

Ōtautahi-Christchurch

Te Pūrongo-ā-tau
Annual Report
2022

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Christchurch
City Council 

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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 2022.

The introduction to this report describes the city we live in and its vision for the future. It includes a message from Christchurch Mayor Phil Mauer 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 2021-31 Long Term Plan approved by Council on 23 June 2021.

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 and Chief Executive

We would first like to acknowledge and thank Councillors, staff, and our diverse communities across Christchurch and Banks Peninsula for your support during what was a unique and at times testing year.

We faced many challenges this year, some of which will carry into 2023. Overall the Council's staff and our communities responded well in sometimes very trying circumstances.

Some of these challenges, such as another lockdown and the continuing economic effects of the pandemic response, and the national water reforms, were expected.

Others, such as extreme weather events, were predictable as there will always be some in any given year – although the severity of damage to Banks Peninsula roads caught us by surprise and may, unfortunately, be a precursor to weather effects we should expect from climate change.

The toughest challenges are those that come out of the blue, such as the fire at the wastewater treatment plant and the effects of the resulting offensive odour on people in parts of Christchurch.

We also celebrated many successes. New facilities were opened, including the St Albans Community Centre and Te Pou Toetoe: Linwood Pool, and construction began on the new Hornby Centre. We started refurbishing the Little River Community Centre and Library, and committed to rebuilding the earthquake-damaged South Library.

Lancaster Park was re-opened to very positive public reaction, providing much needed open space in the Charlesworth area and sports fields for the city's south-east.

High Street re-opened with a fabulous new streetscape with Ngāi Tūāhuriri cultural elements and an extension to the tram tracks, allowing it to complete a full city loop.

We made the call to stop library fines and, working with Enable, provided free public wi-fi in the central city.

For the nation's first Matariki holiday, we hosted Tirama Mai, and opened Takapūneke Reserve with a ceremony to unveil a new pou to mark the significance of this culturally and historically important site.

During the year there were also awards and accolades for facilities, including Te Pou Toetoe: Linwood Pool and He Puna Taimoana (New Brighton hot pools), and for staff whose work was recognised by their peers and national organisations – our people really are experts in their fields.

Our customer services team won for the second time, the 2021 CRM Contact Centre Industry Award for Public Services, following their win in 2020. The Awards focus on the quality of the customer service experience provided by contact centres across New Zealand. Our customer services team take up to 380,000 calls, 115,000 online enquires and 126,000 face to face interactions per year.

COVID-19

As the financial year drew to a close, COVID-19 was resurging in Christchurch, just as influenza and other winter illnesses were prevalent.

The effects of the pandemic were far-reaching. Many of us had first-hand experience of the virus and there was always the possibility of reinfection. Businesses struggled to operate with staffing across all sectors being affected by illness and isolation requirements.

Despite these challenges the council was able to maintain its services. We used digital innovation to bring services into people's homes virtually, including library offerings, fitness classes, and art gallery tours.

The lessons learned from this unique period are influencing the way we do things - building consent inspections can now be done digitally, and all Council and community board meetings are livestreamed, recorded and available online.

Climate change

We're putting climate change at the centre of everything we do – we must, especially with evidence presented by scientists this year that we'll see the worst effects of sea-level rise much sooner than anticipated.

We set a target to achieve net zero greenhouse emissions (excluding methane) by 2045. We know the greatest benefit can be gained in the transport area, which contributes 54% of the city's emissions. For this reason we've continued working on our network of cycleways and encouraging greater use of public and active transport, including stepping up policy development, communications and initiatives designed to unlock barriers to public and active transport.

We know from our climate change survey during the year that people want us to continue to show leadership in addressing climate change – and to move more quickly.

In fact, there are climate change benefits in much of our work – stormwater wetlands, Council and community plantings of large areas of native trees and plants, and our focus on reducing waste to landfill.

Climate change is knocking on our door. There is a renewed sense of urgency as we ensure climate change benefits are considered in everything we do. In partnership with Ngāi Tahu Papatipu Rūnanga and others, we want to lead positive change and inspire people to take the steps possible in their own lives to reduce carbon emissions.

It's only by working together that we'll be able to make a difference for our environment, our community, our economy and our future.

Te Kaha Christchurch Multi-use Arena

The cost of living is rising and higher costs are having an effect on Council as well. Our long-awaited new multi-use arena is the most obvious example, with the risk of escalating construction costs due to rising international prices for steel and other building materials and components.

As a Council, we have a responsibility to ensure the costs of a facility like this are shared fairly, across current and future generations of ratepayers. Central government has been clear that no more money would come from the national coffers.

We asked our community for guidance in June on whether to scrap, pause or continue the build – a consultation resulting in 30,000 submissions, the most received for any project in the past decade. Council decided early in the 2022-23 year to proceed with a fixed-price contract to minimise risk to the Council and ratepayers.

Waterworks

Continuing to provide drinking water that is safe to drink and being environmentally responsible in discharging wastewater and stormwater are key activities of any council.

It was another big year for the three waters – drinking water, wastewater and stormwater.

Central government's water reforms will significantly change the way water services are managed and delivered. The government's decision to push on with the reforms outlined under the Water Services Bill failed to recognise the concerns raised by this and other councils. While we recognise the need for more sustained investment in water infrastructure nationwide, the specific proposal does not adequately address local input nor the integrated nature of land use and stormwater.

As the detail of the reforms is worked through at central and local levels in 2022-23, we will also push to maintain some influence over stormwater disposal.

For Christchurch and Banks Peninsula, managing stormwater is about much more than pipes. We have developed an integrated and sustainable approach, using wetlands, floodplains and natural landscapes, and we can't compromise this. We see it as an essential part of our waterways improvement programme, our approach to climate change and in developing an environment where native flora and fauna can thrive.

We've made great progress in recent years, with new wetlands being established throughout the district. These wetlands provide a filter for stormwater, meaning it is cleaner when it finds its way back into the environment – in te ao Māori, it allows the mauri (life force) of the water, including treated wastewater, to be restored.

On the wastewater front, and in close collaboration with mana whenua, we developed new projects on Banks Peninsula which aim to treat wastewater and reclaim it for reuse. We plan to use treated wastewater from Akaroa to irrigate new plantings of native trees around Robinsons Bay, Takamātua and Hammond Point, and to flush public toilets and irrigate public parks and gardens in Akaroa. We'll be seeking resource consent for this in 2022-23. In a similar project at Duvauchelle, we plan to use treated wastewater to irrigate the Akaroa Golf Course. We worked collaboratively with mana whenua and consulted the community in May, with hearings held in July 2022.

In relation to drinking water, we have invested heavily in our water supply infrastructure since the earthquakes of 2010 and 2011 and our communities are relying on us to fulfil our commitment to removing chlorine from our drinking water supply.

We strongly argued for a process whereby we can seek an exemption from the chlorine mandate. The new law will provide for this, and we will apply for an exemption in the coming year.

Bromley fire

On 1 November 2021, a catastrophic fire destroyed two trickling filters at the Christchurch Wastewater Treatment Plant in Bromley. The full impact of the crisis unfolded over some months and was a big challenge for the Council and the nearby community during this year.

The top priority was to ensure wastewater treatment continued at the plant while various temporary processes and methods were explored. These included spending nearly \$5 million to extract material from the trickling filters and more than \$8 million to reconfigure the treatment process.

We recognised this was especially difficult for nearby residents as there was nothing we could do to reduce the odours until the effluent ponds could be returned to better health – a frustratingly slow natural process.

While waiting for this and our insurance claim to be settled so that the plant can be rebuilt, we offered some financial support to people who found the odour affecting their physical and mental wellbeing. This was intended to help people with some additional expenses incurred because of the odour, which affected people at home, at work, at school and made outdoor recreation difficult to enjoy.

We can now see a way forward and we're confident the odours will fade as the ponds return to better health.

Ōtākaro Avon River Corridor

We welcomed the governance arrangements confirmed for the Ōtākaro Avon River Corridor. This sees us working with Ngāi Tūāhuriri and the community to develop this special part of the city.

This is a positive approach for cohesive oversight of decision-making as we embrace this once in a lifetime opportunity to turn the river corridor into a recreational asset and an ecological sanctuary for future generations. It will ensure the area is developed for the common benefit of everyone, including Ngāi Tūāhuriri, neighbouring suburbs and the wider community.

This will be a co-governance entity that comprises equal representation of Ngāi Tūāhuriri and the Council, with some of the Council's members being drawn from local communities. This will help to ensure that communities with strong connections to the area are involved in the decision-making for this important new taonga.

We're still working through the legal process for establishing the co-governance entity and determining the best model to use. Meanwhile, other work continued throughout the former residential red zone. Highlights included work starting on the first of several new stormwater and flood control basins in the Bexley area and the opening of three new bridges across the Ōtākaro-Avon River and the Dallington Landing.

Local elections

Christchurch and Banks Peninsula now has new representation, after the local elections in October 2022.

It's a big thing to stand up and represent your community. We thank all those who have served in this term, across the district. Their efforts are appreciated and we wish them well.

We look forward to working with new and returning representatives for Christchurch and Banks Peninsula for the next three-year term. They will confront many of the same challenges we faced during the three-year term from 2019-22. There will be also be new problems to solve and opportunities to seize. On behalf of our community we wish them every success.



Phil Mauger
Mayor of Christchurch

14 December 2022



Dawn Baxendale
Chief Executive

14 December 2022

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.



Phil Mauer
Mayor of Christchurch

14 December 2022



Dawn Baxendale
Chief Executive

14 December 2022

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

We welcomed 208,655 visitors over the year, 67% of target. With reduced public movements, and New Zealand's borders remaining closed, visitor numbers were lighter than usual.

We achieved an overall visitor satisfaction rate of 97%.

Over the year we presented 16 exhibitions, with Te Puna Waiora: The Distinguished Weavers of Te kāhui Whiritoi developed in partnership with Te Roopu Raranga Whatu with support from Toi Māori.

Our public programmes attracted 11,791 visitors. The target was 22,000, and the shortfall reflects the ongoing effects of the pandemic. Many events were cancelled or presented with reduced capacity.

Education programmes were also affected by the pandemic, with 5,897 children taking part – just over half of the 11,500 target.

We added 196 works to the collection – 96 we bought and 100 were gifted.

There were four editions of the Bulletin magazine published and distributed, along with four exhibition and collection-related publications. We received five Museums Australasia Publication Design Awards, including best in show for Bill Hammond: Across the Evening Sky.

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

Museums

With the border still closed, Akaroa Museum was unable to meet the visitor target of 29,903, with just 15,524 people visiting – 42% from Christchurch.

We were open seven days a week, except during the three-week COVID-19 lockdown in August and September. Open hours totalled 1,983 for the year.

Three new temporary exhibitions were presented: Beneath: Three Archaeological Sites in Akaroa; Ngā Taonga me ōna Kōrero – a decade of collecting; and The View From Paris – Charles Meryon's Pacific Etchings.

Our collection grew with the addition of 71 objects (27 accessions), all documented, insured and safely stored. Access to the collections was maintained, with 100 collection-related and 274 family history enquiries received and answered.

Recreation, sports, community arts and events

Recreation and sport

We had another strong year with 88% of customers being satisfied with the range and quality of centres, 85% satisfied with the quality of support, and 94% satisfied with sport and recreation facilities.

The \$22 million Te Pou Toetoe: Linwood Pool was officially opened on 1 October 2021 and has been very successful in its first year, with 90% of customers being satisfied with the range and quality of the new facility. It is proving a popular new attraction with more than 116,000 participations in its first six months. It received a gold award in the tourism and leisure category of the New Zealand Commercial Project Awards.

COVID-19 affected all centres, either through closures or reduced capacity. Participation for the year was 3,898,293 across multipurpose recreation and sport centres, outdoor pools and stadia. He Puna Taimoana, the new hot pools, welcomed more than 123,000 visitors over the 2021-22 financial year.

In collaboration with funding partners we were able to provide 117,379 affordable swim lessons through primary schools.

We continue to work towards the opening of the new recreation and sport centre in the central city, Parakiore, and the new Hombly Centre, both due to open at the end of 2023.

Events and festivals

The Events, Partnership and Development Team provided 16,028 hours of staff support to community groups and received a customer satisfaction rating of 90% for the quality of that support.

Our events calendar was disrupted by the pandemic, but highlights included the Women’s Cricket World Cup, Kidsfest programme, Go Live Festival, Tirama Mai and Sparks.

Events allow us to promote Christchurch and attract visitors to the city.

Civil Defence Emergency Management

We’re now operating at full strength, with key staff having been recruited since the second national lockdown. Staff capability building is well under way, with training, exercises and deployments used to build competence, currency and experience.

A comprehensive update to key plans covering local readiness and response arrangements is under way.

Our community resilience coordinators have been engaging with community groups to identify opportunities to build resilience and progress planning for emergencies. A community-focused approach to developing resilience in children is well supported through our Stan's Got a Plan school programme, delivered by the Council’s Parks Team.

We continue 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.

Libraries

We had another strong year, with 19,086 new members and a 94% customer satisfaction rate.

COVID-19 continued to affect visitor numbers, programme attendance, and the use of physical collections, however there was strong growth in the use of digital resources and online services. We also offered a broader range of online services.

Councillors approved the removal of overdue fines and all historical debt relating to fines for adult members. We have joined a growing number of libraries to have removed overdue fines and made access to library services more equitable for all.

We continued planning the new library at the Hornby Centre, began consulting users of our Mobile Library and began gathering community ideas for the South Library and Service Centre, ahead of developing a concept design for the rebuild. Four libraries were refurbished – Shirley, Aranui, Diamond Harbour, and Little River.

In line with our COVID-19 expectations, the circulation of physical collections was down 13% and digital downloads were up 11%. Canterbury Stories, the Digital Heritage Repository, now offers over 43,000 items. The Discovery Wall had over a million touches in the past year.

Specialist reference and research services completed three requests per month on average, each requiring in depth research expertise.

Programmes and events

We held 6126 public programmes and events for 114,425 attendees and another 22,805 participants attended community-run sessions in our libraries.

Māori and Multicultural Services held 228 sessions, with 6,291 attendees.

Regular programmes included: a weekly Ngā Pakiwaitara Bilingual Storytimes, Māori holiday programmes for all school holiday periods and monthly iwi research events.

Our 21 outreach programmes included: Kī o Rahi tournament with ARA and a digital programme to kaumatua at Rehua Marae.

Outreach services provided digital storytimes to 2609 customers during the red traffic light environment and adapted services to choose and deliver at least 36,500 items to rest homes and preschools throughout the year. The annual Summertime Reading Campaign was very successful, with 3,854 participants.

Two major exhibitions were led and delivered by the team Whakaata Mai te Kūkūwai and Te Ao Hou.

We celebrated Matariki in June and multicultural events this year included celebrations of Japan Day, Chinese Lunar New Year, Nowruz and Philippine Independence Day. Pasifika events included tapa-making and family makerspace activities centred on language weeks.

Tūranga hosted a wide range of programmes and events including activities involving dinosaurs, a beach party, architecture, wellbeing and more. It was also home base for the WORD Festival in November 2021; a Heritage Highlights Speaker Series, and the restart of the Spotlight On... workshop with Treasures from the Archives.

Auahatanga Creative Space at South Library was implemented in March 2022. The learning space was reconfigured to trial new technologies, enabling customers to access creative production tools and staff expertise, with positive feedback from customers.

Partnerships and collaborations

We're very focused on sustainable partnerships and collaborations.

We partnered with Impact Education to deliver information sessions to their teachers on the Māori resources held in libraries, with Ngāi Tahu Archives Unit to deliver a collaborative exhibition, with Northlands Mall to deliver Ngā Pakiwaitara for Matariki, Te Pā o Rākaihautū, and with Te Kura Whakapūmau to deliver sessions on manu tukutuku.

New collaborations were established with Plains FM to provide a monthly library radio show So Many Stories, and with BLAKE, a not-for-profit trust, providing BLAKE NZ-VR learning for customers. Our collaboration with Digital Alliance Aotearoa NZ was extended to host DORA mobile digital banking, and Better Digital Futures for Seniors was offered at five community libraries.

We worked with MBIE to host the MBIE: Thanks From Iso exhibition and with artist Ruby Jones to bring Kiwis' managed isolation experiences to life in a unique artist residency. We worked with the Ministry for the Environment, Ecan and the council's Sustainability Team on the Our Climate Future exhibition. We also worked with Youth and Cultural Development on a Hip Hop Summit, and with University of Canterbury and Christchurch East School on the We Stand Here exhibition.

We continued collaborating with Digital Inclusion Alliance Aotearoa, to help families in lower socio-economic areas to gain internet access at home via Skinny Jump, and continued to partner with Recycle a Device (RAD) offering used corporate computers, refurbished by school students, free for the Linwood community.

Our libraries made the most of the five secondment opportunities provided by New Zealand Libraries Partnership Programme, a two-year government funding package, with a focus on improving connections between Māori and Pasifika communities, and engaging with community groups and individuals to increase their awareness of sharing their stories digitally through Canterbury Stories, our Digital Heritage Repository.

Community Development and Facilities

The Strengthening Communities Together Strategy was adopted on 4 April 2022, heralding a whole of council approach to building strong communities. Implementation includes establishing cross-council working groups to ensure a more joined up approach across units where levels of service align with strategy goals and objectives.

We processed more than 1196 applications for community funding, with \$9,958,154 being granted towards community initiatives involving volunteers.

We are fortunate to benefit from the efforts of volunteers, this year 3,429,984 hours of their time. Volunteers are involved in a wide range of activities – sitting on governance boards, coaching sports, teaching arts and crafts, helping at food banks, helping to maintain parks and reserves, graffiti spotting and removal, toiling at the men's sheds or visiting and supporting vulnerable members of the community who may be socially isolated or lonely.

Our Graffiti Team received 19,500 reports of tagging, with 52% coming from Graffiti Programme volunteers.

The volunteers work with community partners to identify tagging and remove it. The programme has 139 volunteers aged from 10 to 85 years and contributing 4495 hours. Our partnership with Community Patrols contributed another 2380 hours.

We have 13 groups working with us to remove between 50 and 300 square metres of graffiti each month, contributing 4800 hours. Fourteen artists also volunteer, contributing 500 hours to community art projects and mentoring.

We have 88 community facilities, with 65 (78%) being operated by partner organisations. Our portfolio has decreased for several reasons, including asset transfers to community groups, earthquake-prone buildings and facilities were demolished, and some facilities are no longer needed.

A wide range of community development initiatives are supported at both a metropolitan and community board level. Over 60 community network meetings have been facilitated by staff. That's a slight drop from last year due to the pandemic, although participation was maintained through online meetings.

The Civil Defence Emergency Management (CDEM) unit is at full strength, with key staff being recruited since the second national lockdown. Staff capability building is well under way, with training, exercises and deployments used to build competence, currency and experience.

Key plans covering local readiness and response arrangements are being updated.

Our community resilience coordinators are engaging with community groups to identify opportunities to build resilience and to help their emergency planning. A community-focused approach to developing resilience in children is well supported through our Stan's Got a Plan schools programme, delivered by the Parks Team.

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

Citizen and customer services

Our success is measured by the feedback we receive from citizens and customers. This year we achieved a residents' satisfaction rating of 97% for our walk-in service and 90% for our phone service.

The satisfaction of our phone service was further endorsed with the introduction of a real-time post-call survey and a satisfaction score of 96.4%. For the second consecutive year we won the Contact Centre CRM Award for Best in Public Service.

Significant project focus this year included:

- Completing service provisioning planning for the New Hornby Centre
- Little River Service Hub refurbishment
- Engagement with the South Library and Service Centre community in preparation for developing a concept design for its rebuild
- We were awarded new national after hours service contracts with City Care Property
- And Oranga Tamariki
- The Service Request Enhancement Project delivered key architectural changes that allow our systems to focus on the customer journey and to design for optimum customer experience. Service categories have been reviewed and improved. We also reviewed our Citizen Service Level Agreement (SLAs) and realigned these to ensure they are more realistic while still providing timely and high-quality customer service.

The pandemic, with its challenges of lock downs and illness, reduced the total number of customer interactions 673,809 – 9.2% down on last year. Nevertheless, we handled:

- 350,905 telephone enquiries
- 86,892 email enquiries
- 72,823 online interactions
- 163,189 face-to-face interactions

Parks, heritage and coastal environment

Parks and foreshore

Our focus was on improving performance in delivery of our capital programme. There was a significant lift in year-on-year performance, with an achieved level of 97% against an average of 50%.

The per-hectare cost of service delivery is down 6% due to budget cuts and an increase in land.

Three new community partnership rangers will work with communities to get people involved in their local park areas, helping to build community resilience. Volunteering was affected by COVID-19, a strong base remains with good potential for growth.

Our 18-week cadetship programme, a collaboration with the Ministry of Social Development, has been extended for another year.

We continued renewing and upgrading paths and tracks in Hagley Park, and have received positive feedback on this.

Another focus was improving stream environments, including for the Ōtākaro-Avon River, Addington Brook and Riccarton Stream.

Under the new Trees Policy we must plant two trees for every one we remove. We implemented this policy and by the end of June had planted 2.4 trees for each tree removed, with 5% of these being medium or greater in size. They won't mature for several years, but it's a positive step in mitigating the effects of climate change.

We enjoy a strong relationship with the Friends of the Botanic Gardens and the Botanic Gardens Trust. These organisations give vital funding and resources to help us provide a world class garden park. The Friends of the Botanic Gardens donated funding to support staff training and apprenticeships, which we are grateful for.

The budget for community parks was reduced, but staff continued delivering excellent services. With fewer resources, it will be a challenge to meet public expectations for garden maintenance during the spring growth period.

We introduced our rubbish bin reduction programme this year. This programme aims to remove 85% of park bins and replace them with fewer, solar-powered smart bins. These bins have five to seven times more capacity than the old bins, and send an electronic notification to let contractors know they need to be emptied.

This generated both positive and negative community feedback. Pleasingly, there has been a reduction in ‘fly tipping’, where rubbish was left beside a full older-style bin.

An important aspect of protecting the coastal environment is stabilising and naturalising sand dunes. This is a significant ongoing area of work and it’s pleasing to see the new grasses taking hold in the dunes successfully.

We completed work to upgrade the carpark at Naval Point in preparation for the international SailGP event in March 2023. This work was completed ahead of schedule and our attention is now on other aspects of our plans for Naval Point.

In our regional parks, the focus has been on biodiversity programmes, including plantings, pest control and land management. Staff have ensured that tracks and trails were available throughout the year for people to enjoy, and offer a range of volunteer opportunities to enable people to participate in programmes to protect and enhance our environment.

Park rangers continued working with numerous groups as interest in community pest control grows. They support various partnerships such as Pest Free Banks Peninsula, Whaka Ora, Healthy Harbour and Te Kahahu Kahukura, a large-scale collaboration of land owners, residents, organisations and agencies working to regenerate native bush on the southern Port Hills.

In collaboration with mana whenua, local communities, and Ōnuku Rūnanga staff led the development of Takapūneke Reserve, Akaroa. The first of four pou, by renowned master carver Fayne Robinson, was installed and the reserve opened at a ceremony on the first Matariki public holiday.

This is a significant milestone for this tapu Banks Peninsula site, and a big step forward in achieving national reserve status. Future development will continue in 2022-23, as budgets allow, to complete the master plan.

We continued investing in cemetery capacity. Surveys of all the available space were completed and we’re now stating a programme of land preparation to maximise that space.

Lancaster Park was reopened as a community sports park in June. Work will continue, with plans for community buildings, plantings, play and recreation facilities and a multimedia platform that acknowledges and brings to life the park’s remarkable sporting and cultural history. Work to restore the war memorial gates is under way.

We now own and manage much of the Ōtākaro Avon River Corridor and other former residential red zone land in Brooklands, the Port Hills and South Shore. We are developing a co-governance entity to manage implementation of the Ōtākaro Avon River Corridor Regeneration Plan, including the City to Sea Pathway.

Parks heritage management

We are focused on rebuilding city-owned heritage buildings, especially those outside the central city. We completed the publicly notified process for identifying ongoing new uses for those buildings that can be occupied.

The former Christchurch Municipal Chambers restoration is well under way, as is the restoration of the Citizens War Memorial in its new location in Whitireia-Cathedral Square.

We’re also working on the last few in the portfolio to be restored, including Chokebore Lodge, Penfolds Cobb Cottage, Little River Coronation Library, Coronation Hall and the Lyttelton Stables. They are being restored for use, with tenants identified.

Water supply

Work to secure the safety and security of our drinking water supplies continued, with a focus on repairs to reservoirs and suction tanks. We performed 108 external inspections and 18 internal inspections. We repaired 10 tanks, have repairs under way on eight and we’re designing repairs to another 30.

We continued chlorinating water supplies where required by our water safety plans and Taumata Arowai, the drinking water regulator. We’ve expanded our drinking water testing to meet the revised Drinking Water Standards for New Zealand. This has involved setting up dedicated sampling points across the district to provide better water quality data.

A Source Water Risk Management Plan for Christchurch and Lyttelton was completed as part of our Water Safety Plan update, under the Water Services Act. This plan focuses on hazard identification, risk assessment and action plans to protect groundwater sources.

We renewed about 30.4 kilometres of water supply mains, and 37.4 kilometres of submains.

Replacement of the critical DN600 trunk main along Eastern Terrace has begun. We're using an anchored joint ductile iron pipe – a New Zealand first.

The new Ben Rarere pump station is nearing completion. Work is under way on the Jeffreys and Sydenham water supply pump station suction tanks which both suffered severe earthquake damage.

Using the government's water reform stimulus funding we have completed deferred maintenance on 78 water supply pump stations.

Several water monitoring devices were installed in the Rawhiti water supply zone. These provide data to our smart water monitoring system and represent a huge step towards achieving our smart water network objectives. We're rolling out smart metres in a small area of the Rawhiti zone.

Critical software and hardware upgrades to our SCADA (Supervisory Control and Data Acquisition) and PLC (Programmable Logic Controller) systems have been completed. This has made it easier to operate our water supply systems and improves resilience.

Our water supply bylaw was reviewed, revised and adopted by Council. This allows us to continue managing, regulating and protecting the networks from misuse or damage, while prioritising health and safety.

Wastewater

The Lyttelton Wastewater Scheme is almost complete. This major project will carry wastewater from Lyttelton, Diamond Harbour and Governors Bay to the Christchurch Wastewater Treatment Plant at Bromley, enabling us to stop discharging treated wastewater into Lyttelton Harbour.

In Akaroa, we have resource consent to continue operating the existing wastewater treatment plant for the next eight years, while we design and construct a new scheme. We also completed the options analysis and public consultation for the new scheme at Duvauchelle and design work is now under way.

A significant upgrade to the Halswell Road wastewater pump station, and we have almost finished installing a large new wastewater main in Hayton Road.

We repaired or replaced 10,075 metres of gravity wastewater pipes, 181 metres of pressure main pipes, and installed 4927 metres of new local pressure pipes.

We have completed critical software and hardware upgrades to our SCADA (Supervisory Control and Data Acquisition) and PLC (Programmable Logic Controller) systems to improve the ease of operations and to improve resilience for our wastewater pumping stations and the Christchurch Wastewater Treatment Plant.

Water reform 'stimulus funding' gave a meaningful boost to our wastewater inspection programme, enabling us to better programme renewal works. Inspections were done around the site for Te Kaha (Canterbury Multi-use Arena), the brick barrels on Fitzgerald Avenue and the large relief trunk sewer on Buchanans Road.

Our wastewater bylaw was reviewed and adopted by Council. This allows us to continue managing, regulating and protecting the networks from misuse or damage while prioritising health and safety.

Fire damage tests Bromley

Disaster struck at the Christchurch Wastewater Treatment Plant in Bromley in November, when a large fire caused significant damage to two trickling filters. As a result, we lost about 60 per cent of our capacity to effectively treat wastewater.

Despite this, we continued to receive and treat the approximately 150,000 cubic metres of wastewater we get per day at the plant. Initially this was done by adding chemicals, then by converting parts of the existing treatment plant for an interim treatment process – a huge job.

Despite our best efforts, the damage from the fire means we aren't able to treat wastewater as effectively, which caused a strong stench to hang over Christchurch's eastern suburbs. The persistent foul smell has been extremely upsetting for nearby residents.

In May we appointed a contractor to clear the burnt plastic material from the trickling filters, which will eliminate one of the main odour sources.

At the same time, we continued work on a new activated sludge treatment process, which will improve the quality of the wastewater entering the oxidation ponds. These ponds are now the main source of smells for residents.

We expect both trickling filters to be emptied and the activated sludge process to be well established by September. This will improve the health of the ponds and reduce the odours affecting nearby residents.

Stormwater

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

We've completed network renewals and upgrades in many areas, including improvements to inlet structures and bank linings across the district. This has included replacing linings with more ecologically sensitive designs.

Some major capital infrastructure renewals were completed, including work on stream lining and brick barrel replacements in Jacksons Creek, Mairehau Drain, Dudley Creek, Papanui and St Albans. Work on the Lyttelton Stormwater Brick Barrel Network continued and we completed a series of new manholes to give access for future lining work.

Delivering and planning other significant stormwater drainage projects progressed. This work will improve the management of both the quantity and quality of stormwater. Delivery of the upper Cashmere Worsleys Flood Storage Dam was tendered, with construction planned for later in the 2022/23 year.

We made good progress on work to reinstate the pre-earthquake capacity of Pump Station 205. This will benefit flood-prone properties in the St Albans area.

We began building a long-term stopbank next to Waitaki Street in the Ōtākaro Avon River Corridor and installing new stormwater pipes to connect upstream catchments to the proposed treatment facility behind the stopbank. The design of the Waikakariki Te Oranga-Horseshoe Lake stormwater treatment facility has progressed well, with planning under way for other work in the corridor.

These are cornerstone projects in the Ōtākaro Avon River Corridor (OARC) Regeneration Programme, and are required to meet our obligations under the Comprehensive Stormwater Network Discharge Consent (CSNDC). They are crucial to reducing the discharge of stormwater contaminants to our waterways.

Many projects are in the design phase for waterway relining work in 2022/23. These include renewal of Mairehau Drain and Papanui Drain, Canal Reserve Stage 2 works, Waimairi Stream and Scotston Avenue works.

We're closely monitoring the weed harvesting programme to ensure optimum benefit in managing river water levels. Planning has begun for equipment renewals at stormwater pump stations, replacing ageing assets and maintaining current infrastructure.

Building on work completed last year to support our Comprehensive Stormwater Network Discharge Consent we've been working on Stormwater Management Plans, the Environmental Monitoring Programme, investigations needed for developing an Instream Contaminant Concentration Model, and several other studies relating to stormwater quality and quantity and floodwater management.

A climate change implementation plan for surface water infrastructure and waterways is critical to our infrastructure programme and will give effect to the Council's Climate Resilience Strategy, adopted in the Long Term Plan 2021/31.

We've provided ongoing support to the Coastal Hazard Adaptation Planning Programme, the Ōtākaro-Avon Catchment Multi-hazard Study, and the Canterbury Regional Climate Change Working Group.

Flood protection and control works

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

In the Ōpawaho-Heathcote catchment we've started work on the automatic control system for the upper basin, completed wetlands and a control structure in the Eastman Wetlands and made progress on our joint project with the Ministry for the Environment to enhance Cashmere Stream.

Significant rainfall in December 2021 and February 2022 were a good test for much of the work done, and it provided relief in the downstream parts of the catchment.

In other areas, we're designing the Greens Stormwater facility, and working on the Highsted system, including realignment and naturalisation of a section of Styx Drain. The Blakes Road facility was completed.

Design work for the Addington Brook and Riccarton Stream stormwater treatment facility has started. These works support the Council's strategic priority of improved waterways and our six-values approach to stormwater management.

Work to extend the stopbank in South New Brighton near to South New Brighton School is finished. Preliminary design of the Southshore earthquake legacy work, featuring a new flood bund, has begun.

We monitored and maintained the Ōtākaro-Avon River temporary stop banks, and began addressing known issues. The stop banks protect against tidal events in the short term while projects in the Ōtākaro Avon River Corridor progresses. We started the first long-term stopbank project to replace the temporary stopbank in the Waitaki Street area – a significant milestone.

To service the needs of the stormwater and waterways planning, delivery and operational teams, upgrades to the Christchurch hydraulic models continued, with updates to the Ōtākaro-Avon, Huritini-Halswell, Ōpāwaho-Heathcote, and Matuku Takotako-Sumner models. We're also working to improve the way modelling data is managed. A Pūharakekenui-Styx model will be developed in 2022-23.

Environmental projects we're working on include improving known fish barriers such as the Mona Vale Weir in Christchurch and similar sites on the Banks Peninsula, waterway enhancements such as Cashmere Stream, Arran Drain realignment, and renewals to Steamwharf Stream and Opara Stream.

Transportation

Improvements to our roads have reduced fatal and serious-injury crashes by about 23 per year for the past four years (since 2018). This was achieved through a wide range of infrastructure improvements, cycleways, walkways, crossing points and education.

Being involved in consent processes for new sub-divisions and other large developments has also allowed us to influence approvals to achieve best alignment with the district plan and Council's strategic priorities.

Way safer to get around

Significant safety improvements were made to the road network. We completed the upgrade of the Marshland, Lower Styx and Hawkins roads intersection. Safety barriers were installed on a significant stretch of Dyers Pass Road, with the next section to be completed in 2023.

Minor safety improvements were made across the network at 18 local sites, including to four signalised intersections with dedicated right-turn arrows, as well as pedestrian and cycle safety improvements. Four other intersections and a roundabout were also improved, making them safer for all road users.

We completed five speed limit reviews. In total, 34 roads or road sections (around 20 kilometres) were made safer with appropriate speed limits. This work included limiting speeds to 30km/h and 40km/h in residential areas and key activity centres, including Woolston Village and surrounds, Beckenham Loop, Selwyn Village and across Banks Peninsula (working with Waka Kotahi on safer speed limits on SH75).

Way safer by bike

Our work on the major cycle routes continued. Construction continued on the South Express Cycleway and stages one and two of the Nor'West Arc Cycleway. Design and consultation on stage three of the Nor'West Arc Cycleway was also completed.

Closing the loop

An important post-earthquake streetscape project was completed in the central city – High Street, between Cashel and Tuam streets. This project included extending the tram track, which allows the tram to complete a full loop in the central city.

Better by bus

We began working on improvements identified in the approved public transport business case.

This has involved extensive work across the network, including reviewing, designing and consulting on the upgrade of all bus stops along the new Port-to-Port route, from Lyttelton (and Rapaki) to the airport. This project includes a proposal for six new pedestrian crossings, five new shelters, 24 new seats, 12 new bus stops and updated line markings for more than 100 stops. If approved this work will start in 2022-23.

Other work on the public transport network included:

- 114 bus stop updates
- 63 Orbiter bollard removals
- 77 new white poles and signs
- 16 post removals
- 29 signs installed on existing posts,
- 36 bus stop footpath extensions (to improve accessibility)
- 4 new shelters
- 4 bus stop kerb improvements
- 4 bus stops line marking improvements
- 6 new seats
- 9 new bus locator screens

Learning safer ways

Twenty-five schools enrolled with our School Travel Planning Programme this year.

