure \$0.7 million, Treatment and disposal \$19.8 million, Laboratory services \$0.6 million,

The remainder was spent on smaller projects throughout the city.

Stormwater drainage

What is stormwater drainage, and what does the Council do?

The stormwater drainage activity collects and conveys stormwater to manage stormwater flows and the effects of stormwater on the environment. Together with the flood protection and river control activity this activity works to protect the community from the harmful effects of flooding within levels defined in the Long Term Plan (LTP).

Why is the Council involved?

Delivering this activity helps Council meet its legislative obligations under the Local Government Act 2002, the Building Act 2004, the Christchurch District Drainage Act 1951, the Water Supply, Wastewater and Stormwater Bylaw 2014, the Resource Management Act 2017, the National Policy Statements on Urban Development Capacity and on Freshwater Management, and relevant consents from Environment Canterbury.

This activity also directly supports Council's Community Outcomes by protecting public health, fostering healthy water bodies, providing modern and robust city infrastructure and facilities, and valuing unique landscapes and indigenous biodiversity.

An appropriately provided and well maintained stormwater drainage system helps to protect water quality, maintain the health of ecosystems, decrease flood risk, safeguard public health, provide for growth of the city and allow transport and other infrastructure networks to function.

How does it affect me?

Good quality stormwater infrastructure provides the basis for a fully-functioning city through dry streets, homes, businesses and properties. Reducing the effects of flooding, protects public health, preserves Christchurch's ecological, landscape, recreational and cultural values and facilitates the ongoing regeneration and growth of the city.

What activities are involved?

Stormwater Drainage

Council provides, operates and maintains the stormwater drainage system to agreed levels to enable the management of surface water through the provision and renewal of reticulation infrastructure. We maintain natural waterways and modified channels and drains, to a high standard.

Council responds to flood events, faults and blockages across the network to minimise damage and disruption.

What did we achieve?

Our focus has remained on asset repairs and planning for the rebuild or renewal of damaged or deteriorated assets.

We've completed network renewal and upgrade work in many areas, including improvements to inlet structures and bank lining across the city and Banks Peninsula. These have included replacing linings with more ecologically sensitive designs. Some major capital infrastructure renewals have been completed including, Jacksons Creek in Brougham Street/Selwyn Street, and a further section at Brougham Street/Barrie Street Estuary Drain timber lined drain renewal, Canal Reserve Drain Stage 1 works and Sissons Drain Renewal. Work on the Lyttelton Stormwater Brick Barrel Network has continued to progress with construction of new manholes to allow access for future lining work.

We have progressed the delivery and planning of other significant stormwater drainage projects this year, to improve the management of both the quantity and quality of stormwater. A dry summer gave rise to a long construction season and enabled notable progress of delivery of the Cashmere Worsleys Flood Storage Scheme, St. Albans Creek widening work and PS205 earthquake reinstatement. The design of the Waitaki Street Stopbank Realignment also made notable progress. These works will give benefit to improving the flood prone properties in the St. Albans area and alongside the Ōpāwaho Heathcote and Ōtākaro Avon Rivers.

Design of the stormwater treatment facility associated with the Waitaki Street stopbank has been completed, and the concept design of the Waikakariki/Te Oranga Horseshoe Lake stormwater treatment facility has significantly progressed. These are cornerstone projects in the Otakaro Avon River Corridor (OARC) Regeneration Programme, and are required to meet Council's obligations under the Comprehensive Stormwater Network Discharge Consent (CSNDC). They are crucial to reducing the discharge of stormwater contaminants to our waterways.

Many projects have commenced with the design phases either underway or substantially complete for some large waterway relining projects to commence construction works this financial year including Mairehau Drain Renewal, Canal Reserve Stage 2 works, Paparoa Drain Renewal and Scotston Avenue Works.

The weed harvesting programme continues to be closely monitored to ensure optimised benefit in managing river water levels. We have progressed the planning of equipment renewal in storm water pumping stations, and the replacement of aging assets and maintaining the current infrastructure.

Implementation of activities and projects to support the Comprehensive Stormwater Network Discharge Consent has progressed, including work on Stormwater Management Plans, the Environmental Monitoring Programme and several investigations and studies related to stormwater quality and quantity/floodwater management.

Development of a climate change implementation plan for surface water infrastructure and waterways is underway. This is a key component in the infrastructure programme which will give effect to the Council's Climate Change Strategy adopted under the new LTP. Ongoing support has been provided to the Coastal Hazard Adaptation Planning programme and the Otakaro/Avon

catchment Multi-hazard Study, and leading Council's input to the Canterbury Regional Climate Change Working Group.

To improve the modelling of flood risk, a methodology has been developed to determine the correlation between two main drivers of river high water levels – high river flows from extreme rain events and high sea levels from extreme high tides. This has resulted in an update of high tide levels.

How did we measure up?

Storm water drainage

Level of Service	Target	Achieved	Result	Prior Years
Provide and maintain the storm water, drainage system (surface water management systems, such as streams, rivers, utility waterways, basins, structures, pipes)				
Council responds to flood events, faults and blockages promptly and effectively	[14.0.10] The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site: ≤60 minutes urban ≤120 minutes rural	Achieved	Urban: No call outs Rural: No call outs	2020: Urban: 45 minutes Rural: No call outs 2019: No flooding events in 18/19 2018: One flooding event, response time within 30 minute target
Council manages the storm water network in a responsible and sustainable manner	[14.0.3] Resident satisfaction with Council’s management of the storm water network: ≥40%	Achieved	45%	2020: 40% 2019: 47% 2018: 35%
	[14.0.2.1] Number of abatement notices regarding Council resource consents related to discharges from the stormwater networks per year: 0	Not achieved	One abatement notice received	2020: No abatement notices 2019: No abatement notices 2018: No abatement notices
	[14.0.2.4] Number of infringement notices regarding Council resource consents related to discharges from the stormwater networks per year: 0	Not achieved	One infringement notice received	2020: No infringement notices 2019: No infringement notices 2018: No infringement notices
	[14.0.2.3] Number of enforcement orders regarding Council resource consents related to discharges from the stormwater networks per year: 0	Achieved	No enforcement orders	2020: No enforcement orders 2019: No enforcement orders 2018: No enforcement orders
	[14.0.2.2] Number of successful prosecutions regarding Council resource consents related to discharges from the stormwater networks per year: 0	Achieved	No prosecutions	2020: No prosecutions 2019: No prosecutions 2018: No convictions
Stormwater network is managed to minimise risk of flooding, damage and disruption	[14.0.11.2] The number of flooding events that occur: <2	Achieved	No flooding event affecting habitable floors	2020: No flooding event affecting habitable floors 2019: No ‘above floor’ flooding event since July 2017 2018: One flooding event in 2017/18
	[14.0.11.1] For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority’s stormwater system.): <0.1	Achieved	0 per 1,000 properties	2020: 0 per 1,000 properties 2019: No ‘above floor’ flooding event since July 2017 2018: 8.6 per 100,000 properties, were flooded
	[14.0.11.3] Number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority’s stormwater system: <9	Achieved	0.5 per 1,000 properties	2020: 6.07 per 1,000 2019: 6.74 per 1,000 2018: 4.2 per 1,000

Where are we heading?

In coming years there will be a particular focus on planning and delivery of projects related to improving water body health and stormwater discharges, including meeting stormwater discharge consent obligations, as well as continuing to provide capacity for growth. Projects supporting this focus will include the Port Hills and Lyttelton Harbour Erosion and Sediment Control Programme, Fish Passage Barrier Remediation and several stream remediation and naturalisation projects.

The renewal of aging assets and building effectiveness and resilience within the existing and future stormwater drainage infrastructure (in conjunction with the flood protection and control activity) will be a continuing and increasing focus also.

The future renewals programme will renew parts of the piped and waterway networks, reduce contaminants in stormwater discharges and provide an integrated basis for stormwater management in areas of urban growth. Where practicable, lined drains will be naturalised instead of having their linings repaired, in keeping with Council's "6-values" approach.

We will renew/rehabilitate approximately 0.7 kilometres of stormwater mains in the next 12 months. Approximately

2.2 kilometres of drain linings will be renewed/rehabilitated either with either new timber linings or waterway enhancement/naturalisation.

We will continue with the application of current and new network inspection techniques and methods of analysis, including "root cause" analysis to assist with pipe renewal prioritisation.

Due to the increased number of stormwater infrastructure assets and the need for Council to adequately protect its investment in these assets, maintenance activities will be increased.

Service delivery in 2021/22

Significant stormwater projects such as the Waikakariki-Te Oranga/Horseshoe Lake Stormwater Facility will be progressed to improve stormwater discharge quality and further renew parts of the piped and waterway networks, and provide an integrated basis for stormwater management in areas of urban growth.

We will continue to progress the delivery of equipment renewal and asset improvements in some of our storm water pumping stations, the replacement of aging assets and maintaining the current infrastructure.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Stormwater drainage	44,193	42,957	29,414
	44,193	42,957	29,414
Operating revenue from services			
Stormwater drainage	19	17	15
	19	17	15
Capital revenues	1,326	-	-
Vested assets	11,257	468	4,425
Net cost of services	31,591	42,472	24,974

Explanation of significant variances

Stormwater drainage

The cost of service was \$1.2 million higher than planned, due to \$2.2 million unplanned loss on asset disposal, \$1.7 million additional depreciation, \$1.0 additional overhead costs and \$0.6 million capital write offs, offset by \$4.2 million lower maintenance costs (driven by no large adverse weather events, and renewal rather than repair of assets) and \$0.1 million lower other costs.

The cost of service was \$14.8 million higher than 2020, due to \$8.0 million additional depreciation expense (driven by additional assets), \$1.7 million higher rates expense (driven by additional land), \$1.6 million loss on asset disposal, \$1.4 million higher overheads, \$0.6 million higher maintenance costs, \$0.6 million capital write off, \$0.5 million debt service expense and \$0.4 million insurance costs.

Capital revenues and vested assets

Capital Revenue is \$1.3 million higher than plan and higher than 2020 due to \$1.0 million from developers for projects in lieu of vesting assets, \$0.2 million for cost share agreements and \$0.1 million grants revenue.

The Council received \$11.1 million of stormwater network vested assets from developers' new subdivisions this year \$10.6 million higher than planned, and \$6.7 million higher than 2020.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	-	-	-	-
Targeted rates	33,011	32,983	29,440	27,965
Subsidies and grants for operating purposes	83	-	-	-
Fees and charges	19	17	17	16
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	33,113	33,000	29,457	27,981
Applications of operating funding				
Payments to staff and suppliers	15,704	19,781	16,405	15,877
Finance costs	1,752	1,752	1,723	1,260
Internal charges and overheads applied	1,388	1,388	1,249	1,326
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	18,844	22,921	19,377	18,463
Surplus (deficit) of operating funding (A-B)	14,269	10,079	10,080	9,518
Sources of capital funding				
Subsidies and grants for capital expenditure	1,243	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(1,282)	11,782	12,359	10,238
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(39)	11,782	12,359	10,238
Applications of capital funding				
Capital expenditure				
- to replace existing assets	14,171	21,801	21,145	19,128
- to improve the level of service	125	-	-	-
- to meet additional demand	539	60	1,294	628
Increase (decrease) in reserves	(605)	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	14,230	21,861	22,439	19,756
Surplus (deficit) of capital funding (C-D)	(14,269)	(10,079)	(10,080)	(9,518)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The operating funding surplus is \$4.2 million higher than plan due to \$4.2 million lower maintenance expenses (driven by no large adverse weather events, and renewal rather than repair of assets).

Capital expenditure

The capital expenditure is \$7.0 million lower than planned, due to less works delivered in land drainage recovery programme, stormwater reticulation and waterway renewals projects where works have been reprogrammed to future years.

Significant capital expenditure

Significant capital expenditure included: Service restoration \$0.5 million, Drainage renewals \$6.9 million, EQ drainage \$7.4 million,

The remainder was spent on smaller projects throughout the city

Flood protection and control works

What is flood protection and control works, and what does the Council do?

The flood protection and river control activity, together with the stormwater drainage activity, works to protect the community from the harmful effects of flooding within levels defined in the Long Term Plan (LTP).

Flood protection and river control involves the development and management of waterways and associated structures and systems, along with the provision and management of flood protection infrastructure.

Why is the Council involved?

Delivery of this activity helps Council meet its legislative obligations under the Local Government Act 2002, the Building Act 2004, the Christchurch District Drainage Act 1951, the Water Supply, Wastewater and Stormwater Bylaw 2014, the Resource Management Act 2017, the National Policy Statements on Urban Development Capacity and on Freshwater Management and relevant consents from Environment Canterbury.

This activity also supports Council's Community Outcomes by protecting public health, fostering healthy water bodies, providing modern and robust city infrastructure and facilities, and valuing unique landscapes and indigenous biodiversity.

Flooding is one of our most common natural hazards. It can have disastrous consequences for residents and communities and significant impacts on the local economies. Alongside land use planning provisions flood management systems help to decrease flood risk, safeguard public health, protect water quality, maintain the health of ecosystems, provide for growth of the city and allow transport and other infrastructure networks to function.

How does it affect me?

Good quality flood protection and river control infrastructure better protects residents against the likelihood of flood damage to their homes and property in extreme storms. This infrastructure also helps reduce the adverse public health and ecological effects associated with flooding.

What activities are involved?

Flood protection and control works

We maintain natural waterways and associated structures and systems, provide and operate flood protection infrastructure and carry out hydrometric monitoring to protect vulnerable areas from the effects of flooding.

What did we achieve?

Building on the work of previous years, significant progress has been made in reducing the flood risk and the effects of flooding this year with a number of projects underway or nearing completion.

This year has seen material progress on flood management projects within the city that help address both existing flooding issues and promote growth. Work in the Heathcote catchment was a key focus with bank stabilisation, dredging and construction of new storage facilities, such as Coxs-Quaifes, Eastman, Sutherlands and Hoon Hay wetlands. These works have also supported the Council strategic priority of improved waterways and the six-values approach to stormwater management.

We have continued work to extend the stopbank in South New Brighton near to South New Brighton School.

Other important, significant projects progressed or completed this year include Eastman Wetlands, Heathcote Dredging, Bullers Stream Naturalisation and Facility, Cox's – Quaifes facility, and Sutherlands Basin.

We continued to monitor and maintain the Avon / Ōtākaro temporary stop banks, and initiate works to address issues identified. The stop banks protect against tidal events in the short term while planning on the Ōtākaro Avon River Corridor works progresses. An updated risk assessment of the existing stopbanks was completed

To service the needs of the stormwater and waterways planning, delivery and operational teams, upgrades to the city hydraulic models has continued, with significant progress made to update Huritini/ Halswell, Ōpāwaho/Heathcote, and Matuku Takotako/ Sumner models. Development of the Pūharakekenui/ Styx catchment model has been approved for development in the coming year.

A variety of environmental projects have commenced with the design phase of the works either underway or substantially complete such as work to known fish barriers in the city and the Peninsula, waterway enhancements such as Cashmere Stream, Arran Drain realignment, Steamwharf Stream Renewal and Opara Stream Renewal works.

Renewal of the Hereford Street project was notable for its complexity and the close work done alongside the streetscaping. Another significant project was the work to support development of Highsted in the Pūharakekenui Styx River Catchment.

How did we measure up?

Flood protection and control works

Level of Service	Target	Achieved	Result	Prior Years
Maintaining the natural waterways and associated structures and systems				
Reduce risk of flooding to property and dwellings during extreme rain events	[14.1.6.1] Annual reduction in the modelled number of properties predicted to be at risk of habitable floor level flooding of the primary dwelling in a 2% AEP Design Rainfall Event of duration greater than 1.5 hours excluding flooding that arises solely from private drainage: 50 properties	Not achieved	43 properties	2020: 44 properties 2019: Achieved above floor flood risk reduction by 57 properties 2018: No 1 in 50 year flooding events occurred. Completion of Dudley Creek bypass and other LDRP projects reduced flooding risk
Major flood protection and control works are maintained, repaired and renewed to key standards				
Major flood protection and control works are maintained, repaired and renewed to key standards	[14.1.3.2] Stopbank crest surveys are carried out at required intervals: Annually	Achieved	Stopbank crest level survey completed	2020: Stopbank crest surveys carried out for Avon May 2020, and South New Brighton/Southshore carried out March 2020 2019: Avon stopbank crest surveys being carried out throughout 2019 2018: All stopbanks have been resurveyed as part of the LDRP temporary stopbank works
	[14.1.3.1] Cross sectional surveys of selective waterways are carried out at required intervals: 2-5 yearly or as required	Achieved	Not completed in FY21 as not required for another year	2020: Cross sectional surveys carried out for Heathcote dredging project, and regularly for CREAS surveys 2019: Cross sectional surveys carried out for Heathcote dredging project and regularly for CREAS surveys 2018: Partial survey as a consequence of delivering LDRP or other BAU projects
	[14.1.3.3] Stopbanks identified as being below their original design standard are repaired within 9 months. Measured as proportion of stop bank length identified as not meeting standard that is repaired within required timescale: 75%	Achieved	100% of identified repairs completed within required timescale	2020: 100% 2019: 100% New measure in 2019

Where are we heading?

The focus over coming years will be on building safe and healthy communities, improving water body health, the renewal of aging assets, maintaining and improving flood protection system resilience and responding to the challenges of climate change, within the funding and logistical constraints which apply.

Project planning for the flood protection and control activity is underpinned by the Council’s 2020 Strategic Framework. The relevant Strategic Priorities and

Community Outcomes in the framework, include healthy water bodies, modern and robust city infrastructure, and, importantly, meeting the challenge of climate change through every means available.

Over the coming years there will also be increased need for the replacement of aging assets (in conjunction with the stormwater drainage activity) and building resilience within the existing and future flood protection and control infrastructure, particularly with respect to climate change.

The obligations on Council for meeting the standards for improving stormwater discharges and flood management

will require continued delivery of both infrastructural and non-infrastructural measures by Council. Infrastructural measures include completion of some large projects in the Ōpāwaho / Heathcote River Catchment, the delivery of combined flood protection and stormwater treatment facilities in the Puharakekenui/Styx River Catchment and the delivery of wetlands planned within the Ōtākaro / Avon River Catchment.

Non-infrastructural measures include facilitating control of surface water contamination at source, community partnering and education programmes addressing surface water quality, investigations into means of reducing waterway contamination and the implementation of the practicable means of achieving such reductions.

There will continue to be a reduction in above-floor-level flooding in residential properties. Other projects will have provided further capacity for growth and improved treatment of stormwater discharges.

We will continue to monitor the performance of the many treatment and storage facilities around the city and carry out renewal works as required on a reactive basis.

Works to monitor and make any repairs to the Otakaro-Avon River temporary stop banks will be on-going.

Service delivery in 2021/22

Projects such as Sutherlands Basin, Gardiners Stormwater Facility and the Coxs – Quaifes Facility which provide capacity for future growth (both greenfield and infill within existing urban areas) will continue to be delivered. Other projects, such as the Waitaki Street Stopbank project, will provide the flood management assets required to meet the levels of service set for this activity.

Over the coming 12 months, upgrade works at the crucial pump station in the Waikakariki – Te Oranga /Horseshoe Lake area will be completed. There is a programme of works, over the next 12 months also, to install additional new flap gates on the pipe reticulation in the Southshore and New Brighton area that discharge into the estuary to mitigate some of the effects of king tides on the roads.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Flood protection and control works	4,854	2,616	6,511
	4,854	2,616	6,511
Operating revenue from services			
Flood protection and control works	-	34	8
	-	34	8
Capital revenues	2,907	4,476	2,401
Vested assets	-	-	-
Net cost of services	1,947	(1,894)	4,102

Explanation of significant variances

Flood protection & control works

The cost of service for flood protection was \$2.2 million higher than plan due to \$2.3 million additional maintenance costs (driven by additional Heathcote dredging work, funded by carry-forwards from prior years), offset by \$0.1 million lower other costs.

The cost of service for flood protection is \$1.7 million lower than 2020 due to \$0.6 million lower professional fees, \$0.6 million lower maintenance costs and \$0.3 million internal

costs, \$0.3 million lower depreciation costs and \$0.1 million lower other costs.

Capital revenues and vested assets

Capital revenues were \$1.6 million lower than planned and \$0.5 million higher than 2020 due to development contributions.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	-	-	-	-
Targeted rates	2,814	2,812	1,621	4,535
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	34	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	2,814	2,846	1,621	4,535
Applications of operating funding				
Payments to staff and suppliers	4,619	2,203	989	3,832
Finance costs	26	26	45	19
Internal charges and overheads applied	87	87	56	183
Other operating funding applications	(2)	-	-	-
Total applications of operating funding (B)	4,730	2,316	1,090	4,034
Surplus (deficit) of operating funding (A-B)	(1,916)	530	531	501
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	2,905	4,476	4,476	4,684
Increase (decrease) in debt	47,870	19,370	43,339	22,885
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	50,775	23,846	47,815	27,569
Applications of capital funding				
Capital expenditure				
- to replace existing assets	5,498	2,631	8,004	3,018
- to improve the level of service	841	162	-	-
- to meet additional demand	42,510	21,583	40,342	25,052
Increase (decrease) in reserves	10	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	48,859	24,376	48,346	28,070
Surplus (deficit) of capital funding (C-D)	1,916	(530)	(531)	(501)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The operating funding deficit of \$1.9 million was \$2.4 million higher than plan due to \$2.3 million additional maintenance costs and \$0.1 million other additional costs.

Capital expenditure

Capital expenditure was \$24.5 million higher than planned. The \$21.5 million is driven by additional works delivered in 2021 due to works complete in advance of future funding, it is comprised of: Otukaikino Stormwater Facility \$9.3 million, Horners Kruses Land Purchase \$6.5 million, Blakes Road Stormwater Facility \$3.9 million, SW Horners Kruses Basin \$1.8 million. The remaining \$3 million is due to works complete from prior year funding, it is consist of SW Owaka

Corridor \$0.8 million, South New Brighton Set-Back Bund \$0.8 million, Hereford Street Pipe Renewals \$0.6 million, Highfield Northwest Basins \$0.4 million, Heathcote Dredging \$0.4 million.

Significant capital expenditure

Significant capital expenditure included: New flood protection infrastructure \$15.4 million, New storm water drainage \$30.2 million, Land Drainage Recovery Programme \$2.5 million

Other minor work included: Flood protection replacements \$0.4 million, Stormwater renewals \$0.3 million
The remainder was spent on smaller projects throughout the city.

Roads and footpaths

What is roads and footpaths, and what does the Council do?

We maintain the assets that comprise Christchurch's local roading network including the carriageways, footpaths, bridges, retaining walls, and associated drainage.

We also maintain the landscaping, street lighting, street furniture, signage, road markings, traffic signals and traffic information systems that support the network.

In addition, we maintain the on-street infrastructure that supports the central city tram operation.

We plan for and deliver the renewal and replacement of roading assets when age and use has deteriorated their condition.

We plan and deliver improvements to mitigate safety hazards, reduce crashes on our network and provide increased safety for all users of the road corridor.

We plan and deliver improvements or new roading infrastructure to provide for growth, address congestion and encourage a modal shift to passenger transport and active travel.

We plan and deliver education and communication programmes to enhance road user safety and network efficiency.

Why is the Council involved?

We provide streets, roads and paths so that people have safe, easy and reliable access to homes, shops, businesses and leisure activities.

Local government is responsible for promoting the cultural, economic, environmental and social well-being of communities for the present and future.

Roading activities contribute to the social, environmental and economic well-being by planning, providing and maintaining safe road networks and pedestrian linkages within attractive, functional streetscapes.

These activities also help achieve our Community Outcomes by:

- providing for travel options that meet community needs
- providing people with access to economic, social and cultural activities
- providing streetscapes that enhance the look and amenity of the city
- improving safety for all road users
- using construction resources more efficiently and sustainably
- providing efficient use of public assets
- supporting sustainable economic growth
- supporting a vibrant and prosperous business centre.

How does it affect me?

A well maintained and managed transport network makes it easier and safer to get around the city.

A well planned and maintained transport network promotes growth and economic sustainability.

Replacing, upgrading and maintaining footpaths will encourage residents to adopt walking as a healthy, pleasant and easy sustainable travel option.

What activities are involved?

The key activities within the roads and footpaths activity include:

Road maintenance

We are responsible for maintaining the assets that fall within the road corridor including road pavements, footpaths, bridges, retaining walls and drainage.

We are responsible for the operation and maintenance of street lighting and road marking together with traffic lights, signage and information systems.

We are responsible for street cleaning, sump cleaning, litter collection, graffiti removal and removal of dumped rubbish from within the road corridor.

Landscapes

We are responsible for maintaining the berms, verges and vegetation within the road corridor including street trees.

Asset Renewal

We are responsible for renewing roading assets to ensure that the assets can continue to provide the desired level of service economically.

Network improvements

We are responsible for planning and providing new roading infrastructure and upgrading existing infrastructure to improve network performance, address safety issues, encourage increased use of passenger transport and active travel options and support economic growth.

What did we achieve?

We resealed 78 kilometres of roads through our road maintenance contracts. In addition, we added 3.3 kilometres of new roads to the network through subdivision development.

We completed the renewal of 22 kilometres of footpaths throughout the city.

We completed the re-construction of Hereford St between Manchester and Cambridge Terrace and Victoria Street.

The installation of bus priority measures on Main North Road and major resurfacing works have been completed.

We renewed six Bridge Decks and multiple other components (piers, railings etc).

6 new retaining walls were constructed at bridge sites.

We carried out major component renewals on five other retaining walls and completed designs for a further seven.

An ongoing programme of works to convert existing street lights to LED technology continued through the year and is close to completion 98%.

Construction is completed on the joint project with NZTA for the new Christchurch Northern Corridor route into the city, and including works to the local road networks downstream of these new roads. These roads are now in operation.

How did we measure up?

Roads and footpaths				
Level of Service	Target	Achieved	Result	Prior Year
Journeys are comfortable.				
Maintain roadway condition, to an appropriate national standard	[16.0.19] The average roughness of the sealed local road network measured along the longitudinal profile of the road (NAASRA roughness counts): ≤123	Achieved	121 average roughness	2020: 120 2019: 119 2018: 71
	[16.0.2] Calculate the average quality of the sealed local road network, measured by smooth travel exposure (STE): ≥71%	Achieved	79% average quality of the sealed local road network	2020: 76% 2019: 74% 2018: 73%
	[16.0.1] The percentage of the sealed road network that is resurfaced each year: ≥2%	Achieved	3.5% of the sealed road network resurfaced	2020: 3.6% 2019: 2.3% 2018: 2.3%
Maintain the condition of footpaths	[16.0.8] Condition rate the footpaths on a 1 to 5 (excellent to very poor) scale and confirm what percentage are rated as 3 or better: ≥77%	Achieved	81.9% of footpaths with a condition rating of 3 or better	2020: 88% 2019: 88% 2018: 72%
Maintain the condition of road carriageways	[16.0.20] Reduce the number of customer service requests received for maintenance: <4,815	Achieved	2,672 customer service requests received for maintenance	2020: 4,075 2019: 4,693 New measure in 2019
Improve resident satisfaction with road condition	[16.0.3] ≥40%	Not achieved	29% satisfaction	2020: 26% 2019: 27% 2018: 20%
Improve resident satisfaction with footpath condition	[16.0.9] ≥54%	Not achieved	36% satisfaction	2020: 40% 2019: 41% 2018: 34%
Council is responsive to the needs of Customers				
Reduce the number of complaints received	[16.0.21] < 275	Not achieved	431 complaints received	2020: 295 2019: 182 New measure in 2019
Respond to customer service requests within appropriate timeframes	[16.0.13] ≥95%	Not achieved	72% of customer service requests responded to within appropriate timeframes	2020: 45% 2019: 98% New measure in 2019
Reduce the number of customer service requests relating to sweeping of the kerb and channel	[16.0.7] 4,250	Achieved	1,482 customer service requests received	2020: 1,341 2019: 2,461 New measure in 2019
Reduce the number of customer service requests relating to litter bin clearing	[16.0.23] 220	Achieved	130	2020: 143 2019: 164 New measure in 2019

Where are we heading?

We will continue to plan, build, and maintain the public road network to provide a safe, sustainable, integrated, attractive and affordable link for all users to all parts of the city.

Restoration of damaged assets, particularly road surfacing and footpaths, will continue to be a priority for the roading programme.

Service delivery in 2021/22

Next year, priority will continue to be given to increased road maintenance and road safety improvements in the areas of greatest need.

We are looking at how we can better engage with the community on how street works, particularly resurfacing of roads and footpaths, is undertaken and prioritised.

Repairs, extensive capital programmes and private development will continue to impact some parts of the network.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Roads and footpaths	123,779	118,481	118,247
	123,779	118,481	118,247
Operating revenue from services			
Roads and footpaths	14,847	15,596	15,199
	14,847	15,596	15,199
Capital revenues	34,477	28,519	73,258
Vested assets	15,377	1,923	30,739
Net cost of services	59,078	72,443	(949)

Explanation of significant variances

The cost of services was \$5.5 million higher than 2020 and \$5.3 million higher than plan because of asset write-offs on disposal (\$2.8 million), depreciation on cycleways that was planned under the Transportation group of activities (\$0.9 million) and depreciation on vested assets from Ōtākaro (\$0.6 million).

Operating revenue from services was \$0.4 million lower than 2020 and \$0.7 million lower than plan because of rent relief granted to our commercial tenants who are undergoing hardship related to COVID-19 lockdowns, as well as reduced road corridor access request fees since the COVID-19 lockdown.

Capital revenues and vested assets

Capital revenues were \$6.0 million higher than plan because of NZTA funding being approved for more projects than planned.

Capital revenues were \$38.8 million lower than 2020 because 2020 included \$40 million of Christchurch Regeneration Acceleration Fund monies received from the Crown to accelerate Canterbury's earthquake recovery.

Vested assets were \$13.1 million higher than plan because of additional vested assets from subdivisions.

Vested assets were \$15.8 million lower than 2020 because 2020 included assets vested by Ōtākaro for Accessible Cities (\$14.8 million) and the Avon River Precinct (\$8.8 million). This was partially offset by additional vested assets from subdivisions in 2021 (\$7.8 million) driven by higher development activity.

Funding impact statement for year ended 30 June

	2021 Actual	2021 Annual Plan	2021 Long Term Plan	2020 Long Term Plan
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	61,006	60,903	62,869	58,998
Targeted rates	2,849	2,847	2,810	2,786
Subsidies and grants for operating purposes	13,713	13,693	12,063	12,032
Fees and charges	737	1,285	1,283	1,256
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	397	618	1,688	1,651
Total operating funding (A)	78,702	79,346	80,713	76,723
Applications of operating funding				
Payments to staff and suppliers	46,183	46,318	44,537	43,884
Finance costs	5,478	5,478	7,939	5,682
Internal charges and overheads applied	3,797	3,797	4,483	4,727
Other operating funding applications	(37)	15	15	15
Total applications of operating funding (B)	55,421	55,608	56,974	54,308
Surplus (deficit) of operating funding (A-B)	23,281	23,738	23,739	22,415
Sources of capital funding				
Subsidies and grants for capital expenditure	34,341	25,621	24,825	39,614
Development and financial contributions	135	2,898	2,898	2,827
Increase (decrease) in debt	47,178	35,097	24,364	31,159
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	81,654	63,616	52,087	73,600
Applications of capital funding				
Capital expenditure				
- to replace existing assets	54,963	21,474	51,235	59,243
- to improve the level of service	39,573	60,600	14,968	27,515
- to meet additional demand	10,399	5,280	9,623	9,257
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	104,935	87,354	75,826	96,015
Surplus (deficit) of capital funding (C-D)	(23,281)	(23,738)	(23,739)	(22,415)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesCapital expenditure

Capital expenditure was \$17.6 million higher than planned. This is driven by: Accessible Cities programme \$5.7 million, of which \$4.1 million works are from prior year funding and \$1.6 million works are in advance of future funding. Bridge/Retaining Walls renewal programme \$4.0 million, of which \$2.3 million works are from prior year funding and \$1.7 million works are in advance of future funding. Street Lighting programme \$4.1 million, and New footpaths programme \$1.6 million, relates to works are in advance of future funding. Safety Improvements and Road Pavement Renewals programme \$2.2 million, relates to works are from prior year funding.

Significant capital expenditure

Significant capital expenditure included: Road sealing and surfacing \$12.4 million, Road smoothing \$6.7 million, Footpath Resurfacing \$3.5 million, Road and street renewals \$3.4 million, Bridge and retaining wall renewals \$6.0 million, Major amenity enhancements \$5.9 million, Intersection and junction network improvements \$22.8 million, New subdivisions kerb and channel \$2.8 million, Safety improvements \$8.2 million, Signage \$0.6 million, Pavement replacements \$4.4 million, Landscaping and berms \$1.0 million, Traffic signal renewals \$3.4 million, Street light renewals \$9.5 million, Road construction \$2.2 million, Road geotech \$1.4 million, and Accessible Cities - Phase 2 \$10.6 million. The remainder was spent on smaller projects throughout the city.

Transportation

What is transport, and what does the Council do?

Transport is the safe and efficient movement of people and goods from one place to another using the road network. The road network includes the road, footpaths and cycle facilities.

We protect and control use of the road corridor by other parties such as service authorities and developers.

We operate Christchurch's road network including operating and maintaining the traffic signals, traffic cameras and traveller information portals.

We plan, build, operate and maintain Christchurch's major cycleway network and local connections to that network.

We plan, build and maintain infrastructure to support the operation of the public transport network.

We operate and maintain Christchurch's public parking facilities.

We plan and provide transport safety education and behaviour change initiatives to encourage people to use different modes of transport for some of their trips, and to use them safely.

Why is the Council involved?

We manage the road network and the facilities associated with transport services provided so that people have safe, easy and reliable access to homes, shops, businesses and leisure activities from a variety of mode choices.

Local government is responsible for promoting the cultural, economic, environmental and social well-being of communities for the present and future.

Transport activities contribute to the social, environmental and economic well-being by providing transport infrastructure, providing for passenger transport and active travel options, operating the road network safely and efficiently, and providing transport education.

These activities also help achieve our Community Outcomes by:

- providing for travel options that meet community need
- providing people with access to economic, social and cultural activities
- increasing the proportion of active travel journeys
- improving safety for all road users
- keeping people safe from crime
- using energy more efficiently
- supporting sustainable economic growth
- supporting a vibrant and prosperous business centre.

How does it affect me?

A well-managed transport network makes it easier and safer to get around the city and promotes growth and economic sustainability.

Good, safe cycling facilities encourage the "interested but concerned" group of residents to rediscover that cycling is a healthy, pleasant and safe travel option that will support a modal shift to active travel.

Safety and behaviour change programmes assist people in using transport networks safely and promote a shift to increase the use of other modes of transport with the aim of reducing congestion

What activities are involved?

Road network operations

We are responsible for planning and implementing the safe and efficient use of the transport networks by all modes. This is achieved through operation of traffic control systems, traveller information and education initiatives.

We control the use of the road corridor by third parties through corridor use procedures and temporary traffic management approvals.

We protect the roads and footpaths by coordinating when and where contractors can dig them up to install and repair utilities like ultrafast broadband, water supply, wastewater pipes and electricity.

Major cycleways

In recent years newly completed cycleways have become an integral part of Christchurch's transportation network. Planning and construction is underway to establish a network of 13 dedicated cycle routes totalling 90 kilometres that will provide high quality safe facilities to encourage a high level of modal shift to cycling.

Parking

We provide on and off-street parking facilities that are safe, accessible and attractive, and allow easy access to work and leisure activities.

Public transport infrastructure

We provide the integrated bus infrastructure used by the bus companies that operate public passenger transport. This includes bus stops, suburban hubs, super stops, seats, shelters, bus priority lanes and passenger real-time information systems.

Transport safety education and behaviour change programmes

What did we achieve?

We reduced transport harm by improving safety on our roads. Over the past 3 years we reduced the number of crashes leading to people dying or getting seriously injured on our road accidents by more than 30 crashes per year (compared to 2018). It was achieved by delivery of a wide range of infrastructure improvements, cycleways, walkways, crossing points and education.

We have supported a high number of consent processes for citywide sub-divisions and individual large developments, ensuring in each case the transport and access implications of those consenting approvals achieve maximum alignment with the District Plan and other Strategic priorities.

We worked closely with our strategic partners and completed a suite of business cases for public transport – which aim to transform public transport services efficiency and attractiveness across the city in the coming decade.

Building of the Major Cycle Routes network is underway with Uni-Cycle, Papanui Parallel, Little River Link, Quarryman’s Trail and Heathcote Expressway now fully open and another three partially open.

The 2020/21 financial year saw two further important post – earthquake central city streetscape projects completed – Victoria St and Hereford St. Construction will start later this year on upgrades to High Street, coupled with the extension of the much-loved central city tram.

We have been working on the implementation of the new RTI system. This has involved extensive work across the network, including the removal of redundant infrastructure at over 300 bus stops, the installation of 160 new bus stop signs, 89 new RTI displays (with the remaining being installed next month) 5 new bus shelters, 2 new seats and we have improved the accessibility and operational performance at 24 bus stops.

We delivered five speed management / speed limit review projects, resulting in safe and appropriate speeds being set on 34 roads / road sections (around 20km in total). The majority of the new speed limits have been centred around safer 30km/h and 40km/h speed limits in suburban residential areas and key activity centres, including Yaldhurst Village (coordinating with safer speed limits on SH73 delivered by Waka Kotahi), Woolston Village (and surrounds), Beckenham Loop and Selwyn Village.

Safety improvements have been made across the transport network, through the installation of dedicated right turn signals at 5 busy intersections, improvements to 2 Zebra crossings, pedestrian & cyclist safety improvements at 5 signalised intersections and the installation of active school signs at St Annes School.

Minor safety improvements have also been carried out at the 3 intersections along Whiteleigh Ave and at Buchanans Rd/Hasketts Rd and Barbers Rd/Maddison/Hasketts Rd. We are also constructed a new pedestrian path along Western Valley Road to provide a link to the school.

How did we measure up?

Active Travel

Level of Service	Target	Achieved	Result	Prior Year
Journeys are comfortable				
Improve the perception that Christchurch is a walking friendly city	[16.0.10] Percentage of people that agree that Christchurch is a walking friendly city, based on the Annual Resident Survey: ≥85%	Not Achieved	74%	2020: 83% 2019: 85% 2018: 76%
Improve the perception that Christchurch is a cycling friendly city	[10.5.2] Percentage of people that agree that Christchurch is a cycling friendly city, based on the Annual Resident Survey: ≥55%	Achieved	64%	2020: 61% 2019: 64% 2018: 51%
Customers have choices				
More people are choosing to travel by bike	[10.5.3] Increase in the number of average daily cyclists, from citywide cycle counts: ≥3%	Achieved	3.6% increase in average daily trips	2020: 12% increase in average daily trips 2019: 10% increase in average daily trips New measure in 2019
	[10.5.3] Increase in the number of average daily cyclists, from citywide cycle counts: 5,100	Achieved	11,400 trips	2020: 5,485 trips 2019: 7,636 trips New measure in 2019
Increase the numbers of people cycling into the central city	[10.5.39] Increase in the number of morning peak hour cyclists coming into the central city, from cordon cycle counts: ≥5%	Not Achieved	0.8% increase from 2020 morning peak hour cycle count	2020: 21% 2019: This level of service was not able to be measured in 2018/19. New measure in 2019
	[10.5.39] Increase in the number of morning peak hour cyclists coming into the central city, from cordon cycle counts: 353	Achieved	968 trips	2020: 960 trips 2019: 834 trips New measure in 2019
Journeys are safe				
Reduce the number of reported cycling and pedestrian crashes on the network	[10.5.1] Number of deaths or serious injuries to pedestrians and cyclists from crashes on the local road network per calendar year: < 41	Not Achieved	43 crashes involving cyclists and pedestrians. (3 deaths and 40 serious injuries) All measures are on CCC controlled roads, based on CAS report for period 1/4/2020-31/3/2021.	2020: 42 crashes involving cyclists and pedestrians. (4 deaths and 38 serious injuries) 2019: 1 death and 44 serious injuries from 43 crashes (involving cyclists and pedestrians) leading to deaths or serious injuries 2018: Reduction not achieved overall, though less deaths occurred. (1 death and 22 serious injuries.) ²³
Maintain the condition of off-road and separated cycleways	[10.5.38] Percentage of off-road and separated cycleways with a condition of 3 or better on a 1 – 5 (excellent to poor) scale: ≥77%	Achieved	81.9%	2020: 80% 2019: 80% New measure in 2019

Parking

Level of Service	Target	Achieved	Result	Prior Year
Journeys are safe				
Improve customer perception of vehicle and personal security at Council off-street parking facilities	[10.3.7] Percentage of people that agree with vehicle and personal security at Council off-street parking facilities, based on the Annual Resident Survey: ≥53%	Not Achieved	50%	2020: 51% 2019: 59% 2018: 48%

Journeys are comfortable				
Improve customer perception of the ease of use of Council on- street parking facilities	[10.3.3] Percentage of people that agree with the ease of the use of Council on-street parking facilities, based on the Annual Resident Survey: ≥53%	Not Achieved	49%	2020: 43% 2019: 49% 2018: 39%
Customers have choices				
Provide an appropriate number of parking spaces in the central city, so that occupancy is optimised	[10.3.1] Average occupancy of on and off street car parks within the inner city zone between 9am and 5pm Mon – Fri inclusive: 60-85%	Achieved	66.48% parking occupancy	2020: 66.28% parking occupancy (on street 74.75%, and off street 57.81%) 2019: 64.63% parking occupancy (on street 64.48%, and off street 64.78%) New measure in 2019

Public Transport Infrastructure

Level of Service	Target	Achieved	Result	Prior Year
Journeys are comfortable				
Improve user satisfaction of public transport facilities	[10.4.4] Users satisfaction rate with the number and quality of bus shelters, based on the Annual Environment Canterbury Metro user satisfaction Survey: ≥7.4 (mean score of an eleven point scale)	Achieved	8.4	2020: 7.3 2019: 7.1 2018: 7.0
Council is responsive to the needs of Customers				
Reduce the number of customer service requests relating to quality and cleanliness of public transport infrastructure facilities	[10.4.12] Numbers of customer service requests relating to quality and cleanliness of public transport infrastructure facilities: 264	Achieved	79 tickets associated with the quality and cleanliness of public transport infrastructure facilities	2020: 237 tickets 2019: 149 tickets 2018: 144 tickets
Customers have choices				
More people are choosing to travel by bus	[10.4.1] The change in number of people travelling by bus from the previous financial year: ≥+0.63%	Not Achieved	A decrease of 7.1% of people travelling by bus A total of 9,772,000 people travelled by bus	2020: A decrease of 22% of people (10,516,995) travelling by bus 2019: An increase of 0.84% of people travelling by bus New measure in 2019
Journey times are reliable				
Improve the reliability of passenger transport journey time	[10.4.3] The percentage of bus movements that occur within - 1:00 min early to 4:00 mins late, measured at designated timing stages: 86%	Not Achieved	85.2%	2020: 78% 2019: 75% New measure in 2019

Traffic Safety and Efficiency

Level of Service	Target	Achieved	Result	Prior Year
Journey times are reliable				
Maintain journey reliability on strategic routes	[10.0.1] Average journey time on 22 strategic routes, as measured by CTOC: Peak 25 minutes Day 15 minutes Night 10 minutes	Achieved	13.22 minutes Peak 13.76 minutes Interpeak (IP) 10 minutes Night (OP) (Across 50 routes monitored, >96% of routes recorded less than 10 minutes avg journey time)	Routes: Belfast to City, Airport to CBD, Hornby to CBD, Merivale to Cashmere 2020: Peak = 13 minutes IP = 12.5 minutes OP = 10 minutes 2019: Peak = 13 minutes IP = 12 minutes

Level of Service	Target	Achieved	Result	Prior Year
				OP = Not measured 2018: AMP = 14 – 15 minutes IP = 12 – 15 minutes PMP = 12 – 16 minutes OP = 11 – 13 minutes 2017: AMP = 14 – 16 minutes IP = 12 – 14 minutes PMP = 12 – 19 minutes OP = 10 – 12 minutes 2016: Baseline established. AMP - 25 minutes IP - 15 minutes PMP - 25 minutes OP - 10 minutes
Maintain the number of motorised vehicle trips at 2019 levels				
Maintain the number of motorised vehicle trips at 2019 levels	[10.0.38] Total number of commuter vehicle crossings at 15 major intersections during 4 hours of morning (7:00 to 9:00) and evening (16:00 to 18:00) peak periods on an average summer week as recorded by SCATS traffic data: 0.96 million to 1.02 million	Achieved	0.96 million vehicles per week	2020: 0.99 million 2019: Not measured New measure in 2019
	[10.0.39] Total number of all-purpose vehicle crossings at 15 major intersections during an average summer week as recorded by SCATS traffic data: 4.08 million to 4.34 million	Achieved	4.12 million vehicles per week	2020: 4.21 million 2019: Not measured New measure in 2019
Journeys are safe				
Reduce the number of reported crashes on the network	[10.0.6.1] Number of deaths or serious injuries from all crashes on the local road network per calendar year, as reported from the Crash Analysis System (CAS), provided by NZTA: ≤119 (reduce by 5 or more per year)	Achieved	8 deaths 97 serious injuries 105 total 2021: 100 crashes All measures are on CCC controlled roads, based on CAS report for period 1/4/2020-31/3/2021	2020: deaths = 10 serious injuries = 115 total = 125 2020: 116 crashes 2019: deaths = 11 serious injury = 122 total = 133 2019: 119 crashes 2018: deaths = 15 serious injury = 120 total = 135 2018 : 123 crashes

Where are we heading?

We will continue to operate and optimise the public road network to provide an efficient, safe and sustainable network for all users to all parts of the city.

We will continue to encourage people out of private passenger cars into public and active travel options.

Council’s proposed 10 year LTP capital programme for streets and transport prioritises high level outcomes on Safety, Access and Environment. It paves the way and sets meaningful measures to gauge Council’s progress towards achieving the City Council’s commitments toward crash and emission reductions. The targets are to reduce death and serious injury crashes on Christchurch local roads by at

least 40% and halve transport emissions, over the coming decade. This will be done through road infrastructure improvements, targeted investments, training and awareness programmes and in collaboration with the Government and local and regional stakeholders.

We will be improving safety on a large number of locations across the network. The corridors of Dyers Pass Rd, Inner Harbour Road, Marshlands Road and Pound Rd and the intersections of, Greers-Northcote-Sawyers Arms, Lower Styx-Marshland, Pound-Ryans and Barrington-Lincoln-Whiteleigh are a handful of the major projects planned for delivery in the next few years. In addition, a citywide programme of minor safety improvements will deliver a wide range of low cost improvements to considerably reduce the transport risk for all road users.

We will continue to encourage people to more often choose public and active travel options to private cars as the route to tackling climate change, improving road safety and improving the quality of our daily lives. We are working collaboratively with our strategic partners to develop a comprehensive public transport improvement programme, including co-ordinated bus priority measures along key transport routes such as Main North Road, Riccarton Road and Lincoln Road.

Government’s ‘Shovel Ready’ support will help us to deliver Nor’West Arc, Northern Line, Rapanui to Shag Rock, Heathcote Expressway and South Express by 2024. The entire network programmed is planned to be completed by 2028.

We will continue to operate and optimise the public road network to provide safe and efficient access for all users to all parts of the city. The earthquake damaged Pages Road bridge is due to be replaced over the next few years. With an array of improvements to the adjacent road network, this project will not only deliver a higher level of safety and access for all users but also will improve the efficiency of movements during fireworks or tsunami evacuation.

The Christchurch Regeneration Acceleration Facility will deliver \$40 million worth of transport and roading improvements. This includes a range of road and footpath upgrade projects in the worst earthquake damaged suburbs as well as projects to improve safety and public transport.

In the Central City, we are looking to continue with our post – earthquake programme of improving the attractiveness of central city streets and public spaces, with a programme of streetscape enhancement measures especially aiming to support major “anchor” project developments due to open

in the new few years, including Te Pae (the new Convention Centre), Parakiore (the new Metro Sports Facility), the Performing Arts Precinct, Cathedral Square restoration and the forthcoming Multi-Use Arena. This will sit alongside a programme to complete missing links between the central city and the city-wide major cycleways networks.

Service delivery in 2021/22

Work will continue to progress on the Shovel ready and Major Cycle Routes programmes with continued delivery of Rapanui to Shag Rock, Northern Line, the Heathcote Expressway, Nor’West Arc and South Express.

Construction will continue on the upgrade and widening of the Marshland Road Bridge and improvements at Lower Styx Road and Marshland Road intersection.

Construction is expected to start on the final section of the Coastal Pathway from Redcliffs to Shag Rock, on upgrades to High Street, coupled with the extension of the much-loved central city tram.

Two large speed management / speed limit review projects approved in late FY21 for the Banks Peninsula (including Lyttleton and Akaroa centres, plus surrounding bays and areas), and Wigram areas are expected to be delivered in the first half of FY22.

A programme of capital works planned for 2020/21 will result in a continued improvement to safety for road users and network congestion.

A number of education initiatives and school campaigns are planned for the year that will target current issues particularly intersection safety and safe cycling.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Traffic safety & efficiency	12,077	11,596	11,208
Active travel	508	1,522	678
Parking	8,014	7,434	7,609
Public transport infrastructure	4,248	4,516	3,721
	24,847	25,068	23,216
Operating revenue from services			
Traffic safety & efficiency	5,276	5,764	5,262
Active travel	101	206	103
Parking	11,264	11,577	9,560
Public transport infrastructure	1,404	943	923
	18,045	18,490	15,848
Capital revenues	23,940	5,509	22,254
Vested assets	-	-	36,653
Net cost of services	(17,138)	1,069	(51,539)

Explanation of significant variances

Traffic safety and efficiency

Cost of services was \$0.9 million higher than 2020 because of \$0.6 million of traffic signal electrical cabinet remediation work and \$0.4 million of depreciation from the bus interchange that was planned for in FY21/22 but not in FY20/21.

Active travel

Cost of services was \$1.0 million lower than plan because \$0.7 million of depreciation was planned on major cycleway routes but the actual cost falls under the roads and footpaths group of activities.

Parking

Cost of services was \$0.6 million higher than plan and \$0.4 million higher than 2020 because of lower staff vacancy rates than planned, additional maintenance costs for repairing on-street parking machines after thefts and break-ins, and costs relating to a new arrangement we have for dedicated on-call towing services which allows compliance staff to reduce waiting time and focus on ensuring access to parking for our residents.

Operating revenue was \$1.7 million higher than 2020 because 2020 parking revenue was affected by the COVID-19 lockdown.

Public transport infrastructure

Cost of services was \$0.5 million higher than 2020 because in 2020 the bus interchange and bus lounge were closed during the COVID-19 lockdown.

Capital revenues

Capital revenues were \$18.4 million higher than plan because of additional NZTA subsidies (\$8.8 million), additional development contributions (\$4.7 million) driven by higher development activity and \$4.2 million of unplanned Crown funding on Major Cycleways and Coastal Pathway as shovel ready projects.

Vested assets were \$36.7 million lower than 2020 because 2020 included handover of the \$29.5 million bus interchange and \$7.1 million of Otakaro assets.

Funding impact statement for year ended 30 June

	2021 Actual	2021 Annual Plan	2021 Long Term Plan	2020 Long Term Plan
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	5,128	5,119	3,372	3,132
Targeted rates	316	316	313	310
Subsidies and grants for operating purposes	8,719	4,327	4,626	4,505
Fees and charges	7,581	7,564	8,275	7,947
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6,664	6,598	5,985	5,862
Total operating funding (A)	28,408	23,924	22,571	21,756
Applications of operating funding				
Payments to staff and suppliers	17,931	18,329	16,432	16,068
Finance costs	407	407	804	526
Internal charges and overheads applied	830	830	978	1,019
Other operating funding applications	499	851	850	832
Total applications of operating funding (B)	19,667	20,417	19,064	18,445
Surplus (deficit) of operating funding (A-B)	8,741	3,507	3,507	3,311
Sources of capital funding				
Subsidies and grants for capital expenditure	13,177	4,349	10,542	7,260
Development and financial contributions	5,874	1,160	1,160	1,028
Increase (decrease) in debt	7,043	5,960	19,196	5,512
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	4,600
Total sources of capital funding (C)	26,094	11,469	30,898	18,400
Applications of capital funding				
Capital expenditure				
- to replace existing assets	2,318	2,395	10,642	4,354
- to improve the level of service	31,304	12,483	23,569	16,410
- to meet additional demand	1,726	98	194	947
Increase (decrease) in reserves	(513)	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	34,835	14,976	34,405	21,711
Surplus (deficit) of capital funding (C-D)	(8,741)	(3,507)	(3,507)	(3,311)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

Subsidies and grants for operating purposes were \$4.4 million higher than plan because of additional funding from the Crown for shovel ready projects.

Capital expenditure

Capital expenditure was \$20.4 million higher than plan due to work delivered from prior year funding for the major cycleways programme and Public Transport Improvement programme (\$22.1 million). These were partly offset by revised timeframes where capital work has been reprogrammed to future years for Public Transport Planned Renewal programme (\$1.7 million).

Significant capital expenditure

Significant capital expenditure included: Major Cycleways programme \$28.8 million, Public transport improvement programme \$0.7 million, Coastal pathways \$1.0 million, Public transport renewal programme \$4.7 million,

Other minor work included: Street parking renewal programme \$0.3 million,

The remainder was spent on smaller projects throughout the city

Refuse disposal

What is refuse disposal, and what does the Council do?

We collect, process and dispose of the City's residential solid waste and work with the community and our contractors to reduce the waste we send to landfill. We work with residents, businesses and organisations to encourage them to divert waste from landfill and minimise the waste they produce.

We maintain closed landfills around the City and are responsible for the ongoing monitoring and maintenance including closure and aftercare of the old Burwood landfill utilised for earthquake recovery.

Why is the Council involved?

We provide solid waste collection, processing and disposal to protect the health of the community. Our involvement in waste reduction, and re-use, recycling and composting of organics is to ensure we use resources sustainably.

Waste minimisation and availability of appropriate disposal services contribute to the environmental and economic well-being of the community. A suitable resource recovery system ensures the reliable collection, processing (including the recycling of recoverable resources and composting of organic material to improve soil quality), and the disposal of any residual in a cost-effective and environmentally acceptable way.

It contributes towards achieving two of the five goals in our Community Outcomes - by helping to make a healthy environment and a prosperous economy with a modern and robust infrastructure and facilities network.

How does it affect me?

We collect and manage waste properly to reduce the amount we send to landfill and create a healthy, safe environment for all to live in. This also provides business opportunities and employment in our communities.

What activities are involved?

Recyclable materials collection and processing

We reduce the amount of waste we send to landfill by collecting recyclable material from households and public places, advising the public of recycling options (regular communications and education programs), and by sorting and processing recyclable materials.

Organic material collection and composting

We collect kitchen and garden waste from households and turn it into compost for resale. We also accept garden waste for composting at our Transfer Stations (EcoDrops) and encourage home composting and worm farms.

Residual waste collection and disposal

Not everything can be recovered so we collect, consolidate and safely transport this remaining waste to landfill.

Landfill aftercare

We also look after closed landfills to make sure they don't harm the environment. Methane gas is captured from the Burwood landfill, piped underground, and used to power some city buildings and parts of the Christchurch Wastewater Treatment Plant.

Education

Education is an important aspect enabling residents to make informed decisions on the best waste practices focusing on the best environmental and social outcomes.

We work closely with other councils across the region on aligned campaigns and hold regular workshops and information sessions for our residents.

Working with others

We contribute towards Canterbury wide waste minimisation initiatives, and support nationwide waste avoidance initiatives such as advancing product stewardship and reducing packaging waste including use of single use plastics.

What did we achieve?