To embed more consistent active travel we held a Walk or Wheel to School Week in March, with 74 schools participating – more than ever before. This amounted to a combined roll of more than 24,427 pupils.

Over the year 3200 students took part in our Cycle Safe in-school training course.

Through our Workplace Travel Planning and Personal Travel Planning programmes we provided advice, support and incentives to 2233 customers.

Crash Bash visited 22 schools. The programme focused on peer pressure and alcohol. The show, called Leader of the Pack, encouraged students to speak up and feel empowered to help friends make safe choices when in uncomfortable situations around driving, alcohol and their peers.

Tidy streets

We removed 82,000 square metres of graffiti, pruned 16,722 street trees and removed 630 street trees (for various reasons).

We serviced approximately 18 million square metres of turf and 5.5 million square metres of gardens, laid 13,000 cubic metres of mulch and planted 12,000 shrubs.

To enable people to work on our roads safely and in a coordinated way, we processed and approved 2900 corridor access requests.

Solid waste and resource recovery

The kerbside collection system is working well, diverting about 65% of waste from landfill. This service rates highly in our annual residents' survey.

We're committed to continuous improvement and work with our collections contractor to maximise efficiencies under the recently completed Radio Frequency Identification Programme. Electronic identification tags were fitted to the city's 480,000 wheelie bins. The tags and associated data means we can manage bin allocations and resolve issues more quickly, and makes it more difficult for people to misuse the service.

In response to the challenges faced since the COVID-19 pandemic response, significant efforts have been made in reducing the rate of contamination in recycling bins. This has involved checking 425,000 bins and implementing a gold star education programme, and has meant we're now able to recycle material collected by 91% of trucks – a big improvement from 49% before the programme.

Consultation on changes identified in a review of refuse disposal and resource recovery was held. The changes will help us meet the objectives in the Waste Management and Minimisation Plan 2020, a six-year plan for service delivery. This is a detailed action plan outlining our short, medium and long-term strategies to minimise waste.

We're progressing a significant programme of work to remediate 'at risk' former landfills.

Work is under way to identify a suitable location for moving the Christchurch Organics Processing Plant, and for next year's upgrade (using funding from the Provincial Growth Fund) of the Materials Recovery Facility, where the kerbside recycling is processed.

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

We continued our role in the Canterbury Waste Joint Committee on regional waste minimisation projects and identifying opportunities to further improve waste reduction.

Our initiative to collect and recycle household batteries will now be implemented across Canterbury.

Housing

Working with our partner, the Ōtautahi Community Housing Trust (ŌCHT), we continued improving the supply and quality of our community housing.

We effectively achieved the healthy homes standards in 2021, 3 years prior to the 24 deadline.

Two new complexes were developed, adding 70 new homes to the portfolio. Another six complexes are being built and planning is under way for another 80. A Council loan of \$55 million has helped ŌCHT facilitate these developments and meet the needs of some of our most vulnerable citizens.

The Warm and Dry Programme was completed this year at a cost of \$16 million. This involved installing heat pumps and ventilation, insulation upgrades, draught stopping, moisture ingress and drainage improvements, and upgrading all curtains. The programme was completed ahead of the central government compliance date and feedback has been that this work has made a significant difference to the warmth and dryness of the units.

This year ŌCHT took on responsibility for major maintenance and unit renewals. This change allows more integrated planning between reactive repairs and programmed work, improved tenant experience, and the potential for procurement savings.

ŌCHT has agreed a three-year asset management plan and planned upgrades have continued. Eight complexes were fully painted outside, significant tree maintenance was carried out at 16 complexes, line marking was done at 56 complexes, path and driveway repairs and renewals at four complexes, and fence replacements were planned for nine complexes.

Other highlights included ŌCHT undertaking a stove replacement programme, replacing 120 stoves. Failing exterior stairs were replaced at one complex and a water supply upgrade programme is under way at 34 complexes to reduce leaks. Repairs to eight of the most serious leaks have been completed and this work will continue.

There were delays in half-life refurbishments, mainly due to supply chain issues. Only 18 unit upgrades were completed, against a target of 54. ŌCHT plans to warehouse key materials and create efficiencies in procurement and programme delivery in 2022-23, and this will help it to achieve the target.

Unfortunately we have had to repair two fire-damaged units. We're working with ŌCHT to improve fire education messaging to residents. ŌCHT continued its partnership with Fire and Emergency to install more smoke alarms, above regulatory requirements.

We've continued inspecting units for asbestos. This has included preparing asbestos management surveys and plans, in preparation for future works.

On the policy side, a new Community Housing Strategy was approved early in 2021. It frames community housing as being central to the district's wellbeing. It sets the future direction for our role in both public and affordable housing, with a focus on working in partnership with other providers. Some priorities are to investigate options for providing community housing at scale, and to ensure the use of council-owned land and resources supports and retains a range of community housing.

Regulation and compliance

Regulatory compliance and licensing

Our compliance work was more complex than in previous years, specifically in the areas of illegal building works and district plan non-compliance.

The risk-based Compliance Strategy is now part of our business as usual when prioritising investigations.

Alcohol licenses and food premises registrations have remained steady with COVID-19 having minimal effect on application numbers.

There were 10,330 LIMs produced over the year, representing an increase in real estate activity in Christchurch.

We saw an increase in freedom camping compliance, with the 2021 Freedom Camping Bylaw providing clarity of the camping rules in our district.

Building regulation

The demand for both commercial and residential building consents picked up slightly in the first six months of the year and increased significantly in the final third of the year.

COVID-19 modelling available at the time meant the overall higher demand wasn't forecast. The nature of forecasting is that it is done in advance, then adjusted during the year based on trends and updated economic forecasts. We're keen for our forecasting to be more accurate, but this is difficult to achieve for building consent applications.

Consenting

Demand for building consents continued to increase during the period, especially for residential consents. This resulted in record-breaking numbers of consents for new household units, in line with the national trend.

This significant increase in workload, coupled with staff retention, resourcing and contractor availability issues, resulted in a continued decrease in statutory processing performance until November.

As recruitment and additional contractor procurement progressed, processing performance improved. In all, 5134 consents were granted (compared to 4,810 in the previous year).

Despite our poor processing times, our overall customer satisfaction rate remained high at 81.5%.

Inspections

With the increased volume and complexity of consents being granted there was a corresponding increased demand for inspections.

The inspection wait time was mostly within the three-day KPI, until March to May 2022, when some complex residential projects waited more than 20 days. While COVID-19 affected staffing, the introduction of remote inspection technology and inspection resource from another building consent authority saw wait times return to two to five days.

Code compliance

Demand for Code Compliance Certificates remained high at 3829, and 96% were issued within the statutory timeframe.

Building exemptions

Discretionary exemptions remained popular, with 2,145 granted (a small increase from the previous year). We processed 98% within the 10-day KPI.

Earthquake prone buildings

At the end of June there were 614 buildings (201 priority buildings and 413 non-priority) on the MBIE National Earthquake Prone Building Register – 93 fewer than at the end of the 2021 financial year.

Building warrant of fitness

There were 187 building audits undertaken during the period, about the same as the previous year. We received 5359 warrants and all were desk-top audited.

Eco-design advice

Demand for this service has remained steady over the past few years. This year 323 consultations were completed.

Public advice

We had 1810 fewer walk-in customers this year, probably due to COVID-19 restrictions, with a total of 4299. Duty Building Consent Officers received 9329 calls and emails, down from 12,024 from the previous year.

Land and property information services

Despite COVID-19, our workload increased significantly, with 27% more LIMs and 26% more residential property file requests. This increase was unexpected as forecasts predicted demand would decrease.

However, the numbers ended up being in line with our other building activities and performance was maintained, with all requests processed within the statutory timeframes.

The request process for LIMs and property files moved onto a new request and pay system. This has enabled faster delivery of property files and LIMs to our customers, resulting in an improved customer experience.

Resource consenting

Resource consent application numbers rose significantly this year, with 3337 applications (compared to 2728 the previous year).

This unexpected surge resulted in only 76% of applications being processed within the statutory timeframe. Various initiatives have been implemented over the year to improve processing timeframes, which started to improve towards the end of the year.

Customer satisfaction with the resource consenting process was up 6% at 76% (the target is 70%). Other survey information (pulse survey feedback) showed customer satisfaction to be consistently higher than 90%.

We received more public enquiries than usual to our duty planner phone and email service.

Some contentious applications we received and processed led to more people raising concerns about developments in some neighbourhoods.

Strategic planning and policy

Land-use planning and strategic transport

We've been involved in Council-wide work to respond to government changes to the resource management system. This included developing a submission to the Parliamentary Select Committee on the Natural and Built Environments Act Exposure Draft, and a further submission to the Ministry for the Environment, in response to targeted engagement questions for local government and iwi.

We will need to give effect to the Government's 2020 National Policy Statement on Urban Development, and legislative changes to the Resource Management Act to enable greater housing supply. This has meant preparing significant changes to the Christchurch District Plan.

We began implementing the Coastal Hazards Adaptation Planning programme. This involves working with low-lying coastal and inland communities to plan responses to risks and exposure to inundation, erosion and rising groundwater – the first adaptation area is Te Whakaraupō-Lyttelton Harbour.

Work continued with our Greater Christchurch partners to develop a spatial plan for Greater Christchurch, which will influence several planning and strategic transport workstreams. The Greater Christchurch Housing Development Capacity Assessment was developed collaboratively by the partners and is a key piece of evidence.

The Christchurch Transport Plan was updated and will be considered by the new Council. It will guide future investment in transport infrastructure and focuses on actions to reduce transport-related emissions. We continued to work with the Greater Christchurch Partnership to develop a transport plan for Greater Christchurch.

Greater Christchurch Partnership

The Greater Christchurch Partnership established an urban growth partnership with central government – the Whakawhanake Kāinga Committee. This is an opportunity for central government, local government and mana whenua to work together on region-wide urban challenges.

Under the committee, work continued on a new Spatial Plan for Greater Christchurch which considers our response to climate change and wellbeing in the context of population growth. The committee is also working on an interim business case on the feasibility of Mass Rapid Transit for Greater Christchurch, and a wider Greater Christchurch Transport Plan and Investment Programme. These drafts will be considered in 2023.

The Greater Christchurch Partnership has continued to strengthen its partnership with mana whenua.

Strategic Policy

We began planning for Kia Tūroa te Ao, Ōtautahi Christchurch Climate Resilience Strategy, and completed district risk screening to identify local climate risks. Emissions reduction efforts continue, and an offsetting project was established to identify options for offsetting Council emissions. An online Christchurch greenhouse gas emissions tracker was launched to highlight some major sources of local transport emissions and how they are tracking over time.

We submitted on the Government's Te Hau Mārohi ki Anamata (transitioning to a low-emissions climate-resilient future), and participated in workshops with central government agencies developing a national climate policy.

We're working towards implementing the Christchurch Housing Initiative shared equity home ownership scheme via a leasehold approach, which helps give effect to the Community Housing Strategy. We contributed to the affordable housing content in the Greater Christchurch's 2050 Plan and its spatial plan, and worked with Government, LGNZ and the community housing sector to support and advocate for social and affordable housing.

We developed and briefed councillors on the Ōtautahi Christchurch Plan. This is a local spatial plan prepared in response to the Spatial Planning Act to guide decision making, investment and action in the district. It will also influence sub-regional planning through the Greater Christchurch Spatial and Transport Plans.

We adopted our reviewed Development Contribution Policy 2021 which came into effect on 1 August 2021. Economic policy advice has continued across a range of projects including work on issues related to the Future for Local Government review and Three Waters Reform.

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 helped prepare the Infrastructure Strategy and Financial Strategy.

Since July 2021, we made 21 Council submissions and 20 staff submissions on priority issues to external agencies. A substantial number of these submissions have set out the Council's perspective on the wide-ranging reform programme being led by central government:

- New Zealand Infrastructure Strategy
- Government Policy Statement on Housing and Urban Development
- Natural and Built Environments Bill exposure draft
- Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill
- Natural Hazards Bill
- National Adaptation Plan
- Future for Local Government (feedback)

Under the 10-year bylaw review schedule and regulatory statutory requirements, we:

- Reviewed the 2014 bylaw for water supply, wastewater and stormwater and replaced it with two new bylaws – the Water Supply and Wastewater Bylaw 2022 and the Stormwater and Land Drainage Bylaw 2022.
- Following the review of the Freedom Camping Bylaw 2015, we consulted on a replacement bylaw and the Freedom Camping Bylaw 2021 came into force in December 2021.
- Progressed the review of the Waste Management Bylaw 2009 and the Cleanfill and Waste Handling Bylaw 2015.

We completed a three-yearly review of the Class 4 Gambling and TAB Venue Policy with a revised policy approved by the Council on 9 September 2021. We also completed a review of the Psychoactive Products Retail Locations Policy.

We continued to update policies under the Public Places Bylaw 2018, and have progressed a review of the outdoor dining-related policy. This review is expected to be completed in the 2022/23 financial year.

Under the Alcohol Restrictions in Public Places Bylaw, seven 24-hour temporary alcohol bans were applied for and approved for events scheduled for the summer of 21/22. However due to COVID-19 only one of these events took place.

We continued working with Community Public Health to integrate health and wellbeing perspectives in planning, policy, and decision-making. Updated information on smokefree and vape-free spaces has been developed, and we are using a digital animation at council libraries, community facilities, civic offices, and the Bus Interchange to get the smokefree and vape-free message out to the community.

Christchurch Biodiversity Funding of \$400,000 was allocated to private landowners with sites of ecological significance, for fencing, pest control and planting.

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 has been completed and the surface water/stormwater implementation plan is in progress.

We continued to support implementation of the Canterbury Water Management Strategy, in particular by providing advice to water management zone committees.

The Natural Environment Team led reviews of several dozen non-notified resource consent applications lodged with ECan for takes and discharges to water, land and air. We submitted on three limited-notified regional resource consent applications, and provided feedback to ECan on 12 non-notified 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 Standard for Sources of Human Drinking Water, the National Environmental Standards for Freshwater and the National Policy Statement for Freshwater Management
- Taumata Arowai 'exposure draft' of New Zealand drinking water standards

We also provided advice to other Council teams and units, Council senior management and elected members on a range of environmental matters including:

- Te Waihora co-governance
- Three waters reform
- Nitrates in drinking water
- Mayoral Forum (and its sub-forums), as applicable
- CCC/ECan forums
- Review of water supply, wastewater and stormwater bylaw
- Working with the Mayor's Office on water-related matters
- Natural hazards mitigation (coastal erosion, inundation and sea level rise)
- Natural, social and cultural values of landscapes, open space and biodiversity in local and sub-regional planning

We facilitated the implementation of our Resource Efficiency Greenhouse Gas Emission programme to help us meet the policy commitment to reduce greenhouse gas emissions from our operations.

Urban place making

The Central City Action Plan guides regeneration, with programmes designed to work with residents and owners in emerging residential neighbourhoods, to encourage land owners to improve and maintain vacant land, and to support creative, cultural and community activities – all to make the central city a great place to live, work and play.

Suburban regeneration focused on Linwood Village (revitalisation plan) and Ferry Road, Woolston (streetscape enhancements).

We provided heritage and urban design advice on an unprecedented number of resource consent applications ((3029 applications, including over 500 urban design assessments), and facilitated discussions with landowners, developers and their agents. The Christchurch Urban Design Panel provided design review advice, and design clinics continued to facilitate outcomes for Kāinga Ora developments.

Urban design advice supported Council capital works, including city-wide streetscape improvements and central city projects such as Te Kaha, the Performing Arts Precinct, and Whitirea-Cathedral Square. Policy and planning advice has been a focus with changes to the district plan and spatial planning through the Otautahi Christchurch Plan.

The Place Partnership Fund was established as a three-year pilot with \$82,000 available, linking to the refreshed Te Haumako Te Whitingia Strengthening Communities Together Strategy 2022. Terms of Reference were developed and six initial applications supported. Three-year agreements have been established with city-making partners Gap Filler, Life in Vacant Spaces and The Green Lab – a move away from annual funding to support community leadership.

The Sustainability Fund focused on initiatives to help meet climate change objectives, with \$380,000 made available and 28 projects supported.

Our work on healthy and energy efficient homes has continued in partnership with ECan and free healthy home assessments, although service delivery was affected by COVID-19.

The Our Heritage, Our Taonga, Heritage Strategy remains the key guide for the Council’s heritage work.

Heritage staff administer two heritage grant schemes. Nine Heritage Incentive Grant applications were approved, allocating \$268,039 towards the conservation, repair, and upgrade of heritage buildings and structures. Five Intangible Grants were approved, allocating \$91,769 towards non-tangible aspects of the district’s heritage, including for participants in the annual Heritage Festival in October.

Under the theme ‘People and Place – our stories revealed’, the festival ran under COVID-19 Alert Level 2 with a programme of over 60 events put on by over 40 community groups, heritage organisations and individuals.

Heritage staff have also worked on a significant plan change for the heritage chapter of the district plan. This will add 44 items to the schedule of protected heritage, add protection for 26 building interiors, and add 11 new Residential Heritage Areas.

Public Information and Participation

We provide timely, relevant and accurate information through channels residents use.

New media – online, social media and targeted electronic newsletters – supplements and builds on traditional communications.

The organisation’s advertising spend is down from \$1.4 million in 2016 to \$0.9 million, with a further \$60,000 spent on in-house social media as engagement on our own channels grows.

We carried out 47 engagements and consultations, including our Draft Long Term Plan and received 7,072 submissions and/or feedback. We want to make our consultations easy and accessible for those who haven’t participated in the past, including youth and migrant groups. A translation facility on our website allows content to be translated into 14 languages.

Excluding the Draft Long Term Plan, 95 per cent of submissions were received online and 5 per cent in hard copy. We’re doing fewer consultations after changing our processes for very low level, low influence engagements. We used to call everything consultation, but we’re being more considered in how we position engagements, to help manage residents’ expectations. If the level of influence is very low, and we’re just letting people know about something, we call 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, and major and community facilities. We provided communication support for the many district plan changes, which are not captured individually as communication plans.

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

Our Facebook statistics are down 1.7% on the previous year when the first COVID-19 lockdown pushed them artificially high. Our Facebook posts totalled 1,072, with the most popular relating to recycling, lost dogs and transport.

We're using Instagram more, doubling our number of posts and increasing engagement by 48%. Our most popular posts were about 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, a 0.4 per cent decrease on the previous year's figure which was boosted by high interest in services and facilities during lockdown. With mainstream media using the stories as a resource and people sharing the content, its reach is increasing. 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 e-newsletters to 51,719 subscribers. We also produced 154 community board e-newsletters, sharing news, information, decisions, and events happening in each ward. These were viewed by 5,726 subscribers.

Economic development

We provide ChristchurchNZ with operational funding to lead the economic development of Christchurch. COVID-19 continued to affect activities, particularly major events and the ability to attract visitors and international students.

ChristchurchNZ delivered the following:

- Progressed establishing an urban development role and delivery of urban development projects in New Brighton, the central city and Sydenham under contract
- Completed a review of the Christchurch Antarctic Gateway and Major Events strategies
- Supported innovative businesses, with 49 receiving incubation support through partnership with Te Ōhaka and Thinclub. These businesses created 54 new jobs and raised \$15.8m in capital investment.
- Worked with 56 national and global businesses on potential relocation to, or expansion in, Christchurch. Businesses attracted during the year brought 107 full-time equivalent jobs to the city.
- Won 24 major conference bids for the city, bringing an estimated \$15.75m visitor spend, providing for around 173 full-time equivalent jobs
- Hosted New Zealand's largest convention industry event, MEETINGS, with over 600 domestic and trans-Tasman convention industry delegates
- Secured eight productions in the region under the new Regional Screen Grant, with an estimated GDP impact of \$11.8m, supporting 116 full-time equivalent jobs. The screen office supported another 209 enquiries.
- Delivered Food Fibre and Agritech, Health Tech and Aerospace challenges to elevate Christchurch's growth industries by creating new investable businesses.
- Attracted and sponsored 11 major events to Christchurch, with an estimated attendance of 57,000 and visitor spending of \$3.6 million despite closed borders and lockdowns limiting ticket sales and forcing 11 events to be cancelled.
- Hosted the Women's Cricket World Cup games, which reached a television viewership of 11.4 million, with 1.64 billion views across all ICC channels.
- Delivered major marketing and promotion campaigns, including #ExploreCHC, BLOOM spring events, Merry Christchurch, Do More Summer, Gateway to Growth business attraction and Christchurch Business Events campaign to attract visitors, talent and business to Christchurch and the central city.

Civic and International Relations

We coordinate and lead city-wide international relations activity, in alignment with the 2020 International Relations Policy Framework (IRPF).

Despite COVID-19 lockdowns, we delivered scheduled and unscheduled civic ceremonies, national ceremonies and visits, including:

- Leading a process to identify and secure Council agreement in March 2022 to four IRPF partnership locations:
 - Australia
 - The United States of America's West Coast
 - China's Guangdong Province
 - The Republic of Korea
- Supporting the Mayor or Deputy Mayor to meet with 18 visiting dignitaries, including diplomats from:
 - The United States of America
 - China
 - The Republic of Korea
 - Hungary
 - Germany
 - Israel
 - Japan
 - Chile

Governance

Governance and decision-making

In delivering expert secretarial and support services we processed more than 2600 reports, managed almost 650 meetings and 3000 applications for a range of hearings on subjects as diverse as menacing dogs and bus shelters.

A by-election was held in October 2021, after the resignation of Coastal Ward Councillor James Daniels. Voters had seven candidates to consider and 31.25% of electors voted. The successful candidate was Celeste Donovan (Independent Positive Community Action).

A Representation Review sought community views on how they are represented and whether this remains fair, effective and equitable. As a result the Local Government Commission made some changes to ward boundaries and the make-up of urban community boards in December 2021.

We extended our project to improve the way we work. We now live-stream community board and other governance meetings. These are also recorded and are available to the community on YouTube.

Good progress was made in putting our commitment to openness and transparency into practice.

- Less than 6% of reports were considered with the public excluded (down from 35% in 2016).
- All reports considered with the public excluded during the 2016/19 triennium have been reviewed, and most have been released.
- 80% of reports considered with the public excluded during the 2019/22 triennium have now been reviewed, with most being released in part or in full.

We were involved in preparing the draft Annual Plan 2022-23. The Council adopted the Annual Plan 2022/23 on 21 June 2022. All critical project plan milestone due dates were met.

Under our audited performance framework, we analysed and reported on organisational performance. This was delivered by agreed deadlines each month to the Finance and Performance Committee of the Whole and to the organisation, and for the Annual Report 2021-22.

Office of the Mayor and Chief Executive, and Treaty Partners and Mana Whenua Relations

We provided advice, services and administrative support so that the mayor, deputy mayor, elected members and chief executive were able to fulfil their statutory, community, council and policy leadership roles.

We received and processed requests for information under the provisions of Local Government Official Information Management Act (LGOIMA). We were able to provide timely information 99% of the time.

Council and rūnanga engaged on important environmental matters over the year, especially activities to protect and replenish our natural environmental resources.

Mana whenua continue to support the city's recovery and regeneration.

Cultural support and presence was provided to many key events and projects throughout the year, including the 10th anniversary of the Christchurch earthquakes, the Muslim memorial service and the unveiling of Pou tu te Raki o Te Maiharanui at one of the three sites where Te Tiriti o Waitangi was signed in Te Waipounamu, Takapunekē.

Performance management and reporting

We ensure high-quality plans and plan monitoring processes are in place, especially for the long-term plan and annual plan.

This year we worked on the Annual Plan 2022/23, preparing it for consultation and for adoption. We reviewed the more than 500 submissions received during consultation on the draft plan, and arranged hearings for the 66 individuals and 56 organisations who wanted to be heard. The plan was adopted by Council on 21 June 2022, with all critical project milestone due dates being met.

Integral to the development and delivery of the long-term plan or annual plan, is the performance framework. This audited framework ensures the integrity of links between key components. This starts with planning and continues on into delivery on our levels of service and capital projects, and linking these to agreed community outcomes and strategic priorities.

Reporting and analysis of organisational performance has been prepared and delivered to agreed deadlines, to governance and the community via Finance and Performance Committee of the Whole (monthly), the Annual Report, and monthly to the organisation.

This reporting includes the annual Residents Service Satisfaction Surveys. Two surveys (General Service Satisfaction, and Point of Contact) were conducted, with results provided to Council, the community and staff.

Community outcomes monitoring and reporting programmes were maintained. We kept 90% (target 85%) of community outcomes monitoring indicators up-to-date and were reported publicly.

Highlights

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 2021-2022 residents' survey shows that 66 per cent of services surveyed with a resident satisfaction component met their level of service targets, slightly more than last year. Eleven services returned satisfaction scores of 85 per cent or above (down slightly from 13 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, cemeteries, and customer support provided to those using cemetery services, 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 24 January to 21 February 2022. 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 773 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 has declined since last year. Overall satisfaction sits at 42 per cent, a 7 per cent decrease on last year's result of 49 per cent. 53 per cent of General Service Satisfaction Survey respondents agreed the Council as a whole was easy to interact with (down from 57 per cent in 2021).

What we do well are:

Activity	Satisfaction
Inner city parks presentation	76%
Residual waste collection	81%
Kerbside organic collection	77%
Kerbside recycling collection	76%
Water supply reliability	77%

What we could improve:

Activity	Satisfaction
Participation in and contribution to Council decision making	26%
Road condition	27%
Understanding how Council makes decisions	31%
Footpath condition	35%

Roading has remained one of the lower satisfaction services for the last few years.

Only 27 per cent of those surveyed are satisfied with the condition of city roads, down slightly from 29 per cent last year, and 35 per cent are satisfied with the footpaths, down slightly from 36 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 10 to 1,500 per service, depending on user numbers and the scale of site services.

Overall, more than 6,601 point of contact surveys were completed (2020-2021: 5,363).

What we do well are:

Activity	Satisfaction
Delivery of environmental, conservation, water and civil defence education programmes	100%
Cemeteries administration services (interment application processes)	95%
Hagley Park	97%
Botanic Gardens and Mona Vale presentation	99%
Libraries	94%

What we could improve:

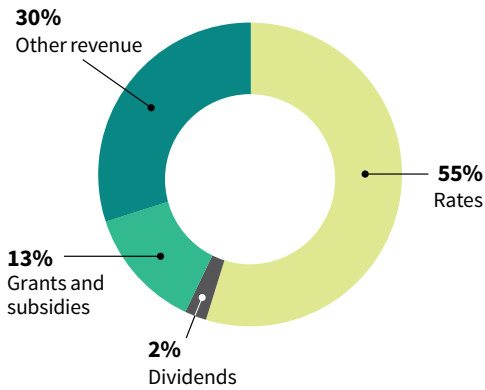
Activity	Satisfaction
Community parks presentation	56%
Sports park surfaces	60%
External communications	65%
Marine structures: equitable access for recreational, commercial and transportation purposes	67%

One Point of Contact Service Satisfaction Surveys recorded a 100 per cent satisfaction rating: education programmes.

Financial highlights

Total revenue

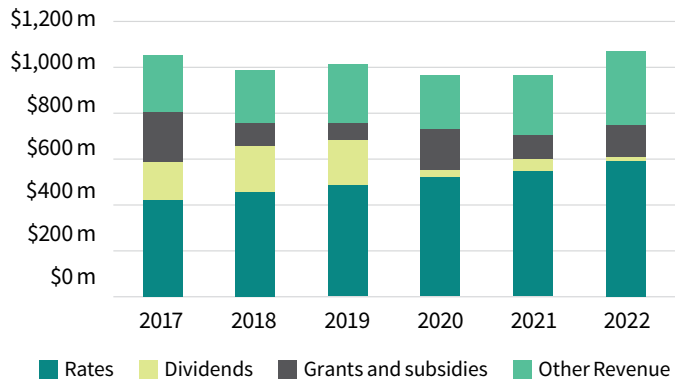
Sources of revenue 2022



Council Operations

The results for the year ended 30 June 2022 include the impact of the growth in the number of rating units within the city. Increased building services revenue as a result of increased building activity.

Sources of revenue actual



Over the past six years

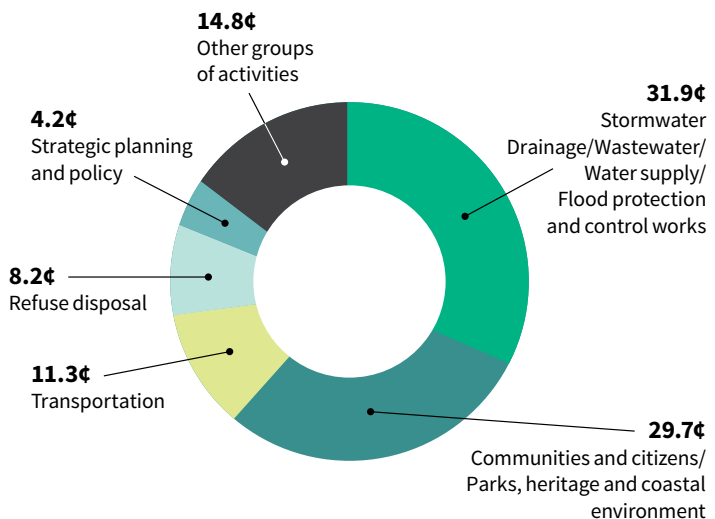
During the past six years, revenue has remained relatively constant however the mix from which this revenue is sourced has changed.

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 did my rates go?

Major components of the rates dollar

- 31.9 cents goes to the three waters (water supply, stormwater drainage and wastewater) plus flood protection and control works;
- 29.7 cents goes to communities and citizens and park, heritage and coastal environment;
- 11.3 cents goes to transport,
- 8.2 cents goes to refuse disposal;
- 4.2 cents goes to strategic planning and policy; and
- 14.8 cents goes to other GOA (including regulatory and compliance, governance and corporate).

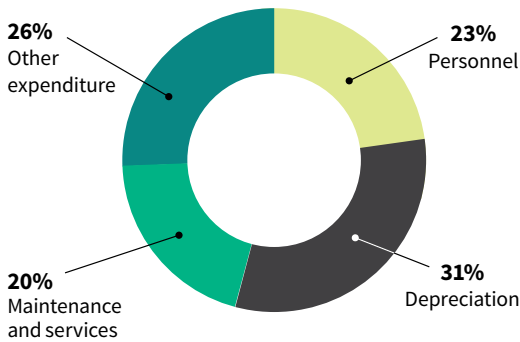


* This includes Christchurch Art Gallery, museums, libraries, community development and facilities, pools and recreation centres, community arts and events, and civil defence and emergency management

Financial highlights

Total expenditure

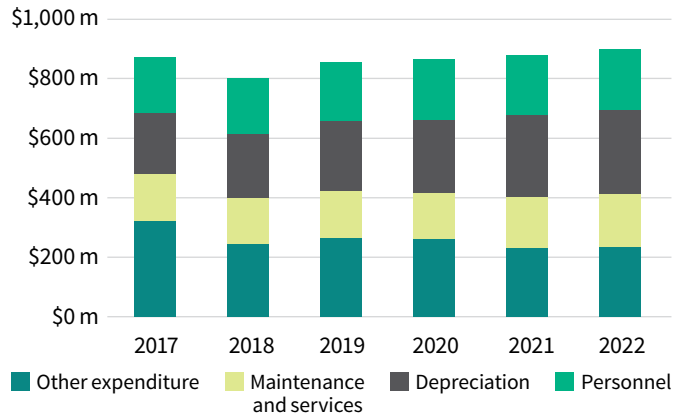
Expenditure categories 2022



Council Operations

Our policy is to rate for the long run average cost of asset renewals and replacements. In the 2022 year, the Council recorded an accounting charge of \$281 million for the depreciation and amortization of Council assets. Personnel costs of \$206 million represents 22.8% 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



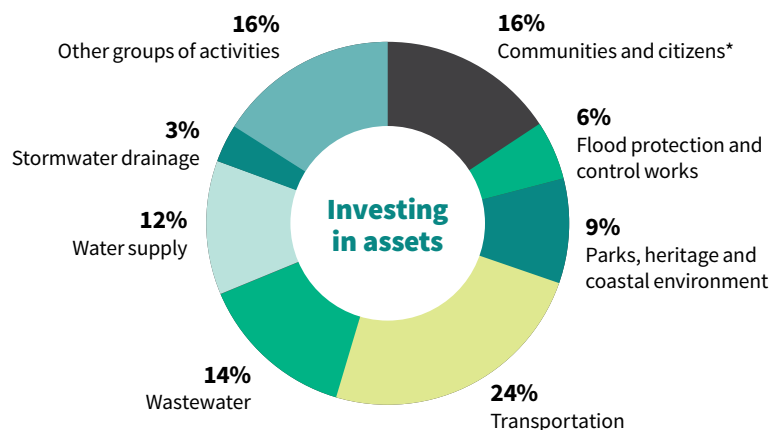
Over the past six years

During the past six 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 22-24% 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 \$436 million on significant asset investment in the 2022 year on:-

- infrastructure works including the three waters renewal programme, Major Cycleway Route programme, transport renewal programme, Ōtākaro Avon River Corridor Programme and Naval Point Development Plan.
- sports facilities, including the Parakiore Recreation and Sports Centre, Te Kaha Multi Use Arena and Matatiki Hornby 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 2021-2031, which the Council consulted on then adopted in June 2021.

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 community 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.

Your Council 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 2021-2031 Long-Term Plan (LTP). All Council activities described in the 2021 LTP contribute towards them.

The Community Outcomes

Community Outcomes			
<p>Resilient communities</p> <ul style="list-style-type: none"> Strong sense of community Active participation in civic life Safe and healthy communities Celebration of our identity through arts, culture, heritage, sport and recreation Valuing the voices of all cultures and ages (including children) 	<p>Liveable city</p> <ul style="list-style-type: none"> Vibrant and thriving city centre Sustainable suburban and rural centres A well connected and accessible city promoting active and public transport Sufficient supply of, and access to, a range of housing 21st century garden city we are proud to live in 	<p>Healthy environment</p> <ul style="list-style-type: none"> Healthy water bodies High quality drinking water Unique landscapes and indigenous biodiversity are valued and stewardship exercised Sustainable use of resources and minimising waste 	<p>Prosperous economy</p> <ul style="list-style-type: none"> 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 community facilities

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.

Your Council 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. Inset: Councillor Celeste Donovan.

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.

This annual report reflects the work of the Council elected in 2019, above. Councillor James Daniels (Coastal Ward) resigned at the end of June 2021. A by-election was held in October 2021, and Celeste Donovan was elected.

A new Council, below, was elected on 8 October 2022. While the Annual Report 2021-22 documents the work of the previous Council, it is adopted by the new Council and signed by the new Mayor, Phil Mauger.