The kerbside collection system continues to perform well, diverting approximately 65% of waste from landfill and rates highly in our annual residents' survey. As part of our commitment to continuous improvement, we are working with our collections contractor to maximise efficiencies under the recently completed Radio Frequency Identification Program, whereby electronic identification tags were fitted to the city's 480,000 wheelie bins. The tags and associated data will enable us to manage bin allocations and resolve issues more quickly while also reducing opportunities for misuse of the service.

In response to the challenges faced since the COVID-19 pandemic response, Council have committed significant efforts to reducing the rate of contamination in the city's kerbside recycling. Implementation of a successful gold star education program, including 315,000 bin checks, has improved the proportion of trucks able to be recycled from 49% to around 88% of all loads.

Council have initiated a service delivery review of its refuse disposal and resource recovery services. Changes identified in the review will be publicly consulted in FY22 and help Council deliver the objectives identified in the Waste Management and Minimisation Plan in 2020, a six year plan which addresses how Council will deliver its waste and resource recovery services. This Plan, supported by a

detailed Action Plan outlines the short, medium and long-term strategies to minimise waste.

In 2020 Council approved the remediation of a number of ‘at risk’ former landfills, with a significant program of works planned. Council also approved investment in the Christchurch Organics Processing Plant, a significant upgrade to improve operations and reduce fugitive odour emissions. This upgrade has now been tendered and a design selected with works likely to commence later in 2021.

Gas extracted from the Burwood Landfill is used at the Civic Building for heating, cooling and lighting, the Christchurch Art Gallery for heating and the Christchurch Wastewater Treatment Plant for drying biosolids.

We continue to work as part of the Canterbury Waste Joint Committee towards regional waste minimisation projects and identifying opportunities to further improve on reducing waste.

How did we measure up?

Solid Waste

Level of Service	Target	Achieved	Result	Prior Years
Recyclable materials kerbside collection				
Recyclable materials collected by Council services and received for processing at the Materials Recovery Facility (MRF)	[8.0.1] 103 kg +40%/-10% recyclable materials / person / year collected and received by Council services	Not achieved	64.04 kg per person	2020: 91.07 kg per person 2019: 106 kg per person 2018: 109.17 kg per person.
Kerbside wheelie bins for recyclables emptied by Council services	[8.0.2] At least 99.5% collection achieved when items correctly presented for collection	Achieved	99.91% collection achieved	2020: 99.5% 2019: 99.5% 2018: 99.7%
Residual waste kerbside collection				
Tonnage of residual waste collected by Council services	[8.1.2] No more than 119 kg / person / year of residual waste collected by Council services	Achieved	108.19 kg per person	2020: 108.1 kg per person 2019: 111.9 kg per person 2018: 114.2 kg per person.
Kerbside residual waste collection –emptied by Council services	[8.1.3] At least 99.5% collection achieved when items correctly presented for collection	Achieved	99.77% collection achieved	2020: 99.6% 2019: 99.7% 2018: 99.9%
Landfill gas capture & treatment				
Maximise beneficial use of landfill gas collected from Burwood landfill.	[8.1.7] Landfill gas to be available to facilities that utilise the gas at least 95% of the time	Achieved	97.34% availability	2020: 96.3% 2019: 96.0% 2018: 98.3%
Organics kerbside collection				
Amount of organic material collected at Council facilities and diverted for composting	[8.2.1] Greater than 190 kg +30%/- 10% organic material collected at Council facilities and diverted for composting facility / person / year	Achieved	201.74 kg per person	2020: 202.2 kg per facility / person / year. 2019: 215.0 kg per facility / person / year 2018: 206.8 kg per facility / person / year
Kerbside wheelie bins for organic material emptied by Council services.	[8.2.2] At least 99.5% kerbside wheelie bins for organic material, emptied when correctly presented for collection	Achieved	99.81% emptied	2020: 99.6% 2019: 99.6% 2018: 99.8%

Where are we heading?

We will continue working with residents to maximise the level of recycling and organics diverted from landfills, through the kerbside collection system. Adapting to the changing markets for recycling will include looking into onshore and alternative processing options. Education programmes, including kerbside auditing and promotion will be used to maximise the separation of organic and recyclable waste and ensure we minimise contamination of the organic and recyclable streams. This is of particular focus in light of the problems experienced following the COVID-19 lockdown.

To deliver the objectives and actions established in the Waste Management and Minimisation Plan and associated action plan, we are undertaking a service delivery review to ensure our resource recovery services are fit for purpose and effective to manage the waste created in Christchurch and the wider Canterbury region.

This will include a review of our kerbside services, updating our Waste Management Bylaw and improving our services to inner city and parts of Banks Peninsula to maximise diversion from landfill and the infrastructure required to achieve this. We will continue to work with our collections contractor to maximise the use of new data available through the Radio Frequency Identification (RFID) programme, to more effectively manage the 480,000 wheelie bins in our Kerbside Collection and better communicate with our residents.

We will continue to take an active part in the Canterbury Waste Joint Committee, WasteMINZ, and Ministry for Environment with programmes for waste reduction, waste avoidance, product stewardship and monitoring the reduction of waste to landfill from across Canterbury.

Landfill gas from the old Burwood landfill will continue to provide energy to the CWTP, Council's Civic Offices and the Christchurch Art Gallery.

Landfill gas is also collected from Kate Valley landfill and converted into electricity. The first Electric kerbside collection truck is now operational in Christchurch that forms a part of a 'circular economy' – the collection truck is powered by the refuse that it is collecting.

We continue to work with businesses to reduce the waste sent to landfill and to be more energy and water efficient.

Service delivery in 2021/22

We will deliver the levels of service detailed in the LTP and Activity Management Plans for the 2021/22 year.

Council adopted our new Waste Management and Minimisation Plan in November 2020, this plan provides the framework for our resource recovery services over the next six years. The plan includes a detailed action plan which will be updated annually.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Solid waste	55,711	56,505	55,062
	55,711	56,505	55,062
Operating revenue from services			
Solid waste	13,835	9,577	12,340
	13,835	9,577	12,340
Capital revenues	-	-	-
Vested assets	-	-	-
Net cost of services	41,876	46,928	42,722

Explanation of significant variances

Solid Waste

The cost of service was \$0.8 million lower than plan due to \$6.6 million lower service contracts (driven by lower recycling processing fees) and \$0.2 million lower depreciation expenses; offset by \$2.6 million higher refuse disposal charges (driven by contaminated recycling loads), \$1.6 million closed landfill provision (driven by higher risks associated with closed landfill sites), \$1.6 million higher maintenance costs (driven by ongoing operations of Burwood landfill site) and \$0.2 million other operating costs.

The cost of services was \$0.6 million higher than 2020 due to \$1.9 million higher service contract costs, \$1.7 million

higher refuse disposal fees, \$0.8 million higher maintenance costs and \$0.1 million other operating costs; offset by \$3.9 million lower contingency costs.

Operating revenue was \$4.3 million higher than plan due to an additional \$4.0 million revenue from the Burwood Resource Recovery Park (BRRP), \$0.2 million fees and charges revenue and \$0.1 million other revenue.

Operating revenue is \$1.5 million higher than 2020 due to \$1.7 million higher revenue from the BRRP and \$0.1 million higher rental revenue; offset by \$0.3 million lower insurance recoveries.

Funding impact statement for year ended 30 June

	2021 Actual	2021 Annual Plan	2021 Long Term Plan	2020 Long Term Plan
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	17,492	17,462	15,057	14,308
Targeted rates	29,983	29,957	22,190	21,450
Subsidies and grants for operating purposes	1,328	1,139	1,137	1,114
Fees and charges	6,643	6,597	6,656	6,519
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5,129	1,106	1,877	2,730
Total operating funding (A)	60,575	56,261	46,917	46,121
Applications of operating funding				
Payments to staff and suppliers	50,953	51,626	43,153	42,420
Finance costs	240	240	351	254
Internal charges and overheads applied	1,895	1,895	1,887	2,043
Other operating funding applications	(80)	-	-	-
Total applications of operating funding (B)	53,008	53,761	45,391	44,717
Surplus (deficit) of operating funding (A-B)	7,567	2,500	1,526	1,404
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(5,064)	466	1,440	1,167
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(5,064)	466	1,440	1,167
Applications of capital funding				
Capital expenditure				
- to replace existing assets	2,442	2,277	2,966	2,571
- to improve the level of service	58	689	-	-
- to meet additional demand	-	-	-	-
Increase (decrease) in reserves	3	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	2,503	2,966	2,966	2,571
Surplus (deficit) of capital funding (C-D)	(7,567)	(2,500)	(1,526)	(1,404)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The operating funding surplus was \$5.1 million higher than planned. Operating funding was \$4.3 million higher than planned due to an additional \$4.0 million revenue from the Burwood Resource Recovery Park (BRRP), \$0.2 million fees and charges revenue and \$0.1 million revenue from other services. Applications of Operating Funding were \$0.8 million lower than plan due to \$6.6 million lower service contract costs (driven by lower recycling processing fees), offset by \$2.6 million higher refuse disposal fees (driven by contaminated recycling loads), \$1.6 million higher maintenance costs (driven by ongoing operations of Burwood landfill site), and \$1.6 million higher closed landfill provision costs (driven by higher risks associated with closed landfill sites).

Capital Expenditure

Capital expenditure was \$0.5 million lower than planned. This is driven by the deferral of the Bexley Closed Landfill Foreshore Remediation project \$0.9 million (now planned for delivery in future years), partially offset by works completed from prior year funding for the Refuse Disposal Capital Renewals programme \$0.4 million.

Significant capital expenditure

Significant capital expenditure included: Solid waste renewals \$1.3 million, Closed landfills \$0.9 million

The remainder was spent on smaller projects throughout the city.

Housing

What is housing, and what does the Council do?

During the 2020/21 year Christchurch City Council recast its housing offering as “community housing”.

Community housing is a form of assisted or non-market housing working alongside private housing in the open market, meeting housing needs through a range of social and affordable rental and home ownership options. Community housing complements and includes the public (or social) housing traditionally provided by central or local government, and other community providers.

The Council's housing activity currently provides community housing through ownership of social housing complexes. The housing units are owned by Council and are leased to a Community Housing Provider (CHP) and other organisations who then sub-let the units to those in need. These organisations have their own tenant eligibility criteria, however most are based on affordability and assessed housing need.

Our social housing assets mainly comprise studio and one bedroom units with a small percentage of two, three and four bedroom units.

Housing is a key area through which the Council's social and economic well-being objectives are influenced.

Why is the Council involved?

Our provision of community housing contributes to the community's well-being by ensuring safe, accessible and affordable social housing is available to people on low incomes, including the elderly and people with disabilities. Council has been involved in housing since 1938. It supports equity of access to basic housing to the city's at risk population.

Housing contributes to achieving a number of the city's community outcomes including:

Liveable city

- Christchurch has a sufficient supply of, and access to, a range of housing - by providing social housing, Council contributes to the supply of housing for those in need who would otherwise find it hard to access warm, dry and secure homes.

Strong communities

- Strong sense of community – having access to housing is a major key to a sense of community as it enables people to take part in the community and access services and facilities.
- Active participation in civic life – not having a home inhibits participation in civic life. A home address makes it easier to take part in or use basic services in the community such as enrolling to vote, getting a bank account or even a library card.
- Safe and Healthy communities - having a home is the first step to keeping a person safe and healthy. Providing homes to those in need helps keep both the occupant and the public feeling safe.

Healthy environment

- Sustainable use of resources - our social housing is built, maintained and renewed in a way which promotes sustainability and energy efficiency.

Prosperous economy

- An inclusive, equitable economy with broad-based prosperity for all - housing is a key area through which social and economic well-being is influenced. Adequate housing is strongly linked to economic performance by ensuring they are well placed in terms of secure accommodation to make a contribution to the economy.

How does it affect me?

If you or someone you know is elderly, is on a low income or has particular needs, you (or they) may be eligible to apply for social housing.

What activities are involved?

Our housing activity provides asset management, maintenance, replacement, intensification and a partnership programme that supports the provision of affordable accommodation to people on low incomes.

The tenancy management function is managed by the Ōtautahi Community Housing Trust (OCHT). They administer the day to day management of tenancy matters. These include: application and allocation services, inspections, risk management, minor maintenance and health and safety, partnerships with welfare and support agencies and a social activity and engagement programme. We continue to undertake strong consultation and engagement with OCHT tenants in respects to the ongoing major repair and renewal programme.

What did we achieve?

The last year has been a busy one for Council and its partner the Ōtautahi Community Housing Trust (OCHT), delivering works that have increased the supply and quality of social housing in the City.

On the supply side, Council has helped finance the development of four new complexes, adding 118 new homes to the OCHT portfolio with a further 72 in construction. The Council has lent OCHT \$55 million to facilitate these developments and help meet the needs of some of our most vulnerable citizens.

The most significant project to increase quality has been the warm and dry programme. In late 2019, Council approved \$16 million of funding to accelerate delivery of improvements to meet the new Healthy Homes standards in both its own units and those that it transferred to OCHT. This work, which involved installation of heat pumps and ventilation, some insulation upgrades, draught stopping, and moisture ingress and drainage improvements, is substantially complete, two years ahead of the compliance date. Feedback to date has been that this has made a significant difference to the warmth and dryness of units.

We have continued our focus on planned programme works with 12 complexes receiving full exterior painting, significant tree maintenance carried out at 16 complexes, and path and driveway repairs and renewals at 14 complexes.

Other highlights included alterations to concrete balconies at Gloucester Courts to meet the current building code, services repairs and renewals at five complexes, and a full roof replacement at Harman Courts. We've upgraded communal laundry facilities at two complexes and completed interior upgrade works of 25 units. Some works continue into the new financial year including 16 bathroom renewal and upgrades and the floor levelling of another complex.

Unfortunately we have had to repair five fire damaged units, and decontaminate nine methamphetamine contaminated units. To try to reduce the consequences of fires we've

engaged with our partner, ŌCHT, to increase education messaging to the housing residents. ŌCHT are also working with FENZ to install additional smoke alarms, exceeding regulatory requirements.

We've also been undertaking inspections to determine if there is any asbestos in our units and to help plan for future works. Together with the visits required for the warm and dry programme, and final inspections for earlier earthquake works, this has resulted in multiple visits to some units. Tenants have been very understanding and we appreciate the assistance in granting access even when this may have caused some inconvenience.

During the year Council made the decision to sell one damaged complex, where the costs of repair and upgrading it to current standards were extensive, the layout of the units poor, and there was an oversupply of public housing in the immediate vicinity. The return from this sale is being used to help lift the quality of other units in the portfolio.

Further work has been undertaken to improve the delivery of social housing services. OCHT is now responsible for delivering major maintenance. Previously undertaken by Council, this change allows more integrated planning, improved tenant experience, and the potential for additional value through procuring works differently.

On the policy side, Council approved a new Community Housing Strategy early in 2021, which frames community housing as central to the City's wellbeing. This document sets the future direction for Council's role in both public and affordable housing, with a focus on facilitating the achievement of objectives through working in partnership with other providers. Some Strategy priorities are to investigate options for the provision of community housing at scale, and to ensure the utilisation of Council land and resources supports and retains a range of community housing.

How did we measure up?

Housing

Level of Service	Target	Achieved	Result	Prior Years
Assisted Housing				
Council makes a contribution to the social housing supply in Christchurch	[18.0.1] Number of social housing units in Council's portfolio: 1,944 units* *Target revised via Council resolution FPCO/2021/00019 from 1,964 to 1,944. This reflects the 2020 resolution to sell Cecil Courts (20 units).	Achieved	1,944 units	2020: 1,964 units 2019: 2,241 units 2018: Of the portfolio of 2,478 units 2,273 are open.
Council makes a contribution to the social housing supply in Christchurch	[18.0.4] Number of operable Council-owned social housing units that are available for lease: 1,798 units	Achieved	1,851 units	2020: 1,857 units (90.5% utilisation rate) 2019: 2,045 units (97.87% utilisation rate) New Measure in 2019

Where are we heading?

The Council's role continues to shift from delivering services to facilitating outcomes.

Working with our partners, our focus over the next three years is to continue to lift the quality of units through investment in major maintenance and renewals.

We will also continue to explore opportunities to facilitate additional public housing and leveraging Council land to develop warm and dry affordable homes.

We will look for other partners and new financing arrangements to help accelerate the delivery of these outcomes.

Service delivery in 2021/22

We aim to meet the levels of service indicated in the LTP for 2021/2022.

Our role will shift from a delivery to management and facilitation, with OCHT now delivering all maintenance and tenancy management.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Housing	22,219	21,668	42,820
	22,219	21,668	42,820
Operating revenue from services			
Housing	14,909	15,381	14,269
	14,909	15,381	14,269
Capital revenues	-	-	-
Vested assets	-	-	-
Net cost of services	7,310	6,287	28,551

Explanation of significant variances

Housing-

The cost of services were \$0.5 million higher than plan in 2021 and \$21.0 million higher in 2020 as a result of fair value impairment of the receivables associated with the transfer of properties to OCHT.

Operating revenue was \$0.5 million lower than planned due to a prior year lease adjustment.

Operating revenue was \$0.6 million higher than 2020 as a result of higher housing unit numbers.

Funding impact statement for year ended 30 June

	2021 Actual	2021 Annual Plan	2021 Long Term Plan	2020 Long Term Plan
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	-	-	-	-
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	14,907	15,339	17,996	15,908
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	42	42	41
Total operating funding (A)	14,909	15,381	18,038	15,949
Applications of operating funding				
Payments to staff and suppliers	14,143	14,395	15,423	14,913
Finance costs	-	-	-	-
Internal charges and overheads applied	730	730	894	1,036
Other operating funding applications	(204)	-	-	-
Total applications of operating funding (B)	14,669	15,125	16,317	15,949
Surplus (deficit) of operating funding (A-B)	240	256	1,721	-
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	25,455	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	25,455	-	-	-
Applications of capital funding				
Capital expenditure				
- to replace existing assets	9,546	11,527	4,117	3,661
- to improve the level of service	-	-	-	-
- to meet additional demand	-	-	-	-
Increase (decrease) in reserves	(6,054)	(11,271)	(2,396)	(3,661)
Increase (decrease) of investments	22,203	-	-	-
Total applications of capital funding (D)	25,695	256	1,721	-
Surplus (deficit) of capital funding (C-D)	(240)	(256)	(1,721)	-
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

Operating funding \$0.5 million higher than plan as a result of fair value impairment of the receivable associated with the transfer of properties to OCHT.

Capital funding

The housing programme borrowed \$25.0 million to on-lend to Ōtautahi Community Housing Trust to fund the development of social housing units.

Capital expenditure

Capital expenditure was \$1.9 million lower than planned due to deferment of the Housing Reactive Renewals work programme to 2022.

The \$6.1 million reduction in reserves was \$5.2 million lower than planned. This is due to an unplanned sale of Cecil courts (\$2.1 million), less capital works delivered (\$1.9m) and compensation to the Housing Fund relating to property that was Red-Zoned (\$1.1 million). (To check with Ryan next Monday \$22m of loans advanced to OCHT)

Significant capital expenditure

Significant capital expenditure included: Social Housing Warm & Dry (Heat Pumps) \$3.1 million, Social Housing Warm & Dry (Insulation) \$2.0 million, Social Housing Warm & Dry (Mechanical Ventilation) \$2.0 million, Housing Reactive Renewals \$2.0 million and Social Housing Warm & Dry (Draught Stopping) \$0.3m. The remainder was spent on smaller projects throughout the city.

Regulation and Compliance

What is regulation and compliance, and what does the Council do?

The Council prepares plans, policies and regulations in accordance with its legal obligation to guide the city's future development, and help make the city a safe and healthy place for people to live, work and visit. Our regulation and compliance teams make sure we follow all laws and rules that apply to the city.

Why is the Council involved?

Local government is responsible for, among other things, promoting sustainable management of the natural and physical resources under the Resource Management Act 1991 (RMA). Under the Act, councils are required to prepare a District Plan which contains objectives, policies and rules to manage the effects of land use on the community and wider environment. The RMA sets out the matters which the Council must consider in preparing its District Plan, and the processes it must follow.

Regulation and compliance services are needed to administer the laws that govern where activities occur and their effects, building and development work, the health and safety of licensed activities, and the keeping of dogs. The Council enforces compliance with regulations, monitors individual licences and approvals, investigates complaints and non-compliance, and assesses the potential effects of various activities while still enabling builders, developers and property owner's reasonable use of their property and opportunities to carry on their business.

Regulation and compliance activities contribute to the environmental, social, cultural and economic well-being of the community through the provision of resource consents, building consents, licensing approvals, inspections of construction work, and enforcement of health, noise, and other bylaws.

They contribute toward the achievement of the city's Community Outcomes by helping to make Christchurch a safe city, a city of people who value and protect the natural environment, a healthy city and an attractive and well-designed city – four of the nine goals for our city that are included in our Community Outcomes. This contribution is made by ensuring legislative requirements are complied with and nuisances are minimised while the consenting process minimises adverse effects and ensures a safe and attractive built and natural environment.

How does it affect me?

Residents use the Council's regulation and compliance services if they build a new home or commercial building, open a business, request a property report before buying a home, or express concern about noise. These services affect how residents handle dogs and stock, and where they can buy and consume alcohol. They also ensure that

the places residents go to eat and drink are healthy and safe.

What activities are involved?

Regulatory compliance and licensing

Our regulatory compliance team protects the health and safety of the city by minimising potential hazards – this includes controlling dogs and wandering stock, controlling where alcohol can be sold and consumed, and carrying out health inspections at food outlets. The team ensures that residents and businesses comply with rules for building, and with the District Plan and bylaws. It also responds to complaints about noise. Educating the public about the rules is a key part of the regulatory compliance team's work.

Building services

The processing and issuing of building consents, subsequent inspections and the issuing of code compliance certificates and compliance schedules are fundamental to ensuring Christchurch city has a safe and healthy environment. Collectively these functions are designed to ensure that new and existing buildings fully meet the requirements of the Building Act 2004, Building Regulations, Building Code and various Building Standards as required.

Earthquake prone buildings are managed in accordance with the provisions of the Building Act. The team have identified priority earthquake prone buildings in Christchurch and have developed a strategic approach to determining the required action, (strengthening or demolition). This is required to be completed by 30 June 2022.

Public advice is increasingly provided through online services such as web pages and email services, while duty phones and pre-application meetings are also being delivered to assist property owners, builders and developers. Front counter services are available but there is a decrease in the number of people utilising this service. The Strategic Partnership team provides an effective and highly regarded end to end service which navigates clients through all council applications and approvals needed to support complex commercial developments and major projects within the city.

Regular and targeted stakeholder engagement is undertaken, including Engineering NZ, Master Builders, Certified Builders, Architectural Designers NZ, Housing NZ and a number of group home builders being the most predominant. Collaboration with other Councils both locally and nationally is undertaken through the Mainland Building Consent Authority Cluster, and the Metro Strategic Building Managers Group.

The Quality Assurance team support the Council's continued registration as a Building Consent Authority

(BCA), and Building Act-related claims are responded to by the Business Solutions team.

Resource consenting

Resource consents are required when activities, development or building does not meet the requirements set out in the District Plan. The Plan has been developed in consultation with the community and sets a benchmark for environmental and amenity outcomes. Resource consents are processed to ensure outcomes are achieved and are required to be processed within statutory time frames to ensure development is not held up by lengthy regulatory processes. Information about the process and requirements is available by viewing Council's website, by phoning the duty planner, or by arranging a pre-application virtual or face-to-face meeting.

Land and property information services

This service provides Council's customers with property specific information to ensure building or property development decisions are based on good information. This assists customers in making informed decisions on regulatory related projects. We provide this through general public advice services, project specific advice via pre-application meetings, and Land Information Memorandum (LIMs) and property file information upon request.

What did we achieve?

Our priority is always to maintain or enhance the quality of service. This was accomplished by the regular review and enhancement of our business processes, work practices and communications. There was a strong emphasis in the past year on delivering effective client relationship management services and improving the tone of our communications.

Regulatory compliance and licencing

Council monitors Christchurch City's environment to ensure the community and environment is safe and healthy.

The Council's compliance activities have remained steady this year, however there has been an increase in complexity of regulatory compliance investigations, specifically in the areas of illegal building works, environmental compliance and Bylaw enforcement.

The anticipated drop in Alcohol licenses and Food premises registrations as a result of COVID-19 did not eventuate with volumes remaining similar to previous years.

With the border restrictions in place the Freedom Camping season this year had a different landscape with more national visitors engaging in Freedom camping activities. With a notable increase in compliance with the Bylaw.

Our risk based compliance strategy has been adopted well and we are continuing to prioritise investigations in accordance with the risk to the environment or community.

Building Regulations

The demand for both commercial and residential building consents picked up slightly in the first six months of the period and increased significantly in the final third of the year. The overall high numbers were not forecasted based on economic modelling available to the Council at the time. Forecasting is required to be completed sometime in advance and we then adjust through the year based on trends and updated economic forecasting. Work is ongoing to more accurately forecast numbers, but accurately forecasting building consent application numbers can be difficult.

Building Consents

Building consent volumes were stronger than expected in 2020/21, with 4,806 consents being granted (compared to 4,512 in 2019/20). These volumes were driven by extensive building across the city with the anticipated drop as a result of COVID-19 not eventuating.

Earthquake Prone Buildings

There are currently 707 Christchurch buildings on the MBIE earthquake prone buildings register. Of these, 177 are priority buildings and will require strengthening or demolition in the next 7.5 years (105 of these will be due for this work by 2025, and 72 by 2026-28). The remaining 530 non priority buildings have up to 15 years for strengthening or demolition. In total, there were originally 7,219 buildings in Christchurch requiring earthquake prone assessment. This number has now reduced to 3,400. Assessment of these buildings will be completed by the deadline of 1 July 2022.

During the 20/21 financial year, 99 buildings were removed from the register. Of the 99 buildings, 13 were demolished, and 6 were reassessed as being no longer earthquake prone (by full Detailed Seismic Assessment – DSA) and 80 were strengthened to new building standard (NBS, above 34%).

Building Warrant of Fitness

There were 199 building warrant of fitness audits performed over the last financial year. This is significantly down on last year's 351 as workload demands of large projects have reduced our capacity to conduct lower priority audits.

Eco-Design Advisor

Over the past year the building consenting unit have provided a high quality eco-design service, with the eco-designer conducting 337 individual consultations and numerous public / stakeholder engagements including Conztruct NZ show. Additionally, the eco-designer has presented external groups like Branz, Ara as well as many architecture and engineering firms. She also worked hard to provide advice on MBIEs proposal for Climate Change through using sustainable and low emission building supplies and designs.

Public Advice

Walk in customers have increased by 35% compared to last year, with 6,109 customers seen in the civic offices over the 2020/21 period. The Duty Building Consent officers received 12,024 calls and emails relating to Building queries. 75% of all calls were answered in the first instance. 85% of all emails received were acknowledged within 24 hours

External Stakeholder Engagement

We continue to engage with a wide group of stakeholders representing the building industry, and have built strong relationships with these groups, enabling constructive feedback about the service we provide. Wherever possible we work to improve our systems, processes and customer service in response to this feedback.

Building Act Exemptions and Certificates of Acceptance

The total number of Building Act Exemptions completed during the 2021 year was 2,116, 97.9% of these were processed within 10 days.

Certificates of Acceptance (COA) applications have increased 16% from the prior year to 217. This reflects the increase in overall Building Consent applications. 99.5% of COA applications were completed within 19 days.

Land and property information services

This year saw a significant increase in LIMs (27%) and Residential Property file requests (26%) post COVID-19.

This increase was unexpected as volumes were forecasted to decrease.

Performance was maintained with all requests processed within the statutory timeframes.

The LIM and Property file request process moved onto a new request and pay system which has enabled a faster delivery of property files and LIMs to the customers, resulting in an improved customer experience.

Resource Consenting

Resource consent application numbers have increased significantly in 2021 (2,728 vs. 2,388 in 2020). However, compliance with processing timeframes was maintained at 99%, meaning all but 1% of applications were processed within expected timeframes.

Customer satisfaction with the process increased to 73%, 3% above the target of 70%. Other survey information (pulse survey feedback) showed customer satisfaction consistently over 90%.

The Unit also experienced a higher than usual number of public enquiries through its duty planner phone and email.

Due to a number of contentious applications being received and processed, the Unit also responded to a number of concerns raised about development in neighbourhoods.

How did we measure up?

Regulatory Compliance and Licencing

Level of Service	Target	Achieved	Result	Prior Years
Animal Management				
Animal Management Services prioritise activities that promote and protect community safety	[9.0.1] 98% of investigations of priority 1 complaints (aggressive dog behaviour and wandering stock) initiated within 10 minutes	Not achieved	89% of investigations initiated within 10 minutes	2020: Not measured 2019: 99% 2018: 95%
Animal management services encourage responsible dog ownership through education, registration and enforcement	[9.0.15.1] 50 Bite prevention programmes delivered to schools annually	Achieved	59 Bite prevention programmes delivered	2020: 24 schools 2019: 50 schools 2018: 58 schools
	[9.0.15.2] 20 Dog wise programmes delivered per annum	Not achieved	16 Dog wise programmes delivered	2020: 9 schools 2019: 16 schools 2018: 58 schools
Compliance and Investigations – Building Act, Resource Management Act, Council Bylaws				
Protect community safety through the timely and effective response to complaints about public safety	[9.0.3.1] 100% of all investigations of dangerous building reports are initiated, and identified hazards secured, within 24 hours, 7 days a week	Achieved	100% investigations delivered within timeframes No building met the threshold of a dangerous building in 2020/21	2020: 100% 2019: 100% 2018: 100%
	[9.0.3.2] 100% of all investigations into reports of incidents covered by the Resource Management Act that meet serious risk to public safety criteria are initiated within 24 hours, 7 days a week	Achieved	100% No incidents reported in 2020/21	2020: 100% 2019: 100% 2018: 100%
Protect the safety of the community by ensuring swimming pools comply with legislative requirements	[9.0.7] All pools are inspected in accordance with the legislative requirements in Section 162D of the Building Act 2004. (all pools inspected on a 3-year cycle)	Achieved	34.1% of swimming pools inspected. This was a total of 1,744 inspections.	2020: 22.8% 1,184 inspections 2019: 30.5% 1,455 inspections 2018: 43% 1,931 inspections
Protect the health and safety of the community by ensuring Resource Management Act activities comply with legislative requirements	[9.0.17] 95% of high risk Resource Management Act consents and clean fill sites monitored at least once every 3 months	Achieved	100% of sites monitored at least once every 3 months	2020: 95% 2019: 100% 2018: 100%
Protect the safety of the community by ensuring Amusement Devices comply with legislative requirements	[9.0.29] Upon request 100% of applications are processed, sites inspected and permits issued	Achieved	100% of applications processed, sites inspected and where applicable permits issued	2020: 100% 2019: 100% New measure in 2019
Alcohol licencing				
Protect the health and safety of the community by Licencing and monitoring high risk alcohol premises	[9.0.4] 100% Very High/High risk premises are visited at least once per year	Achieved	100% inspected.	2020: 100% 2019: 100% 2018: 100%
Food Safety and Health Licencing				
Food premises are safe and healthy for the public	[9.0.5] 98% of scheduled Food Control Plan verification visits are conducted	Not achieved	76% of visits conducted. Total 1,285 verifications for 2020/21	2020: 83% 2019: 98% inspected 2018: 85% inspected
	[9.0.19] 95% of premises issued with corrective actions are visited within 5 working days of the time specified for compliance	Achieved	97% visited within timeframe	2020: 100% 2019: 95% New measure in 2019
Environmental Health, including noise and environmental nuisance				

Level of Service	Target	Achieved	Result	Prior Years
The community is not subjected to inappropriate noise levels	[9.0.8] 90% of complaints in relation to excessive noise are responded to within one hour	Achieved	91.6% of calls responded to within one hour	2020: 93% 2019: 85% 2018: 93.2%
Protect community safety through the timely and effective response to notifications of public health incidences	[9.0.21] 100% of investigations into matters that pose a serious risk to public health are received, assessed and if appropriate started within 24 hours (i.e. asbestos, P-labs, contaminated land, hazardous substances)	Achieved	100% of investigations assessed and started, if appropriate	2020: 100% 2019: 100% 2018: 100%
Regulatory Compliance, Licensing and Registration public advise				
Customers have access to information on compliance responsibilities	[9.0.30] Staff are available to respond to public information requests between 8 – 5pm, Monday to Friday	Achieved	100% availability during scheduled hours	2020: 100% 2019: 100% New measure in 2019

Building Services

Level of Service	Target	Achieved	Result	Prior Years
Consenting and Compliance General Advice and Investigations				
Consenting and Compliance general advice and response to public and elected member enquiries	[9.1.19] Response meets legislative and/or agreed timeframes	Achieved	100% of responses meet legislative and/or agreed timeframes	2020: 100% 2019: 100% New measure in 2019
Building consenting				
Grant building consents within 20 working days.	[9.1.1] The minimum is to issue 95% of building consents within 19 working days from the date of acceptance	Not achieved	86.6% of building consents issued within 19 working days	2020: 95.7% processed within 19 working days. 2019: 95.8% processed within 19 days, 97.7% within 20 working days. 2018: 97.9% processed within 20 working days.
Ensure % satisfaction with building consents process. Set from benchmark in Year 1 (2019) - 76%	[9.1.4] Quarterly review of survey results and feed common issues to issues register for resolution	Achieved	84.6% satisfaction	2020: 82.5% 2019: 76.0% 2018: 78.2% (survey from Dec 2017 to June 2018)
Building inspections and Code Compliance Certificates				
Grant Code Compliance Certificates with 20 working days.	[9.1.7] Issue minimum 95% of Code Compliance Certificates with 19 working days from the date of acceptance	Achieved	98.5% of Code Compliance Certificates issued within 19 working days	2020: 98.4% 2019: 98.3% 2018: 98.9%
Building Consenting public advice				
Eco Design Advice	[17.0.37] Provide a quality eco design service	Achieved	337 consultations provided for residential buildings Presentations to Conztruct NZ, Branz, Ara, architecture and engineering firms. Advice to MBIE's proposal for Climate Change through using sustainable and low emission building supplies and designs	2020: 334 consultations provided 2019: 368 consultations provided New measure in 2019
Annual building Warrants of Fitness				
Audit Building Warrant of Fitness to ensure public safety and confidence	[9.1.9] Complete annual audit schedule	Achieved	199 building warrant of fitness audits completed in 2020/21 All scheduled Building Warrant of Fitness documentation received, have been audited/reviewed	2020: 351 audits completed 2019: 456 audits completed. 2018: 405 audits completed.
Building accreditation review				

Council activities and services – Regulation and Compliance

Level of Service	Target	Achieved	Result	Prior Years
Building Consent Authority status is maintained.	[9.3.1] 'Building Consent Authority' status is maintained	Achieved	BCA accreditation maintained	2020: BCA accreditation maintained 2019: BCA accreditation maintained 2018: BCA Accreditation maintained
Building policy				
Maintain a public register of earthquake prone buildings in Christchurch	[9.3.5] Update the Earthquake Prone Building Register whenever the Council becomes aware of a change of a building's earthquake-prone status	Achieved	The public register of earthquake prone buildings has been regularly updated as required There are 673 earthquake prone buildings on register, of which 195 are priority	2020: The public register of earthquake prone buildings has been regularly updated when required, and maintained 2019: The public register of earthquake prone buildings has continued to be updated and maintained over the past year 2018: 572 Christchurch buildings on the national earthquake prone building register. Between December 2017 and June 2018, 70 '133AH' notices sent to owners requesting Detailed Seismic Assessment reports to clarify status of their buildings

Land and Property Information Services

Level of Service	Target	Achieved	Result	Prior Years
Land Information Memoranda and property file requests				
Process land information memoranda applications within statutory timeframes	[9.4.1] Process 99% of land information memorandum applications within 10 working days	Achieved	99.9% of applications processed within 10 working days	2020: 100% 2019: 100% 2018: 100%
Property File Requests				
Provide customers with access to property files	[9.4.2] Provide 90% of customers with access to property files within 5 working days of request (subject to payment of fees)	Achieved	92% of property files provided to customers within 5 working days	2020: 94% 2019: 89.1% 2018: 99%
Provide customers with access to property files that are already stored electronically	[9.4.3] Provide 90% of customers with access to property files within 2 working days of request (subject to payment of fees)	Achieved	92% of property files provided to customers within 2 working days	2020: 96% 2019: 89.1% New Measure in 2019
Project Information Memorandum				
Process project information memoranda applications within statutory timeframes	[9.4.10] Process 99% of project information memorandum applications within 20 working days	Achieved	100% of applications processed within 20 working days	2020: 99% 2019: 99% 2018: 100%

Resource Consenting

Level of Service	Target	Achieved	Result	Prior Years
Resource Management Applications				
% of non-notified resource management applications processed within statutory timeframes	[9.2.1] 99% within statutory timeframes	Achieved	99% of applications processed within statutory timeframes	2020: 99% 2019: 99% Simple land use resource management applications 2018: 100% 2017: 92% 2016: 96% Complex non-notified resource management applications 2018: 97% 2017: 98% 2016: 99%. Subdivision consents 2018: New District Plan has resulted in there being no simple subdivision applications.
% of notified resource management applications processed within statutory timeframes	[9.2.18] 99% within statutory timeframes	Not achieved	92% of applications processed within statutory timeframes 11 out of 12 applications were processed within statutory timeframes	2020: 100% 2019: 100% 2018: 93%
Ensure resource consent decision-making is robust and legally defensible	[9.2.6] No decisions are overturned by the High Court upon judicial review	Achieved	No applications were overturned in a judicial review in 2020/21.	2020: No applications 2019: No applications New measure in 2019
% satisfaction of applicant with resource consenting process	[9.2.7] 70% satisfaction achieved	Achieved	73% satisfaction	2020: 69% 2019: 74% 2018: 68%
Ensure quality process and decision making with resource consenting	[9.2.20] Undertake an annual audit and implement recommendations through an action plan	Achieved	1 audit has been completed	2020: 1 audit completed 2019: 2 audits completed New measure in 2019
Development Contribution Assessments				
Ensure quality process and decision making with development contribution assessments	[9.2.13] Undertake an annual audit and implement recommendations through an action plan	Achieved	Audit has been completed. Action plan will be fully implemented by the end of October 2021.	2020: Audit has been completed, an action plan has been created and is being reviewed for implementation 2019: Audit of a sample of development contribution assessments has been completed by Senior Development Contributions Officer. Audit was focused on the accuracy of assessments being in accordance with the Development Contributions Policy New measure in 2019

Where are we heading?

Building Regulation

Providing building regulatory services in the post COVID-19 environment is challenging in terms of clarity regarding the demand on those services and where necessary, how to resource for higher demand. Given the significant increase in applications for building consent in the last quarter of 2020/21, recruiting has commenced and is on-going in the early part of 2021/22 for vetting, processing & administration personal.

Residential building consents have had a dramatic increase since September 2020. Low interest and mortgage rates, leniency in LVRs and travel restrictions from the worldwide COVID-19 pandemic has fuelled the residential market (with house prices increasing 23% in the last year). This in turn has seen a sudden rise in residential building consents, after the initial cool from COVID-19 commercial consents have increased in recent months.

Overall residential accepted consents increased by 22.6%; 4539 for 2020/21 compared to 3702 for 2019/20. Commercial consents only increased by 1.6%; 842 for 2020/21 and 829 for 2019/20 as COVID-19 initially affected business confidence as there were still a lot of unknowns connected to COVID-19. However since March 2021 with confidence getting higher, consent numbers have increased dramatically. Residential consents increase started from September 2020 and exploded in March 2021.

In relation to other key building regulatory services, the provision of Project Information Memoranda, Building Inspections, Code Compliance Certificates, Discretionary Exemptions, Compliance Schedules & Building Warrant of Fitness are all performing within statutory timeframes and internal KPI's.

However, close monitoring is underway to determine the impact of high consent volume on the Building Inspections and Code Compliance Certificate functions.

With MBIE now undertaking a programme of assessing the non-Building Consent Authority functions of Councils (referred to as the 'TA Functions'), work will be required to understand what the assessment requirements are and how to respond to these. At present, no assessment arrangements have been made but work is progressing to understand what the impacts are likely to be. It is anticipated that auditing of Building Warrant of Fitness and Fencing of Swimming Pools will be areas of close scrutiny.

With the Biennial Building Consent Authority Assessment by IANZ being navigated quite successfully our quality assurance focus will also be applied to the TA Functions area.

The identification of Earthquake Prone Buildings will continue throughout this period with the statutory deadline for non-priority buildings in high seismic risk areas being July 2022.

Stakeholder engagement is always an area of continual activity with numerous groups, organisations and interested parties being engaged with to endure we understand and listen of the needs of the sector.

Resource Consents

We anticipate the unexpectedly high application numbers experienced in 2020/2021 to continue in the short to medium term.

Even with high application numbers being received, processing timeframe for applications were maintained with 99% of all applications being processed within the statutory timeframe. We anticipate this performance will lower in the future if application numbers continue to remain high.

We intend to maintain strong customer satisfaction with improvements being considered for the service. While timeframes might be more challenging with higher application numbers, we are improving communication and working on initiatives to improve certainty and consistency for applicants.

Regulatory Compliance

The Council's compliance activities will continue to increase in volume and complexity for the foreseeable future with legislative updates on the horizon with changes to our District Plan and changes to legislation at a central government level.

In the year ahead we will be focusing on how our business activity fits into the new legislative environment.

Service delivery in 2021/22

Building Regulation

Processing applications for building consent will remain a key focus area in terms of service delivery with commitment to resourcing and efficiency underway.

In relation to other key building regulatory services, the provision of Project Information Memoranda, Building Inspections, Code Compliance Certificates, Discretionary Exemptions, Compliance Schedules & Building Warrant of Fitness are all performing within statutory timeframes and internal KPI's.

However, close monitoring is underway to determine the impact of high consent volume on the Building Inspections and Code Compliance Certificate functions.

The case management services support all of the cities anchor projects in addition to a number of key private developments. The focus of this coming year will be to ensure that the necessary certificates and approvals will be delivered on time as these facilities come on stream.

Resource Consents

With application numbers continuing to be high, it is expected that maintaining compliance with processing timeframes will be challenging going forward. The unit has however maintained timeframes to date and has implemented a number of initiatives to address the high workloads.

It is anticipated contentious applications will continue to be received. Any issues identified with the District Plan are continuously being fed back as well as communication channels with affected residents and elected members being explored for improvements.

In particular there will be a continued focus on ensuring applications are processed in accordance with all of the legal obligations set out in the Resource Management Act.

In addition there is a renewed focus on improving the experience for applicants. While the surveys show customer satisfaction levels are high for a regulatory service, there are always improvements that can be made.

Regulatory Compliance

Changes to the District Plan will potentially bring with it a change in the regulatory framework we use to administer that legislation.

Applying a risk based strategic approach to compliance activities will also see a prioritisation model adopted when it comes to responding to compliance investigation requests as well as enabling the Unit to put greater criteria on compliance activities that align with the Council strategic priorities or focus areas.

Land and property information services

LIMs & Property files are now both in Hybris. This is enabling us to give a better customer experience and reduce processing times.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Regulatory compliance & licencing	10,464	11,136	11,150
Building services	26,867	20,296	26,548
Resource consenting	9,613	8,171	10,379
Land & property information services	2,580	2,094	2,674
	49,524	41,697	50,751
Operating revenue from services			
Regulatory compliance & licencing	5,835	5,695	8,026
Building services	24,424	18,155	21,598
Resource consenting	8,987	5,750	7,295
Land & property information services	5,489	3,709	4,192
	44,735	33,309	41,111
Capital revenues	-	-	-
Vested assets	-	-	-
Net cost of services	4,789	8,388	9,640

Explanation of significant variances

Regulatory Compliance & Licencing

The cost of service was \$0.7 million lower than plan and to previous year as a result of lower staff and overhead costs primarily due to vacancies held during 2021.

Operating revenue was \$2.2 million lower than 2020 primarily due to outstanding animal management fines revenue payment received in 2020 from Ministry of Justice dating back to 2007.

Building Services

The cost of service was \$6.6 million greater than plan. This was due to \$2.9m unplanned staff costs (driven by consent volumes not falling as anticipated post-COVID-19) and the increase in provision for building related claims being \$3.0m higher than anticipated.

The cost of services was \$1.1m greater than the previous year. This was driven by a \$3.0m variance in provision for building related claims, partially offset by \$1.9m of cost savings through increased productivity and reduced overheads.

Operating revenue was \$6.3 million greater than plan and \$2.8 million greater than 2020. The increase was due to a 6% increase in consent volumes, with the effect amplified in 2021 by the plan having been reduced in anticipation of a 20% reduction.

Resource Consenting

The cost of service was \$1.4 million greater than plan. This was primarily driven by unplanned staff costs (in light of consenting volumes not falling as anticipated post-COVID-19).

The cost of services was \$0.8m less than the previous year. This was primarily driven by year-on-year improvements to productivity.

Operating revenue was \$3.2 million greater than plan and \$1.7 million greater than 2020. The increase was due to a 14% increase in processed consents, with the effect amplified in 2021 by the plan having been reduced in anticipation of a 20% reduction.

Land & Property Information Services

The cost of service was \$0.5million higher than plan due to higher staff cost to meet increased service demand.

Operating revenue was \$1.8million higher than plan and \$1.3 million higher than 2020 due to increase for Property and Information Memoranda services as a result of a strong property market.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties Targeted rates	8,244	8,230	9,609	10,025
Subsidies and grants for operating purposes	124	105	-	-
Fees and charges	44,281	33,109	46,510	45,425
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	330	95	138	135
Total operating funding (A)	52,979	41,539	56,257	55,585
Applications of operating funding				
Payments to staff and suppliers	47,859	40,199	53,858	53,022
Finance costs	-	-	-	-
Internal charges and overheads applied	1,395	1,395	2,192	2,376
Other operating funding applications	(66)	29	36	36
Total applications of operating funding (B)	49,188	41,623	56,086	55,434
Surplus (deficit) of operating funding (A-B)	3,791	(84)	171	151
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(3,785)	(1)	(4)	(2)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(3,785)	(1)	(4)	(2)
Applications of capital funding				
Capital expenditure				
- to replace existing assets	-	3	-	2
- to improve the level of service	-	-	-	-
- to meet additional demand	-	-	-	-
Increase (decrease) in reserves	6	(88)	167	147
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	6	(85)	167	149
Surplus (deficit) of capital funding (C-D)	(3,791)	84	(171)	(151)
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variancesOperating funding

The Fees and Charges variance of \$11.2m is primarily driven by strong consent volumes in 2021, in contrast to the 20% COVID-19-related reduction which had been expected. Property and Information Memoranda services were also higher than anticipated as a result of the strong property market.

The Payments to staff and suppliers variance of \$8.5m is primarily due to unplanned staff costs (driven by consent volumes not falling as anticipated post-COVID-19) and the increase in provision for building related claims being \$3.7m higher than anticipated.

Significant capital expenditure

There was no significant capital expenditure.

Strategic Planning and Policy

What is strategic planning and policy, and what does the Council do?

Strategic planning and policy encompasses the development of strategies, plans and policies that guide the future development of Christchurch. It includes citywide planning through the district plan and regeneration activities including urban design and heritage. Making our city a smarter, more resilient place to live, work and play is core to our future prosperity and development as a city. Our aim is to promote the social, cultural, economic and environmental wellbeing in our community to ensure that the city's strategic planning and policies not only meet the needs of current residents, but the needs of future generations.

Economic development occurs when employers and policymakers act together over time to increase the standard of living by improving the productivity and prosperity of the community. The Council supports economic and key sector development, the regional innovation system, and high growth potential exporting businesses. We are also focused on attracting more visitors, while our civic and international relations programmes foster international partnerships and extend international economic opportunities as well as cultural understanding in the community.

Why is the Council involved?

Local Government is responsible for promoting the cultural and social well-being of communities for the present and future. We contribute to this by promoting engagement with and understanding of the City's natural, civic and infrastructure environments, and our impact on these. The Council's performance affects the economic and social well-being of the community by ensuring that there are plans to shape the form and function of the city in years to come, and to protect the city's key environmental resources and assets including natural and cultural heritage sites. The strategic planning and policy work contributes to several community outcomes relating to good governance, a liveable city, strong communities, a healthy environment and a prosperous economy.

The city needs a strong economy if it is to improve community outcomes. Economic development activities help improve and expand the economy so residents have better employment and business opportunities and good quality facilities and services.

How does it affect me?

We all want to live in a city that is well designed, and offers exciting opportunities for work and recreation. By protecting our environment, managing growth and guiding the use and development of our resources and infrastructure, we help make Christchurch a great place to live, work and do business. Further, by actively creating temporary streetscapes, activating vacant spaces and supporting the creative sector, the Council is supporting

the ongoing regeneration of the city. A strong economy benefits everyone because there are more and better jobs and business opportunities. A strong economy and good quality of living also makes it easier to attract high-value migrants, returning residents, investment and innovation.

What activities are involved?

Strategic planning and policy

Strategic planning and policy encompasses the activities Strategic Policy, City Planning and Strategic Transport, Urban Design, Regeneration and Heritage supported by programmes of Smart Cities and Resilience. We provide specialist advice and expertise across these functions, to meet our statutory obligations and to contribute to the vision and supporting initiatives to create a resilient 21st century city. The Council develops strategies, policies and plans that set out how we intend to work in the future, guiding and shaping development across Christchurch City and Banks Peninsula. We monitor their effectiveness as well as the city's progress towards achieving our community outcomes. We maintain our commitment to heritage protection to conserve our heritage and find new uses for historical buildings as integral elements of a revitalised city.

Economic development

Our economic development activities help build a competitive, resilient and sustainable economy to benefit residents through the creation of high-value decent work. We also continue to focus on raising the profile of the city to improve perceptions, attract more visitors, business, investment and skilled migrants to the city. Our efforts combine to help make Christchurch a vibrant place to work, live and visit as we open the doors to investment and greater business opportunity. Christchurch is the main urban area servicing Canterbury and the South Island. We work in five broad areas:

- innovation and business growth;
- destination development and visitor attraction;
- city positioning;
- economic strategy and insights; and
- urban development.

Public information and participation

We help build strong and effective relationships with the community by:

- Informing residents and community groups about what the Council does every day, including services and activities and decisions made.
- Communicating with the media and community in 'real time' through our social media and digital channels including the digital news channel, Newsline.
- Developing and delivering marketing, communications and engagement strategies and campaigns in a customer-focussed, user-friendly way to support the organisation's strategic priorities.

- Listening to our residents by coordinating public consultation and engagement about Council activities.
- Providing internal communications support for news, and projects or programmes that impact on all staff.

What did we achieve?

Strategic Planning and Policy

Land Use Planning

We proposed measures for noise management for the new Canterbury Multi Use Arena, under section 71 of the Greater Christchurch Regeneration Act. The proposal was to amend the Central City Recovery Plan and thereby the District Plan, particularly in respect of noise management for concerts. The Council approved the proposal to be submitted to the Associate Minister of Finance in June 2021.

We completed the development of the Council's 30-year Infrastructure Strategy, which was approved in June 2021 as part of the Council's Long Term Plan 2021-31. The Strategy highlighted key infrastructure issues for the Council and priority work that needs to be undertaken to address these issues.

A series of plan changes to the Christchurch District Plan were progressed, including a couple of omnibus plan packages covering a range of activities. These changes cover commercial, industrial, home occupations, non-residential activities, transport, subdivision, and Waimakariri stopbanks, among others. Implementation of the National Policy Statement on Urban Development (NPS-UD) is also in progress, as is the Coastal Hazards Plan Change.

The programme of Coastal Hazards Adaption Planning was endorsed by the Council last year. This involves working with low lying coastal and inland communities to plan how to address risks and exposure from the coastal hazards of inundation, erosion and rising groundwater. The programme has identified its first Adaptation Area as Te Whakaraupō/Lyttelton Harbour and is working with communities within this area.

The Council continues to work with its Greater Christchurch partners to bring Our Space into effect. We are also working with the partners to develop a spatial plan for Greater Christchurch, which will inform a number of other planning and strategic transport workstreams. The Greater Christchurch Housing Development Capacity Assessment has been developed collaboratively by the partners and is a key piece of evidence to inform the Greater Christchurch Spatial Plan (and is needed to meet the requirements of the NPS-UD).

The Planning team has been involved in cross-organisational efforts to respond to the upcoming changes to the resource management system. Recently this has included the development of a submission to the Parliamentary Select Committee, on the Natural and Built Environments Act Exposure Draft.

Strategic Transport

The Future Public Transport business case has been completed, and identified transformational investment in public transport for Christchurch and greater Christchurch. The first 10 years of the Council's investment has been included in the Long Term Plan 2021-31. We are jointly working on the Mass Rapid Transport indicative business case and an interim report was published in June 2021.

We have established a working partnership with the Greater Christchurch Partnership to develop a spatial plan for Greater Christchurch. This will be critical to Mass Rapid Transit, PT Futures, and the development and implementation of the Christchurch Transport Plan.

We have completed the draft Central City Parking Policy to support the transport strategy and public transport work. It will be considered by the Council in August 2021.

Christchurch City has developed a GHD emissions dashboard for transport, which we are continuing to develop and refine. We are hoping that all the Greater Christchurch partners will be able to use the dashboard in the future.

Strategic Policy Update

We completed development and consultation on Kia Tūroa te Ao, Ōtautahi Christchurch Climate Resilience Strategy, which was adopted by Council in June 2021. The strategy provides a framework for comprehensive climate action in partnership with the community.

We led the submission to the Climate Change Commission on greenhouse gas emission budgets and policy direction, and have participated in workshops with central government agencies to provide input to the development of national climate policy.

We are working towards implementing the Christchurch Housing Initiative shared equity home ownership scheme; oversaw the adoption of the Community Housing Strategy; contributed to the implementation of the Greater Christchurch Partnership Our Space 'Social and Affordable Housing Action Plan'; and worked with Government, LGNZ and the community housing sector to support and advocate for social and affordable housing.

Our Development Contribution Policy has been reviewed and a new development contributions rebate scheme for development on Māori land in the Papakāinga zone of the District Plan has been introduced. Economic policy advice has contributed to a range of projects including work on issues related to short-term guest accommodation, destination management planning for Banks Peninsula, our Business Improvement District programme and our draft Financial Strategy.

We supported the work programme for the Long Term Plan, ensuring key building blocks such as Activity Plans were aligned to the Council's Strategic Framework, and supporting preparation of the Infrastructure Strategy and Financial Strategy.

Since July 2020, we made 13 Council submissions and 24 staff submissions on priority issues to external agencies.

The following regulatory work was carried out in 2020/21 in accordance with the ten-year bylaw review schedule and statutory requirements. We have:

- been developing draft replacement bylaws for water supply, wastewater and stormwater
- completed stage two of the review of the Freedom Camping Bylaw 2015, and undertaken public consultation
- started the review of the Waste Management Bylaw 2009 and the Cleanfill and Waste Handling Bylaw 2015.

We have commenced the three yearly review of the Class 4 Gambling and TAB Venue Policy which will be completed in the first half of the 2021/22 year.

We have continued with work to update policies under the Public Places Bylaw 2018, and have commenced a review of the outdoor dining-related policy. This review is expected to be completed in 2022.

Under the Alcohol Restrictions in Public Places Bylaw, two 24 hour temporary alcohol bans were put in place for the Electric Avenue Musical Festival and Six60 events, both held in February 2021.

We have continued working with the Community Public Health team to integrate health and wellbeing perspectives in planning, policy, and decision-making.

Natural Environment

Christchurch Biodiversity Funding of \$200,000 was allocated for fencing, pest control and planting to private landowners with Sites of Ecological Significance.

Implementation of Te Wai Ora o Tāne Integrated Water Strategy is under way, led by Three Waters and Waste Unit staff with support from the Natural Environment Team. The first implementation plan, for water supply, was completed December 2020. The wastewater implementation plan is in progress.

The team led reviews of several dozen non-notified resource consent applications lodged with ECan for takes and discharges to water, land and air during FY2020/2021. We provided feedback to ECan on 15 regional resource consent applications.