Back Row (from left):

Councillor Jake McLellan, Councillor Aaron Keown, Councillor Victoria Henstock, Councillor Mark Peters, Councillor Dr Melanie Coker, Councillor Yani Johanson, Councillor Tyrone Fields, Councillor Tim Scandrett

Front Row (from left):

Councillor Sara Templeton, Councillor Andrei Moore, Councillor Tyla Harrison-Hunt, Deputy Mayor Pauline Cotter, Mayor Phil Mauger, Councillor Kelly Barber, Councillor James Gough, Councillor Celeste Donovan, Councillor Sam MacDonald

Your Council
Chief Executive and Executive Leadership Team



From left:

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

Your Council 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 12 July 2021)*
Celeste Donovan – *Coastal ward (came into office 15 July 2021)*
Phil Mauger – *Burwood ward*

Fendalton-Waimairi-Harewood Community Board

Bridget Williams (Chairperson) – *Fendalton ward*
David Cartwright (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*

Your Council

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. KPMG 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
- Te Kaha Project Delivery Limited (Te Kaha) formerly known as CMUA Project Delivery Limited
- 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](#).

Your Council

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 Koukourārata, 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 Te Tiriti Relationship Team currently consisting of a Pou Whakatohutohu Pakeke- Senior Advisor (reporting directly to the Chief Executive). Senior Advisor is currently covering both the Principal and Senior Advisory roles. Recruitment of a Pou Whakatohutohu Tumuaki-Principal Advisor is ongoing. 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 and connecting to stories and history of this area.

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



Our activities and performance

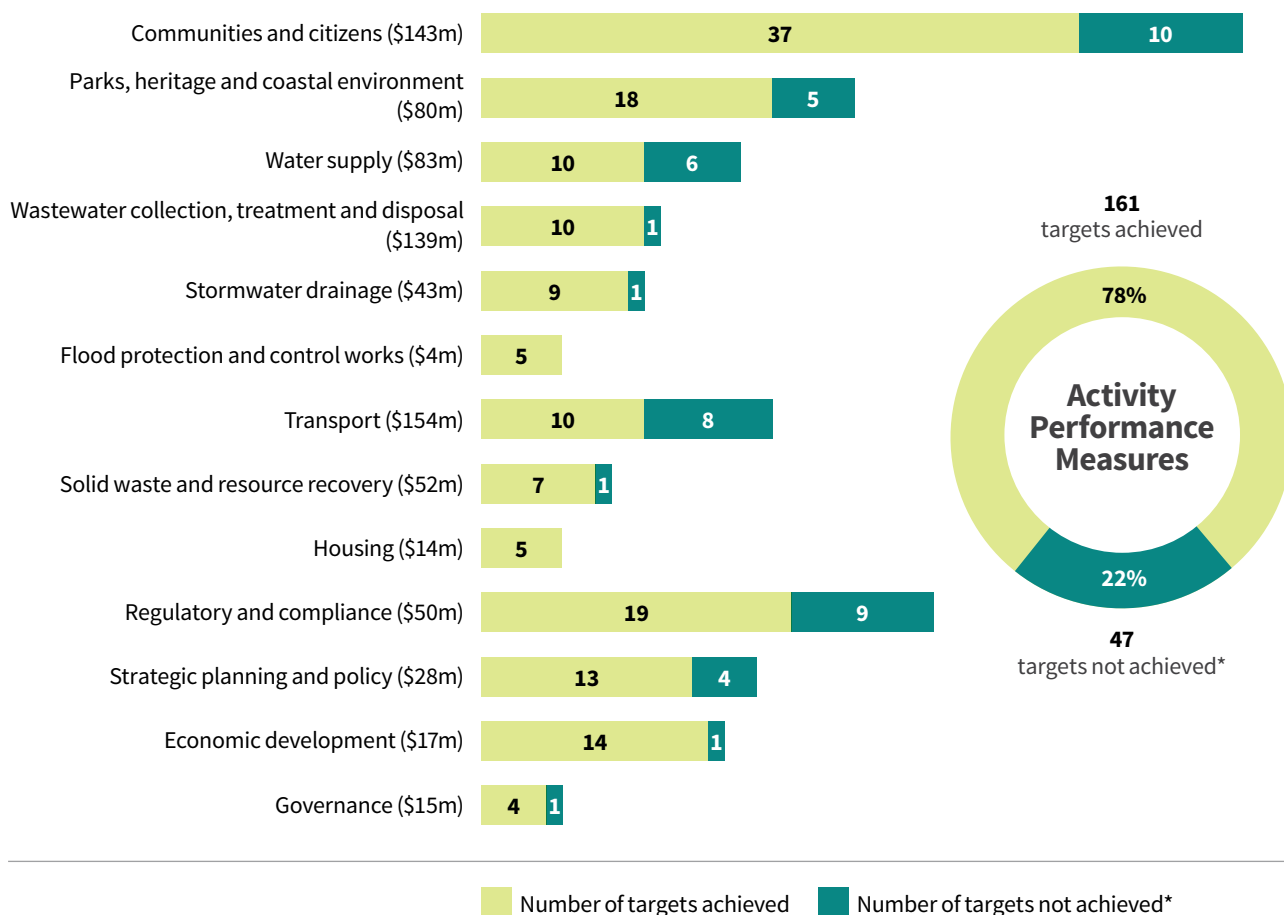
We are responsible for a large range and variety of services and activities. For example, we collect rubbish, recycling and green waste, build and maintain roads and the water supply network, and run the Botanic Gardens, Christchurch Art Gallery, city libraries and many festivals and events.

These activities are grouped into 13 Council Activities and Services; you can find further detail in the Council activities and services section of the Annual Report.

The summary graph below shows that, of 208 (2021: 245) measures we use to track performance:

- we have met the targets for 161 (2021: 197)
- we have not met the targets for 47 (2021: 48), and
- we have nil targets (2021: nil) that are no longer applicable or there is insufficient data available to report against.

Activity (with capital and operating expenditure) and performance measures



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

* Full details of the performance measures “not achieved” are included in the full Annual Report.

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

Group of Activity	2022				2021
	Cost	Income	Net Cost	Net Cost	Net Cost
	Actual \$000	Actual \$000	Actual \$000	Plan \$000	Actual \$000
Communities and citizens	143,404	79,202	64,202	126,724	113,696
Parks, heritage and coastal environment	79,657	24,487	55,170	58,932	14,298
Water Supply	83,001	19,734	63,267	65,876	65,500
Wastewater	138,536	46,410	92,126	88,022	89,640
Stormwater drainage	42,852	17,451	25,401	39,343	31,591
Flood protection and control works	3,708	3,389	319	(785)	1,947
Transportation	153,778	99,064	54,714	59,140	41,939
Solid waste and resource recovery	52,327	16,428	35,899	46,723	41,876
Housing	14,485	15,669	(1,184)	(310)	7,310
Regulatory and compliance	50,023	46,658	3,365	8,115	4,789
Economic development	16,577	159	16,418	15,675	12,965
Strategic planning and policy	27,717	991	26,726	27,850	20,234
Governance	15,397	29	15,368	16,622	17,015
Corporate	79,021	714,075	(635,052)	(621,890)	(558,626)
Total cost of service delivery	900,483	1,083,746	(183,261)	(69,963)	(95,826)
Total cost of service delivery (excl Corporate)	821,462	369,671	451,791	551,927	462,800

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.

	Parent 30 Jun 22 Actual \$000	Parent 30 Jun 21 Actual \$000
Council activities and services revenue excluding Corporate activities	369,671	330,926
Rates revenue	595,780	556,696
Other revenue (primarily interest and dividends)	117,874	88,171
Total revenue	1,083,325	975,793
Council activities and services expenditure excluding Corporate activities	821,462	793,720
Other expenditure	78,601	86,239
Total expenditure	900,063	879,959

Summary of depreciation expense charged to Activities

	Parent	Parent
	30 Jun 22	30 Jun 21
	Actual	Actual
	\$000	\$000
Communities and citizens	20,265	25,028
Parks, heritage and coastal environment	28,872	22,529
Water supply	39,697	39,273
Wastewater	67,207	66,699
Stormwater drainage	21,984	21,688
Flood protection and control works	86	99
Transportation	71,949	70,087
Refuse disposal	1,938	2,518
Housing	5,300	6,134
Regulatory and compliance	37	77
Economic development	11	-
Strategic planning and policy	245	322
Governance	-	-
Corporate	23,556	22,330
Total depreciation and amortisation	281,147	276,784

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 2 years, 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.

Council activities and services

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 and sports parks;
- 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 and recreational 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, Taiora:QEII or Jellie Park Recreation and Sport Centres or our specialist sports grounds and 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.

Canterbury and Akaroa 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 sports grounds and 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 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. We provide important information and services, ranging from enquiries about how to participate in consultation processes, how to request services of Council, make applications and bookings, and how to make payments. In addressing the needs of our Community NZ Post and Post Plus services have been added at locations of Community need.

Our services are delivered via 12 suburban Community Hubs in greater Christchurch, from Papanui in the north to Akaroa in the south.

24/7 phone, email and social media services are available, providing choice for our citizens and customers to engage with us when and how they wish.

Our role is to create visibility of our citizens' relationships with us so citizens feel valued and connected to the Council and their City. We achieve this by ensuring end-to-end quality interactions, and by knowing our community and sharing regular insight and intelligence to the organisation.

What did we achieve?

Christchurch Art Gallery Te Puna o Waiwhetū

Christchurch Art Gallery welcomed 208,655 visitors during the 21/22 financial year, 67% of target. With reduced public movements, 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 97%.

The Gallery presented 16 exhibitions over the period, with one exhibition *Te Puna Waiora: The Distinguished Weavers of Te kāhui Whiritoi* developed in partnership with

Te Roopu Raranga Whatu with support from Toi Māori.

11,791 visitors took part in public programmes during the twelve months. The target was 22,000. The shortfall reflects the ongoing impact of the pandemic with many events cancelled or presented with reduced capacity.

5,897 children took part in education programmes at the Gallery. The target was 11,500. The shortfall reflects the ongoing disruption of the pandemic on schools.

196 works were added to the city's collection during the year; 96 were purchased, and 100 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 Museums Australasia Publication Design Awards including best in show for *Bill Hammond: Across the Evening Sky*.

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

Museums

15,524 people visited Akaroa Museum during the 2021/22 year, lower than the LoS target of 29,903. Christchurch City residents and ratepayers represented 42% of the visitor total.

The Museum was open seven days a week, except for the period of the three week Covid lockdown from 18 Aug – 8 Sept, a total of 1,983 hours for the year.

Three new temporary exhibitions were presented: *Beneath: Three Archaeological Sites in Akaroa*, Aug – Nov 2021; *Ngā Taonga me ōna Kōrero – a decade of collecting*, Nov 2021 – Apr 2022; *The View From Paris – Charles Meryon's Pacific Etchings*, Apr – Jun 2022.

The Museum's collection grew with the addition of 71 objects (27 accessions), all documented, insured and safely stored. Access to the collections was maintained, with 100 collection-related and 274 family history enquiries received and answered.

Libraries

The library service experienced another year of strong performance with a 94% customer satisfaction rating, and 19,086 new members joining. The ongoing COVID-19 environment has continued to have a negative impact on visitor numbers, programme attendance, and use of physical collections, however digital resources and online services have continued to experience significant growth.

2021/22 was a busy year. Council approved the removal of overdue fines and all historical debt relating to fines for adult members. Christchurch City Libraries has now joined a growing number of libraries who have removed overdue fines and made access to library services more equitable for all. The breadth of services available online was increased, the planning of the new Hornby Centre library continued, consultation with users of our Mobile Library service commenced, and engagement with the South Library and Service Centre community has started to gather their ideas in preparation for the development of a concept design for a rebuilt facility. Refurbishments were carried out at Shirley, Aranui, Diamond Harbour, and Little River libraries.

Circulation of physical collections decreased by 13%, but there was an 11% increase in digital downloads this year. This was not unexpected following the impact of COVID-19 with less members visiting libraries, instead preferring to use online resources remotely. Canterbury Stories, the Digital Heritage Repository, now offers over 43,000 items; and the Discovery Wall has had over a million touches in the past year.

Māori and Multicultural Services continue to be offered with 6,291 attendees at 228 sessions in 2021/22. Specialist reference and research services are steady, averaging 3 per month and requiring in depth research work. This year regular programmes included: a weekly Ngā Pakiwaitara Bilingual Storytimes, Māori holiday programmes for all school holiday periods and monthly iwi research events. 21

outreach programmes included: Kī o Rahi tournament with ARA, Digital programme to kaumātua at Rehua. Two major exhibitions were led and delivered by the team Whakaata Mai te Kūkūwai and Te Ao Hou. There was understandably a large impact by COVID and the Omicron peak but June programming increased our attendee numbers significantly.

In June a Matariki campaign was undertaken across the libraries including in person programming, digital content and internal staff Professional Development on Moodle. Multicultural events this year included celebrations of: Japan Day, Chinese Lunar New Year, Nowruz, and Philippine Independence Day.

This year Libraries partnered with Impact Education to deliver information sessions to their teachers on Māori resources held in libraries, with Ngāi Tahu Archives Unit to deliver a collaborative exhibition, with Northlands Mall to deliver Ngā Pakiwaitara for Matariki, Te Pā o Rākaihautū, and with Te Kura Whakapūmau to deliver sessions on manu tukutuku including the gathering and preparing of raupō.

Public programmes and events continued to meet customers' diverse learning and recreational needs with overall attendance for the year reaching 114,425 attendees at 6,126 sessions (including Maori and Multicultural above), plus 22,805 participants attending community run sessions in our libraries. Delivery with sustainable partnerships and collaborations remains a priority. Libraries have continued to collaborate with a range of providers for public programming. Two new collaborations have been established with Plains FM in the provision of a monthly Library radio show "So Many Stories", and BLAKE, a not-for-profit trust, in the provision of BLAKE NZ-VR learning for customers. Collaboration with Digital Alliance Aotearoa NZ was extended to host DORA mobile digital banking, and Better Digital Futures for Seniors was offered across five Community Libraries.

As the city settled into a cautious Orange alert level, walk-in and remote research enquiries increased steadily, and Book a Librarian sessions regained popularity. The team welcomed back school group visits, an offering that was eagerly taken up by schools from across metropolitan Christchurch and further afield. Public programmes and events at Tūranga included a Focus on Wellbeing expo (incorporating community partners); Sketch@Tūranga, and the Tūranga Design Studio (as part of the Open Christchurch Architecture Festival); Summertime Reading Challenge Beach Party in November; school holiday activities such as "Hidden Worlds" trail in conjunction with Christchurch Art Gallery, Botanic Gardens, and Canterbury Museum; Dinosaur themed activities across the whole building; Open Christchurch weekend building tours; and 'Celebrate Winter' in June. Tūranga was also the home base for the WORD Festival in November 2021; a Heritage Highlights Speaker Series, and the restart of the "Spotlight On..." Workshop with "Treasures from the Archives". Pasifika events in 2021/22 included tapa-making and family makerspace activities centred around Pasifika Language weeks.

Outreach services provided digital storytimes to 2,609 customers during the red traffic light environment and adapted services to continue to choose and deliver at least 36,500 items to rest homes and preschools throughout the year. The annual Summertime Reading Campaign was very successful and attracted 3,854 participants.

Auahatanga Creative Space at South Library was successfully implemented in March 2022. The learning space was reconfigured to trial new technologies, enabling customers to have access to creative production tools and staff expertise with positive feedback from customers. Customer experiences of our creative offerings were captured and shared via Ngā Kōrero Auaha, creative stories added to the Libraries' website, including blogs, CCC Newsline video and podcasts with customers.

In partnerships, Libraries staff worked with MBIE to bring to Christchurch *MBIE: Thanks From Iso* exhibition; worked with Artist Ruby Jones to bring Kiwis' managed isolation experiences to life in a unique artist residency; worked with the Ministry for the Environment and Council's Sustainability team (Tony Moore) and ECan on *Our Climate Future*: exhibition, created by the overview of climate change and what it means for our community. We also worked with Youth and Cultural Development on a *Hip Hop Summit*, and with University of Canterbury and Christchurch East School on the *We Stand Here* exhibition.

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

Libraries made the most of the 5 secondment opportunities provided by New Zealand Libraries Partnership Programme, a two year funding package from Central Government, with a particular focus on improving connections with Māori and Pasifika communities, and engaging with community groups and individuals to increase their awareness of sharing their stories digitally through Canterbury Stories, our Digital Heritage Repository.

Community Development and Facilities

Council adopted the Strengthening Communities Together strategy on 4 April 2022- a whole of council approach to building strong communities. The Strategy implementation plan includes the establishment of cross Council working groups as the vehicle for a more joined up approach across service units where relevant unit Levels of Service align with the strategy goals and objectives.

Over 2021/22 Council assessed 1196 applications for community funding. \$9,958,154 was granted toward community initiatives that continue to exist through the goodwill of volunteers.

Volunteers are involved in a wide range of activities including sitting on community organisation governance

boards, sports coaching, men’s sheds, teaching arts and crafts, helping at food banks, helping to maintain parks and reserves and graffiti spotting and removal. In addition they visit and support vulnerable members of the community who may be socially isolated or lonely. In the 2021/22 year we benefitted from just over 3,429,984 volunteer hours.

In 2021/22 Council’s Graffiti Team received 19,500 reports of tagging and worked with community partners to identify and remove tagging.

The graffiti programme currently has 139 individual volunteers - aged 10 – 85. In the 2021/22 year 52% of the 19,500 Graffiti reports were made by our Graffiti Programme Individual Volunteers. These volunteers gave 4495 hours of their time. The partnership with Community Patrols contributed a further 2380 hours.

There are 13 active groups that work with staff to remove between 50 and 300 square metres each month, contributing 4800 hours to the programme. 14 artists also volunteer with the programme, contributing 500 hours to community art projects & mentoring across the city.

Community partner organisations now operate 65 of a total of 88 community facilities, 78% of the network. This overall portfolio numbers have decreased due to community asset transfer to community groups, earthquake prone buildings/community facilities demolished and disposal of facilities no longer required for their current purpose.

A wide range of Community development initiatives are supported across the city at both a metropolitan and community board level with an 80% customer satisfaction level. Over 60 community network meetings have been facilitated by staff across the rohi down slightly from last year due to the pandemic however participation has been maintained due to the efficacy of online meeting tools.

Recreation, sports, community arts and events

Recreation and Sport

Recreation and Sport recorded another strong year with an 88% rating from customers satisfied with the range and quality of Council Recreation and Sport Centres and 85% satisfied with the quality of Council Recreation and Sport support.

Te Pou Toetoe Recreation and Sport Centre which officially opened on the 1st October 2021 has been very successful in its first year of operation with a 90% rating from customers satisfied with the range and quality of the facility. Te Pou Toetoe also received a gold award in the tourism and leisure category of the New Zealand Commercial Project Awards.

All facilities were impacted by the Covid19 framework through either full closures or operating at reduced capacity. Participation for the year was 3,898,293 within multipurpose recreation and sport centres, outdoor pools and stadia.

In collaboration with funding partners we were able to provide 117,379 affordable swim lessons through primary schools in the community.

Our team continues to work towards the opening of the Parakiore Recreation and Sport Centre and the new Hornby Centre due to open at the end of 2023.

Events and festivals

The Events, Partnership and Development team provided 16,028 hours of staff support to community groups and received a customer satisfaction rating of 90% with the quality of Council event support.

We supported a disrupted calendar of events due to Covid19. Highlights include the Womens Cricket World Cup, Kidsfest programme, Go Live Festival, Tirama Mai and Sparks. Events allow us to promote the Christchurch story and attract visitors to the city.

Civil Defence Emergency Management

The Civil Defence Emergency Management (CDEM) unit is now operating at full strength, with the addition of key staff recruited since the second national lockdown. Staff capability building is well underway, with training, exercises and deployments used to build competence, currency and experience.

A comprehensive update to key plans covering local readiness and response arrangements is underway.

Our Community Resilience Coordinators continue to engage with community groups to identify resilience-building opportunities and assist in their planning for emergencies. A community-focused approach to developing resilience in children is well supported through our Stan's Got a Plan School programme, delivered by the CCC Parks team.

We continue 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.

Citizen and customer services

The success of our team is measured by the feedback we receive from our citizens and customers in response to the service we provide. This year we achieved a Residents satisfaction rating from our Community of 97% for our walk in service and 90% for our phone service. The satisfaction of our phone service was further endorsed this year, with the introduction of a real time post call survey and a satisfaction score of 96.4%. The “Best in Public Service” Contact centre CRM Award was also achieved this year for the second year in a row.

Significant project focus this year includes;

- The completion of the service provision planning for the New Hornby Centre.
- Little River Service Hub refurbishment.

- Engagement with the South Library and Service Centre community in preparation for the development of a concept design for a rebuilt facility.
- Awarded additional national after hours service contracts;
- City- Care Property
- Oranga Tamariki

The Service Request enhancement project delivered key architectural changes that allow Council to bring the focus of the system to the customer journey and to design for optimum customer experience. Service categories have been reviewed and improved. We have also reviewed our Citizen Service level Agreement (SLAs) and realigned these to ensure they are more realistic while still providing timely and high-quality customer service.

The ongoing COVID-19 environment, with its challenges of lock downs and illness reduced the total number of customer interactions with 673,809 interactions completed this year. A 9.2% reduction on last year's multi-channel interactions. The breakdown by channel choice is as follows:

- 350,905 telephone enquiries
- 86,892 email enquiries
- 72,823 online interactions
- 163,189 face to face interactions

How did we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Canterbury and Akaroa Museums				
Hold and distribute the Canterbury Museum levy				
Canterbury Museum levy funding paid as required	[3.3.1] Canterbury Museum levy paid annually	Levy was paid as required	Achieved	2021: Levy was paid Achieved 2020: Levy was paid Achieved 2019: Levy was paid Achieved
Operate the Akaroa Museum				
Visitors per annum to Akaroa Museum	[3.3.2] Maintain visitation of at least 95% of the average of previous 3 years	Visitor total 15,524	Not Achieved	2021: 24,579 visitors Achieved 2020: 29,307 visitors Achieved 2019: 40,547 visitors Achieved
Hours of opening at Akaroa Museum	[3.3.3] Minimum 2093 hours pa, average of 40 hours per week	2,104 hours of opening	Achieved	2021: 2,102 hours Achieved 2020: 1,739 hours Not Achieved 2019: 2,093 hours Achieved
Exhibitions presented	[3.3.4] No fewer than two temporary exhibitions presented	3 exhibitions presented	Achieved	2021: 3 exhibitions Achieved 2020: 3 exhibitions Achieved 2019: 3 exhibitions Achieved
Visitors satisfied with their Museum experience	[3.3.8] Maintain visitor satisfaction at 90% or higher	100% satisfaction	Achieved	New measure in 2022
Christchurch Art Gallery				
Develop and host art exhibitions and present a range of public programmes				
A diverse range of art exhibitions that attract new and repeat audiences are developed and presented	[3.0.8.2] No fewer than 12 exhibitions presented per annum	16 exhibitions	Achieved	2021: 16 exhibitions Achieved 2020: 17 exhibitions Achieved 2019: 16 exhibitions Achieved
Deliver a diverse range of Public and school-specific programmes to promote and educate the importance of the visual arts	[3.0.9.1] Average of at least 11,000 attend school specific programmes per annum	5,897 attended school specific programs	Not Achieved	2021: 11,703 attended Achieved 2020: 7,838 attended Not Achieved 2019: 12,910 attended Achieved
Deliver a diverse range of Public and school-specific programmes to promote and educate the importance of the visual arts	[3.0.9.2] Average of at least 22,000 people attend advertised public programmes per annum	11,791 people attended advertised public programmes	Not Achieved	2021: 35,066 attended Achieved 2020: 14,855 attended Not Achieved 2019: 25,271 attended Achieved
Develop, maintain and provide access to a collection of nationally significant art				
The Art Gallery attracts residents and visitors into the city, contributing to the identity, wellbeing and activation of the city	[3.0.1] Maintain visitation at 95% of the average of the last 5 years, or higher	Achieved 67% of planned visitation. 208,655 visits for year.	Not Achieved	Revised measure in 2022
Visitor satisfaction with the Gallery experience	[3.0.2] At least 90% of visitors satisfied with the overall Art Gallery experience	97% satisfaction	Achieved	2021: 98% Achieved 2020: 97% Achieved 2019: 98% Achieved
Residents and visitors have access to a nationally significant art gallery	[3.0.6] Maintain: Hours of opening: No fewer than 2,749 hours per annum	The Art Gallery was open for 2,710 hours	Not Achieved	2021: 2,767 hours Achieved 2020: 2,311 hours Not Achieved 2019: 2,758.5 hours Achieved
Citizens and Customer Services				
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	12 Walk in Customer Service Hubs	Achieved	2021: 12 hubs Achieved 2020: 12 hubs Achieved 2019: 12 hubs Achieved
Ensure Citizen and Customer Services are available to answer enquiries 24/7	[2.6.3] Citizen and Customer Service are maintained 24 hours per day, 7 days a week, at least 99% of the time	24/7 operation maintained 99.83% of the time	Achieved	2021: 99.95% maintained Achieved 2020: 99.9% maintained Achieved 2019: 100% maintained 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 120 seconds	Average speed to answer 130 seconds	Not Achieved	2021: 127 seconds Not Achieved 2020: 94.2 seconds: Not Achieved 2019: 142 seconds: Not Achieved

Level of Service	Target	Result	Achieved	Prior Years
Citizen and Customer expectations for service response are delivered in a timely manner	[2.6.4.2] Email enquiries have an average response time of no more than 48 hours	Average response time to emails of 18.90 hours	Achieved	2021: 27.4 hours Achieved 2020: 21.5 hours Achieved 2019: 26.2 hours Achieved
Citizen and Customer expectations for service response are delivered in a timely manner	[2.6.4.3] 80% of social media enquiries are responded to within two hours (after hours)	Average response time of 1 hour 21 minutes achieved (Call centre covers after hour responses only)	Achieved	2021: 2 hours 23 minutes Not Achieved 2020: 4 hours Achieved 2019: < 4 hours Achieved
Citizen and Customer expectations for service response are delivered in a timely manner	[2.6.7.1] 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 walk in services	97% satisfaction (walk-in services)	Achieved	2021: 97% satisfaction Achieved 2020: 89% satisfaction Achieved 2019: 86% satisfaction Not Achieved
Citizen and Customer expectations for service response are delivered in a timely manner	[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	76% satisfaction (email)	Achieved	2021: 71% satisfaction Not Achieved New Measure in 2021
Citizen and Customer expectations for service response are delivered in a timely manner	[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	90% satisfaction (phone)	Achieved	2021: 92% satisfaction Achieved New Measure in 2021
Civil Defence Emergency Management				
<u>Co-ordinates civil defence emergency management readiness and response</u>				
Christchurch CDEM plans covering local response arrangements are in place	[2.5.1.1] CDEM Plans are reviewed annually	CDEM plans were reviewed	Achieved	New measure in 2022
Council maintains an effective response capability and capacity to manage civil defence emergencies in its area (Designated facilities, equipment and infrastructure for use in an Emergency)	[2.5.2.1] One primary and one secondary Emergency Operations Centre (EOC) facility available to be activated within 60 minutes	One primary and one secondary Emergency Operations Centre (EOC) facility were available to be activated within 60 minutes	Achieved	New measure in 2022
<u>Increase community resilience through public education programmes and community planning and volunteering</u>				
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 a Plan school programmes	36 CDEM public education activities delivered	Not Achieved	2021: 45 delivered Not Achieved 2020: 71 delivered Achieved 2019: 71 delivered Achieved
Build resilience through public education and community engagement programmes	[2.5.4.2] At least 10 community based groups are actively supported in developing community response plans (CRP)	11 community response planning activities conducted	Achieved	2021: 26 engaged Not Achieved 2020: 20 engaged Not Achieved 2019: 22 engaged Achieved
Community Development and Facilities				
<u>Community Development and Recreation</u>				
Customers are satisfied with community development and capacity building initiatives	[4.1.27.1] 80% customer satisfaction with the delivery of community development and recreational events, programmes and initiatives	81% satisfaction	Achieved	New measure in 2022

Level of Service	Target	Result	Achieved	Prior Years
Community development and recreation projects and initiatives are identified, prioritised and delivered locally	[4.1.27.2] Community Board Plans are developed every three years; updated and reported annually - 100%	Achieved 100% Implementation of all 2019/22 Board Plans was reported to the respective Community Board monthly, a copy was included in the Board Report to Council. A comprehensive annual report to each Board was provided in August 2022.	Achieved	New measure in 2022
Community facilities provision and operation				
Support the development of strong, connected and resilient communities by supporting the provision of a sustainable network of community facilities	[2.0.1.1] 89 - 91 Facilities	91 community facilities provided by Council	Achieved	Revised measure in 2022
Graffiti Management & Mitigation				
Requests for service regarding graffiti are responded to within 2 working days	[2.2.6.8] At least 95% of requests responded to within 2 working days	98% of requests were responded to within two working days	Achieved	New measure in 2022
Manage Community Grants funding and Community Loans, on behalf of Council and other funding bodies				
Provide funding for projects and initiatives that build partnerships; resilient, engaged and stronger communities, empowered at a local or community of interest level	[2.3.1.1] 95% or more of reports presented demonstrate benefits that align to CCC community outcomes, Council's strategic priorities and, where appropriate Community Board plans	100% of reports demonstrate benefits that align to Council outcomes and priorities	Achieved	2021: 100% Achieved 2020: 100% Achieved 2019: 100% Achieved
Libraries				
Collections – including general, specialist, heritage and digital content, are available to meet the needs of the community				
Collections and content are maintained, managed and made available to library customers as per Content Development Policy	[3.1.1.3] Maintain collections at 3 - 3.5 items per capita	3.5 items per capita	Achieved	2021: 3.4 items per capita Achieved 2020: 3.26 items per capita Achieved 2019: 3.19 items per capita Achieved
Collections and content in a variety of formats are available to meet the needs of the community	[3.1.1.4] Maintain number of issues per capita of city population, per year, at national average or better	10.94 per capita of city population against 10.7 national average	Achieved	New measure in 2022
Community spaces through a comprehensive network of libraries, and digital channels				
Residents have access to a physical and digital library relevant to local community need or profile	[3.1.2.1] Provide weekly opening hours for existing libraries: 23-74 hours per week (as appropriate for metropolitan, suburban, and neighbourhood)	Libraries were open on average 23-74 hours per week	Achieved	2021: 65.5 hours per week Achieved 2020: 52-74 hours per week Achieved 2019: 52-74 hours per week Achieved
Residents have access to a physical and digital library relevant to local community need or profile	[3.1.2.4] Maintain a mobile library service of up to 40 hrs.	The mobile van has been available an average of at least 40 hours a week over the past year	Achieved	2021: at least 40 hours per week Achieved 2020: at least 40 hours per week Achieved 2019: at least 40 hours per week Achieved
Residents have access to a physical and digital library relevant to local community need or profile	[3.1.2.5] Maintain visits per capita of National average or better, per annum, for level 1 NZ public libraries	6.98 visits per capita 6.74 visits per capita (national average)	Achieved	New measure in 2022
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	94% satisfaction	Achieved	2021: 95% satisfaction Achieved 2020: 95% satisfaction Achieved 2019: 94% satisfaction Achieved

Level of Service	Target	Result	Achieved	Prior Years
Equitable access to relevant, timely information and professional services				
Residents have access to the internet, online information, and the digital library, including public computing devices and new technologies	[3.1.3.1] Access to online information is freely available through the library website	Access freely available	Achieved	2021: Access freely available Achieved 2020: Access freely available Achieved 2019: Access freely available Achieved
Residents have access to the internet, online information, and the digital library, including public computing devices and new technologies	[3.1.3.4] Free 24/7 Wi-Fi access is available at all libraries	Free Wi-Fi available at all libraries 24/7	Achieved	2021: Free 24/7 Wi-Fi access available Achieved 2020: Free 24/7 Wi-Fi access available Achieved 2019: Free 24/7 Wi-Fi access available Achieved
Residents have access to the internet, online information, and the digital library, including public computing devices and new technologies	[3.1.3.5] The ratio of public internet computers is maintained at least 4 per 5,000 of population to provide residents with free access to PCs	Ratio of 5.3 per 5,000 of population	Achieved	2021: 5.4 per 5,000 of population Achieved 2020: 5 per 5,000 of population Achieved 2019: 6 per 5,000 of population Achieved
Programmes and events designed to meet customers' diverse lifelong learning needs				
Provide public programmes and events to meet customers' cultural, creative, learning and recreational needs	[3.1.4] Maintain participation of 310-380 per 1000 of population	Achieved 347 per 1,000 of population	Achieved	2021: 369 per 1,000 of population Achieved 2020: 397 per 1,000 of population Achieved 2019: 313 per 1,000 of population Achieved
Recreation, Sports, Community Arts and Events				
Community Arts & Events				
Produce and deliver engaging programme 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)	6 events delivered	Not Achieved	2021: 11 delivered Achieved 2020: 11 delivered Achieved 2019: 11 delivered Achieved
Produce and deliver engaging programme of community events	[2.8.5.2] At least 80% satisfaction with the content and delivery across three delivered events	84.6% satisfaction	Achieved	2021: 85.5% satisfaction Achieved 2020: 79% satisfaction Not Achieved 2019: 81% satisfaction Not Achieved
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 community organisations	16,028 hours provided	Achieved	2021: 17,352 hours Achieved 2020: 15,878 hours Achieved 2019: 16,440 hours Achieved
Support community based organisations to develop, promote and deliver community events and arts in Christchurch	[2.8.6.2] 80% satisfaction with the quality of Council event support	90% satisfaction	Achieved	2021: 92% satisfaction Achieved 2020: 88% satisfaction Achieved 2019: 90% satisfaction Achieved
Network of Recreational & Sporting Facilities				
Provide citizens access to fit-for-purpose network of recreation and sporting facilities	[7.0.1.1] 38 x Recreation & Sport facilities are available for use (Te Pou Toetoe open)	There were a number of temporary closures within Recreation and Sport facilities as staff tested positive for COVID-19 or had to isolate as household contacts	Not Achieved	Revised measure in 2022
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)	88% satisfaction with range and quality of facilities, a 6.1 CERM rating	Achieved	2021: 87% satisfaction Achieved 2020: 92% satisfaction Achieved 2019: 93% satisfaction Achieved

Level of Service	Target	Result	Achieved	Prior Years
Recreational & Sporting Programmes and Activities				
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 4.4 million	3,898,293 participants	Not Achieved	2021: 4,785,765 participants Achieved 2020: 3.76 million participants Achieved 2019: 3.99 million participants Achieved
Support citizen and partner organisations to develop, promote and deliver recreation and sport in Christchurch	[7.0.3.1] 4,000 hours of staff support provided to community organisations	4,170 hours provided	Achieved	2021: 4,005 hours Achieved 2020: 4,644 hours Achieved 2019: 4,091 hours Achieved
Support citizen and partner organisations to develop, promote and deliver recreation and sport in Christchurch	[7.0.3.2] 80% satisfaction with the quality of Council recreation and sport support	85% satisfaction with support	Achieved	2021: 88% satisfaction Achieved 2020: 87% satisfaction Achieved 2019: 76% satisfaction Not Achieved

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 ongoing impact of COVID-19 and its effect on tourism and travel 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

With the country’s borders now fully open Akaroa Museum is expecting to see a return of overseas visitors to boost visitor numbers and revenue for the 2022-23 year. A full programme of in-house temporary exhibitions is planned, showcasing some little-seen parts of the Museum’s collection. Maintaining full access to the collection and the region’s history by continuing with a seven-day-a-week operation is a priority.