We led and/or contributed submissions on matters of regional and national importance, including but not limited to:

- amendments to the National Environmental Standards for Air Quality
- Water Services Bill

The team also provided advice to other Council teams and units, Council senior management and elected members on a range of environmental matters including:

- Canterbury Water Management Strategy Fit for Future programme and zone committee review

- report to TWIE Committee on merits of seeking a water conservation order for Christchurch groundwater
- three waters reform
- nitrates in drinking water
- Mayoral Forum (and its sub-forums), as applicable
- CCC/ECan forums
- Contributed to review of water supply, wastewater and stormwater bylaw
- Working closely with the Mayor's Office on water-related matters

The cut-slope erosion trial started in 2018 has progressed with the second year of monitoring being undertaken, although due to weather conditions effecting plant growth, this has been extended to December 2021.

We facilitated the implementation of our Resource Efficiency Greenhouse Gas Emission programme which includes the structure and tools to assist us to meet the policy commitment to reduce greenhouse gas emissions from our operations by 2030.

We worked alongside the Christchurch Agency for Energy Trust and businesses to secure the installation of 59 public electric vehicle charging sockets across the city. After six years, the trust has completed its objective to allocate over \$1.88 million in Christchurch Energy Grants.

Urban Design and Regeneration Policy, Planning and Grants

The Central City Action Plan continues to guide the Council's regeneration focus across a number of initiatives and programmes and encourages coordination across a range of council's services and partner organisations. Progress is measured against a set of eight Central City Outcomes.

The Central City Residential Programme engaged with Central City communities on what makes Central City neighbourhoods attractive places to live. Work has also begun on how the Canterbury Multi-Use Arena can be a catalyst for further residential development. Private developers built 402 new homes in 2020 – the most built in the Central City in one year since 2011.

The Vacant Sites Programme established in December 2020 aims to support owners to develop sites, but where that is not expected for a few years, tools to improve the amenity of these sites are being developed - especially in the heart of the Central City.

The Barrier Sites Programme continues to address central city properties that are barriers to regeneration with just three properties remaining where no clear intention exists.

The Enliven Places Programme delivered projects across the city and suburban areas, adding to Christchurch's creative, cultural and community identity. The Programme includes a \$100,000 contestable grant fund. In 2020/21, the fund was fully allocated to a wide range of community projects.

Activity in the suburban regeneration programme has focused on Linwood Village and the Central East (plan development, safety and community capacity building), Woolston (supporting streetscape enhancements completion), Sumner (evaluation of masterplan projects) and Bishopdale (investment case and divestment framework).

The Christchurch Urban Design Panel provided design review advice throughout the year. Staff have provided urban design advice on consent applications and our capital projects.

Our work on healthy and energy efficient homes has continued through a partnership with ECan, although the delivery of the service has been severely impacted by COVID-19. The Healthier Homes Canterbury service has provided advice to approximately 800 Christchurch homes since it was established. Other sustainability initiatives include supporting the Food Resilience Network which has now delivered over 2000 fruit and nut trees to schools and community groups and is supporting food growing in the Ōtākaro-Avon River corridor and throughout the city. The Sustainability Fund has operated for a fourth year with available funds of \$400,000 allocated to a wide range of projects.

Heritage Education, Advocacy and Advice

The Our Heritage, Our Taonga, Heritage Strategy is the key guide for the Council's heritage work.

New policy and guidelines were approved for the Heritage Incentive, Intangible and Festival Grants. Five Heritage Incentive Grant applications were approved, allocating \$494,332 to support the conservation, repair, and upgrade of the districts heritage buildings and structures. One Intangible Grant was approved.

The Christchurch Heritage Festival was held from October – 8 November 2020 with the theme of 'Encounter Our Stories – arts, culture and identity', and despite uncertainties around COVID-19, attracted over 13,000 people to 70 events over 16 days.

Advice was provided on 48 resource consent applications.

Economic Development

We provide ChristchurchNZ with operational funding to lead the economic development of Christchurch. ChristchurchNZ delivered the following:

- Played a lead role in the development of Christchurch 2050 Strategic Framework and prepared the COVID-19 socio-economic recovery plan for Council.
- The NZ best practice award winning Innovation Eco-System was significantly enhanced. The 44 businesses receiving incubation support through Te Ōhaka and Thinclab have created around 50 new jobs and raised \$14.5m in venture capital with great potential for growth.
- Worked with 51 national and global businesses on potential relocation to, or expansion in, Christchurch, with a potential GDP impact of \$89 million. 14

businesses relocated to the city with an estimated 3-year GDP contribution of \$30.9 million.

- Food Fibre and Agritech and Health Tech challenges completed to elevate Christchurch's Supernode industries through the creation of new investable businesses.
- Partnership developed with Whitiara, a hapū-led skills hub aiming to pathway to decent work and training.
- Delivered major marketing and promotion campaigns, including #ExploreCHC, BLOOM spring events and Christchurch is Hiring to shift perceptions and attract visitors and talent to Christchurch.
- Launch of SailGP event to be held in 2022 received hugely positive media coverage reaching 35.3 million readers globally delivering an estimated advertising value of \$3.27m.
- Attracted and sponsored 16 major events to Christchurch, with an estimated attendance of 340,000 and visitation spend impact of \$6 million despite closed borders and impact of lockdowns in Auckland. 2 events set new records for domestic TV viewership.
- NZ's largest tourism industry event, TRENZ, was held in Christchurch with around 800 domestic and trans-tasman delegates.
- The Ōtautahi Screen Protocols were published, 125 screen production enquiries were facilitated including the first international production since 2017.

ChristchurchNZ has also ensured continued delivery of development projects in New Brighton, the central city and Sydenham that were transferred from DCL on 1st November 2020 and is progressing the establishment of new urban development function from the 2021/22 financial year in response to the letter of expectation received from Council. The impacts of COVID-19 had an ongoing impact on the relative prioritisation of activities, particularly those related to visitor, talent and international student attraction given the strict controls on people entering New Zealand.

Greater Christchurch Partnership

During 2020/21, the Greater Christchurch Partnership embarked on a strategic re-set, Greater Christchurch 2050. During the year, Greater Christchurch 2050 has completed a current state assessment of wellbeing, undertaken an extensive engagement with community and have developed a draft plan for consideration by the Greater Christchurch Chief Executives. The Greater Christchurch Partnership have also advanced discussions with central government regarding an Urban Growth Partnership. This work will come to fruition in the first half of 2021/22, with formal approval of Greater Christchurch 2050 and agreement to an Urban Growth Partnership scheduled before Christmas.

The Greater Christchurch Partnership has also embarked on the development of a new Spatial Plan for Greater Christchurch with central government which will explicitly consider how Greater Christchurch responds to climate change and provides wellbeing in the context of population growth. The Greater Christchurch Partnership has also completed an interim business case into the feasibility of Mass Rapid Transit for Greater Christchurch. The next phase of this work will integrate with the spatial planning

work programme to enable an integrated view of the future urban form and transport system for our urban area.

The Greater Christchurch Partnership have also continued to progress implementation of actions from Our Space.

Public Information and Participation

We are committed to being a resident-focused, outward looking organisation. To achieve this we need to provide our community with information that is timely, relevant and accurate through channels that our residents use.

We are making better use of new media – online, social media and targeted electronic communications to interest groups – to supplement and improve on traditional communications.

Since 2016 we have reduced the amount of organisational advertising spend from \$1.4 million to \$0.9 million and a further \$60,000 in-house social media as we continue to experience growth and engagement on our own channels.

In the past year we carried out 47 engagements and consultations, including our Draft Long Term Plan and received 7,072 submissions and/or feedback. We are trying to make our consultations easy and accessible for those who haven't participated in the past, including youth and migrant groups. This has included introducing a translation facility on our website which allows web content to be translated into 14 diverse languages.

Excluding the Draft Long Term Plan, 95 per cent of submissions were received online and 5 per cent in hard copy. Our number of consultations is reducing because of the way we have changed our processes for some very low level, low influence engagements. Previously we called everything consultation. Now we are being more considered about how we position engagements, in order to manage residents' expectations. If the level of influence is very low, and we are really only getting in touch with people to let them know about something, we are calling these 'informs' or 'informs plus'.

We developed and implemented 79 communications strategies on a range of issues, including key projects on

water, transport, civic and community events, kerbside, as well as major facilities and community facilities. We also provided communication support for the many District Plan changes, which are not captured individually as communication plans.

We responded to 2,155 media inquiries, 95 per cent of those acknowledged within 24 hours.

Our Facebook statistics are down slightly for the last financial year compared to the one prior as it was artificially high due to the COVID-19 lockdown. The total Facebook engagement (reactions, comments, shares) was 1.44 million a drop of 1.7 per cent from a high base. Our Facebook posts totalled 1,072, with the most popular posts relating to recycling, lost dogs and transport.

We have put more resource into our Instagram channel and have doubled our number of posts. Our Instagram engagement increased by 48 per cent. Our most popular posts were the Earthquake Anniversary, the School Strike for Climate Change and the Botanic Gardens.

Page views to our digital news channel Newsline reached 978,545 hits which is a slight 0.4 per cent decrease on the previous year's figure. However last year's figures received a significant boost during the COVID-19 lockdown when traffic to the site was particularly high as people sought information on how city services and facilities were being impacted. A positive for the news channels is that mainstream media are using the stories as a resource and people are sharing the content increasing its reach. More than 700 stories were published on Newsline, during the year with an e-newsletter going out weekly to more than 5,146 subscribers (a 20 per cent growth year on year).

Staff are being trained in our new tone of voice with training included in shared service induction and customer services training.

On average each month we send out 29 newsletters to 51,719 subscribers. We also produced a total of 154 community board newsletters, sharing news, information, decisions, and events happening in each ward, viewed by 5,726 subscribers.

How did we measure up?

Strategic planning and policy

Level of Service	Target	Achieved	Result	Prior Years
Land use planning				
Guidance on where and how the city grows through the District Plan.	[9.5.1.1] Maintain operative District Plan	Achieved	District Plan is operative. District Plan is maintained and a programme of plan changes is on track	2020: District Plan is operative. 2019: The District Plan Review is fully operative New measure in 2019
	[9.5.1.4] Complete urban development capacity assessment	Achieved	Urban development capacity currently meets anticipated demand. The latest capacity assessment review has been prepared for the Ministry for the Environment	New measure in 2021 No comparative results
Plan for a focused and expedited regeneration of the residential red zone and earthquake affected areas of the city.	[9.5.7.1] Regeneration plans prepared within agreed time frames	Achieved	Completed Christchurch Multi-use Arena (CMUA) plan change using Greater Christchurch Regeneration Act (GCRA) completed on time and delivered to minister for decision. GCRA now revoked	New measure in 2021 No comparative results
	[9.5.7.3] Comments on Regeneration Plans produced by partners are provided within statutory timeframes	Achieved	Completed All processed are supported to completion within statutory timeframe	2020: Completed Commentary provided to Regenerate Christchurch 2019: Council provided feedback on the Ōtākaro/Avon River Corridor Regeneration Plan within statutory timeframes. New measure in 2019
Process private plan change requests.	[9.5.4] 100% of any proposed private plan changes comply with statutory processes and timeframes	Achieved	100% of private plan changes comply	2020: 100% achieved 2019: No changes 2018: No changes
Strategic transport				
A strategic vision for transport to guide the planning and delivery of transport programmes.	[17.0.11.1] Christchurch Transport Strategic Plan remains relevant	Achieved	Christchurch Transport Strategic Plan continues to be updated to remain relevant	2020: Christchurch Transport Strategic Plan on track to be completed by the end of 2020 2019: Update and implementation still in progress New measure in 2019
	[17.0.11.2] All pertinent projects in the Annual Plan are aligned with the Councils business cases	Achieved	All projects are aligned as required	2020: All NZ Transport Agency funded projects require a business case. 2019: Regional Public Transport Plan completed in 2018 New measure in 2019
	[17.0.11.3] Public Transport Policy / land use planning supports implementation of the future system	Achieved	Public Transport Policy / land use planning supports the implementation of the future system. Significant work at both Christchurch City and Greater Christchurch Partnership on aligning transport business cases	2020: Rural Public Transport Plan completed. Public Transport Futures business case on track 2019: Regional Public Transport Plan was completed in 2018 New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
			and land planning through the spatial planning process	
Heritage education, advocacy and advice				
Maintain the sense of place by conserving the city's heritage places.	[1.4.3.1] Provide advice as required in a timely manner – within 10 working days for consents	Achieved	Resource consent advice was provided within 10 working days	2020: Achieved 2019: Achieved 2018: Achieved
Support the conservation and enhancement of the city's heritage places	[1.4.2] 100% of approved grant applications are allocated in accordance with the policy	Achieved	100% applications allocated in accordance with policy 5 applications for Heritage Incentive Grant, and 1 application for Intangible Heritage Grant	2020: 100% compliance 2019: 100% compliance 2018: 100% compliance
Strategic policy				
Advice to Council on high priority policy and planning issues that affect the City.	[17.0.1.2] Annual strategy and policy work programme is aligned to Council Strategic Framework, and is submitted to Executive Leadership Team, and Council as required	Achieved	Annual strategy and policy work programme is aligned to Council Strategic Framework. Submitted to ELT in February 2021, and presented to, and workshopped with, Elected Members in February and March 2021	2020: Annual strategy and policy work programme aligned to Council Strategic Framework 2019: The annual strategy and policy work programme has been aligned to Council's Strategic Framework. The organisational-wide 2019/20 Forward Work Programme in strategy and policy work will be submitted to the Executive Leadership Team, and Council, in July 2019 2018: Comprehensive work programme for all strategic policy work developed for the whole of Council
	[17.0.1.7] Policy advice to Council on emerging and new issues is prioritized to ensure delivery within budget and time requirements	Achieved	Delivered in accordance with the forward work programme	2020: Delivered in accordance with the forward work programme 2019: The strategy and policy Forward Work Programme has been reviewed, updated and reported to the Executive Leadership Team. All policies and strategies on the Forward Work Programme identify their alignment with the strategic framework. Reports to the Council include a section where report authors identify the alignment between the report subject matter and the Council's strategic framework New measure in 2019
Bylaws and regulatory policies are reviewed to meet emerging needs and satisfy statutory timeframes.	[17.0.19.4] Carry out bylaw reviews in accordance with ten-year bylaw review schedule and statutory requirements	Achieved	Achieved. The following regulatory work was carried out in 2020/21 in accordance with the ten-year bylaw review schedule and statutory requirements:-	2020: Achieved 2019: Achieved 2018: Achieved

Level of Service	Target	Achieved	Result	Prior Years
			a. developed replacement bylaws for water supply, wastewater and stormwater b. completed stage two of the review of the Freedom Camping Bylaw 2015, and undertaken public consultation c. started the review of the Waste Management Bylaw 2009 and the Cleanfill and Waste Handling Bylaw 2015 1. Commenced the three yearly review of the Class 4 Gambling and TAB Venue Policy; 2. Continued with update to policies under the Public Places Bylaw 2018; 3. Commenced review of the outdoor dining-related policy; 4. Under the Alcohol Restrictions in Public Places Bylaw, two 24-hour temporary alcohol bans were put in place for the Electric Avenue Musical Festival and Six60 events, held in February 2021	
Urban Regeneration Policy, Planning and Grants				
Place-based policy and planning advice to support integrated urban regeneration and planning.	[17.0.20.2] Working collaboratively with Community Boards (and in light of Community Board plans), Development Christchurch Ltd, Regenerate Christchurch and others, identify and address priority areas for Council-led and community-led regeneration effort	Achieved	Collaborative Council-community regeneration effort in priority areas identified and addressed Regeneration Heatmap endorsed as key evidential input to determining priority regeneration localities and initiatives; Priority regeneration areas approved by Council; Multiple Central City projects completed or underway across Vacant Sites, Project 8011 and Enliven Places programmes; Cross agency work led for Linwood Village/Inner City East; Investment case completed for Bishopdale; Input to District Plan programme including National Policy Statement-Urban Development, spatial planning and GC 2050 to support place-based policy and planning	2020: Collaborative Council-community regeneration effort in priority areas identified and addressed 2019: Due to the delay in receiving Census data the existing heat map was used as a base layer for suburban biannual reporting as part of a new template. In the priority areas identified by Council already - Bishopdale and Linwood/Inner City East - community planning discussions continued New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
	[17.0.20.4] Allocate grant funds as per operational policy and terms of reference	Achieved	All grants allocated per policy. Enliven Places Fund - 100% allocated (now closed); Sustainability Fund is 93% allocated	2020: Achieved 2019: Achieved New measure in 2019
Urban Design Policy, Planning and Grants				
Provide design review advice for developments across the city	[17.0.17.3] Coordinate and support a panel of suitably qualified professionals to provide timely advice on the urban design aspects of resource consent applications	Not achieved	Request for Urban Design Panel advice exceeded capacity. This required prioritisation of requests, and deferred training and membership refresh of the panel	2020: Urban Design Panel has been coordinated throughout 2019/20 2019: The Urban Design Panel has been operating in Christchurch during 2018/19 2018: Provided urban design advice for public projects, both within Council and through regeneration partners and consenting processes
Natural Hazards Policy and Planning				
Information and advice on natural hazards affecting the city.	[17.0.23.2] Updated tsunami inundation modelling (localised event)	Achieved	Updated Tsunami data with community involvement	2020: Liquefaction Vulnerability Study completed and workshop conducted with Council 2019: A Tsunami modelling report has been undertaken. The liquefaction map has been updated, providing information to residents and businesses, and will be reported to Council in September 2019 The tsunami modelling and liquefaction maps contribute to identifying natural hazard risk and will be delivered on time to inform the 2021 LTP Infrastructure Strategy New measure in 2019
	[17.0.23.1] Port Hills slope stability study refreshed	Achieved	Completed Year 2 of Cut Slope Trial	New measure in 2021 No comparative
Advice on efficient and sustainable use of natural resources.	[17.0.25.1] Monitor Council's carbon emissions through EnviroMark and Certified Emissions Measurement and Reduction (CEMARS) accreditation, and determine any actions as appropriate – including identification of reduction targets as agreed by Council	Achieved	The Resource Efficiency and Greenhouse Gas Emissions (REGGE) programme of work was co-ordinated with initiatives investigated and implemented Membership of the Global Covenant of Mayors for Climate and Energy has continued	2020: Council achieved EnergyMark (ISO50001) certification in 2019. Council achieved Toitu (formerly CEMARS) Carbon Reduce Certification for this year 2019: Over this last year we have monitored Council's carbon emissions and established the REGGE dashboard, and this automatically takes account of our carbon and energy use. We maintained accreditation with CEMARS and EnviroMark and membership in the Global Covenant of Mayors

Level of Service	Target	Achieved	Result	Prior Years
				New measure in 2019
Support business sector resource efficiency 1	[17.0.34.1] Up to 30 business activities occurring as part of a resource efficiency project or programme each year	Achieved	Over 20 business activities occurred	2020: 38 business projects supported 2019: 37 business activities New measure in 2019
21st Century Resilient City				
Smart technologies, concepts, and approaches piloted.	[17.0.40] Implement new initiatives within the Smart Cities programme, including building upon open data, IoT technology (Internet of Things) and Council's strategic direction to be an innovation and sustainable city	Achieved	Over 20 initiatives delivered. These include 22 pedestrian counting cameras; SmartView datasets increased; Orbviz LTP consultation tool; VMS Signs with Transport and NZTA via SmartView; Bin Good Game; eSports with Tūranga; CSI Sentinel EQ sensor trial closeout; Water and environmental sensors; Image and graffiti recognition; Support for EARTH business case; Support for multi-party innovation framework; CO2 Emissions Dashboard; and Support expansion of free wifi network	2020: 7 initiatives delivered 2019: 5 new initiatives New measure in 2019
Greater Christchurch extracts value from 100RC relationship	[17.0.41] Deliver the projects as identified in the Greater Christchurch Resilience Plan as resources permit	Achieved	Projects delivered as identified in the Greater Christchurch Resilience Plan and as resources permitted	2020: Projects delivered as identified in the Greater Christchurch Resilience Plan and as resources permitted. 2019: The relationship with 100RC is on track and ongoing. New measure in 2019
Support the Greater Christchurch Partnership	[17.0.42] Develop and implement new strategy for urban development and long-term well-being	Achieved	Significant support provided to GCP. This is a multiple year programme of work	2020: On track with Project 2050 2019: Council has contributed to, and approved, the settlement pattern review New measure in 2019

1 A second target for this level of service goal was removed at a Finance and Performance Committee meeting resolution (FPCO/2021/00004) on 25 February 2021. The target was [17.0.34.2] *At least 5 case studies demonstrating the results of implemented resource efficiency initiatives.* The Council had removed the budget for this service as part of the 2020/21 Annual Plan and the level of service should have been removed at the same time. The level of service is not a significant measure in a significant activity so its deletion will not trigger formal consultation.

Public Information and Participation

Level of Service	Target	Achieved	Result	Prior Years
Provide advice, leadership and support for engagement and consultation planning and processes				
Provide advice and leadership in community engagement and consultation planning and delivery	[4.1.11.1] Community consultation occurs for all projects / issues of high significance or as directed by Council	Achieved	Achieved. 47 engagements and consultations, including the Draft Long Term Plan and received 7,072 submissions and/or feedback	2020: Achieved Carried out 43 consultations and received 5,682 submissions 2019: Achieved New measure in 2019
	[4.1.11.2] Community Boards are informed of engagement plans for all relevant projects, and where appropriate, have sign off for local engagement activities: 95%	Achieved	100% Community boards were advised of consultations in their area, and provided sign-off for local engagement activities where appropriate	2020: 100% 2019: 100% New measure in 2019
Provide external communications to inform Christchurch citizens about the Council's services, decisions and opportunities to participate				
Provide external communications, marketing and engagement that are timely, relevant, accessible and cost effective, and that appeal to all citizens – regardless of age, ethnicity, location etc	[4.1.10.1] Respond to all media calls within 24 hours, 7 days a week: 90%	Achieved	100% of all calls responded to within 24 hours We received 2,155 media inquiries	2020: 100% of all calls within 24 hours 2019: 95% of all calls within 24 hours New measure in 2019
Activity includes preparation and distribution of material about the Council and city via channels including print, web, social media, digital news channel, CCC.govt.nz, project specific and area specific information newsletters and community board newsletters. Brand strategy delivery and management ensures communications are consistent and recognisably from the Christchurch City Council	[4.1.10.2] Continue to increase page views on 19/20 result	Achieved	Continued net increase in engagement across platforms from 19/20 results Instagram <ul style="list-style-type: none"> · 218 posts · 10,412 engagements, up 47.7% · 1,776,200 reach, up 8.1% · 1,349 followers accrued, up 55.95% Facebook <ul style="list-style-type: none"> · about 700 stories published. · 1072 posts · 1,442,159 engagement (reactions, comments, shares) - down 1.7%. Facebook stats down slightly compared to previous year which was artificially high due to COVID-19 lockdown Newsline <ul style="list-style-type: none"> · newsletter now has 5,148 subscribers, up from 4,300 at the start of the year, 20% growth. · 978,545 hits on the Newsline site which is a slight decrease (down 0.4%) on the previous year's figure of 982,801. However, last year's figures did receive a significant boost during the 	2020: Continued increases across main social channels from 18/19 results 2019: Total net follower growth of 19,884 (18%) new followers across our main social channels (11 Facebook, 1 twitter, 1 instagram, 1 linkedin) taking the total to 131,567 New measure in 2019

			COVID-19 lockdown when traffic to the site was particularly high as people sought information on how city services and facilities were being impacted	
	[4.1.10.3] All Community Boards are supported with communications advice and appropriate templates to share as they see fit with their communities	Achieved	Achieved 154 newsletters produced sharing news, information, decisions and events happening in each ward, viewed by 5,726 subscribers	2020: Produced 133 community board newsletters - more than 90 of these during the COVID-19 lockdown 2019: We produced 11 Community board newsletters for each of the community boards - so 77 in total. These newsletters were viewed by 17,086 recipients New measure in 2019
Provide internal communications to ensure staff are informed about organisation-wide projects and initiatives				
Develop and implement internal communications that are effective for elected members and staff	[4.1.14] Communications plans are produced and implemented for all relevant internal organisational projects: 100%	Achieved	100% of relevant projects have communications plans 37 weekly updates issued to staff from CEO Dawn Baxendale Overall satisfaction for internal communications 86 per cent	2020: 100% 2019: 100% New measure in 2019

Economic Development

Level of Service	Target	Achieved	Result	Prior Years
Innovation and business growth				
Build innovation and entrepreneurial strength	[5.1.2.6] Deliver actions as set out in the strategic partnership with key innovation and entrepreneurial partners	Achieved	In total, 16 partnerships were delivered across key innovation and entrepreneurial partners, Tertiaries, and Central Government agencies	New measure in 2021 No comparative results
	[5.1.5.3] 6 initiatives to support industry cluster development, including Supernodes, to support job creation and work opportunities	Achieved	6 initiatives	New measure in 2021 No comparative results
	[5.1.5.2] 40 start-up/SME companies to grow innovation and entrepreneurship capability	Achieved	45 start-up/SME companies supported	2020: 12 start-up/SME companies supported 2019: 15 start up support. 41 events innovation, entrepreneurship and investment related events delivered New measure in 2019
	[5.1.5.1] 50 businesses have been actively worked with to attract them to the city to support economic recovery and repositioning	Achieved	51 businesses	New measure in 2021 No comparative results
Build a productive knowledge city to grow decent work	[5.1.2.7] Deliver actions as set out in the strategic partnership with tertiaries	Achieved	In total, 16 partnerships were delivered across key innovation and entrepreneurial partners, Tertiaries, and Central Government agencies	New measure in 2021 No comparative results

Level of Service	Target	Achieved	Result	Prior Years
Partner with mana whenua to support growth in Māori prosperity and self determination	[5.1.2.8] Deliver actions as set out in the strategic partnership with mana whenua and Te Runanga o Ngāi Tahu entities	Achieved	1 partnership delivered.	New measure in 2021 No comparative results
Ensure Christchurch businesses have access to comprehensive advice and support to grow competitiveness, resilience and sustainability	[5.1.2.9] Deliver actions as set out in the strategic partnership with the Chamber and central government agencies	Achieved	In total, 16 partnerships were delivered across key innovation and entrepreneurial partners, Tertiaries, and Central Government agencies	New measure in 2021 No comparative results
	[5.1.6.1] 500 businesses access business support or advice	Achieved	1,707 businesses	2020: 1,604 2019: 518 2018: 617
	[5.1.6.2] Net promotor score for business support services is +50 or greater	Achieved	+87 net promotor score for business support services	2020: +68 net promotor score 2019: +67 net promotor score New measure in 2019
Realise greater value from Christchurch's Antarctic Gateway	[5.0.16.6] Deliver actions as set out in the Antarctic Gateway Strategy implementation plan	Achieved	Actions delivered across a variety of activities, related to; Welcome and Deliver Excellence; Connect and Excite; Advance Knowledge; Champion Sustainability	2020: Actions delivered as set out in the Antarctic Gateway Strategy Implementation Plan 2019: Antarctic Strategy Implementation Plan presented to Council Jan 2019 New measure in 2019
Destination and attraction				
Develop Christchurch as an attractive destination	[5.1.2.10] Deliver actions as set out in the strategic partnerships	Achieved	Strategic partnerships joint activity implemented	New measure in 2021 No comparative results
	[5.1.8.1] 30 City bids prepared to attract business events to Christchurch	Achieved	32 city bids	2020: 36 city bids 2019: 34 city bids. New measure in 2019
	[5.1.8.2] At least 35% success rate for business event bids	Not achieved	28% success rate for business event bids	2020: 22% 2019: 35% New measure in 2019
	[5.3.5.3] 100 film enquiries attracted and supported, with a view to growing Canterbury's market share of screen GDP	Achieved	125 film enquiries	New measure in 2021 No comparative results
City Branding				
Lead the collaborative development and implementation of a city narrative to promote Christchurch to businesses, leisure visitors, students, potential migrants, residents and the film industry	40 engagements with trade agents or investors in priority markets and sectors	Achieved	52 famils completed	2020: 100 famils hosted 62 trade famils hosted. 38 media famils hosted. 11 trade events completed 2019: 95 Media famils; 44 international trade famils; 31 trade events led or attended New measure in 2019
Economic Strategy and Insights				
Provide leadership in inclusive and sustainable economic development for Christchurch	[5.1.2.1] Christchurch Economic Development Strategy is reviewed and approved	Achieved	CEDS reviewed and approved (within Greater Christchurch Partnership 2050)	New measure in 2021 No comparative results
	[5.1.2.12] Economic Recovery Plan finalised	Achieved	Developed the (COVID-19) Socio-Economic Recovery Plan for the city	New measure in 2021 No comparative results
	[5.1.2.4] Deliver economic information to at least 1,000 people through presentations and online information	Achieved	Delivered economic information to 5,011 people 4,262 online engagements Average time spent on ChristchurchNZ	2020: Updates delivered to 645 people 2019: 2 large events were held New measure in 2019

Level of Service	Target	Achieved	Result	Prior Years
			economics report pages during the year is 4 minutes and 26 seconds -active engagement Face to Face 749	

Where are we heading?

Strategic Planning and Policy

Land Use Planning

We will continue to work with the community on changes to the Christchurch District Plan to manage the effects of land use and development while protecting what is valued. This will be guided by legislation, changes in the environment (e.g. climate change), and what our communities tell us.

We will engage on the Government’s reform of the Resource Management System, and ensure a strong voice for Christchurch is provided through the reforms. We will also plan for the changes that will occur as a result of the reform.

We will continue to work with other agencies to develop plans and strategies for the regeneration and growth of the City, and express Council’s views on national and regional policy guidance to support the best outcomes for Christchurch City.

Strategic Transport

Transport Strategy will continue to champion the strategic transport direction, undertake planning, and provide policy advice with an increasingly integrated approach with land use and emissions reduction.

A revision of the strategic transport plan will be completed to better support the City’s environmental and well-being goals for the city and the Government direction for transport.

Working with partners to complete the Mass Rapid Transport business case will provide greater support for the intensification and emissions reduction planning. Completion of an emissions programme and dashboard will provide stronger direction on the investments and actions to reduce emissions. A central City parking policy will be completed to directly support economic as well as mode shift objectives.

Strategic Policy

We will continue to champion the delivery of the four community wellbeings through the Council’s Strategic Framework by providing advice during the organisation’s preparation of the Long Term Plan. The ongoing Managing for Outcomes programme will enhance strategic linkages between programme delivery, Council priorities and community outcomes.

Our team will provide technical advice and co-ordinate submissions on national and regional policy development of importance to the Council, ensuring Council’s views contribute to the national policy debate and reform programme.

The review programme of the city’s bylaws, as required by statute, will continue with the scheduled review and community consultation in 2021/22 of the following bylaws:

- Freedom Camping Bylaw 2015
- Water Supply, Wastewater & Stormwater Bylaw 2014
- Reviews of two solid waste-related bylaws - the Cleanfill and Waste Handling Operations Bylaw 2015 and the Waste Management Bylaw 2009.

Social and economic policy advice will focus on housing, completing the review of the Development Contributions Policy, as well as supporting the development of a Banks Peninsula Destination Management Plan.

Urban Design and Regeneration

We will work with city agencies and the community to identify the best means of delivering on strategic urban regeneration priorities across the city.

A focus on the central city will remain, including to support and incentivise residential development. Our work will continue to support temporary amenity and activation improvements of vacant spaces, support community place making projects, and will take a long term view of how such initiatives best supports ongoing regeneration.

We will continue to provide advice on Council, community and partner agency projects which shape our places and our city. In addition we will provide advice, including via the urban design panel, into the development and consenting process.

Greater Christchurch Partnership

Working with Council and other strategy partners, the Greater Christchurch Partnership will finalise and launch Greater Christchurch 2050, which is setting a vision and plan for Greater Christchurch to achieve intergenerational wellbeing looking over a 30-year time horizon. Implementation of the Greater Christchurch 2050 will be progressed through:

- A cohesive and integrated approach to urban development and transport across the Greater Christchurch area, through the development of a Greater Christchurch Spatial Plan in partnership with central government
 - Facilitating the development of an Urban Growth Partnership between the Greater Christchurch Partnership and central government
 - Progressing priorities agreed with mana whenua to strengthen the partnership between mana whenua and other Greater Christchurch partners
- Delivery of the wider Greater Christchurch 2050 action plan.

Heritage Education, Advocacy and Advice

Our work to support Council's role as a champion of heritage in the city will continue. Along with the Community and Heritage interest groups, we will develop an implementation plan for the Heritage Strategy.

We will continue to process Heritage Incentive Grant and Intangible Heritage Grant funding applications for governance decision-making. The Heritage Festival will occur annually. We will work together with other council units to promote and preserve heritage fabric and values through regulatory and non-regulatory means.

Natural Hazards Policy and Planning

We will continue to provide strategic natural resource advice to other areas of Council, particularly the Three Waters and Waste Unit for floodplain management and improved water quality. Advice and support will continue with our partnerships with Environment Canterbury on the CWMS Zone Committees, Whakaraupo / Lyttelton Harbour Catchment Management Plan, and regional management of natural hazards.

As part of our climate change programme, we will contribute to Council's implementation plans to mitigate and adapt to the effects of climate change. Updated technical information on coastal hazards will support community engagement on adaptation to climate change for our coastal settlements.

Our work on sustainability will continue to focus on healthy and energy efficient homes and on active travel to reduce the use of private motor vehicles. There is a work programme to encourage the uptake of electric vehicles and associated charging infrastructure. Target sustainability services will continue to support businesses with resource efficiency and greenhouse gas emission reduction.

Economic Development

ChristchurchNZ delivers economic development and city profile functions on behalf of the Council.

ChristchurchNZ will deliver services agreed with the Council and will focus on:

- *Developing strategic partnerships* locally and nationally which accelerate economic development opportunities for Christchurch and amplify Council's investment through co-investment funding and attraction of investment into the city
- *Growing high-value decent work* through attracting high value businesses and supporting existing businesses to improve competitiveness, resilience and sustainability; building industry clusters (Supernodes); supporting innovation and entrepreneurship; and, working with partners to grow regional skills opportunities.
- *Building a stronger Christchurch identity* and shift perceptions to attract visitors, migrants, business and investment
- *Developing Christchurch as an attractive destination* for talent, visitors, business and investment

Public Information and Participation

We will continue to inform and connect with residents about the Council's services and activities. We want to communicate with more people, more often on what they want to know about.

We aim to build strong relationships, embrace different ways of reaching people and use language and content that is helpful, clear, and easy to read and understand. We recognised that the Council's website is one of our main communication channels and want to enhance it from a customer perspective.

We will also encourage more people to participate in the Council's democratic process.

We want more citizens to feel listened to and feel they can have their say and be heard on issues that affect them.

We inform people through a number of channels, including the website, Newsline (our digital news channel), Facebook, e-newsletters, direct mail, Instagram, residents' groups, text, elected members' networks, as well as local and mainstream media.

We are committed to diversity and inclusion, and equal access for all as detailed in our Multicultural Strategy. This has seen our website translated into 14 languages. We also want to improve our engagement with youth.

[Service delivery in 2021/22](#)

Strategic planning activities will have a focus on supporting the response, recovery and repositioning of the city post-COVID-19. The focus on the District Plan will continue and be complemented by policy and planning initiatives using the Resource Management Act. Regeneration priorities include supporting the Central City, identified suburban areas and the Ōtākaro Avon River corridor. Adaptation to the issues and opportunities generated by climate change will form an important component of our work as we plan for and build a liveable and resilient city for the future.

In our Annual Residents' Survey for 2020-21 residents told us they want information on our basic services – our roads and our water. We will make it easy for people to find out what's happening with services in their community, their neighbourhood, their street and their property.

Councillors have signalled that providing the city with healthy drinking water is a priority. We will provide information on how this is being achieved. Residents also want information on community facilities, events, central city development and the District Plan. Providing information on how the Council is adapting to climate change and natural hazards is also a priority.

In the year ahead, we want more people to get involved in decision making and to feel that their views are heard. We will develop our channels to better target communities of interest. We need to continue to let people know about our consultations and focus our engagement and consultation resource on the priorities.

The COVID-19 global health pandemic has created a once in 100-year economic shock. Responding to the evolving, global economic shock will drive ChristchurchNZ's activities for the next financial year. ChristchurchNZ in collaboration with local and national partners will coordinate the development and implementation of Christchurch's Economic Recovery Plan to:

1. Save and grow local jobs
2. Drive fast equitable recovery
3. Reposition Christchurch for a sustainable future and intergenerational wellbeing

What did it cost?

Statement of cost of services for the year ending 30 June

	2021	2021	2020
	Actual	Plan	Actual
	\$000	\$000	\$000
Cost of services			
Strategic planning & policy	14,935	16,972	17,884
Public information and participation	5,869	6,289	6,300
Economic development	13,258	13,145	14,560
	34,062	36,406	38,744
Operating revenue from services			
Strategic planning & policy	520	888	458
Public information and participation	50	-	51
Economic development	293	136	439
	863	1,024	948
Capital revenues	-	-	-
Vested assets	-	-	-
Net cost of services	33,199	35,382	37,796

Explanation of significant cost of service variances

Strategic Planning and Policy

The cost of service was \$2 million lower than plan mainly due to slower than expected allocation of heritage and other community grants.

The cost of service was \$2.9 million lower than 2020 due to combination of slower allocations of heritage grants and a planned reduction in natural environment funding.

There were no significant revenue variances.

Public Information and Participation

There were no significant variances to plan or 2020.

Economic Development

The cost of service was \$1.3 million lower than 2020 mainly due to the cessation of the equivalent grant payment to Regenerate Christchurch following disestablishment of this entity.

There were no significant revenue variances.

Funding impact statement for year ended 30 June

	2021 Actual	2021 Annual Plan	2021 Long Term Plan	2020 Long Term Plan
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	31,411	31,358	36,945	36,895
Targeted rates	1,032	1,031	1,000	1,000
Subsidies and grants for operating purposes	131	34	37	36
Fees and charges	111	563	208	204
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	621	428	906	557
Total operating funding (A)	33,306	33,414	39,096	38,692
Applications of operating funding				
Payments to staff and suppliers	20,816	21,940	23,228	22,591
Finance costs	-	-	-	-
Internal charges and overheads applied	1,158	1,158	1,661	1,791
Other operating funding applications	11,551	13,108	18,374	18,456
Total applications of operating funding (B)	33,525	36,206	43,263	42,838
Surplus (deficit) of operating funding (A-B)	(219)	(2,792)	(4,167)	(4,146)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(970)	2,404	2,520	2,422
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(970)	2,404	2,520	2,422
Applications of capital funding				
Capital expenditure				
- to replace existing assets	-	-	-	-
- to improve the level of service	-	-	-	-
- to meet additional demand	580	904	1,020	922
Increase (decrease) in reserves	(1,769)	(1,292)	(2,667)	(2,646)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(1,189)	(388)	(1,647)	(1,724)
Surplus (deficit) of capital funding (C-D)	219	2,792	4,167	4,146
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant cost of service variancesOperating funding

The operating funding deficit was \$2.6 million lower than plan mainly due to slower than expected allocation of heritage grants and reduced staff costs following Council's focus on lowering costs.

Capital expenditure

There are no significant variances.

Significant capital expenditure

Significant capital expenditure included: Smart Cities Innovation \$0.4 million and Delivery Package - Enliven Places \$0.1 million.

Governance

What is governance, and what does the Council do?

Through its governance activities, the Council enables local decision-making and action by, and on behalf of, communities to promote the well-being of the district now and for the future.

The Council is governed by two complementary decision-making parts:

- The Council, which comprises the Mayor and sixteen councillors and focuses on city issues that affect the whole district.
- Seven community boards each of which has between six and nine members and makes decisions on local community issues, activities and facilities, and helps build strong communities.

Governance activities ensure that Council and Community Board decision-making processes are effective, open and transparent and democratically accountable.

This involves ensuring that the community has opportunities to be involved in decision-making.

Why is the Council involved?

The people of Christchurch elect a mayor, city councillors and community board members at elections every three years. The Council ‘governs’ by making strategies, policies and decisions that direct the city’s future. The Council regularly seeks community input on many issues, such as draft policies, local capital works projects, and the Annual and Long Term Plans.

The purpose of local government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

Governance activities and services contribute to active democracy by ensuring that individuals and groups have many opportunities to be involved in local government decision-making.

They also contribute towards achieving the Community Outcomes in a manner consistent with Council’s strategic direction and help make Christchurch a well-governed city and one of inclusive, connected communities. This is done by empowering community groups and organisations to develop and manage initiatives that encourage active participation, build social capital and create a sense of belonging in their own local communities.

How does it affect me?

The activities of the Council have a direct effect on everyone in Christchurch – whether it be by collecting kerbside rubbish, supplying safe drinking water, maintaining parks or hosting festivals and events.

Residents can influence how the Council runs the city by voting for their representatives in local elections every three years, and by becoming involved in the decision-making process by giving comments and feedback during public consultations.

What activities are involved?

The public participation in the democratic processes, city governance and decision-making activity within governance includes the following services:

Public participation in democratic processes

Residents are encouraged to take part in the democratic processes of Council by having their say during consultations and decision-making. It is important that elected members take the views of the community into account, in particular from those directly affected.

Managing decision-making processes

This ensures that the Council and Community Board’s formal meetings and hearings result in effective and informed decisions. The processes include ensuring that meetings comply with all the legal requirements and decision-makers receive the appropriate advice to enable informed decision-making.

Local Government Elections

This includes organising elections and by-elections. Local government elections are held every three years.

What did we achieve?

Expert delivery of smart secretarial and support services for governance decision making including the processing of over 2,600 reports, managing close to 800 meetings and 3,000 applications for a range of hearings from menacing dogs to bus shelters.

Most significantly the community was supported to make over 2,300 submissions to the draft long term plan with over 300 choosing to be heard.

We organised a by election in October 2020 to elect a Community Board member for the Central Ward following the resignation of Sally Buck.

A Representation Review sought community views on how they are represented and whether this remains fair, effective and equitable. As a result some minor changes have been proposed to ward boundaries and the make-up of urban community boards.

We continued to extend the implementation of better ways of working including:

- Paperless meetings at both Council and Community Board level.
- The introduction new technology.
- Audio/visual attendance at meetings.

These changes have brought immediate benefits and will continue to benefit both our finances and the environment.

In response to community feedback, a multi-faceted commitment by Council to increased openness and transparency has increased momentum. All reports considered in a publically excluded section of Council agendas during the 2016/19 triennium have been reviewed with the majority being released.

How did we measure up?

Governance and Decision-Making

Level of Service	Target	Achieved	Result	Prior Years
Holding elections of Elected Members to the Council and Community Boards, polls and representative reviews				
Provide processes that ensure all local elections, polls and representation reviews are held with full statutory compliance.	[4.1.2] 100% compliance	Achieved	100% compliance achieved	2020: 100% 2019: 100% 2018: 100%
Participation in democratic processes				
Participation in and contribution to Council decision-making	[4.1.18] Percentage of respondents who understand how Council makes decisions: At least 42%	Not achieved	33% of respondents understand how Council makes decisions	2020: 26% 2019: 32% 2018: 29%

Where are we heading?

The Council is committed to increasing citizens understanding and participation in Council’s decision-making processes. We will continue to build our connections with the community and ensure that people have opportunities to be involved in decision-making and understand Council issues and processes.

Transparency and open decision making remains a shared priority for Council, Community Boards and our wider community at large.

We will continue to work in collaboration with Community Boards to devolve appropriate decision making on localised community issues to Community Boards. Council will also support community boards having earlier engagement in the development of city –wide strategy and policy and the long term plan.

We will continue to target sectors of our community which do not normally participate in the democratic process for example youth and ethnic communities.

Service delivery in 2021/22

2021/22 will see a continued commitment to transparent and open decision making at all levels. New ways will be explored to engage the community in understanding and participating in Council and Community Board decision making processes.

Feedback from the resident’s survey will shape a representation review which will be undertaken and changes implemented in time for the next triennial elections in 2022.

We will continue to target sectors of our community which do not normally participate in the democratic process, for example youth and ethnic communities.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Governance & Decision Making	17,047	17,905	18,678
	17,047	17,905	18,678
Operating revenue from services			
Governance & Decision Making	39	44	721
	39	44	721
Capital revenues	-	-	-
Vested assets	-	-	-
Net cost of services	17,008	17,861	17,957

Explanation of significant variances

The cost of service was \$0.9 million lower than plan largely as a result of vacancies held during the year.

The cost of service was \$1.6 million lower than 2020 primarily due to \$1.4 million additional spend from the Community Resilience and Partnership fund in 2020. The fund was a combined partnership between the Ministry of Health and Council. The money was used to support community organisations in this area. The balance is made

up of \$1.2 million election costs in 2020 offset by \$0.8 million higher costs for statutory reporting and communications driven by the LTP cycle, and \$0.3 million higher overhead costs in 2021 compared to 2020.

Operating revenue was \$0.7 million lower than 2020. Additional revenue was received in 2020 in relation to the 2020 elections.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	17,891	17,861	16,995	17,018
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	39	44	-	703
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	17,930	17,905	16,995	17,721
Applications of operating funding				
Payments to staff and suppliers	16,290	17,279	16,326	16,953
Finance costs	-	-	-	-
Internal charges and overheads applied	603	603	669	768
Other operating funding applications	3	23	-	-
Total applications of operating funding (B)	16,896	17,905	16,995	17,721
Surplus (deficit) of operating funding (A-B)	1,034	-	-	-
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(1,057)	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(1,057)	-	-	-
Applications of capital funding				
Capital expenditure				
- to replace existing assets	(23)	-	-	-
- to improve the level of service	-	-	-	-
- to meet additional demand	-	-	-	-
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(23)	-	-	-
Surplus (deficit) of capital funding (C-D)	(1,034)	-	-	-
Funding balance ((A-B) + (C-D))	-	-	-	-

Explanation of significant variances

Operating funding surplus is \$1million lower than plan on payments to staff and suppliers largely as a result of large number of vacancies held during the year.

Significant capital expenditure

There was no significant capital expenditure

Corporate

What are Council’s corporate activities?

As with other organisations we have back office services such as human resources, legal, finance, and information technology which provide enabling support to other Council departments. We call these units Internal Service Providers (ISPs). The cost of providing these services is charged to the activity receiving the benefit of that service.

In addition, there are some Council wide costs and income which cannot meaningfully be classified into a standalone activity. These items are included within this Corporate activities section.

What revenue and costs are included?

- revenues and costs relating to Council Controlled Organisations (CCOs):
 - dividend income received from CCOs
 - interest income from funds lent to CCOs
 - interest costs relating to borrowing taken out to:
 - on-lend to CCOs, or
 - invest in the equity (shares) of CCOs, or
 - undertake earthquake recovery work.
- rates income

- interest income from Council investment of general funds and special purpose reserves
- income from services provided by ISPs to organisations outside of Council
- costs incurred in providing the services above
- non-operational property costs and
- other income, such as revenue from petrol tax and subvention receipts.

Overall our corporate activities generate a significant surplus, largely from dividends and interest income. This surplus is used either to reduce the level of general rates collected from ratepayers, reduce the level of borrowing required or pay back debt.

What capital expenditure is included?

Corporate capital expenditure includes strategic land purchases, costs relating to Council’s office accommodation, information and communication technology, and investment in CCOs, as well as some earthquake rebuild projects.

What did it cost?

Statement of cost of services for the year ending 30 June

	2021 Actual \$000	2021 Plan \$000	2020 Actual \$000
Cost of services			
Interest - onlending, equity investments and rebuild	65,611	67,500	70,816
Internal service providers (unallocated costs)	10,401	5,262	8,201
Property costs and other expenses	10,231	12,611	15,283
	86,243	85,373	94,300
Operating revenue from services			
Rates	556,696	557,225	530,297
Dividends	42,662	27,452	28,660
Interest from onlending	19,143	18,622	21,576
General and special fund interest	4,151	1,831	3,292
Internal service providers	10,401	5,262	8,201
Earthquake cost recoveries	-	-	-
Other revenue	3,449	2,470	3,116
Subvention receipts (income tax)	489	-	2,297
	636,991	612,862	597,439
Capital revenues	7,876	5,447	19,000
Vested assets	-	-	-
Net cost of services	(558,624)	(532,936)	(522,139)

Explanation of significant variances

Interest costs were \$1.9 million lower than planned mainly due to the plan being overstated by \$3.1 million. The \$1.2 million difference is largely due to early prefunding of debt maturities during the year. The \$5.2 million decrease in interest from 2020 reflects lower interest rates despite slightly higher borrowing.

The net cost of the internal service providers is allocated to external activities. Internal service provider revenue was \$5.1 million higher than planned and \$2.2 million higher than 2020. The main variance for both comparisons was receipt of \$2.4 million of Water Reform funding from the Crown.

Property and other costs were \$4.1 million lower than plan partly due to holiday pay remediation costs not being fully determined at year end. Costs were \$6.8 million lower than 2020 due partly to salary costs now being incurred directly by Venues Otautahi.

Rates income was \$0.5 million lower than planned due to lower excess water charges of \$1.3 million, partly offset by higher rate penalties. The \$26.4 million increase from 2020 reflects the level of rate increase adopted by the Council for the 20/21 Annual Plan year. Dividend revenue is \$15.2 million higher than plan due to additional dividend received from CCHL during the year. Dividend income was \$13.0 million higher than 2020 for the same reason.

Interest revenue from on-lending was \$2.4 million lower than 2020. This was principally due to lower income from CCHL due to lower interest rates.

General interest was \$2.3 million higher than plan. This is due to interim investment of pre funded debt renewals occurring again, as occurred in 2020 to a lesser extent.

Other revenue was \$1.0 million higher than planned and 0.3 million higher than 2020. Petrol tax receipts were higher by \$0.1 million and \$0.2 million respectively.

Subvention receipts were unbudgeted in 2021 and actual receipts were lower than 2020 due to expected COVID-19 impacts.

Capital revenues relate to the Crown's contribution to the Canterbury Multi Use Arena.

Funding impact statement for year ended 30 June

	2021 Actual \$000	2021 Annual Plan \$000	2021 Long Term Plan \$000	2020 Long Term Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties Targeted rates	28,198	28,152	39,688	29,632
Subsidies and grants for operating purposes	6,987	2,414	5,616	5,518
Fees and charges	3,171	2,398	10,616	10,398
Internal charges and overheads recovered	24,964	24,964	28,389	30,573
Local authorities fuel tax, fines, infringement fees, and other receipts (1)	70,526	50,487	93,033	86,830
Total operating funding (A)	133,846	108,415	177,342	162,951
Applications of operating funding				
Payments to staff and suppliers	19,527	18,814	20,407	24,502
Finance costs	65,611	67,500	83,961	79,822
Internal charges and overheads applied	-	-	-	-
Other operating funding applications	3,985	3,424	2,353	3,332
Total applications of operating funding (B)	89,123	89,738	106,721	107,656
Surplus (deficit) of operating funding (A-B)	44,723	18,677	70,621	55,295
Sources of capital funding				
Subsidies and grants for capital expenditure	7,856	5,447	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(58,831)	(34,333)	(18,577)	37,874
Gross proceeds from sale of assets	8,830	4,994	485	4,986
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(42,145)	(23,892)	(18,092)	42,860
Applications of capital funding				
Capital expenditure				
- to replace existing assets	28,883	34,793	47,395	13,966
- to improve the level of service	8,905	88,249	21,038	53,227
- to meet additional demand	(3,491)	(10,077)	(18,031)	11,390
Increase (decrease) in reserves	3,471	(130,880)	4,092	4,072
Increase (decrease) of investments	(35,190)	12,700	(1,965)	15,500
Total applications of capital funding (D)	2,578	(5,215)	52,529	98,155
Surplus (deficit) of capital funding (C-D)	(44,723)	(18,677)	(70,621)	(55,295)
Funding balance ((A-B) + (C-D))	-	-	-	-

Footnotes

1 Interest and Dividends from investments

65,963 47,567 88,654 81,748

Explanation of significant variancesOperating funding

The better than planned result largely reflects the additional CCHL dividend, together with unbudgeted subvention receipts and Water Reform funding.

Application of operating funding

Overall slightly lower than plan due to the overstatement of interest budget, partly offset by higher interest costs due to early prefunding of debt maturities. This additional cost

was offset by interest received as the prefunding was invested.

Capital funding

Debt required is \$14.5 million less than planned largely due to receipt of the additional CCHL dividend.

Capital expenditure

Capital expenditure was \$78.7 million less than plan. Spend on the Canterbury Multi Use Arena was \$4.9 million less than plan. Spend on Port Hills Rockfall remediation was

also \$0.6 million less than plan. Capital expenditure on IT projects was \$1.0 million more than plan. An equity investment in Venues Otautahi was \$8 million higher than plan.

Funding for additional demand reflects the net transfer of prior purchases of strategic land to the relevant activities, being \$6.6 million less than planned.

The plan also included \$88.7 million for expected net carry forwards from 2019/20. These are budgeted for in Corporate because we don't know in advance which

activities will require budget to be carried forward. Actual expenditure is shown in the relevant Activity.

Significant capital expenditure

Significant capital expenditure included \$13.6 million on IT projects, \$9.6 million on Strategic Land Acquisitions (less \$14.2 million allocated to other activities), a \$10 million investment in Venues Otautahi equity, \$10.5 million on the Canterbury Multi Use Arena and \$2.1 million on the Performing Arts Precinct.

Financial statements



This section contains details about the Council's finances over the past year, how your rates were spent, where additional funding came from and some of the year's financial highlights.

Financial statements

Financial ratios and prudence benchmarks

The Council has financial ratios which form a key part of its financial risk management strategy.

The Council is required under the Local Government (Financial Reporting and Prudence) Regulations 2014 to report on the affordability and benchmark ratios, in addition, we are required to comply with ratios contained in our funding agreement with the Local Government Funding Agency.

Council has met all but one of these benchmarks in 2021. The ratios are as follows:

Net debt as a percentage of total revenue - met ,	Debt affordability, - Total borrowing - met
Net interest as a percentage of total revenue - met ,	Debt affordability, - Net debt as a percentage of equity - met
Net interest as a percentage of annual rates revenue - met ,	Balanced budget benchmark - not met ,
Liquidity - met ,	Essential services benchmark - met ,
Rates affordability, - Rates (revenue) – met ,	Debt servicing benchmark – met ,
Rates affordability, - Rates (increases) - met	Debt control benchmark - met ,
	Operations control benchmark - met .

These ratios and benchmarks enable the reader to determine that the Council is prudently managing its revenues, expense, assets, liabilities and general financial dealings.

Disclosure statement - Parent

Annual report disclosure statement for the year ending 30 June 2021

What is the purpose of this statement?

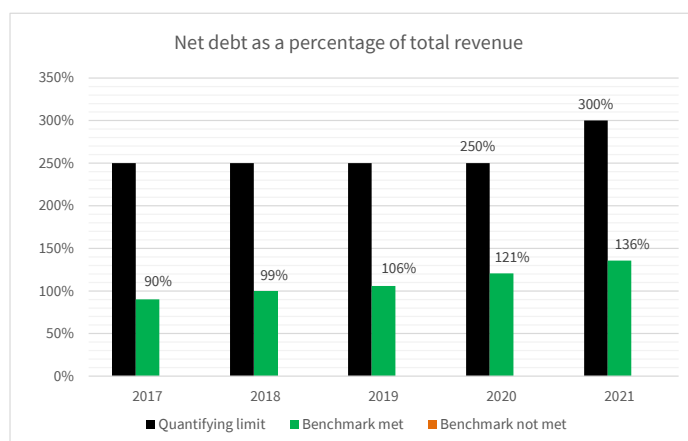
The purpose of this statement is to disclose the Council’s financial performance in relation to required benchmarks in order to assess whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Should you require more information, including definitions of some of the terms used in this statement, please refer to the regulations.

Local Government Funding Agency Borrowing Covenants

Net debt² as a percentage of total revenue³

The Council continues to comply with the net debt to total revenue ratio. The following graph compares the Council’s actual ratio of net debt (borrowing) as a percentage of total revenue with a quantified limit stated in the financial strategy included each year in the Council’s Plan. The quantified limit is 250 per cent and Council is expected to maintain net debt as a percentage of total revenue to less than or equal to the quantified limit.



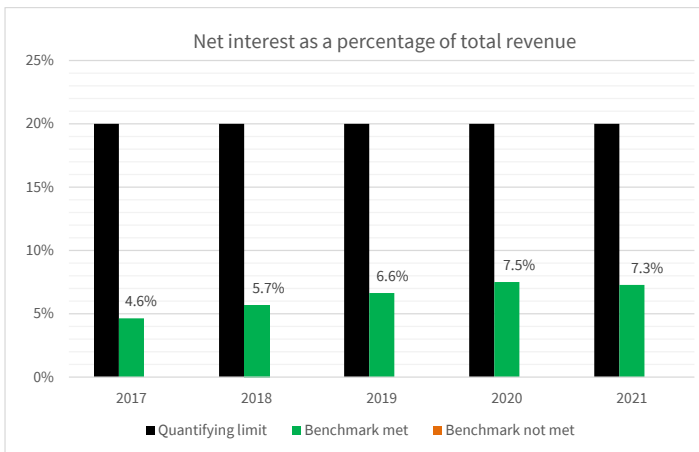
Net interest as a percentage of total revenue

The Council continues to comply with the net interest to total revenue ratio. The following graph compares the Council’s actual ratio of net interest as a percentage of total revenue with a quantified limit stated in the financial strategy included each year in

² Net debt is defined as total financial liabilities less financial assets (excluding trade and other receivables).

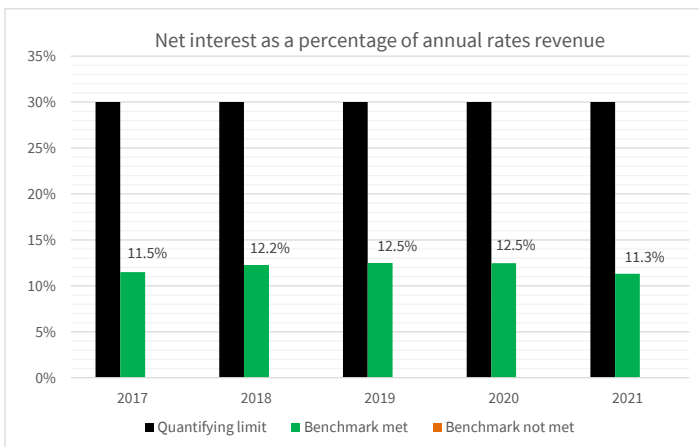
³ Total revenue is total cash operating revenue excluding development contributions and non-government capital contributions.

the Council’s Plan. The quantified limit is 20 per cent and Council is expected to maintain net interest as a percentage of total operating revenue to less than or equal to the quantified limit.



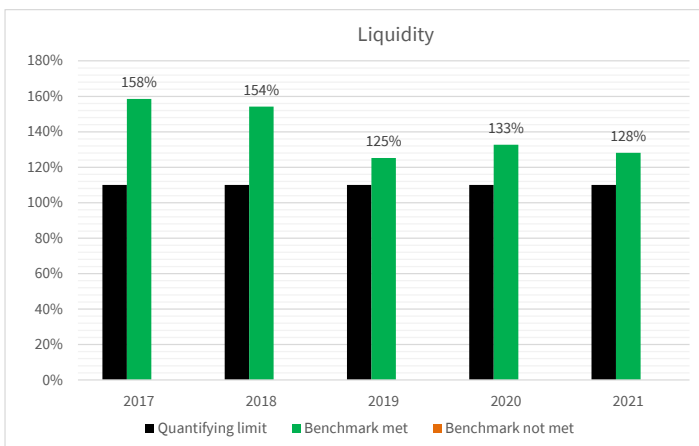
Net interest as a percentage of annual rates revenue

The Council continues to comply with the net interest to annual rates revenue. The following graph compares the Council’s actual ratio of net interest as a percentage of annual rates revenue with a quantified limit stated in the financial strategy included each year in the Council’s Plan. The quantified limit is 30 percent and Council is expected to maintain net interest as a percentage of annual rates revenue to less than or equal to the quantified limit.



Liquidity

The Council continues to comply with the liquidity ratio. For debt affordability liquidity is calculated as total borrowings including committed but undrawn facilities plus liquid assets and investments compared to total term borrowings. The following graph compares the Council’s actual liquidity with a quantified limit stated in the financial strategy included each year in the Council’s Plan. The quantified limit is 110 per cent and Council is expected to maintain liquidity to be greater than the quantified limit.



In 2019, the LGFA re-defined its definition of Liquid Investments to include LGFA and CCO deposits held by Council on their behalf. Prior year comparatives have not been updated with this change.

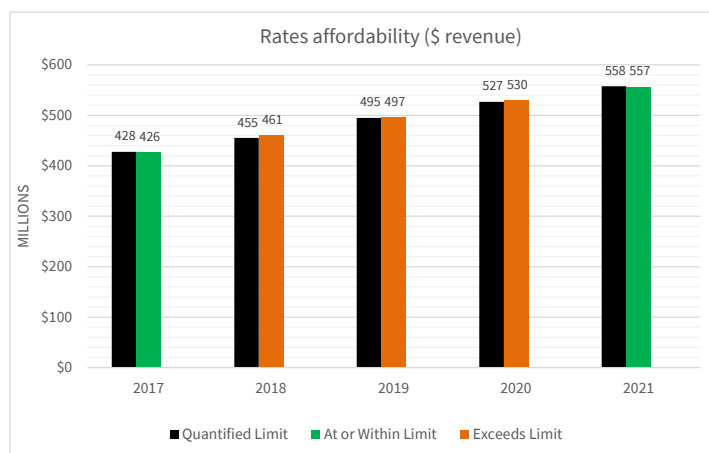
Rates affordability benchmarks

The Council meets the rates affordability benchmark if –

- its actual rates revenue equals or is less than each quantified limit on rates; and
- its actual rates increase equals or is less than each quantified limit on rates increases.

Rates (revenue) affordability

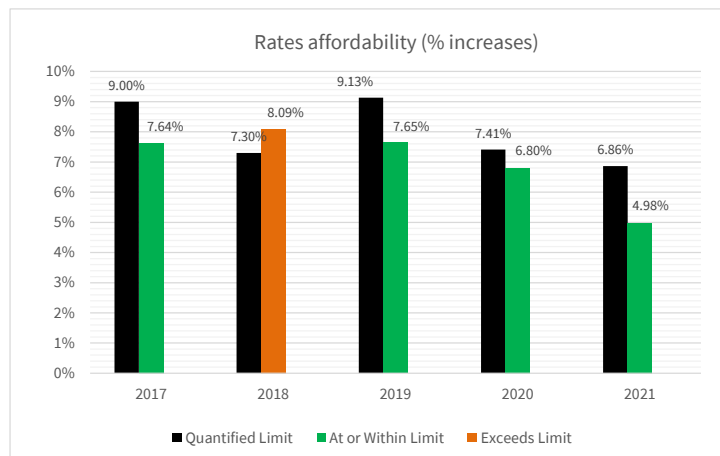
The Council continues to not comply with the rates (revenue) affordability ratio. The following graph compares the Council's actual rates revenue with a quantified limit on rates contained in the financial strategy included in the Council's LTP.



Actual rates revenue exceeded the quantified limit since 2018 because of higher than expected rating growth. While the rating base continues to grow, Council will struggle to meet this ratio.

Rates (increases) affordability

The Council continues to comply with the rates (increases) affordability ratio. The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy as included in the Council's LTP.



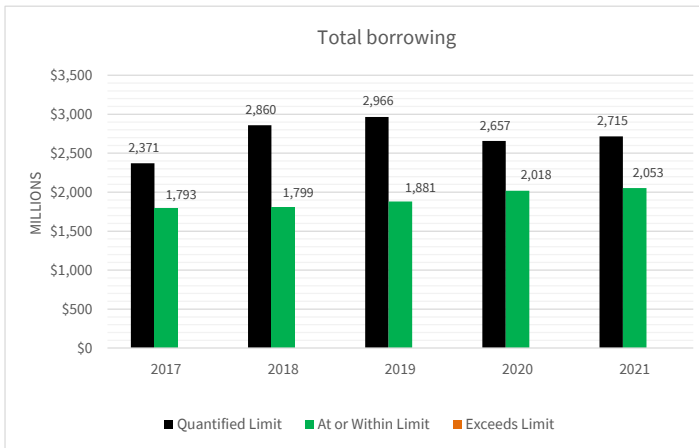
This benchmark looks at the year on year percentage increase in rates revenue. As reported earlier, this measure was exceeded in 2018 because of a higher than expected in-year growth in rates revenue, which resulted in the actual percentage increase exceeding the set limit.

Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within the quantified limit on borrowing.

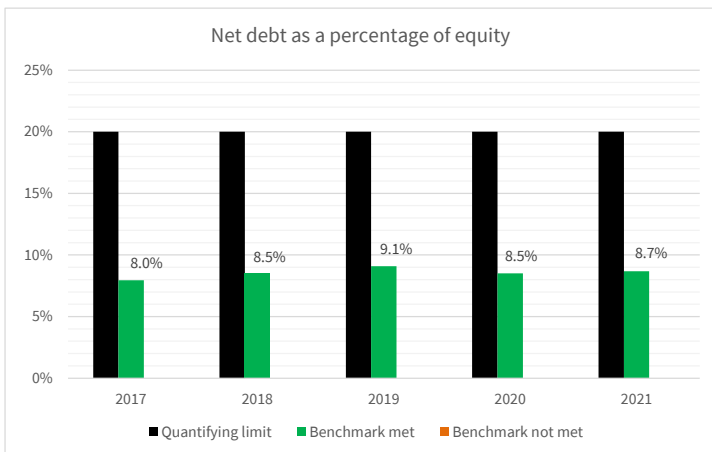
Total borrowing

The Council continues to comply with the total borrowing ratio. The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy as included in the Council's LTP.



Net debt as a percentage of equity

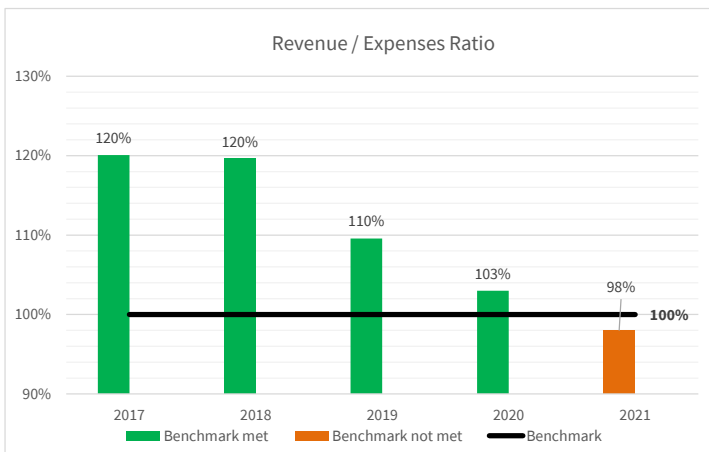
The Council continues to comply with the net debt to equity ratio. The following graph compares the Council’s actual ratio of net borrowing as a percentage of equity with a quantified limit stated in the financial strategy as included each year in the Council’s Plan. The quantified limit is 20 per cent and Council is expected to maintain net debt (comprised of total borrowings less liquid assets and investments excluding shares and advances to subsidiaries) as a percentage of equity to be less than or equal to the quantified limit.



Balanced budget benchmark

The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses. The following graph displays the Council’s revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

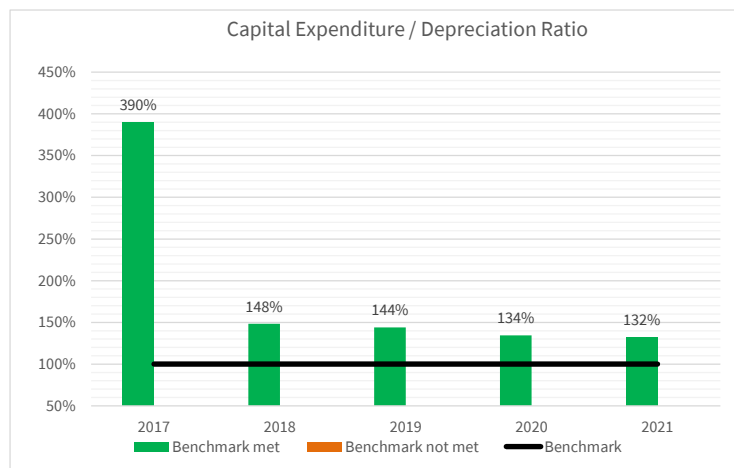
The benchmark is 100 per cent meaning that revenue equals expenses.



Essential services benchmark

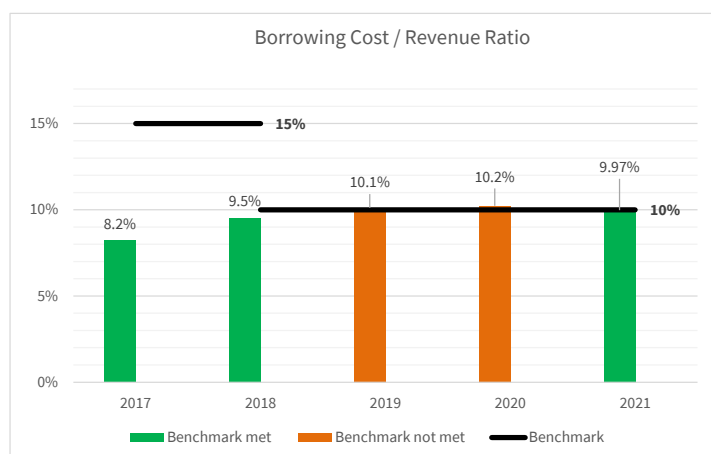
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. The Council continues to comply with the essential services ratio. The following graph displays the Council’s capital expenditure on network services as a proportion of depreciation on network services.

The benchmark is 100 per cent meaning that capital expenditure on network services equals depreciation on network services



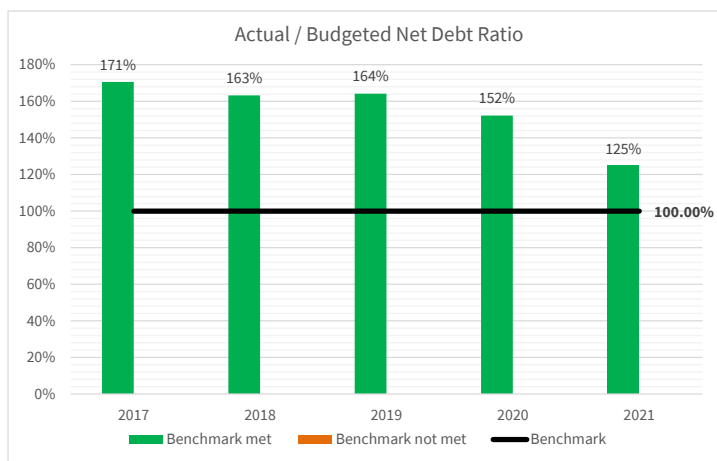
Debt servicing benchmark

The Council did not comply with the debt servicing benchmark in 2019/20. For the 2019/20 year, Statistics New Zealand projects that the Christchurch City population will grow more slowly than the NZ average growth rate and therefore, the debt servicing benchmark is met if its borrowing costs are equal to or are less than 10 per cent of its revenue. Prior to 2019 the growth in Christchurch City exceeded the NZ average therefore the benchmark used to measure this ratio was 15 per cent. The following graph displays the Council’s borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).



Debt control benchmark

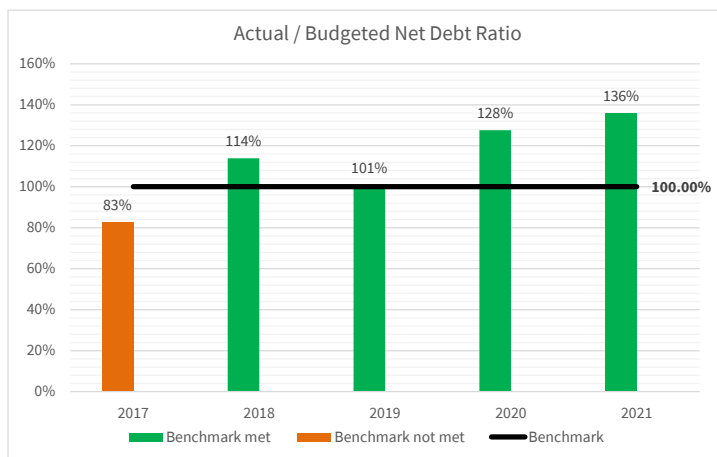
The Council continues to comply with the debt control ratio. The following graph displays the Council’s actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). In line with the Department of Internal Affairs Practice Note released in April 2011, when reporting this ratio, if the Council’s result was equal or better than plan, the Council is deemed to have met the benchmark and the ratio is recorded as “green”.



Operations control benchmark

The Council continues to comply with the operations control benchmark. The following graph displays the Council’s actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



This graph needs to be read in conjunction with the Cash flow statement in the “Financial Statements” section.

Definition of Terms used for the Financial Prudence Benchmarks⁴

Net debt	Total financial liabilities less financial assets (excluding trade and other receivables).
Total revenue	Total cash operating revenue excluding development contributions and non government capital contributions.
Annual rates income	Total rates income (including targeted water supply rates) less rates remissions.
Net interest	The difference between interest income and interest expense recognised by the Council in its financial statements.
Quantified limit	The limit on rates, rates increases, or borrowing for a year that is included in Council’s financial strategy.

⁴ The definition set-out in this section and as used in the relevant sections of this Annual Report is based on the Local Government (Financial Reporting and Prudence) Regulations 2014.

Independent Auditor’s Report**To the readers of Christchurch City Council’s annual report
for the year ended 30 June 2021**

The Auditor-General is the auditor of Christchurch City Council (the City Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Chantelle Gernetzky, using the staff and resources of Audit New Zealand, to report on the information in the City Council’s annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as “the audited information” in our report.

We are also required to report on:

- whether the City Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the City Council’s disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as “the disclosure requirements” in our report.

We completed our work on 12 October 2021. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 171 to 259:
 - present fairly, in all material respects:
 - the City Council and Group’s financial position as at 30 June 2021; and
 - the results of the operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 175, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s annual plan;
- the City Council’s activities and services on pages 42 to 158:
 - present fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2021, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and

- the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- comply with generally accepted accounting practice in New Zealand.
- the statement about capital expenditure for each group of activities on pages 44 to 158, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the City Council’s long-term plan and annual plan; and
- the funding impact statement for each group of activities on pages 60 to 157, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s long-term plan and annual plan.

Report on the disclosure requirements

We report that the City Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 160 to 165, which represent a complete list of required disclosures and accurately reflects the information drawn from the City Council’s audited information and, where applicable, the City Council’s long-term plan and annual plans.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council’s responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the City Council and the Group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General’s Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the City Council’s annual plan.

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

As part of an audit in accordance with the Auditor-General’s Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City Council and Group’s internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the activity and service statements as a reasonable basis for assessing the levels of service achieved and reported by the City Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the City Council and Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the City Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the entities or business activities within the Group to express an opinion on the consolidated audited information.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 6 to 9, 12 to 38, 159, 170, 288 to 294 but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the City Council and Group in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out other audit and assurance engagements for the City Council and subsidiary companies. These audit and assurance engagements, as described in note 5 on page 185, are compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in, the City Council or its subsidiaries and controlled entities.



Chantelle Gernetzky
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

[Financial statements / Tauākī Pūtea](#)

Statement of comprehensive revenue and expense / Tauākī o te Whiwhinga Matawhānui me te Utu

Statement of changes in equity / Tauākī o ngā Rerekētanga o te Tika

Statement of financial position / Tauākī o te Tūranga Pūtea

Cash flow statement / Tauākī rere Moni

Funding impact statement (whole of Council)

Notes to the financial statements / He Panui ki nga Tauākī Pūtea

Statement of comprehensive revenue and expense
For the year ended 30 June 2021

	Note	30 Jun 21 Actual \$000	30 Jun 21 Plan \$000	Parent 30 Jun 20 Actual \$000	30 Jun 21 Actual \$000	Group 30 Jun 20 Actual \$000
Rates revenue	2.1	556,696	557,225	530,297	541,547	517,177
Subsidies and grants	2.2	109,450	67,497	179,159	106,217	176,010
Development and financial contributions	2.3	44,298	21,874	31,821	44,298	31,821
Other revenue	2.4	242,048	177,901	243,839	1,103,170	1,143,319
Finance revenue		23,301	20,453	24,878	6,145	5,880
Share of associate and JV's surplus/(deficit)	18	-	-	-	5,060	5,017
Total revenue		975,793	844,950	1,009,994	1,806,437	1,879,224
Depreciation and amortisation	10,11	276,783	270,536	244,744	427,174	397,238
Finance costs	3	86,745	88,635	91,273	140,572	147,883
Personnel costs	24.1	202,825	203,793	204,238	498,369	501,579
Other expenses	4	292,555	289,543	291,473	580,139	595,814
Net (gains) / losses	6.1	21,051	-	32,814	(19,505)	111,435
Total operating expenses		879,959	852,507	864,542	1,626,749	1,753,949
Surplus before income tax expense		95,834	(7,557)	145,452	179,688	125,275
Income tax expense/(credit)	9.1	279	-	(3,662)	36,177	(47,956)
Surplus from Continuing operations		95,555	(7,557)	149,118	143,511	173,232
Surplus from Discontinued operations		-	-	-	4,077	(568)
Surplus for the period		95,555	(7,557)	149,118	147,588	172,664
Other comprehensive revenue and expense						
Property, plant and equipment valuation movement	10	423,377	255,218	1,421,892	571,848	1,511,124
Unrealised gains/(losses) from:						
Investment revaluation gain/(loss)	6.2	311,918	-	122,123	951	131
Cash flow hedges gain/(loss)	6.2	130,084	-	(71,656)	182,070	(113,669)
Income tax relating to components of other comprehensive revenue and expense	9.1	(1,437)	-	-	(55,840)	(21,834)
Property, plant and equipment impairment loss		-	-	-	-	-
Transfers and other		-	-	-	(1,977)	-
Total other comprehensive revenue and expense		863,942	255,218	1,472,359	697,052	1,375,753
Total comprehensive revenue and expense		959,497	247,661	1,621,477	844,640	1,548,416
Surplus for the period attributable to:						
Parent entity		95,555	(7,557)	149,118	133,841	155,788
Non controlling interests		-	-	-	13,747	16,876
Total surplus for the period		95,555	(7,557)	149,118	147,588	172,664
Total comprehensive revenue and expense attributable to:						
Equity holders of the parent		959,497	247,661	1,621,477	811,717	1,525,772
Non controlling interests		-	-	-	32,923	22,644
Total comprehensive revenue and expense		959,497	247,661	1,621,477	844,640	1,548,416

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Statement of changes in net assets/equity
 For the year ended 30 June 2021

	Asset revaluation reserve	Fair Value thru OCRE reserve	Hedging reserve	Reserve Fund	Capital reserve	Accumulated comprehensive revenue and expense	Attributable to equity holders of parent	Non Controlling interests	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Parent									
Balance as at 1 July 2019	3,232,914	1,854,185	(247,847)	171,504	1,733,853	4,150,569	10,895,178	-	10,895,178
Surplus for the period	-	-	-	-	-	149,118	149,118	-	149,118
Other comprehensive revenue and expense for year	1,421,892	122,123	(71,656)	-	-	-	1,472,359	-	1,472,359
Transfer to/from acc. compr. revenue and expense	-	18,194	-	107,693	-	6,354	132,241	-	132,241
Transfer to/from reserves	(30,933)	-	-	(101,308)	-	-	(132,241)	-	(132,241)
Balance as at 30 June 2020	4,623,873	1,994,502	(319,503)	177,889	1,733,853	4,306,041	12,516,655	-	12,516,655
Surplus for the period	-	-	-	-	-	95,555	95,555	-	95,555
Other comprehensive revenue and expense for year	423,377	311,918	130,084	-	-	(1,437)	863,942	-	863,942
Transfer to/from acc. compr. revenue and expense	-	-	-	113,953	-	13,546	127,499	-	127,499
Transfer to/from reserves	(22,713)	-	-	(104,786)	-	-	(127,499)	-	(127,499)
Balance as at 30 June 2021	5,024,537	2,306,420	(189,419)	187,056	1,733,853	4,413,705	13,476,152	-	13,476,152
Group									
Balance as at 1 July 2019	3,910,418	4,877	(289,101)	176,770	1,722,090	4,865,098	10,390,152	334,231	10,724,383
Effect of correction of errors	(16,247)	-	-	-	-	11,698	(4,549)	-	(4,549)
Surplus for the period	-	-	-	-	-	155,788	155,788	16,876	172,664
Other comprehensive revenue and expense for year	1,534,215	131	(98,263)	-	-	(66,094)	1,369,989	5,764	1,375,753
Transfer to/from acc. compr. revenue and expense	(2,500)	18,194	-	103,919	-	8,904	128,517	-	128,517
Transfer to/from reserves	(30,933)	-	-	(101,358)	-	3,774	(128,517)	-	(128,517)
Other items	(211)	-	-	419	-	(8,731)	(8,523)	-	(8,523)
Dividends paid or provided for	-	-	-	-	-	-	-	(15,403)	(15,403)
Balance as at 30 June 2020	5,394,742	23,202	(387,364)	179,750	1,722,090	4,970,436	11,902,856	341,468	12,244,324
Effect of changes in accounting policy	-	-	-	-	-	(3,277)	(3,277)	-	(3,277)
Effect of correction of errors	-	-	-	-	-	6,700	6,700	-	6,700
As restated	5,394,742	23,202	(387,364)	179,750	1,722,090	4,973,859	11,906,279	341,468	12,247,747
Surplus for the period	-	-	-	-	-	133,841	133,841	13,747	147,588
Other comprehensive revenue and expense for year	518,268	951	162,075	-	-	(3,418)	677,876	19,176	697,052
Transfer to/from acc. compr. revenue and expense	-	-	-	113,953	-	(9,075)	104,878	-	104,878
Transfer to/from reserves	(22,713)	-	-	(82,884)	-	719	(104,878)	-	(104,878)
Other items	290	-	-	54	-	4,239	4,583	6	4,589
Issue of shares	-	-	-	-	-	-	-	-	-
Dividends paid or provided for	-	-	-	-	-	-	-	(3,217)	(3,217)
Balance as at 30 June 2021	5,890,587	24,153	(225,289)	210,873	1,722,090	5,100,165	12,722,579	371,180	13,093,759

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Statement of financial position

As at 30 June 2021

	Note	30 Jun 21 Actual \$000	30 Jun 21 Plan \$000	Parent 30 Jun 20 Actual \$000	30 Jun 21 Actual \$000	Group 30 Jun 20 Actual \$000
Current assets						
Cash and cash equivalents	16	192,730	94,874	266,401	262,754	336,609
Receivables from non-exchange transactions	7	56,289	72,801	81,304	49,197	73,436
Receivables from exchange transactions	7	9,622	10,427	11,645	109,009	88,919
Investment in CCOs and other similar entities	17	165,252	-	190,022	5,552	6,522
Other financial assets	20.1a	1,016	5,424	1,149	11,032	22,386
Inventories	19	3,197	3,262	3,386	22,905	21,852
Current tax assets	9.2	-	-	1,740	8,582	5,135
Assets classified as held for sale	14	3,928	-	-	7,360	2,510
Other assets		-	-	-	1,287	787
Total current assets		432,034	186,788	555,647	477,678	558,156
Non-current assets						
Receivables from non-exchange transactions	6	-	-	-	844	-
Receivables from exchange transactions	7	-	-	-	5,878	6,324
Investments in associates and joint arrangements	18.1	6,196	-	6,196	13,183	16,764
Investment in CCOs and other similar entities	17	3,130,810	2,860,783	2,817,179	40,815	34,950
Other financial assets	20.1a	65,147	139,863	26,360	66,275	47,990
Inventories	19	-	-	-	16,675	16,532
Property, plant and equipment	10	12,188,875	12,051,374	11,566,000	16,259,658	15,462,131
Investment property	15	-	-	-	660,207	574,636
Intangible assets	11	86,509	71,932	90,413	113,341	118,719
Deferred tax assets	9.3	3,540	-	4,295	32,841	51,717
Other assets		-	-	-	53	64
Total non-current assets		15,481,077	15,123,952	14,510,443	17,209,770	16,329,827
Total assets		15,913,111	15,310,740	15,066,090	17,687,448	16,887,983
Current liabilities						
Taxes and transfers payable	8	9,138	-	11,218	20,117	8,926
Payables under exchange transactions	8	90,804	122,460	116,347	174,361	212,948
Borrowings and other financial liabilities	20.2	374,796	268,200	419,943	844,952	850,428
Employee entitlements	24.2	20,564	21,870	20,700	50,697	55,957
Current tax liabilities	9.2	-	-	-	1,111	1,031
Provisions	25	9,555	5,422	3,072	13,695	7,396
Other liabilities	26	24,401	-	21,447	42,830	33,669
Total current liabilities		529,258	417,952	592,727	1,147,763	1,170,355
Non-current liabilities						
Payables under exchange transactions	8	1,590	-	2,120	1,590	2,120
Borrowings and other financial liabilities	20.2	1,872,082	2,176,149	1,921,990	2,975,377	3,046,901
Employee entitlements	24.2	3,314	4,038	3,448	7,185	7,104
Deferred tax liabilities	9.3	3,540	4,296	2,579	431,005	388,524
Provisions	25	26,010	14,933	24,670	26,216	24,910
Other liabilities	26	1,165	1,900	1,901	4,553	3,745
Total non-current liabilities		1,907,701	2,201,316	1,956,708	3,445,926	3,473,304
Total liabilities		2,436,959	2,619,268	2,549,435	4,593,689	4,643,659
Net assets		13,476,152	12,691,472	12,516,655	13,093,759	12,244,325
Equity						
Parent entity interest		4,413,703	4,279,342	4,306,039	5,100,163	4,970,436
Non controlling interest		-	-	-	371,182	341,469
Reserves		9,062,449	8,412,130	8,210,616	7,622,414	6,932,420
Total equity		13,476,152	12,691,472	12,516,655	13,093,759	12,244,325

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Cash flow statement

For the year ended 30 June 2021

	Note	30 Jun 21 Actual \$000	30 Jun 21 Plan \$000	Parent 30 Jun 20 Actual \$000	30 Jun 21 Actual \$000	Group 30 Jun 20 Actual \$000
Cash flows from operating activities						
Receipts from rates revenue		568,332	557,225	523,083	564,838	522,287
Receipts from other revenue		298,656	193,452	335,752	1,185,399	1,260,294
Interest received		23,670	20,115	27,923	5,538	9,568
Dividends received		42,662	27,452	31,314	8,662	9,314
Subvention receipts		2,229	-	2,297	-	-
Payments to suppliers and employees		(503,586)	(485,068)	(523,026)	(1,089,051)	(1,111,339)
Interest and other finance costs paid		(87,136)	(88,635)	(92,472)	(142,278)	(147,771)
Income tax paid		1,740	-	14	(23,004)	(20,176)
Net GST movement		(2,006)	-	1,025	(2,034)	1,491
Other		-	-	-	3,149	(3,489)
Net cash provided by/(used in) operating activities	28.1	344,561	224,541	305,910	511,219	520,179
Cash flows from investing activities						
Proceeds from sale of investment		(505,829)	143,918	10,922	(285,493)	30,962
Proceeds from repayment loans and advances		189,636	-	94,000	189,636	94,000
Proceeds from sale of fixed assets		8,830	4,994	10,070	12,860	14,756
Cash acquired in business combinations		-	-	-	-	-
Payment for investment		489,949	(31,454)	(153,385)	272,069	(175,270)
Payment for equity investment in subsidiaries		(10,000)	-	-	-	-
Loans made to external parties		-	-	-	11,334	(1,487)
Payment for purchase of fixed assets		(446,166)	(487,904)	(364,512)	(658,480)	(673,094)
Amounts advanced to related parties		(179,275)	-	(44,700)	(194,275)	106,400
Payment for investment properties		-	-	-	(31,246)	(66,683)
Proceeds from sale of businesses		-	-	-	-	4
Other		-	-	-	(3,938)	(7,129)
Net cash (used in)/provided by investing activities		(452,855)	(370,446)	(447,605)	(687,533)	(677,541)
Cash flows from financing activities						
Proceeds from borrowing		445,500	206,265	406,665	872,631	720,256
Repayment of borrowings		(408,964)	(51,929)	(272,557)	(764,757)	(511,957)
Repayment of finance leases		(1,913)	-	(2,557)	(2,197)	(3,064)
Dividends paid - non controlling interests		-	-	-	(3,218)	(15,403)
Other		-	-	-	-	1,400
Net cash provided by/(used in) financing activities	28.2	34,623	154,336	131,551	102,459	191,232
Net increase in cash and cash equivalents		(73,671)	8,431	(10,144)	(73,855)	33,870
Cash and cash equivalents at beginning of year		266,401	86,443	276,545	336,609	302,739
Cash and cash equivalents at end of year	16	192,730	94,874	266,401	262,754	336,609

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Funding impact statement (whole of Council)
For the year ended 30 June 2021

	30 Jun 21 Actual \$000	30 Jun 21 Annual Plan \$000	30 Jun 20 Annual Report \$000	30 Jun 20 Annual Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	343,792	343,212	337,372	335,322
Targeted rates	212,904	214,013	192,925	192,744
Subsidies and grants for operating purposes	55,391	22,620	24,493	28,143
Fees and charges	107,549	92,379	96,545	114,859
Interest and dividends from investments	65,963	47,567	53,538	81,490
Local authorities fuel tax, fines, infringement fees, and other receipts	18,746	12,999	19,301	16,492
Total operating funding (A)	804,345	732,790	724,174	769,050
Applications of operating funding				
Payments to staff and suppliers	458,623	454,376	452,047	458,056
Finance costs	86,746	88,635	91,273	92,308
Other operating funding applications	37,181	38,960	63,861	42,008
Total applications of operating funding (B)	582,550	581,971	607,181	592,372
Surplus (deficit) of operating funding (A-B)	221,795	150,819	116,993	176,678
Sources of capital funding				
Subsidies and grants for capital expenditure	54,839	42,407	90,644	47,141
Development and financial contributions	44,298	21,874	31,821	12,952
Increase (decrease) in debt	110,113	154,336	131,551	(15,545)
Gross proceeds from sale of assets	8,830	4,994	10,070	4,986
Lump sum contributions	-	-	-	-
Other dedicated capital funding	2,291	1,173	67,018	22,673
Total sources of capital funding (C)	220,371	224,784	331,104	72,207
Application of capital funding				
Capital expenditure				
- to replace existing assets	265,243	279,908	257,299	222,215
- to improve the level of service	96,157	184,431	67,422	133,294
- to meet additional demand	84,682	42,751	65,580	64,249
Increase (decrease) in reserves	9,071	(144,187)	6,347	(172,373)
Increase (decrease) of investments	(12,987)	12,700	51,449	1,500
Total applications of capital funding (D)	442,166	375,603	448,097	248,885
Surplus (deficit) of capital funding (C-D)	(221,795)	(150,819)	(116,993)	(176,678)
Funding balance ((A-B) + (C-D))	-	-	-	-

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1 Notes to the financial statements

Reporting entity

The Council (the Parent) is the Christchurch City Council and consolidated subsidiaries are together the Group.

The Council is a territorial authority governed by the Local Government Act 2002. The consolidated entity consists of the entities listed in the Group structure section.

The primary objective of the Council is to provide goods or services for the community or for social benefit rather than to make a financial return. Accordingly, the Council has designated itself a public benefit entity (PBE) for financial reporting purposes. Council is therefore subject to policies and exemptions that may not apply to other entities in the Group. Where PBE treatment of specific issues differs from the usual treatment, this fact is noted in each policy.

The financial statements of the Council are for the year ended 30 June 2021. The financial statements were approved by the Council on 12 October 2021.

Statement of compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6 Section 98 and Section 111, and Part 3 of Schedule 10, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Accounting Standards (PBE Standards), and other applicable financial reporting standards, as appropriate for Tier 1 Public Sector PBEs for periods beginning on or after 1 July 2014.

Going concern

The Council is in a net surplus position of \$148 million (2020: \$173 million) for the current financial year ended 30 June 2021 and, as of that date, the Council had net current liabilities (current liabilities less cash and cash equivalents) of \$885 million (2020: \$834 million). As at 30 June 2021, the Parent met all except one of its prudential ratios. Management expect cash operating revenue to be on par with 2020/21 year in financial year 2021/22.

Statement of significant accounting policies (nga kaupapahere kaute)

Basis of preparation

Measurement base

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Council and Group is New Zealand dollars.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. The accrual basis of accounting has been used unless otherwise stated. All amounts are "Actual" results with the exception of "Plan" amounts.

Except where specified, the accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling on the day of the transaction.

Foreign currency monetary assets and liabilities at balance date are translated to NZ dollars at the rate ruling at that date.

Foreign exchange differences arising on translation are recognised in the surplus or deficit, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to NZ dollars at rates ruling at the dates the fair value was determined.

Translation differences on equities held at fair value through surplus or deficit are reported as part of the fair value gain or loss.

Translation differences on equities classified as available-for-sale financial assets are included in the fair value reserve in equity.

Goods and Services Tax (GST)

The financial statements are prepared exclusive of GST with the exception of receivables and payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

The net GST paid to, or received from the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are shown exclusive of GST.

Cost allocations

The costs of all internal service activities are allocated or charged directly to external service type activities. External service activities refer to activities which provide a service direct to the public. Internal service activities provide support for the external service activities.

Where the recipient of an internal service can be identified, the cost recovery is made by way of a direct charge. Where this is not practical or the linkage is indirect, the costs are allocated by way of corporate overhead.

Corporate overhead is allocated either directly or indirectly to external service activities as follows:

- Property costs: pro rata based on the number of desks held for use for each unit.
- IT costs: pro rata based on the total number of active IT users.
- Human Resources and Payroll Services cost: pro rata based on the total number of planned employee work hours.
- All other costs: pro rata based on the gross cost of external service activities.

Plan values disclosed

The plan values shown in the financial statements represent the 2020/21 budget included in the 2020/21 Annual Plan adopted on 23 July 2020.

Net Assets / Equity

Net Assets or equity is the community's and ratepayers' interest in the Council. It is measured as the difference between total assets and total liabilities. The asset revaluation reserve is recorded at fair value through other comprehensive revenue and expense reserve. The hedging revaluation reserve is recorded at fair value through other comprehensive revenue and expense reserve.

New accounting standards and interpretations

Changes in accounting policy (kaupapahere kaute) and disclosures

PBE IPSAS 2 Statement of Cash Flows (amendment)

An amendment to PBE IPSAS 2 Statement of cash flows requires Council to provide disclosures that enable users of financial statement to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early adoption permitted. The Council has early adopted this standard.

Interest Rate Reform and impact on Public Benefit Entities

Global interest rate reform will see the removal of LIBOR as a key market interest rate for derivative contracts. A replacement for LIBOR is likely to be developed with both European and United States regulators vying for a lead role in the new benchmark mark rate. These changes have little or no impact on Council's hedging programme.

Accounting standards and interpretations issued but not yet effective

The following new standards, interpretations and amendments have been issued but are not yet effective as at 30 June 2021. Council has not early adopted these standards and interpretations.

PBE FRS 48 Service Performance Reporting

This standard establishes requirements to PBEs to select and present service performance information. This standard is effective from the year ending 30 June 2022. This standard will require the Council to provide users of the non-financial performance measures contained in the service performance tables of the annual report, an understanding of the rationale of why the measure was chosen, how it is measured, whether the measure is an aggregate of multiple values and how the information is presented.

The Council uses internally sourced data and information collected by third parties to report on the non-financial performance measures developed through its Long Term Plan and associated activity planning, which set out the services (sub-activities) and levels of service (performance measures and targets) anticipated for each year of the Long Term Plan.

The development, monitoring and reporting of non-financial performance measure is consistent with that of previous years.

The individual Group of Activities sections of this Annual Report contains the final report on the actual performance against the non-financial performance measure agreed in the current Long Term Plan for the year under review.

PBE IPSAS 41 Financial Instruments

This standard is effective from the year ending 30 June 2022, and will not have any material impact on the Council's reporting requirements.

PBE IFRS 17 Insurance Contracts

Effective 1 January 2022, a future standard dealing with disclosure requirements that applies to not-for-profit PBEs only and does not have any material impact on the Group.

Principles of consolidation

Subsidiaries

Subsidiaries include special purpose entities and those entities where the Council has the power to govern financial and operating policies, generally accompanying a shareholding of at least half of the voting rights. The potential to exercise or convert voting rights are considered when assessing whether the Council controls another entity.

From July 2019 the Ōtautahi Community Housing Trust is included in the consolidated group of the Council. The Ōtautahi Community Housing Trust is not a Council-controlled organisation and is included in the group as it meets the definition of a controlled entity pursuant to PBE IPSAS 35 Consolidation accounting standard only.

Subsidiaries are fully consolidated from the date on which control is transferred to the Council and de-consolidated from the date of control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries.

Intercompany transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Council. This includes the application of PBE accounting standards for those entities reporting under NZ IFRS.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive revenue and expense and the statement of financial position.

2 Revenue

Accounting Policy/ Kaupapahere Kaute

Revenue comprises rates, revenue from operating activities, investment revenue, gains and finance revenue and is measured at the fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

Revenue from exchange transactions arises where the Group provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash) in exchange.

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. These are transactions where the Group receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally akin with an arm's length commercial transaction between a willing buyer and willing seller. Some services which the Parent provides for a fee are charged below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis which may not be considered to reflect a market return. A significant portion of the Parent's revenue will be categorised non-exchange.

As the Group satisfies an obligation which has been recognised as a liability, it reduces the carrying amount of the liability and recognises an amount of revenue equal to the reduction.

Finance revenue Finance revenue comprises interest receivable on funds invested and on loans advanced. Finance revenue, is recognised in surplus or deficit as it accrues, using the effective interest rate method.

2.1 Rates revenue

Accounting Policy/ Kaupapahere Kaute

Rates Rates are set annually by a resolution from the Parent and revenue is recognised in surplus or deficit at the time of invoicing.

The following policies for rates have been applied:

General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Parent considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivable and subsequent recognition of interest revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when the Parent has received an application that satisfies its Rates Remission Policy.

Rates collected on behalf of the Canterbury Regional Council (Environment Canterbury or ECAN) are not recognised in the financial statements, as the Parent is acting as an agent for the ECAN.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
General rates	340,527	332,325	331,206	324,098
Targeted rates attributable to activities:				
- water	59,876	53,825	58,237	52,493
- excess water charges	2,604	3,254	2,533	3,173
- land drainage	35,804	34,638	34,824	33,781
- sewerage	80,015	72,183	77,825	70,396
- active travel	3,162	3,112	3,075	3,035
- waste minimisation	30,017	24,476	29,195	23,870
- fire service	110	107	107	104
- cathedral	1,031	1,014	1,003	989
- Akaroa medical	285	316	277	316
Rates penalties	3,265	5,047	3,265	4,922
Total rates revenue	556,696	530,297	541,547	517,177
Less remissions	(4,548)	(4,029)	(4,548)	(4,029)
Rates revenue net of remissions	552,148	526,268	536,999	513,148

Commentary / Korerotanga

The increase in annual rates collected by Parent reflects the 3.8% rise as part of the 2020/21 Annual Plan and growth in rates units.

The annual rates revenue of the Parent for the year ended 30 June 2021 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is the "Rates revenue net of remissions" shown above.

2.1(a) Rating base information

Rating units within the district or region of the local authority at the end of the preceding financial year.

	30 Jun 20	30 Jun 19
Number of rating units	175,617	173,795
Total land value of rating units	49,917,350,400	46,417,637,200
Total capital value of rating units	114,001,380,550	108,153,831,090

Commentary / Korerotanga

The rating database as at 30 June 2020 is used to determine the rates revenue for the 2020/21 year. This information is verified with Quotable Value Limited.

2.2 Subsidies and grants**Accounting Policy / Kaupapahere Kaute**

Waka Kotahi (NZ Transport Agency) roading subsidies The Parent receives funding assistance from Waka Kotahi, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Grant revenue (including Waka Kotahi (NZ Transport Agency)) Grants revenue is recognised on receipt, except to the extent that a liability is also recognised in respect of the same inflow. A liability is recognised when the resources received are subject to a condition such as an obligation to return those resources received in the event that the conditions attached are breached. As the conditions are satisfied, the carrying amount of the liability is reduced and an equal amount is recognised as revenue. Grant revenue is categorised as non-exchange revenue.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
NZ Transport Agency	68,493	62,066	68,493	62,066
Other grants and subsidies	40,957	117,093	37,724	113,944
Total subsidies and grants	109,450	179,159	106,217	176,010

Commentary / Korerotanga

Subsidies and grants are a mix of capital and operating grants from the Crown and other organisations including the Christchurch Earthquake Appeal Trust. The Parent received Crown funding for Three Waters projects (\$24 million), Roading and Footpath (\$80 million), the Canterbury Multi-use Arena (CMUA) project (\$8 million) and COVID-19 recovery "shovel ready" projects.

2.3 Development contributions**Accounting Policy / Kaupapahere Kaute**

Development contributions Development contributions are classified as exchange revenue and recognised as revenue in the year in which they are received.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Reserves	15,185	7,432	15,185	7,432
Waste Water	17,708	14,277	17,708	14,277
Water Supply	4,071	3,284	4,071	3,284
Storm Water	1,195	1,079	1,195	1,079
Road Network	3,998	3,712	3,998	3,712
Other assets	2,141	2,037	2,141	2,037
Total development and financial contributions	44,298	31,821	44,298	31,821

Commentary / Korerotanga

Residential construction on development sites around Christchurch continued in 2020/21 resulting in a mix of cash development contributions received by the Parent for future growth of the infrastructure and services networks.

2.4 Other revenue

Accounting Policy / Kaupapahere Kaute

Entrance fees	Entrance fees are fees charged to users of the Council's local facilities, such as the zoo, pools, museum, and gallery. Revenue from entrance fees is recognised upon entry to such facilities.
Landfill fees	Fees for disposing of waste at the Council's landfill are recognised upon waste being disposed by users.
Vested assets	Vested assets are a physical asset is received for no or minimal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Parent and goods donated are recognised as revenue when control over the asset is obtained. Vested assets and donated goods are categorised as non-exchange revenue.
Sale of goods and services	Revenue is recognised in surplus or deficit when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods or continuing management involvement with the goods.
Construction contracts	Revenue is recognised as soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in surplus or deficit in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. An expected loss on a contract is recognised immediately in surplus or deficit.
Rental revenue	Rental revenue from investment and other property is recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue. Rental revenue is classified as exchange revenue where it is considered to reflect a market/arm's length rental.
Dividend revenue	Dividend revenue is classified as exchange revenue and is recognised when the shareholder's right to receive payment is established.
Finance lease revenue	Finance lease revenue is classified as exchange revenue and is allocated over the lease term on a systematic basis. This revenue allocation is based on a pattern reflecting a constant periodic return on the Parent's net investment in the finance lease.
Agencies	The Parent collects monies for many organisations. Where collections are processed through Parent's books, any monies held are shown as accounts payable in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.
Volunteers	The Parent receives the benefit of many services provided by volunteers. These services are greatly valued. They are, however, difficult to measure in monetary terms and for this reason, are not included in the financial statements, as their value from an accounting point of view is considered immaterial in relation to total expenditure.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Fees and charges	75,581	62,835	75,072	62,267
Vested assets	69,710	96,031	70,546	97,190
Sale of goods and services	-	-	454,910	452,932
Construction contract revenue	-	-	357,044	332,944
Rental revenue on investment property	-	-	35,341	36,181
Rental revenue	28,829	30,127	51,972	83,225
Dividends	42,662	28,660	65	86
Subvention receipts	489	2,297	-	-
Petroleum tax	2,568	2,372	2,568	2,372
MSD Wage Subsidy	-	-	4,930	13,788
Sundry revenue	22,209	21,517	50,722	62,334
Total operating and other revenue	242,048	243,839	1,103,170	1,143,319

Commentary / Korerotanga

The increase in fees and charges over the 2020 result represents the continued development activity in the housing market.

Vested assets in 2021 include the transfer of parts of the Residential Red Zone from the Crown namely Port Hills (\$15 million), Brooklands / Southshore (\$13 million) and performing arts precinct land (\$3 million) as part of the Global Settlement Agreement with the Crown. The balance of the vest assets come from the infrastructure transferred to the Parent from residential and commercial developments. The 2020 result included the transfer of the Bus Interchange from the Crown to the Parent.

Rental revenue includes proceeds from the social housing portfolio from the Ōtautahi Community Housing Trust.

Dividends are primarily sourced from CCHL and Transwaste Canterbury Limited, COVID-19 impacted the 2020 and 2021 dividends.

The drop in revenue from the sale of goods and services by Group member is attributed to the loss of revenue from the Red Bus operations sold in 2019/20 and a small decrease in airport services revenue offset by increase in port and telecommunications revenues.

The decrease in rental revenue from investment properties and rental revenue by Group members is reflects changes in the CIAL operational model with the closure of the borders.

The decrease in COVID-19 MSD wage subsidy received by Group members reflects the end of the subsidy. See Note 34 Subsequent events.

3 Finance costs**Accounting Policy / Kaupapahere Kaute**

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method. The interest expense component of finance lease payments is recognised in surplus or deficit using the effective interest rate method. Interest payable on borrowings is recognised as an expense in surplus or deficit as it accrues.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Interest on borrowings	80,133	84,467	110,074	108,970
Interest on debt instruments	-	-	22,684	27,843
Interest on finance leases	6,612	6,806	1,790	6,409
Other interest expense	-	-	6,024	4,661
Total finance costs	86,745	91,273	140,572	147,883

Commentary / Korerotanga

The Parent has entered into interest rate swap agreements to fix the cost of current and future borrowing. Interest rates have remained relatively stable in 2020/21 and considering that interest rate swap agreements are in place over the majority of the Parent's debt this results in the financing costs being relatively stable.

4 Other expenses

Accounting Policy / Kaupapahere Kaute

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Parent has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Parent and the approval has been communicated to the applicant and any grant criteria are met. Rates remissions are treated as a discretionary grants to the recipient of the remission in accordance with the Parent's rates remission policy.

Operating leases Payments made under operating leases are recognised in surplus or deficit proportionally over the term of the lease. Lease incentives received are recognised in surplus or deficit as an integral part of the total lease expense.

Minimum lease payments Payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Other losses include revaluation decrements relating to investment properties, losses on the sale of property, plant and equipment and investments and losses arising from derivative financial instruments.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; the ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits or service potential; the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and the ability to reliably measure the expenditure attributable to the intangible asset during its development. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in surplus or deficit in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Unrecoverable rates Where in the opinion of the Chief Executive rates cannot reasonably be recovered under sections 90A and 90B of the local Government Rating Act 2002, they are recorded as bad debts and written off. The Parent has the ability to recover rates on the sale of a property and until this occurs rates arrears are treated as doubtful debts and provision is made for the amount of rates outstanding.

		Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20	30 Jun 20
	\$000	\$000	\$000	\$000	\$000
Audit fees	5	643	347	2,189	1,790
Directors' fees		-	-	2,907	2,998
Donations and grants		37,729	43,084	22,756	28,128
Net foreign exchange (gains) / losses		-	-	3	14
Minimum lease payments under operating leases		2,718	2,750	24,822	23,122
Raw materials and consumables used		-	-	44,561	44,623
Provision of services and maintenance of assets		167,655	154,910	126,804	126,525
Consultants and legal fees		16,298	23,763	28,265	34,948
Other operating expenses		67,512	66,619	327,832	333,666
Total other expenses		292,555	291,473	580,139	595,814

Commentary / Korerotanga

Within the Parent's results, other operating expenses includes capitalised overheads (including payroll costs) of \$37.0 million (2020: \$41.3 million).

In 2020/21 no rates were written off (2019/20: Nil).

5 Remuneration of auditors**Accounting Policy / Kaupapahere Kaute**

All auditors are appointed by the Auditor-General pursuant to the Public Audit Act. The auditor of the Parent and the Group entities, is Audit New Zealand unless specifically identified.

5.1 Primary assurance services provided by Audit New Zealand

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Fees to Audit New Zealand				
- For audit of financial statements 2021	368	342	1,471	1,409
- For audit of financial statements 2020	31	-	90	-
- For other assurance services	244	5	370	108
Fees to other firms for audit of financial statements	-	-	182	182
- For other assurance services	-	-	33	1
Fees paid to other Group Auditors	-	-	43	90
Total remuneration of auditors	643	347	2,189	1,790

Commentary / Korerotanga

Lyttelton Port Company Limited is audited by KPMG, ChristchurchNZ Holdings Limited is audited by Grant Thornton and Ōtautahi Community Housing Trust is audited by BDO.

5.2 Other assurance services provided by Audit New Zealand**Commentary / Korerotanga**

Audit NZ audits the LGFA Debenture Trust Deed, the Mayor's Welfare Fund and 2021-31 Long Term Plan on behalf of the Parent.

Audit NZ also reviews the Orion New Zealand Limited annual customised price-quality path compliance statement, regulatory information disclosures, and fraud risk review and the Christchurch International Airport Limited: the Specified Airport Services Information Disclosure, and the company's compliance with bond conditions.

6 Other gains and losses

Accounting Policy / Kaupapahere Kaute

Realised gains and losses in surplus / deficit Realised gains and losses arising from the sale of property, plant and equipment and investments and changes arising from the ineffectiveness of derivative financial instruments are recognised in surplus / deficit. Movements in impairments are also recognised through surplus / deficit.

6.1 Other gains and losses recognised in surplus / deficit

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Realised gains / losses in surplus / (deficit)				
Non-financial instruments				
Gains / (losses) on disposal of property, plant and equipment	(20,723)	(15,453)	(20,310)	(16,530)
Gains / (losses) on disposal of investment	-	-	587	(62)
Gains / (losses) on disposal of investment property or held for sale assets	-	2,651	-	2,651
Gains / (losses) on revaluation of other assets	-	-	46,451	13,481
(Impairment) / reversal of impairment on other assets	-	-	-	(2,176)
(Impairment) / reversal of impairment on property, plant and equipment	-	-	(9,687)	(110,590)
	(20,723)	(12,802)	17,041	(113,226)
Financial instruments				
Gains / (losses) through ineffectiveness of cash flow hedges	6,377	796	6,379	808
Gains / (losses) through de-recognition of cash flow hedges	(6,785)	(2,956)	(6,785)	(2,956)
Gains / (losses) through ineffectiveness of fair value hedges	-	-	102	(15)
Gains / (losses) on investments held at fair value through surplus and deficit	-	-	(39)	(18)
Fair value through income statement financial instruments fair value change	80	(17,852)	2,810	3,973
	(328)	(20,012)	2,467	1,792
Net other gains/(losses)	(21,051)	(32,814)	19,508	(111,434)

Commentary / Korerotanga

The residual value (\$16.68 million) of infrastructure assets replaced as part of the repairs and renewal programme for three waters or roading infrastructure are categorised as disposed of when the new assets are recognised. (2020: \$7.06 million).

See Note 20.3 for an explanation on the transactions that resulted in the de-recognition of the hedge relationships.

See Note 15 for a description of the investment property revaluation gains.