Libraries

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, as well as continuing to grow the membership base. Planning for new Hornby Centre library will continue, along with involvement in the development of the concept design for the rebuild of South Library and Service Centre. Consultation relating to the review of the Mobile Service will inform future outreach services, and an internal operational review of Tūranga will provide a foundation for going forward. Partnerships within the community will continue to be established and strengthened as possibilities for new and enhanced services are explored.

We have been approached by Papatipu Matihiko a charitable trust to work in collaboration in the provision of programming in New Brighton Library, providing technology and with Te Reo speaking facilitators to meet the digital literacy needs of young Māori through to their kaumatua.

Community development and facilities

Council’s newly adopted Strengthening Communities Together Strategy and its associated implementation plan will guide our work this year as we align the strategy goals with levels of service, reporting and accountability processes across the organisation. Priority areas include increasing public satisfaction and trust in decision-making, an increased sense of safety in the Central city, enabling volunteering in local communities and ensuring the use of accurate demographic data to better understand the needs and gaps of the community.

Council will continue to focus on the development and maintenance 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.

Council’s ongoing 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. Increasing community resilience through a localised approach to Civil Defence and Emergency Management will be a focus, building links across community board areas and with sector based communities of interest or identity with a strong community resilience focus.

Recreation, sports, community arts and events

The Council remains committed to completing the network of Recreation and Sport Centres with the opening the Parakiore Recreation and Sport Centre and the new Hornby

Centre. Currently both are scheduled to open at the end of 2023.

The team continue to work with the community to complete operational planning to achieve the community outcomes, ensuring the right partnerships and resourcing will be in place.

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

Toi Ōtautahi The Christchurch Art Strategy is 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 years ahead.

Civil Defence Emergency Management

We will have a distinct focus on working closely with locally based teams and community organisations to build resilience through supporting community organisations developing response and preparedness plans city wide.

There will be a focus on working across the Council and with other agencies to provide a coordinated intelligence gathering, communication function and community response to smaller scale events such as wet weather events that are becoming more frequent.

Response plans for major categories of Civil defence Emergencies are being updated and staff / volunteers trained to ensure that Christchurch and the wider Canterbury region are best placed to support its communities in the event of a major emergency.

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 will continue to champion and advocate for our customers to support the Organisation in delivering exceptional customer service by:

- Continuing to improve the customer experience
- Increasing digital services and service channel choice
- Resourcing to meet customer demand
- 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

Service delivery in 2022/23

Christchurch Art Gallery Te Puna o Waiwhetū

The Gallery is planning to present approximately 15 new exhibitions during 2022/23, including a range of projects by local and national artists. We anticipate that the new exhibition Perilous: Unheard Stories from the Collection, a large-scale collection-based exhibition, 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 2021/22. At least two temporary exhibitions are planned for the year 2022/23. 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

Changes approved as part of the 2022/23 Annual Plan process will be quickly implemented, including the reduction of the holds fee from \$3 to \$2 and the waiving of holds fee for some rural members.

Through diverse partnerships, Library Teams will continue to support their communities to deal with the ongoing challenges of COVID-19, by providing free access to information with a higher focus on wellbeing and building resilience.

Libraries will continue to build on the work established during the secondment opportunities provided in 2021/22 by the New Zealand Libraries partnership programme, gathering community stories and improving connections with Pasifika communities.

To help rebuild business levels, marketing efforts will continue to focus on encouraging existing library customers to re-engage with libraries, using a new Marketing Messaging Framework to promote the full range of services, programmes and content on offer, 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 2022/23, 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 emergency management

Civil Defence's focus for 2022 /23 will be on ensuring we are ready as a city to effectively respond to emergencies in a co-ordinated manner. We will work with our local communities to build resilience, particularly in response to climate change. We will enhance our staff and volunteering capability and capacity through training and engagement.

Citizen and Customer Services

Citizen and Customer Services focus for 2022/23 will be to lead and support Councils ongoing commitment and investment in delivering exceptional customer service.

Critical to our success will be supporting the ongoing implementation of the Organisational Digital Strategy. Key projects to be delivered include:

- Citizen Identity
- Customer Booking Management System
- Citizen Application
- Website accessibility review

In addition the importance of the continued implementation of the Citizen Hub Strategy, cannot be underestimated. The opening of the new Hornby Centre and the progression of the concept design for the rebuild of the South Library/ Service Centre will be key deliverables. To ensure we are also providing a walk in service that meets the needs of our individual Communities, access to services such as Post plus and MetroCard will be reviewed.

What did it cost?

Statement of cost of services for the year ending 30 June

2021 Actual \$000		2022 Actual \$000	2022 Plan \$000
Cost of services			
12,445	Christchurch Art Gallery	11,776	12,292
9,268	Museums	9,176	9,173
46,457	Libraries	46,951	49,054
17,085	Community development and facilities	18,586	16,774
44,392	Recreation, sports, comm arts & events	45,276	49,504
1,771	Civil defence emergency management	1,710	1,897
9,567	Citizen and customer services	9,929	9,652
140,985		143,404	148,346
Operating revenue from services			
943	Christchurch Art Gallery	938	949
43	Museums	36	35
2,393	Libraries	1,904	2,166
1,158	Community development and facilities	1,174	879
16,639	Recreation, sports, comm arts & events	15,573	16,878
(3)	Civil defence emergency management	-	-
738	Citizen and customer services	706	715
21,911		20,331	21,622
730	Capital revenues	1,708	-
4,648	Vested assets	57,163	-
113,696	Net cost of services	64,202	126,724

Explanation of significant variances

Christchurch Art Gallery

The cost of service in 2022 was \$0.5 million lower than plan due to lower depreciation resulting from the 2021 revaluation of buildings.

The cost of service in 2022 was \$0.7 million lower than 2021 due to above and 0.2 million from personnel, freight & courier costs.

Museums

There was no significant cost or operating revenue variances to plan or to 2021.

Libraries

The cost of service was \$2.1 million lower than plan due to: \$0.5 million staff related savings and vacancies. This resulted from service delivery teams experiencing higher levels of vacancies than normal due to Covid-related employment market challenges. Depreciation was also lower by \$1.6 million due to building revaluations. The cost of service was \$0.5 million higher than 2021 due to higher payments to staff and suppliers of \$2.5 million. This includes planned increases in IT charges (\$1 million); facilities costs (\$ 0.7 million) including security services due to Government requirements on vaccine passports; and \$0.6 million in salaries. These are partially offset by \$1.6 million lower depreciation due to building revaluations.

Operating revenue was \$0.5 million lower than 2021 due to temporary closure of sites during Covid lockdowns. The

removal of library fines in January 2022 has resulted in a further decrease of revenue.

Community Development and Facilities

The cost of service was \$1.8 million higher than plan and \$1.5 higher than 2021 as a result of the \$0.9 million Bromley financial support package approved by Council and \$0.9 million higher grant payments for Capital Endowment funded projects, Community Discretionary Funds and Community Rates grants.

Recreation, Sports, Community Arts & Events

The cost of service was \$4.2 million lower than plan. Depreciation was \$4.1m lower than plan due to rescheduling of multi-year projects, primarily the new Hornby Centre and Parakiore Metro Sports, and from building revaluations. Electricity and maintenance was \$0.4 million lower than plan.

The cost of service was \$0.9 million more than 2021 due to planned personnel cost increases (\$1.9m) and building maintenance (\$1.0 million) offset by lower depreciation (\$2.3 million).

Operating revenue was \$1.3 million lower than plan, and \$1.1 million lower than 2021, due to continued lower participations at sport and recreation facilities resulting from on-going Covid restrictions.

Civil defence emergency management

There were no significant cost of service variances to plan or to 2021.

Citizen and customer services

There were no significant cost of service variances to plan or to 2021.

Capital revenues

Capital revenues were \$1.7 million higher than plan primarily due to funding received for leisure centre development contributions and a grant for the new Hornby Centre hydrotherapy pool.

Capital revenue was \$1.0 million more than 2021 as per above with other capital revenues being \$0.6 million less.

Vested assets

Vested assets of \$57.2 million were received during the year including land for the Te Kaha (multi use arena) received from the Crown plus the Addington Stadium transferred on the wind-up of the Christchurch Stadium Trust. Vested assets is \$52.5 million more than 2021 largely due to the above, less 2021 amounts that include land gifted to the Council from Ōtākaro for the Performing Arts Precinct and less Art being received from donors compared to 2021.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	115,684	115,190	122,316
Targeted rates	136	135	-
Subsidies and grants for operating purposes	1,862	899	1,068
Fees and charges	18,259	20,602	17,724
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	209	122	120
Total operating funding (A)	136,150	136,948	141,228
Applications of operating funding			
Payments to staff and suppliers	93,774	94,426	94,675
Finance costs	2,189	2,189	2,681
Internal charges and overheads applied	4,812	4,812	5,877
Other operating funding applications	21,441	19,639	27,092
Total applications of operating funding (B)	122,216	121,066	130,325
Surplus (deficit) of operating funding (A-B)	13,934	15,882	10,903
Sources of capital funding			
Subsidies and grants for capital expenditure	416	-	-
Development and financial contributions	1,291	-	-
Increase (decrease) in debt (internal funding)	50,962	56,487	92,113
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	52,669	56,487	92,113
Applications of capital funding			
Capital expenditure			
- to replace existing assets	46,781	40,101	84,663
- to improve the level of service	10,669	13,605	-
- to meet additional demand	10,752	18,552	18,353
Increase (decrease) in reserves	(1,599)	111	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	66,603	72,369	103,016
Surplus (deficit) of capital funding (C-D)	(13,934)	(15,882)	(10,903)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

Surplus operating funding was \$1.9 million below plan. Of this, operating funding was \$0.8 million lower than plan. This is the result of \$2.2 million lower fees and charges in Recreation, Sport, Community Arts and Events (\$1.8 million) and Libraries (\$0.4 million) due to lower participations as a result of on-going Covid restrictions and impact on staffing levels. This is reduced by higher than planned operating grants funding of \$1.0 million largely received in Recreation, Sport Community Arts and Events, for the arts strategy Toi Ōtautahi, and in Community Development and Facilities to put toward the Canterbury flood response and other community support initiatives.

Application of operating funding was \$1.1 million higher than plan.

While payments were \$0.7 million lower than plan, mainly due to Libraries staff savings and vacancies, and Recreation, Sports, Community Arts and Events lower electricity and maintenance costs, this was offset by higher Other operating funding applications of \$1.8 million. This was due to Community Development and Facilities Grants and Levies being \$1.9 million higher than plan as a result of the additional \$0.9 million Bromley financial support package approved by Council and \$0.9 million higher grant payments for Capital Endowment funded projects, Community Discretionary Funds and Community Rates grants.

Capital expenditure

Capital expenditure was \$5.7 million lower than plan. This was driven by lower than planned project spend including : the new Hornby Centre (\$7.9 million), Te Pou Toetoe: Linwood Pool (\$4.9 million), Recreation, Sports and Events renewal programmes (\$3.8 million), Parakiore Recreation & Sport Centre Equipment (\$2.8 million), Tsunami Warning System (\$1.0 million). These works have been rescheduled for delivery in future years except for Te Pou Toetoe: Linwood Pool which was completed during the year.

This was offset by higher spends related to works completed in advance of plan including: Parakiore Recreation and Sports Centre (Metro Sport Facility) (\$12.4 million), and the Multi-cultural Recreation and Community Centre (\$2.9 million).

Reserves draw downs were \$1.7 million higher than plan due to Capital Endowment Fund drawdowns, \$1 million for the Multi-cultural Centre which was planned in different years and \$0.5 million for grants that were planned in the Corporate activity.

Significant capital expenditure

The most significant expenditure was on Parakiore Recreation and Sports Centre (Metro Sport Facility) at \$33.4 million.

Other significant capital expenditure included: Art Gallery renewals \$0.5 million, Art Gallery collection acquisitions \$0.5 million, Library resources \$5.4 million, Library asset renewals and improvements \$0.7 million, Multi-Cultural Recreation and Community Centre \$2.9 million, purchase of Christchurch Community House Te Whakaruruhau ki Ōtautahi Trust property, \$3.4 million, the new Hornby Centre \$10.3 million, Te Pou Toetoe: Linwood Pool \$3.4 million; Recreation and Sports facilities and equipment renewals \$3.0 million, and Community Facility asset renewals \$1.4 million.

Council activities and services

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 1303 parks covering 10,176 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.

This year Jobs for Nature funding has been used to fund 10 positions focusing on pest control mainly in Regional Parks.

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.

Parks help achieve our Community Outcomes. There are 18 community outcomes under four strategic themes (Resilient communities, Liveable city, Healthy environment, Prosperous economy). 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.

Parks heritage management

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

This year's focus has been on improving performance relating to delivery of our overall capital programme. This has been particularly pleasing with a significant lift in performance from an average year on year achievement level of 50% to this year achieving 97%

Overall we have seen a cost reduction for service delivery reduce per hectare of land managed from \$3,757 per annum to \$3,531, or a 6% cost reduction. This has been as a result of managing to a reduced budget and an increase of land.

Results from our resident satisfaction survey indicate that we achieved 80% of our goals which is very pleasing in a Covid 19 challenged year. The areas where we received feedback from residents where improvement is required primarily related to maintenance standards during the spring season. We are taking this on board to inform our future response where uncertain weather conditions will increasingly become the norm.

We continue to focus on community led initiatives in our parks that will lead to more resilient communities. This was enhanced towards the end of the financial year with the addition of three new Community Partnership Rangers. Their role is to activate urban communities and facilitate community input into local parklands. Volunteer hours recorded in public spaces has been impacted by Covid 19 this year but the platform for growth remains.

We have retained 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. This programme has been extended for another 12 months.

In Hagley Park, the internal pathways and tracks have been renewed and upgraded and this will continue for the next year or so. Feedback on this has been very positive and we have also been focusing on improved environmental outcomes associated to the Ōtākaro Avon River, Addington Brook and the Riccarton stream.

The new tree policy for the city's public trees, whereby two trees must be planted for every one removed, has been implemented and resulted in 2.4 trees planted for every tree removed by year end. This also included 5% of the species planted being medium size or greater. Whilst the result of this won't be present for some years this is a very positive step forward for mitigating the impacts of climate change.

We continued with 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.

Our Community parks team continues to deliver excellent services despite some reduced budgets. It does however remain a challenge meeting public expectations, in regard to maintenance standards during Christchurch's spring growth period.

We introduced our bin reduction programme this year. The aim is to remove a total of 85% of rubbish bins from parks and replace those remaining with smart bins. This programme will see a significant number of bins removed from locations with a historically low volume of demand for emptying as well as high volume parks having solar powered smart bins installed. In these locations the holding capacity is 5-7 times that of a traditional bin and notification for service is via a smartphone application. The bins are also centrally monitored in Council's head office.

This generated some community feedback, both positive and negative. The most pleasing aspect of this new methodology to date has been the reduction in fly tipping where people leave large volumes of rubbish beside bins.

In the Foreshore management areas work continues on naturalisation of sand dunes with good success. The carpark at Naval Point which is planned to serve as a base for the International SailGP event has been completed ahead of schedule and we are now moving onto further developments in the plan.

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 continues 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).

Our Regional Parks team in collaboration with the Co governance group with Ōnuku Rūnanga led the development of Takapūneke Reserve, Akaroa. The first of four Pou, carved by renowned master carver Fayne Robinson, was installed and opened in a significant ceremony held on New Zealand's 1st public holiday celebrating Matariki. This is a significant milestone for this tapu (sacred) Banks Peninsula site steeped in history and a major step forward in achieving National Reserve status. Future development will continue in the next financial year and as budgets allow to complete the adopted master plan.

We continued investing in preparation works for cemetery capacity. We have completed surveys of all of the available space and we are now moving to a programme of land preparation to maximise available space.

The rebuild of Lancaster Park as a significant community local park has progressed and has opened to serve as a Community Sports park. Work will continue to install community buildings, plantings, play and recreation facilities as well as a multimedia platform that acknowledges and brings to life the remarkable sporting and cultural history of the park.

Work is underway on the rebuild of the War memorial gates at Lancaster Park.

We now have ownership and management responsibility for some of the Ōtākaro Avon River Corridor properties in addition to the former residential red zone land in Brooklands, the Port hills and South Shore. We have also progressed the development of a co-governance entity to manage the implementation of the Ōtākaro Avon River Corridor Regeneration plan.

Parks heritage management

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.

The former Council Municipal Chambers restoration is well underway as is the Citizens War memorial in its new location within Cathedral Square.

We continue to restore the final few buildings in the portfolio including Chokebore Lodge, Penfolds Cobb Cottage, Little River, Coronation Hall and Lyttleton stables as future use and tenants are identified.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Parks and Foreshore				
All Parks – Biodiversity, Canopy				
Comply with Canterbury Regional Pest Management Plan	[6.3.2.1] Annual compliance 100% (nil notices of direction served by ECan)	0 directions issued	Achieved	New measure in 2022
Increasing tree canopy in Parks	[6.8.2.1] A net increase in total number of trees is achieved (1:2 replacement policy), with a minimum of 50% of the trees being medium to very large species	1:2.4 ratio of trees removed and replaced	Achieved	2021: 1:1.8 ratio Achieved 2020: 1:1.49 ratio Achieved 2019: 1:1 ratio Achieved
All Parks – Planning				
Timely response to community initiated use of parks	[6.8.10.3] Respond to initial use or occupation enquiry within four working days - 95%	100% of initial use or occupation enquiries were responded to within four working days	Achieved	New measure in 2022
All Parks – Provision, Maintenance, Asset Condition and Performance				
Parks are managed and maintained in a clean, tidy, safe, functional and equitable manner (Asset Performance)	[6.8.2.3] At least 90% of parks and associated public recreational assets are available for safe public use during opening hours	90% condition average or better	Achieved	2021: 90% condition Achieved 2020: 91% condition Achieved 2019: 84% condition Achieved
Satisfaction with the overall availability of recreation facilities within the city's parks and foreshore network	[6.8.5] Resident satisfaction with the availability of recreation facilities across the parks and foreshore network: >= 70%	76% satisfaction	Achieved	2021: 78% satisfaction Not Achieved 2020: 75% satisfaction Not Achieved 2019: 74% satisfaction Not Achieved
Botanic Gardens, Inner city parks and gardens and heritage parks				
Overall customer satisfaction with the presentation of the City's Garden Parks – Botanic Gardens, Mona Vale and Garden Heritage Parks	[6.2.2] Botanic Gardens & Mona Vale presentation: resident satisfaction >=90%	99% satisfaction	Achieved	2021: 97% satisfaction Achieved 2020: 97% satisfaction Achieved 2019: 96% satisfaction Achieved
Overall customer satisfaction with the presentation of the City's Parks	[6.8.4.2] Inner City presentation: resident satisfaction >=80%	76% satisfaction	Not Achieved	2021: 82% satisfaction Achieved 2020: 80% satisfaction Achieved 2019: 82% satisfaction Achieved
Cemeteries Provision & Administration				
Range of interment options provided to meet diverse religious, cultural, and community needs	[6.4.2.2] 80% of preferred interment options met	100% of preferred interment options achieved, with a range of desired burial options being included in development for new and existing cemeteries	Achieved	New measure in 2022
Overall customer satisfaction with the presentation of the City's Cemeteries	[6.4.4] Cemeteries presentation: resident satisfaction >=85%	72% satisfaction	Not Achieved	2021: 86% satisfaction Achieved 2020: 65% satisfaction Not Achieved 2019: 78% satisfaction Not Achieved
Cemeteries administration services meet customer expectations	[6.4.5] Customer satisfaction with cemetery administration services: Target >=95%	95% satisfaction	Achieved	2021: 100% satisfaction Achieved 2020: 100% satisfaction Achieved 2019: 80% satisfaction Not Achieved

Level of Service	Target	Result	Achieved	Prior Years
Community Parks (Includes neighbourhood parks, sports fields, Hagley Park)				
Overall customer satisfaction with the presentation of the City's Community Parks	[6.0.3] Community Parks presentation resident satisfaction >=60 %	56% satisfaction	Not Achieved	2021: 63% satisfaction Achieved 2020: 57% satisfaction Not Achieved 2019: 67% satisfaction Not Achieved
Overall Regional Sports Organisation satisfaction with the standard of the city's Council provided sports surfaces	[6.8.1.6] Satisfaction >=75%	60% satisfaction	Not Achieved	New measure in 2022
Overall customer satisfaction with the presentation of Hagley Park	[6.8.4.1] Hagley Park presentation: resident satisfaction >=90 %	97% satisfaction	Achieved	2021: 98% satisfaction Achieved 2020: 94% satisfaction Achieved 2019: 97% satisfaction Achieved
Environmental Education & Volunteers				
Provide community participation opportunities across the parks network – participation	[6.3.7.4] Establish baseline	Baseline of 59,809 volunteer hours	Achieved	New measure in 2022
Delivery of Environmental, Conservation, Water, and Civil Defence education programmes	[19.1.6] Teachers satisfied with education programmes delivered: 95%	Teacher satisfaction at 100% for education programmes delivered	Achieved	2021: 99.7% satisfaction Achieved 2020: 100% satisfaction Achieved 2019: 99% satisfaction Achieved
Foreshore & Marine Access				
Availability of a network of public marine structures that facilitate recreational and commercial access to the marine environment for citizens and visitors	[10.8.1.1] Customer satisfaction with the availability of marine structure facilities: 60%	67% satisfaction	Achieved	2021: 80% satisfaction Achieved 2020: 70% satisfaction Not Achieved 2019: 55% satisfaction Not Achieved
Regional Parks				
Overall customer satisfaction with the recreational opportunities and ecological experiences provided by the City's Regional Parks	[6.3.5] Regional Parks resident satisfaction >=80 %	90% satisfaction	Achieved	2021: 85% satisfaction Achieved 2020: 81% satisfaction Achieved 2019: 79% satisfaction Achieved
Residential Red Zone				
Implementation of the Otakaro Avon River Corridor Plan	[6.8.12.1] Developed and approved integrated implementation plan for the OARC	The Implementation Plan is in a draft but was not approved as at 30 June 2022. Complexities arose due to; consent pathways related to groundwater take; establishment of wetlands, and opening former residential land to the river; the need to obtain approval for treatment methods for dealing with residual contamination; reconfiguration of utility networks; and delay of establishment of co-governance committee until after June 2022. These are expected to be completed by June 2023.	Not Achieved	New measure in 2022

Level of Service	Target	Result	Achieved	Prior Years
Operational Co – Governance entity for the Residential Red Zone	[6.8.12.2] Draft Options developed for public consultation	Options were developed for the Residential Red Zone operational co-governance entity via a hui (consultation) that was held at Turanga, involving a range of public stakeholders, mana whenua representatives and elected members. Following from this, the terms of reference were prepared and endorsed by Council. The co-governance establishment committee is now operational. The options session refers to the hui at Turanga, and the result has been achieved.	Achieved	New measure in 2022
Stakeholder led planning and development of the Residential Red Zone	[6.8.12.3] Community endorsed plans are implemented	Stakeholder led planning is an ongoing process, built into our delivery model. Stakeholder inputs resulted in design changes to the bridges and a much more comprehensive engagement process is planned for upcoming works.	Achieved	New measure in 2022
Parks Heritage Management				
Manage and maintain the network of Parks scheduled heritage buildings, public artworks, monuments and artefacts				
To manage and maintain Public Artworks, Monuments and Artefacts	[6.9.1.5] Resident satisfaction with presentation and maintenance of Public Artworks, Monuments, & Artefacts >= 65%	66% satisfaction	Achieved	2021: 67% satisfaction Achieved 2020: 64% satisfaction Not Achieved 2019: 71% satisfaction Not Achieved
To manage and maintain Parks scheduled heritage buildings	[6.9.1.6] Resident satisfaction with presentation of Parks scheduled heritage buildings: >= 55%	50% satisfaction	Not Achieved	2021: 48% satisfaction Not Achieved 2020: 51% satisfaction Not Achieved 2019: 63% satisfaction Not Achieved
Parks scheduled heritage buildings are repaired and managed in safe and operational order	[6.9.1.8] 72% of Parks scheduled heritage buildings repaired	72% of Parks scheduled heritage buildings repaired	Achieved	New measure in 2022

Where are we heading?

Parks and foreshore

During the 2021/22 financial year parks became the legal owner of some of the properties associated to the former residential red zone within the Ōtākaro Avon River corridor. The land transfer process from Toitū te Whenua (LINZ) has taken longer than anticipated and having been impacted by Covid-19, however we anticipate full ownership responsibilities will be with Council within the next 12 months. Co-governance of the Ōtākaro/Avon River corridor with Ngāi Tūāhuriri has progressed.

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 year. Focus for the Botanic Gardens will then be on The Gondwana Land development and the two key new building 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. These projects will progress to detailed design and concept development respectively. In regard to the Science and research centre we will be actively seeking external funding contributions.

Across all park activities we will increase our focus on increased community participation in greening our city within our parklands. This, along with the 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.

Lancaster Park demolition and reconstruction has been completed and the Community park was opened in June

2022, a welcome positive regeneration project for the Charleston and Phillipstown Community. We now move onto the community facilities development s within the park including destination play and recreation facilities, native plantings and buildings to support sport and community activation.

Our Regional Parks continue to deliver biodiversity and recreation programmes and investment in these areas continues. Two major projects will continue being the development at Naval Point and the next stages of the development at Takapūneke Reserve, Akaroa.

We will be exploring the use of Capital works task forces this year as a fast track means of getting more plants and trees in the ground across our Regional and Community Parks.

Parks heritage management

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. Over the next year we will complete the relocation and restoration of the Citizens War Memorial in Cathedral Square as well as completing the restoration of the Lancaster Park War Memorial gates. The restoration of the Provincial Chambers buildings remains the greatest challenge for the city in regard to the cost of restoration.

Service delivery in 2022/23

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.

A key focus going forward remains enhancement of 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. Three new Community Partnership Rangers joined the team during the last year. These roles are dedicated to mobilising the community with a particular focus on Environmental and Climate change initiatives.

Parks heritage management

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		2022	2022
Actual		Actual	Plan
\$000		\$000	\$000
	Cost of services		
68,673	Parks and foreshore	76,918	71,031
3,077	Heritage	2,739	2,988
71,750		79,657	74,019
	Operating revenue from services		
3,335	Parks and foreshore	3,748	3,944
233	Heritage	256	320
3,568		4,004	4,264
21,419	Capital revenues	11,923	7,823
32,465	Vested assets	8,560	3,000
14,298	Net cost of services	55,170	58,932

Explanation of significant variances

Parks and foreshore

The cost of services is \$5.8 million more than planned for 2022, mainly due to higher depreciation of \$5.8 million as a result of the 2021 parks revaluation. There was also a \$0.5 million regional parks nature project funded by an external party and a \$0.4 million grant for the Governors Bay wharf restoration, carried forward from 2021. These were partially offset by \$0.6 million savings in rural fire due to minimal fire activities, and \$0.4 million savings in residential red zone rates, costs due to a delay in property transfers from the Crown.

The cost of service was \$8.2 million higher than in 2021. This was mainly due to the \$6.7 million mentioned above for depreciation, nature project and Jetty grant, together with higher operating costs of \$0.9 million due to more red zone properties and responsibilities being transferred over, and \$0.4 million of new grants for the environmental and climate change partnership.

The operating revenue from services was 0.4 million higher than in 2021, mainly due to the funds received for the regional parks nature project.

Heritage

There were no material variances this year.

Capital revenues

Capital revenues were \$4.1 million higher than planned mainly due to higher development contributions of \$6.2 million and \$0.4 million unplanned grants and donations for parks developments, partially offset by less than planned funding for Ōtākaro Avon River works.

Capital revenues were \$9.5 million lower than 2021, mainly due to lower development contributions and less grants and donations received for parks development and Ōtākaro Avon River works.

Vested assets

Vested assets were \$24 million less than 2021, mainly due to receiving less residential red zone assets in 2022.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	60,172	59,915	52,190
Targeted rates	-	-	-
Subsidies and grants for operating purposes	680	53	10
Fees and charges	3,292	3,807	3,732
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	72	405	396
Total operating funding (A)	64,216	64,180	56,328
Applications of operating funding			
Payments to staff and suppliers	44,811	45,723	41,636
Finance costs	1,894	1,894	1,354
Internal charges and overheads applied	2,360	2,360	2,133
Other operating funding applications	1,335	1,092	836
Total applications of operating funding (B)	50,400	51,069	45,959
Surplus (deficit) of operating funding (A-B)	13,816	13,111	10,369
Sources of capital funding			
Subsidies and grants for capital expenditure	4,058	6,326	-
Development and financial contributions	7,610	1,497	1,483
Increase (decrease) in debt (internal funding)	19,902	9,652	16,274
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	31,570	17,475	17,757
Applications of capital funding			
Capital expenditure			
- to replace existing assets	23,760	16,308	22,728
- to improve the level of service	10,772	12,425	548
- to meet additional demand	5,384	2,593	5,074
Increase (decrease) in reserves	5,470	(740)	(224)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	45,386	30,586	28,126
Surplus (deficit) of capital funding (C-D)	(13,816)	(13,111)	(10,369)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances
Operating funding

Surplus operating funding was \$0.7 million higher than planned, mainly due to less residential red zone rates, rural fire activities, and external consultant services.

Capital expenditure

Capital expenditure was \$8.6 million higher than planned. This is due to advancing Naval Point Development works (\$5.6 million) to support the requirements of the international Sail GP series; advancing Takapuneke Reserve Development works (\$1.1 million) to support the first Matariki celebrations on the site; Reserve Purchase for land acquisitions \$1.5 million; Lancaster Park Redevelopment (\$1.3 million) to enable the park to be

opened and used by sporting codes; Citizens War Memorial (\$0.7 million) to support the work on the Christchurch Cathedral; Harewood Nursery Development (\$0.6 million) to increase the capacity required to support the residential red zone planting programme; Marine Seawall Renewals \$0.6 million; Community Parks Hard Surface Renewals \$0.6 million, Community Parks Green Assets Renewals \$0.5 million. This is partially offset by Ōtākaro Avon River Corridor Programme (\$2.3 million), due to the City to Sea pathway and ecological restoration that has not progressed as quickly as initially planned; Sports Field Development \$0.8 million; Development of Port Hills and Banks Peninsula Regional Parks \$0.7 million; Park Maintenance Facility Renewals \$0.7 million and other projects \$0.6 million lower than planned.

The movement in reserves was higher than plan due to Parks development contribution revenue received being

held for future draw down, partly offset by draw down planned in 2021 for redevelopment at QEII Park.

Significant capital expenditure

Significant capital expenditure included: Naval Point development \$6.3 million, Ōtākaro Avon River bridges and landings \$6.6 million, Old Municipal Chambers \$3.4 million, Community park renewals \$5.4 million, Lancaster Park redevelopment \$1.9 million, Regional parks development programme \$1.5 million, Neighbourhood Reserve purchases \$1.6 million, Takapuneke Reserve Development \$1.1 million, Regional parks renewals \$1.1 million, Botanic gardens renewals \$1.0 million, Coastal structures renewals \$0.9 million, Hagley park renewals \$0.8 million, Citizen’s War Memorial \$0.7 million, Harewood Nursery Development \$0.6 million, Harbours and marine structure renewals \$0,6 million, Neighbourhood parks renewals \$0.5 million, and cemeteries development work \$0.5 million.

The remainder was spent on smaller projects throughout the city.

Council activities and services

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, the Local Government Act 2002 and the Water Services Act 2021 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 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 growth in demand. We limit the quantity of water taken to

comply with resource consent conditions and to protect the health of waterways.

What did we achieve?

In 2022, we continued the work to secure the safety and security of our drinking water supplies, focusing on the repair of our many reservoirs and suction tanks. To date we have performed 108 external inspections and 18 internal inspections. We have also repaired 10 tanks and have started to design the repair work to an additional 30 tanks. We are currently busy with repair work at 8 tanks.

We have continued to chlorinate water supplies where required by our Water Safety Plans and Taumata Arowai, the Drinking Water Regulator. We have also expanded the testing of our drinking water in accordance with the requirements of the revised Drinking Water Standards for New Zealand. In this respect, we have installed dedicated sampling points across Christchurch and Banks Peninsula to provide better water quality data for the supply zones.

We have developed a Source Water Risk Management Plan for Christchurch/ Lyttelton as part of the Water Safety Plan update and in compliance with the Water Services Act requirements. The Source Water Risk Management Plan is focused on hazard identification, risk assessment and action plans to ensure the care of our groundwater sources.

We renewed approximately 30.4 kilometres of water supply mains, and 37.4 kilometres of water supply submains as part the renewal programme. Construction to replace the critical DN600 trunk main along Eastern Terrace has commenced using a New Zealand first anchored joint ductile iron pipe.

The construction of the new Ben Rarere pump station is nearing completion, whilst construction work for the Jeffreys water supply pump station suction tank and the Sydenham pump station suction tank has started. Both of these suction tanks were severely damaged by earthquakes.

Through the Water Reform 'stimulus funding' programme, we have completed deferred maintenance on 78 of our water supply pump stations.

We have installed several water monitoring devices in the Rawhiti water supply zone. These devices are now providing data to our smart water monitoring system and represent a huge step towards achieving our smart water network objectives. We are busy rolling out smart customer meters in a small area within the zone.

We have completed critical software and hardware upgrades to our SCADA (Supervisory Control and Data Acquisition) and PLC (Programmable Logic Controller) systems to improve the ease of operations of our water supply systems and also to provide improved resilience.

Our water supply bylaw has been reviewed, revised and adopted by Council. This will continue to allow Council to manage, regulate and protect the networks from misuse or damage while ensuring that health and safety remain paramount.

Protozoa compliance

Protozoa compliance under the old and new drinking water rules is challenging resulting in only two of our treatment plants (Brooklands-Kainga and Wainui) achieving compliance. The supplies for Akaroa, Little River and Pigeon Bay have since achieved compliance through treatment plant updates. For Christchurch city additional time is required to carry out sufficient sampling of our groundwater sources to demonstrate Class 1 status (the equivalent of 'Security' under the old standards) and to carry out improvements to the treatments plants across Christchurch. We are working to achieve protozoa compliance within two years.

Bacterial compliance

The poor performance against the level of service was due to a failure to take the requisite number of samples to demonstrate compliance rather than a detection of bacteria in the drinking water supply. We have reviewed our sampling regime to ensure that the required number of samples are taken and analysed in the laboratory.

Average consumption of drinking water per day

Council has introduced an excess water charge for residential customers using more than 700 litres per household per day. This will come into effect on 1 October 2022 and has already resulted in a 10 per cent decline in median household use. We expect to see a continuing trend of reduced daily use per person and per household.

Real water loss from the network

The high water loss is due to ageing infrastructure combined with damage from the Canterbury earthquakes. This is being addressed by increasing the investment in water mains replacements over the next 10 years.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Water Supply				
<u>Council operates water supplies in a reliable manner.</u>				
Number of unplanned interruptions per 1,000 properties served per year	[12.0.1.2] <= 39	9.75 per 1,000 properties	Achieved	2021: 9.94 per 1,000 properties Achieved 2020: 38.43 per 1,000 properties Not Achieved 2019: 17.72 per 1,000 properties Achieved
Proportion of residents satisfied with reliability of water supplies	[12.0.1.13] >= 75%	77% satisfaction	Achieved	2021: 75% Not Achieved 2020: 72% Not Achieved 2019: 81% Not Achieved
<u>Council operates water supplies in a responsive manner.</u>				
Median time (in hours) from notification to attendance of non-urgent call-outs	[12.0.1.9] <= 72	1 day 17 hours 19 minutes (41 hours 19 mins)	Achieved	2021: 2 days 23 hours Achieved 2020: 0 days 19 hours 7 minutes Achieved 2019: 0 days 4 hours 36 minutes Achieved
Median time (in hours) from notification to attendance of urgent call-out	[12.0.1.10] <= 1	1 hour and 11 minutes	Not Achieved	2021: 1.07 hours Not Achieved 2020: 0.68 hours Achieved 2019: 0.62 hours Achieved
Median time (in hours) from notification to resolution of non-urgent call-outs	[12.0.1.11] <= 96	1 day 20 hours 16 minutes (44 hours 16 mins)	Achieved	2021: 3 days 4 hours 24 minutes Achieved 2020: 0 days 21 hours 7 minutes Achieved 2019: 0 days 5 hours 53 minutes Achieved
Median time (in hours) from notification to resolution of urgent call-outs	[12.0.1.12] <= 5	5 hours 20 minutes	Not Achieved	2021: 3.87 hours Achieved 2020: 2.35 hours Achieved 2019: 2.02 hours Achieved
The proportion of residents satisfied with Council responsiveness to water supply problems	[12.0.1.14] >= 55%	57% satisfaction	Achieved	2021: 52% Not Achieved 2020: 54% Not Achieved 2019: 60% Not Achieved

Level of Service	Target	Result	Achieved	Prior Years
Council provides high quality water				
Total number of complaints received by Council about: a) Drinking water clarity b) Drinking water taste c) Drinking water odour d) Pressure or flow e) Continuity of supply f) Council's response to any of these issues per 1,000 properties served per year	[12.0.1.16] <= 6.6	0.067 per 1000 properties	Achieved	New measure in 2022
Proportion of residents satisfied with quality of Council water supplies	[12.0.2.19] >= 50%	46% satisfaction	Not Achieved	2021: 45% Not Achieved 2020: 48% Not Achieved 2019: 37% Not Achieved
Council water supplies are safe to drink				
Proportion of customers connected to water supply zones with an up to date Water Safety Plan	[12.0.2.1] 100%	100%	Achieved	2021: 100% Achieved 2020: 100% Achieved 2019: 100% Achieved
Proportion of High Hazard commercial connections with compliant backflow prevention device tested within the last year	[12.0.2.2] >=100%	100% of High Hazard commercial connections with compliant backflow prevention device tested within the last year	Achieved	Revised measure in 2022
Proportion of residents (with supplies of > 100 customers) supplied water compliant with the DWSNZ bacterial compliance criteria	[12.0.2.9] 100%	78% * of residents (with supplies of > 100 customers) supplied water compliant with the DWSNZ bacterial compliance criteria	Not Achieved The DIA target of 100% was not met. Only 1 of our water distribution zones was non-compliant	2021: 85.15% Not Achieved 2020: 100% Achieved 2019: 100% Achieved
Proportion of residents (with supplies of > 100 customers) supplied water compliant with the DWSNZ protozoal compliance criteria	[12.0.2.10] 100% DIA >=0.3% internal	0.45% * of residents (with supplies of > 100 customers) supplied water compliant with the DWSNZ protozoal compliance criteria. DIA target is 100% compliance	Not Achieved the DIA target of 100% was not met as only 2 out of our 15 water treatment plants were compliant. However, we did exceed our internal target of >=0.3%*	2021: 0% Not Achieved 2020: 0% Not Achieved 2019: 0% Not Achieved
Proportion of Medium Hazard commercial connections >38mm diameter with compliant backflow prevention device tested within the last year	[12.0.2.20] >=95%	95% of Medium Hazard commercial connections >38mm diameter with compliant backflow prevention device tested within the last year	Achieved	New measure in 2022
Council water supply networks and operations are sustainable				
Percentage of real water loss from Council's water supply reticulated network	[12.0.6] <= 24%	25.5%	Not Achieved	2021: 23.5% Not Achieved 2020: 23% Not Achieved 2019: 23% Not Achieved
Average consumption of drinking water in litres per resident per day	[12.0.7] <= 220	278 litres per resident per day average use	Not Achieved	2021: 398 litres per resident per day Not Achieved 2020: 229 litres per resident per day Achieved 2019: 209 litres per resident per day Achieved
<p>Challenges for Percentage of real water loss from Council's water supply reticulated network [12.0.6]: Minimum night flow testing (Activity 2b, Water Loss guidelines) is not as accurate as actual Water Balance (Activity 2a, Water Loss Guidelines). However, it is the option that the Council have at present until all the zones are measured with bulk metering. There is a programme for bulk metering that is being tested at the moment, and once all the ones have meters, then the Council can do a proper water balance for a more accurate result and in real time setting. *The percentage is calculated using the 2018 census resident population per treatment plant/distribution zone.</p>				

Where are we heading?

Our focus remains on delivering high quality drinking water that is safe and sustainable. We will continue to improve our systems, processes and infrastructure to maintain this standard.

We will test the success of our smart water network and will continue to roll out smart water meters to better achieve our water demand management objectives.

We want to provide clear information to our communities and businesses to promote water efficiency. The implementation of residential excess water charges will be a critical tool to manage the peak demand in the network and water abstraction through our summer months. This will play a huge part in meeting our LOS goals, deferring capital works and reducing our overall network operational cost. We are looking forward to seeing the benefit on our stream fed supplies over the summer months.

We will continue to inspect and repair our water storage reservoirs and suction tanks in accordance with the approved programme of work.

A new water sampling plan for source, treatment and distribution processes using the newly installed sampling points will be developed once the new Water Quality Assurance Rules are approved.

We will develop Duvauchelle and Pigeon Bay Water Safety Plans under the new water safety framework, and will develop Source Water Risk Management Plans for the Banks Peninsula water supply schemes. We will further develop and implement a Water Safety Plan audit programme and continue working towards a Quality Management System implementation for our water supply systems.

Construction of the new Okains Bay water supply scheme and the replacement of the Duvauchelle water treatment plant will start this year.

We will install approximately 14.1 km of mains and 18.7 km of submains as part of water supply reticulation renewals. Construction to replace the critical DN600 trunk main along Eastern Terrace using a New Zealand first anchored joint ductile iron pipe will continue. Christchurch's first seismic-resilient ductile iron pipeline will be installed to replace the existing critical pipeline that supplies Lyttelton from Scruttons Booster Pump Station to the Lyttelton Road Tunnel.

We will continue to implement software and hardware updates to current proven industry best practice as part of our asset renewals, thereby ensuring that control and data collection moves towards future regulatory compliance.

Service delivery in 2022/23

A number of levels of service were not achieved in FY2022. Predominately these were based on results from the

annual residents' survey. We will continue to maintain our focus on meeting our levels of service for reactive requests.

The need to continue chlorinating Christchurch's water supply until a residual disinfection exemption is granted by Taumata Arowai, 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		2022 Actual \$000	2022 Plan \$000
Cost of services			
79,419	Water supply	83,001	78,295
79,419		83,001	78,295
Operating revenue from services			
1,016	Water supply	3,242	1,825
1,016		3,242	1,825
9,985	Capital revenues	13,229	9,344
2,920	Vested assets	3,263	1,250
65,498	Net cost of services	63,267	65,876

Explanation of significant cost of service variances

The cost of service was \$4.7 million higher than planned due to \$4.1 million of asset writeoffs, and \$1.9 million higher maintenance costs partly offset by \$0.7 million lower electricity costs and \$0.6 million lower depreciation costs.

Operating revenues from services are \$1.4 million higher than plan and \$2.2 million higher than 2021 due to Crown contributions toward water reform work.

The cost of service was \$3.5 million higher than 2021 due to \$3.8 million additional maintenance costs and \$0.8 million additional insurance costs. The additional costs were offset by \$0.6 million lower asset writeoffs and \$0.5 million lower electricity.

Capital revenues

Capital revenues were \$3.9 million higher than plan due to \$1.4 million additional development contributions and \$2.9 million water connection and backflow fees offset by \$0.4 million lower Crown contributions for water reform.

Capital revenues were \$3.2 million higher than 2021 due to \$1.5 million more Crown contributions for water reform, \$0.3 million additional development contributions and \$1.4 million additional connection and backflow fees.

Vested assets

The Council also received \$3.3 million of water supply network vested assets from new subdivisions this year which was \$2.0 million higher than plan and \$0.3 million higher than 2020.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	70,319	71,733	58,479
Subsidies and grants for operating purposes	3,108	1,155	-
Fees and charges	134	670	650
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	73,561	73,558	59,129
Applications of operating funding			
Payments to staff and suppliers	33,925	32,132	23,363
Finance costs	3,346	3,346	4,589
Internal charges and overheads applied	2,483	2,483	2,493
Other operating funding applications	3	4	4
Total applications of operating funding (B)	39,757	37,965	30,449
Surplus (deficit) of operating funding (A-B)	33,804	35,593	28,680
Sources of capital funding			
Subsidies and grants for capital expenditure	4,800	5,235	-
Development and financial contributions	4,430	2,982	2,804
Increase (decrease) in debt (internal funding)	6,425	19,907	20,624
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	4,008	1,126	1,173
Total sources of capital funding (C)	19,663	29,250	24,601
Applications of capital funding			
Capital expenditure			
- to replace existing assets	43,705	53,351	50,063
- to improve the level of service	6,535	9,126	52
- to meet additional demand	1,980	2,366	3,166
Increase (decrease) in reserves	1,247	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	53,467	64,843	53,281
Surplus (deficit) of capital funding (C-D)	(33,804)	(35,593)	(28,680)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant cost of service variances

Operating funding

The surplus of operating funding is \$1.4 million lower than plan. Operational funding is slightly better than plan with Crown subsidies being \$2.0 million higher than plan offset by \$1.8 million lower excess water charges and other fees. Applications of operational funding were \$1.8 million higher than plan from \$2.5 million higher maintenance costs and overheads offset by \$0.7 million lower electricity costs.

Capital expenditure

Capital expenditure was \$12.6 million lower than plan, mainly as result of less work delivered in the water supply headwork renewal programme, this has been rescheduled for delivery in future years.

Significant capital expenditure

Significant capital expenditure included: Mains renewals \$33.8 million, Well head conversions and improvements \$6.5 million, New connections \$1.7 million, Pump station renewals \$3.2 million, Headworks renewals \$6.5million,

The remainder was spent on smaller projects throughout the city.

Council activities and services

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, the Local Government Act 2002 and the Water Services Act 2021 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 as provided for in our discharge consent 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, odour treatment facilities and 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 provide capacity for 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 major 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.

We have been granted a resource consent to continue operating the existing Akaroa wastewater treatment plant for the next 8 years, whilst we design and construct the **Akaroa Reclaimed Water Treatment and Reuse Scheme**.

We have completed the options analysis and public consultation for the **Duvauchelle reclaimed water treatment and reuse scheme**. We will now continue with the design of the scheme.

Despite the loss of the main treatment unit at the **Christchurch wastewater treatment plant**, due to the November fire that damaged the trickling filters, we continued to receive and treat the approximately 150,000 cubic metres of wastewater per day that enters the plant. This was initially done through the addition of chemicals, and we have now procured the major mechanical components needed to allow us to convert to an alternative treatment process as an interim measure.

We have started to construct a large upgrade to the wastewater pump station in Halswell Road and are nearing completion of the construction of a large wastewater main in Hayton Road.

We have completed critical software and hardware upgrades to our SCADA (Supervisory Control and Data Acquisition) and PLC (Programmable Logic Controller) systems to improve the ease of operations and to improve resilience for our wastewater pumping stations and the Christchurch Wastewater Treatment Plant.

Water reform 'stimulus funding' has provided a meaningful boost to our wastewater inspection programme and enables us to better program renewal works. Inspections were done around the site for the proposed Canterbury Multi Use Arena, the brick barrels on Fitzgerald Avenue and the large diameter Southern Western Relief trunk sewer on Buchanans Road.

For FY 2021/2022 the total pipe renewals delivered is as follows:

- 10,075m of Gravity WW pipes
- 4,927m of new Local Pressure pipes
- 181m of Pressure Main pipes

Our wastewater bylaw has been reviewed and adopted by Council. This will continue to allow Council to manage, regulate and protect the networks from misuse or damage while ensuring that health and safety remain paramount.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Wastewater Collection, Treatment and Disposal				
Council has high wastewater discharge quality				
Number of abatement notices, infringement notices, enforcement orders and convictions regarding Council resource consents related to discharges from wastewater systems per year	[11.1.2.0] 0	None	Achieved	2021: None Achieved 2020: None Achieved 2019: None Achieved
Council operates wastewater services in a reliable manner				
Total number of complaints per 1000 properties received by Council per year about: a) Wastewater odour b) Wastewater system faults c) Wastewater system blockages d) Council's response to any of these issues	[11.0.1.10] <= 10.7	10.12 complaints per 1,000 properties	Achieved	New measure in 2022
Proportion of residents satisfied with the reliability and responsiveness of wastewater services	[11.0.1.16] >= 67%	59% satisfaction	Not Achieved	2021: 60% Not Achieved 2020: 66% Not Achieved 2019: 71% Not Achieved
Percentage of total wastewater gravity network pipework length at condition grade 5 (very poor)	[11.0.1.18] <= 13%	11.54% of total wastewater gravity network pipework length at condition grade 5 (very poor)	Achieved	New measure in 2022
Council operates wastewater services in a responsive manner				
Median time (in hours) from notification to arrival on-site for urgent faults on rural wastewater networks	[11.0.1.1] <= 2	1 hour 3 minutes	Achieved	New measure in 2022
Median time (in hours) from notification to arrival on-site for urgent faults on urban wastewater networks	[11.0.1.2] <= 1	31 minutes	Achieved	New measure in 2022
Median time (in hours) from notification to attendance of overflows resulting from network faults	[11.0.1.5] <= 1	34 minutes	Achieved	2021: 0.53 hours Achieved 2020: 0.54 hours Achieved 2019: 0.55 hours Achieved
Median time (in hours) from notification to resolution of overflows resulting from network faults	[11.0.1.6] <= 24	2hrs and 15mins	Achieved	2021: 2.1 hours Achieved 2020: 1.9 hours Achieved 2019: 2.41 hours Achieved
Median time (in hours) from notification to arrival on-site for non-urgent faults on urban wastewater networks	[11.0.6.2] <= 120	28 hours 47 minutes	Achieved	2021: 0 days 12 hours 7 minutes Achieved 2020: 2 days 11 hours 7 minutes Achieved 2019: 0 days 2 hours 17 minutes Achieved

Level of Service	Target	Result	Achieved	Prior Years
Median time (in hours) from notification to arrival on-site for non-urgent faults on rural wastewater networks	[11.0.6.3] <= 120	71 hours 31 minutes	Achieved	2021: 3 days 2 hours 47 minutes Achieved 2020: 1 days 13 hours 57 minutes Achieved 2019: 0 days 2 hours 17 minutes Achieved
Public health is protected from Council wastewater services				
Number of dry weather overflows from wastewater systems per 1,000 connected properties per year	[11.0.5.2] <= 0.7	0.43 per 1,000 properties	Achieved	2021: 0.52 per 1,000 properties Achieved 2020: 0.60 per 1,000 properties Achieved 2019: 0.54 per 1,000 properties Achieved

Where are we heading?

A key focus this financial year, will be to plan and design the replacement of the **Christchurch wastewater treatment plant** trickling filters. We have started to identify and evaluate treatment process alternatives and will enter the preliminary design phase as soon as the critical process decision has been made. We are factoring in the potential reduction of greenhouse gas emissions in our process options assessment.

We are continuing to implement 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 continuing to carry out key and critical renewal of wastewater treatment plant components not currently affected by the fire.

Approximately 8.5 kilometres of wastewater mains will be renewed in the next 12 months. This will include some large critical pipeline renewals, hence the reduction in projected pipe renewed lengths. We will also continue to upgrade pump stations, such as PS15, one of our largest and most critical wastewater pumping stations. We will complete the construction of four critical odour treatment systems throughout the district.

We are bringing forward funds to support the Canterbury Multi Use Arena as well as the Naval Point upgrade. We will continue to use and develop our data and systems to help us identify areas with high inflow and infiltration. We will use our new wastewater bylaw to require property owners to inspect and repair their private wastewater drains in areas with high inflow and infiltration.

Service delivery in 2022/23

A number of levels of service were not achieved this year and the continuing financial constraints mean it may not be possible to meet all levels of service in the 2022/23 year. As an example the lack of physical inspections of very poor condition (grade 5) pipes will reduce the effectiveness of planning for pipe renewals.

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.

What did it cost?

Statement of cost of services for the year ending 30 June

2021		2022	
Actual		Actual	2022 Plan
\$000		\$000	\$000
Cost of services			
125,328	Wastewater collection, treatment and disposal	138,536	119,267
125,328		138,536	119,267
Operating revenue from services			
7,173	Wastewater collection, treatment and disposal	17,707	7,680
7,173		17,707	7,680
25,472	Capital revenues	23,900	21,315
3,043	Vested assets	4,803	2,250
89,640	Net cost of services	92,126	88,022

Explanation of significant variances

Wastewater collection, treatment and disposal

The cost of services was \$19.3 million higher than plan largely as a result of a fire destroying the trickling filters in November 2021 (\$10.0 million). Other variances were the result of \$3.6 million higher maintenance costs and \$0.9 million higher consultant costs, offset by \$1.0 million lower insurance costs. The variance also includes \$5.7 million higher depreciation costs due to asset write-offs.

The cost of service was \$13.2 million higher than 2021. This was also largely due to the fire, with \$6.1 million higher maintenance costs and \$3.6 million higher consultants and professional fees and \$0.5 million higher depreciation.

Operating revenues were \$10.0 million higher than plan and 2021 due to \$10.0 million of insurance recoveries for additional costs incurred in the fire recovery work. Trade waste revenues were \$0.9 million less than planned offset by \$0.9 million more Crown contributions for water reform costs.

Capital revenues and vested assets

Capital revenues were \$2.5 million more than planned due to \$4.3 million more development contributions but \$1.7 million less Crown contribution for water reform.

Capital revenues were \$1.6 million less than 2021 due to \$1.3 million less development contributions and \$0.3 million less Crown contribution for water reform.

The Council also received \$4.8 million of additional sewerage network vested assets from developers' new subdivisions this year, \$2.6 million higher than plan and \$1.8 million higher than 2021.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	82,630	82,166	77,176
Subsidies and grants for operating purposes	2,004	1,100	-
Fees and charges	5,276	5,889	6,571
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	10,427	690	674
Total operating funding (A)	100,337	89,845	84,421
Applications of operating funding			
Payments to staff and suppliers	54,219	42,066	36,477
Finance costs	5,626	5,626	6,935
Internal charges and overheads applied	3,765	3,765	3,818
Other operating funding applications	10	-	-
Total applications of operating funding (B)	63,620	51,457	47,230
Surplus (deficit) of operating funding (A-B)	36,717	38,388	37,191
Sources of capital funding			
Subsidies and grants for capital expenditure	9,178	10,895	-
Development and financial contributions	14,734	10,420	9,054
Increase (decrease) in debt (internal funding)	9,884	(2,950)	39,572
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	33,796	18,365	48,626
Applications of capital funding			
Capital expenditure			
- to replace existing assets	46,309	43,861	63,865
- to improve the level of service	12,224	10,965	20,673
- to meet additional demand	3,283	1,927	1,279
Increase (decrease) in reserves	8,697	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	70,513	56,753	85,817
Surplus (deficit) of capital funding (C-D)	(36,717)	(38,388)	(37,191)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

The surplus of operating funding was \$1.6 million lower than plan. Operational funding was \$10.5 million higher due to \$10.0 million unplanned insurance recoveries for the treatment plant fire, and grants & subsidies revenue being \$0.9 million higher than planned, offset by \$0.5 million lower trade waste revenue. Applications of operational funding was \$12.2 million higher than plan due to increased payments to suppliers largely related to the treatment plant fire response including operating and along with higher than planned staff costs.

Capital expenditure

Capital expenditure was \$5.1 million higher than plan, due additional work delivered from prior year funding largely on the reticulation and pumping asset renewal programmes. Other variances to Annual Plan amounts within the programme are largely driven by reprioritised works throughout the year in response to changing needs.

Significant capital expenditure

Significant capital expenditure included: Reticulation infrastructure renewal programme \$39.4 million, Akaroa and Lyttelton Harbour improvement projects \$7.0 million, Reticulation improvements \$4.5 million and Treatment plant renewal works \$3.7 million. The remainder was spent on smaller projects throughout the city.

Council activities and services

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 (superseded as of 1 July 2022 by the Stormwater and Land Drainage Bylaw 2022), 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, support climate resilience, 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. It also reduces 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 the standard set in the Long Term Plan.

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 work on stream lining and brick barrel replacements in Jacksons Creek, Mairehau Drain, Dudley Creek, Papanui and St Albans. Work on the Lyttelton Stormwater Brick Barrel Network has continued to progress with the completion of the series 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. Delivery of the upper Cashmere Worsleys Flood Storage Dam was successfully tendered, with the construction planned for later this year. The project to reinstate the pre-earthquake capacity of PS205 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.

Construction of a new long-term stopbank adjacent to Waitaki Street in the Ōtākaro Avon River Corridor was started along with construction of stormwater pipes to connect upstream catchments to the proposed treatment facility behind the stopbank. The design of the Waikakariki/Te Oranga Horseshoe Lake stormwater treatment facility has significantly progressed along with planning of other work within the corridor. These are cornerstone projects in the Ōtākaro 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, Waimari Stream Phase 2, 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 have built upon the work completed last year, including work on Stormwater Management Plans, the Environmental Monitoring Programme, investigations to enable development of an Instream Contaminant Concentration Model, and several other investigations and studies related to stormwater quality and quantity/floodwater management.

The development of the climate change implementation plan for surface water infrastructure and waterways has continued. This is a key component in the infrastructure programme which will give effect to the Council's Climate Resilience 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 supporting Council's input to the Canterbury Regional Climate Change Working Group.

In June, the Council adopted the Stormwater and Land Drainage Bylaw 2022, which replaces the previous Water Supply, Wastewater and Stormwater Bylaw 2014, effective from 1 July 2022. This updated Bylaw is important in enabling Council to deliver on its Community Outcomes and Comprehensive Stormwater Network Discharge Consent obligations.

Work to support drainage aspects of the proposed district plan change has been progressed that will enable future development within the city.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Stormwater Drainage				
Council maintains waterway channels & margins to a high standard				
Council manages the stormwater network in a responsible and sustainable manner: Resident satisfaction with Council's management of the stormwater network	[14.0.3] >=40% satisfaction	44% satisfaction	Achieved	2021: 45% Achieved 2020: 43% Achieved 2019: 47% Achieved
Council manages the stormwater network in a responsible and sustainable manner.				
Council manages the stormwater network in a responsible and sustainable manner: Number of abatement notices regarding Council resource consents related to discharges from the stormwater networks per year	[14.0.2.1] 0 abatement notices	0 abatement notices	Achieved	2021: One abatement notice Not Achieved 2020: Nil Achieved 2019: Nil Achieved
Council manages the stormwater network in a responsible and sustainable manner: Number of successful prosecutions regarding Council resource consents related to discharges from the stormwater networks per year	[14.0.2.2] 0 successful prosecutions	0 successful prosecutions	Achieved	2021: Nil Achieved 2020: Nil Achieved 2019: Nil Achieved
Council manages the stormwater network in a responsible and sustainable manner: Number of enforcement orders regarding Council resource consents related to discharges from the stormwater networks per year	[14.0.2.3] 0 enforcement orders	0 enforcement orders	Achieved	2021: Nil Achieved 2020: Nil Achieved 2019: Nil Achieved
Council manages the stormwater network in a responsible and sustainable manner: Number of infringement notices regarding Council resource consents related to discharges from the stormwater networks per year	[14.0.2.4] 0 infringement notices	0 infringement notices	Achieved	2021: One infringement notice Not Achieved 2020: Nil Achieved 2019: Nil Achieved
Council responds to flood events, faults and blockages promptly and effectively				
Council responds to flood events, faults and blockages promptly and effectively: 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	[14.0.10] <=60 mins urban <=120 mins rural	Urban: 33 minutes Rural: Nil	Achieved	2021: Urban: Nil / Rural: Nil Achieved 2020: Urban: Nil / Rural: Nil Achieved 2019: Urban: Nil / Rural: Nil Achieved

Level of Service	Target	Result	Achieved	Prior Years
Stormwater network is managed to minimise risk of flooding, damage and disruption: 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)	[14.0.11.3] < 9 complaints per 1000 properties	8.5 complaints per 1,000 properties	Achieved	2021: 0.5 per 1,000 households Achieved 2020: 6.07 per 1,000 households Achieved 2019: 6.74 per 1,000 households Achieved
Stormwater network is managed to minimise risk of flooding, damage and disruption				
Stormwater network is managed to minimise risk of flooding, damage and disruption: For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system)	[14.0.11.1] <0.1 habitable floors per 1000 properties	0.01 habitable floors 1,000 properties.	Achieved	2021: 0 per 1,000 households Achieved 2020: 0 per 1,000 households Achieved 2019: 0 per 1,000 households Achieved
Stormwater network is managed to minimise risk of flooding, damage and disruption: The number of flooding events that occur	[14.0.11.2] <2 flooding events	2 flooding events in Dec 2021 and Feb 2022	No Achieved	2021: Nil Achieved 2020: Nil Achieved 2019: Nil Achieved
Percentage of total stormwater gravity network pipework length at condition grade 5	[14.0.11.4] <= 7%	5.45% of total stormwater gravity network pipework length at condition grade 5	Achieved	New measure in 2022

Where are we heading?

Our focus will be on continued planning and delivery of projects and operational or non-infrastructure initiatives related to improving water body health and stormwater discharges, meeting stormwater discharge consent obligations, supporting climate resilience and ongoing work to provide capacity for growth. Projects supporting this focus will include the Port Hills and Lyttelton Harbour Erosion and Sediment Control Programme, construction of new stormwater facilities and several stream remediation and naturalisation projects that will replace existing engineered linings.

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 renewals programme will be a large part of our upcoming work with a host of projects to 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 complete the design and/or carry out the construction (resource dependant) for the renewal/rehabilitation of approximately 0.5 kilometres of stormwater mains in the next 12 months. Approximately

2.7 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 2022/23

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.

As our work in the Upper Heathcote progresses towards completion our capital project focus will turn, in part, to the planning and design of work within the Ōtākaro Avon River Corridor.

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		2022	
Actual		Actual	2022 Plan
\$000		\$000	\$000
Cost of services			
44,193	Stormwater drainage	42,852	43,458
44,193		42,852	43,458
Operating revenue from services			
19	Stormwater drainage	16	115
19		16	115
1,326	Capital revenues	130	-
11,257	Vested assets	17,305	4,000
31,591	Net cost of services	25,401	39,343

Explanation of significant variances

Stormwater drainage

The cost of service was \$0.7 million lower than planned due to lower maintenance expenses which were partially offset by \$1.0 million higher depreciation.

The cost of service was \$1.3 million lower than 2021 due to lower maintenance costs of \$1.8 million, partly offset by higher insurance costs of \$0.4 million.

Capital revenues and vested assets

Capital Revenue is \$1.2 million lower than 2021 on developer cost share agreements.

The Council received \$17.3 million of stormwater network vested assets from developers' new subdivisions this year, \$13.3 million higher than planned, and \$6.0 million higher than 2021.

Funding impact statement for year ended 30 June

	2022 Actual	2022 Long Term Plan	2021 Long Term Plan
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	33,858	33,668	29,440
Subsidies and grants for operating purposes	(83)	-	-
Fees and charges	16	15	17
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	100	-
Total operating funding (A)	33,791	33,783	29,457
Applications of operating funding			
Payments to staff and suppliers	15,780	18,171	16,405
Finance costs	1,825	1,825	1,723
Internal charges and overheads applied	1,380	1,380	1,249
Other operating funding applications	(83)	-	-
Total applications of operating funding (B)	18,902	21,376	19,377
Surplus (deficit) of operating funding (A-B)	14,889	12,407	10,080
Sources of capital funding			
Subsidies and grants for capital expenditure	130	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	(4,367)	8,565	12,359
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(4,237)	8,565	12,359
Applications of capital funding			
Capital expenditure			
- to replace existing assets	5,443	12,319	21,145
- to improve the level of service	6,996	6,830	-
- to meet additional demand	1,501	1,823	1,294
Increase (decrease) in reserves	(3,288)	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	10,652	20,972	22,439
Surplus (deficit) of capital funding (C-D)	(14,889)	(12,407)	(10,080)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

The operating funding surplus is \$2.5 million higher than plan due to \$2.3 million lower maintenance expenses.

Capital expenditure

Capital expenditure is \$7 million lower than planned, due to less works delivered in the 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: Pump Station Earthquake Repairs (LDRP 513) (PS205) \$3.4 million, Cashmere Worsleys Flood Storage (LDRP 500) \$2.9 million and Lyttelton Reticulation Renewals (Brick Barrel) \$1.0 million.

The remainder was spent on smaller projects throughout the city.

Council activities and services

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 (superseded as of 1 July 2022 by the Stormwater and Land Drainage Bylaw 2022), 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, support climate resilience 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 has remained a focus but is now supplemented with work in other areas. Heathcote catchment work has included starting the automatic control system for the upper Heathcote basin, completion of wetlands and a control structure within the Eastman Wetlands and material progress on the joint MfE / CCC project to enhance Cashmere Stream.

Outside of the Heathcote we've been progressing the design of the Greens Stormwater facility ahead of programme, works on the Highsted system has continued that includes realignment and naturalisation of a section of Styx Drain. The Blakes Road facility has also been completed.

This year the operational Heathcote catchment basins have been successfully utilised during significant rain events in December 2021 and February 2022 and assisted with providing relief in the downstream Heathcote catchment.

The design of the Addington Brook and Riccarton Stream stormwater treatment facility has started. These works have also supported the Council strategic priority of improved waterways and the six-values approach to stormwater management.

The work to extend the stopbank in South New Brighton near to South New Brighton School is now complete. Preliminary design of the earthquake legacy work in Southshore has begun, which features a new flood bund.

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. A significant milestone was reached of starting the first long-term stopbank project to replace the temporary stopbank in the Waitaki Street area (see Stormwater Drainage section).

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 Ōtākaro/ Avon, Huritini/ Halswell, Ōpāwaho/Heathcote, and Matuku Takotako/ Sumner models.

Further updates to these models, improvements in the way model data is managed, and development of the Pūharakekenui/ Styx catchment model has been approved for development in the coming year.

A variety of environmental projects have been designed or construction substantially complete such as work to known fish barriers such as Mona Vale Weir in the city and the sites on the Peninsula as well as waterway enhancements such as Cashmere Stream, Arran Drain realignment, Steamwharf Stream Renewal and Opara Stream Renewal works.

How did we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Flood Protection and Control Works				
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: Cross sectional surveys of selective waterways are carried out at required intervals	[14.1.3.1] 2-5 yearly or as required	5 year survey verification completed	Achieved	2021: None required Achieved 2020: Survey completed Achieved 2019: Survey completed Achieved
Major flood protection and control works are maintained, repaired and renewed to key standards: Stopbank crest surveys are carried out at required intervals	[14.1.3.2] Annually	Stopbank crest level survey completed	Achieved	2021: Survey completed Achieved 2020: Survey completed Achieved 2019: Survey completed Achieved
Major flood protection and control works are maintained, repaired and renewed to key standards: Stopbanks identified as not meeting the original design requirements for condition and/or height are repaired within 9 months	[14.1.3.3] 75%	100% of stopbanks identified as below their original design standard will be repaired within 9 months	Achieved	2021: 100% Achieved 2020: 100% Achieved 2019: 100% Achieved
Manage the risk of flooding to property and dwellings during extreme rain events: Number of surface water network monitoring sites (flow, level or rainfall)	[14.1.6.3] +2 sites (73)	11 new sites (84 total)	Achieved	New measure in 2022
Reduce risk of flooding to property and dwellings during extreme rain events				
Manage the risk of flooding to property and dwellings during extreme rain events: 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 2 hours or greater excluding flooding that arises solely from private drainage	[14.1.6.1] >=0 properties per annum on a rolling three-year average	30 properties	Achieved	2021: 43 properties Not Achieved 2020: 44 properties Achieved 2019: Achieved above floor flood risk reduction by 57 properties Achieved

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.

Other projects will provide 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 2022/23

With the Upper Heathcote Storage Scheme Projects being complete or nearing completion our focus on projects in other areas can expand; such as facilities which provide capacity for future growth (both greenfield and infill within existing urban areas) and work within the Ōtākaro Avon River Corridor. Other projects, such as the Waitaki Street Stopbank project and the Wainoni to Waitaki Stopbank project, will provide the flood management assets required to meet the levels of service set for this activity.

We plan to complete the upgrade works at the crucial pump station in the Waikakariki – Te Oranga /Horseshoe Lake area this year.

What did it cost?

Statement of cost of services for the year ending 30 June

2021 Actual \$000		2022 Actual \$000	2022 Plan \$000
Cost of services			
4,854	Flood protection and control works	3,708	4,216
4,854		3,708	4,216
Operating revenue from services			
-	Flood protection and control works	13	35
-		13	35
2,907	Capital revenues	3,376	4,966
-	Vested assets	-	-
1,947	Net cost of services	319	(785)

Explanation of significant variances

Flood protection & control works

The cost of service for flood protection was \$0.5 million less than plan due to lower depreciation and indirect costs. The cost of service was lower than 2021 which included significant dredging costs for the Heathcote river.

Capital revenues

Capital revenues were \$1.6 million lower than planned and \$0.5 million higher than 2021 due to development contributions volumes.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	4,750	4,723	1,621
Subsidies and grants for operating purposes	-	-	-
Fees and charges	13	35	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	4,763	4,758	1,621
Applications of operating funding			
Payments to staff and suppliers	3,645	3,700	989
Finance costs	29	29	45
Internal charges and overheads applied	139	139	56
Other operating funding applications	1	-	-
Total applications of operating funding (B)	3,814	3,868	1,090
Surplus (deficit) of operating funding (A-B)	949	890	531
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	3,377	4,966	4,476
Increase (decrease) in debt (internal funding)	19,152	38,031	43,339
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	22,529	42,997	47,815
Applications of capital funding			
Capital expenditure			
- to replace existing assets	1,292	4,427	8,004
- to improve the level of service	8,181	17,019	-
- to meet additional demand	13,994	22,441	40,342
Increase (decrease) in reserves	11	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	23,478	43,887	48,346
Surplus (deficit) of capital funding (C-D)	(949)	(890)	(531)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

There are no significant variances in 2022.