6.2 Unrealised gains & losses in other comprehensive revenue and expense

Accounting Policy / Kaupapahere Kaute

Unrealised gains and losses in other comprehensive revenue and expense – Unrealised gains and losses arising from the revaluation of investments and changes arising from mark to market valuation of derivative financial instruments are recognised in other comprehensive revenue and expense.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Unrealised gains and losses in other comprehensive revenue and expense				
Investment revaluation gain / (loss)				
<i>Revaluation of shares held in:</i>				
Christchurch City Holdings Limited	294,244	96,460	-	-
Venues Ōtautahi Limited	(8,381)	26,009	-	-
Other	26,055	(346)	951	131
	311,918	122,123	951	131
Cash flow hedges gain / (loss)				
Unrealised gain / (loss) on changes in fair value of cash flow hedges	130,084	(71,656)	182,070	(113,669)
	130,084	(71,656)	182,070	(113,669)

Commentary / Korerotanga**Investment revaluation gains / (losses)**

External valuations are obtained for Christchurch City Holdings Limited, ChristchurchNZ Holdings Limited, Civic Building Limited and Venues Ōtautahi Limited (formerly Vbase Limited). All other subsidiaries are valued using an internal fair value model.

Cash flow gain / (loss)

During the year, the swap market forecast a negative official cash rate (OCR) which is now unlikely to eventuate. Increases in the interest rate market are now being factored in to the swap market resulting in a rise in the value of the hedging portfolio. The gain represents a write back of previous losses that accumulated as the market interest rates dropped.

See Note 20.5(a) for sensitivity analysis of potential impacts from changes in market interest rates.

7 Receivables and prepayments**Accounting Policy / Kaupapahere Kaute**

Trade and other receivables are classified as financial assets at amortised cost and are initially measured at fair value and subsequently measured at amortised cost less the recognition of any expected credit losses (ECL) over the life of the asset.

For the purpose of aging analysis, trade receivables above includes rates receivables, non-exchange receivables from user charges, other trade receivables and related party receivables.

As debtors and other receivables are non-interest bearing and receipt is normally on 30 day terms, the carrying value of debtors and other receivables approximates their fair value.

An expected credit loss allowance (ECL) has been made for each class of debtor and the estimate is based on the measurement of expected credit losses on historical, current and projected information. The balance of the movement was recognised in net surplus and deficit for the current financial year.

7.1 Receivables

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Receivables from non-exchange transactions				
- Current	56,289	81,304	49,197	73,436
- Non-current	-	-	844	-
Receivables from exchange transactions				
- Current	9,622	11,645	109,009	88,919
- Non-current	-	-	5,878	6,324
Total debtors and other receivables	65,911	92,949	164,928	168,679
<i>This comprises of:</i>				
Rates receivables	12,080	22,855	12,080	22,855
Non-exchange receivables from user charges	5,656	2,157	5,656	2,161
Other trade receivables	26,680	36,302	98,764	96,506
Insurance receivables	-	-	-	-
Related party receivables	7,725	18,574	-	-
<i>Subtotal: Trade receivables</i>	<i>52,141</i>	<i>79,888</i>	<i>116,500</i>	<i>121,522</i>
Prepayments	4,248	4,824	26,180	24,358
Chargeable work in progress	-	-	18,896	21,051
Contract retentions	-	-	2,596	3,216
GST receivables	7,454	6,135	(6)	(2,008)
Dividends receivable	-	-	-	-
Other	2,516	2,890	2,957	3,282
Finance lease receivable	-	-	(348)	116
	66,359	93,737	166,775	171,537
Provision for impairment				
Individual impairment	-	-	(1,399)	(2,070)
Collective impairment	(448)	(788)	(448)	(788)
	7.2 (448)	(788)	(1,847)	(2,858)
Total receivables and prepayments	65,911	92,949	164,928	168,679

Commentary / Korerotanga

During the year arrears arising from the deferral of 4th and 1st instalments of 2019/20 and 2020/21 have been collected during the latter part of the year.

There has been no material impact on the collectability of receipts following the normalisation of credit terms and lower than expected impact of COVID-19.

7.2 Movement in provision for impairment of receivables:

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Movement in provision for impairment of receivables				
At 1 July	(788)	(169)	(2,858)	(590)
Provisions made during year	(6)	(791)	(129)	(2,499)
Provisions reversed during year	124	164	713	213
Receivables written off during year	222	8	427	18
At 30 June	7.1 (448)	(788)	(1,847)	(2,858)

Commentary / Korerotanga

2020/21 has seen a return to normal payment flows and credit terms resulting in an overall reduction in the impairment of receivables.

7.3 Credit risks aging of trade receivables

	30 Jun 21				30 Jun 20			
	Parent			Net	Parent			Net
	Estimated gross amount at default	Expected credit loss rate	Impairment		Estimated gross amount at default	Expected credit loss rate	Impairment	
\$000	%	\$000	\$000	\$000	%	\$000	\$000	
Not past due	39,598	0.0%	(4)	39,594	87,770	0.0%	(42)	87,728
Past due 1-60 days	4,892	0.7%	(35)	4,857	13,284	0.7%	(99)	13,185
Past due 61-120 days	2,061	1.9%	(39)	2,022	3,861	1.1%	(43)	3,818
Past due over 120 days	5,590	6.6%	(370)	5,220	11,585	14.4%	(1,663)	9,922
Total	52,141		(448)	51,693	116,500		(1,847)	114,653

	30 Jun 21				30 Jun 20			
	Parent			Net	Parent			Net
	Estimated gross amount at default	Expected credit loss rate	Impairment		Estimated gross amount at default	Expected credit loss rate	Impairment	
\$000	%	\$000	\$000	\$000	%	\$000	\$000	
Not past due	56,079	0.0%	(27)	56,052	76,279	0.6%	(451)	75,828
Past due 1-60 days	13,935	0.2%	(26)	13,909	24,564	2.1%	(510)	24,054
Past due 61-120 days	3,743	9.5%	(354)	3,389	7,378	7.7%	(569)	6,809
Past due over 120 days	6,131	6.2%	(381)	5,750	13,301	10.0%	(1,328)	11,973
Total	79,888		(788)	79,100	121,522		(2,858)	118,664

Commentary / Korerotanga

With the exception of an amount in dispute of \$74,439, no allowance is provided on rates receivables as the Parent has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts.

The majority of the movement in the expected credit loss rate between 2020 and 2021 can be attributed to the reduction in the allowance for COVID-19 impacted receivables. As expected this was a temporary issue and as the drivers of the ECL methodology continue to change to reflect the current economic outlook.

8 Payables

Accounting Policy / Kaupapahere Kaute

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Taxes and transfers payable	9,138	11,218	20,117	8,926
Payables under exchange transactions - current	90,804	116,347	174,361	212,948
Payables under exchange transactions - non-current	1,590	2,120	1,589	2,120
Total creditors & other payables	101,532	129,685	196,067	223,994
<i>This comprises of:</i>				
Trade payables and accrued expenses	63,157	92,056	165,589	191,513
Amounts due to related parties	15,405	14,996	(1,275)	(1,308)
Interest payable	10,610	11,001	17,380	18,204
Deposits held	-	-	414	487
Amounts due to customers under construction contracts	-	-	46	77
Retentions	12,360	11,632	13,913	15,021
Total creditors and other payables	101,532	129,685	196,067	223,994

Commentary / Korerotanga

The Parent actively managed payables in the post COVID-19 environment as a way to assist the local economy from recovering the Alert Level changes.

9 Income taxes

Accounting Policy / Kaupapahere Kaute

Income tax on the surplus or deficit for the year includes current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes at the reporting date.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

9.1 Components of tax expense

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Current tax expense/(income)	-	(1,738)	23,494	13,242
Adjustments to current tax of prior years	-	-	780	(2,485)
Deferred tax expense/(income)	279	(51)	14,062	(42,592)
Impairment of deferred tax asset	-	-	-	73
Benefit arising from previously unrecognised tax losses	-	-	194	-
Reduction in deferred tax on buildings	-	(1,873)	(2,353)	(16,557)
Deferred tax expense relating to use of prior year losses	-	-	-	363
Total tax expense/(income)	279	(3,662)	36,177	(47,956)
Reconciliation of prima facie income tax:				
Surplus/(deficit) before tax	95,834	145,452	179,688	125,275
Income tax expense at 28%	26,834	40,727	50,315	15,467
Non-deductible expenses	235,962	230,415	241,141	243,909
Non-assessable income and non-deductible items	(249,976)	(270,324)	(254,253)	(277,209)
Effect on deferred tax balances of change in tax rate	-	-	-	(475)
Tax loss not recognised as deferred tax asset (reversed)	279	(51)	991	(169)
Reduction in deferred tax on buildings	-	(1,873)	-	(26,429)
Deferred tax assets on previously unrecognised and unused tax losses	-	-	-	(2,103)
(Over)/under provision of income tax in previous year	-	-	129	817
Imputation adjustment	(12,820)	(2,556)	-	-
Other	-	-	(2,146)	(1,764)
Total tax expense/(income)	279	(3,662)	36,177	(47,956)
Income tax recognised in other comprehensive income				
<i>Deferred tax</i>				
Asset revaluations	(1,437)	-	(39,759)	(34,204)
Revaluations of financial instruments treated as cash flow hedges	-	-	(16,081)	12,370
	(1,437)	-	(55,840)	(21,834)

Commentary / Korerotanga

A number of changes to tax legislation in 2021 are incorporated in the income tax calculation this year. Until 2021, under a binding ruling from the IRD, CCHL dividends were excluded from taxable income, this has now expired.

The tax rate in the above reconciliation is the corporate tax rate of 28 per cent (2020: 28 per cent) payable by New Zealand companies on taxable profits under New Zealand tax law.

The Parent is a member of the CCC Tax Group. The tax group includes Christchurch City Council, Christchurch City Holdings Limited, CMUA Project Delivery Limited (formerly CCC Six Limited) and Venue Ōtautahi Limited (formerly Vbase Limited). The CCC Tax group has total losses carried forward in excess of \$120 million.

During the year, the CCC Tax group distributed \$5.7 million of tax losses and \$2.2 million of subvention payments to Eco Central Limited, Lyttelton Port Company Group and Christchurch International Airport Limited.

9.2 Current tax assets and liabilities

	Parent		Group	
	30 Jun 21 \$000	30 Jun 20 \$000	30 Jun 21 \$000	30 Jun 20 \$000
Current tax assets				
Subvention/Tax refund receivable	-	1,740	8,582	5,135
Total current tax assets	-	1,740	8,582	5,135
Current tax payables				
Income tax payable	-	-	1,111	1,031
Total current tax liabilities	-	-	1,111	1,031

9.3 Deferred tax balance

	Parent				Group				
	Charged to:			Closing balance \$000	Charged to:			Closing balance \$000	
Opening balance \$000	Net surplus and deficit \$000	Other compr. revenue and expense \$000	Opening balance \$000		Net surplus and deficit \$000	Other compr. revenue and expense \$000	Acquired through business comb./ Prior period adjustment		
30 June 2021									
Deferred tax liabilities:									
Cashflow hedges									
Cashflow/Fair value hedges	-	-	-	-	4,621	-	-	4,621	
Property, plant and equipment	2,579	(476)	1,437	3,540	332,342	(4,409)	39,759	367,692	
Intangible assets	-	-	-	-	431	157	-	588	
Other	-	-	-	-	51,130	13,674	(6,700)	58,104	
Total deferred tax liabilities	2,579	(476)	1,437	3,540	388,524	9,422	39,759	(6,700)	431,005
Deferred tax assets:									
Cashflow hedges									
Cashflow/Fair value hedges	-	-	-	-	33,960	(469)	(16,081)	17,410	
Provisions and employee entitlements	-	-	-	-	9,258	16	-	9,274	
Doubtful debts and impairment losses	-	-	-	-	170	(17)	-	153	
Tax losses	4,295	(755)	-	3,540	2,607	315	-	3,143	
Other	-	-	-	-	5,722	(2,326)	(535)	2,861	
Total deferred tax assets	4,295	(755)	-	3,540	51,717	(2,481)	(16,081)	(314)	32,841
Net deferred tax liability/(asset)	(1,716)	279	1,437	-	336,807	11,903	55,840	(6,386)	398,164

	Parent				Group				
	Charged to:				Charged to:				
	Opening balance	Net surplus and deficit	Other compr. revenue and expense	Closing balance	Opening balance	Net surplus and deficit	Other compr. revenue and expense	Acquired through business comb./ Prior period adjustment	Closing balance
	\$000	\$000	\$000	\$000	\$000	\$000	\$000		\$000
30 June 2020									
Deferred tax liabilities:									
Cashflow/Fair value hedges	-	-	-	-	4,621	-	-	-	4,621
Property, plant and equipment	4,296	(1,717)	-	2,579	333,635	(33,963)	32,670	-	332,342
Intangible assets	-	-	-	-	397	34	-	-	431
Other	-	-	-	-	70,370	(19,240)	-	-	51,130
Total deferred tax liabilities	4,296	(1,717)	-	2,579	409,023	(53,169)	32,670	-	388,524
Deferred tax assets:									
Cashflow/Fair value hedges	-	-	-	-	21,352	238	12,370	-	33,960
Provisions and employee entitlements	-	-	-	-	7,652	1,606	-	-	9,258
Doubtful debts and impairment losses	-	-	-	-	187	(17)	-	-	170
Tax losses	4,088	207	-	4,295	-	2,607	-	-	2,607
Other	-	-	-	-	421	1,110	(1,533)	5,724	5,722
Total deferred tax assets	4,088	207	-	4,295	29,612	5,544	10,837	5,724	51,717
Net deferred tax liability/(asset)	208	(1,924)	-	(1,716)	379,411	(58,713)	21,833	(5,724)	336,807

Commentary / Korero tanga

The Crown reintroduced tax depreciation on building from the 2020/21 tax year, 2020/21 is the first year since 2011 that the tax depreciation on buildings is an allowable deduction for income tax purposes.

9.4 Unrecognised tax losses

Commentary / Korero tanga

The Parent has not recognised a deferred tax asset in relation to tax losses of \$17 million (2020: \$10.8 million). However the asset has been recognised at a Group level.

9.5 Imputation credit balances

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Imputation credits available to the tax group for use in subsequent reporting periods	-	-	183,706	151,248

10 Property, plant & equipment

Accounting Policy / Kaupapahere Kaute

Property, plant and equipment Property, plant and equipment is recorded at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation (if applicable) **or** at historical cost less depreciation (if applicable).

Property, plant and equipment held at fair value includes land (excluding land under roads), buildings, electricity distribution network, airport sealed surfaces, marine structures, Infrastructure assets, heritage assets and works of art assets.

All other property, plant and equipment including land under roads is stated at historical cost less depreciation.

Revaluation Valuations are performed with sufficient regularity to ensure revalued assets are carried at a value that is not materially different from fair value.

Where the Council has elected to account for revaluations of property, plant and equipment on a class of asset basis, increases in the carrying amounts arising on revaluation of a class of assets are credited directly to equity under the heading revaluation reserve. However, the net revaluation increase shall be recognised in surplus or deficit to the extent it reverses a net revaluation decrease of the same class of assets previously recognised in surplus or deficit.

For assets being revalued, the total accumulated depreciation prior to the date of valuation is transferred to the gross carrying amount of the asset. The new carrying value amount is then restated to the new revalued amount of the asset.

Cost Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Parent and the cost of the item can be measured reliably. All other repairs and maintenance are charged to surplus or deficit during the financial period in which they are incurred.

Capital expenditure Capital expenditure is defined as all expenditure incurred in the creation of a new asset and any expenditure that results in a significant restoration or increased service potential for existing assets. Constructed assets are included in property, plant and equipment as each becomes operational and available for use. Revenue expenditure is defined as expenditure that is incurred in the maintenance and operation of the property, plant and equipment of the Group.

Additions The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation Bare land is not depreciated, park improvements (example swings, jungle gyms and trees) on freehold land are depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These are included as revenue or expenses. When revalued assets are sold, the amounts included in the revaluation reserves in respect of those assets are transferred to retained earnings.

Net asset value An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount in accordance with the requirements of PBE IPSAS 21 – Impairment of Non-Cash-Generating Assets and PBE IPSAS 26 - Impairment of Cash-Generating Assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date in accordance with the requirements of PBE IPSAS 17 – Property, Plant and Equipment.

Impairment	<p>For the purpose of assessing impairment indicators and impairment testing of non-financial assets, the Council classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies a non-financial asset as a cash-generating asset if its primary objective is to generate a commercial return. All other assets are classified as non-cash-generating assets. Impairment losses are recognised through surplus or deficit, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.</p> <p>Property, plant and equipment measured at fair value however is reviewed and tested for impairment. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.</p> <p>The carrying amounts of the Council's other assets, other than investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount.</p>
Restrictions	<p>Land and buildings in the "Restricted Asset" category are subject to restrictions on either use or disposal, or both. This includes restrictions from legislation (such as land declared as a reserve under the Reserves Act 1977), or other restrictions (such as land or buildings acquired under a bequest or donation that restricts the purpose for which the assets can be used).</p>
Leasing	<p>The net carrying amount of plant and equipment held under finance leases is \$199 million (2020: 121 million). Note 22 provides further information about finance leases.</p>

The following table highlights the useful of property plant and equipment, confirmed through the valuation process, which drives the depreciation charge for each asset category and asset class.

Operational and restricted assets		Infrastructure assets	
Category	Estimated Useful Life	Category	Estimated Useful Life
Buildings	1-100 yrs	Formation	Not depreciated
Office and computer equipment	1-10 yrs	Pavement sub-base	Not depreciated
Mobile plant including vehicles	2-30 yrs	Basecourse	40-120 yrs
Buses	17-26 yrs	Footpaths and cycleways	20-80 yrs
Sealed surfaces (other than roads)	9-100 yrs	Surface	2-80 yrs
Container cranes	30 yrs	Streetlights and signs	5-50 yrs
Harbour structures	3-50 yrs	Kerb, channel, sumps and berms	80 yrs
Seawalls	100 yrs	Tram tracks and wires	40-100 yrs
Telecommunications infrastructure	12-50 yrs	Parking meters	10 yrs
Electricity distribution system	60 yrs	Railings	20-50 yrs
Electricity load control equipment	60 yrs	Landscape/medians	8-80 yrs
Leasehold land improvements	5-100 yrs	Drain pipes/culverts/retaining walls	20-115 yrs
Land improvements	10-60 yrs	Bridges	70-100 yrs
Library books	3-8 yrs	Bus shelters and furniture	6-40 yrs
Vessels	5-25 yrs	Water supply	2-130 yrs
		Water meters	25-40 yrs
Planted areas	15-110 yrs	Stormwater	20-150 yrs
Reserves – sealed areas	10-60 yrs	Waterways	10-100 yrs
Reserves – structures	10-80 yrs	Sewer	40-150 yrs
Historic buildings	20-125 yrs	Treatment plant	15-100 yrs
Art works	1000 yrs	Pump stations	5-100 yrs
Heritage assets	1000 yrs		

10.1 Property, plant and equipment (Parent)

	Opening balances			Current year movements						Closing balances		
	Cost/ valuation	Accumulated depreciation	Carrying amount	Additions	Net disposals/ Transfers*	Impairment charged to surplus	Net movement in WIP	Depreciation	Revaluation movement	Cost/ valuation	Accumulated depreciation	Carrying amount
Parent 2021	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets												
Freehold land	523,761	(5,520)	518,241	8,521	(11,760)	-	-	(2,880)	4,397	516,538	(19)	516,519
Buildings	907,526	(59,279)	848,247	28,693	10,912	-	-	(32,507)	251,619	1,110,533	(3,569)	1,106,964
Plant & equipment	157,247	(114,024)	43,223	7,725	(14,165)	-	-	(9,084)	-	128,085	(100,386)	27,699
Work in progress (10.2)	61,748	-	61,748	-	-	-	73,829	-	-	135,577	-	135,577
Landfill at cost	8,217	(8,217)	-	-	-	-	-	-	-	8,217	(8,217)	-
Library books at cost	133,156	(119,824)	13,332	3,497	-	-	-	(4,074)	-	136,653	(123,898)	12,755
	1,791,655	(306,864)	1,484,791	48,436	(15,013)	-	73,829	(48,545)	256,016	2,035,603	(236,089)	1,799,514
Infrastructure assets												
Roading and footpaths (10.3)	2,724,211	(64,504)	2,659,707	203,745	(2,594)	-	-	(68,363)	-	2,925,292	(132,797)	2,792,495
Waste water (10.3)	2,864,388	(3,693)	2,860,695	63,377	(6,384)	-	-	(66,441)	-	2,921,338	(70,091)	2,851,247
Water supply (10.3)	1,660,421	(1,466)	1,658,955	35,708	(5,210)	-	-	(39,230)	-	1,690,881	(40,658)	1,650,223
Storm water (10.3)	1,520,095	(649)	1,519,446	46,210	(2,223)	-	-	(20,623)	-	1,564,057	(21,247)	1,542,810
Work in progress (10.2)	253,662	-	253,662	-	-	-	(52,561)	-	-	201,101	-	201,101
	9,022,777	(70,312)	8,952,465	349,040	(16,411)	-	(52,561)	(194,657)	-	9,302,669	(264,793)	9,037,876
Restricted assets												
Land and buildings	999,530	(29,584)	969,946	66,467	29	-	-	(14,633)	151,038	1,175,693	(2,846)	1,172,847
Marine structure	32,016	(4,322)	27,694	749	(1,025)	-	-	(1,405)	16,431	43,047	(603)	42,444
Artworks	79,230	(79)	79,151	1,454	298	-	-	(80)	-	80,984	(161)	80,823
Heritage assets	23,179	(181)	22,998	33	(1,714)	-	-	(22)	-	21,486	(191)	21,295
Public art	15,339	(94)	15,245	571	856	-	-	(17)	(108)	16,552	(5)	16,547
Library books	8,225	-	8,225	384	-	-	-	-	-	8,609	-	8,609
Work in progress (10.2)	5,485	-	5,485	-	-	-	3,435	-	-	8,920	-	8,920
	1,163,004	(34,260)	1,128,744	69,658	(1,556)	-	3,435	(16,157)	167,361	1,355,291	(3,806)	1,351,485
Total Parent PPE	11,977,436	(411,436)	11,566,000	467,134	(32,980)	-	24,703	(259,359)	423,377	12,693,563	(504,688)	12,188,875

*

Disposals in this reconciliation are reported net of accumulated depreciation and include PPE classified as held for sale during the year.

	Opening balances			Current year movements						Closing balances		
	Cost/ valuation	Accumulated depreciation	Carrying amount	Additions	Net disposals/ Transfers*	Impairment charged to surplus	Net movement in WIP	Depreciation	Revaluation movement	Cost/ valuation	Accumulated depreciation	Carrying amount
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Parent 2020												
Operational assets												
Freehold land	485,522	(2,723)	482,799	45,268	(7,029)	-	-	(2,797)	-	523,761	(5,520)	518,241
Buildings	844,489	(30,643)	813,846	65,923	(1,625)	-	-	(29,897)	-	907,526	(59,279)	848,247
Plant & equipment	145,480	(105,377)	40,103	14,077	30	-	-	(10,987)	-	157,247	(114,024)	43,223
Work in progress (10.2)	39,370	-	39,370	-	-	-	22,378	-	-	61,748	-	61,748
Landfill at cost	8,217	(8,217)	-	-	-	-	-	-	-	8,217	(8,217)	-
Library books at cost	129,231	(115,681)	13,550	3,925	-	-	-	(4,143)	-	133,156	(119,824)	13,332
	1,652,309	(262,641)	1,389,668	129,193	(8,624)	-	22,378	(47,824)	-	1,791,655	(306,864)	1,484,791
Infrastructure assets												
Roading and footpaths (10.3)	2,610,304	(158)	2,610,146	115,567	(1,630)	-	-	(64,376)	-	2,724,211	(64,504)	2,659,707
Waste water (10.3)	2,282,735	(105,996)	2,176,739	41,169	(3,256)	-	-	(53,031)	699,074	2,864,388	(3,693)	2,860,695
Water supply (10.3)	1,535,627	(70,925)	1,464,702	41,905	(3,922)	-	-	(36,266)	192,536	1,660,421	(1,466)	1,658,955
Storm water (10.3)	978,158	(24,936)	953,222	48,319	632	-	-	(13,009)	530,282	1,520,095	(649)	1,519,446
Work in progress (10.2)	220,322	-	220,322	-	-	-	33,340	-	-	253,662	-	253,662
	7,627,146	(202,015)	7,425,131	246,960	(8,176)	-	33,340	(166,682)	1,421,892	9,022,777	(70,312)	8,952,465
Restricted assets												
Land and buildings	968,350	(15,442)	952,908	32,340	(1,037)	-	-	(14,265)	-	999,530	(29,584)	969,946
Marine structure	28,786	(2,400)	26,386	738	1,856	-	-	(1,286)	-	32,016	(4,322)	27,694
Artworks	78,246	-	78,246	984	-	-	-	(79)	-	79,230	(79)	79,151
Heritage assets	23,021	(157)	22,864	158	-	-	-	(24)	-	23,179	(181)	22,998
Public art	15,198	(79)	15,119	141	-	-	-	(15)	-	15,339	(94)	15,245
Library books	7,975	-	7,975	250	-	-	-	-	-	8,225	-	8,225
Work in progress (10.2)	14,969	-	14,969	-	-	-	(9,484)	-	-	5,485	-	5,485
	1,136,545	(18,078)	1,118,467	34,611	819	-	(9,484)	(15,669)	-	1,163,004	(34,260)	1,128,744
Total Parent PPE	10,416,000	(482,734)	9,933,266	410,764	(15,981)	-	46,234	(230,175)	1,421,892	11,977,436	(411,436)	11,566,000

* Disposals in this reconciliation are reported net of accumulated depreciation and include PPE classified as held for sale during the year.

10.2 Work in progress

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	Actual	Actual
			\$000	\$000
Waste water	64,751	74,183	64,751	74,183
Water supply	23,848	25,008	23,848	25,008
Storm water	50,954	39,897	50,954	39,897
Roading and footpaths	61,548	114,574	61,548	114,574
Total infrastructural	201,101	253,662	201,101	253,662
Building - operational	135,577	61,748	135,577	61,748
Building - restricted	8,920	5,485	8,920	5,485
Other- Operational	-	-	113,948	92,789
Total PPE work in progress	345,598	320,895	459,546	413,684

Commentary / Korerotanga

Major infrastructure projects within work in progress include the downstream development necessary to merge the Christchurch Northern Corridor into the existing transport network. Operating projects within work in progress include metro sport facility and Linwood Pool.

Work continued across the Group updating infrastructure assets including the fibre network and electrical reticulation.

10.3 Core Assets (Parent)

	Closing	Assets	Assets	Replacement
	Book Value	constructed	transferred	Cost as at
	\$000	for the year	for the year	year end
		\$000	\$000	\$000
2021				
Treatment plants	12,053	-	-	16,605
Reticulation	1,638,170	32,900	2,808	2,930,452
Water supply	1,650,223	32,900	2,808	2,947,057
Treatment plants	245,661	19,197	-	489,623
Reticulation	2,605,586	41,159	3,021	4,715,195
Waste water	2,851,247	60,356	3,021	5,204,818
Storm water drainage	1,393,528	24,662	4,507	2,096,277
Flood protection and control works	149,282	17,041	-	163,509
Roads and footpaths	2,792,495	188,762	14,983	4,238,937
2020				
Treatment plants	11,985	76	-	16,605
Reticulation	1,646,970	39,828	2,001	2,908,362
Water supply	1,658,955	39,904	2,001	2,924,967
Treatment plants	236,183	6,112	-	470,426
Reticulation	2,624,512	31,755	3,302	4,704,295
Waste water	2,860,695	37,867	3,302	5,174,721
Storm water drainage	1,386,486	16,466	3,639	2,071,189
Flood protection and control works	132,960	28,214	-	146,469
Roads and footpaths	2,659,707	77,705	37,862	4,041,428

Commentary / Korerotanga

The Parent completed the construction of \$323.0 million (2020: \$191.9 million) relating to its core infrastructure and received a further \$25.3 million (2020: \$46.8 million) of vested assets. These assets are carried at their net book value using their respective historical costs or deemed costs as revalued.

The replacement cost is based on the replacement cost estimate at the last valuation of the asset class, water supply (2020), wastewater (2020), storm water drainage including flood protection and control works (2020) and roads and footpaths (2019), plus assets constructed and transferred since the last revaluation date.

10.4 Revaluations and review for impairment (Parent)

2021 Revaluations

The following revaluations were undertaken in 2021 in accordance with PBE IPSAS 17.

Land and buildings

William Blake Val Prof (Urb), ANZIV, FPINZ of Bayleys Valuations Ltd undertook the valuation of land and buildings in 2021. Land assets typically fall within the following broad category types, parks and reserves, utilities, housing including social housing and community facilities. The building assets fall within the following broad category types, utilities, housing, community buildings and heritage buildings.

The fair value of Land and buildings is usually determined on market-based evidence by appraisal. For any of the assets this ascertained by reference to the active market for real estate that is traded frequently in the open market. For many of the Parent assets there is an absence of market transactions due to their specialised nature. These include specialised structures such as the town hall, public toilets, sports facilities, and some heritage items. Land that could be considered specialised is that which is held for public benefits such as parks and reserves, which typically have an open space zone. This type of land is seldom if ever, traded on an open market basis, as ownership is almost exclusively confined to properties held for non-commercial reasons. In these instances, buildings have been valued on an estimated cost less depreciation basis.

For land for which there is no observable market data, reference has been made to the closest asset class for which there is observable data. For example, Open Space zoned land held for parks, for which there is very limited ability to construct buildings, can be compared to fringe Rural zoned land that has similar building constraints.

Adjustments are necessary to account for locational preference.

Valuation Sensitivity Table	Valuation	Valuation
	Movement Up	Movement Down
	\$000	\$000
	+5.0%	-5.0%
Land and buildings	139,989	(139,989)
CGPI 9.36% since last valuation		261,999

Park improvements

Park improvements were valued as at 30 June 2021 by the Parent's staff and reviewed by WSP New Zealand Limited. The fair value of park improvements is \$338.386 million using optimised depreciated replacement cost.

Marine Structures

Robert Berghuis, MPINZ of Beca Projects NZ Limited undertook the valuation of marine structures in 2021 (\$41.546 million) using the optimised depreciated replacement cost method. The principal assets in this category are the New Brighton Pier and Akaroa Wharf.

Public Art

Ben Plumbly, Director of Art at Art + Object Limited undertook the valuation of public art in 2021 (\$18.327 million) using fair market value which is considered to represent the best estimate of the intrinsic cultural or heritage value of an assets in accordance with PBE IPSAS 17.

Other valuations

Other than the revaluations undertaken in 2021, the most recent valuations for the other asset classes were as follows:

Three Waters

Waste water assets, water supply assets and storm water assets (together “Three Waters”) were valued as at 30 June 2020, by WSP New Zealand Limited to a fair value of \$5.835 billion (\$2.797 billion, \$1.614 billion and \$1.424 billion respectively). The fair value of Three Waters infrastructure assets was determined using the optimum depreciated replacement cost (ODRC) method in accordance with PBE IPSAS 17.

Valuation Sensitivity Table (since last valuation 2020)	Valuation	Valuation
	Movement Up	Movement Down
	\$000	\$000
	+5.0%	-5.0%
Water supply - reticulation - Avg Cost \$428 per metre	74,612	(74,612)
Storm water - reticulation - Avg Cost \$1,315 per metre	61,424	(61,424)
Waste water - reticulation - Avg Cost \$782 per metre	115,710	(115,710)

Capital Goods Price Index (item) for Pipelines was used as a proxy for the three water reticulation network.

Roads and Footpaths

Roading assets were revalued by WSP New Zealand Limited at 30 June 2019. The fair value of the roading assets was determined using the depreciated replacement cost (DRC) method in accordance with PBE IPSAS 17. In 2019, the fair value of roading assets was revalued to \$2.1 billion excluding land under roads before impairment.

Note: The roading class of assets includes \$428.6 million of land under roads which has not been revalued. The Parent’s policy is not to revalue land under roads.

Valuation Sensitivity Table (since last valuation 2019)	Valuation	Valuation
	Movement Up	Movement Down
	\$000	\$000
	+5.0%	-5.0%
Roading network	139,605	(139,605)
CGPI -1.16% since last valuation		(32,287)

Capital Goods Price Index (item) for Transport Ways was used as a proxy for the roading network.

Works of art housed at the Christchurch Art Gallery (CAG) and Akaroa Museum have been valued as at 30 June 2019 by Art + Object Limited. The fair value of the art works is assessed at the estimated market value. The market value has been assessed at \$77.7 million.

Heritage assets were valued by Plant & Machinery Valuers Limited and Dunbar Sloane Limited as at 30 June 2009. Heritage assets were valued at a depreciated reproduction cost.

Accounting for earthquake damage

Accounting standards require that when an asset has been destroyed it should be de-recognised, or written off. Similarly, where there is an indication that the value of an asset as recorded in the financial statements is greater than its actual value, the value of that asset must be reduced (this is known as impairment).

Recognition of impaired assets in these financial statements

The table below details the impairment / (impairment reversals) that have been taken against property plant and equipment since the earthquakes.

Buildings / Facilities

In the years following the 2010/11 earthquake sequence an impairment was recognised on land and buildings of approximately \$142 million. As the impacted land and buildings have been revalued the impairment has been released. There remains only two (2) buildings with impairments that have not been valued during the normal revaluation cycle.

The impairment of the affected buildings was recognised by reducing the value of the assets in the Parent’s financial statements and by reducing the value of the Parent’s asset revaluation reserves by an equal amount.

The impairment will be reversed when the buildings are revalued or if repairs are expensed. \$15.9 million of impairment remains at 30 June 2021 (2020 \$21.9 million).

	Total \$000	Released Prior Years \$000	Released Current Year	Outstanding \$000
Buildings/ facilities	142,034	(120,075)	(6,025)	15,934
Impairments	142,034	(120,075)	(6,025)	15,934

10.5 Insurance of assets (Parent)

	2021 \$000	2020 \$000
Insurance		
Insured value of assets covered by insurance	2,734,409	2,627,044
Book value of assets covered by insurance	7,322,125	7,017,579
Financial risk sharing arrangements		
Insured value of assets covered by financial risk sharing arrangements	-	-
Book value of assets covered by financial risk sharing arrangements	-	-
Overall cover		
The maximum amount to which assets are insured under Council insurance policies	2,734,409	2,627,044
Total book value of Property, plant and equipment	12,188,875	11,566,000

Commentary / Korerotanga

Insurance cover

At 30 June 2021 the Parent had full replacement cover for a number of significant buildings, and fire only cover for major buildings which are still unrepaired. The total value of this cover is \$2.1 billion. The Parent self-insures any buildings with a value below \$250,000.

The Parent has \$580 million of insurance cover available for its underground infrastructure assets. This cover allows access to Crown funding of up to 60 per cent of the cost of reinstating the assets giving total cover of approximately \$6.9 billion on assets with a replacement value of \$10.6 billion.

10.6 Property plant and equipment (Group)

	Opening balances			Current year movements						Closing balances		
	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000	Additions \$000	Net disposals/ Transfers* \$000	Impairment charged to surplus \$000	Net movement in WIP \$000	Depreciation \$000	Revaluation movement \$000	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000
Group 2021												
Operational assets												
Freehold land	1,252,223	(17,516)	1,234,707	4,704	(26,030)	(53)	-	(2,937)	17,693	1,240,155	(12,071)	1,228,084
Buildings	1,810,208	(255,775)	1,554,433	50,808	37,702	(5,603)	-	(70,746)	269,772	2,074,670	(238,304)	1,836,366
Plant & equipment	639,893	(456,735)	183,158	31,532	(20,220)	(1,144)	(61)	(35,947)	-	627,302	(469,984)	157,318
Electricity distribution	1,161,716	(129,558)	1,032,158	50,478	4,615	(2,263)	-	(40,215)	1,369	1,215,915	(169,773)	1,046,142
Airport infrastructure	435,162	(21,739)	413,423	-	9,619	-	-	(11,856)	48,617	493,398	(33,595)	459,803
Harbour structures	309,051	(141,959)	167,092	16,301	(480)	(624)	-	(5,066)	-	324,248	(147,025)	177,223
Optical fibre network	673,323	(49,111)	624,212	28,952	-	-	-	(20,989)	67,036	769,311	(70,100)	699,211
Work in progress (10.2)	154,537	-	154,537	94,930	(73,681)	-	73,739	-	-	249,525	-	249,525
Landfill at cost	8,217	(8,217)	-	-	-	-	-	-	-	8,217	(8,217)	-
Library books at cost	133,156	(119,824)	13,332	3,497	-	-	-	(4,074)	-	136,653	(123,898)	12,755
	6,577,486	(1,200,434)	5,377,052	281,202	(68,475)	(9,687)	73,678	(191,830)	404,487	7,139,394	(1,272,967)	5,866,427
Infrastructure assets	9,026,647	(70,312)	8,956,335	349,040	(16,411)	-	(52,561)	(194,657)	-	9,306,539	(264,793)	9,041,746
Restricted assets	1,163,004	(34,260)	1,128,744	69,658	(1,556)	-	3,435	(16,157)	167,361	1,355,291	(3,806)	1,351,485
Total Group PPE	16,767,137	(1,305,006)	15,462,131	699,900	(86,442)	(9,687)	24,552	(402,644)	571,848	17,801,224	(1,541,566)	16,259,658
Group 2020												
Operational assets												
Freehold land	1,115,045	(13,990)	1,101,055	111,535	89,404	(13)	-	(3,526)	(63,748)	1,252,223	(17,516)	1,234,707
Buildings	1,577,651	(207,513)	1,370,138	193,626	29,080	(563)	-	(65,771)	27,923	1,810,208	(255,775)	1,554,433
Plant & equipment	632,503	(416,908)	215,595	46,261	(3,008)	(33,808)	-	(41,882)	-	639,893	(456,735)	183,158
Electricity distribution	1,099,178	(88,401)	1,010,777	73,932	(11,684)	(1,864)	-	(41,157)	2,154	1,161,716	(129,558)	1,032,158
Airport infrastructure	392,291	(9,939)	382,352	33,543	(21,319)	-	-	(11,800)	30,647	435,162	(21,739)	413,423
Harbour structures	398,644	(137,057)	261,587	54,007	(69,258)	(74,342)	-	(4,902)	-	309,051	(141,959)	167,092
Optical fibre network	544,833	(28,492)	516,341	37,050	(816)	-	-	(20,619)	92,256	673,323	(49,111)	624,212
Work in progress (10.2)	257,643	-	257,643	44,453	(18,407)	-	(129,152)	-	-	154,537	-	154,537
Landfill at cost	8,217	(8,217)	-	-	-	-	-	-	-	8,217	(8,217)	-
Library books at cost	129,231	(115,681)	13,550	3,925	-	-	-	(4,143)	-	133,156	(119,824)	13,332
	6,155,236	(1,026,198)	5,129,038	598,332	(6,008)	(110,590)	(129,152)	(193,800)	89,232	6,577,486	(1,200,434)	5,377,052
Infrastructure assets	7,631,016	(202,015)	7,429,001	246,960	(8,176)	-	33,340	(166,682)	1,421,892	9,026,647	(70,312)	8,956,335
Restricted assets	1,136,545	(18,078)	1,118,467	34,611	819	-	(9,484)	(15,669)	-	1,163,004	(34,260)	1,128,744
Total Group PPE	14,922,797	(1,246,291)	13,676,506	879,903	(13,365)	(110,590)	(105,296)	(376,151)	1,511,124	16,767,137	(1,305,006)	15,462,131

De-recognition of impairments at a Group level

The Parent has unrealised revaluation gains in the land and building's asset classes and pursuant to PBE IPSAS 17, impairment losses within the Group relating to land and buildings are able to be offset against these gains.

10.7 Revaluations and review for impairment (Group)

Below is a summary of valuation information for subsidiaries of CCHL. Detailed valuation assumptions, methodologies and discount rates can be found in the individual financial statements for the subsidiaries.

Orion New Zealand Limited

Electricity distribution network and substation buildings (the network)

The network was revalued to fair value of \$1.045 billion as at 31 March 2020 by Deloitte Limited (the valuer). The valuer used a discounted cash flow (DCF) methodology and based their forecast cash flows on Orion's forecasts. Including capital work in progress this resulted in a total network valuation of \$1.080 billion. Deloitte performed a desktop valuation in 2021 and determined that the valuation was materially the same as at that date.

Land and non-substation buildings

Orion's land and non-substation buildings were revalued by Colliers International Limited, to fair value as at 31 March 2020. The valuer selected a representative sample of Orion's substation sites and revalued the land at those sites using sales comparisons and unit metre frontage methodology to develop standard site multipliers which were applied to the rateable land values for approximately 2,500 substation sites.

The head office land and buildings were valued using a market rental assessment and capitalisation rate of 7.0 per cent. The Waterloo Road depot site was using a market rental assessment and capitalisation rate of 5.75 per cent. This resulted in a land and non-substation valuation of \$108 million (2020: \$108 million).

Valuation Sensitivity Table	Valuation Movement	Valuation Movement
	Up \$000	Down \$000
	+5.0%	-5.0%
Incr/Dec Capital Expenditure	7,000	(7,000)
Incr/Dec Operating Expenditure	20,000	(20,000)
	+0.5%	-0.5%
Discount rate	(49,000)	47,000
Distribution Revenue	5,000	(5,000)

Christchurch International Airport Limited

On 30 June 2021 commercial buildings and car parking assets were revalued by independent valuers, Crighton Anderson Property and Infrastructure Limited trading as Colliers International Limited.

The hotel business assets were valued by CBRE limited as at 30 June 2021 and forms part of the building revaluation. Sealed surfaces, infrastructure assets, terminal assets and specialised buildings were valued by WSP New Zealand Limited as at 30 June 2021.

Valuation Sensitivity Table	Valuation Movement Up \$000 +5.0%	Valuation Movement Down \$000 -5.0%
Land - landside Avg/hectare \$750,000 (2018: \$710,000)		
Land - airside Avg/hectare \$110,000 (2018: \$270,000)		
Aggregate - land	21,000	(21,000)
Infrastructure - Avg cost \$263 (2018: \$155)/metre		
Sealed surfaces - Avg cost \$67 (2018: \$39)/metre		
Water drainage - Avg cost \$503 (2018: \$516)/metre		
Aggregate - infrastructure	14,600	14,600
Buildings - Avg cost \$1,309 (2018: \$912)/metre	1,900	(1,900)
Terminal - Avg cost \$3,817 (2018: \$4,111)/metre	14,800	(14,800)
	+0.5%	-0.5%
Hotel - Discount rate	3,000	(3,000)
Hotel - Capitalisation rate	3,000	(3,000)
Carparking - Discount rate	(8,750)	8,750

Lyttelton Port Company Limited

Net carrying value at 30 June 2021 was \$470 million (2020: \$442 million). Due to the specialised nature of the entity, all the Port assets are deemed as being inextricably linked and are therefore treated as a single cash generating unit (CGU) for valuation and impairment purposes. LPC's assets are carried at cost less accumulated depreciation and impairment charges.

LPC has fair valued its port assets based on future cash flows (the income approach). In assessing the present value, the cash flows have been aggregated across all assets as they are, in effect, interdependent and cannot be meaningfully separated into individual units. Therefore, a single enterprise valuation (EV) has been estimated.

As LPC is not currently achieving a full recovery, the EV is less than the ODRC and the ODRC, in effect, overstates the value of LPC's assets at this time. Therefore, LPC believe EV is a more accurate estimate of the value of the LPC's assets than ODRC.

The EV is based upon cash flows and approximates the price that a willing buyer or seller would pay for the company's combined assets.

The key drivers of the valuation are growth in container volume and rate, capital spend and the WACC rate used. The valuation model uses discounted cash flows that considers the present value of the net cash flows expected to be generated by LPC. The cash flow projections include specific estimates for 15 years. The expected net cash flows are discounted using a risk-adjusted discount rate.

The Directors have also considered a range of sensitivities around WACC rates, Container TEU growth, capital cost and EBITDA margins. The valuation is particularly sensitive to WACC rates and TEU growth as can be seen in the table below. The table below shows the sensitivity in those rates on the valuation.

Valuation Sensitivity Table	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
	+1.0%	-1.0%
EBITDA	12,320	(12,320)
	+0.5%	-0.5%
WACC	(87,426)	111,819
Container TEU Growth	83,227	(79,896)
Terminal growth	69,833	(55,707)
	+10.0%	-10.0%
Incr/Dec Capital Expenditure	(84,012)	84,012

Enable Services Limited

The net carrying value of assets was \$703 million (2020: \$631 million). The assets include the original fibre optic network and the subsequent cost of deploying the Ultra-Fast Broadband (UFB) network covering all of Christchurch, Rolleston and Lincoln and parts of Rangiora, Kaiapoi and Woodend. The UFB network assets, together with the central offices, were revalued to fair value by independent valuers Deloitte Limited using a DCF methodology at 30 June 2021.

Valuation Sensitivity Table	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
	+10.0%	-10.0%
Long run uptake %	96,000	(96,000)
	+0.5%	-0.5%
Average revenue per user	45,000	(41,000)
WACC	(52,000)	47,000

City Care Limited, RBL Property Limited (formerly Red Bus Limited), EcoCentral Limited and Development Christchurch Limited

The net carrying value of the property, plant and equipment of these companies at 30 June 2021 comprised less than 3.4% (2020: 2%) of the total CCHL group assets. Assets of these companies are either independently revalued at regular intervals or carried at cost less accumulated depreciation.

Venues Ōtautahi Limited (formerly Vbase Limited)

The Christchurch Arena and Christchurch Town Hall were valued by Bayleys Valuations Limited at 30 June 2021 in accordance with PBE IPSAS 17.

The combined value of the structures is \$214.9 million. The structures were valued using ODRC methodology. Movements in costs will result in fluctuation in value. The table below shows the sensitivity in those costs on the valuation.

Valuation Sensitivity Table	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
	+5.0%	-5.0%
Property plant & equipment - Buildings	10,458	(10,458)

11 Intangible assets

Accounting Policy / Kaupapahere Kaute

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries, associates and joint ventures. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate. Negative goodwill arising on an acquisition is recognised directly in surplus or deficit.

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives. Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will generate economic benefits exceeding costs beyond one year, are capitalised and recognised as intangible assets. Capitalised costs include the software development employee direct costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives. Other intangible assets that are acquired by the Council are stated at cost less accumulated amortisation (see below) and impairment losses.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

An intangible asset with a finite useful life is amortised on a straight-line basis over the period of that life. The asset is reviewed annually for indicators of impairment, and tested for impairment if these indicators exist. The asset is carried at cost less accumulated amortisation and accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

For the purpose of assessing impairment indicators and impairment testing of non-financial assets, the Council classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies a non-financial asset as a cash-generating asset if its primary objective is to generate a commercial return. All other assets are classified as non-cash-generating assets. For intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

Impairment For the purpose of assessing impairment indicators and impairment testing of non-financial assets, the Council classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies a non-financial asset as a cash-generating asset if its primary objective is to generate a commercial return. All other assets are classified as non-cash-generating assets. Impairment losses are recognised through surplus or deficit, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.

The carrying amounts of the Council’s other assets, other than investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount.

The following table highlights the useful of intangible assets, which drives the amortisation charge for each intangible asset category and intangible asset class.

Category	Estimated Useful Life	Category	Estimated Useful Life
Computer software licenses	1-10 yrs	Resource consents and easements	5-25 yrs
Computer software development costs	1-10 yrs	Patents, trademarks and licenses	10-20 yrs

11.1 Intangible assets

	Opening balances			Current year movements						Closing balances		
	Cost/ valuation	Accumulated amortisation	Carrying amount	Additions	Additions from internal development	Net disposals/ Transfers	Net movement in WIP	Impairment charged to Surplus	Amortisation	Cost/ valuation	Accumulated amortisation	Carrying amount
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Parent 2021												
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets												
Easements & resource consents	-	-	-	-	-	-	-	-	-	-	-	-
Software	144,930	(76,595)	68,335	19,381	-	1,494	-	-	(16,397)	157,912	(85,099)	72,813
Work in progress (11.2)	15,563	-	15,563	-	-	-	(6,979)	-	-	8,584	-	8,584
Trademarks	3,304	(3,299)	5	-	-	-	-	-	-	3,304	(3,299)	5
Other	10,761	(4,251)	6,510	1,621	-	(1,997)	-	-	(1,027)	10,387	(5,280)	5,107
	174,558	(84,145)	90,413	21,002	-	(503)	(6,979)	-	(17,424)	180,187	(93,678)	86,509
Total Parent intangibles	174,558	(84,145)	90,413	21,002	-	(503)	(6,979)	-	(17,424)	180,187	(93,678)	86,509
Group 2021												
Goodwill	46,333	(41,197)	5,136	-	-	-	-	-	-	46,333	(41,197)	5,136
Other intangible assets												
Easements & resource consents	5,536	(3,695)	1,841	11	-	(719)	-	-	(131)	4,828	(3,826)	1,002
Software	214,529	(128,412)	86,117	20,214	1,200	5,711	-	-	(23,325)	233,761	(143,844)	89,917
Work in progress (11.2)	18,365	-	18,365	2,593	-	(3,983)	(6,979)	-	-	9,996	-	9,996
Trademarks	3,304	(3,300)	4	-	-	-	-	-	-	3,304	(3,300)	4
Other	13,009	(5,753)	7,256	3,141	-	(2,033)	2	(6)	(1,074)	14,115	(6,829)	7,286
	254,743	(141,160)	113,583	25,959	1,200	(1,024)	(6,977)	(6)	(24,530)	266,004	(157,799)	108,205
Total Group intangibles	301,076	(182,357)	118,719	25,959	1,200	(1,024)	(6,977)	(6)	(24,530)	312,337	(198,996)	113,341

	Opening balances			Current year movements						Closing balances		
	Cost/ valuation	Accumulated amortisation	Carrying amount	Additions	Additions from internal development	Net disposals/ Transfers	Net movement in WIP	Impairment charged to Surplus	Amortisation	Cost/ valuation	Accumulated amortisation	Carrying amount
	\$000	\$000	\$000	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000
Parent 2020												
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets												
Easements & resource consents	-	-	-	-	-	-	-	-	-	-	-	-
Software	128,600	(63,177)	65,423	16,701	-	(63)	-	-	(13,726)	144,930	(76,595)	68,335
Work in progress (11.2)	14,938	-	14,938	-	-	-	625	-	-	15,563	-	15,563
Trademarks	3,304	(3,299)	5	-	-	-	-	-	-	3,304	(3,299)	5
Other	7,687	(3,408)	4,279	3,074	-	-	-	-	(843)	10,761	(4,251)	6,510
	154,528	(69,883)	84,645	19,775	-	(63)	625	-	(14,569)	174,558	(84,145)	90,413
Total Parent intangibles	154,528	(69,883)	84,645	19,775	-	(63)	625	-	(14,569)	174,558	(84,145)	90,413
Group 2020												
Goodwill	46,333	(39,457)	6,876	-	-	-	-	(1,740)	-	46,333	(41,197)	5,136
Other intangible assets												
Easements & resource consents	19,885	(3,655)	16,230	10	-	(14,212)	-	(147)	(40)	5,536	(3,695)	1,841
Software	189,852	(108,597)	81,255	21,107	320	3,847	-	(289)	(20,123)	214,529	(128,412)	86,117
Work in progress (11.2)	17,408	-	17,408	4,395	-	(4,063)	625	-	-	18,365	-	18,365
Trademarks	3,304	(3,300)	4	-	-	-	-	-	-	3,304	(3,300)	4
Other	10,011	(4,924)	5,087	3,093	-	-	-	-	(924)	13,009	(5,753)	7,256
	240,460	(120,476)	119,984	28,605	320	(14,428)	625	(436)	(21,087)	254,743	(141,160)	113,583
Total Group intangibles	286,793	(159,933)	126,860	28,605	320	(14,428)	625	(2,176)	(21,087)	301,076	(182,357)	118,719

11.2 Work in progress

Intangible assets under construction by class of asset is detailed below:

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Software	8,584	15,563	15,563	14,938
Total intangibles work in progress	8,584	15,563	15,563	14,938

11.3 Goodwill

Accounting Policy / Kaupapahere Kaute

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised, but is subject to impairment testing on an annual basis or whenever there is an indication of impairment.

The carrying amount of goodwill allocated to cash-generating units (CGU) for the purposes of goodwill impairment testing is as follows:

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Christchurch City Holdings Limited (Group)	-	-	5,136	5,136
	-	-	5,136	5,136

12 Service concession arrangements

Accounting Policy / Kaupapahere Kaute

The Council may acquire infrastructural assets by entering into a service concession arrangement (SCA) with a private operator to build, finance, and operate an asset over a specified period.

Assets acquired through an SCA are initially recognised at their fair value, with a corresponding liability. The asset is subsequently measured following the accounting policies above for property, plant, and equipment.

The Council has only entered into SCAs whereby the Council pays for the services provided by the operator. The monthly payments to the operator are recognised according to their substance as a reduction in the liability for the build of the asset, a finance expense, and an expense for charges for services provided by the operator.

12.1 Service concession asset

The service concession assets were completed in February 2009 and were recognised at fair value by the Parent as part of its property, plant and equipment (see Note 9). The building and plant & machinery had an estimated useful life of 30 years and 20 years, respectively, and are depreciated on a straight-line basis.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Service concession asset				
Fair value of service concession asset on initial recognition	11,037	11,037	-	-
Accumulated depreciation to date	(6,366)	(5,853)	-	-
Net book value	4,671	5,184	-	-

12.2 Service concession liability

The Parent also recognised \$11.0 million of liability in relation to the service concession arrangement at the same time it recognised the service concession assets. This liability is reversed as a revenue equally over the term of the arrangement consistent with the Grant of a right to the operator model under PBE IPSAS 32. The service concession liability is included in the Parent's Other liabilities under Note 25.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Service concession liability				
Opening balance	2,636	3,372	-	-
Service concession revenue recognised	(736)	(736)	-	-
Closing balance	1,900	2,636	-	-
Total current service concession liability	736	736	-	-
Total non-current service concession liability	1,164	1,900	-	-
	1,900	2,636	-	-

Commentary / Korerotanga

In May 2008 the Parent (as grantor) entered into an arrangement with an operator to construct the Material Recovery Facility (MRF) located at 21 Parkhouse Road. The arrangement required the operator to build, own and operate the service concession assets (composing of building and plant & machinery) for a period of 15 years. After 15 years, the ownership of the service concession assets will be transferred to the Parent at no cost. The current operator is EcoCentral Limited.

During the 15 year period, the operator will earn revenue from operating the MRF while the Parent continues to control the use of the service concession assets as specified in the agreement.

There have been no changes in the service concession arrangement during the current period.

13 Commitments and operating leases

Accounting Policy / Kaupapahere Kaute

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
(a) Capital and other operating commitments				
Capital commitments				
Property, plant and equipment	262,693	250,196	275,089	323,639
Electricity distribution network	-	-	22,365	16,223
Intangible assets	2,662	192	2,805	315
Other	-	-	8,069	13,285
Total capital commitments	265,355	250,388	308,328	353,462
Other operating commitments				
Other operating commitments	48,404	41,367	48,404	41,337
(b) Non cancellable operating lease liabilities				
No later than one year	1,210	1,220	(16,769)	8,609
Later than one year and not later than five years	4,659	4,121	41,535	70,332
Later than five years	23,288	22,418	535,584	835,685
Total non-cancellable operating lease liabilities	29,157	27,759	560,350	914,626
(c) Non cancellable operating lease receivables				
No later than one year	24,922	24,990	47,016	68,813
Later than one year and not later than five years	88,279	93,883	141,290	236,303
Later than five years	397,615	426,315	192,393	587,899
Total non-cancellable operating lease receivables	510,816	545,188	380,699	893,015

13.1 Capital commitments and other operating commitments

Commentary / Korerotanga

The property plant and equipment commitment above includes the Parent's commitments for anchor projects including \$18.2 million for the construction of the Canterbury Multi-Use Arena and \$57.0 million for the Metro Sports Centre with the Crown (2020: \$101.3 million).

13.2 Infrastructure works

Commentary / Korerotanga

The Parent has a \$3.3 million (2020: \$4.1 million) capital commitment with Connetics for power and lighting renewals and a \$15.5 million (2019: \$14.7 million) capital commitment with City Care for three waters and waste renewals.

The Parent has an \$8.4 million capital commitment for construction of the restoration of the Old Municipal Chambers, and \$4.0 million for Halswell Junction Road.