Capital expenditure

Capital expenditure was \$20.5 million lower than planned as a result of \$7.6 million of planned works delivered in advance in 2021 and \$12.7 million of works not completed in 2022. Works not completed include: Eastman Sutherland and Hoon Hay Wetland \$3.2 million, LDRP 521 Stage 1 Waitaki Street (OARC) \$1.3 million; Gardiners Stormwater Facility \$1.9 million, Highsted Land Purchase & Construction of Waterways, Basins & Wetlands \$1.6 million, Hoon Hay Basin Outlet and Cashmere Stream Control Structure (Eastman Sutherlands) \$1.0 million and Knights Drain Ponds (LDRP 509) \$2.2 million. These are partly

offset by works completed ahead of future funding including Greens Stormwater Facility \$2.2 million and SW Blakes Road Stormwater Facility (Works 1) \$1.0 million

Significant capital expenditure

Significant capital expenditure included: Eastman Sutherland and Hoon Hay Wetlands \$6.5 million, Rossendale Infrastructure Provision Agreement (IPA) \$1.3 million, Greens Stormwater Facility \$2.2 million, Flood Management LDRP 521 Stage 1 Waitaki Street (OARC) \$3.0 million, Hoon Hay Basin Outlet and Cashmere Stream Control Structure (Eastman Sutherlands) \$1.8 million and SW Blakes Road Stormwater Facility (Works 1) \$1.1 million.

The remainder was spent on smaller projects throughout the city.

Council activities and services

Transport

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 including road safety

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.

Cycleways

In recent years newly completed cycleways have become an integral part of Christchurch's transport network. Planning and construction is underway to establish a network of 13 dedicated major cycle routes totalling approximately 100 kilometres that will provide high quality safe facilities to encourage a high level of modal shift to cycling. A series of local connections will help join these major routes with community facilities such as shopping centres and schools.

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.

What did we achieve?

We reduced transport harm by improving safety on our roads. Over the past 4 years we reduced the number of crashes leading to people dying or getting seriously injured on our road accidents by more than 23crashes 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.

Significant safety improvements have been made on the network with the upgrade of Marshland Road Bridge and the installation of traffic signals at the intersection of Marshland, Lower Styx and Hawkins Roads. We have also completed safety improvements on a significant stretch of Dyer Pass Road with the next section due to complete in the next year.

Minor safety improvements have been made across the transport network at 18 local sites, including works to 4 signalised intersections that comprising of dedicated right turn arrows and pedestrian and cycle safety improvements. We have also improved safer at 4 intentions and a roundabout, making them safer for all road users.

Building of the Major Cycle Routes network has continued with construction underway on the South Express and Stages 1 & 2 of Nor'West Arc. Design and consultation was completed on Stage 3 of Nor'West Arc.

The 2021/22 financial year saw another important post – earthquake central city streetscape project completed – High Street. This project also saw the completion of the much loved central city tram loop allowing the historic trams and trailers to traverse the network in a complete loop.

We have started work on the implementation of improvements identified in the public transport business case. This has involved extensive work across the network, including the review, design and consultation on the upgrade of all bus stops along the new Port-to-Port route, from Lyttelton (and Rapaki) to Christchurch International Airport. This includes the proposal to install 6 pedestrian crossings, 5 shelters, 24 seats, 12 new bus stops and updated line marking for over 100 stops. If approved these upgrades will be implemented in 2022/23.

We have also updated 114 bus stops across our network. Upgrades includes;

- 63 Orbiter Bollards removed,
- 77 installations of new white poles and signs,
- 16 posts removed,
- 29 signs installed on existing posts,
- 36 bus stops that had their footpath extended to improve accessibility,
- 4 shelters installed,
- 4 bus stops with kerbing improvements,
- 4 bus stops with improved line marking,
- 6 seats installs, and
- 9 bus locators installed comprising of 13 inch and 26 inch screens.

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 Banks Peninsula (coordinating with safer speed limits on SH75 delivered by Waka Kotahi), Woolston Village (and surrounds), Beckenham Loop and Selwyn Village.

To help promote safer and greener travel we have engaged with 25 schools have been engaged within our school travel planning programme this year. We ran a "Walk or Wheel to School Week" to embed more consistent active travel. Held in March 2022, 74 schools participated in the activity (the largest number EVER) and a combined roll of over 24,427 pupils. 3200 students took part in the Cycle Safe course over the year. Through our Workplace and Personalised travel planning programmes we delivered travel planning advice, support and incentives to 2233 customers. We delivered Crash Bash to 22 schools. The programme's focus area for was on peer pressure and alcohol. The show, called "Leader of the Pack" encouraged students to speak up and be empowered to lead friends to make safe choices when placed in uncomfortable situations around driving, peers and alcohol.

We have kept our streets looking tidy by removing 82,000m2 of graffiti, pruning 16,722 street trees and removing 630 for various reasons. We have also serviced approximately 18 Mil m2 of turf, Serviced approximately 5.5 Mil m2 of garden assets, laid 13,000 m3 of mulch and planted 12,000 shrubs. To enable the safe and co-ordinated working within the road we have processed and approved 2900 corridor access requests.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Transport				
<i>Access: Our networks and services support access for all, provide travel choices and improve liveability</i>				
Maintain customer perception of the ease of use of Council on- street parking facilities	[10.3.3] >=50% resident satisfaction	49% satisfaction	Not Achieved	2021: 49% satisfaction Not Achieved 2020: 43% satisfaction Not Achieved 2019: 49% satisfaction Not Achieved
Maintain customer perception of vehicle and personal security at Council off-street parking facilities	[10.3.7] >=50% resident satisfaction	52% satisfaction	Achieved	2021: 50% satisfaction Not Achieved 2020: 51% satisfaction Not Achieved 2019: 59% satisfaction Achieved
Increase access within 15 minutes to key destination types by walking	[10.5.41] >=53% of residential land holdings with a 15-minute walking access	43%	Not Achieved	New measure in 2022
Maintain roadway condition to an appropriate national standard, measured by the percentage of the sealed road network that is resurfaced each year	[16.0.1] >=5% of the sealed local road network is resurfaced per year	2.8% of the entire network has been resurfaced by 22/06/2022	Not Achieved	2021: 3.5% Achieved 2020: 3.6% Achieved 2019: 2.3% Achieved
Improve roadway condition, to an appropriate national standard, measured by smooth travel exposure (STE)	[16.0.2] >=75% of the sealed local road network meets the appropriate national standard	79% of vehicle kilometres traveled in Christchurch are on smooth roads	Achieved	2021: 79% Achieved 2020: 76% Achieved 2019: 74% Achieved
Improve resident satisfaction with road condition	[16.0.3] >=25% resident satisfaction	27% satisfaction	Achieved	2021: 29% satisfaction Not Achieved 2020: 26% satisfaction Not Achieved 2019: 27% satisfaction Not Achieved
Maintain the condition of footpaths	[16.0.8] >=80% footpaths rated 1,2 or 3	Not completed	Not Achieved	2021: 81.9% Achieved 2020: 88% Achieved 2019: 88% Achieved
Improve resident satisfaction with footpath condition	[16.0.9] >=40% resident satisfaction	35% satisfaction	Not Achieved	2021: 36% satisfaction Not Achieved 2020: 40% satisfaction Not Achieved 2019: 41% satisfaction Not Achieved
Maintain the perception that Christchurch is a walking friendly city	[16.0.10] >=85% resident satisfaction	70% satisfaction	Not Achieved	2021: 74% agree Not Achieved 2020: 83% agree Not Achieved 2019: 85% agree Achieved
Respond to customer service requests within appropriate timeframes	[16.0.13] >=70% customer service requests are completed, or inspected and programmed within timeframes	79% of customer service requests responded to within appropriate timeframes	Achieved	2021: 72% responded within time Not Achieved 2020: 45% responded within time Not Achieved 2019: 98% responded within time Achieved
<i>Environment: our networks and services are environmentally sustainable and resilient</i>				
Increase the share of non-car modes in daily trips	[10.0.2] >=17% of trips undertaken by non-car modes	Unknown	Not Achieved	New measure in 2022
Improve user satisfaction of public transport facilities (number and quality of shelters and quality of bus stop)	[10.4.4] >=71% resident satisfaction	72% satisfaction	Achieved	2021: 8.4 (>7.4) Achieved 2020: 7.3 (>7.4) Achieved 2019: 7.1 (>7.4) Not Achieved
Improve the perception that Christchurch is a cycling friendly city	[10.5.2] >=65% resident satisfaction	65% satisfaction	Achieved	2021: 64% satisfaction Achieved 2020: 61% satisfaction Achieved 2019: 64% satisfaction Achieved

Level of Service	Target	Result	Achieved	Prior Years
More people are choosing to travel by cycling	[10.5.3] >=12,000 average daily cyclist detections	11,400 average daily cyclists detections	Not Achieved	2021: 11,400 detections Achieved 2020: 5,485 detection Achieved 2019: 7,636 detections Achieved
Increase the infrastructure provision for active and public modes	[10.5.42] >= 570 kilometres (total combined length)	581 kilometres	Achieved	New measure in 2022
Safety: our networks and services are safe				
Reduce the number of death and serious injury crashes on the local road network	[10.0.6.1] <= 105 crashes	93 crashes 6 deaths 93 serious injuries All measures are on CCC controlled roads, based on Waka Kotahi Crash Analysis System (CAS) report (for period 1 April 2021 to 31 March 2022).	Achieved	2021: deaths = 8; serious injuries = 97; total = 105 2021:100 crashes Achieved 2020: deaths = 10; serious injuries = 115; total = 125 2020: 116 crashes Not Achieved 2019: deaths = 11; serious injury = 122; total = 133 2019: 119 crashes Not Achieved
Limit deaths and serious injury crashes per capita for cyclists and pedestrians	[10.5.1] <= 12 crashes per 100,000 residents	10 crashes per 100,000 residents. All measures are on CCC controlled roads, based on Waka Kotahi Crash Analysis System (CAS) report (for period 1 April 2021 to 31 March 2022).	Achieved	2021: 43 crashes Not Achieved 2020: 42 crashes Achieved 2019: 44 crashes Not Achieved
Delivery of school cycle skills and training	[10.7.6] >=3,000 students per annum	3,110 students	Achieved	New measure in 2022

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 to choose public and active travel options for some trips rather than vehicle travel.

Council's 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, and Pound Rd and the intersections of, Greers-Northcote-Sawyers Arms and Pound-Ryans 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.

Government's 'Shovel Ready' support will help us complete the Major Cycle Routes of 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 major events or tsunami evacuation.

The Christchurch Regeneration Acceleration Facility (CRAF) will deliver \$40 million worth of transport and roading improvements. This includes a range projects to improve liveability and accessibility 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 Parakiore (the new Metro Sports Facility), the Performing Arts Precinct, Cathedral Square restoration and Te Kaha (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 2022/23

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 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.

A number of neighbourhood speed management / speed limit reviews will be undertaken over the year and will be implemented following consultation. We are also planning for the implementation of speed limit changes around schools.

Construction is expected to start on the renewal of a number of streets in the Richmond area and Pine Avenue. The extension of Halswell Junction Road is also expected to start construction this year.

A programme of capital works planned for 2022/23 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		2022 Actual \$000	2022 Plan \$000
Cost of services			
131,757	Transport access	133,482	130,483
12,661	Transport environment	13,288	11,442
6,936	Transport safety	7,008	6,985
151,354		153,778	148,910
Operating revenue from services			
31,220	Transport access	31,534	34,291
1,806	Transport environment	1,566	1,349
2,595	Transport safety	2,596	2,511
35,621		35,696	38,151
58,417	Capital revenues	45,118	45,119
15,377	Vested assets	18,250	6,500
41,939	Net cost of services	54,714	59,140

Explanation of significant variances

Transport access

Cost of services was \$2.9 million more than plan. The three main causes were roading infrastructure asset write-offs of \$1.0 million, increased staff and associated overheads of \$1.2 million, and higher maintenance spend of \$0.9 million caused by the 1 in 145 year Banks Peninsula storm event in December 2021. There was also an increase in city-wide road maintenance.

Cost of services was \$1.7 million more than 2021 due to additional roading infrastructure asset write offs in 2022. Maintenance spend was \$1.1 million more because of the 1 in 145 year Banks Peninsula storm event in December 2021 and an increase in city-wide road maintenance, but this was offset by other underspends including electricity costs being \$0.7 million less because of the ongoing conversion of streetlights to LEDs.

Operating revenue from services was \$2.8 million less than plan. Parking and fines revenue was \$1.7 million less due to Covid disruptions reducing the amount of driving by residents. NZTA subsidies revenue was \$0.9 million less because of Covid disruptions in our capital programme.

Transport environment

Cost of services was \$1.8 million more than plan. Infrastructure asset write-offs were \$3.4 million more higher, partly offset by maintenance costs being \$1.9 million less due to the Covid-disrupted operation of our public transport facilities. There was also an under-spend on the Orion street trees project which will be completed in 2023.

Cost of services was \$0.6 million more than 2021 due to higher roading infrastructure asset write-offs in 2022.

Transport safety

There were no significant variances in Transport safety.

Capital revenues

Capital revenues were on plan.

Capital revenues were \$13.3 million less than 2021. NZTA capital subsidies were \$28 million less because shovel ready projects were instead funded by the Crown, and 2021 including a number of large NZTA-subsidised capital projects eg: Dyers Pass, CNC / Northern Arterial Downstream Effects, Major Cycleway Routes. Offsetting the NZTA reduction, \$13 million more of Crown revenue was received for shovel ready projects.

Vested assets

Vested assets received from developers' new subdivisions was \$11.8 million more than plan and \$2.9 million more than 2021. There was an increase in subdivisions handed over to Council in 2022, including Mania Stage 1, Oakbridge Stage 1, Springs Grove Stage 1, Matai Springs Stage 1 and Meadowlands Stage 2 and 3.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	64,033	63,760	66,241
Targeted rates	3,206	3,188	3,123
Subsidies and grants for operating purposes	21,435	22,035	16,689
Fees and charges	8,713	9,309	9,558
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5,710	6,806	7,673
Total operating funding (A)	103,097	105,098	103,284
Applications of operating funding			
Payments to staff and suppliers	67,256	66,753	60,969
Finance costs	5,886	5,886	8,743
Internal charges and overheads applied	4,623	4,623	5,461
Other operating funding applications	550	655	865
Total applications of operating funding (B)	78,315	77,917	76,038
Surplus (deficit) of operating funding (A-B)	24,782	27,181	27,246
Sources of capital funding			
Subsidies and grants for capital expenditure	36,931	40,710	35,367
Development and financial contributions	8,018	4,409	4,058
Increase (decrease) in debt (internal funding)	37,875	63,695	43,560
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	82,824	108,814	82,985
Applications of capital funding			
Capital expenditure			
- to replace existing assets	41,865	65,111	61,877
- to improve the level of service	53,505	59,322	38,537
- to meet additional demand	10,832	11,562	9,817
Increase (decrease) in reserves	1,404	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	107,606	135,995	110,231
Surplus (deficit) of capital funding (C-D)	(24,782)	(27,181)	(27,246)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

Surplus operating funding was \$2.4 million less than plan. This was largely due to \$1.7 million less revenues from parking and fines due to Covid disruptions reducing the amount of driving by residents. NZTA subsidies revenue was \$0.9 million less because of Covid disruptions in our capital programme.

Capital funding

Total capital funding was \$26 million lower on debt funding due to the reduced capital spend because of Covid disruptions with net higher development contributions offset by NZTA subsidies.

Capital expenditure

Applications of capital funding were \$29.8 million lower than plan because of Covid disruptions affecting the delivery of renewals and improvement programmes (street lighting, pavements, major amenities and carriageways). These will largely be delivered in 2023.

Significant capital expenditure

Significant capital expenditure included: Major Cycleway Route programme (\$20.1 million), carriageways programme (\$13.3 million), road network improvement programme (\$9.7 million), structure renewals programme (7.3 million), central city projects (\$6.3 million) Streetlight renewals programme (\$3.0 million), Tram extension (\$2.2 million), passenger transport infrastructure (\$5.1 million), safety improvements (\$8.3 million) and footpath renewals (\$3.5 million).

Council activities and services

Solid Waste & Resource Recovery

What is Solid Waste & Resource Recovery, 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 appropriately 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.

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 101,950 bin checks, has improved the proportion of trucks able to be recycled from 49% to around 90% of all loads. Kerbside bin checking is now undertaken on a permanent basis as well as ongoing marketing campaigns to ensure education for residents on putting the right items in the right bins.

Council have initiated a service delivery review of its refuse disposal and resource recovery services. Changes identified in the review were publicly consulted in 2021/22 to 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 completed with the successful removal of Le Bons closed

landfill and the remediation of Bexley closed landfill foreshore. Council was successful in obtaining consents for continuing to receive low level contaminated soils at Site C, Burwood Closed Landfill ensuring safe disposal of this material that will also be used for future landfill remediation.

Council also approved investment and in principle to relocate the Christchurch Organics Processing Plant. A transitional operations plan is in place that has seen the removal of 28,000 tonnes of outdoor compost windrows with finished compost now going directly off site. The Materials Recovery Facility, where the kerbside recycling is

processed, will be upgraded in 2023 from funding received by the Provincial Growth Fund.

Gas extracted from the Burwood Closed 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. The collection and recycling of household batteries initiative of Christchurch City Council will now be implemented across the Canterbury region.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Solid Waste and Resource Recovery				
Domestic Kerbside Collection				
Recyclable materials collected by Council services and received for processing at the Materials Recovery Facility (MRF)	[8.0.1] 80kg (+40%/-10%) recyclable materials / person / year collected and received by Council services	76.80 kg per person	Achieved	2021: 64.04 kg per person Not Achieved 2020: 91.07 kg per person Not Achieved 2019: 106 kg per person Achieved
Kerbside wheelie bins emptied by Council services	[8.0.2] At least 99.5% collection achieved when items correctly presented for collection	When correctly presented at kerbside: 99.86% of rubbish bins emptied 99.88% of organics bins emptied 99.94% of recycling bins emptied	Achieved	2021: 99.91% collection Achieved 2020: 99.5% collection Achieved 2019: 99.5% collection Achieved
Customer satisfaction with kerbside collection service	[8.0.3] At least 80% customers satisfied with Council's kerbside collection service for each year	78% satisfaction	Not Achieved	New measure in 2022
Total residual waste collected by Council services	[8.1.2] <=130kg/person/year	110.92 kg per person	Achieved	2021: 108.19 kg per person Achieved 2020: 108.1 kg per person Achieved 2019: 111.9 kg per person Achieved
Total organic material collected at Council facilities and diverted for composting	[8.2.1] > 195kg + 30% / - 10% / person / year	220.27 kg per person	Achieved	2021: 201.74 kg per person Achieved 2020: 202.2 kg per person Achieved 2019: 215.0 kg per person Achieved
Public waste drop-off services				
Provide accessible drop off facilities for materials not accepted in the kerbside collection or in excess of the kerbside allocation	[8.1.5.3] Provide 4 public transfer stations (3 city and 1 rural); with operating hours of: City sites - 7 days a week (07:00-16:30) Rural Site - min of 3 days a week (12:00-16:00)	3 city transfer stations available 7 days a week (07:00-16:30) and 1 rural transfer station available 5 days a week (12.00 - 16.00) during summer and 3 days a week (12:00-16:00) during winter	Achieved	New measure in 2022
Residual Waste Disposal				
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	97.59% availability	Achieved	2021: 97.34% available Achieved 2020: 96.3% available Achieved 2019: 96.0% available Achieved
Waste minimisation				
Maintain awareness of putting the right items in the right bin	[8.0.8] Minimum of 4 campaigns per year	11 campaigns	Achieved	New measure in 2022

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.

The assessment phase of the service delivery review has been completed with the evaluation and engagement phases underway and a report will go to the new Council in late 2022.

Serviceable areas in the Wairewa area of Banks Peninsula including Birdlings Flat will receive our kerbside bin collection service from July 2022 and multi occupancy dwellings of 10 or more units will have the option to opt out of the kerbside service providing they provide an equivalent service to ensure or diversion from landfill targets are met.

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 will continue with the Landfill remediation programme of works with Onuku Closed Landfill and Barry Bay Closed landfill works scheduled for 2022 /23.

We continue to work with businesses to reduce the waste sent to landfill and to be more energy and water efficient.

Service delivery in 2022/23

We will deliver the levels of service detailed in the LTP and Activity Management Plans for the 2022/23 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		2022 Actual \$000	2022 Plan \$000
Cost of services			
55,711	Solid waste & resource recovery	52,327	57,608
55,711		52,327	57,608
Operating revenue from services			
13,835	Solid waste & resource recovery	16,428	10,885
13,835		16,428	10,885
	- Capital revenues	-	-
	- Vested assets	-	-
41,876	Net cost of services	35,899	46,723

Explanation of significant variances

The cost of service was \$5.3 million lower than plan due to a \$5.9 million downwards revaluation of the landfill aftercare liability provision, \$5.9 million lower recycling processing fees and \$0.8 million lower depreciation expenses. These were partially offset by higher costs of \$7.3 million in the areas of Le Bons Bay landfill remediation (\$3.1 million), \$1.4 million higher refuse disposal charges (driven by contaminated recycling loads), \$2.3 million higher maintenance costs (driven by ongoing operations of Burwood landfill site) and \$0.5 million for Organics collection.

The cost of service was \$2.4 million higher than 2021 due to \$3 million of Le Bons Bay remediation costs, \$1.5 million higher organics processing and plant costs. This is offset by \$1.5 million lower Burwood landfill operating costs, \$0.6 million lower depreciation expenses

Operating revenue was \$5.5 million higher than plan due to an additional \$4.0 million revenue from the Burwood Resource Recovery Park (BRRP), \$1.4 million residual waste disposal fees and charges and \$0.1 million other revenue.

Operating revenue is \$2.6 million higher than 2021 largely due to \$1.6 million higher revenue from residual waste disposal fees and \$0.9 million higher organics revenue.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	19,240	19,158	15,057
Targeted rates	29,303	29,138	22,190
Subsidies and grants for operating purposes	2,437	2,413	1,137
Fees and charges	6,819	6,736	6,656
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6,436	1,000	1,877
Total operating funding (A)	64,235	58,445	46,917
Applications of operating funding			
Payments to staff and suppliers	48,248	52,763	43,153
Finance costs	226	226	351
Internal charges and overheads applied	1,901	1,901	1,887
Other operating funding applications	-	-	-
Total applications of operating funding (B)	50,375	54,890	45,391
Surplus (deficit) of operating funding (A-B)	13,860	3,555	1,526
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	(10,748)	16,472	1,440
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(10,748)	16,472	1,440
Applications of capital funding			
Capital expenditure			
- to replace existing assets	1,324	3,648	2,966
- to improve the level of service	1,784	16,379	-
- to meet additional demand	-	-	-
Increase (decrease) in reserves	4	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	3,112	20,027	2,966
Surplus (deficit) of capital funding (C-D)	(13,860)	(3,555)	(1,526)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

Surplus operating funding was \$4.4 million higher than planned.

Operating funding was \$5.8 million higher than planned due to \$4.1 million additional revenue from the Burwood Resource Recovery Park (BRRP), \$1.3 million residual waste disposal fees and charges revenue and \$0.4 million revenue from other services.

Applications of Operating Funding were \$4.5 million lower than plan due to the \$5.9 million downwards revaluation of the landfill aftercare liability provision and \$5.9 million lower recycling processing fees, partly offset by the higher expenditure of \$7.3 million as mentioned above.

Capital Expenditure

Capital expenditure was \$16.9 million lower than planned. Living Earth Plant Development \$15 million, Onuku Bay and Barry's Bay Landfill remediation \$1 million, Waste transfer renewals \$0.8 million, Burwood gas treatment plant chiller renewal \$0.5 million and other projects \$0.5 million are all now planned for delivery in future years which offsets Bexley Closed Landfill Foreshore Remediation project \$0.9 million works completed from prior year funding.

Significant capital expenditure

Significant capital expenditure included: Solid waste renewals \$0.4 million and closed landfills \$2.5 million.

Council activities and services

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 need 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.

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.

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 and maintenance functions are managed by the Ōtautahi Community Housing Trust (ŌCHT). They administer the day to day management of tenancy matters. These include: tenancy application and allocation services, inspections, risk management, 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 ŌCHT 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 (ŌCHT), delivering works that have increased the supply and quality of community housing in the City.

On the supply side, Council has helped finance the development of two new complexes, adding 70 new homes to the ŌCHT portfolio with a further six in construction and 80 in planning. The Council has lent ŌCHT \$55 million to facilitate these developments and help meet the needs of some of our most vulnerable citizens.

The Warm and Dry Programme was completed during the year at a cost of \$16 million. This work involved installation of heat pumps and ventilation, some insulation upgrades, draught stopping, moisture ingress, drainage improvements and upgrade of all internal drapes. The programme was completed ahead of the compliance date. Feedback to date

has been that this has made a significant difference to the warmth and dryness of homes.

This year was the first year in which ŌCHT was responsible for delivery of major maintenance and unit renewals. This change allows more integrated planning between reactive repairs and programmes of work, improved tenant experience and the potential for additional value through procurement.

ŌCHT has agreed a three year asset management plan with Council and planned upgrades have continued with eight complexes receiving full exterior painting, significant tree maintenance carried out at 16 complexes, line marking at 56 complexes, path and driveway repairs and renewals at four complexes and fence replacements planned at nine complexes.

Other highlights included ŌCHT undertaking a stove replacement programme (120 stoves), replacement of failing exterior staircases at one complex and facilitating an upgrade programme on water supply to reduce infrastructure failure identified at 34 complexes. Repairs to eight of the most serious leaks have been completed and this work will continue into forward financial years.

Supply chain issues and the establishment of a panel of trades has resulted in delays in half-life refurbishments with only 18 homes completed against a target of 54 units. This work programme output will increase in the next year as ŌCHT plans to warehouse key materials and create greater efficiencies in procurement and programme delivery.

To achieve an increased volume of work Council, with its partner ŌCHT, agreed to have a dedicated access resource to assist with tenant movements in and out of properties as the half-life refurbishment work programme increases.

Unfortunately we have had to repair two fire damaged 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 continued its partnership with FENZ to install additional smoke alarms, exceeding regulatory requirements. We have also been undertaking inspections to determine if there is any asbestos in our units and to help plan for future works.

On the policy side, Council approved a new Community Housing Strategy early in 2021 that 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 we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Community Housing				
Social Housing Asset Management				
Council makes a contribution to the social housing supply in Christchurch	[18.0.1] Council facilitates and/or funds at least 2,500 units	2,554 units (1,944 Council owned units, and 610 OCHT owned units)	Achieved	2021: 1,944 units (1,944 excl. OCHT) Achieved 2020: 1,964 units (2,052 excl. OCHT) Not Achieved 2019: 2,241 units (2,052 excl. OCHT) Achieved
Council makes a contribution to the social housing supply in Christchurch - Council owned units are available for use	[18.0.4] 1,798 units	1,814 units	Achieved	2021: 1,851 units Achieved 2020: 1,857 units Not Achieved 2019: 2,045 units Achieved
Tenants of Council owned housing complexes are well housed according to the Healthy Homes Guarantee Act 2017, and the Residential Tenancies (Healthy Homes Standards) Regulations 2019	[18.0.4.5] 100% Council owned units comply with regulations	100% of Council owned units comply with the Healthy Homes Guarantee Act 2017, and the Residential Tenancies (Healthy Homes Standards) Regulations 2019	Achieved	New measure in 2022
Tenants of Council owned housing complexes are well housed – tenant satisfaction	[18.0.5.1] >=70% tenants satisfied with condition of unit	82% satisfaction	Achieved	New measure in 2022
Council maintains Social Housing as a rates-neutral service	[18.0.7] The Social Housing fund is solvent (i.e. >\$0 and able to meet all budgeted costs on an annual basis)	\$422,000 available in Social Housing fund	Achieved	New measure in 2022

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 2022/23

We aim to meet the levels of service indicated in the LTP for 2022/2023.

Our role is to manage and facilitate, with ŌCHT 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		2022 Actual \$000	2022 Plan \$000
Cost of services			
22,219	Housing	14,485	15,488
22,219		14,485	15,488
Operating revenue from services			
14,909	Housing	15,669	15,798
14,909		15,669	15,798
	- Capital revenues	-	-
	- Vested assets	-	-
7,310	Net cost of services	(1,184)	(310)

Explanation of significant variances

The cost of services were \$1.0 million lower than plan in 2022 mainly due to the reassessment of community housing building asset lives based on the most recent revaluation.

The cost of services were \$7.7 million lower than in 2021 mainly due to \$2.1 million less depreciation, \$4.9 million less minor maintenance carried out by ÖCHT and \$0.7 million less personnel and other costs.

Operating revenue was \$0.8 million higher than 2021 as a result of CPI indexed rent increases and continued conversion to IRRS tenancies.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	15,669	15,755	17,996
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	43	42
Total operating funding (A)	15,669	15,798	18,038
Applications of operating funding			
Payments to staff and suppliers	12,054	9,013	15,423
Finance costs	-	-	-
Internal charges and overheads applied	509	509	894
Other operating funding applications	(3,374)	-	-
Total applications of operating funding (B)	9,189	9,522	16,317
Surplus (deficit) of operating funding (A-B)	6,480	6,276	1,721
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	8,491	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	8,491	-	-
Applications of capital funding			
Capital expenditure			
- to replace existing assets	8,901	5,890	4,117
- to improve the level of service	-	-	-
- to meet additional demand	-	-	-
Increase (decrease) in reserves	(2,430)	386	(2,396)
Increase (decrease) of investments	8,500	-	-
Total applications of capital funding (D)	14,971	6,276	1,721
Surplus (deficit) of capital funding (C-D)	(6,480)	(6,276)	(1,721)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Capital funding

Borrowing of \$8.5 million was incurred to on-lend to Ōtautahi Community Housing Trust (ŌCHT) to fund the ongoing development of community housing units.

Capital expenditure

Capital expenditure was \$3.0 million higher than planned due to deferment of the 2021 Housing Reactive Renewals work programme to 2022.

The \$2.4 million drawdown in reserves was \$2.8 million more than planned, due to the drawdown for capital renewals. The \$8.5 million increase in investments is due to further loans advanced to ŌCHT.

Significant capital expenditure

Significant capital expenditure included: reactive renewals \$7.7 million, Owner Occupier housing purchase buy-backs \$0.5 million, Warm & Dry heating programme \$0.4 million, and Warm & Dry insulation \$0.2 million. The remainder was spent on smaller non ŌCHT Community Housing projects throughout the city as managed by other community partners.

Council activities and services

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 regulation

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).

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 increased in complexity on previous years, specifically in the areas of illegal building works and District Plan non-compliance.

Our risk based compliance strategy has been implemented and this is now part of our business as usual when prioritising investigations.

Alcohol licenses and Food premises registrations have continued to remain steady with COVID having minimal impact on application numbers.

There were 10,330 LIMs produced over the last financial year. This is representative of the increase in Real Estate activity in the Christchurch area.

Freedom Camping season this year saw an increase in compliance with the implementation of the 2021 Freedom Camping Bylaw which provided visitors with greater clarity of the camping requirements within our district.

Building regulations

The demand for both commercial and residential building consents picked up slightly in the first six months of the year and increased significantly in the final third of the year. The overall high numbers were not forecast based on Covid impact 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 forecasts. Work is ongoing to more accurately forecast numbers, but accurately forecasting building consent application numbers can be difficult.

Consenting

The demand for building consents continued to increase during the period, in particular for residential consents, resulting in record breaking numbers of new household units in line with the national trend. This significant increase in work load coupled with staff retention and resourcing and contractor scarcity resulted in a continued decrease in statutory processing performance until November. In all, 5,134 building consents (86.6%) were granted within the statutory timeframes compared to 4,810 in the previous year.

Notwithstanding poor processing timeframes, the overall customer satisfaction survey results remained high with an 81.5% satisfaction rating.

Inspections

Given the increased volume and complexity of consents being granted it was no surprise to see an increased demand for inspections. The wait time for an inspection was mostly within the 3 day KPI up until the March-May 2022 period, which saw some complex residential projects waiting more than 20 days. While there was some Covid impact on our inspections resource, the introduction of remote inspection technology and inspection resource from another Building Consent Authority saw wait times return to 2-5 days.

Code Compliance

Code Compliance Certificate processing activity remained high during the period with processing timeframes achieving an overall 96% issued within the statutory timeframe.

Building Exemptions

Discretionary exemptions continue to remain popular with 2,145 granted (small increase from the previous year), with 98% being processed within the 10 day KPI.

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.

Earthquake Prone Buildings

There are currently 614 buildings (201 priority buildings & 413 non-priority) on the MBIE National Earthquake Prone Building Register. This is a reduction of 93 buildings from the prior year's closing register.

Building Warrant of Fitness

There were 187 building audits undertaken during the period, commensurate with the previous period. All 5,359 Building Warrant of Fitness's received during the year were desk top audited.

Eco-Design Advice

The Eco-Design Service reached a total of 323 consultations for the year, which is consistent with numbers over the past 2-3 years.

Public Advice

Walk in customers reduced by 1,810 from the previous period to 4,299 for this period, most likely due to various Covid restrictions. The Duty Building Consent Officers received 9,329 calls and emails, down from 12,024 from the previous period.

Land and property information services

This year saw a significant increase in LIMs (27%) and Residential Property file requests (26%) post COVID disruptions. This increase was unexpected as volumes were forecasted to decrease, but ended up being in line with other building activity.

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 increased significantly in 2021/22 (3,337 vs. 2,728 in 2020/21). This unexpected surge resulted in only 76% applications being processed within the statutory timeframe. Various initiatives have been implemented over the year to improve processing timeframes. Those initiatives started to improve timeframes towards the end of the year.

Customer satisfaction with the resource consenting process increased to 76%, 6% 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.