13.3 Non-cancellable operating lease liabilities

Commentary / Korerotanga

The Parent leases computer equipment, property, and a number of car parks across the City. These leases have various terms of renewal, but no purchase options and escalation clauses. There are no restrictions placed upon the Parent by entering into these leases.

The majority of the Group account for leases pursuant to "for profit" standard NZ IFRS 16 Leases. These finance leases are restated to conform to PBE IPSAS 13 Leases.

13.4 Non-cancellable operating lease receivables

Commentary / Korerotanga

The Parent leases properties to various parties, with the OCHT contract for the lease and management of social housing units forming the bulk of this amount. The lease with OCHT is for 27 years commencing 2018.

CIAL and LPC lease properties to various parties. The terms of the leases vary and the majority are renewable.

14 Assets held for sale

Accounting Policy / Kaupapahere Kaute

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. Further, the liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position. Those assets and liabilities shall not be offset and presented as a single amount.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Land and buildings held for sale	3,928	-	3,928	311
Plant and equipment held for sale	-	-	1,745	-
Other assets held for sale	-	-	1,687	2,199
Total amounts held for sale	3,928	-	7,360	2,510

Commentary / Korerotanga

The Parent has recognised land and buildings held for sale which includes a portion of the strategic land assets that were reviewed as a part of the Long-Term Plan 2021 – 2031. These properties have been assessed as no longer required by the Parent and some are being actively marketed for sale, while other are required to go through an offer back or first right of refusal process with previous owners.

Other assets held for sale by the Group include the fleet of buses and coaches owned by RBL Property Limited following the sale of the business in 2020.

15 Investment property

Accounting Policy / Kaupapahere Kaute

Investment properties are properties which are held either to earn rental revenue or for capital appreciation or for both. Investment properties generate cash flow largely independent of other assets held by the entity.

Properties leased to third parties under operating leases are generally classified as investment property unless the occupants provide services that are integral to the operation of the Council's business and/or these services could not be provided efficiently and effectively by the lessee in another location, the property is being held for future delivery of services, the lessee uses services of the Council and those services are integral to the reasons for the lessee's occupancy of the property.

Properties that are held for a currently undetermined future use, or that are vacant but held to be leased out under one or more operating leases, are classified as investment properties.

Investment properties are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio every year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Any gain or loss arising from a change in fair value is recognised through surplus or deficit.

Rental revenue from investment property is accounted for as described in the Revenue Policy.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately before transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal, the gain is transferred to retained earnings. Any loss arising in this manner is recognised immediately in surplus or deficit.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent recording. When the Council begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property, which is measured based on the fair value model, and is not reclassified as property, plant and equipment during the re-development.

Commentary / Korerotanga

The Parent has no investment properties.

Valuers have carried out any valuations on properties owned by CIAL by applying assumptions regarding the reasonably possible impacts of COVID-19 based on information available as at 30 June 2021.

Given the circumstances, the property valuations as at 30 June 2021 have been prepared on the basis of 'material valuation uncertainty', and therefore the valuers have advised that less certainty should be attached to the property valuations than would normally be the case. Refer to Note 34 for information on valuation uncertainty.

Christchurch International Airport Limited

The valuation as at 30 June 2021 was completed by Crighton Anderson Property and Infrastructure Limited trading as Colliers International Limited and CBRE Limited. The basis of valuation is fair market value. The valuation methodologies used by Colliers were a direct sales comparison or a direct capitalisation of rental revenue using market comparison of capitalisation rates, supported by a discounted cash flow approach. The valuation methodologies are consistent with the prior year. The valuation of the hotel business was undertaken by CBRE Limited and the valuation is based on a discounted cash flow and capitalisation rate approach. A reduction in the value of the hotel reflects the uncertainty to the extent of future demand growth.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Balance at beginning of financial year	-	-	574,636	494,180
Net transfer from property, plant & equipment	-	-	17,247	19,555
Additional capitalised expenditure	-	-	21,286	47,420
Net gain/(loss) from fair value adjustments	-	-	47,038	13,481
Balance at end of financial year	-	-	660,207	574,636

16 Cash and cash equivalents

Accounting Policy / Kaupapahere Kaute

Cash and cash equivalents comprise cash balances and call deposits, and other short-term highly liquid investments with maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of Council's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows and in current liabilities on the statement of financial position.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Cash and cash equivalents	192,730	266,401	262,674	336,678
Cash and cash equivalents (USD)	-	-	80	265
Cash and cash equivalents (EUR)	-	-	-	300
Overdraft	-	-	-	(634)
Total cash and cash equivalents	192,730	266,401	262,754	336,609

Commentary / Korerotanga

During the early stages of the COVID-19 pandemic, Parent choose to increase cash on hand reflecting the uncertainty in money markets and the potential for the tightening of credit. The Parent reduced its cash and short term deposits as markets have stabilised and the Crown has supported the New Zealand Local Government Funding Agency through its Large Scale Assets Purchase Programme, which is coming to an end in the latter half of 2021.

17 Investment in CCOs

Accounting Policy / Kaupapahere Kaute

The Council's equity investments in its subsidiaries and unlisted shares are classified as financial assets at fair value through other comprehensive revenue or expense.

Debt securities are fair valued through surplus and deficit based on future cashflows.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Current				
Loans advanced	159,700	183,500	-	-
Investment in debt securities	5,552	6,522	5,552	6,522
	<u>165,252</u>	<u>190,022</u>	<u>5,552</u>	<u>6,522</u>
Non-current				
Loans advanced	446,273	459,473	-	-
Investment in debt securities	30,662	25,740	30,662	25,740
Share Investment in CCOs	2,643,722	2,322,756	-	-
Unlisted shares	10,153	9,210	10,153	9,210
	<u>3,130,810</u>	<u>2,817,179</u>	<u>40,815</u>	<u>34,950</u>
Total investment in CCOs	<u>3,296,062</u>	<u>3,007,201</u>	<u>46,367</u>	<u>41,472</u>

17.1 Loans advanced

The value of the Parent's loans to related parties is \$606 million (2020: \$643 million). The average effective interest rate on the loans to related parties is 2.54 per cent (2020: 2.95 per cent).

17.2 Investment in debt securities

Investment in debt securities includes LGFA borrower notes. Debt securities are fair valued through surplus and deficit based on future cash flows at a discount rate of 3.86 per cent (2020: 4.17%).

Commentary / Korerotanga

During the year \$6.1 million of borrower notes matured and \$10.8 million of borrower notes were purchased.

The borrower note investment rate on new LGFA debt increased from 1.6% to 2.5% in 2019. The full impact of this change is evident in 2021 as new borrowing is undertaken.

The change in discount rate used in the fair value calculation of the borrower notes resulted in a net movement down of \$0.687 million in the value of the notes.

17.3 Share investment in CCOs

Commentary / Korerotanga

The fair value of the Parent's investments in its subsidiary companies was assessed by independent valuers, Deloitte, as at 30 June 2021. Deloitte has used the net assets approach to value the Council's investment in its subsidiaries, this involves estimating the fair value of all assets on the balance sheet (tangible and intangible) and then subtracting the estimated fair value of the liabilities. The derived value is based on proven valuation methodology and financial accounting standards.

The valuation relies, in part, on publicly available information, management forecasts and other information provided by the respective companies based on the prevailing economic, market and other conditions as at 30 June 2021. The on-going COVID-19 pandemic has impacted the underlying cash flows of the Parent's subsidiaries in a number of ways. The impact COVID-19 on future cash flows and the broader domestic and global economies remains uncertain.

Christchurch City Holdings Limited (CCHL)

The Council's investment in CCHL was assessed as at 30 June 2021 by Deloitte. It was determined that the value of the investment increase by \$294 million (2020: \$96.5 million increase) to \$2,426.8 million (2020: \$2,132.6 million) after taking into account share purchases and increased borrowing.

The investments owned by CCHL include Orion New Zealand Ltd, Christchurch International Airport Ltd, Lyttelton Port Company Ltd, Enable Services Ltd, City Care Ltd, RBL Property Ltd (formerly Red Bus Ltd), EcoCentral Ltd and Development Christchurch Ltd.

Council’s valuer, Deloitte, used a sum-of-parts (consolidation) methodology (after adjusting for other balance sheet items) as the primary valuation approach. This valuation methodology combines the equity value of each subsidiaries as the investment portfolio of CCHL. Any valuation uncertainty in the underlying subsidiaries manifests itself in the value of this portfolio and therefore impacts the value of CCHL. The fair value of CCHL’s equity investment portfolio is \$3.182 million (2020: \$2,929 million).

Valuation Sensitivity Table Asset Approach	Valuation Movement Up \$000	Valuation Movement Down \$000
Equity valuation (Asset Approach)	+5.0%	-5.0%
CCHL - Council	121,341	(121,341)
CCHL - Deloitte - (+10.6% / -9.7%)	256,190	(235,649)
	+5.0%	-5.0%
VŌ	8,960	(8,960)
CNZH	133	(133)
CBL	1,752	(1,752)

Commentary / Korerotanga

The value adopted by Council for its investment in CCHL is the mid-point in the valuation range provided by Deloitte. The valuation range provided by the valuer is approximately ±10% from the mid-point.

The Parent uses a sensitivity bands of 5 per cent in line with the materiality limits used to determine valuation requirements.

Orion New Zealand Limited

Orion is an electricity distribution business (EDB) which is majority owned (89.275%) by CCHL. The balance is owned by Selwyn District Council. Orion distributes electricity over 8,000 square kilometres of central Canterbury.

As the demand risk is lower in the short-term and the underlying assets have regulated cash-flows which are perceived as “secured or guaranteed”, investors are not discounting the share prices of comparable listed companies in line with the overall market. Deloitte considered these factors in their valuation but have not made any specific adjustments to cash flows as the full implications of COVID-19 were not known when the valuation was prepared. Orion’s regulated business (which account for more than 90% of Orion’s business) is not exposed to demand risk as revenues are regulated and electricity is an essential service.

The valuer, Deloitte, adopted the Discounted Cash Flow method using free cash flows provided by Orion’s management as the future cash flows to discount to present value. Deloitte estimated a terminal regulatory asset base (RAB) multiple of 1.2 times. The cash flow forecasts over the Forecast Period were discounted using a weighted average cost of capital (WACC) in the range of 4.5 per cent to 5.5 per cent.

There are two issues that are likely to impact the valuation of Orion, one the nature of the services it provides and the regulated environment in which operates. Both of these are unlikely to be impacted by COVID-19 and manifest in any uncertainty in the valuation.

Christchurch International Airport Limited

CIAL’s business is structured into three main commercial pillars, planes, people and property. CIAL has a strong position as a gateway airport with the second largest number of international visitor arrivals into New Zealand (after Auckland); and as a key domestic hub and spoke airport. The property operating segment earns revenues from the provision of investment properties to landside airport campus tenants. CIAL is owned 75% by CCHL, and 25% by the Crown.

COVID-19 has impacted airport operations through the significant reduction in international and domestic flights, the flow on impact to terminal operations and the impact on particularly tourism related property tenants. Recovery is expected to take 2 to 3 years. There is still significant uncertainty about the level and timing of recovery from COVID-19. While levels of New Zealand domestic leisure travel have rebounded ahead of earlier forecasts, domestic business travel is still rebuilding. International travel is currently limited to repatriation and freight flights. There have been a range of recovery forecasts published, however most commentators are predicting it will take 3 to 4 years to recover to previous levels and CIAL’s forecast is in the middle of the range.

Deloitte considered a number of approaches to estimate the market value of CIAL equity and their primary approach was to use the discounted future cash flows approach related to the airport operations, plus investment properties and surplus land at independent market value assessments. Reliance was placed on the forecasts for 2020/21 – 2022/23 received from CIAL’s management for airport operations. These forecasts for the next 7 years are based on a growth of 2 per cent on 2022/23 for inflation and a further 2 per cent growth in passenger volumes. The passenger growth is based on assumptions from CIAL and has NZ tourism back on a profile for growth that was anticipated pre COVID-19 in the latter part of the forecast period. The discount rate used for CIAL is 7.4 per cent (pre-tax). The terminal value is an estimate of the value of a long life business beyond the forecast period. Deloitte applied a terminal growth rate of 2 per cent.

There are a number of sources of uncertainty that impact the valuation of CIAL, the key items are the use of managements cash flow forecast and the time that the country takes to recover from the closure of its borders and international travel resumes. Both of these are a direct impact of COVID-19 and will manifest in the uncertainty in the valuation. Additionally, the independent valuation of investment property has been prepared by the valuer on the basis of ‘material valuation uncertainty’. (Refer to Note 15).

Enable Services Limited

Over the longer term COVID-19 is not expected to have a significant negative impact on Enable’s growth trajectory, as the lockdown period has confirmed the need for reliable high speed internet access. Specific consideration has been made within Enable’s five year business plan (which is utilised as a basis for the valuation cash flow forecasts) for the short to medium term economic consequences of COVID-19.

The Enable valuation is based on a discounted future cash flow approach. Deloitte utilised a 50 year cash flow forecast in order to capture the variability in future capital expenditure versus depreciation and the expected useful life of the existing asset base. Cash flows are based on the five year business plan, the long term plan model and Management assumptions about long run growth rates, uptake and capital expenditure. The value is particularly sensitive to the average revenue per user growth rate and long run uptake assumptions.

There are two areas that could impact the valuation of Enable, one the nature of the services it provides and the regulated environment in which it operates. Both of these are unlikely to be impacted by COVID-19 and manifest in any uncertainty in the valuation.

Lyttelton Port Company Limited

LPC is the South Island gateway port and is the largest port in the South Island and the third largest sea port in New Zealand. Freight volumes were disrupted in the last quarter of 2019/20 by the COVID-19 lockdown. Despite COVID-19, the movement of freight into and out of New Zealand has continued, though has slowed and is likely to continue for a period as the flow on effects of COVID-19 on economic activity. The closure of borders halted LPC’s cruise services businesses.

Deloitte adopted a discounted future cash flow approach and used a 15 year cash flow forecast in order to capture the variability in future capital expenditure versus depreciation and the expected useful life of the existing asset base. These cash flows have been built up based on LPC’s long term plan model and Management assumptions about COVID-19 recovery, long run growth rates, and capital expenditure.

There are a number of sources of uncertainty that impact the valuation of LPC, the key items are the use of managements cash flow forecast and the time that the country’s imports and exports take to recover from the disruption to global trade. Both of these are a direct impact of COVID-19 and manifest in the uncertainty in the valuation.

Venues Otautahi Limited (previously Vbase Limited)

The Council’s investment in Venues Otautahi was assessed as at 30 June 2021 by Deloitte. It was determined that the value of the underlying properties increased by \$2 million. This was offset by the \$10 million equity injection that occurred in 2020/21 resulting in an overall decrease in value of \$8.4 million to \$179.2 million (2020: \$177.5 million) on a net asset value basis.

ChristchurchNZ Holdings Limited (CNZHL)

The value of the Council's investment in CNZHL was assessed as at 30 June 2021 by Deloitte. The value of the investment has decreased by \$1.7 million to \$2.7 million (2020: \$4.4 million).

Civic Building Limited (CBL)

CBL owns 50 per cent of the joint venture between CBL and Ngāi Tahu Property Limited (NTPL). The value of the Council's investment in CBL was assessed as at 30 June 2021 by Deloitte. The value of the investment has increased by \$26.8 million reflecting a change in the underlying capitalisation rate and terminal yield in the latest valuation of the property rather than changes to cash flows.

17.4 Unlisted shares

Unlisted shares are reflected at fair value and include:

- \$1.4 million (2020: \$1.4 million) in Civic Financial Services Limited (formerly New Zealand Local Government Insurance Corporation) determined by using the asset valuation from their latest published accounts as at 31 December 2020;
- \$7.3 million (2020: \$6.6 million) in Local Government Funding Agency determined on their net asset backing as at 31 December 2020; and
- \$1.3 million (2020: \$1.3 million) in Theatre Royal Charitable Foundation determined on discounted cash flow as at 30 June 2021.

18 Investments in associates and joint arrangements*Accounting Policy / Kaupapahere Kaute*

Associates are entities over which the Council has significant influence but not control, generally accompanying a shareholding of between 20 per cent and 50 per cent of the voting rights.

Investments in associates are accounted for in the parent's financial statements using the cost method and in the consolidated financial statements using the equity method, after initially being recognised at cost. The Council's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Council's share of its associates' post acquisition profits or losses is recognised in the surplus or deficit, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent's surplus or deficit, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the Council's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Council does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Council and its associates are eliminated to the extent of the Council's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Council.

Joint ventures are those over whose activities the Group has joint control and established by contractual agreement. The Group's share of the assets, liabilities, revenues and expenses of any joint venture is incorporated into the Group's financial statements on a line-by-line basis using the proportionate method.

The following entities are included in the Group through equity accounting or share of partnership:

Name of entity	Country of Incorporation	Effective Ownership Interest	
		30 Jun 21	30 Jun 20
Transwaste Canterbury Ltd - Parent	NZ	39%	39%
Christchurch Civic Building Joint Venture (CCBJV)	NZ	50%	50%
Leisure Investments NZ Limited	NZ	54.6%	54.6%

No public price quotations exist for these investments.

18.1 Associates and joint arrangements

		Parent		Group	
		30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
		\$000	\$000	\$000	\$000
Balance at start of year		6,196	6,196	16,764	18,377
Share of total recognised revenues and expenses	18.2	-	-	5,060	5,017
Dividends from associates and joint ventures		-	-	(8,597)	(6,574)
Share of revaluations		-	-	(44)	(56)
Balance at end of year		6,196	6,196	13,183	16,764

Commentary / Korerotanga

There is no goodwill included in the carrying value of associates (2020: Nil).

Transwaste Canterbury Limited

The Parent has a 39 per cent ownership interest in Transwaste. Transwaste was incorporated in March 1999 to select, consent, develop, own and operate a non-hazardous regional landfill in Canterbury. The landfill opened in June 2005. With a 39 per cent interest the Council has significant influence but cannot control the operations therefore accounts for it as an associate.

Christchurch Civic Building Joint Venture (CCBJV)

CCBJV is in a joint venture partnership between Civic Building Limited and NTPL for the ownership of a property in Hereford Street Christchurch. The amount above represents the 50 per cent share of CBL in the joint venture.

Leisure Investments New Zealand Limited

From 1 May 2019, Development Christchurch Limited investment in Leisure Investments New Zealand Limited increased to 54.6 per cent of the company's shareholding and is now consolidated as part of the Group. Leisure Investments is a tourism based adventure company operating the Christchurch Adventure Park on the Port Hills.

18.2 Transwaste Canterbury Limited

	30 Jun 21	Group 30 Jun 20
	\$000	\$000
Assets	69,302	84,663
Liabilities	32,858	39,127
Revenue	54,660	50,628
Comprehensive revenue and expense	13,008	12,898
Share of total recognised comprehensive revenue and expense	5,060	5,017

19 Inventories

Accounting Policy / Kaupapahere Kaute

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventories held for distribution at no charge, or for a nominal amount, are stated at the lower of cost and current replacement cost.

The cost of other inventories is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Inventory includes non-commercial spare parts associated with water supply and waste water reticulation and traffic signals.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
(a) Current inventories				
Inventory - raw materials and maintenance items	-	-	12,544	12,531
Inventory - finished goods	3,197	3,386	10,827	9,597
	<u>3,197</u>	<u>3,386</u>	<u>23,371</u>	<u>22,128</u>
Inventory - allowance for impairment	-	-	(466)	(276)
Total current inventories	<u>3,197</u>	<u>3,386</u>	<u>22,905</u>	<u>21,852</u>
(b) Non current inventories				
Inventory - finished goods	-	-	16,675	16,714
	<u>-</u>	<u>-</u>	<u>16,675</u>	<u>16,714</u>
Inventory - allowance for impairment	-	-	-	(182)
Total Non current inventories	<u>-</u>	<u>-</u>	<u>16,675</u>	<u>16,532</u>

Commentary / Korerotanga

There was no write-down of inventory during the year (2020: \$nil). There have been no reversals of previous write-downs (2020: \$nil). No inventory is pledged as security for liabilities (2020: \$nil). However, some inventory is subject to retention of title clauses.

20 Financial instruments

Accounting Policy / Kaupapahere Kaute

Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the assets (other than financial assets at fair value through surplus or deficit). Transaction costs directly attributable to the acquisition of financial assets at fair value through surplus or deficit are recognised immediately in surplus or deficit.

The Council classifies its investments in the following categories:

Financial assets measured at amortised cost

Financial assets held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost.

Fair value through other comprehensive revenue or expense (FVTOCRE)

Financial assets held for collection of contractual cash flows and for selling where the cash flows are solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value through other comprehensive revenue or expense (FVTOCRE).

Changes in the carrying amount subsequent to initial recognition as a result of impairment gains or losses, foreign exchange gains and losses and interest revenue calculated using the effective interest method are recognised in surplus or deficit. The amounts that are recognised in surplus or deficit are the same as the amounts that would have been recognised in surplus or deficit if these financial assets had been measured at amortised cost. All other changes in the carrying amount of these financial assets are recognised in other comprehensive revenue and expenses. When these financial assets are derecognised, the cumulative gains or losses previously recognised in other comprehensive revenue and expense are reclassified to surplus or deficit.

On initial recognition the Council may make the irrevocable election to designate investments in equity investments as at FVTOCRE. Designation at FVTOCRE is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which PBE IFRS 3 applies. Subsequent to initial recognition equity investments at FVTOCRE are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive revenue and expense. The cumulative gain or loss will not be reclassified to surplus or deficit on disposal of the equity investments, instead, they will be transferred to accumulated surplus.

Fair value through surplus or deficit

By default, all other financial assets not measured at amortised cost or FVTOCRE are measured at fair value through surplus or deficit.

Financial assets at fair value through surplus or deficit are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in surplus or deficit to the extent they are not part of a designated hedging relationship.

The net gain or loss recognised in surplus or deficit includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Council recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost or at FVTOCRE. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For all other financial instruments, the Council recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Council measures the loss allowance for that financial instrument at an amount equal to 12 months of ECL.

The assessment of whether ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition, instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECLs that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represent the portion of lifetime ECL that are expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

To calculate the recoverable amount of the Council's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial instruments) and adjusted for expected credit loss. Receivables with a short duration are not discounted.

20.1(a) Other financial assets

Accounting Policy / Kaupapahere Kaute

General and community loans and advances are classified as financial assets are measured at fair value through surplus or deficit.

Investment in debt securities are classified as financial assets measured at amortised cost.

		Parent		Group	
		30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
		\$000	\$000	\$000	\$000
Loans and advances (excl CCOs)	20.1(b)	39,575	16,068	32,027	39,678
Investment in debt securities		26,083	11,224	37,571	19,933
Investment in equity securities (excl CCOs)		505	217	797	469
Derivative instruments - asset		-	-	6,912	10,296
Total other financial assets		66,163	27,509	77,307	70,376
Total current other financial assets		1,016	1,149	11,032	22,386
Total non-current other financial assets		65,147	26,360	66,275	47,990
		66,163	27,509	77,307	70,376

Commentary / Korerotanga

Loans and advances disclosed above relate to community, special funds and other loans made by the Parent to various community groups and entities to fund specific activities or purposes. This includes non-interest bearing loans with a face value of \$51.3 million (2020: \$52.7 million) which are discounted over the term of the loan using the Parent's effective borrowing cost. These loans include a new loan to the Ōtautahi Community Housing Trust, and other existing loans to the Theatre Royal Charitable Foundation, the Christchurch Stadium Trust, the Piano Centre for Music and Arts and Canterbury Cricket Trust and other community groups. See Note 20.1(b).

Investment in debt securities include the term deposits with original terms greater than three (3) months and stocks and bonds. The face value of term deposits approximates their fair value. The Parent's term deposits amounted to \$26.1 million (2020: \$10 million). Group's term deposits amounted to \$33.2 million (2020: \$17.5 million). The Group's balance of stocks and bonds includes \$25 million (2020: \$25 million) of loans advanced by CCHL to Christchurch Engine Centre which is carried at fair value. The loan is contracted in USD with USD14 million @ 0.6429 (2020: USD14 million @ 0.5657). This investment is classified as a financial asset through surplus or deficit.

Investment in equity securities relate to equity investments in other entities which are held by the Parent for trading purposes. These are classified as financial asset through surplus or deficit in the financial statements and are carried at their fair value based

on future cash flows at a discount rate of 3.86 per cent. The change in discount rate used in the fair value calculation resulted in a net movement up of \$0.288 million in the value of the equity securities.

Derivative financial instruments include interest rate swaps and forward foreign exchange contracts. These are discussed in detail under Note 20.3.

20.1(b) Community loans

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Principal	63,983	31,737	7,987	8,032
Accumulated fair value adjustments	(32,015)	(20,131)	(2,213)	(2,097)
Balance at 1 July	31,968	11,607	5,774	5,935
Amount of new loans granted during the year	22,069	33,768	156	1,477
Fair value adjustment on initial recognition	(7)	(14,548)	(7)	(208)
Loans repaid during the year (principal and interest)	(59)	(1,726)	57	(1,726)
Impairment loss recognised during the year	-	-	-	-
Unwind of discount and interest charged	1,435	2,866	(991)	294
Balance before expected credit loss adjustment	55,406	31,968	4,989	5,772
Opening loss allowance at 1 July	(16,714)	(8,497)	(4,195)	(3,960)
Loss allowance movement	(949)	(8,217)	466	(236)
Closing loss allowance at 30 June	(17,662)	(16,714)	(3,729)	(4,196)
Balance community loans 30 June	37,744	15,255	1,260	1,576
Other funds	1,831	813	30,766	38,102
Loans and advances	39,575	16,068	32,026	39,678

Commentary / Korerotanga

The Parent's community loans scheme is designed to help organisations to develop or improve new or existing facilities and other major projects that benefit the community. Loans are for a maximum of 10 years and interest is between 0% - 2.0% interest per annum. The interest rate was reset for a number of loans to support Groups during the recovery of the COVID-19 pandemic.

The fair value of loans at initial recognition has been determined using cash flows discounted at a rate based on the loan recipient's assessed financial risk factors. The fair value of community loans is \$37.7 million (2020: \$15.3 million). Fair value has been determined using cash flows discounted at a rate based on the loan recipient's risk factors of 3.86% (2020: 4.15%), the impact on 2021 is an upward movement of \$1.4 million. During the year \$22 million of loans were issued, primarily to OCHT and community groups repaid \$69,000.

20.2 Borrowings and other financial liabilities

Accounting Policy / Kaupapahere Kaute

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in surplus or deficit over the period of the borrowings on an effective interest basis.

Derivative Financial Instruments

The Council uses derivative financial instruments to hedge its exposure to interest rate and foreign exchange risks arising from operational, financing and investment activities. In accordance with the treasury policies of the respective Group entities, the Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially and subsequently at fair value. Changes in fair value are recognised immediately in surplus or deficit. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The Council uses derivatives to hedge its exposure to interest rate risks. The derivatives are designated as either cash flow hedges (hedging highly probable future transactions (borrowing)) or fair value hedges (hedging the fair value of recognised assets or liabilities).

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive revenue and expense, limited to the cumulative change in the fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in surplus or deficit. When the hedging relationship ceases to meet the criteria for hedge accounting any gain or loss recognised in other comprehensive revenue and expense and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in surplus or deficit. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in surplus or deficit.

Changes in the fair value of derivatives that are designated as fair value hedges are recorded in surplus or deficit, together with changes in the fair value of the hedged asset or liability. The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in surplus or deficit. When the hedging relationship ceases to meet the criteria for hedge accounting the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to surplus or deficit from that date.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Borrowings from external parties	1,961,085	1,924,549	3,505,778	3,396,519
Finance lease liabilities	22 91,962	93,875	58,752	59,483
Total borrowings	2,053,047	2,018,424	3,564,530	3,456,002
Derivative instruments - Liability	193,831	323,509	255,799	441,327
Total borrowings and other financial liabilities	2,246,878	2,341,933	3,820,329	3,897,329
Total current borrowings	372,329	418,039	838,451	845,808
Total non-current borrowings	1,680,718	1,600,385	2,726,079	2,610,194
	2,053,047	2,018,424	3,564,530	3,456,002
Total current borrowings and other financial liabilities	374,796	419,943	844,952	850,428
Total non-current borrowings and other financial liabilities	1,872,082	1,921,990	2,975,377	3,046,901
	2,246,878	2,341,933	3,820,329	3,897,329

Commentary / Korerotanga

The Parent has a total floating rate borrowings amounted to \$1,738 million (2020: \$1,649 million). The underlying interest rates are based on three-month bank bill reference rate (BKBM) plus a margin. The effective cost of \$1,530 million of floating rate borrowing is fixed with interest rate swaps and the remaining \$208 million (12%) is without cover of derivatives. The weighted average margin was 66 basis points (2020: 67 basis points) over BKBM.

In addition, the Parent has a total of \$223 million (2020: \$275 million) of fixed rate borrowings (excluding finance leases) with a weighted average interest rate of 3.41 per cent (2020: 4.42 per cent).

The Parent's effective cost of funds across both fixed and floating is 3.86% (2020: 4.15%).

The Parent borrowed \$445.5 million (2020: \$406.7 million) to advance to subsidiaries and refinance debt maturities. A total of \$408.5 million (2020: \$268 million) of debts were repaid during the year.

The Parent's external borrowings are comprised of bonds and bank loan advances issued at either fixed or floating interest rates. These borrowings mature at different intervals ranging from 2020-2030. Council also has undrawn \$200 million standby bank facilities which expire on or before December 2023. Council has entered into interest rate swap (IRS) contracts to hedge its exposure to interest rate risk. The Council's risk management strategy is discussed further in note 20.5 below.

The Parent's debts are secured over its assets and rates income.

The Parent has borrowed a total of \$79.5 million (2020: \$89.5 million) from its Capital Endowment Fund with terms ranging between 5 - 10 years. Interest of \$2.9 million (2020: \$3.2 million) was charged by the Fund.

Christchurch City Holdings Ltd	2021	Avg rate	Maturity	2020
Nature of debt	\$'000			\$'000
Floating rate notes	85,000	0.73%	2023-2024	-
Bank facility	50,000	0.90%	2022	55,000
Short term loans - Christchurch City Council	159,700	1.14%	2021-2022	183,500
Long Term Loans - Christchurch City Council	376,500	2.36%	2023-2029	389,700
Fixed Rate Bond	300,000	3.49%	2022-2024	300,000
Crown Infrastructure Partners Ltd (CIP)	-	0.00%	2021	153,769
Commercial paper	175,000	0.41%	2021	-
Undrawn bank facility	100,000	0.00%	2021	100,000

All borrowings at 30 June 2021 are unsecured and have been put in place under a \$1.5bn (2020: \$1.5bn) debt issuance programme. CCHL has issued uncalled capital of \$1.5bn (2020: \$1.5bn) to support this programme. Bonds and FRNs are issued under a Master Trust Deed, and CP is issued under a separate \$200m Commercial Paper programme. CCHL has entered into derivative contracts to hedge its exposure to interest rate fluctuations. In June 2016, CCHL entered into a secured Loan Facility Agreement with Crown Infrastructure Partners Ltd (CIP) (previously known as Crown Fibre Holdings Ltd) as part of the reorganisation of Enable Services Ltd (ESL). The loan was drawn down as network stages/premises were completed, and was used to subscribe in redeemable preference shares in ESL. The loan was interest free and reflected at its amortised cost over the life of the loan. The loan was secured over the assets of Enable. The loan was repaid in full during the year.

Orion New Zealand Ltd	2021	Avg rate	Maturity	2020
Nature of Debt	\$'000			\$'000
Bank loans	205,350	1.16%	2022-2023	174,200
US Private Placement floating rate notes	140,000	1.92%	2028-2030	140,000
Undrawn bank facility	79,650			35,800

All bank loans are unsecured, however a deed of negative pledge and guarantee requires Orion to comply with certain covenants. The US Private Placement floating rate notes are also unsecured. The Note Purchase agreement with the US investors has terms which are substantially similar to those in the negative pledge deed referred to above. Orion has complied with all terms of the agreement during the two years ended 31 March 2021 and to 30 June 2021.

Christchurch International Airport Ltd	2021	Avg rate	Maturity	2020
Nature of Debt	\$'000			\$'000
Bank facility	384,000	3.20%	2020-2024	380,000
Bond funding	205,343	5.00%	2021-2027	210,005
Undrawn bank facility	141,000		2021-2024	105,000

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. The bond funding constitutes direct, unsecured, unsubordinated obligations and will rank equally with all other unsecured, unsubordinated indebtedness.

Lyttelton Port Company Ltd	2021	Avg rate	Maturity	2020
Nature of Debt	\$'000			\$'000
Bank facility	-			59,000
Undrawn bank facility	165,000			106,000

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. In addition to the above, during 2021 LPC entered into a CCHL loan facility for an additional \$85m, bringing the total facility with CCHL to \$150m. At 30 June 2021, \$150m (2020: \$65m) has been drawn.

City Care Limited	2021	Avg rate	Maturity	2020
Nature of Debt	\$'000			\$'000
Bank facility	-			-
Undrawn bank facility	15,000			25,000

During the year, Citycare reorganised and further reduced its facility with the BNZ. Average interest rate was 2.05% for the year (2020: 2.59%). The facility expires on 31 December 2022. The loan from CCHL of \$10m (2020: \$10m) is secured by a debenture over the assets and undertakings of Citycare, and made under a committed cash advance facility of \$25m (2020: \$35m). Average interest rate was 2.01% for the year (2020: 2.01%). The facility expires on 31 July 2022.

RBL Property Limited, Enable Services Limited, EcoCentral Limited, Development Christchurch Limited, Venues Ōtautahi Limited and Civic Building Limited have no external debt at 30 June 2021 (2020: Nil). Enable Services Limited and Development Christchurch Limited are party to borrowing arrangements with CCHL and Venues Ōtautahi Limited and Civic Building Limited have borrowing arrangements with the Parent.

20.3 Hedging activities and derivatives

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Derivatives designated as hedging instruments				
Interest rate swaps	-	-	6,851	10,296
Forward exchange rate contracts	-	-	61	-
Total derivative financial instrument assets	-	-	6,912	10,296
Derivatives designated as hedging instruments				
Interest rate swaps	(193,831)	(323,509)	(255,799)	(441,218)
Forward exchange rate contracts	-	-	-	(109)
Total derivative financial instrument liabilities	(193,831)	(323,509)	(255,799)	(441,327)
Net derivative financial instrument assets (liabilities)	(193,831)	(323,509)	(248,887)	(431,031)
Total current derivative assets	-	-	61	-
Total non-current derivative assets	-	-	6,851	10,296
Total derivative financial instrument assets	-	-	6,912	10,296
Total current derivative liabilities	(2,466)	(1,904)	(6,500)	(4,620)
Total non-current derivative liabilities	(191,365)	(321,605)	(249,299)	(436,707)
Total derivative financial instrument liabilities	(193,831)	(323,509)	(255,799)	(441,327)

Commentary / Korerotanga

In 2019/20, the Parent reviewed its derivative portfolio and amended the terms of nine (9) hedge relationships. This resulted in the crystallisation of hedge losses for the derecognised relationships. The result of the new blended and extended relationships is that the losses crystallised are being amortised over the life of the original relationships and the previous ineffectiveness has also been unwound. The result is that the losses crystallised offset the effectiveness gain. (See Note 6.1)

Changes in the underlying interest rate swap market has resulted in an improvement in the Parent's value of outstanding cash flow hedges. The interest rate swap market would need to move up by circa 250 basis points to remove the hedge accounting reserve recognised as interest rates declined.

The notional values of interest rate swaps are summarised below:

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Interest rate swaps				
Less than 1 year	111,500	99,000	256,500	245,000
1 to 2 years	172,200	111,500	259,200	271,500
2 to 5 years	328,500	435,700	1,163,500	1,134,700
More than 5 years	917,500	882,500	1,361,506	1,434,249
	1,529,700	1,528,700	3,040,706	3,085,449

Derivative financial instruments are carried at fair value based on the prevailing market rates as at valuation date. Any changes in the value of derivative instruments from inception date are included in either the surplus or deficit (for the ineffective portion of cash flow hedges, fair value hedges and any derivative instruments not designated in a hedging relationship) or in net asset / equity (for effective portion of cash flow hedges).

Derivative contracts are primarily entered into to hedge against any exposure to underlying risks associated with the hedged item. The risk management strategy of the Council and Group are discussed in note 20.5 of the financial statements.

Council and Group derivative financial instruments include the following:

Interest rate swaps

Council and Group enter into interest rate swap contracts to hedge their interest rate exposure on outstanding borrowings. The interest rate fluctuation impacts the fair value (for fixed-rated) and cash flow settlement (for floating) relating to the underlying hedged item.

Interest rate swaps contracts are carried at their fair value based on prevailing market interest rates at valuation date.

At 30 June 2021, the Council had interest rate swaps in place with a notional amount of \$1.529 billion (2020: \$1.529 billion) where the Council pays an average fixed interest rate of 4.77 per cent. This interest rate is used to determine the fair value (mark to market) of the swaps at balance date.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swaps are identical to the hedged risk components.

There are two types of hedge economic relationships:

- For interest rate swap contracts with the expected highly probable forecast transactions. To test the hedge effectiveness, the Group uses the forecast loan transactions that are highly probable and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks, or
- For interest rate swap contracts with variable rate loans. To test the hedge effectiveness, the Group uses a hypothetical derivative that is a proposed swap and compares the changes in the fair value of the hedging instrument against the changes in the fair value of the hedged item attributable to the hedged risk.

The hedge ineffectiveness can arise from:

- Different interest rate curve applied to discount the hedged item and hedging instrument.
- Differences in the timing of the cash flows of the hedged items and the hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

The ineffectiveness is recognised in surplus or deficit.

Forward exchange rate contracts

Forward exchange rate contracts are intended to hedge exposure to changes in foreign exchange rates on underlying foreign-currency denominated assets and liabilities.

These contracts are carried at their fair value based on prevailing market foreign exchange rates at valuation date.

20.4 Classification and fair value of financial instruments

Accounting Policy / Kaupapahere Kaute

Categories of financial assets and liabilities

Financial instruments are classified into one of the following categories:

- Financial assets and liabilities carried at amortised cost,
- Financial assets and liabilities measured at fair value through surplus and deficit,
- Financial assets measured at fair value through other comprehensive revenue and expense.

The classification into each category depends on the nature and management's intention over the financial instruments.

There were no transfers between categories during the year (2020: Nil).

Fair value of financial instruments

Financial instruments carried at fair value in the financial statements are categorised within the fair value hierarchy described below:

- Level 1: the fair value is calculated using quoted prices in active markets.
- Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The following methods and assumptions were used to estimate fair value for each class of financial instrument for which it is practicable to estimate such value:

Interest bearing financial assets and liabilities Fixed rated instruments with quoted market prices are based on the quoted market price as of valuation date (Level 1) and for non-quoted securities, fair values were determined using discounted cash flow based on market observable rates (Level 2). Instruments with floating interest rates approximate fair value because of recent and regular repricing based on market conditions (Level 2).

The fair values of non-interest bearing debt securities and loans are determined using discounted cash flow based on Council's effective cost of borrowing for the year (calculated based on applicable market rate plus Council's credit spread) (Level 2). Foreign-currency denominated debt instruments are valued based on discounted future cash flows using the prevailing foreign exchange rate at valuation date (Level 2).

Derivative financial instruments The fair values were computed as the present value of estimated future cash flows using market interest rates as at valuation date. The valuation techniques consider various inputs including the credit quality of counterparties (Level 2). The fair value forward exchange rate contracts are determined based on the discounted future cash flow using the market currency exchange and interest rates between the New Zealand dollar and relevant foreign currency at valuation date.

Investments in equity instruments Financial investments measured at fair value through other comprehensive revenue and expense consist of equity investments in subsidiaries, associates and other entities. Fair value of equity instruments with quoted market prices were determined using the quoted prices (Level 1). Where there is no active market, investments are revalued based on available market inputs observable and unobservable entity specific information affecting the assets being revalued less any accumulated impairment losses. These investments primarily include investments in subsidiary entities where Council and Group have involved external valuers to perform the valuation. These investments are classified as Level 3 financial instruments for purposes of fair value determination.

The table below summarises the classification of financial assets and liabilities as to their respective categories including their relevant carrying and fair values.

	Fair value level	Measurement basis	Carrying amount		Parent Fair value		Carrying amount		Group Fair value	
			30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
			\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assets carried at amortised cost										
Cash and cash equivalents		Amortised cost	192,730	266,401	192,730	266,401	262,754	336,609	262,754	336,609
Debtors and other receivables		Amortised cost	54,209	81,990	54,209	81,990	138,754	146,329	139,564	146,329
Loans and advances		Amortised cost	640,804	626,834	640,804	626,834	27,283	7,471	27,283	7,471
Investment in debt securities		Amortised cost	25,983	11,124	25,983	11,124	37,471	19,833	37,471	19,833
			913,726	986,349	913,726	986,349	466,262	510,242	467,072	510,242
Financial assets through surplus or deficit										
<i>Held for trading:</i>										
Derivative assets not designated as hedging instrument	2	Fair value	-	-	-	-	61	-	-	-
Investment in equity securities	2	Fair value	-	-	-	-	292	252	292	252
<i>Not held for trading:</i>										
Derivative assets designated as hedging instrument	2	Fair value	-	-	-	-	6,851	10,296	6,851	10,295
Loans and advances	2	Fair value	4,744	32,207	4,744	32,207	4,744	32,207	4,744	32,207
Investment in debt securities	2	Fair value	36,314	32,362	36,314	32,362	36,314	32,362	36,314	32,362
Investment in equity securities	2	Fair value	504	217	378	378	504	217	378	378
			41,562	64,786	41,436	64,947	48,766	75,334	48,579	75,494
Financial assets through other comprehensive revenue and expense										
Share investment in subsidiary CCOs	3	Fair value	2,643,723	2,322,756	2,643,722	2,322,756	1	-	-	-
Unlisted shares	3	Fair value	10,153	9,210	10,153	9,210	10,153	9,210	10,153	9,210
			2,653,876	2,331,966	2,653,875	2,331,966	10,154	9,210	10,153	9,210
Financial liabilities through surplus or deficit										
<i>Held for trading:</i>										
Derivative liabilities not designated as hedging instrument	2	Fair value	-	-	-	-	-	-	-	-
Borrowings	2	Fair value	-	-	-	-	15,885	15,882	15,885	15,885
Financial liabilities through other comprehensive revenue and expense										
<i>Not held for trading:</i>										
Derivative liabilities designated as hedging instrument	2	Fair value	193,831	323,509	193,832	323,509	255,799	441,327	255,800	441,327
Borrowings	2	Fair value	-	-	-	-	46,181	23,560	46,181	23,560
			193,831	323,509	193,832	323,509	317,865	480,769	317,866	480,772
Financial liabilities carried at amortised cost										
Creditors and other payables		Amortised cost	101,532	129,685	101,532	129,685	196,067	223,994	196,076	224,003
Borrowings		Amortised cost	2,053,047	2,018,424	2,069,029	1,773,148	3,503,667	3,416,560	3,519,650	3,171,284
			2,154,579	2,148,109	2,170,561	1,902,833	3,699,734	3,640,554	3,715,726	3,395,287

The table below summarises the reconciliation of movements in the Level 3 financial instruments:

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Opening carrying value	2,331,966	2,202,479	9,210	9,080
Shares acquired during the year	10,000	7,365	2,635	-
Capital repaid	-	-	-	-
Valuation movements	311,910	122,122	(1,691)	130
Transfers	-	-	-	-
Closing carrying value	2,653,876	2,331,966	10,154	9,210

Commentary / Korerotanga

The Parent acquired \$10.0 million of shares in Venues Ōtautahi Limited in 2020/21.

Due to the short-term nature of the transactions, the fair value of cash and cash equivalents, short-term investments, trade and other receivables, accounts payable, accrued expenses and other current liabilities and dividends payable approximate their carrying values as at the end of the reporting period.

20.5 Financial risk management

Risk Management Policy / Kaupapahere Whakahaere Risk

Financial risk management objectives

The Council and Group have a series of policies to manage the risk associated with financial instruments.

The Council and Group do not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the Group's policies, which provide written principles on the use of financial derivatives.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, and the basis of measurement applied in respect of each class of financial asset, financial liability and equity instrument are disclosed in the accounting policies to the financial statements.

Financial risks

The risks associated with the financial assets and liabilities of the Council and Group include market risk, liquidity risk and credit risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

Interest rate risk

Interest rate risk relates to the risk that the fair value of a fixed debt instrument or future cash flow of a floating debt instrument will fluctuate due to changes in the underlying market interest rate.

The Council and the Group are exposed to interest rate risk as they borrow funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swap contracts and forward interest rate contracts.

Currency risk

Currency risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Council has little exposure to foreign currency risk and under normal circumstances has no exposure to hedge. The Group is exposed to currency risk as a result of transactions that are denominated in a currency other than New Zealand dollars. These currencies are primarily Australian dollars, US dollars and Euros. The Group's policy is to hedge any material foreign currency exposure, usually with forward exchange contracts. The Group enters into forward foreign exchange contracts or currency swap contracts aimed at reducing and/or managing the adverse impact of changes in foreign exchange rates on the Group's results and cash flows. The Group has assessed that a reasonably possible change in foreign exchange rates (a 10 per cent variance either way) would not have a significant impact on surplus or equity.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Commodity price and demand risk

Within the Group some operations can be significantly impacted by fluctuations in commodity prices and international demand for certain products. Any residual risk is not considered material to the Group.

20.5(a) Interest rate risk management

The following tables summarise the Council's and Group's interest rate re-pricing analysis with respect to its financial assets and liabilities subject to interest rate risk:

	Parent					Group				
	Carrying amount	Less than 1 year	1 to 2 years	2 to 5 years	5+ years	Carrying amount	Less than 1 year	1 to 2 years	2 to 5 years	5+ years
30 June 21	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	192,730	192,730	-	-	-	262,754	262,754	-	-	-
Loans and advances - CCOs	605,973	376,200	60,000	55,900	113,873	-	-	-	-	-
Loans and advances	39,575	1,708	96	825	36,946	32,027	30,643	96	825	463
Investment in debt securities	62,297	57,875	960	1,070	2,392	73,785	69,363	960	1,070	2,392
Borrowings	(1,961,085)	(1,781,205)	(60,085)	(66,931)	(52,864)	(3,505,778)	(2,330,196)	(508,085)	(314,633)	(352,864)
Borrowings - related party	-	-	-	-	-	-	-	-	-	-
Finance lease liability (net settled)	(91,962)	(9,324)	(9,080)	(24,146)	(49,412)	(58,752)	(1,454)	(1,283)	(2,414)	(53,601)
	(1,152,472)	(1,162,016)	(8,109)	(33,282)	50,935	(3,195,964)	(1,968,890)	(508,312)	(315,152)	(403,610)

	Parent					Group				
	Carrying amount	Less than 1 year	1 to 2 years	2 to 5 years	5+ years	Carrying amount	Less than 1 year	1 to 2 years	2 to 5 years	5+ years
30 June 20	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	266,401	266,401	-	-	-	336,609	336,609	-	-	-
Loans and advances - CCOs	642,973	433,200	10,000	115,900	83,873	-	-	-	-	-
Loans and advances	16,068	341	10,557	1,095	4,075	39,678	37,489	149	1,095	945
Investment in debt securities	43,486	29,285	10,257	2,974	970	52,195	37,994	10,257	2,974	970
Borrowings	(1,924,549)	(323,864)	(132,605)	(562,715)	(905,365)	(3,396,519)	(811,629)	(442,561)	(1,046,964)	(1,095,365)
Borrowings - related party	-	-	-	-	-	-	-	-	-	-
Finance lease liability (net settled)	(93,875)	(9,074)	(8,451)	(23,092)	(53,258)	(59,483)	(5,733)	(15,575)	(11,546)	(26,629)
	(1,049,496)	396,289	(110,242)	(465,838)	(869,705)	(3,027,520)	(405,270)	(447,730)	(1,054,441)	(1,120,079)

Commentary / Korerotanga

The Parent and Group have entered into interest rate swap contracts to hedge against the risk due to interest rate fluctuations. The notional amount and maturities of interest rate swap contracts are presented in note 20.3 of the financial statements.

Council and Group have entered into interest rate swap contracts to hedge against the risk due to interest rate fluctuations. The notional amount and maturities of interest rate swap contracts are presented in note 20.3 of the financial statements.

Interest rate sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of investments and borrowings affected. With all other variables held constant, the Group's surplus before tax and net asset position are affected through the impact on floating rate investments and borrowings, as follows:

	Surplus or deficit (pre-tax) \$000	Parent Net asset / equity (pre-tax) \$000	Surplus or deficit (pre-tax) \$000	Group Net asset / equity (pre-tax) \$000
30 June 21				
100 basis points increase	6,044	77,815	79	24,759
100 basis points decrease	(6,044)	(84,302)	(79)	(34,289)
30 June 20				
100 basis points increase	4,677	92,703	490	86,286
100 basis points decrease	(4,677)	(101,236)	(1,136)	(93,071)

20.5(b) Currency risk management

The Group's exposure to foreign currency transactions include foreign currencies held on hand as stated in note 16.

Commentary / Korerotanga

CCHL is a party to a USD14 million loan agreement with the Christchurch Engine Centre. The loan agreement is fully hedged with a cross currency interest rate swap which reduces the net currency exposure on this transaction to zero. The impact of a possible change in foreign exchange rates (a 10 percent variance either way) would not have a significant impact on comprehensive revenue and expense or equity.

20.5(c) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

In meeting its liquidity requirements, the Group manages its investments and borrowings in accordance with its written investment policies. In general the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has funding arrangements in place to cover potential shortfalls.

The Council and Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

Commentary / Korerotanga

The Parent is exposed to liquidity risk as a guarantor of all of LGFA borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. The exposure relating to the guarantee is classified as a contingent liability by the Parent and is explained further in note 27.

The table below summarises the maturity profile of the Group's financial assets and liabilities based on contractual undiscounted payments.

Parent	Carrying amount	Contractual cash flows	Less than 1 year	1 to 2 years	2 to 5 years	5+ years
30 June 21	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	192,730	192,730	192,730	-	-	-
Debtors and other receivables	54,209	54,209	54,209	-	-	-
Loans and advances - CCOs	605,973	740,293	183,105	130,686	199,697	226,805
Loans and advances	39,575	84,777	931	537	3,732	79,577
Investment in debt securities	62,297	48,317	12,578	6,898	15,096	13,745
Creditors and other payables	(101,532)	(101,532)	(99,942)	(1,590)	-	-
Borrowings - external	(1,961,085)	(2,275,434)	(428,073)	(377,315)	(781,237)	(688,809)
Finance lease liability (net settled)	(91,962)	(158,219)	(10,561)	(11,036)	(33,867)	(102,755)
Derivative financial instrument	(193,831)	(57,673)	(22,163)	(9,878)	(14,617)	(11,015)
Net contractual inflows / (outflows)	(1,393,626)	(1,472,532)	(117,186)	(261,698)	(611,196)	(482,452)
30 June 20						
Cash and cash equivalents	266,401	266,401	266,401	-	-	-
Debtors and other receivables	81,990	81,991	81,991	-	-	-
Loans and advances - CCOs	642,973	787,260	189,539	170,780	192,260	234,681
Loans and advances	16,068	63,059	1,192	11,707	3,890	46,270
Investment in debt securities	43,486	47,948	7,413	6,126	23,020	11,389
Creditors and other payables	(129,685)	(129,685)	(127,565)	(2,120)	-	-
Borrowings - external	(1,924,549)	(2,224,588)	(422,758)	(362,718)	(742,030)	(697,082)
Finance lease liability (net settled)	(93,875)	(153,120)	(9,429)	(9,429)	(29,663)	(104,599)
Derivative financial instruments	(323,509)	(81,141)	(1,269)	(3,174)	(28,624)	(48,074)
Net contractual inflows / (outflows)	(1,420,700)	(1,341,875)	(14,485)	(188,828)	(581,147)	(557,415)
Group	Carrying amount	Contractual cash flows	Less than 1 year	1 to 2 years	2 to 5 years	5+ years
30 June 21	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	262,754	262,395	262,395	-	-	-
Debtors and other receivables	138,754	143,202	149,900	(588)	(1,661)	(4,449)
Other assets	1,340	53	53	-	-	-
Loans and advances	32,027	1	1	-	-	-
Investment in debt securities	73,785	56,073	20,334	6,898	15,096	13,745
Creditors and other payables	(196,068)	(196,069)	(194,479)	(1,590)	-	-
Borrowings -external	(3,505,778)	(3,005,439)	(674,528)	(728,601)	(913,501)	(688,809)
Finance lease liability (net settled)	(58,752)	(19,495)	(2,069)	(2,255)	(7,275)	(7,896)
Derivative financial instruments	(248,887)	(124,900)	(39,544)	(25,086)	(43,167)	(17,103)
Net contractual inflows / (outflows)	(3,500,825)	(2,884,179)	(477,937)	(751,222)	(950,508)	(704,512)
30 June 20						
Cash and cash equivalents	336,609	336,287	336,287	-	-	-
Debtors and other receivables	146,329	155,636	155,636	-	-	-
Other assets	851	820	820	-	-	-
Loans and advances	39,678	6,479	677	638	3,890	1,274
Investment in debt securities	52,195	103,659	22,589	12,252	46,040	22,778
Creditors and other payables	(223,994)	(223,580)	(221,460)	(2,120)	-	-
Borrowings -external	(3,396,519)	(3,045,550)	(810,302)	(641,046)	(897,120)	(697,082)
Finance lease liability (net settled)	(59,483)	(89,091)	(5,906)	(16,053)	(14,832)	(52,300)
Derivative financial instruments	(431,031)	(173,321)	(18,692)	(24,184)	(63,939)	(66,506)
Net contractual inflows / (outflows)	(3,535,365)	(2,928,661)	(540,351)	(670,513)	(925,961)	(791,836)

20.5(d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity.

Financial instruments that potentially subject the Group to concentrations of credit risk consist principally of cash and short-term investments, trade receivables, loans and interest rate swaps. The Council and Group places its cash and short-term investments with high credit quality financial institutions and sovereign bodies and limits the amount of credit exposure to any one financial institution in accordance with the treasury policies of the respective members of the Group.

The Council's investment policy includes parameters for investing in financial institutions and other organisations which, where applicable, have the required Standard and Poor's credit ratings. These credit ratings are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments.

Commentary / Korerotanga

The Parent applies a lifetime expected credit loss of 80 per cent to community loans that are assessed as having a high credit risk based on the likelihood of repayment. Recipients that are paying their loans are considered to have a low credit risk have no expected credit loss applied.

The Parent has written off lifetime expected credit losses at fair value through surplus and deficit.

The carrying value is the maximum exposure to credit risk for bank balances, accounts receivable and interest rate swaps. No collateral is held in respect of these financial assets.

The Group has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due to avoid a possible past due status other than some trade receivables.

The Parent's receivables mainly arise from statutory functions. Procedures are in place to monitor the credit quality of debtors and other receivables with reference to internal or external credit ratings and where appropriate security must be provided to secure credit terms.

The Parent has no significant concentrations of credit risk in relation to these receivables, as it has a large number of credit customers, mainly ratepayers, and the Parent has powers under the Local Government (Rating) Act 2002 to recover outstanding debts.

The Parent's trade debtors and other receivables amounted to \$54 million (2020: \$82 million).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various segments with similar loss patterns. There is some concentration of credit risk within the group in relation to trade receivables, however all of these major customers are considered to be of high credit quality, and as such on a Group-wide basis, it is not considered that there is a significant risk of losses arising. Geographically there is no significant credit risk concentration for the Group outside New Zealand.

The Group's trade debtors and other receivables amounted to \$139 million (2020: \$146 million).

The following table summarises the Council and Group's counterparty credit risks:

	Credit rating	Parent		Group	
		30 Jun 21 \$000	30 Jun 20 \$000	30 Jun 21 \$000	30 Jun 20 \$000
Cash and cash equivalents					
	AA	4,730	219,401	74,753	289,609
	A	188,000	47,000	188,001	47,000
Loans and advances					
	AA	536,200	-	536,208	9
	A	-	573,200	-	-
	< BBB / unrated	109,348	85,841	(504,181)	39,669
Investment in equity securities					
	< BBB / unrated	504	217	504	217
Investment in debt securities					
	AA	36,214	42,262	39,374	46,072
	BBB	100	-	8,428	4,899
	< BBB / unrated	25,983	1,224	25,983	1,224
Derivative financial instrument assets					
	AA	-	-	6,912	10,296
		901,079	969,145	375,982	438,995

Credit risk from balances with banks and financial institutions is managed by the Council's treasury department in accordance with the Council's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the treasury department on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments.

Commentary / Korerotanga

The Group invests only in quoted debt securities with very low credit risk. The Group's debt instruments at fair value through other comprehensive revenue and expense comprised solely of borrower notes that are graded in the top investment category (Very Good and Good) by Standard and Poor's and, therefore, are considered to be low credit risk investments.

The Group has recognised no provision for expected credit losses on its debt securities at fair value through other comprehensive revenue and expense.

21 Finance lease receivables

Accounting Policy / Kaupapahere Kaute

As lessor Leases in which substantially all of the risks and rewards of ownership transfer to the lessor are classified as finance leases. Amounts due from lessees under finance leases are recorded as receivables. Finance lease payments are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
No later than one year	-	-	53	178
Later than one year and not later than five years	-	-	227	738
Later than five years	-	-	(334)	313
Minimum lease receivables	-	-	(54)	1,229
Less future finance charges	-	-	(295)	(1,114)
Present value of minimum lease receivables	-	-	(349)	115
Present value of future minimum lease receivables				
No later than one year	-	-	(124)	1
Later than one year and not later than five years	-	-	(89)	42
Later than five years	-	-	(135)	72
Present value of future minimum lease receivables	-	-	(348)	115
Represented by				
Current portion	-	-	(124)	1
Non-current portion	-	-	(224)	114
Total	-	-	(348)	115

22 Finance lease liabilities

Accounting Policy / Kaupapahere Kaute

As lessee Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognised as assets and liabilities on the statement of financial position at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
No later than one year	10,561	10,323	5,298	7,490
Later than one year and not later than five years	44,903	42,798	22,497	27,097
Later than five years	102,755	114,516	123,764	78,126
Minimum lease payments	158,219	167,637	151,559	112,713
Less: future finance charges	(66,257)	(73,762)	(92,805)	(53,230)
Present value of minimum lease payments	91,962	93,875	58,754	59,483
Minimum future lease payments				
No later than one year	9,324	9,074	(1,143)	5,773
Later than one year and not later than five years	33,226	31,543	5,851	18,091
Later than five years	49,412	53,258	54,046	35,619
Total present value of minimum lease payments	91,962	93,875	58,754	59,483
Represented by:				
Current portion	9,324	9,074	1,454	5,676
Non-current portion	82,638	84,801	57,298	53,807
Total finance leases	91,962	93,875	58,752	59,483

Commentary / Korerotanga

The Parent leases the Civic Building in Worcester Boulevard from the NTPL and CBL Joint Venture (CCBJV) in August 2010. CBL is a wholly owned Council subsidiary which owns a 50 per cent interest in the unincorporated joint venture with NTPL. The lease has an

initial term of 24 years with three rights of renewal of 24 years and the note above includes only the first lease term. The annual lease payment is \$10.3 million plus GST.

The finance lease liability above primarily relates to agreements between Orion and Transpower New Zealand Limited (Transpower) for Transpower to install new assets at or near its local grid exit points. The agreements have remaining terms of between four and 29 years (2020: four and 29 years). Orion does not own the assets at the end of the lease term and there is no residual value.

23 Construction contracts

Accounting Policy / Kaupapahere Kaute

Construction work in progress is stated at cost plus profit recognised to date less a provision for foreseeable losses and less progress billings. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in contract activities based on normal operating capacity.

	30 Jun 21	Parent 30 Jun 20	30 Jun 21	Group 30 Jun 20
	\$000	\$000	\$000	\$000
Contract costs incurred	-	-	51,392	43,323
Progress billings	-	-	56,641	45,424
Gross amounts due from customers	-	-	7,918	6,074
Gross amounts due to customers	-	-	46	77
Retentions included in progress billings	-	-	156	96

24 Employee benefits

Accounting Policy / Kaupapahere Kaute

The Group's employee compensation policy is based on total cash remuneration (excludes any non-financial benefits provided to employees). A single cash payment in compensation for work, where the employee is responsible for and able to individually decide how best to use their remuneration to meet their needs over time in the mix and type of benefits purchased. Provision is made in respect of Council's liability for the following short and long-term employee entitlements.

Short-term entitlements These are liabilities for annual leave and time off in lieu are accrued at the full amount owing at the pay period ending immediately before the reporting date. Employee benefits that are expected to be settled wholly within twelve months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Liabilities for accumulating short-term compensated absences (e.g. sick leave) are measured as the amount of unused entitlement accumulated at the pay period ending immediately before the reporting date that the entity anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

Long-term entitlements These included retiring gratuities and long-service leave liabilities are assessed on an actuarial basis using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on (i) likely future entitlements accruing to employees, based on years of service, years to entitlement, (ii) the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and (iii) the present value of the estimated future cash flows.

Kiwisaver & superannuation Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in surplus or deficit when incurred. Superannuation is provided as a percentage of remuneration.

24.1 Personnel cost

	Parent		Group	
	30 Jun 21 \$000	30 Jun 20 \$000	30 Jun 21 \$000	30 Jun 20 \$000
Salaries and wages	198,098	199,985	495,149	489,816
Defined contribution plan employer contributions	4,998	4,954	5,896	8,812
Defined benefit plan employer contributions	-	-	170	160
Increase/(decrease) in employee entitlements/liabilities	(271)	(701)	(3,157)	936
Other personnel costs	-	-	311	1,855
Total personnel costs	202,825	204,238	498,369	501,579

Commentary / Korerotanga

Phase 1 of the holiday pay remediation project determined the liability for former and existing staff for the period 1 January 2011 to 31 December 2019 and subsequently paid \$2.3 million to former and existing staff and provided an additional \$3.4 million for former staff unable to be located. An estimate of \$1.7 million for the cost of Phase 2 of the project has been made and recognised in the financial statements as at 30 June 2021.

24.2 Employee entitlements

	Parent		Group	
	30 Jun 21 \$000	30 Jun 20 \$000	30 Jun 21 \$000	30 Jun 20 \$000
Current portion				
Accrued pay	2,245	1,534	14,972	8,997
Annual leave	16,852	17,584	32,071	42,815
Sick leave	256	256	486	497
Retirement and long service leave	1,211	1,187	2,250	2,459
Restructuring	-	139	-	139
Bonuses and other	-	-	918	1,050
	<u>20,564</u>	<u>20,700</u>	<u>50,697</u>	<u>55,957</u>
Non-current portion				
Retirement and long service leave	3,314	3,448	7,185	7,104
	<u>3,314</u>	<u>3,448</u>	<u>7,185</u>	<u>7,104</u>
Total employee entitlements	23,878	24,148	57,882	63,061

Commentary / Korerotanga

The provision for long service leave is an assessment of entitlements that may become due to employees in the future. The provision is affected by a number of estimates, including the expected length of service of employees and the timing of benefits being taken. Most of the liability is expected to be incurred over the next five to ten years.

25 Provisions

Accounting Policy / Kaupapahere Kaute

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
(a) Current provisions				
Landfill aftercare provision	2,776	1,832	2,776	1,832
Building related claims provision	1,623	1,240	1,623	1,240
Holiday pay	5,156	-	5,156	-
Other	-	-	4,140	4,324
	<u>9,555</u>	<u>3,072</u>	<u>13,695</u>	<u>7,396</u>
(b) Non-current provisions				
Landfill aftercare provision	19,517	19,712	19,517	19,712
Building related claims provision	6,493	4,958	6,493	4,958
Other	-	-	206	240
	<u>26,010</u>	<u>24,670</u>	<u>26,216</u>	<u>24,910</u>
Total provisions	<u>35,565</u>	<u>27,742</u>	<u>39,911</u>	<u>32,306</u>

25.1 Landfill aftercare

As operator of several closed landfill sites, including Burwood, the Council has a legal obligation to provide ongoing maintenance and monitoring services at these sites after closure. These include:

Closure responsibilities: final cover application and vegetation; incremental drainage control features; completing facilities for leachate collection and monitoring; completing facilities for water quality monitoring; and completing facilities for monitoring and recovery of gas.

Post-closure responsibilities: treatment and monitoring of leachate; ground monitoring and surface monitoring; implementation of remedial measures needed for cover and control systems; and ongoing site maintenance for drainage systems, final cover and vegetation.

Closed landfills

The liability has been estimated, based on a monitoring period of 35 years. The estimated cost for all closed landfills, including the Burwood landfill is \$20.9 million (2020: \$17.0 million). The discount rate used to calculate this provision is 2.68 per cent for Burwood landfill and 3.20 per cent for other closed landfills (2020: 0.88 per cent). The variable discount rates (risk free spot rate) reflects the different time periods that the provision covers 19 and 30 years respectively.

The Council participates in the regional waste disposal joint venture run by Transwaste through its Kate Valley landfill site. This site has been granted resource consent for 35 years from the opening date of June 2005. The Council's ownership share of Transwaste is 38.9 per cent.

The provision is calculated based on the estimated amount required by the Council to meet its obligations for all equipment, facilities and services (these estimated amounts are based on costs of closure of similar landfills by other local authorities with an allowance for inflation), the estimated costs have been discounted to their present value using a discount rate based on the risk free spot rates, the estimated length of time needed for post-closure care is 35 years, the Council's legal obligation to provide ongoing maintenance and monitoring services for the closed landfill sites of the former amalgamating authorities.

The estimated future costs of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for closure and post-closure treatment.

25.2 Building related claims

A provision has been recognised for the estimated cost of known weather tight and other building related claims currently outstanding. This includes those claims that are being actively managed by the Council as well as claims lodged with Council, WHRS and the High Court, but not yet being actively managed.

The provision is calculated based on the number of known claims, the average actual settlement costs and the average actual claims settled per year.

25.3 Other provisions

Other provisions include plant maintenance and other small provisions.

	Parent				Group				
	Landfill	Building	Holiday	Total	Landfill	Building	Holiday	Total	
	aftercare	related	Pay		aftercare	related	Pay		Other
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000		
Balance at 1 July 2019	16,688	6,008	-	22,696	16,688	6,008	-	2,315	25,011
Additional provisions made	6,323	1,111	-	7,434	6,323	1,111	-	4,336	11,770
Amounts used	(1,467)	(921)	-	(2,388)	(1,467)	(921)	-	(1,339)	(3,727)
Unused amounts reversed	-	-	-	-	-	-	-	(748)	(748)
Balance at 30 June 2020	21,544	6,198	-	27,742	21,544	6,198	-	4,564	32,306
Additional provisions made	1,788	4,086	5,156	11,030	1,788	4,086	5,156	3,485	14,515
Amounts used	(1,039)	(2,168)	-	(3,207)	(1,039)	(2,168)	-	(3,584)	(6,791)
Unused amounts reversed	-	-	-	-	-	-	-	(119)	(119)
Balance at 30 June 2021	22,293	8,116	5,156	35,565	22,293	8,116	5,156	4,346	39,911

26 Other liabilities

26.1 Income in advance

Commentary / Korerotanga

The Parent's revenue in advance includes prepaid rates of \$8.8 million (2020: \$7.7 million), prepaid building inspections of \$6.2 million (2020: \$6.6 million), Christchurch Housing Initiative \$1.7 million (2020: \$1.9 million).

26.2 Service concession liability

Commentary / Korerotanga

The Parent's service concession arrangement relates to the Material Recovery Facility. Refer to note 12 for the details of the arrangement including the amount of service concession assets and liabilities recognised by the Parent.

		Parent		Group
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
(a) Other current liabilities				
Income in advance	23,666	20,712	34,655	33,669
Service concession agreement	11 735	735	-	-
Other	-	-	8,175	-
	<u>24,401</u>	<u>21,447</u>	<u>42,830</u>	<u>33,669</u>
(b) Other Non-current liabilities				
Income in advance	-	-	2,769	2,054
Lease incentive liability	-	-	-	1,066
Service concession agreement	11 1,165	1,901	-	-
Other	-	-	1,784	625
	<u>1,165</u>	<u>1,901</u>	<u>4,553</u>	<u>3,745</u>
Total other liabilities	<u>25,566</u>	<u>23,348</u>	<u>47,383</u>	<u>37,414</u>
Income in advance				
Income in advance from non-exchange transactions:				
Grants and other revenue subject to condition	1,746	2,806	1,846	4,152
Advanced receipts	15,790	11,436	15,790	11,505
	<u>17,536</u>	<u>14,242</u>	<u>17,636</u>	<u>15,657</u>
Income in advance from exchange transactions	6,130	6,470	17,636	20,066
Total income in advance	<u>23,666</u>	<u>20,712</u>	<u>35,272</u>	<u>35,723</u>

27 Contingent liabilities and assets

		Parent		Group
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Contingent liabilities				
Performance bonds	-	-	18,142	28,393
Uncalled capital in LGFA	1,660	1,660	1,660	1,660
Uncalled capital in CCHL	1,500,139	1,500,139	-	-
Uncalled capital in Civic Building Ltd	10,000	10,000	-	-
Uncalled capital in Transwaste Canterbury Ltd	1,556	1,556	951	951
Other professional indemnity claims	-	-	-	533
Christchurch Symphony Orchestra guarantee	200	200	200	200
Legal disputes	22,600	21,800	22,600	21,800
Total contingent liabilities	<u>1,536,155</u>	<u>1,535,355</u>	<u>43,553</u>	<u>53,537</u>
Contingent assets				
Otautahi Community Housing Trust	41,513	41,866	41,513	41,866
Deferred tax - Venues Ōtautahi	-	-	3,220	3,220
Total contingent assets	<u>41,513</u>	<u>41,866</u>	<u>44,733</u>	<u>45,086</u>

27.1 Contingencies

New Zealand Local Government Funding Agency

The Council is a shareholder of LGFA. LGFA was incorporated in December 2011 for the purpose of providing debt funding to local authorities in New Zealand and it has a credit rating from Standard and Poor's of AA+.

The Council is one of 30 local government shareholders of LGFA (2020: 30), the other shareholder is the Crown. It has uncalled capital of \$1.66 million. When aggregated with the uncalled capital of other shareholders, \$20.0 million is available in the event that an imminent default is identified. Also together with the other shareholders, the Council is a guarantor of all of LGFA's borrowings. At 30 June 2021, LGFA had borrowings totalling \$13.6 billion (2020: \$11.9 billion).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- we are not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Associate contingencies

The Council's share of the contingencies of associates is \$5.5 million (2020: \$5.5 million). The contingencies relate to bonds with Transwaste's bankers in terms of resource consents granted to Transwaste. It is anticipated that no material liabilities will arise.

Current legal proceedings

There are current legal proceedings against the Council for twenty-nine specific issues and the potential for claims in seven others. The amounts claimed in some proceedings and issues raised in respect of Council decisions in other proceedings are disputed.

Included in Council's current legal proceedings are proceedings on a number of building related matters. These matters span a variety of buildings and situations including earthquake related circumstances.

While every effort is made to calibrate Council response to the situation, the Council may have further liability which it has not yet been made aware of. For further detail on the Council's provisioning for building related claims see note 25.

Suspensory loan

In 2006 the Council entered into an agreement with the Housing New Zealand Corporation (HNZ) to borrow \$2.4 million from HNZ's Local Government Housing Fund. The loan is for a term of 20 years at 0 per cent interest from the date of drawdown (2008) and will cease to be repayable at the end of the term. The loan has a number of conditions which if not met require it to be repaid.

The Council considers that it will continue to meet the conditions of the loan and as such has not recognised a liability. Should Council fail to continue to meet the conditions of the loan it will need to repay the \$2.4 million plus interest for the remaining term.

Christchurch Symphony Orchestra Guarantee

The Council has guaranteed a \$200,000 bank overdraft for the Christchurch Symphony Orchestra.

27.2 Contingent liabilities

Commentary / Korerotanga

The Parent has assessed its exposure to general building consent issues and has determined that the amount of any exposure is unquantifiable to be recognised as a provision.

The Parent is addressing payroll system non-compliance issues relating to the Holidays Act 2003 to ensure all current and former Council staff receive their correct leave entitlements. The Parent made payments or provided for costs for current and former staff up to the period of 31 December 2019. These assessments have been approved by MBIE. For the period up to 30 June 2021 a provision based on the results of the Phase 1 calculation methodology has been made. Until Phase 2 is complete, which includes the finalisation of the upgrade to the payroll system to incorporate the methodology changes, there remains a small chance that the amount of provision for historical holiday pay entitlements will change.

The following contingent liabilities exist in respect of contract performance bonds:

- CCHL \$5 million (2020: \$15 million);

- City Care \$11.2 million (2020: 11.3 million);
- RBL Property \$0.1 million (2020: \$0.1 million); and
- Orion \$1.8 million (2020: \$2.1 million)

CCHL

CCHL entered into a \$50 million performance bond with ANZ bank in June 2011 in support of ESL’s obligation under the UFB initiative. The amount of the bond decreased down to \$25 million as at 1 July 2018, and terminates in 2022. None of the above companies expect to have these contingent liabilities called upon by external parties and hence no provision has been made.

Enable Group

The Enable group had provided a guarantee of CIP’s loan to CCHL, which amounted to \$160 million in the comparative year. The loan was repaid in full in May 2021 therefore releasing Enable from the Guarantee.

The Enable group is currently involved in a dispute with one of its contractors

Orion New Zealand Ltd

On 13 February 2017, two fires started on the Port Hills near Christchurch and eventually spread to over 1,600 hectares. On 30 January 2018, Fire and Emergency New Zealand released its independent reports into the causes of the fires, with an official ‘undetermined’ cause for both fires, but it believes that both were deliberately lit and it will only investigate further if new evidence comes to light.

IAG Insurance, on behalf of a number of its clients, filed a statement of claim in the High Court with two key claims that Orion’s electricity network caused the first fire on Early Valley Road that in turn caused \$4.6m of losses for its clients. The trial started in August 2020 and on 15 September 2020 Orion reached a confidential commercial settlement with IAG on behalf of its insured customers that brought to an end the High Court proceeding against it in relation to the Port Hills fires. The settlement was without any admission of liability by Orion.

Over the last two years other parties have indicated they may claim losses from the Port Hills fires from Orion. To date, none of these claims have progressed to formal proceedings.

Development Christchurch Ltd

In relation to the Port Hills fires discussed above, Leisure Investments NZ Limited Partnership (LINZ), in which DCL owns an equity stake, is appealing a March 2021 High Court ruling that it had unwittingly helped spread the wildfires with its chairlift and must pay \$12m in damages to affected home owners.

LINZ’s current assessment of the possible outcomes under the appeal are as follows:

	Best Case	Neutral	Worst Case
Appeal Outcome	All findings of liability in nuisance, negligence and under section 43 of the Forest and Rural Fires Act are overturned.	The appeal is unsuccessful in all respects.	The appeal is successful in relation to nuisance and negligence, but not in relation to section 43 of the Forest and Rural Fires Act.
Implications for LINZ	No liability on LINZ, endorsement of its actions, but with risk of further appeal by the plaintiffs.	Additional interest of c.\$500k will accrue during this period leaving an expected total shortfall to be funded by LINZ of c.\$4 million.	LINZ’s insurance liability cover reduces from \$10 million to \$3 million, additional interest of c.\$500k accrues. LINZ’s liability in this instance increases to c.\$11 million when the appeal is resolved.

The LINZ directors continue to work with LINZ’s insurer QBE, and with the legal team leading the appeal to the Court of Appeal. QBE and LINZ have received legal advice on this litigation. That advice is confidential and subject to legal privilege and therefore cannot be disclosed.

The LINZ directors consider that if the appeal succeeds in respect of negligence and nuisance, there is also a good prospect of success in respect to section 43 and of overturning the judgment. On balance, the LINZ directors believe that there is a good prospect of overturning the judgment in its entirety.

The CCHL Board believe it is more likely than not that the appeal will be successful.

For the purposes of the Group financial statements, the current position has been reflected as a contingent liability until such time as greater clarity has been obtained.

National Provident Defined Benefit Scheme

Some members of the Group are participating employers in the National Provident Defined Benefit Scheme (the scheme) which is a multi-employer defined benefit plan. In the unlikely event that the other participating employers ceased to participate in the scheme, the Group could be responsible for the entire deficit of the scheme. Similarly, if a number of employers ceased to participate in the scheme, the Group could be responsible for an increased share of the deficit. Because it is not possible to determine the extent to which any deficit will affect future contributions by employers, the Group participation in the Scheme is accounted for as if it were a defined contribution plan.

27.3 Contingent assets*Commentary / Korerotanga*

The Parent has entered into a loan agreement with OCHT that if OCHT was to be wound up, the Council is entitled to full repayment of the loan \$45 million loan in cash or other assets.

The 2019, 2020 and 2021 accounts of Venues Ōtautahi Limited (formerly Vbase Limited) exclude a 2018 tax return deduction of approximately \$11.5 million in relation to a land lease surrendered to Council during the 2018 financial year. At the time this report was adopted the tax return is waiting to be assessed and it is unclear whether the deduction meets the probability threshold for financial reporting purposes. Venues Ōtautahi Limited (formerly Vbase Limited) has not been recognised in the calculation of the tax balances of the Company. If the tax impact of the intangible asset were to be recognised there would be an increase in the deferred tax asset and a decrease in tax expense of \$3.22 million.

EcoCentral have signed a deed of funding to receive \$16.8m funding from Ministry for the Environment for a Materials Recycling Facility upgrade however there has not yet been a commitment with the supplier to go ahead with the project.

28 Cash flow reconciliations

28.1 Reconciliation of surplus for the period to net cash flows from operating activities

	Parent		Group	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
	\$000	\$000	\$000	\$000
Surplus for the period	95,555	149,118	147,588	172,664
Add/(less) non-cash items				
Depreciation and amortisation	276,783	244,744	427,174	397,238
Vested assets	(69,710)	(96,031)	(70,546)	(97,190)
Impairment (gains)/losses	-	-	9,687	112,767
(Gains)/losses in fair value of investment property and assets held for sale	-	-	(46,451)	(13,481)
(Gains)/losses in fair value of derivative financial instruments	408	2,160	304	2,175
Share of associates' (surplus)/deficit (less dividends)	-	-	3,537	1,557
Net foreign exchange (gains)/losses	-	-	3	14
Deferred tax charged/(credited) to surplus	279	(1,924)	11,903	(64,437)
(Gains)/losses in fair value of Investments	(80)	17,852	(2,810)	(3,973)
Non-cash loss on sale of property, plant and equipment	-	20,061	-	20,061
Non-cash asset acquisition	-	-	-	3,431
Other non cash movements	(134)	(590)	1,445	9,274
Net changes in non-cash items	207,546	186,272	334,246	367,435
Add/(less) items classified as investing or financing activities				
(Gain)/loss on disposal of non-current assets	20,723	12,802	19,723	13,941
Movement in capital creditors	10,020	(16,857)	22,589	(10,274)
Recognition of service concession arrangement	(736)	(736)	(736)	(736)
Other	-	-	2,442	2,193
Net changes in investing/financing activities	30,007	(4,791)	44,018	5,124
Add/(less) movement in working capital items				
Receivable and prepayment	27,038	(10,299)	14,914	(1,734)
Inventories	189	(125)	(1,197)	(5,984)
Other assets	-	-	(1,202)	(633)
Payables	(28,155)	(18,273)	(39,810)	(22,490)
Provisions and employee entitlements	7,687	4,935	3,383	10,930
Income tax receivable/(payable)	1,740	(1,725)	(347)	(8,108)
Other liabilities	2,954	798	9,626	1,824
Operational Assets from Discontinued Operations	-	-	-	1,151
Net changes in net assets and liabilities	11,453	(24,689)	(14,633)	(25,044)
Net cash from operating activities	344,561	305,910	511,219	520,179

28.2 Reconciliation of movement in financial liabilities to net cash flows from financing activities

Changes to the PBE IPSAS 2 – Cash Flows accounting standard introduced the reconciliation of movement in financial liabilities to net cash flows from financing activities from 2021. The prior year information (2020) is also included in line with the requirements for the adoption of the standard.

	Liabilities				Equity		Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends	
Parent 30 Jun 21	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance	1,924,549	-	93,875	323,509	-	-	2,341,933
Add/(less) cash items liabilities arising from financing activities							
Cash inflows	445,500	-	-	-	-	-	445,500
Cash outflows	(408,964)	-	(1,913)	-	-	-	(410,877)
Net cash from liabilities arising from financing activities	36,536	-	(1,913)	-	-	-	34,623
Add/(less) non-cash items							
Cash flow hedges gain/(loss)	-	-	-	(130,085)	-	-	(130,084)
Cash flow hedges ineffectiveness	-	-	-	(6,377)	-	-	(6,377)
Derecognition of cash flow hedges	-	-	-	6,785	-	-	6,785
Other	(1)	-	-	(1)	-	-	(2)
Net changes in non-cash items	(1)	-	-	(129,678)	-	-	(129,678)
Less equity items							
Net changes in equity items	-	-	-	-	-	-	-
Total borrowings and other financial liabilities	1,961,084	-	91,962	193,831	-	-	2,246,878

Parent	Liabilities				Equity		Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends	
30 Jun 20	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance	1,785,902	4,539	96,432	249,692	-	-	2,136,565
Add/(less) cash items liabilities arising from financing activities							
Cash inflows	406,665	-	-	-	-	-	406,665
Cash outflows	(268,018)	(4,539)	(2,557)	-	-	-	(275,114)
Net cash from liabilities arising from financing activities	138,647	(4,539)	(2,557)	-	-	-	131,551
Add/(less) non-cash items							
Cash flow hedges gain/(loss)	-	-	-	71,657	-	-	71,656
Cash flow hedges ineffectiveness	-	-	-	(796)	-	-	(796)
Derecognition of cash flow hedges	-	-	-	2,956	-	-	2,956
Net changes in non-cash items	-	-	-	73,817	-	-	73,816
Less equity items							
Net changes in equity items	-	-	-	-	-	-	-
Total borrowings and other financial liabilities	1,924,549	-	93,875	323,509	-	-	2,341,933

	Liabilities				Equity		Total \$000
	Borrowings from external parties \$000	Borrowings from group entities \$000	Finance lease liabilities \$000	Derivative instruments - liability \$000	Share purchases \$000	Dividends \$000	
Group 30 Jun 21							
Opening balance	3,396,523	-	125,420	441,327	-	-	3,963,270
Add/(less) cash items liabilities arising from financing activities							
Cash inflows	1,095,650	-	-	-	-	-	1,095,650
Cash outflows	(985,267)	-	(4,706)	-	-	(3,218)	(993,191)
Net cash from liabilities arising from financing activities	110,383	-	(4,706)	-	-	(3,218)	102,459
Add/(less) non-cash items							
Cash flow hedges gain/(loss)	-	-	-	(182,473)	-	-	(182,473)
Cash flow hedges ineffectiveness	-	-	-	(8,058)	-	-	(8,058)
Fair value hedges ineffectiveness	(4,697)	-	188	(1,780)	-	-	(6,289)
Derecognition of cash flow hedges	-	-	-	6,785	-	-	6,785
IFRS 16 to PBE conversion	-	-	(67,098)	-	-	-	(67,098)
New leases	-	-	6,025	-	-	-	6,025
Right of use asset valuation	-	-	-	-	-	-	-
Fair value of concessionary loans	6,024	-	-	-	-	-	6,024
Other	(2,455)	-	(1,077)	(2)	-	-	(3,534)
Net changes in non-cash items	(1,128)	-	(61,962)	(185,528)	-	-	(248,618)
Less equity items							
Dividends paid - non controlling interests	-	-	-	-	-	3,218	3,218
Net changes in equity items	-	-	-	-	-	3,218	3,218
Total borrowings and other financial liabilities	3,505,778	-	58,752	255,799	-	-	3,820,329

Group 30 Jun 20	Liabilities				Equity		Total \$000
	Borrowings from external parties \$000	Borrowings from group entities \$000	Finance lease liabilities \$000	Derivative instruments - liability \$000	Share purchases \$000	Dividends \$000	
Opening balance	3,079,753	-	59,359	321,908	-	-	3,461,020
Add/(less) cash items liabilities arising from financing activities							
Cash inflows	721,656	-	-	-	-	-	721,656
Cash outflows	(513,234)	-	(1,787)	-	-	(15,403)	(530,424)
Net cash from liabilities arising from financing activities	208,422	-	(1,787)	-	-	(15,403)	191,232
Add/(less) non-cash items							
Cash flow hedges gain/(loss)	-	-	-	71,657	-	-	71,657
Cash flow hedges ineffectiveness	-	-	-	44,809	-	-	44,809
Fair value hedges ineffectiveness	2,902	-	-	12	-	-	2,914
Derecognition of cash flow hedges	-	-	-	2,941	-	-	2,941
IFRS 16 adoption reversal	-	-	(3,947)	-	-	-	(3,947)
New leases	-	-	5,795	-	-	-	5,795
Crown Infrastructure Partners loan	5,577	-	-	-	-	-	5,577
Other	99,865	-	63	-	-	-	99,928
Net changes in non-cash items	108,344	-	1,911	119,419	-	-	229,674
Less equity items							
Dividends paid - non controlling interests	-	-	-	-	-	15,403	15,403
Net changes in equity items	-	-	-	-	-	15,403	15,403
Total borrowings and other financial liabilities	3,396,519	-	59,483	441,327	-	-	3,897,330

29 Related parties

Accounting Policy / Kaupapahere Kaute

Council is the ultimate parent of the Group. Details of subsidiaries and associates over which Council has significant influence, are set out on in the Group structure and Council Controlled Organisations section of the Annual Report.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Council and Group would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

The Council provides grants and operational funding to a number of group entities and entities or organisations where the Mayor, Councillors or Executive Leadership Team are members of the organisations or their governing bodies. Such funding is agreed by Council on the same basis as other organisations with no such direct links.

Related Party Transactions required to be disclosed include provision of services, grants, non-standard commercial contracts and intercompany taxation activity.

29.1 Provision of accounting / administration services

The Council provided accounting, administrative and IT services to the group entities outlined below. The Council does not provide such services to non-group entities.

Group entity	2021		2020	
	Services to CCOs	30 June Balance	Services to CCOs	30 June Balance
	\$000	\$000	\$000	\$000
CCHL	66	6	478	28
CBL	20	-	20	-
CAfE	-	-	8	-
RBT	35	-	37	-
Venues Otautahi	12	-	1,926	33

29.2 Grants

The Council has provided a number of grants/subsidies to the group entities, and some of these are considered non-arm's length transactions. These grants are outlined in the table below

Group entity	2021 \$000	2020 \$000	Reason for non-arm's length
RBT	532	450	In accordance with the Riccarton Bush Act
Regenerate	158	1,000	Non-contestable funding
CNZ - Seed Fund	750	950	Non-contestable funding
Venues Otautahi	2,500	-	Non-contestable funding

No balances were outstanding at year end (2020: nil).

Other commercial contracts

The Council has a contract with EcoCentral for waste collection and management. This contract was not tendered. In 2020/21 the Council paid \$13.2 million (2020: \$13.5 million) to EcoCentral and at year end \$0.8 million (2020: \$1.9 million) was outstanding.

Subventions

The final Council tax position for the 2020 tax year resulted in Council transferring losses of \$5.7 million (2019 tax year: \$10.5 million) and receiving a payment of \$2.2 million (2019 tax year: \$4.1 million).

The total amount of tax losses transferred between group companies was \$10.0 million (2019 tax year: \$18.7 million).

30 Major budget variations (Parent only)

Statement of comprehensive revenue and expense

For the year ended 30 June 2021

Total revenue	\$131 million higher than budget arising from:	
Subsidies and grants	\$42 million higher than budget	mainly due to the three waters reform grants and NZTA funding and other subsidies.
Development and financial contributions	\$22 million higher than budget	due to higher than expected subdivision volume.
	Other revenues comprising:	
Vested assets	\$14 million higher than budget	due to increased building activity from new subdivisions
Dividend revenues	\$15 million higher than budget	due to better than expected performance by CCHL
Fees from building services and resource consents	\$9.5 million higher than budget	due to the increase in consent volumes
Recoveries from Burwood Resource Recovery Park	\$4.0 million higher than budget	due to staying open longer than planned
Recreation and sports, operating revenues	\$3.2 million higher than budget	due to strong initial demand in the opening of He Puna Taimoana New Brighton Hot Pools
Land and property information revenue	\$3.2 million higher than budget	due to a strong property sales market
Subventions	\$2.2 million higher than budget	due to the expected COVID-19 financial impact on Council subsidiaries
Sundry revenue	\$15 million higher than budget	Sundry revenue (including licencing fees, sales and commissions) were higher than budget
Total expenses	are \$27 million higher than budget arising from:	
Net (gains)/losses	\$21 million unbudgeted	relating to loss on disposal of PPE and assets held for sale, and fair value adjustments for financial instruments.
Depreciation and amortisation	\$6 million higher than budget	was a direct result from the increase in value of three waters assets in 2020.
	Total other comprehensive revenue and expenses comprising:	
Asset revaluations	\$168 million higher than budget	Actual revaluation gains of land and building assets are \$168 million higher than budget.
Subsidiary valuations	\$312 million unbudgeted	valuations subject to market conditions existing at balance date
Derivatives	\$130 million unbudgeted	valuations subject to market conditions existing at balance date

Statement of financial position

As at 30 June 2021

Total assets	are \$602 million higher than budget explained by:	
Cash and cash equivalents	\$97 million higher than budget	due to pre-funding before debt repayments to take advantage of lower interest rates.
Investments and other financial assets	\$362 million higher than budget	due to a combination of revaluation increases and additional investments made during the year.
Property, plant and equipment and intangible assets	\$152 million higher than budget	mainly due to the annual plan understating the 2021 revaluation forecast movement. The valuation increase is primarily due to the ongoing market demand for land and housing in the current year.
Accounts receivables	\$17 million lower than budget	which is aligned to the recovery of postponed rates payments permitted by Council due to COVID-19.
Changes to tax assets	\$4 million unbudgeted	due to imputation credits attached to dividends
Total liabilities	Total liabilities are \$107 million lower than budget explained by:	
Borrowing	\$197 million lower than budget	due to the under delivery of the Canterbury Multi-Use Arena there was less borrowing
Other liabilities	\$24 million higher than budget	mainly due to unbudgeted income in advance for prepaid inspections, Christchurch housing initiative grant, and prepaid rates by ratepayers.
Payables	\$21 million lower than budget	due to timing of invoicing and payment.
Provisions	\$15 million higher than budget	mainly due to unplanned changes to the building related claims provision and increases in landfill aftercare provision.
Employee entitlements	\$2 million lower than budget	due to a drop in staff costs.

31 Remuneration

Accounting Policy / Kaupapahere Kaute

Section 31 of Schedule 8 of the Local Government Act 202 requires the disclosure of the remuneration of the mayor, chairpersons, members and chief executive of local authorities. The Chief Executive Officer of the Council is appointed in accordance with section 42 of the Local Government Act 2002.

31.1 Chief Executive

Accounting Policy / Kaupapahere Kaute

The Chief Executive Officer of the Council is appointed in accordance with section 42 of the Local Government Act 2002.

The total cost to the Council of the remuneration package paid or payable to the Chief Executive, as per the above, for the year to 30 June 2021 was:

	30 Jun 21	30 Jun 20
Dawn Baxendale	466,235	370,259

Commentary / Korerotanga

During the year, the Chief Executive of the Parent, Dawn Baxendale, chose to take a 10 % reduction in salary in light of the COVID-19 pandemic. The reduction is included in the \$466,235 noted above.

The 2020 information includes Dawn Baxendale \$370,259 for the period 10 October 2019 to 30 June 2020 and Mary Richardson \$85,107 as Acting Chief Executive from 1 July 2019 to 9 October 2019.

31.2 Key management personnel

Accounting Policy / Kaupapahere Kaute

Key management personnel includes that of the Mayor, Councillors and Executive Leadership Team of the Council.

	30 Jun 21	30 Jun 20
	\$000	\$000
Key management personnel compensation		
Salaries and other short term benefits	4,665	4,358
Total	4,665	4,358

Commentary / Korerotanga

The remuneration details of the Chief Executive, Mayor and Councillors are set out in notes 31.1 and 31.4. Key management personnel represent 22 full time equivalents (2020: 24).

During the year, the Council restructured top management positions reducing the number of General Manager positions from six (6) to four (4). The table above includes the costs of staff acting in roles during periods of transition for new personnel and restructuring costs are also incurred.

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

31.3 Cost of severance payments

Accounting Policy / Kaupapahere Kaute

Section 33 of Schedule 10 of the Local Government Act 2002 requires the disclosure of the number of employees who received severance payments during the year, and the amount of each severance payment made as defined under the legislation.

Commentary / Korerotanga

For the year ended 30 June 2021 the Council made eight (8) severance payments as follows, \$140,538, \$25,000, \$18,493, \$12,661, \$10,214, \$8,500, \$2,500 and \$1,500.

This compares with the year ended 30 June 2020 the Council made four (4) severance payments totalling \$19,926, \$3,583, \$6,203, and \$1,000.

31.4 Elected members - Council**Accounting Policy / Kaupapahere Kaute**

The Remuneration Authority determines the remuneration, allowances and expenses payable to mayors, deputy mayors, members of local authorities plus chairpersons and members of community boards. Refer Schedule 7 of the Local Government Act 2002.

	30 Jun 21	30 Jun 21	30 Jun 21	30 Jun 20	30 Jun 20	30 Jun 20
	Council	Directors	Total	Council	Directors	Total
	Remuneration	Fees	Total	Remuneration	Fees	Total
	\$	\$	\$	\$	\$	\$
Lianne Dalziel	187,688	-	187,688	202,121	-	202,121
Andrew Turner	127,969	-	127,969	131,596	-	131,596
Vicki Buck	-	-	-	35,444	-	35,444
Jimmy Chen	112,281	-	112,281	114,460	-	114,460
Catherine Chu	114,134	-	114,134	79,016	-	79,016
Phil Clearwater	-	-	-	35,444	-	35,444
Melanie Coker	111,357	-	111,357	79,376	-	79,376
Pauline Cotter	111,277	-	111,277	114,460	-	114,460
James Daniels	111,277	-	111,277	79,016	-	79,016
Mike Davidson	111,277	-	111,277	114,460	-	114,460
David East	-	-	-	35,764	-	35,764
Anne Galloway	111,277	-	111,277	114,460	-	114,460
James Gough	113,783	-	113,783	114,460	-	114,460
Yani Johanson	111,277	-	111,277	114,460	-	114,460
Aaron Keown	111,277	-	111,277	114,460	-	114,460
Glenn Livingstone	-	-	-	35,444	23,400	58,844
Sam MacDonald	112,184	-	112,184	79,016	-	79,016
Raf Manji	-	-	-	35,444	-	35,444
Phil Mauger	111,277	-	111,277	79,016	14,040	93,056
Jake McLellan-						
Dowling	111,277	-	111,277	79,016	-	79,016
Tim Scandrett	111,277	-	111,277	114,460	-	114,460
Deon Swiggs	-	-	-	35,444	-	35,444
Sara Templeton	111,277	-	111,277	114,460	-	114,460
Total	1,992,166	-	1,992,166	2,051,294	37,440	2,088,734

Commentary / Korerotanga

Elected member remuneration includes salary and resource consent hearing fees (where applicable) but excludes mileage and other reimbursing allowances. In response to the COVID-19 pandemic, the payments to elected members were reduced by the Remuneration Authority, see Local Government Members (2021/22) Determination 2021.

Councillors who are directors of Christchurch City Holdings Limited and ChristchurchNZ Holdings Limited do not receive directors' fees. Both companies make a charitable donation in lieu of paying director fees directly to Councillors.

Commentary / Korerotanga

The Banks Peninsula Community Board remuneration excludes members travel time allowance of \$4,922.

Board Member remuneration includes salary and resource consent hearing fees (where applicable) but excludes mileage.

See Note 29 Related Parties for detail on transactions between Council and elected members and key management personnel that were not at arm's length.

31.6 Council employees

At balance date, the Council employed 2,684 (2020: 2,783) staff members. These comprised 1,756 (2020: 1,782) full time employees with the balance of employees representing 391 (2020: 407) full-time equivalent employees. An employee is a full-time employee if they normally work 37.5 hours or more per working week.

The tables below provide the total annual remuneration by band for employees at 30 June. Total remuneration also includes non-financial benefits such as superannuation benefits provided to employees.

	30 Jun 21		30 Jun 20
Less than \$60,000	1,087	Less than \$60,000	1,159
\$60,000 - \$79,999	579	\$60,000 - \$79,999	600
\$80,000 - \$99,999	434	\$80,000 - \$99,999	431
\$100,000 - \$119,999	317	\$100,000 - \$119,999	328
\$120,000 - \$139,999	175	\$120,000 - \$139,999	162
\$140,000 - \$159,999	55	\$140,000 - \$159,999	61
\$160,000 - \$179,999	13	\$160,000 - \$179,999	17
\$180,000 - \$199,999	10	\$180,000 - \$199,999	11
\$200,000 - \$219,999	8	\$200,000 - \$219,999	8
\$220,000 - \$479,999	6	\$220,000 - \$519,999	6
Total employees	2,684	Total employees	2,783

Commentary / Korerotanga

Overall the number of employees of the Parent fell by 99 or 4%.

32 Capital management

The Council's capital (equity or ratepayer's funds), comprises retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Intergenerational equity

The Council's objective is to manage the balance between rating (for funds) and borrowing to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets but does not expect them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for the renewal and maintenance programmes of major classes of assets to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its LTP and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and level of funding are set out in the funding and financial policies of the Long Term Plan.

33 Legislative requirements

33.1 Council Controlled Organisations (CCOs)

The Local Government Act 2002 requires CCOs to submit their half year accounts and an SOI to their Boards and to their shareholders within specified timeframes.

For the 2020/21 financial year most of the Council's CCOs submitted their half year accounts and SOIs within the specified timeframes as set out in the legislation. The following CCOs fails to meet these deadlines.

- Development Christchurch Limited's audited Financial Statements and Annual Report for the year ended 30 June 2020 were not prepared within the statutory time frame.
- The 2021/22 Statements of Intent for CMUA Project Delivery Limited and Central Plains Water Trust were not prepared within the statutory timeframe.

34 Subsequent events

34.1 COVID-19 "Delta" Variant

New Zealand returned to Alert Level 4 in August 2021 with a number of community cases from the "Delta" variant of COVID-19 introduced from New South Wales. The valuations prepared as at 30 June 2021 contained references to valuation uncertainty in light of COVID-19 generally and there remains significant pressure on the robustness of assumptions contained in the valuations.

The valuers of land and buildings and the Council's subsidiaries have both confirmed that the valuations provided as at 30 June 2021 remain valid despite the move to Level 4 in August 2021.

35 COVID-19 Disclosure

Due to the unique circumstances that have faced New Zealand (and the world) over the past 18 months, the Council Group has continued to recover from COVID-19 and contribute to the city's economic and social recovery. Whilst the impact of COVID-19 on some of CCHL's trading entities has been significant, the wider Council Group holds a diverse group of key infrastructure assets and has the ability to balance the challenges of some of the entities in the short term, with others that have not been as adversely impacted. As Council provides a wide range of services and facilities to residents, due to the nature of these services, there have been no noticeable impacts to service delivery results due to COVID-19 lockdown.

The financial statements presented in this report include the direct and indirect impact from the changes in alert levels due to the global coronavirus pandemic (COVID-19). The Council and its subsidiaries continued to be impacted to varying degrees both financially and non-financially due to on-going supply chain constraints, increased costs and border closures.

There has been no change to the Council's short and long term credit rating from Standards and Poors.

Valuation uncertainty

Independent valuers have carried out valuations on behalf of Council and its subsidiaries by applying assumptions regarding the continuing impacts of COVID-19 based on information available as at 30 June 2021 in particular future cash flows, future growth rates and capitalisation rates. Given the circumstances, the investment property valuations as at 30 June 2021 have once again been prepared on the basis of 'material valuation uncertainty'.

The valuation of the Council's subsidiaries relies upon the underlying investment property valuations with subsidiaries and therefore this valuation also includes a level of uncertainty. The independent valuers have advised, and Council concurs, that due to COVID-19 less certainty should be attached to the investment property valuations than would normally be the case.

A summary of the COVID-19 impacts are as follows:

35.1 Impact on Parent

Financial Performance

Council recorded a rebound in activity within its sports and recreation facilities and building consenting remained at an elevated level. Dividend revenue from its investment in CCHL increased over the previous year. Provision for expected credit loss from its exposure to community loans and other debtors arising from COVID-19 decreased due to confidence in economy. Commercial rents charged to commercial tenants returned to normal.

Financial Position

Council's decision to extend payment terms for Instalment 4 of 2019/20 and Instalment 1 of 2020/21 resulted in a temporary increase in rates debtors and has since reversed. The value of property plant and equipment and investments continue to be caveated with valuation uncertainty. This affects the capitalisation rates of future cashflows and therefore the potential value of assets and liabilities.

Non-Financial Performance

As with its financial performance, service performance measure rebounded in the 2020/21 year

35.2 Impact on Group**Orion NZ Ltd (Orion)**

Orion business activity during Levels 3 and 4 was restricted to emergency works response, some essential preventative maintenance and high priority capital work. Most of their staff were working from home. During Level 2, most of Orion's business activity resumed with the required health and safety protocols in place and the staff returned to their usual place of work. Level 1 predominantly saw a return to pre COVID-19 activity. Overall as the Level 3 and 4 lockdowns were of relatively short duration there was minimal impact on the Orion's operational result for 2020/21 and 2019/20 and on the expected result for 2021/22. In 2020/21 Orion made support payments to its two emergency works contractors and also provided rent relief to a contractor. COVID-19 has had minimal impact on Orion's SAIDI and SAIFI measures.

Impact on valuation, Deloitte allowed a specific equity risk premium of 0.5% in its WACC calculation to allow for increased uncertainty in market conditions at the date of valuation.

Christchurch International Airport Ltd (CIAL)

CIAL navigated phase 1 of COVID 19 using a pre-planned philosophy of stakeholder equity where it balances the needs of customers, staff, shareholders and social and economic stakeholders.

CIAL has reported a strong recovery of domestic passenger movements, there remains uncertainty around the timing of the recovery trajectory for international air travel.

Overall, CIAL has moved into a period of recovery, adjusting operational and commercial structures to align to the ongoing uncertainty but also opportunities presented by the pandemic.

Impact on valuations within the CIAL's portfolio includes changes to assumptions on the ongoing impacts of COVID-19 and although not quantified, the valuers acknowledge that the valuations have been prepared on the basis of "significant valuation uncertainty".

Impairment Sensitivity Table	Valuation Movement	Valuation Movement
	Up	Down
	\$000	\$000
	+5.0%	-5.0%
Hotel - Growth rate	817	(801)
	+0.5%	-0.5%
Hotel - Discount rate	(5,860)	6,615

Lyttelton Port Company Ltd (LPC)

LPC has recovered from the initial impact of COVID-19 with revenue exceeding 2019/20. LPC is fully operational other than the cruise element. LPC continues to be impacted by the disruption in global shipping schedules which impacts the efficiency of the port operations.

Enable Services Ltd (Enable)

Enable business activity during Level 4 was restricted to emergency works response, some essential preventative maintenance and high priority capital work. During Level 2, most of Enable's business activity resumed with the required health and safety protocols in place and their staff returned to their usual place of work. Level 1 predominantly saw a return to pre COVID-19 activity.

There has been minimal impact on Enable's operational results for 2019/20 and 2020/21 as the lockdown restrictions implemented remained in place for a relatively short period.

City Care Ltd (Citycare)

There was limited impact on Citycare's operations and financial performance and position for 2020/21.

EcoCentral Ltd (EcoCentral)

During Alert Levels 4 and 3, a number of EcoCentral staff worked remotely, while other staff continued to attend their refuse stations and recycling plant operation. EcoCentral services were limited to essential services, particularly the managing of household and essential commercial refuse. All normal operations were resumed from Level 2.

Changes in Alert Levels results in fluctuations in revenue and expenses in 2020/21 and 2019/20 with some months impacted by 30% compared to previous years.

Development Christchurch Ltd (DCL)

The impact of COVID -19 was the closure of the Christchurch Adventure Park during Level 4 and 3 impacting revenue during this period.

CCHL Group Impact

All identified impacts of COVID-19 have been reflected in the financial statements, and in the relevant note disclosures. The primary area that COVID-19 has impacted on Group is in the estimates and assumptions in respect of the fair value measurement of property, plant and equipment and investment properties.

36 Critical judgements, estimates and assumptions in applying Council’s accounting policies

<p>Parent</p> <p>Preparing financial statements to conform to PBE IPSAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions have been based on historical experience and other factors that are believed to be reasonable under the circumstances. These estimates and assumptions have formed the basis for making judgements about the carrying values of assets and liabilities, where these are not readily apparent from other sources. Actual results may differ from these estimates.</p> <p>Estimates and underlying assumptions are regularly reviewed. Any change to estimates is recognised in the period if the change affects only that period, or in future periods if it also affects future periods.</p> <p>In the process of applying these accounting policies, management has made the following judgements, estimates and assumptions that have had the most significant impact on the amounts recognised in these financial statements:</p> <p>The valuation of the Council’s investments in subsidiary and associated companies at fair value has a material impact on the amounts recognised in these financial statements and involves a significant amount of judgement. Independent valuers are commissioned to perform these valuations on a periodic (currently annually) basis, at intervals sufficient to ensure that the fair value of these investments does not differ materially from their carrying value.</p> <p>The valuation of the Council’s facilities and infrastructural assets at optimum depreciated replacement cost involves a significant amount of judgement in estimating the replacement unit cost, asset condition (for underground assets) and the remaining useful life of the assets. Independent valuers were commissioned to perform the valuation and valuations of these asset classes will continue on a regular basis (currently three yearly) to ensure that the optimum depreciated replacement cost does not differ materially from their carrying value.</p> <p>The non-current provisions note discloses an analysis of Council’s exposure in relation to estimates and uncertainties surrounding the landfill aftercare and building related claims provisions.</p> <p>Management are required to exercise judgement in calculating provisions, assessing the level of unrecoverable work in progress, assessing expected credit loss and calculating provisions for employee benefits.</p> <p>Management of subsidiary companies determine useful lives for particular assets. In making this assessment, they make judgements about the expected length of service potential of the asset, the likelihood of the asset becoming obsolete as a result of technological advances and the likelihood of the company ceasing to use the asset in its business operations.</p> <p>Management of the subsidiary companies assess whether individual assets or groupings of related assets (which generate cash flows co-dependently) are impaired by estimating the future cash flows that those assets are expected to generate. Assumptions such as rates of expected revenue growth or decline, expected future margins and the selection of an appropriate discount rate for discounting future cash flows are required.</p> <p>Management of most of the subsidiary companies use independent valuers to determine the fair value of certain assets. The valuation process requires the use of assumptions and estimates which are based on market conditions at the time. Any changes in market conditions subsequent to balance date will impact future valuations. A movement in fair value of an asset is subsequently recorded within the Statement of Comprehensive Revenue and Expense or other comprehensive revenue and expense depending on asset classification.</p>
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The determination of whether entities which the Council has an interest in are controlled for accounting purposes requires management to exercise judgement to determine whether the nature of the interest and the benefits, rights and obligations which accrue are sufficient for Council to control the entity.

Group

Classification of investment property

CIAL use judgement in identifying which components of property, plant and equipment are to be reclassified as investment property. A key factor for this classification is whether the property is used for aircraft-related activities. The classification has implications as to whether revaluation gains and losses are recognised through net surplus or deficit or through other comprehensive revenue and expense.

Valuation of property, plant and equipment and investment property

Management of most of the subsidiary companies use independent valuers to determine the fair value of certain assets. The valuation process requires the use of assumptions and estimates which are based on market conditions at the time. Any changes in market conditions subsequent to balance date will impact future valuations. A movement in the fair value of an asset is subsequently recorded within the statement of comprehensive income, depending on the asset classification.

The assets of LPC have been deemed as being inextricably linked and are therefore treated as a single cash generating unit (CGU) for valuation and impairment purposes.

Impairment assessments are completed annually on various asset classes. An impairment assessment measures the recoverable amount of an asset based on projections and estimates of future cash flows specifically related to the asset. An impairment charge is recognised for any asset with a carrying value in excess of its recoverable amount.

Valuation of investment in subsidiaries

The total fair value of the Parent investment in subsidiaries is \$3,182m (2020: \$2,928m). Independent experts are appointed each year to value the investments. The valuation relies, in part, on publicly available information, management forecasts and other information provided by the respective management groups in relation to market conditions.

The valuations are based on the prevailing economic, market and other conditions as at 30 June 2021. Uncertainties remain as to the effect of the COVID-19 crisis will have on the subject entities and the broader domestic and global economies.

37 Three Waters Service Delivery

The impact of the three waters reform has been considered and disclosed as part of the Council activities and services summary on part 41 of the Annual report.

Group structure and Council controlled organisations

In order to achieve the Council's objectives it has established or invested in a number of companies and trusts. These organisations are managed independently to deliver significant services including the operation of infrastructure assets or to enable administrative efficiencies to be achieved.

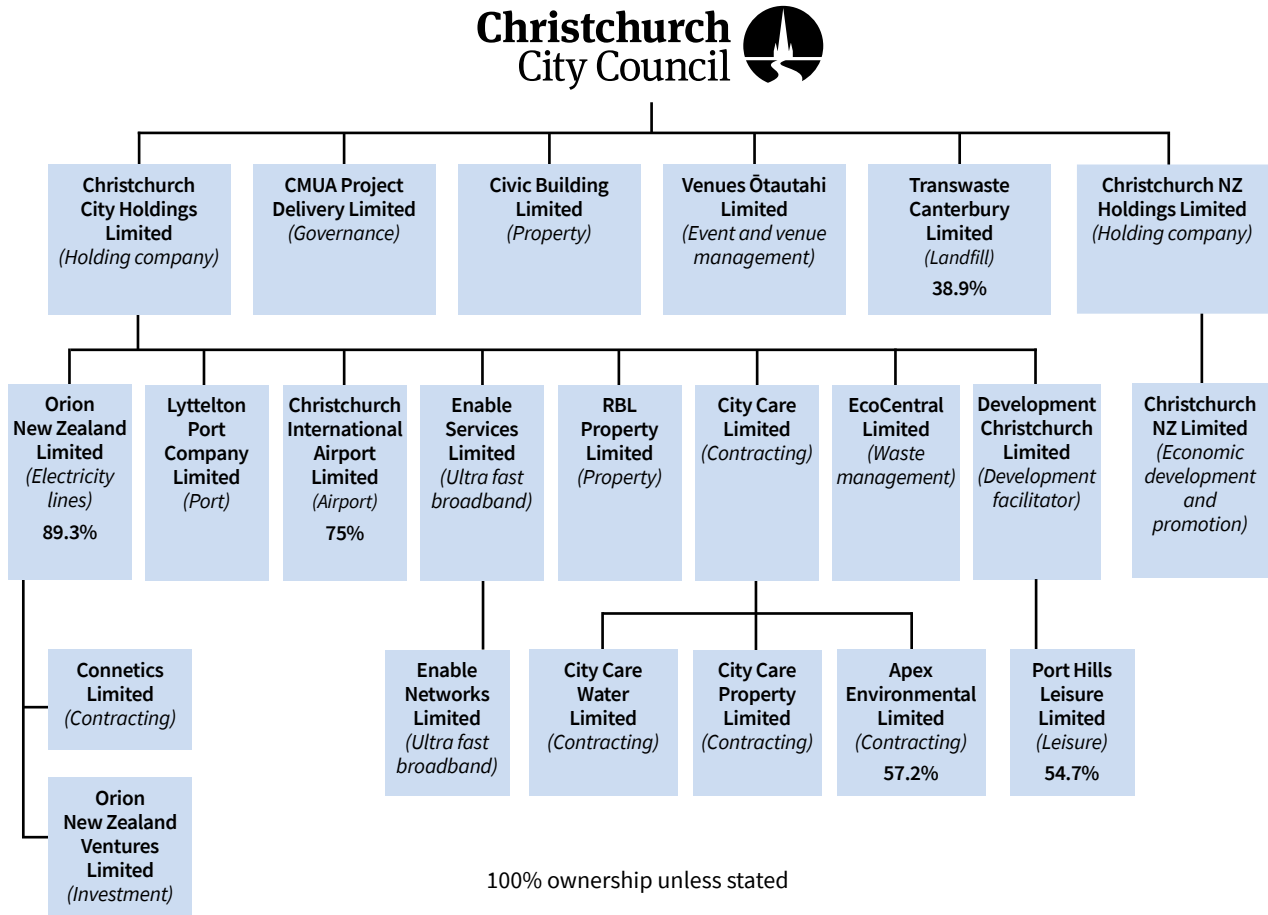
Through its wholly owned investment arm CCHL, the Council has invested in a number of infrastructure assets which are considered strategic assets for the City.