How do we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Building Regulation				
Annual Building Warrants of Fitness				
Audit Building Warrant of Fitness to ensure public safety and confidence	[9.1.9] Audit 20% of building stock	3.5% of the building stock was audited 187 building warrant of fitness audits completed. All scheduled Building Warrant of Fitness documentation received, have been audited/reviewed	Not Achieved	2021: 199 audits Achieved 2020: 351 audits Achieved 2019: 456 audits Achieved
Building Accreditation Review				
Building Consent Authority status is maintained	[9.3.1] Building Consent Authority status is maintained	BCA accreditation maintained	Achieved	2021: Maintained Achieved 2020: Maintained Achieved 2019: Maintained Achieved
Building Consenting				
Grant Building Consents within 20 days working days	[9.1.1] The minimum is to issue 95% of building consents within 19 working days from the date of acceptance	40.1% of building consents issued within 19 working days	Not Achieved	2021: 86.6% issued within timeframe Not Achieved 2020: 95.7% issued within timeframe Achieved 2019: 95.8% issued within timeframe Achieved
Ensure % satisfaction with building consents process	[9.1.4] 75% satisfaction	81.5% satisfaction	Achieved	2021: 84.6% satisfaction Achieved 2020: 82.5% satisfaction Achieved 2019: 76.0% satisfaction Achieved
Building Consenting public advice				
Eco Design Advice	[17.0.37] Provide a quality eco design service	323 consultations provided for residential buildings presentations	Achieved	2021: 337 consultations Achieved 2020: 334 consultations Achieved 2019: 368 consultations Achieved
Building Inspections and Code Compliance Certificates				
Grant Code Compliance Certificates within 20 working days	[9.1.7] Issue minimum 95% of Code Compliance Certificates within 19 working days from the date of acceptance	94.7% of Code Compliance Certificates issued within 19 working days	Not Achieved	2021: 98.5% issued Achieved 2020: 98.4% issued Achieved 2019: 98.3% issued Achieved
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	The Earthquake Prone Building Register has been regularly updated as required. There are 614 earthquake prone buildings on the Earthquake Prone Building Register, of which 201 are priority	Achieved	2021: Updated Achieved 2020: Updated Achieved 2019: Updated Achieved
Land and Property Information Services				
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	100% of applications were processed within 10 working days	Achieved	2021: 99.9% processed Achieved 2020: 100% processed Achieved 2019: 100% processed Achieved
Project Information Memoranda				
Process project information memoranda applications within statutory timeframes	[9.4.10] Process 99% of project information memorandum applications within 20 working days	95.8% of applications processed within 20 working days	Not Achieved	2021: 100% processed within timeframe Achieved 2020: 99% processed within timeframe Achieved 2019: 99% processed within timeframe Achieved

Level of Service	Target	Result	Achieved	Prior Years
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)	98% of the 691 property files requested were provided within 5 working days	Achieved	2021: 92% files provided within timeframe Achieved 2020: 94% files provided within timeframe Not Achieved 2019: 89.1% files provided within timeframe Not Achieved
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)	99% of property files requested were provided to customers within 2 working days	Achieved	2021: 92% files provided within timeframe Achieved 2020: 96% files provided within timeframe Achieved 2019: 89.1% files provided within timeframe Achieved
Regulatory Compliance and Licensing				
Alcohol Licensing				
Protect the health and safety of the community by Licensing and monitoring high risk alcohol premises	[9.0.4] 100% Very High/High risk premises are visited at least once a year	100% inspected	Achieved	2021: 100% inspected Achieved 2020: 100% inspected Achieved 2019: 100% inspected Achieved
Animal Management				
Animal Management Services prioritise activities that promote and protect community safety	[9.0.1] 98% of incidences where there is an immediate public safety risk (aggressive dog behaviour and wandering stock) are responded to within 10 minutes of being reported to Council	100% of investigations initiated within 10 minutes	Achieved	2021: 89% within timeframe Not Achieved 2020: n/a Not Measured 2019: 99% within timeframe Achieved
Animal Management Services prioritise activities that promote and protect community safety	[9.0.31] 98% of nuisance complaints are responded to within 24 hours of being reported to Council	100% of nuisance complaints were responded to within 24 hours of being reported to Council	Achieved	New measure in 2022
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	100% investigations delivered within timeframes	Achieved	2021: 100% within timeframe Achieved 2020: 100% within timeframe Achieved 2019: 100% within timeframe Achieved
Protect community safety through the timely and effective response to complaints about public safety	[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	100% No incidents reported in 2021/22	Achieved	2021: 100% within timeframe Achieved 2020: 100% within timeframe Achieved 2019: 100% within timeframe Achieved
Protect the health and safety of the community by ensuring Resource Management Act activities comply with legislative requirements	[9.0.17.0] 100% of high risk Resource Management Act consents are monitored at least once every 3 months	100% of high risk Resource Management Act consents were monitored at least once every 3 months	Achieved	New measure in 2022
Protect the health and safety of the community by ensuring Resource Management Act activities comply with legislative requirements	[9.0.17.1] 95% of clean fill sites monitored at least once every 3 months	100% of clean fill sites monitored at least once every 3 months	Achieved	New measure in 2022

Level of Service	Target	Result	Achieved	Prior Years
Environmental Health including noise and environmental nuisance				
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	87.8% of calls responded to within one hour	Not Achieved	2021: 91.6% within timeframe Achieved 2020: 93% within timeframe Achieved 2019: 85% within timeframe Not Achieved
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)	100% of investigations assessed and started within 24 hrs, if appropriate	Achieved	2021: 100% investigated Achieved 2020: 100% investigated Achieved 2019: 100% investigated Achieved
Food Safety and Health Licensing				
Food premises are safe and healthy for the public	[9.0.5] 98% of scheduled Food Control Plan verification visits are conducted	94% of visits conducted. Total 1,477 verifications	Not Achieved	2021: 76% inspected Not Achieved 2020: 83% inspected Not Achieved 2019: 98% inspected Achieved
Food premises are safe and healthy for the public	[9.0.19] 95% of premises issued with corrective actions are visited within 5 working days of the time specified for compliance	100% visited with timeframe	Achieved	2021: 97% visited within timeframe Achieved 2020: 100% visited within timeframe Achieved 2019: 95% visited within timeframe Achieved
Resource Consenting				
Development Contribution Assessments				
Ensure assessments are accurately calculated	[9.2.13] Undertake an annual audit and implement recommendations through an action plan	No formal audit was completed this year due to high workloads. However, each assessment is peer reviewed by a senior officer	Not Achieved	2021: Audit completed Achieved 2020: Audit completed Achieved 2019: Audit completed Achieved
Resource Management Applications				
% of non-notified resource management applications processed within statutory timeframes	[9.2.1] 99% within statutory timeframes	76% of applications were processed within the statutory timeframes	Not Achieved	2021: 99% processed within timeframe Achieved 2020: 99% processed within timeframe Achieved 2019: 99% processed within timeframe Achieved
Ensure resource consent decision-making is robust and legally defensible	[9.2.6] No decisions are overturned by the High Court upon judicial review	No applications were overturned in a judicial review in 2021/22	Achieved	2021: Nil Achieved 2020: Nil Achieved 2019: Nil Achieved
Applicants are satisfied with the resource consenting process	[9.2.7] 70% applicant satisfaction achieved	77% satisfaction	Achieved	2021: 73% satisfaction Achieved 2020: 69% satisfaction Not Achieved 2019: 74% satisfaction Achieved
% of notified resource management applications processed within statutory timeframes	[9.2.18] 99% within statutory timeframes	91% of applications were processed within the statutory timeframes	Not Achieved	2021: 92% processed within timeframe Not Achieved 2020: 100% processed within timeframe Achieved 2019: 100% processed within timeframe Achieved
Resource management public advice including maintaining a duty planner phone line, general public enquiries, complaints, media enquiries, elected member enquiries, and LGOIMA requests				
Provide a specialist duty planner service for the public to access	[9.2.14] Duty Planner available Monday to Friday during business hours	Two duty planners are rostered Monday to Friday during normal working hours	Achieved	New measure in 2022

Where are we heading?

Building regulation

Residential building consent application numbers had a large increase of 7.8% (not including wood burners) over the 2021/22 financial year compared to the 2020/21 financial year. In the last forecast (Jan 2022) numbers were expected to decrease by 3.2%.

Twenty four months ago it was expected that Covid disruptions would affect residential consent numbers, however since the government lowered the LVR and with lower interest and mortgage rates, residential property has taken off over the last eighteen months. Residential new build consents have been the primary driver of these higher volumes. However, property analysts are predicting a slowdown in the residential property market with building supply issues and lack of population growth in Christchurch as main factors. Overall, 2022/23 residential building consent applications are expected to be 7.3% lower than last year.

Overall residential accepted consents increased by 2.8%; 4,665 for 2021/22 compared to 4,539 for 2020/21. However in the closing months (March-June 2022) numbers have been significantly lower than the same period last year. This indicates a forecasted decrease in accepted residential consents.

Commercial consents have decreased by 5.2% - 842 for 2020/21 and 798 for 2021/22. A similar trend to residential is also happening in commercial as accepted consents have decreased in recent months compared to last year.

Residential new builds have increased every financial year, with a 5% increase in total residential consents compared to the last financial year. Amendments have decreased and alterations have remained steady. All residential new build types have increased compared to last year. The biggest increases were in multi-unit dwellings (45.3%) and streamline dwellings (92.4%).

With only a 2.8% increase in residential accepted building consent numbers between the last two financial years, we saw a corresponding increase in consent value from \$1.2 billion to \$1.8 billion. This has been driven by the increase in multi units and overall complexity, in turn making processing time longer

Commercial consenting values have also increased even with lower applications accepted. There have been two large value contributing projects in this time period: Christchurch Cathedral rebuild valued at \$195million and University of Canterbury new buildings valued at \$127million.

Residential inspections have remained steady compared to last year, this is on the back Covid disruptions which did not allow inspections to take place during lockdowns. With the number of consent applications currently being processed, we expect an increase in overall site visit inspections for all application types.

Other influencers on the consenting system may be changes to the insulation settings for buildings and RMA changes to Medium Density Residential Standards.

Renewal of the Councils Building Consent Authority status will be assessed by IANZ towards the end of the 2022/23 year (March 2022).

Resource consents

We anticipate the unexpected high application numbers experienced in 2021/2022 to soften in the short to medium term. This expected reduction in application numbers, combined with a number of efficiency initiatives implemented, should result in significantly improved compliance with the statutory timeframe.

We also intend to maintain strong customer satisfaction along with a focus on ensuring robust assessments and decision making on applications. We continue to improve communication and are 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 central government legislative changes on the horizon and potential changes to our District Plan occurring.

In the year ahead we will be focusing on how our business activity fits into the new legislative environment.

Service delivery in 2022/23

Building regulation

Processing applications for building consents will remain a key focus area in terms of service delivery, with commitment to resourcing with a combination of new staff and contractors. While consent activity is forecasted to soften during the period, this may not be by more than 10%.

In relation to other key building regulatory services, the provision of Project Information Memoranda, Code Compliance Certificates and Discretionary Exemptions are all performing within statutory timeframes and internal KPI's.

The high consent volume has impacted inspection wait times and whilst additional support from other Building Consent Authorities and the introduction of remote inspection technology has reduced these, high demand is anticipated to continue for at least the first half of the new financial year.

It is also anticipated that Code Compliance Certificate functions will be impacted in a similar way to inspections, although high demand is likely to continue. Additional resourcing has been allocated for this reason.

There will be a focus on Compliance Schedules & Building Warrant of Fitness on site, particularly building audits.

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 developments 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. However, staff have maintained timeframes to date and have 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.

Implementing a risk based strategic approach to compliance activities will see a prioritisation model operating 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.

What did it cost?

Statement of cost of services for the year ending 30 June

2021 Actual \$000		2022 Actual \$000	2022 Plan \$000
Cost of services			
10,464	Regulatory compliance & licencing	10,660	10,991
26,867	Building services	26,182	21,242
9,613	Resource consenting	10,299	8,112
2,580	Land & property information services	2,882	2,651
49,524		50,023	42,996
Operating revenue from services			
5,835	Regulatory compliance & licencing	6,353	5,915
24,424	Building services	25,579	19,031
8,987	Resource consenting	10,064	5,875
5,489	Land & property information services	4,662	4,060
44,735		46,658	34,881
-	Capital revenues	-	-
-	Vested assets	-	-
4,789	Net cost of services	3,365	8,115

Explanation of significant variances

Regulatory Compliance & Licencing

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

Operating revenue was \$0.5 million higher than 2021 due to an increase in Food Safety and Health and Animal Management Licence Fees income.

Building Services

The cost of service was \$4.9 million greater than plan. This is largely due to the higher internal and external consent processing costs incurred due to the greater number of consent applications received than our more pessimistic post Covid plan.

The cost of service was \$0.7 million less than 2021 despite a 7% increase in building consent numbers. Costs were disproportionately higher in 2021 due to a \$2.9 million increase in the building-related claims provision, whereas no such adjustment was necessary in 2022. Offsetting this, costs were \$2.2 million higher due to additional resources required to process the higher consent volumes. Productivity also marginally declined during this period due to higher than normal staff turnover.

Operating revenue was \$6.5 million more than plan and \$1.2 million more than the previous year. Our original plan was based on a far more pessimistic post Covid building outlook which never eventuated as consent numbers actually grew 7% from the prior year. The additional revenue was more than enough to cover the increased processing costs.

Resource Consenting

The cost of service was \$2.2 million greater than plan and \$0.7 million more than the previous year. This was due to a 22% increase in granted consent volumes on prior year, in contrast to the more pessimistic post Covid economic outlook which formed the basis of our budgets. As a result planned savings in consent production costs never eventuated as resource was maintained and/or outsourced to service the surge in resource consent demand.

Operating revenue was \$4.2 million greater than plan and \$1.1 million greater than prior year. The increase was due to the increased consent volume mentioned above.

Land & Property Information Services

There was no significant cost of services variances to plan or to prior year.

Operating revenue was \$0.6 million higher than plan and \$0.8 million lower than 2021. The Property and Information Memoranda services demand fluctuates along with the property market with less activity experienced in 2022 vs. 2021, with this drop not being as large as planned.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	8,101	8,066	9,609
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	46,276	34,686	46,510
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	383	195	138
Total operating funding (A)	54,760	42,947	56,257
Applications of operating funding			
Payments to staff and suppliers	48,336	41,258	53,858
Finance costs	-	-	-
Internal charges and overheads applied	1,415	1,415	2,192
Other operating funding applications	198	246	36
Total applications of operating funding (B)	49,949	42,919	56,086
Surplus (deficit) of operating funding (A-B)	4,811	28	171
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	(4,566)	182	(4)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(4,566)	182	(4)
Applications of capital funding			
Capital expenditure			
- to replace existing assets	-	207	-
- to improve the level of service	-	-	-
- to meet additional demand	-	-	-
Increase (decrease) in reserves	245	3	167
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	245	210	167
Surplus (deficit) of capital funding (C-D)	(4,811)	(28)	(171)

Explanation of significant variances

Operating funding

The Fees and Charges variance of \$11.6 million is primarily driven by continuing strong building and resource consenting volumes which continued to rise throughout the year. This is contrary to post Covid budgets which were set far more conservatively as guided by external economic commentators at the time. \$0.6 million of this increase related to Land & Property Information Services fees revenue as the property market continued to be buoyant above more conservative expectations.

In order to service this surge in consent demand internal and external resourcing levels were significantly increased causing a corresponding variance of \$7.1 million in payments to staff and suppliers as primary consent production input costs.

Capital Expenditure

There was no significant capital expenditure.

Council activities and services

Strategic Planning and Policy

What is strategic planning and policy, and what does the Council do?

The strategic planning and policy activity helps our Council to plan for the future. We lead the development of key direction-setting work, such as the Council's 30-year Infrastructure Strategy and our Climate Resilience Strategy, and support the organisation with up-to-date policy frameworks that guide consistent, appropriate decision-making and delivery of services to our community. We also manage a regulatory work programme which ensures up-to-date bylaws (local laws that apply within the Christchurch district) and compliance with government legislation. We help ensure that the Council is provided with well-informed, clear advice to support its decision-making.

This activity includes citywide planning through the district plan, regeneration activities and 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.

Why is the Council involved?

In taking a decision, it is important for the Council to understand the nature, scale and significance of the issues involved. Advice to the Council needs to consider historical, contemporary and potential long-term dimensions, and be backed up by supporting evidence. The strategic planning and policy activity assists in the provision of well-rounded advice that meets the above criteria and supports robust decision-making.

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 and enabling a healthy 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. A strong economy benefits everyone because there are more and better jobs and business opportunities. Further, by actively monitoring the urban environment, we direct resources towards achieving quality places and neighbourhoods.

What activities are involved?

Strategic planning, future development and regeneration

Strategic planning and policy encompasses the activities:

- Strategic Policy
- City Planning and Strategic Transport
- Urban Design and Heritage
- Regeneration

We provide specialist advice and expertise across these functions, to meet our statutory obligations and to

contribute to the vision, and support 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 protect and conserve all aspects of the district's heritage. This includes finding new uses for historical buildings as unique and integral elements of a revitalised city.

Communications and Engagement

We help build strong and effective relationships with the community by:

- Informing residents about what the Council does every day, including services, activities and decisions made.
- Communicating with residents and media 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 on Council activities.
- Providing internal communications support for news, projects, and programmes that impact on all staff.

What did we achieve?

Strategic Planning, Future Development and Regeneration

Land Use Planning & Strategic Transport

The Planning team has been involved in cross-organisational work to respond to the Government's changes to the resource management system. This included the development of a submission to the Parliamentary Select Committee, on the Natural and Built Environments Act Exposure Draft, and a further submission to the Ministry for the Environment responding to targeted engagement questions for local government and iwi.

We need to give effect to the Government's 2020 National Policy Statement on Urban Development, and legislative changes to the Resource Management Act to enable greater housing supply: these have required preparation of substantive changes to our Christchurch District Plan.

We commenced implementation of the Coastal Hazards Adaption Planning programme. 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 first Adaptation Area, in Te Whakaraupō/Lyttelton Harbour.

The Council continues to work with its Greater Christchurch 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 was developed collaboratively by the partners and is a key piece of evidence to inform the Greater Christchurch Spatial Plan.

We updated the Christchurch Transport Plan, which will be considered by the Council in the next term: it will guide future investment in transport infrastructure and focuses on actions to reduce transport-related emissions.

We continued to work collaboratively with the Greater Christchurch Partnership to develop a transport plan for Greater Christchurch. Christchurch City has developed a Greenhouse Gas emissions dashboard for transport, which we are continuing to develop and refine. We are hoping that all Greater Christchurch partners will be able to use the dashboard in the future.

Greater Christchurch Partnership

During 2021/22, the Greater Christchurch Partnership established an urban growth partnership with central government – the Whakawhanake Kāinga Committee. This partnership provides an opportunity for central government, local government and mana whenua to work together on urban challenges facing Greater Christchurch.

Under the Whakawhanake Kāinga Committee, work has progressed on a new Spatial Plan for Greater Christchurch which considers how Greater Christchurch responds to climate change and provides wellbeing in the context of population growth. Integrated with this work, the Committee is also progressing the interim business case into the feasibility of Mass Rapid Transit for Greater Christchurch, and a wider Greater Christchurch Transport Plan and Investment Programme. These pieces of work will be considered in draft by the Committee early in 2023.

The Greater Christchurch Partnership has continued to advance its priority of strengthening partnership with mana whenua through the Partnership's work programme.

Strategic Policy

We have begun implementation planning for Kia Tūroa te Ao, Ōtautahi Christchurch Climate Resilience Strategy, and have completed a District Risk Screening to identify local climate risks. Emissions reduction efforts continue, and an offsetting project was established to identify options for offsetting Council emissions. An online Christchurch Greenhouse Gas Emissions Tracker was launched to highlight some major sources of local emissions and transportation modes and how they are tracking over time.

We have submitted on the Government's Te hau mārohi ki anamata - Transitioning to a low-emissions climate-resilient future, 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 via a leasehold approach, which also helps give effect to the Community Housing Strategy. We have contributed to the affordable housing content in the Greater Christchurch's 2050 Plan and its Spatial Plan; and worked with Government, LGNZ and the community housing sector to support and advocate for social and affordable housing. Overall, we exceeded our contribution target of 1,798 community housing units by 16 (1,814 units) in the current year.

We have, together with Land Use Planning, developed and briefed Councillors on the Ōtautahi Christchurch Plan. This is a local spatial plan prepared in response to the Spatial Planning Act to guide decision making, investment and action within the District. It will also inform and give effect to sub-regional planning through the Greater Christchurch Spatial and Transport Plans.

We adopted our reviewed Development Contribution Policy 2021 which came into effect on 1 August 2021. Economic policy advice has continued across a range of projects including work on issues related to the Future for Local Government review and Three Waters Reform.

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 2021, we made 21 Council submissions and 20 staff submissions on priority issues to external agencies. A substantial number of these submissions have set out the Council's perspective on the wide-ranging reform programme being led by central Government.

The following regulatory work was carried out in 2021/22 in accordance with the ten-year bylaw review schedule and statutory requirements. We have:

- Completed the review of the 2014 bylaw for water supply, wastewater and stormwater and replaced it with two new bylaws; the Water Supply and Wastewater Bylaw 2022 and the Stormwater and Land Drainage Bylaw 2022.
- Following the review of the Freedom Camping Bylaw 2015, we consulted on a replacement bylaw and the Freedom Camping Bylaw 2021 came into force in December 2021.
- Progressed the review of the Waste Management Bylaw 2009 and the Cleanfill and Waste Handling Bylaw 2015.

We completed the three yearly review of the Class 4 Gambling and TAB Venue Policy with a revised Policy approved by the Council on 9 September 2021. We have also completed the review of the Psychoactive Products Retail Locations Policy.

We have continued with work to update policies under the Public Places Bylaw 2018, and have progressed a review of the outdoor dining-related policy. This review is expected to be completed in the 2022/2023 financial year.

Under the Alcohol Restrictions in Public Places Bylaw, seven 24 hour temporary alcohol bans were applied for and approved for events scheduled for the summer of 21/22. However due to the impact of COVID-19 only one of these events took place and was subject to an alcohol ban.

We have continued working with the Community Public Health team to integrate health and wellbeing perspectives in planning, policy, and decision-making. Updated information on smokefree and vapefree spaces has been developed, and we are using a digital animation at council libraries, community facilities, civic offices, and the Bus Interchange to get the smokefree/vapefree message out to the community.

Christchurch Biodiversity Funding of \$400,000 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 has been completed and the surface water/stormwater implementation plan is in progress.

We continued to support implementation of the Canterbury Water Management Strategy, in particular with the provision of staff advice to the relevant water management zone committees.

The Natural Environment Team led reviews of several dozen non-notified resource consent applications lodged with ECan for takes and discharges to water, land and air. We submitted on three limited-notified regional resource consent application, and provided feedback to ECan on 12 non-notified 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 Standard for Sources of Human Drinking Water, the National Environmental Standards for Freshwater and the National Policy Statement for Freshwater Management
- Taumata Arowai 'exposure draft' of New Zealand drinking water standards

We also provided advice to other Council teams and units, Council senior management and elected members on a range of environmental matters including:

- Te Waihora Co-Governance
- 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

- Natural hazards mitigation including coastal erosion and inundation and sea level rise
- Natural, social and cultural values of landscapes, open space and biodiversity in local and sub-regional planning

We facilitated the implementation of our Resource Efficiency Greenhouse Gas Emission programme to assist us to meet the policy commitment to reduce greenhouse gas emissions from our operations.

Urban Place Making

The [Central City Action Plan](#) continues to guide the Council's regeneration activities and encourages coordination across partner organisations. Progress is measured against a set of eight [Central City Outcomes](#).

The Central City Residential Programme worked with residents and owners to deliver information packages for site developers, along with events and initiatives to encourage connections and improve amenity in emerging residential neighbourhoods.

The [Vacant Sites Programme](#) established in December 2020 has seen introduction of a new set of financial tools: a 'City Vacant Differential' rate now applies from July 2022 in the heart of the Central City, and an associated remission is available for sites that are being kept in an improved and maintained state, consistent with the new Guide.

The [Enliven Places Programme](#) delivered projects that add to Christchurch's creative, cultural and community identity, with a focus on supporting the Central City's vacant sites programme and lighting initiatives.

Activity in the Suburban regeneration programme has focused on Linwood Village with completion of the Linwood Village/Inner City East Revitalisation Plan, and Ferry Road with completion of Woolston's streetscape enhancements.

We have provided heritage and urban design advice on an unprecedented number of resource consent applications (including over 500 urban design assessments), and facilitated discussions with landowners, developers and their agents. The Christchurch Urban Design Panel has also provided design review advice throughout the year. Design clinics have continued to facilitate outcomes for Kāinga Ora developments.

Urban design advice has supported Council capital works including city-wide streetscape improvements and central city projects including Te Kaha, the Performing Arts Precinct, and Whiti-rea Cathedral Square. Policy and planning advice has been a focus with forthcoming changes to the District Plan and spatial planning through the Otautahi Christchurch Plan.

The Place Partnership Fund was established in 2021/22 as a three-year pilot with \$82,000 available, linking to the refreshed Te Haumako Te Whitingia Strengthening Communities Together Strategy 2022. Terms of Reference were developed and 6 initial applications supported. Three

year agreements have been established with city-making partners Gap Filler, Life in Vacant Spaces and The Green Lab, a move away from annual funding to support community leadership.

The Sustainability Fund continued to focus on initiatives that help meet our climate change objectives, with \$380,000 available in 2021/22 and 28 projects supported.

Our work on healthy and energy efficient homes has continued through a partnership with ECan and availability of free healthy home assessments, although the delivery of the service has continued to be impacted by COVID-19.

The Our Heritage, Our Taonga, Heritage Strategy remains the key guide for the Council’s heritage work.

Heritage Staff continued to administer the Council’s two heritage grant schemes. Nine Heritage Incentive Grant applications were approved, allocating \$268,039 to support the conservation, repair, and upgrade of the districts heritage buildings and structures. Five Intangible Grants were approved allocating \$91,769 to support the non-tangible aspects of the district’s heritage. This included support for participants in the Council’s annual Heritage Festival.

The Christchurch Heritage Festival 2021 was held from 9-25 October with the theme ‘People and Place – our stories revealed’. Due to COVID-19 the festival ran under Alert Level 2 with a programme of over 60 events put on by over 40 community groups, heritage organisations and individuals.

Heritage staff have also worked on a significant plan change for the heritage chapter of the Council’s District Plan which is being finalised in late 2022. Alongside better heritage provisions, this will add a further 44 items to the schedule of protected heritage, add protection for a further 26 building interiors, and add 11 new Residential Heritage Areas.

Communications and Engagement

We remain committed to being a resident-focused, outward looking organisation. To help us achieve this, we provide timely, accurate, and relevant communications, marketing and engagement activities to ensure our residents have information about Council services, events, activities, decisions and opportunities to participate.

In the past year we formally and informally consulted the public 44 times. We received 35,769 submissions and/or feedback, including 30,505 submissions on the Te Kaha consultation. Excluding Te Kaha, 96 per cent of submissions were received online and 4 per cent in hard copy.

We have recently started collecting demographic information for all city-wide consultations. This data, which is optional for people to fill out, will help us understand who we are reaching and, more importantly, who we are not. We will be reporting on this data going forward.

We developed and implemented 71 communications plans on a range of issues, including key projects on water, transport, civic and community events, kerbside, facilities and district planning.

We responded to 2,502 media enquiries - a 16 per cent increase on last year. More than ninety per cent of these enquiries were responded to within 24 hours.

We published more than 680 articles on our digital news channel, Newline, with page views reaching 946,559 - a slight (3.3 per cent) decrease on last year.

Across our social media channels (Twitter, Instagram, Facebook, LinkedIn) we had more than 3.2 million engagements (comments, likes and shares) with our posts - an increase of 5 per cent on the previous year. Our audiences across all social media platforms grew 15 per cent to more than 212,000.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Public Information and Participation				
Consultation & Engagement				
We provide advice and support in community engagement, and consultation planning and delivery, to teams across the organisation and to elected members	[4.1.5.1] Council's consultations are implemented in accordance with the principles of the LGA. 100%	100% of Council's consultations were implemented in accordance with the principles of the LGA	Achieved	New measure in 2022
We provide advice and support in community engagement, and consultation planning and delivery, to teams across the organisation and to Elected Members	[4.1.9] Percentage of residents who feel they can participate in and contribute to Council decision-making. 41%	26% of residents felt they could participate in and contribute to Council's decision making	Not Achieved	New measure in 2022

Level of Service	Target	Result	Achieved	Prior Years
External Communications, Marketing & Design				
We provide effective and relevant external communications, marketing and engagement activities to ensure residents have information about Council services, events, activities, decisions and opportunities to participate	[4.1.10.1] 67% of residents are satisfied that our communications, marketing and engagement activities are effective, helpful, and relevant	65% satisfaction	Not Achieved	Revised measure in 2022
News, Media Liaison & Information				
We provide timely, accurate and relevant external communications, marketing and engagement activities to ensure residents have information about Council services, events, activities, decisions and opportunities to participate	[4.1.12.2] 90% response rate to all media calls within 24 hours, 7 days a week	90% of media enquiries were answered within 24 hours	Achieved	2021 100% Achieved 2020 100% Achieved 2019 95% Achieved
We provide timely, accurate and relevant external communications, marketing and engagement activities to ensure residents have information about Council services, events, activities, decisions and opportunities to participate	[4.1.12.5] 80% of social media enquiries are responded to within two hours during office hours (Citizens & Customer Services provide after hours support)	80% of social media enquiries are answered within 2 hours Our median social media response time for 2021-22 was 22 minutes	Achieved	New measure in 2022
Strategic Planning, Future Development and Regeneration				
Land use planning & Strategic Transport				
Guidance on where and how the city grows through the District Plan	[9.5.1.1] Maintain operative District Plan, including monitoring outcomes to inform changes, and giving effect to national and regional policy statements	Various plan changes are underway including key changes around housing intensification	Achieved	2021: DP operative Achieved 2020: DP operative Achieved 2019: DP operative Achieved
Process private plan change requests	[9.5.4] 100% of any proposed private plan changes comply with statutory processes and timeframes	100% of any proposed private plan changes comply with statutory processes and timeframes	Achieved	2021: 100% private plans comply Achieved 2020: 100% private plans comply Achieved 2019: No Changes Achieved
Develop a coastal hazard assessment and strategic adaptation framework to guide the development of adaptation pathways with communities who will be exposed to coastal hazards caused by climate change	[9.5.7.4] Develop and release updated Coastal Hazard Assessment and Strategic Adaptation Framework. Commence work with first tranche of priority communities	Coastal Hazard Assessment and Strategic Adaptation Framework has been completed and released	Achieved	New measure in 2022
Deliver integrated spatial planning that supports growth and development and meets the needs of the community	[17.0.1.8] Adopt a Spatial Plan for Christchurch	The Otautahi Christchurch Plan (the Spatial Plan for Christchurch) has not been adopted	Not Achieved	New measure in 2022

Level of Service	Target	Result	Achieved	Prior Years
Strategic Policy				
Advice to Council on high priority policy and planning issues that affect the City. Advice is aligned with and delivers on the governance expectations as evidenced through the Council Strategic Framework	[17.0.1.2] Annual strategy and policy forward work programme is aligned to Council Strategic Framework, and is submitted to Executive Leadership Team, and Council as required	Annual Strategy and policy forward work programme was aligned to Council Strategic Framework. ELT receive fortnightly updates on developments and upcoming work in this area	Achieved	2021: Programme aligned Achieved 2020: Programme aligned Achieved 2019: Programme aligned Achieved
Bylaws and regulatory policies to meet emerging needs and satisfy statutory requirements	[17.0.19.4] Carry out bylaw reviews in accordance with ten-year bylaw review schedule and statutory requirements	Regulatory work was carried out in 21/22 in accordance with the ten-year bylaw review and statutory and organisational requirements	Achieved	2021: Review completed Achieved 2020: Review completed Achieved 2019: Review completed Achieved
Develop a comprehensive climate change strategy that will guide policy development, planning and decision making	[17.0.23.1] Climate change strategy is adopted and work with community on development of action plans	The Climate Resilience Strategy was adopted by council and work continues to deliver actions	Achieved	New Measure in 2022
Support and advice for organizations on resource efficiency and greenhouse gas emission measurement or reduction	[17.0.23.2] Deliver a greenhouse gas emission report for Council's activities for each financial year	We were unable to deliver a greenhouse gas report for FY2022. A BraveGen tool is being assessed to replace the Resource Efficiency and Greenhouse Gas Emission (REGGE) dashboard so Council's greenhouse gas emission inventory can be externally verified for FY2022/2023	Not Achieved	New Measure in 2022
Support and advice for organizations on resource efficiency and greenhouse gas emission measurement or reduction	[17.0.23.3] Develop an emissions reduction reporting framework and dashboard	Council's emissions reduction and reporting framework and dashboard (Christchurch District Greenhouse Gas Emission Tracker) was launched in May 2022	Achieved	New measure in 2022
Urban Place Making				
Effectively administer grants within this Activity (including Heritage Incentive Grants, Enliven Places, Innovation and Sustainability)	[1.4.2] 100% compliance with agreed management and administration procedures for grants	100% compliance. Grants have been given in accordance with agreed management and administration procedures for grants	Achieved	2021: 100% within policy Achieved 2020: 100% within policy Achieved 2019: 100% within policy Achieved
Provide heritage and urban design advice to support resource consent process	[1.4.3.1] 95% of advice provided within 10 working days	95% of advice provided within 10 working days	Achieved	2021: Advice provided within timeframe Achieved 2020: Advice provided within timeframe Achieved 2019: Advice provided within timeframe Achieved
Place-based policy and planning advice to support integrated urban regeneration, city identity, community leadership and place making	[17.0.20.2] Provide annual regeneration programme report/s to Council, that report on: Central City regeneration projects, including a focus on residential development (P8011) Regeneration projects in priority Suburban Centres, Annual Heritage Festival	All required reports for Central City and Suburban Regeneration projects were completed	Achieved	2021: Collaborative regeneration effort Achieved 2020: Collaborative regeneration effort Achieved 2019: Mismatch in regeneration effort Not Achieved

Where are we heading?

Strategic Planning, Future Development and Regeneration

Land Use Planning & Strategic Transport

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 (e.g. greater protection of trees).

We will continue to engage with 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 operational changes that will occur as a result of legislative changes.

We will continue to work with other agencies, including the Greater Christchurch Partnership, to develop plans and strategies, including an Ōtautahi Christchurch Plan and Greater Christchurch Spatial Plan, for the regeneration and growth of the City and sub-region, and express Council’s views on national and regional policy guidance to support the best outcomes for Christchurch City.

We will administer an Independent Hearings Panel process to hear submissions and make recommendations to the Council of changes to our District Plan that enable increased housing supply and support Government direction on urban development.

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.

We will continue to champion the strategic transport direction, undertake planning, and provide policy advice, applying an integrated approach to 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.

Greater Christchurch Partnership

The Greater Christchurch Partnership will continue to actively work with our mana whenua partners to enable and support realisation of mana whenua priorities, including kāinga nohoanga and rangatiratanga.

We will work central government through Whakawhanake Kāinga Committee to finalise the Greater Christchurch Spatial Plan, Greater Christchurch Transport Plan and MRT Indicative Business Case as an integrated strategic plan for future proofing our urban area in the context of population growth and climate change, and providing for wellbeing of Greater Christchurch residents and the economic prosperity of the sub-region.

This work will result in a joint work programme with central government to implement the actions arising from the integrated plan.

Strategic Policy

An important component of our work in the year ahead will be helping shape direction-setting guidance for the next Long Term Plan. This will involve ensuring climate resilience is embedded in our decision-making processes as well as development of key documents such as the Infrastructure and Financial Strategies.

Our team will provide 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. We will also provide advice to elected members and other Council units on local and sub-regional matters.

The review programme of the city’s bylaws, as required by statute, will continue with the scheduled review and community consultation in 2022/2023 of the following bylaws:

- Cleanfill and Waste Handling Operations Bylaw 2015
- Waste Management Bylaw 2009

In terms of reviews of regulatory policy under the bylaws, a review of the Council’s outdoor dining policies (under the Public Places Bylaw) are underway and consultation with the community is scheduled for early 2023.