The Council also has invested directly in other CCOs; VÖ CBL and CNZH to enable administrative efficiencies to be achieved.

In addition to these trading organisations the Council has interests in a number of trusts which were set up to deliver specific services, events, facilities or benefits to the city.

This section explains what the organisations do, how their performance is measured and how they performed during 2020/21.

Group structure as at 30 June 2021



Major direct and indirect trading and operating subsidiaries



Summary financial table

For more detail refer to individual organisation reports.

	Income	Net result (after tax)	
	2021 \$000	2021 \$000	2020 \$000
Orion New Zealand Ltd	303,421	33,193	48,315
Lyttelton Port Company Ltd	143,538	15,972	(152,782)
Christchurch International Airport Ltd	189,535	38,658	47,826
City Care Ltd	319,613	5,625	5,616
Enable Services Ltd	84,637	15,821	11,320
EcoCentral Ltd	39,608	2,427	(72)
RBL Property Ltd	923	3,060	(30)
Development Christchurch Ltd	6,715	(575)	1,126
Venues Ōtautahi Ltd	15,746	(6,251)	4,839
Civic Building Ltd	4,445	(98)	4,404
ChristchurchNZ Holdings Ltd	16,773	(2,217)	301
Transwaste Canterbury Ltd	62,959	23,468	17,345
Riccarton Bush Trust	619	(110)	52
Rod Donald Banks Peninsula Trust	999	740	(135)
Christchurch Agency for Energy Trust	-	-	(249)
Central Plains Water Trust	104	-	-
Ōtautahi Community Housing Trust	25,353	1,597	14,624



CCHL is the wholly owned investment arm of Council, holding shares in various trading companies and monitoring them and their subsidiaries on the Council's behalf.

Subsidiary companies

- Orion New Zealand Ltd
- Christchurch International Airport Ltd
- Lyttelton Port Company Ltd
- Enable Services Ltd
- City Care Ltd
- RBL Property Ltd (formerly Red Bus Ltd)
- EcoCentral Ltd
- Development Christchurch Ltd

Nature and scope of activities

CCHL's mission is to support the future growth of Christchurch by investing in key infrastructure assets that are commercially viable and environmentally and socially sustainable.

The company's core role is to monitor the Council's existing investments, which largely service the region's existing infrastructure needs. The general objective of the CCHL investments is to deliver strong financial

returns and dividends to the Council. CCHL seeks to encourage and facilitate the subsidiary and associated companies to increase shareholder value and regional prosperity through growth, investment and dividend payments.

Policies and objectives relating to ownership and control

CCHL was established to group the Council's for-profit trading enterprises under one umbrella, and to provide a single arms-length interface between these CCTOs and the Council.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCTOs. These objectives underpin CCHL's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Key performance targets

CCHL financial and distribution performance meets the shareholder's expectations.

CCHL's investments provide an appropriate return in relation to their business risk, and against external benchmarks.

Subsidiary companies set and attain environmental, social and innovative performance objectives that are compatible with their activities, commercial nature and other objectives.

Develop future governance talent for the region by continuing to deliver the CCHL Associate Director programme.

2021 Target

CCHL pays a dividend for the 2020/21 financial year that meets or exceeds its \$18.8 million budget, and achieves the other budgeted key performance measures.

CCHL will annually review the performance of its major subsidiary companies against external benchmarks, and assess the value of the investment in the individual company in relation to its inherent business risk and community benefits.

CCHL Group will prepare a carbon energy management plan including a timeline to achieve a Group target of being net carbon neutral.

Appoint at least 5 associate directors to CCHL and related company boards.

2021 Actual

Achieved - dividend paid \$34 million.

Achieved – independent review completed May 2021.

Achieved – CCHL convened a sustainability working group which developed group wide sustainability goals that have been included in the FY22 SOI.

Achieved – CCHL appointed 7 associate directors to the group's boards.

Financial summary

CCHL reports the Group position only. The Group reported a net profit after tax for the year of \$93 million, a positive variance of \$147 million over the 2020 loss of \$54 million. This is largely due to Lyttelton Port's impairment and revaluation movements of \$135 million following its asset revaluation in 2020 and a gain of \$25 million on the value of Christchurch International Airport's investment property in 2020/21. CCHL paid dividends to the Council of \$34 million, which is higher than forecast largely due to the special dividend paid by RBL Property Limited as a result of the sale of ECAN contracts for routes no longer serviced in December 2020.

Orion New Zealand Ltd
www.oriongroup.co.nz



Orion is an energy network management company in which Council has an 89.3% shareholding through CCHL (the remaining 10.7% is owned by Selwyn District Council). Orion owns Connectics Ltd, an electrical contracting service provider to utility network operators, local authorities, developers and commercial/industrial customers.

Subsidiary companies

- Connectics Ltd
- Orion NZ Ventures Ltd

Nature and scope of activities

Orion owns and operates the electricity distribution network between the Waimakariri and Rakaia rivers and from the Canterbury coast to Arthur's Pass. It has 207,500 customer connections, and is New Zealand's third largest electricity distribution business in terms of line revenue, asset size and system length (km).

Policies and objectives relating to ownership and control

Orion is recognised as a Strategic Council Asset, operating in a commercial manner in a way that benefits the region as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCOs. These objectives underpin Orion's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Key performance targets

Network reliability targets

Overall network - Minutes of supply interruptions per customer (SAIDI).

**2021
Target**

125

**2021
Actual**

Achieved SAIDI 57

Overall network - Number of supply interruptions per customer (SAIFI).

1.1

Achieved SAIFI 0.59

Sustainability

Set reduction targets for Orion's operational carbon emissions, including plans and timeframes to achieve them.

Achieved – set reduction and neutrality targets for the corporate emissions of Orion group.

SAIDI and SAIFI measures are international industry standards which enable assessment of network performance. The targets are consistent with the Commission's network reliability limits for Orion for the year, pursuant to Orion's customised price-quality path.

Financial summary

Statement of financial performance for the year ended 31 March 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	303,417	307,663
Finance Income	4	32
Operating and other expenses	257,010	247,472
Operating profit before tax	46,411	60,223
Tax (benefit)	13,218	11,908
Net profit for the year	33,193	48,315

Net profit after tax is lower than the prior year by \$15.1 million. This is primarily due to lower revenue as a result of the Commerce Commission's price reset, effective 1 April 2020. The prior year's result was also boosted by a one-off \$5 million deferred tax benefit from the reinstatement of tax depreciation on commercial and industrial buildings as part of the Government's response to COVID-19.

Orion paid \$30 million of fully imputed dividends to its shareholders, in line with its Statement of Intent target.

Lyttelton Port Company Ltd
www.lpc.co.nz



Lyttelton Port Company Ltd (LPC) operates under the Port Companies Act 1988. As a fully owned subsidiary of CCHL, it manages the Port assets, including land and facilities on a commercial basis.

Lyttelton Port is the South Island's largest port by volume and the third largest container port in New Zealand. It provides a vital link to international trade routes and plays a key role in the global transport network.

Nature and scope of activities

LPC is involved in providing land, facilities, plant and labour for the receiving, delivery, stockpiling, stacking and shipping of a wide range of products; the ownership of land and facilities necessary to maintain LPC's commercial assets; and the provision of facilities associated with the repair and servicing of vessels.

Key performance targets

Health and Safety

Total recordable injury frequency rate (TRIFR)

Operational

Gross Crane Rate (containers per hour per crane).

Ship rate (TEU per hour per ship).

Coal load out rate (tonnes per day).

Sustainability

Detailed carbon reduction plan in place for first five year period.

Policies and objectives relating to ownership and control

LPC is recognised as a Strategic Council Asset, operating in a commercial manner in a way that benefits the region as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCOs. These objectives underpin LPC's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

	2021 Target	2021 Actual
10% reduction in actual TRIFR		Achieved – total recordable injury frequency rate target was 5.4, the TRIFR average for the year was 4.72
25.0		Not achieved - 23.8, due to the nationwide and global supply chain issues causing vessel delays and longer container dwell times.
65.0		Not achieved - 59.8, due to the nationwide and global supply chain issues causing vessel delays and longer container dwell times.
25,000		Achieved – 25,120
		Achieved

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	142,226	128,258
Finance Income	1,312	133
Operating and other expenses	122,614	312,327
Operating profit before tax	20,924	(183,936)
Tax (benefit)	4,952	(31,154)
Net profit for the year	15,972	(152,782)

LPC achieved net profit after tax of \$16 million in 2020/21, \$168.7 million higher than 2019/20. This was due in large part to one-off impairment and revaluation movements in the prior year of \$135 million, \$10 million pricing gains as LPC moves towards generating a fair return from its infrastructure investments and \$12 million in company-generated cost savings. The balance of \$11 million is attributable to a tax adjustment.

LPC made total distributions of \$10 million to shareholders this year, in line with its Statement of Intent target.

Christchurch International Airport Ltd
www.christchurch-airport.co.nz



Christchurch International Airport Ltd (CIAL) is jointly owned by CCHL (75%) and the Crown (25%). The primary activity of the company is to own and operate the Christchurch International Airport efficiently and on sound business principles.

Nature and scope of activities

The company operates the airport for the benefit of commercial and non-commercial aviation users, and in accordance with its aerodrome licence. The airport is located 10 kilometres northwest of Christchurch city centre, on the western city development edge and is a critical piece of national and regional infrastructure.

As the gateway for Christchurch and the South Island, the airport is New Zealand’s second largest airport based on passenger numbers and the busiest and most strategic air connection for the South Island trade and tourism markets.

CIAL is responsible for the efficient and safe operation of the airport, while aiming to provide the airport’s diversity of users with modern, appropriate and efficient facilities and services.

In addition to its primary business of serving the aviation industry and its customers, the company actively markets Christchurch, Canterbury and the South Island as a major destination for overseas visitors, and delivers airport land for retail, commercial and freight logistics’ businesses.

Policies and objectives relating to ownership and control

CIAL is recognised as Strategic Council Asset, operating in a commercial manner in a way that benefits the region as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCOs. These objectives underpin CIAL’s strategic direction and business plans, including the achievement of shareholders’ commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local and central government ownership of this company without inhibiting its independent commercial management.

Key performance targets

	2021 Target	2021 Actual
Domestic passengers.	2,860,433	Achieved - 3,644,632
International passengers.	22,581	Not achieved - 8,355
Tasman & Pacific Islands	506,272	Not achieved – 52,386
Carbon.	20% reduction on CIAL carbon emissions benchmarked against FY15. ACI ACA Level 2 certified.	Achieved - 50% reduction on CIAL carbon emissions benchmarked against FY15 Achieved - ACI ACA Level 4 certified (world’s first airport to achieve this).
	80% of CIAL’s road vehicle fleet made up of EV and hybrid vehicles.	Partially achieved - Currently 61% of CIAL’s road vehicle fleet is EV and hybrid vehicles. Awaiting more electric alternatives for utility vehicle requirements.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	189,439	179,203
Finance Income	96	86
Operating and other expenses	<u>135,667</u>	<u>134,601</u>
Operating profit before tax	53,868	44,688
Tax (benefit)	<u>15,210</u>	<u>(3,138)</u>
Net profit for the year	<u>38,658</u>	<u>47,826</u>

The recovery of domestic aviation has been stronger than originally anticipated across the year ended 30 June 2021. This coupled with income from the use of CIAL's hotel as a managed isolation facility, the

strength of the property portfolio and the continued compression of core controllable operating costs, has delivered a profit for CIAL for the year.

CIAL's net profit after tax for the year (including fair value gains on investment properties) is lower than its 2019/20 profit by \$9 million. This reflects a fall in operating revenue of \$17 million due to lower passenger numbers and a tax adjustment of \$15 million, offset in large part by gains of \$25 million in the value of the investment property portfolio.

Total passenger numbers for FY21 were 3.7 million, compared to FY20 at 5.2 million. Domestic passengers reduced six per cent year on year, international passengers reduced 95% with borders closed for the majority of the year.



City Care Ltd (CCL) is a CCTO, wholly owned by CCHL.

Nature and scope of activities

CCL is in the business of constructing, maintaining and managing infrastructure and property assets. The company's main service offerings are:

- City Care Water – construction and maintenance for water, wastewater and stormwater networks, with a focus on smarter management and optimisation of water sector infrastructure assets.
- City Care Property – encompassing end-to-end construction and maintenance of public and private building and greenspace facilities.
- City Care Civil – focusing on national construction and maintenance opportunities in roads, landscapes and subdivisions.

Key performance targets	2021 Target	2021 Actual
Health & Safety	<15 incidents requiring notification to WorkSafe	Achieved
Sustainability	<1 WorkSafe investigation Annual reduction of 5% company-wide greenhouse gas emissions normalised against annual turnover.	Achieved
Innovation	Develop and implement >4 new ideas that drive a benefit consistent with City Care's values.	Achieved

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	319,540	294,595
Finance Income	73	102
Operating and other expenses	311,761	286,706
Operating profit before tax	7,852	7,991
Tax (benefit)	2,227	2,375
Net profit for the year	5,625	5,616

Policies and objectives relating to ownership and control

CCL is recognised as a strategic Council asset, servicing assets of a public nature in a commercial manner in a way that benefits the city as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCTOs. These objectives underpin CCL's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Citycare Group revenue increased by \$34 million in 2021 compared to the prior year, resulting in a net profit after tax of \$5.6 million for the 2021 financial year. This compares well with its 2020 net profit.

Citycare Water and Citycare Property both delivered profitable performance and exceeded their respective budgets in 2021.

Citycare made distributions to the shareholder this year of \$4.55 million, comprising a final dividend of \$2.75 million relating to the 2020 financial year and a \$1.8 million interim dividend for the 2021 financial year, exceeding the Statement of Intent targets.

Enable Services Ltd
www.enable.net.nz



Enable Services Ltd (ESL) is a CCTO, wholly owned by CCHL and trading as Enable Networks.

Nature and scope of activities

ESL built and now operates a fibre optic network for greater Christchurch. It provides fibre broadband wholesale services to retail service providers on the UFB network.

The UFB network extends across greater Christchurch and to a number of towns in the Waimakariri and Selwyn Districts.

Associate companies

Enable Networks Ltd (ENL)

Policies and objectives relating to ownership and control

ESL is recognised as a strategic Council asset, operating in a commercial manner in a way that benefits the region as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCTOs. These objectives underpin ESL's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Key performance targets

	2021 Target	2021 Actual
Number of connections (cumulative)	127,623	Achieved - 132,278
Operational service level agreement achieved	>95%	Achieved - 96%
Total network availability	>99.97%	Achieved - 99.997
Sustainability – CO ² reduction (against June 2019 baseline and for direct operations only)	21%	Achieved – 50% reduction
Health and Safety		
Total recordable injuries frequency rate/million hours	<3	Not achieved - 10
Serious harm injuries	0	Achieved - Nil
Site visits (% of gross new connections)	>15%	Achieved - 15%

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	84,433	76,991
Finance Income	204	81
Operating and other expenses	61,797	62,091
Operating profit before tax	22,840	14,981
Tax (benefit)	7,019	3,661
Net profit for the year	15,821	11,320

Enable's net profit after tax in 2020/21 was \$4.5 million higher than 2019/20 due to 14,500 new connections and careful management of the business in the face of the global COVID-19 pandemic and the associated market uncertainty.

The business delivered its first dividend to the Christchurch community (\$18 million), a year ahead of initial expectations, to support the city and community through the current uncertain economic times.

EcoCentral Ltd
www.ecocentral.co.nz



EcoCentral (Eco) is a CCTO, 100 per cent owned by CCHL.

Nature and scope of Activities

Eco oversees the processing of household and commercial refuse and the automated sorting of recycling throughout the Canterbury region. The company works to reduce the amount of waste going to landfill and finding ways to ensure Christchurch is a leader in recycling.

Eco manages:

- EcoShop, on Blenheim Road; the retail outlet for the recycled goods rescued from the EcoDrop transfer stations, thereby diverting material from landfill.
- EcoSort, a large facility that receives all the 'Yellow Bin' recycling from Christchurch and surrounding areas where it is automatically sorted, baled and sold as reclaimed material. Material is sold either domestically or internationally to be made into new products.
- EcoDrop comprises three transfer stations for managing the City's recycling and refuse for both

domestic and commercial waste. Each station has a recycling centre, household hazardous waste drop off area and a refuse area for general waste, green waste and hardfill.

Policies and objectives relating to ownership and control

Eco is recognised as a Strategic Council Asset, reducing the waste stream in a commercial manner in a way that benefits the city as a whole.

Section 59 of the Local Government Act 2002 sets out the principal objective of CCOs. These objectives underpin Eco's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Key performance targets

Operational

EcoSort - waste.

2021 Target

No more than 12.5% of total waste received.

2021 Actual

Achieved - Indirect impact from increase in number of incoming loads being rejected due to high contamination.

Eco Drop – waste minimisation.

Investigate at least 2 new initiatives for diversion from waste stream.

Achieved. Investigations included:
(1) Glass separation in kerbside collections and
(2) Improved plastic separation at recycling plant.

EcoShop – number of customer sales.

112,000 per annum.

Achieved - Impact of post-COVID environment not as great as initially expected.

Lost Time injuries per 200,000 hours worked

<18

Achieved

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	39,589	34,690
Finance Income	19	31
Operating and other expenses	36,235	35,002
Operating profit before tax	3,373	(281)
Tax (benefit)	946	(209)
Net profit for the year	2,427	(72)

Net profit after tax in 2020/21 is \$2.5 million higher than 2019/20, following an unexpected increase in sales volumes, and rising commodity prices for recyclables.

EcoCentral paid a dividend of \$0.5 million in 2021.

RBL Property Ltd (formerly Red Bus Ltd)

RBL Property Limited (RBL Property) is a CCTO, wholly owned by CCHL. It formerly provided public passenger transport, freighting and ancillary services to domestic and commercial users, including the tourist market.

In December 2020, RBL Property sold its operating business to Ritchies Transport Holdings Ltd. This sale followed the loss of contracts in the 2019/20 Environment Canterbury tender and consequent reduction in size and scale of the business.

Nature and scope of activities

RBL Property is a holding company and is responsible for the leasing and management of the property that comprises the company's main asset. This holding is a

block of approximately 27,000m² bounded by Ferry Road, Fitzgerald Avenue and Moorhouse Avenue.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objective of CCTOs. These objectives underpin RBL's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the local government ownership of this company without inhibiting its independent commercial management.

Key performance targets

	2021 Target	2021 Actual
Community		
Connect	Work co-operatively with ECan to develop a contractual business plan for Unit 3 to support and drive use of	Not Measurable
Environment		
Sustainability	Establish & maintain sustainability framework	Not Measurable
	Make Toitu certification practices a focus of business	Not Measurable
	Encourage electric bus patronage on 29 Route	Not Measurable
People		
Safety	Zero notifiable events	Not Measurable

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	912	20,297
Finance Income	11	28
Operating and other expenses	1,623	20,354
Operating profit before tax	(700)	(29)
Tax (benefit)	308	1
Profit from discontinued operations	4,068	-
Net profit for the year	3,060	(30)

RBL Property made an after tax profit of \$3 million, largely due to the sale of the bus operating business in December 2020 which results in a reclassification of the bus business to discontinued operations.

Development Christchurch Ltd



Development Christchurch Ltd (DCL) is a CCTO, wholly owned by CCHL.

Nature and scope of activities

DCL was established by Council in 2015, with its purpose being to accelerate development activities in Christchurch's built environment to achieve positive social outcomes that lead to a prosperous local economy. In mid-2020 the Council decided to transfer DCL's ongoing projects and functions to local agencies given the changing economic drivers in the city both post COVID-19 lockdown and as it nears a decade since the first Canterbury earthquakes. DCL will retain ownership of its assets, until such time that they are divested or otherwise transferred within the Council group.

Key performance targets

Governance

DCL's objective is to execute the agreed transition plan for the wind up of DCL.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	6,710	18,147
Finance Income	5	47
Operating and other expenses	7,627	16,692
Operating profit before tax	(912)	1,502
Tax (benefit)	(337)	376
Net profit for the year	(575)	1,126

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objective of CCTOs. These objectives underpin DCL's strategic direction and business plans, including the achievement of shareholders' commercial and non-commercial objectives and operating in accordance with sound business practice.

Through the Sol process, the Council establishes broad parameters to reflect the public nature of this company without inhibiting the independent/commercial management of these entities.

2021

Target

Wound up

2021

Actual

Achieved

The net loss for 2021 compared with 2020 profit of \$1.1 million largely reflects the discontinuation of the Council's operating funding due to the wind down of the business operations offset by residual costs and liabilities of the business.

Venues Ōtautahi is a CCTO, 100 per cent owned by the Council.

Nature and scope of activities

Venues Ōtautahi has two areas of focus – attracting, hosting and managing events and ownership and management of facilities. Venues Ōtautahi owns and/or operates the following venues:

- Town Hall (owned and managed);
- Christchurch Arena (owned and managed);
- Orangetheory Stadium Addington (managed);
- Wigram Air Force Museum (managed); and
- Hagley Cricket Oval Pavilion (managed).

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs. These objectives underpin Venues Ōtautahi’s strategic direction and business plans including the achievement of the shareholder’s commercial and non-commercial objectives and conducting its affairs in accordance with sound business practice.

Through a Statement of Intent, the Council agrees the strategic direction of the company, its objectives and measures of performance for which the company will be held accountable.

Key performance targets

Financial targets

Economic impact

Attract and manage events that generate positive financial impact contributing to prosperous economy, liveable city and strong community.

Social and cultural impact

Maximise attendance at Venues Ōtautahi venues

Make venues available to support local cultural, not for profit and charitable organisations.

Asset care

Ensure assets are maintained at a suitable level for general use at all venues.

Sustainability

Contribute to reducing the City’s carbon footprint.

Client and Guest Experience

Client net promoter score

2021

Target

EBITDA loss not greater than \$2.387 million.

At least 6 major ticketed events at Venues Ōtautahi Venues.

Visitors to venues exceed 370,000.

At least 30 events receive the local cultural rate.

Asset management plan updated and asset maintenance is compliant with the plan.

Develop and implement a sustainability policy and strategy and benchmark carbon footprint target.

Achieve greater than 40 NPS during the year.

2021

Actual

Achieved - EBITDA deficit \$241,000

Achieved – 8 major events hosted.

Achieved – 499,350 attendances.

Achieved - 45 events.

Not Achieved – delay in gutter repair at Christchurch Arena.

Not Achieved – in progress.

Not Achieved – Net promoter score framework being finalised.

Financial summary**Statement of financial performance for the year ended 30 June 2021**

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	15,746	15,635
Operating expense	14,616	18,687
Net operating profit	1,130	(3,052)
Other revenue	-	16,248
Other expenses	(9,541)	(13,480)
Operating profit before tax	(8,411)	(284)
Tax (benefit)	(2,160)	(5,123)
Net surplus/(deficit)	(6,251)	4,839

The operating deficit before tax of \$8.4 million in 2020/21 is a reduction compared to a deficit of \$0.3 million in 2019/20. This largely reflects several one-off items that were incurred in 2019/20 including a revaluation of assets and impairment reversal of \$16.2 million plus Christchurch Town Hall repair costs of \$2.4 million. Operating and personnel expenses were \$14.6 million compared to \$18.7 million in the prior year, the reduction as a result of the repositioning of the business to a leaner, more agile variable cost model.

CBL is a CCTO, 100 per cent owned by the Council.

Nature and scope of activities

CBL owns a 50 per cent interest of the Christchurch Civic Building Joint Venture with Ngāi Tahu Property (CCC-JV) Limited. The joint venture owns the Civic building in Hereford Street.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs.

These objectives underpin CBL's strategic direction and business plans including the achievement of the shareholder's commercial and non-commercial objectives and conducting its affairs in accordance with sound business practice.

Through a Statement of Intent, the Council agrees the strategic direction of the company, its objectives and measures of performance for which the company will be held accountable.

Key performance targets

Net profit after tax

Manage the investment in a commercially astute and prudent manner.

The Civic building was designed to achieve a high standard in terms of environmental and energy sustainability.

2021 Target

(\$108,000)

Ensure the Civic Building is managed in accordance with the management agreement.

Ensure the Civic Building operates in a manner that preserves Green Star 6 accreditation features.

2021 Actual

Achieved - (\$98,000).

Achieved.

Achieved – assessed by the Council's Facilities Management Team.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	4,445	4,533
Operating and other expenses	4,498	4,406
Operating profit before tax	(53)	127
Tax (benefit)	45	(4,277)
Net profit for the year	(98)	4,404

Operating profit before tax in 2020/21 is lower than in 2019/20 by \$180,000 arising from the amortisation of the finance lease interest (revenue) and increase in interest expense payable to Council.



ChristchurchNZ Holdings Ltd (CNZL) is 100 per cent owned by Council. It is the holding company for the Council’s investment in ChristchurchNZ. CNZL was established in 1 July 2017 from the amalgamation of Canterbury Development Corporation, Christchurch and Canterbury Convention Bureau and Christchurch and Canterbury Marketing Ltd.

Subsidiary and associate entities

CNZL operates to optimise the economic and social opportunities that tourism, major events, city promotion and urban development can bring to Christchurch and Canterbury.

CNZL is also a joint venture partner with the Canterbury Employers’ Chamber of Commerce in Canterbury Regional Business Partners Limited, a regional vehicle funded by the Ministry of Business, Innovation and Employment to drive increased capability in small to medium sized entities.

Nature and scope of activities

CNZL’s overall purpose is to grow the economy to the benefit of all. It does this by leading the development and promotion of the city profile, attracting visitors, migrants,

students, new business and investment, and a business environment that supports successful and sustainable enterprise, encouraging creativity and innovation.

CNZL, along with its partners is responsible for developing, monitoring and implementing the Christchurch Economic Development Strategy, Christchurch Visitor Strategy, Christchurch Major Events Strategy and Christchurch Antarctic Gateway Strategy, and for developing the Christchurch City Narrative.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs. These objectives underpin CNZL’s strategic direction and business plans including the achievement of the shareholder’s commercial and non-commercial objectives.

Through a Statement of Intent, the Council agrees the strategic direction of the company, its objectives and measures of performance for which the company will be held accountable.

**Key Performance Targets
Strategic priority
Financial targets.**

Innovation and entrepreneurial strength

Grow Christchurch city identity and shift perception to attract visitors, new residents, business and investment, and to grow residents’ advocacy and confidence

Develop Christchurch as an attractive destination

**2021
Target**

Third party revenue at least \$2.9 million.
Actively work with 50 businesses to attract them to the city to support economic recovery and repositioning.
Deliver 6 initiatives to support industry cluster development, including Supernodes, to support job creation and work opportunities.
500 people and 5 organisations using city narrative assets and content to tell the Christchurch story per month.

40 significant engagements with trade agents and investors in priority markets and sectors.

Attract and support 100 enquiries to film in Christchurch and Canterbury, with a view to growing Canterbury’s market share of screen GDP.
Prepare 30 city bids to attract business events to Christchurch in line with the economic recovery plan and position Christchurch as an innovative and knowledge city.

2021

Actual
Exceeded - \$5.6 million
Achieved - 51

Achieved - 6

Achieved

Achieved - 40

Achieved - 125

Achieved - 32

Financial Summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	16,773	15,144
Operating and other expenses	18,999	14,851
Operating profit before tax	<u>(2,226)</u>	293
Tax (benefit)	(9)	(8)
Net profit for the year	<u><u>(2,217)</u></u>	<u>301</u>

The operating deficit before tax in 2020/21 of \$2.2 million compares with a profit in 2019/20 of \$0.29 million, a variance of -\$2.5 million. This was largely due to CNZHL's utilisation of reserves from its Balance Sheet to support the costs of COVID-19 recovery efforts for Christchurch City.

Transwaste Canterbury Ltd
<https://transwastecanterbury.co.nz/>



Transwaste was incorporated in March 1999 with the principal purposes of selecting, consenting, developing, owning and operating a non-hazardous regional landfill in Canterbury. The landfill was opened in June 2005. Transwaste is a joint venture between local authorities in the region and Waste Management NZ Limited, with Council owning 38.9 per cent.

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.

Transwaste 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 Council has a policy of maintaining, together with other local authorities in the region, an equal interest (50%) in residual waste disposal activities, as major shareholder, Waste Management Canterbury Ltd.

Through a Statement of Intent, the Council and other shareholders influence the direction of the company, its objectives and its accountability settings.

Key performance targets

Objective and Strategy

To operate a successful business, providing a fair rate of return to shareholders.

2021

Target

Kate Valley Dividends \$11.697 million

2021

Actual

Achieved – dividend paid \$12 million.

Burwood Resource Recovery Park Dividends \$0.133 million

Achieved – dividend paid \$10 million (from contingency fund set aside to meet any liabilities following the Park's closure and which has been released from the fund earlier than expected).

Meets present and future environmental standards in a manner which is consistent with the preservation of the natural environment and the careful and sustainable management of natural resources.

No proven breaches of Resource Management Act consents.

Achieved - There are no known breaches and no notifications received from Environment Canterbury.

Meet the present and future needs of the people of Canterbury with high standards of value, quality and service and establish effective relations with customers.

Kate Valley gas capture and destruction of greater than 90%. Reliability of access to the Kate Valley landfill – more than 99% of normal annual transport access hours.

Achieved

Achieved - no disruption to receipt of waste occurred, despite the landfill being closed due to high wind on 12 days for 50.5 hours in total.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	62,959	53,771
Operating and other expenses	34,163	31,625
Operating profit before tax	28,796	22,146
Tax (benefit)	5,328	4,801
Net profit for the year	23,468	17,345

Operating profit before tax for 2020/21 is an increase of \$6.6 million over the 2019/20 year. This is largely due to a higher dividend by \$5 million from the Burwood Resource Recovery Plant in the current year.

CMUA Project Delivery Ltd (CPDL) is a CCO 100 per cent owned by Council. It is the delivery company for the new Canterbury multi-use arena to be constructed over the next four years.

The funding partners in the development are the Council and Crown.

Nature and scope of activities

CPDL’s mandate is to provide governance and financial control of the delivery of the Canterbury multi-use arena including planning, design, execution, monitoring and control through to practical completion.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs.

These objectives underpin CPDL’s strategic direction and business plans including the achievement of the shareholder’s commercial and non-commercial objectives and conducting its affairs in accordance with sound business practice.

Through the negotiation of an annual Statement of Intent, (SOI) the Council establishes broad parameters for CPDL without inhibiting proper commercial management.

Key performance targets

CPDL have yet to establish and agree any financial and non-financial performance indicators with the Council.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	325	-
Finance Income	-	-
Operating and other expenses	325	-
Operating profit before tax	-	-
Tax (benefit)	-	-
Net profit for the year	-	-



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.

Riccarton Bush Trust was incorporated under a 1914 Act of Parliament, which was followed by a series of amendments, the most recent being the Riccarton Bush Amendment Act 2012. These give the Riccarton Bush Trust the power to negotiate with the Council for funding which contributes towards the maintenance and operation of Riccarton Bush, Riccarton House and its grounds.

The Council appoints five of the eight members on the Trust Board.

Key performance targets

Financial performance.

Riccarton House.

Riccarton Bush and Grounds.

Monitor Health and Safety practices in accordance with policy to meet the requirements of the Health and Safety at Work Act 2015

2021 Target

Operating expenses \$671,000

Refit and upgrade external public toilets by 30 June 2021.

Bush enhancements – replacement board walk – working drawings by February 2021.

Report to each Board meeting on:
Serious harm incidents = 0
Accident = 1
Near misses = 3

2021 Actual

Achieved – operating expenses (before depreciation) \$561,510.

Not Achieved – project underway but not completed by 30 June 2021.

Not Achieved – in progress with consultation concluded and Master Plan developed.

Achieved – zero serious harm incidents and near misses and one accident.

Nature and scope of activities

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

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs. These objectives underpin RBT's strategic direction and business plans including the achievement of the shareholder's commercial and non-commercial objectives.

Through a Statement of Intent, the Council agrees the strategic direction of the Trust, its objectives and measures of performance for which the Trust will be held accountable.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	619	760
Operating and other expenses	729	708
Operating profit before tax	(110)	52
Tax (benefit)	-	-
Net profit for the year	(110)	52

The operating deficit in 2020/21 of \$110,000 compares with a profit in 2019/20 of \$52,000, a variance of -\$162,000. This was represented by a reduction in revenue of \$141,000 from fewer visitors and tours due to COVID-19 restrictions of around \$57,000, partly offset by increased rent and commission from Local, the onsite café of \$22,000 (noting the prior period included the 2020 COVID-19 lockdown). One-off revenue items occurred in 2019/20 only – a bequest of \$33,000 and COVID-19 wage subsidy of \$43,500 were not repeated in 2020/21. In addition, capital funding from the Council was lower by \$18,000. Expenditure was \$21,000 higher than the prior year mostly due to project work including a carpet upgrade for the House and major structural repairs to the water tower and development of a cultural design strategy for Riccarton Bush. In 2020/21 grants were lower by \$51,000 reflecting in part a \$31,000 one-off in 2020.

The Rod Donald Banks Peninsula Trust is a charitable trust created by the Council in July 2010. The Trust was established to honour the memory of Rod Donald and his commitment to Banks Peninsula and exists for the benefit of the present and future inhabitants of Banks Peninsula and visitors to the region. The Trust’s long term vision is to restore the Banks Peninsula to its traditional status as Te Pātaka o Rākaihautū – the storehouse that nourishes. In pursuit of this vision the Trust promotes the sustainable management and conservation of the Peninsula’s natural environment.

Nature and scope of activities

The Trust recognises the community as being of critical importance to the achievement of its charitable objects and focuses its efforts on engaging with groups and projects which have similar aims. The Trust acts as a facilitator, conduit and connector to assist these groups and projects in the pursuit of common goals. The Trust’s hallmark is entrepreneurship and practical achievement, values important to Rod Donald, and it uses its funds to assist individual groups and projects to achieve goals that they cannot otherwise achieve on their own.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCOs. These objectives underpin RBT’s strategic direction and business plans including the achievement of the shareholder’s commercial and non-commercial objectives.

Through a Statement of Intent, the Council agrees the strategic direction of the Trust, its objectives and measures of performance for which the Trust will be held accountable.

Key performance targets
Performance indicator
Meet Financial targets.

2021 Target
Operating deficit \$128,800.

2021 Actual
Achieved – surplus \$795,106 (excluding depreciation and strategic grants).

The Trust has determined four key pillars on which its projects will be based - Access, Biodiversity, Knowledge, and Partnerships.

Assess all potential projects brought to the Trust’s attention against these four pillars to determine whether they should be added to the Trust’s project list and action those that are deemed a priority.

Achieved. Two projects assessed, and four in progress.

Make submissions on relevant policy documents in support of the pillars.

Achieved – five submissions made.

Provide leadership and tangible support for the projects achieving access.

Te Ara Pātaka is nationally recognised as a walking route from Christchurch to Akaroa with a network of track connections.

Achieved through public promotions and publicity.

Provide tangible support for biodiversity

Active support for Banks Peninsula Conservation Trust’s Ecological Vision goals for protecting forest remnants, rare ecosystems and four indigenous forecast areas of more than 1000ha each.

Achieved through the Te Ahu Pātiki park creating a new protected forest area that links together existing Department of Conservation reserves and covenants in Orton Bradley Park.

Financial summary**Statement of financial performance for the year ended
30 June 2021**

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	999	105
Operating and other expenses	259	240
Operating profit before tax	740	(135)
Tax (benefit)	-	-
Net loss for the year	740	(135)

The Trust has returned an operating profit that is \$875,000 higher than the operating loss in 2019/20. Revenue is higher by \$894,000 reflecting \$936,000 of donations received for Te Ahu Pātiki and increased fees from the Rod Donald Hut of \$5,000, offset by a reduction in interest income of \$37,000 reflecting the reducing balance of funds held by the Trust. Total expenditure was higher in 2020/21 by \$20,000 due to management fees for Te Ahu Pātiki of \$35,000 offset by lower hut costs of \$6,000, lower trust management costs of \$7,000.

Christchurch Agency for Energy Trust



CAfE is a charitable trust established by the Council on 13 July 2010. The primary purpose of the Trust is to promote energy efficiency initiatives and the use of renewable energy in Christchurch.

The Trust was wound up on 2 June 2020 following full distribution of its funding.

The Trust is no longer trading.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	-	2
Operating and other expenses	-	251
Operating profit before tax	-	(249)
Tax (benefit)	-	-
Net profit for the year	-	(249)

Trust wound up in 2020.



Central Plains Water Trust

www.cpw.org.nz

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

Resource consents were issued by the Environment Court on 25 July 2012 which allow water to be taken from the Rakaia and Waimakariri rivers for the Central Plains Water Enhancement Scheme operated by Central Plains Water Limited (CPWL).

Nature and scope of activities

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

CPWT undertakes monitoring of CPWL's activities to ensure compliance with the resource consent conditions, operates a public complaints procedure, and administers the Environmental Management Fund that receives annual contributions from CPWL.

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, as a 50 per cent Settlor of the CPWT, hopes to mitigate the adverse effects of the schemes on its own water supply.

Through a Statement of Intent, the Council influences the direction of the Trust, its objectives and its accountability settings.

Key performance target

Performance monitoring and reporting

2021 Target

Monitor the performance of CPWL in operating the Scheme, with regard to encouraging, supporting and facilitating an appropriate balance of benefits of economic development with the enhancement of ecological, social, cultural and recreational values in the central Plains area and communicate the results to the public.

2021 Actual

Annual Sustainability Report published on Trust's website.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021 Actual \$000	2020 Actual \$000
Operating revenue	104	96
Operating and other expenses	104	96
Operating profit before tax	-	-
Tax (benefit)	-	-
Net profit for the year	-	-

Group structure and other consolidated entities

Ōtautahi Community Housing Trust

www.ocht.org.nz



The Ōtautahi Community Housing Trust (OCHT) was established by the Christchurch City to facilitate the delivery of social housing and is not a Council-controlled Organisation.

Nature and scope of activities

OCHT is a class 1: social landlord under the Public and Community Housing Management (Community Housing Provider) Regulations 2014 and Public and Community Housing Management Act 1992.

As a Community Housing Provider (CHP) for the Government in particular the Ministry of Social Development. OCHT was established to provide social and affordable rental housing through direct ownership or other means and associated rental accommodation services in Christchurch and Banks Peninsula for the relief of social housing tenants.

Financial summary

Statement of financial performance for the year ended 30 June 2021

	2021	2020
	Actual	Actual
	\$000	\$000
Operating revenue	25,353	37,834
Finance Income	-	18
Operating and other expenses	23,756	23,228
Operating profit before tax	1,597	14,624
Tax (benefit)	-	-
Net profit for the year	1,597	14,624

Key performance targets

No key performance targets exist between the Council and OCHT.

Policies and objectives relating to ownership and control

The OCHT is not a Council-controlled Organisation under the Local Government Act 2002, however does require consolidation into the Council Group under Public Benefit Entity IPSAS 35 – Consolidated Financial Statements accounting standard.

Monitoring

This section contains information about the Council's reserve and trust funds including the capital endowment fund and includes a directors listing for subsidiary companies.

Monitoring Reserves and Trust Funds

The Council maintains a number of special reserves and trust funds which have a specific purpose.

The table below shows the movement in the funds for the year to 30 June 2021:

Reserve	Activities to which the reserve relates	Balance 1 July 2020 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2021 \$000
Trusts and bequests					
ChCh Earthquake Mayoral Relief Fund	Bequests made for Mayoral Earthquake Relief Fund.	10	-	-	10
Housing Trusts & bequests	Various bequests made for the provision of Social Housing	98	1	-	99
Cemetery bequests	Various bequests made for the maintenance of cemeteries.	70	-	-	70
CS Thomas Trust - Mona Vale	Funds set aside for restoration work at Mona Vale.	40	-	-	40
Woolston Park Amateur Swim Club (WPASC)	Scholarship programme including an Annual Talented Swimmer Scholarship and an Annual Potential Swimmer Scholarship utilising the former Woolston Park Amateur Swimming Club monies gifted to the Council.	12	-	-	12
Parklands Tennis Club	Residual funds passed to the Council from the windup of the Parklands Tennis Club.	19	-	-	19
19th Battalion Bequest	Funds passed to the Council by the 19th Battalion and Armoured Regiment to help fund the maintenance of the 19th Battalion and Armoured Regiment Memorial area.	17	-	-	17
Yaldhurst Hall Crawford Memorial	Funds left by Mr Crawford for capital improvements to the Hall.	11	-	-	11
Sign of Kiwi Restoration Fund	Funds set aside for restoration work at the Sign of the Kiwi.	4	-	-	4
Fendalton Library Equipment Bequest	Bequest made to fund equipment at the Fendalton Library.	3	-	-	3
W A Sutton Art Gallery Bequest	Bill Sutton's bequest that any proceeds and benefits from copyright fees that might be charged be utilised for the acquisition and advancement of Canterbury Art.	1	-	-	1
Akaroa Community Health Trust	A grant of up to \$1.3 million to assist the Akaroa Community Health Trust in meeting a funding commitment to the Canterbury District Health Board for the new Akaroa Community Health Centre.	317	287	-	604
Mayor's Welfare Fund	Bequests made for Mayor's Welfare Fund intended to provide assistance to families and individuals in the community who are in extreme financial distress.	1,085	443	(327)	1,201
sub-total trusts and bequests		1,687	731	(327)	2,091
Special Funds & Reserves					
Reserve	Activities to which the reserve relates	Balance 1 July 2020 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2021 \$000
Capital Endowment Fund	An inflation protected fund that generates an ongoing income stream which is applied to economic development and civic and community projects.	105,594	3,579	(2,852)	106,321
Housing Development Fund	A fund used for funding the Council's Social Housing activity.	8,907	18,167	(24,220)	2,854
Wairewa Reserve 3185	To enable drainage works relative to Lake Forsyth.	126	1	-	127
Wairewa Reserve 3586	To enable drainage of Lake Forsyth into the sea in times of flood.	64	15	(11)	68

Monitoring – Reserves and Trust Funds

Development & Financial Contributions - Reserves	Development and financial contributions held for growth related capital expenditure.	34,757	12,995	(164)	47,588
Development & Financial Contributions - Leisure	Development and financial contributions held for growth related capital expenditure.	-	86	(86)	-
Development & Financial Contributions - Roading	Development and financial contributions held for growth related capital expenditure.	2,623	3,648	(4,165)	2,106
Development & Financial Contributions - Water supply	Development and financial contributions held for capital expenditure.	352	3,563	(832)	3,083
Development & Financial Contributions - Waste water	Development and financial contributions held for capital expenditure.	1,346	14,085	(15,431)	-
Development & Financial Contributions - Storm water	Development and financial contributions held for capital expenditure.	4,895	2,143	(2,747)	4,291
Development & Financial Contributions - Libraries	Development and financial contributions held for capital expenditure.	95	43	-	138
Development & Financial Contributions - Cemeteries	Development and financial contributions held for capital expenditure.	-	1	(1)	-
Flood Protection Fund	Funds set aside for flood protection works.	792	4	-	796
Historic Buildings Fund	To provide for the purchase by Council of listed heritage buildings threatened with demolition, with the intention of reselling the building with a heritage covenant attached.	1,259	5	-	1,264
Community Loans Fund	Fund used to help community organisations carry out capital projects by lending funds at low interest rates.	3,199	16	-	3,215
Dog Control Account	Statutory requirement to set aside any Dog Control surpluses.	2,375	2,593	(2,587)	2,381
Non Conforming Uses Fund	To enable Council to purchase properties containing non-conforming uses causing nuisance to surrounding residential areas and inhibiting investment and redevelopment for residential purposes.	1,801	10	-	1,811
QEII sale proceeds	For investment in initiatives that promote the most appropriate and productive use of remaining Council land on QEII site.	3,301	-	(279)	3,022
Conferences Bridging Loan Fund	To provide bridging finance to organisers to allow them to promote, market and prepare initial requirements for major events and conferences, repaid by first call on registrations.	510	-	-	510
Cash in Lieu of parking	To hold contributions from property developers in lieu of providing parking spaces. Used to develop parking facilities.	645	4	-	649
Loan Repayment Reserve	Fund used for facilitating repayment of rate funded loans.	-	50,629	(50,629)	-
Sandilands Contaminated Sites Remediation	Fund used for remediation work at Social Housing sites.	254	-	-	254
Businesscare - Commercial Waste Minimisation	Fund used for investments in initiatives that assist in the achievement of the Council's goal of zero waste to landfill by 2020.	68	-	-	68
Burwood Landfill Cell A Remediation	Fund used for investments in initiatives that assist in the achievement of the Council's goal of zero waste to landfill by 2020.	552	3	-	555
Bertelsman Prize	Fund for the provision of in-house training programmes for elected members and staff which have an emphasis on improving excellence within the Council.	20	-	-	20
WD Community Awards Fund	To provide an annual income for assisting in the study, research, or skill development of residents of the former Waimairi District (within criteria related to the Award).	23	-	-	23
Duvauchelle Res Mgmt Committee	To enable maintenance and improvements at public reserves in Duvauchelle	128	260	(273)	115
Okains Bay Res Mgmt Committee	To enable maintenance and improvements at public reserves in Okains Bay	517	325	(252)	590

Monitoring – Reserves and Trust Funds

Cathedral Restoration Grant	A grant of \$10 million (spread over the period of the reinstatement) towards the capital cost of reinstatement, to be made available once other sources of Crown and Church funding have been applied to the reinstatement project. Any interest will be available for other heritage projects.	2,040	1,045	-	3,085
Miscellaneous reserves	Minor or obsolete reserves.	30	2	-	32
sub-total special funds and reserves		176,273	113,222	(104,529)	184,966
TOTAL RESERVE FUNDS		177,960	113,953	(104,856)	187,057

The capital endowment fund

The Council established this fund to provide an ongoing income stream to be used for economic development and innovation, community, and environment projects.

the year other than a small venture capital investment. This approach was consistent with the objectives outlined in Council's Investment Policy.

The investment objectives of the fund were met during 2020/21. All funds were held as cash investments during

	2021	2020
	Actual	Actual
	\$000	\$000
Fund capital at 1 July	104,005	104,120
Less distributed	-	(151)
Revaluation adjustment	287	36
Fund capital at 30 June	104,292	104,005
Unspent funds at 1 July	1,589	893
Plus income received by the fund	3,292	3,539
Less distributed	(2,852)	(2,843)
Returned funds	-	-
Unspent income at 30 June	2,029	1,589
Total Capital Endowment Fund balance at 30 June	106,321	105,594
Distribution details		
Capital distributions		
Participatory Democracy Project	-	151
	-	151
Income distributions		
Economic Development and Innovation	1,205	1,564
Community	1,647	1,279
	2,852	2,843

Subsidiary and associate companies

Listed below are the trading enterprises in which the Council has an interest, together with the directors of the trading enterprises, for the period ended 30 June 2021.

Christchurch City Holdings Ltd (100% owned)

Jeremy Smith	Gregory Campbell
Lianne Dalziel (Mayor)	Claire Evans
James Gough (Cr)	Alex Skinner
Sara Templeton (Cr)	Andrew Turner (Cr)

Enable Services Ltd (100% owned)

Mark Bowman	Craig Elliott
Katherine Meads	Justin Murray
Mark Petrie	Scott Weenik

Christchurch International Airport Ltd (75% owned)

Catherine Drayton	Kathryn Mitchell (Kate Morrison)
Christopher Paulsen	Paul Reid
Sarah Ottrey	Justin Murray

City Care Ltd (100% owned)

Bryan Jamison	Graham Darlow
Penny Hoogerwerf	Jen Rolfe
Mark Todd	Kevin Young
Craig Price ii	

Lyttelton Port Company Ltd (100% owned)

Margaret Devlin	William (Bill) Dwyer
Nicholas Easy	Don Elder
Malcolm Johns	Fiona Mules
Brian Wood iii	

Orion New Zealand Ltd (89.3% owned)

Deborah (Jane) Taylor	John Austin
Sally Farrier	Bruce Gemmell
Jason McDonald	Geoff Vazey

CMUA Project Delivery Ltd (100% owned)

Murray Strong iv	Barry Bragg v
Susan McCormack vi	Richard Peebles vii
Stephen Reindler viii	

RBL Property Ltd formerly Red Bus Ltd (100% owned)

Claire Evans ix	Anthony King x
Paul Kiesanowski xi	Brian Jamison xii
Leah Scales xiii	

Development Christchurch Ltd (100% owned)

Paul Munro xiv	Gregory Campbell xv
William (Bill) Dwyer xvi	Dr Jane Gregg xvii
Peter Houghton xviii	Fiona Mules xix
Darren Wright xx	

ChristchurchNZ Holdings Ltd (100% owned)

Dr Therese Arseneau	Stephen Barclay
Paul Bingham	Roland van Bommel
Mike Davidson (Cr)	Andrew Turner (Cr)

Venues Ōtautahi formerly Vbase Ltd (100% owned)

Bryan Pearson	Brent Fordxxi
Tim Scandrett (Cr)	Paul Munro xxii

Civic Building Ltd (100% owned)

James Gough (Cr)	Sam MacDonald (Cr)
Philip Mauger (Cr)	

EcoCentral Ltd (100% owned)

Sinead Horgan	Mark Christensen xxiii
Mark Jordan	Benjamin Reed
David Kerr xxiv	

Transwaste Canterbury Ltd (38.9% owned)

W. Gill Cox	Gareth James
Ian Kennedy	Hans Maehl
Philip Mauger (Cr)	Grant Miller
Thomas Nickels	Ross Pickworth
Marsha Cadman xxv	Robert McKenzie xxvi

i Resigned 30 April 2021

ii Resigned 30 October 2021

iii Resigned 29 October 2020

iv Appointed 25 August 2020

v Appointed 11 March 2021

vi Appointed 8 April 2021

vii Appointed 25 August 2020

viii Appointed 25 August 2020

ix Appointed 29 March 2021

x Appointed 1 January 2021

xi Resigned 31 December 2020

xii Resigned 31 December 2020

xiii Resigned 16 April 2021

xiv Appointed 1 October 2020

xv Appointed 1 October 2020. Resigned 19 May 2021

xvi Resigned 1 October 2020

xvii Resigned 1 October 2020

xviii Resigned 1 October 2020

xix Resigned 1 October 2020

xx Resigned 1 October 2020

xxi Appointed 30 July 2020

xxii Resigned 30 June 2021

xxiii Appointed 1 January 2021

xxiv Resigned 19 October 2020

xxv Resigned 31 March 2021

xxvi Resigned 31 December 2020

Glossary

BCA	Building Consent Authority
BRRP	Burwood Resource Recovery Park
CAfE	Christchurch Agency for Energy Trust
CBD	Central Business District
CBL	Civic Building Limited
CCBJV	Christchurch Civic Building Joint Venture
CCDU	Christchurch Central Development Unit
CCHL	Christchurch City Holdings Limited
CCOs	Council Controlled Organisations
CCT	Christchurch and Canterbury Tourism
CCTOs	Council Controlled Trading Organisations
CDC	Canterbury Development Corporation
CDCH	Canterbury Development Corporation Holdings Limited
CDEM	Civil Defence Emergency Management
CEDS	Christchurch Economic Development Strategy
Central City Plan	A recovery plan for the Central City
CERA	Canterbury Earthquake Recovery Authority
CIP	Crown Infrastructure Partners Limited (formerly Crown Fibre Holdings Limited, renamed 1 September 2017)
CGU	Cash Generating Unit
CIAL	Christchurch International Airport Limited
City Care	City Care Limited
CMUA	Canterbury Multi Use Arena
Council	Christchurch City Council
COVID-19	2019 Novel Coronavirus Global pandemic
Cr	Councillor
CRAF	Christchurch Regeneration Acceleration Facility
CRIS	Canterbury Regional Innovation System
CTOC	Christchurch Transport Operations Centre
CWTP	Christchurch Wastewater Treatment Plant
DEE	Detailed engineering evaluations
ECE	Early childhood education
ECL	Expected credit loss
EcoCentral	EcoCentral Limited
ELC	Early learning centres
ENL	Enable Networks Limited
EOC	Emergency operations centre
EQ	Earthquake
EQC	Earthquake Commission
ESL	Enable Services Limited
Exchange revenue	Revenue from providing goods and services to another entity and directly receiving approximately equal value in exchange
FAP	Financial assistance package
FIT	Free Independent Traveller
FDA	Financial delegation authority
Group	As outlined in Group Structure section of the Annual Report
IM&CT	Information Management and Communications Technology
IPSAS	International Public Sector Accounting Standards
ISP	Internal service providers
JESP	Justice and Emergency Services Precinct
LGFA	New Zealand Local Government Funding Agency Limited
Three Year Plan	Christchurch City Three Year Plan 2013-16
LDRP	Land Drainage Recovery Programme
LIMs	Land Information Memorandums
LIU	Libraries and Information Unit
LOS	Level of service

Glossary

LFC	Local Fibre Company
LPC	Lyttelton Port Company Limited
LTP	Long Term Plan
LURP	Land Use Recovery Plan
MBIE	Ministry of Business, Innovation and Employment
MKT	Mahaanui Kurataiao Limited
Minister CER	Minister for Canterbury Earthquake Recovery
MOU	Memorandum of Understanding
NABERSNZ	National Australian Built Environment Rating System New Zealand
NBS	New building standard
Non exchange revenue	Revenue from transactions that are not exchange transactions
NPS	National policy statement
NRFA	National Rural Fire Authority
NTPL	Ngāi Tahu Property Limited
NZFS	New Zealand Fire Service
NZ GAAP	General accepted accounting practice in New Zealand
NZ IAS	New Zealand equivalent to International Accounting Standard
NZ IFRS	New Zealand equivalents to International Financial Reporting Standards
NZLGIC	New Zealand Local Government Insurance Corporation
NZTA	New Zealand Transport Agency
NZTE	New Zealand Trade and Enterprise
NZX	New Zealand Stock Exchange
OCHT	Ōtautahi Community Housing Trust
OIC	Order in Council
Orion	Orion New Zealand Limited
PBE	Public benefit entity
PIM	Project Information Memorandum
PRFO	Principal Rural Fire Officer
PVL	Powerhouse Ventures Limited
Red Bus	Red Bus Limited
RFID	Radio frequency identification
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SCIRT	Stronger Christchurch Infrastructure Rebuild Team
SOI	Statement of Intent
Transpower	Transpower New Zealand Limited
Transwaste	Transwaste Canterbury Limited
Tuam	Tuam Limited
UDS	Urban Development Strategy
UFB	Ultra-fast broadband
Vbase	Vbase Limited
Vested assets	Assets received by Council for no consideration
WHRS	Weathertight Homes Resolution Services
WIP	Work in progress
WINZ	Water Information New Zealand