We will continue to support the Council in meeting its non-regulatory obligations such as the Canterbury Water Management Strategy implementation and participation in the Te Waihora Co-Governance Agreement.

Urban Place Making

We will work across the organisation and with city agencies and the community to identify the best means of delivering on strategic urban regeneration, urban design and heritage priorities across the city.

Central City work will focus on the South East area, aiming to support the development of quality residential neighbourhoods that integrate well with Te Kaha. Suburban work will begin to scope the next decade of initiatives in giving effect to any agreed priority locations

that emerge from the Ōtautahi Christchurch Plan. This will require development of a joint work programme with ChristchurchNZ's urban development unit. Our work will continue to facilitate temporary amenity and activation improvements to support ongoing regeneration.

We will continue to provide urban design 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.

We will oversee the Place Partnership Fund, recognising its alignment with Te Haumako Te Whitingia Strengthening Communities Together Strategy 2022, to strengthen connections between communities and their places through fostering inclusion, local identity and stewardship.

The Sustainability Fund will be administered to support projects that help meet our climate change objectives and targets.

Our work to support Council's role as a champion of heritage in the city will continue. Along with Community and Heritage interest groups, we will continue to implement the Heritage Strategy.

We will continue to process Heritage Incentive Grant and Intangible Heritage Grant funding applications for governance decision-making or approval under staff delegation. 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.

Communications and Engagement

We will continue to ensure our residents have information about Council services, events, activities, decisions and opportunities to participate.

We strive to build strong relationships, to embrace different ways of reaching more people, and to use language and content that is helpful, clear, and easy to read and understand.

We use a number of different communication channels to keep people updated, including websites, Newline (our digital news channel), social media, e-newsletters, direct mail, and elected member, stakeholder and community networks, as well as media.

We want more citizens to feel listened to, and to feel they can have their say and be heard on issues that affect them. In the year in review, Councillors established an Engagement Working Group that met monthly. The purpose of the Group was to make recommendations to the Council on opportunities to improve awareness of and community participation in decision-making processes, including the 2024 Long Term Plan. The outputs of the Group included an engagement action plan and an engagement strategy to be considered as part of the planning for the 2024 Long Term Plan programme of work.

Work is already underway to implement a series of initiatives designed to make it easier for our residents to engage with us and to participate in the decision-making process.

Service delivery in 2022/23

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 2021-22 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.

What did it cost?

Statement of cost of services for the year ending 30 June

2021		2022	2022
Actual		Actual	Plan
\$000		\$000	\$000
Cost of services			
14,935	Strategic planning, future development and regeneration	21,785	22,397
5,869	Public information and participation	5,932	6,160
20,804		27,717	28,557
Operating revenue from services			
520	Strategic planning & policy	991	707
50	Public information and participation	-	-
570		991	707
-	Capital revenues	-	-
-	Vested assets	-	-
20,234	Net cost of services	26,726	27,850

Explanation of significant cost of service variances

Strategic planning

The cost of service was \$0.6 million lower than plan mainly due to staff vacancies experienced throughout the year. To compensate additional external consultants were brought in to complete planning and policy work.

The cost of service was \$6.8 million higher than prior year mainly due to a new \$3.9 million grant provided to the Art Centre for restoration. The balance of \$2.9 million related to additional people resource to manage the new workload associated with Coastal Adaptation, Climate Change, National Policy Statement on Urban Development and the Greater Christchurch Partnership 2050.

Revenue increased \$0.5m from prior year due to additional recoveries from our Greater Christchurch Partnership 2050 partners and growth in requests for private plan changes.

Public Information and Participation

There were no significant variances to plan or prior year in either costs or revenues.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	23,520	23,420	36,945
Targeted rates	1,196	1,189	1,000
Subsidies and grants for operating purposes	28	-	37
Fees and charges	-	270	208
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	962	437	906
Total operating funding (A)	25,706	25,316	39,096
Applications of operating funding			
Payments to staff and suppliers	20,888	21,515	23,228
Finance costs	20	20	-
Internal charges and overheads applied	919	919	1,661
Other operating funding applications	5,648	5,723	18,374
Total applications of operating funding (B)	27,475	28,177	43,263
Surplus (deficit) of operating funding (A-B)	(1,769)	(2,861)	(4,167)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	3,491	4,800	2,520
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,491	4,800	2,520
Applications of capital funding			
Capital expenditure			
- to replace existing assets	-	-	-
- to improve the level of service	599	600	-
- to meet additional demand	204	300	1,020
Increase (decrease) in reserves	919	1,039	(2,667)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,722	1,939	(1,647)
Surplus (deficit) of capital funding (C-D)	1,769	2,861	4,167
Funding balance ((A-B) + (C-D))	-	-	-

* 2021 Long Term Plan comparative figures also includes Economic Development.

Explanation of significant cost of service variances

Operating funding

The operating funding deficit was \$1.1 million lower than plan mainly due to staff vacancies, and \$0.3 million higher revenue.

Significant capital expenditure

Significant capital expenditure included: Smart Cities Innovation \$0.6 million and Enliven Places \$0.2 million.

Council activities and services

Economic Development

What is economic development, and what does the Council do?

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?

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?

Economic development

ChristchurchNZ is our Economic Development Agency and our funding of it is one of the main ways we support economic development in the city. These 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.

Civic and international relations

This activity coordinates and leads city-wide international relations activity, in alignment with the 2020 International Relations Policy Framework (IRPF), and delivers scheduled and unscheduled Civic Ceremonies, National Ceremonies and Visits.

What did we achieve?

Economic Development

We provide ChristchurchNZ with operational funding to lead the economic development of Christchurch. ChristchurchNZ delivered the following:

- Significant progress was made towards the establishment of a new urban development function to be capitalised in the 2022/23 financial year. ChristchurchNZ has continued delivery of urban development projects in New Brighton, the central city and Sydenham under contract.
- A review of the Christchurch Antarctic Gateway and Major Events Strategies was completed.
- ChristchurchNZ continued to support innovative businesses with 49 receiving incubation through the partnership with Te Ōhaka and Thinclab. These businesses created 54 new jobs and raised \$15.8m in capital investment.
- Worked with 56 national and global businesses on potential relocation to, or expansion in, Christchurch. Businesses attracted during the year brought 107 full-time equivalent jobs to the city.
- Won 24 major conference bids for the city, bringing an estimated \$15.75m visitor spend, providing for around 173 full-time equivalent jobs.
- Hosted NZ's largest convention industry event, MEETINGS, with over 600 domestic and trans-Tasman convention industry delegates.
- The country's first regional screen grant was rolled out securing eight productions in the region with an estimated GDP impact of \$11.8m, supporting 116 full-time equivalent jobs. A further 209 screen enquiries were supported by ChristchurchNZ's screen office.
- Food Fibre and Agritech, Health Tech and Aerospace challenges were delivered to elevate Christchurch's growth industries through the creation of new investable businesses.
- Attracted and sponsored 11 major events to Christchurch, with an estimated attendance of 57,000 and visitation spend impact of \$3.6 million despite closed borders and impact of lockdowns in Auckland and the Covid red traffic light setting limiting ticket

sales for some events and forcing the cancellation of a further 11 events.

- The Women's Cricket World Cup games hosted in Christchurch reached a TV viewership of 11.4 million, with 1.64 billion views across all ICC channels.
- Delivered major marketing and promotion campaigns, including #ExploreCHC, BLOOM spring events, Merry Christchurch, Do More Summer, Gateway to Growth business attraction and Christchurch Business Events campaign to attract visitors, talent and business to Christchurch and the central city.

The impacts of COVID-19 had an ongoing impact on the relative prioritisation of activities, particularly those related to major events and visitor / international student attraction given the strict controls on gatherings and people entering New Zealand.

Civic and International Relations

The Civic and International Relations team coordinated and led city-wide international relations activity, in alignment with the 2020 International Relations Policy Framework (IRPF) and despite COVID lockdowns delivered scheduled and unscheduled Civic Ceremonies, National Ceremonies and Visits, including the following:

- Led a process to identify and secure Council agreement in March 2022 to four IRPF Partnership locations (Australia, the West Coast of the United States, the Guangdong Province of China and the Republic of Korea).
- Supported the Mayor/Deputy Mayor to meet with 18 visiting dignitaries that included diplomats from the USA, China, Republic of Korea, Hungary, Germany, Israel, Japan, and Chile.
- Only 1 scheduled Citizenship ceremony was delivered in the year due to the Department of Internal Affairs cancelling the national Citizenship Programme during COVID.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Civic and International Relations				
<i>Coordinate and lead city-wide international relations activity, in alignment with the 2020 International Relations Policy Framework (IRPF)</i>				
Lead city-wide coordination and collaboration in support of the agreed vision and priorities set out in the 2020 International Relations Policy Framework (IRPF) action plans	[5.0.9.1] Lead city-wide coordination and collaboration in support of the agreed vision and priorities set out in the IRPF, based on the Implementation Plan actions and due dates	The Civic & International Relations team, in consultation with City IRPF members, led a process resulting in the the Council agreeing on 10 March 2022 to four Partnership locations (Australia, the West Coast of the United States, the Guangdong Province of China and the Republic of Korea) under the IRPF	Achieved	New measure in 2022
<i>Delivery of Scheduled Civic Ceremonies</i>				
Citizenship Ceremonies for Christchurch based new New Zealand citizens' delivered	[5.0.6] Deliver a regular schedule of high quality Citizenship Ceremonies to confer citizenship for new New Zealand citizens in Christchurch, within budget	1 ceremony held	Not Achieved	New measure in 2022
Annual programme of other civic ceremonies delivered	[5.0.8] Deliver an annual programme of other high quality civic or ceremonial events including 22 February commemorations, Civic Awards, Apprenticeships Graduation Ceremony, and/or Charter Parades	27 civic or ceremonial events delivered	Achieved	New measure in 2022
Economic Development				
<i>City Positioning</i>				
Ensure Christchurch is well positioned as a Confident City that is attractive to businesses, residents, visitors, students and potential migrants	[5.1.7.3] 50 engagements with trade agents or investors in priority markets and sectors	58 engagements with trade agents or investors completed (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 52 famils Achieved 2020: 100 famils Achieved 2019: 95 famils Achieved
<i>Destination and Attraction</i>				
Develop Christchurch as an attractive destination	[2.8.1.3] Portfolio of events supported in line with the Major Events Strategy and Economic Recovery Plan	Portfolio of events were supported in line with the Major Events Strategy and Economic Recovery Plan. Annual report on performance completed by ChristchurchNZ.	Achieved	New measure in 2022
Develop Christchurch as an attractive destination	[5.1.8.1] 30 City bids prepared to attract business events to Christchurch	47 city bids (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 32 city bids Achieved 2020: 36 city bids Achieved 2019: 34 city bids Achieved
Develop Christchurch as an attractive destination	[5.3.5.3] 100 screen enquiries	205 film enquiries (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 125 film enquiries Achieved New Measure in 2021
Develop Christchurch as an attractive destination	[5.3.5.5] At least 1 screen production attracted to Christchurch	2 productions (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	New measure in 2022
<i>Economic Strategy and Insights</i>				
Provide leadership in inclusive and sustainable economic development for Christchurch	[5.1.2.4] Deliver economic information to at least 1,000 people through presentations and online information	Delivered economic information to 6,230 people (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 5,011 people Achieved 2020: 645 people Achieved 2019: 2 events Achieved
<i>Innovation and Business Growth</i>				

Level of Service	Target	Result	Achieved	Prior Years
Realise greater value from Christchurch's Antarctic Gateway	[5.0.16.6] Deliver actions as set out in the Antarctic Gateway Strategy implementation plan	All actions delivered as set out in the Antarctic Gateway Strategy implementation plan, per ChristchurchNZ progress report.	Achieved	2021: Actions delivered Achieved 2020: Actions delivered Achieved 2019: Strategy approved Achieved
Build innovation and entrepreneurial strength	[5.1.5.1] 50 employers have been actively worked with to attract them to the city to support economic recovery and repositioning	53 businesses (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 51 employers Achieved New Measure in 2021
Build innovation and entrepreneurial strength	[5.1.5.2] 40 start-up/scale-up companies to grow innovation and entrepreneurship capability	53 start up/SME companies supported (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 45 start ups supported Achieved 2020: 12 start ups supported Achieved 2019: 15 start ups supported Achieved
Build innovation and entrepreneurial strength	[5.1.5.3] 6 initiatives to support industry cluster development, including Supernodes, to support job creation and work opportunities	6 initiatives (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 6 initiatives Achieved New Measure in 2021
Ensure Christchurch businesses have access to comprehensive advice and support to grow competitiveness, resilience and sustainability	[5.1.6.1] 500 businesses access business support or advice	575 businesses (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	2021: 1,707 businesses Achieved 2020: 1,604 businesses Achieved 2019: 518 businesses Achieved
Urban Development				
Facilitate urban development activities that contribute to a prosperous local economy	[5.1.9.1] At least 3 opportunities for urban development are identified and assessed for feasibility	6 feasibility reports completed (ChristchurchNZ fourth-quarter report to 30 June 2022, unaudited results)	Achieved	New measure in 2022

Where are we heading?

Economic Development

ChristchurchNZ delivers economic development and city profile functions on behalf of the Council. This year ChristchurchNZ is reviewing the Economic Development Strategy for Christchurch.

ChristchurchNZ will deliver services agreed with the Council and will focus on:

- Developing opportunities of scale which accelerate economic development for Christchurch through strategic partnerships that amplify Council's investment through co-investment and attraction of new investment into the city
- Improving workforce outcomes through attracting high value businesses and supporting existing businesses to improve productivity, resilience and sustainability; building on industry and research strengths; supporting innovation and entrepreneurship; and, working with partners to meet the skills needs across the economy.

- *Building a Place Brand for Christchurch* to raise pride in the city and attract visitors, migrants, business and investment. Alongside this develop a destination management plan to deliver an improved visitor experience.
- *Initiating a new urban development function* to create places that are connected, thriving, and attractive to businesses, residents, visitors and investors.

Civic and International Relations

Under this activity we will continue to deliver scheduled and unscheduled Civic Ceremonies, National Ceremonies and Visits. We will also coordinate and lead city-wide international relations activity, in alignment with the 2020 International Relations Policy Framework (IRPF).

Service delivery in 2022/23

Focus has shifted from COVID response and recovery to long-term economic development.

What did it cost?

Statement of cost of services for the year ending 30 June

2021 Actual \$000		2022 Actual \$000	2022 Plan \$000
Cost of services			
11,981	Economic development	15,626	14,673
1,277	Civic & international relations	951	1,139
13,258		16,577	15,812
Operating revenue from services			
105	Economic development	126	102
188	Civic & international relations	33	35
293		159	137
-	Capital revenues	-	-
-	Vested assets	-	-
12,965	Net cost of services	16,418	15,675

Explanation of significant cost of service variances

The overall cost of service was \$0.8 million more than plan. This is mostly due to the plan being reduced to reflect \$1.2 million of Regenerate Christchurch funds being returned from the prior year following disestablishment, and utilised in 2022. This was partly offset by a \$0.4 million gain on sale upon disposal of surplus Te Kaha Stadium land.

The cost of service was \$3.3 million higher than 2021 mainly due to a one-off Economic Development funding reduction in 2021 of \$5.3 million during this uncertain COVID period. This funding saving was offset by the \$1.2 million in Regenerate Christchurch spending in 2021 and the \$0.4 million gain on sale in 2022.

There were no significant revenue variances.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	14,186	14,125	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	19	35	-
Fees and charges	126	102	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	15	-	-
Total operating funding (A)	14,346	14,262	-
Applications of operating funding			
Payments to staff and suppliers	1,020	1,062	-
Finance costs	-	-	-
Internal charges and overheads applied	524	524	-
Other operating funding applications	15,447	14,215	-
Total applications of operating funding (B)	16,991	15,801	-
Surplus (deficit) of operating funding (A-B)	(2,645)	(1,539)	-
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	1,106	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	1,106	-	-
Applications of capital funding			
Capital expenditure			
- to replace existing assets	-	-	-
- to improve the level of service	-	-	-
- to meet additional demand	-	-	-
Increase (decrease) in reserves	(1,539)	(1,539)	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(1,539)	(1,539)	-
Surplus (deficit) of capital funding (C-D)	2,645	1,539	-
Funding balance ((A-B) + (C-D))	-	-	-

* 2021 Long Term Plan comparative figures for Economic Development are included in Strategic Planning and Policy.

Explanation of significant cost of service variances

Operating funding spending was \$1.1 million more than reduced plan as explained above. This was funded from working capital.

Significant capital expenditure

No capital expenditure occurred in this activity.

Council activities and services

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 was 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 had between six and nine members and made decisions on local community issues, activities and facilities, and helped build strong communities.

Governance activities ensure that the 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 the 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?

Public participation in the democratic processes, city governance and decision-making activity includes the following services:

Governance and Decision Making

Residents are encouraged to take part in and understand 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 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 polls and representation reviews includes organising elections and by-elections. Local government elections are held every three years, representation reviews every six.

Office of the Mayor and Chief Executive, and Treaty Partners and Mana Whenua Relations

The office of the Mayor and Chief Executive provides advice, services and administrative support so that the Mayor, Deputy Mayor, Elected Members and Chief Executive can fulfil their statutory, community, Council and policy leadership roles.

It also provides information in accordance with LGOIMA, receives and processes requests for information under the provisions of LGOIMA to ensure accurate information is available in a timely manner.

The Council's statutory obligations, engagement commitments and relationships with Māori are founded on Te Tiriti o Waitangi. We are required to ensure that the views, values and wellbeing of Māori are considered across Council activities. The Local Government Act 2002, the Resource Management Act 1991 and the Te Rūnanga o Ngāi Tahu Act 1996 all require consultation on matters that

directly affect Māori culture and traditions, as acknowledged by the Treaty of Waitangi. These issues include land, water and the use of natural resources.

The Council engages with mana whenua through Te Hononga Committee, comprising six of the Papatipu Rūnanga and Council representatives, and through Mahaanui KuraTaiao's advisory services.

Performance Management and Reporting

For Council to deliver better performance in future years requires creating and executing effective performance management. This means ensuring Christchurch City Council has high quality plans and plan monitoring in place (Long Term Plan (LTP), Annual Plan, operational plans).

We support implementation of community plans like the LTP by including organisational targets, creating plans within the business for execution against targets, and ensuring meaningful linkages to individual staff performance plans.

This approach requires effective performance monitoring mechanisms with focus on transparency and accountability for business results, involving regular reporting to management, elected members (Council or delegated committee), and the community.

What did we achieve?

Governance and Decision Making

We delivered smart secretarial and support services for governance decision making including the processing of over 2,600 reports, managing close to 650 meetings and 3,000 applications for a range of hearings from menacing dogs to bus shelters.

A by-election was held in October 2021 to elect a Councillor for the Coastal Ward following the resignation of James Daniels.

A Representation Review sought community views on how they are represented and whether this remains fair, effective and equitable. As a result the Local Government Commission made some changes to ward boundaries and the make-up of urban community boards in December 2021. It determined that Christchurch would be represented by six community boards rather than seven.

The Council continued to enhance better ways of working including the live-streaming of Community board and other governance meetings. Live-streamed meetings are also recorded and made available to the community on the YouTube Platform.

The Council's commitment to increased openness and transparency has increased momentum with:

- Under 6% of reports considered in the publically excluded section of agendas (down from 35% in 2016).
- All reports considered in a publically excluded section of Council agendas during the 2016/19 triennium have been reviewed with the majority being released.

- 80% of reports considered in a publically excluded section of Council agendas during the 2019/22 triennium have been reviewed to date with the majority being released in part or in full.

Office of the Mayor and Chief Executive, and Treaty Partners and Mana Whenua Relations

We provided advice, services and administrative support so that the Mayor, Deputy Mayor, Elected Members and Chief Executive could fulfil their statutory, community, Council and policy leadership roles.

We received and processed requests for information under the provisions of LGOIMA 99% of the time, to ensure accurate information was available in a timely manner.

During the year, Council and Rūnanga engaged on environmental matters, particularly in relation to use and protection of land and water. Mana whenua continued to support the Council through input to city regeneration projects, notably in the establishment of the Ōtākaro Avon River Corridor (ŌARC) which will be co-governed by Ngāi Tūāhuriri, the community and the Council. The area offers a one-in-a-lifetime opportunity to create a legacy that benefits future generations. Stretching from the city to the sea, the 11km regeneration area contains streets, lawns and gardens that used to make up people's properties before the Christchurch earthquakes.

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, Muslim memorial service and the unveiling of Pou tu te Raki o Te Maiharanui one of three sites where Te Tiriti o Waitangi was signed in Te Waipounamu, Takapūneke.

Performance Management and Reporting

Christchurch City Council is focused on ensuring it has high quality plans and plan monitoring in place, specifically related to the Long-term Plan, Annual Plan. During the year Council prepared and adopted for consultation its draft Annual Plan 2022/23, reviewed all submissions and undertook hearings to hear feedback from the community about the plan, before adopting the Annual Plan 2022/23 on 21 June 2022. All critical project plan milestone due dates were met.

Integral in the development and delivery of the organisation's Long-term Plan and Annual Plan, Council has established a performance framework. This audited framework ensures the integrity of linkages between all key components remains functional at all times (such as alignment of planning and delivery of levels of service (non-financial performance measures) and capital projects to the organisation's agreed Community Outcomes and Strategic Priorities). Reporting and analysis of organisational performance has been prepared and delivered to agreed deadlines, to governance and the community via Finance and Performance Committee of the Whole (monthly), the Annual Report, and monthly to the organisation.

This reporting involved conducting the annual Residents Service Satisfaction Surveys. Two surveys (General Service Satisfaction, and Point of Contact) were conducted, with results provided to Council, the community and staff.

Community outcomes monitoring and reporting programmes have also been maintained - 90% of community outcomes monitoring indicators kept up-to-date and reported publicly (against a target of 85%), with a monitoring report produced every three years in preparation for the Long-term Plan.

How we measure up?

Level of Service	Target	Result	Achieved	Prior Years
Governance and decision-making				
Holding elections of Elected Members to the Council and Community Boards, polls and representative reviews				
Provide and maintain robust processes that ensure all local elections, polls and representation reviews are held with full statutory compliance	[4.1.2] 100% compliance, no complaints regarding statutory compliance are upheld by the ombudsman or the Courts	100% compliance achieved	Achieved	2021: 100% compliance Achieved 2020: 100% compliance Achieved 2019: 100% compliance Achieved
Providing smart secretariat services, information and support for Council decision-making processes at governance level				
Participation in and contribution to Council decision-making	[4.1.18] Percentage of respondents who understand how Council makes decisions: At least 30%	31% of respondents understand how Council makes decisions	Achieved	2021: 33% understand Not Achieved 2020: 26% understand Not Achieved 2019: 32% understand Not Achieved
Provision of information in accordance with LGOIMA				
Respond to requests for information held by Council in a manner that complies with the legislative processes and timelines set out in the LGOIMA	[4.1.29.2] Provision of information is in accordance with LGOIMA principles and requirements - 100%	98.7% achieved	Not Achieved	New measure in 2022
Office of the Mayor and Chief Executive, and Treaty Partner Relations				
Manage relationships with Treaty partners and Mana Whenua				
Maintain positive Iwi and Mana Whenua relationships	[4.1.23] Iwi & Mana Whenua convey that they are satisfied or very satisfied with the relationship and project outcomes	Iwi & Mana Whenua are satisfied with the relationship and project outcomes	Achieved	New measure in 2022
Facilitate opportunities for iwi and mana whenua to actively contribute in decision making processes	[4.1.24] Iwi and Mana Whenua are satisfied or very satisfied with the level of engagement and opportunities to contribute to decision making in areas of mutual interest	Iwi and Mana Whenua are satisfied with the level of engagement and opportunities to contribute to decision-making in areas of mutual interest	Achieved	New measure in 2022
Performance Management and Reporting				
Ensure Christchurch City Council has high quality plans and plan monitoring in place (Long Term Plan, Annual Plan, operational plans)				
Implement the Long Term Plan and Annual Plan programme plan	[13.1.1] Critical path milestone due dates in programme plans are met	Critical path milestone due dates in programme plans were met	Achieved	New measure in 2022
Implement and evolve CCC performance framework	[13.1.2.2] Performance Framework in place	Performance Framework is in place	Achieved	New measure in 2022
Conduct Resident Surveys, analyse and provide results to Council and staff	[13.1.3] Maintain two surveys per year, by the end of May	Surveys maintained ahead of schedule	Achieved	New measure in 2022
Community outcomes monitoring and reporting programmes are maintained	[13.1.24.1] 85% of community outcomes monitoring indicators are up-to-date and reported publicly	90% of community outcomes monitoring indicators are up-to-date	Achieved	New measure in 2022
Deliver Organisational Performance Reporting and Analysis	[13.1.26] At least 95% of governance, corporate, group and unit performance reports and analyses, based on organisational performance targets, delivered to agreed deadlines	100% of governance, corporate, group and unit performance reports and analyses, based on organisational performance targets, delivered to agreed deadlines	Achieved	New measure in 2022

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 remain 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 2022/23

Governance and Decision Making

2022/23 will see a continued commitment to transparent and accessible decision making at all levels. For example Community Board meetings will now be live streamed and a recording placed on a YouTube channel to improve accessibility. Delegations will be reviewed to ensure decision making is effective and undertaken as close to the affected communities as practicable.

Local Government elections will be undertaken in October 2022 reflecting the Local Government Commission Determination for Christchurch (December 2021) to ensure fair and effective representation.

We will implement the Council's refreshed commitment to ensure that people have opportunities to be involved in decision-making and understand Council issues and processes through its approach to developing the 2024/34 Long Term Plan, this will begin with engaging communities locally in early 2023.

Office of the Mayor and Chief Executive, and Treaty Partners and Mana Whenua Relations

We will continue provide advice, services and administrative support so that the Mayor, Deputy Mayor, Elected Members and Chief Executive can fulfil their statutory, community, Council and policy leadership roles.

We will continue to receive and process requests for information under the provisions of LGOIMA to ensure accurate information is available in a timely manner to requestors.

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 of the significance of the partnership and strengthening the bi-cultural understanding for all council.

Performance Management and Reporting

We will prepare the next Annual Plan 2023/24, as well as beginning work on the Long-term Plan 2024-34. In support of this, the organisation's performance framework will remain in place, providing the basis for integrated decision-making and implementation and monitoring of the agreed plans.

Community Outcomes monitoring indicators will be kept up-to-date and will be reported publicly, the annual Residents Satisfaction Surveys will be conducted, and regular reporting and analysis of organisational performance will continue to be provided.

What did it cost?

Statement of cost of services for the year ending 30 June

2021 Actual \$000		2022 Actual \$000	2022 Plan \$000
	Cost of services		
15,105	Governance & Decision Making	13,501	14,399
1,949	Office of Mayor, Chief Executive, and Treaty Partner Relations	1,896	2,268
17,054		15,397	16,667
	Operating revenue from services		
39	Governance & Decision Making	29	45
-	Office of Mayor, Chief Executive, and Treaty Partner Relations	-	-
39		29	45
-	Capital revenues	-	-
-	Vested assets	-	-
17,015	Net cost of services	15,368	16,622

Explanation of significant variances

Governance & Decision Making

The cost of service was \$0.9 million lower than plan, \$0.6 million as a result of staff vacancies during the year and \$0.3 million lower costs of Community Support.

Office Mayor, Chief Executive and Treaty Relations

The cost of service was \$0.4 million lower than plan due to staff vacancies (\$0.2 million) and less spend on Treaty Relations (\$0.2 million).

The overall cost of service was \$1.6 million lower than 2021 due to 2021 including costs for statutory reporting and communications driven by the LTP cycle.

There was no significant variance to operating revenue to plan or to prior year.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	16,608	16,537	16,995
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	29	45	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	16,637	16,582	16,995
Applications of operating funding			
Payments to staff and suppliers	14,652	16,097	16,326
Finance costs	-	-	-
Internal charges and overheads applied	549	549	669
Other operating funding applications	116	21	-
Total applications of operating funding (B)	15,317	16,667	16,995
Surplus (deficit) of operating funding (A-B)	1,320	(85)	-
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	(1,412)	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(1,412)	-	-
Applications of capital funding			
Capital expenditure			
- to replace existing assets	(7)	-	-
- to improve the level of service	-	-	-
- to meet additional demand	-	-	-
Increase (decrease) in reserves	(85)	(85)	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(92)	(85)	-
Surplus (deficit) of capital funding (C-D)	(1,320)	85	-
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Applications of operating funding is \$1.4 million lower than plan primarily due to staff vacancies over the year in the Secretariat and Mayor's Office/Chief Executive areas (\$0.8 million). The balance of \$0.5 million was reduced spend in the Treaty Relations and Community Support areas.

Significant capital expenditure

There was no significant capital expenditure.

Council activities and services

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 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, or reduce the level of borrowing required.

What capital expenditure is included?

Corporate capital expenditure includes 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		2022 Actual \$000	2022 Plan \$000
Cost of services			
65,611	Interest - onlending, equity investments and rebuild	65,782	64,388
10,401	Internal service providers (unallocated costs)	9,053	4,523
10,231	Property costs and other expenses	4,188	7,849
86,243		79,023	76,760
Operating revenue from services			
556,696	Rates	595,780	594,742
42,662	Dividends	22,544	20,419
19,143	Interest from onlending	18,589	17,119
4,151	General and special fund interest	3,890	1,171
10,401	Internal service providers	9,053	4,523
-	Earthquake cost recoveries	-	-
3,449	Other revenue	3,577	2,601
489	Subvention receipts (income tax)	11,437	2,200
636,991		664,870	642,775
7,876	Capital revenues	49,205	55,875
-	Vested assets	-	-
(558,624)	Net cost of services	(635,052)	(621,890)

Explanation of significant variances

Interest costs were \$1.4 million higher than plan due to higher interest rates, partly offset by lower borrowing required for the capital programme than planned.

The net cost of the internal service providers is allocated to external activities. Internal service provider revenue was \$4.5 million higher than planned. The main variance was receipt of \$4.8 million of Water Reform funding from the Crown.

Property and other costs were \$3.7 million lower than plan largely due to hedge accounting adjustments. Costs were \$6 million lower than 2021 for largely the same reason.

Rates income was \$1.0 million higher than plan due to higher rating base growth in late 2021 than forecast resulting in a higher rates strike and higher penalties, partly offset by lower excess water charges of \$1.3 million. The \$39.1 million increase from 2021 is the result of the year on year rates increase.

Dividend revenue is \$2.1 million higher than plan due to additional dividend received from Transwaste during the year. Dividend income was \$20.2 million lower than 2021 due to Covid-19 impacts on CCHL.

Interest revenue from on-lending was \$1.5 million higher than plan, principally due to increasing interest rates during the year.

General interest was \$2.7 million higher than plan due to materially higher funds on hand through the year resulting

from slower delivery of the capital programme than planned.

Other revenue was \$1.0 million higher than plan comprising a number of minor variances.

Subvention receipts significantly exceeded plan and 2021 as some subsidiaries recovered from Covid-19 earlier than expected.

Capital revenues and variances relate to the timing of the Crowns contribution to the Te Kaha / Canterbury Multi Use Arena.

Funding impact statement for year ended 30 June

	2022 Actual \$000	2022 Long Term Plan \$000	2021 Long Term Plan \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	48,563	48,353	39,688
Targeted rates	277	275	-
Subsidies and grants for operating purposes	5,619	1,875	5,616
Fees and charges	3,294	2,228	10,616
Internal charges and overheads recovered	25,380	25,380	28,389
Local authorities fuel tax, fines, infringement fees, and other receipts (1)	60,040	43,480	93,033
Total operating funding (A)	143,173	121,591	177,342
Applications of operating funding			
Payments to staff and suppliers	12,487	3,464	20,407
Finance costs	65,782	64,388	83,961
Internal charges and overheads applied	-	-	-
Other operating funding applications	11,065	10,712	2,353
Total applications of operating funding (B)	89,334	78,564	106,721
Surplus (deficit) of operating funding (A-B)	53,839	43,027	70,621
Sources of capital funding			
Subsidies and grants for capital expenditure	49,205	55,875	-
Development and financial contributions	-	-	-
Increase (decrease) in debt (internal funding)	(71,034)	102,499	(18,577)
Gross proceeds from sale of assets	4,589	6,996	485
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(17,240)	165,370	(18,092)
Applications of capital funding			
Capital expenditure			
- to replace existing assets	7,241	12,980	47,395
- to improve the level of service	50,002	167,936	21,038
- to meet additional demand	1	-	(18,031)
Increase (decrease) in reserves	3,156	2,481	4,092
Increase (decrease) of investments	(23,801)	25,000	(1,965)
Total applications of capital funding (D)	36,599	208,397	52,529
Surplus (deficit) of capital funding (C-D)	(53,839)	(43,027)	(70,621)
Funding balance ((A-B) + (C-D))	-	-	-

Explanation of significant variances

Operating funding

The better than plan result largely reflects the better than plan subvention receipts and Water Reform funding.

Application of operating funding

Higher than plan payments not allocated to other activities reflect the higher than plan internal service revenues received in this area.

Capital funding

The Crown contribution for Te Kaha was \$6.7 million less than plan due to timing of delivery of the project.

Debt was raised to fund on-lending to Otautahi Community Housing Trust of \$8.5 million. CCHL repaid \$50 million of

on-lending and refinanced it directly. \$90 million of planned borrowing relates to 2019/20 carryforwards, any spend and consequent borrowing will be shown on the appropriate Group of Activity pages.

Higher debt/investments from 2020/21 borrowing was also utilised to fund capital, resulting in lower borrowing in 2021/22.

Asset sales were less than plan by \$2.4 million due to timing changes with some sales.

The higher increase in reserves than plan reflects Capital Endowment Fund drawdowns planned here but actually drawn from the appropriate activities once specific grants were approved.

Capital expenditure

Spend on Te Kaha was \$28.6 million less than plan. Capital expenditure on IT projects was \$2.8 million more than plan.

The plan also included \$90.0 million for expected net carry forwards from 2020/21. 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 \$27.3 million on Te Kaha, \$21.7 million on IT projects and \$3.4 million on the Performing Arts Precinct.

Financial statements

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

Financial statements Financial ratios and prudence benchmarks

The Council has financial ratios which form a key part of its financial risk management strategy.

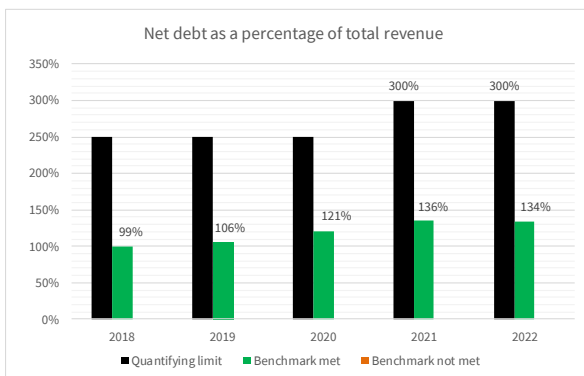
The Council is required under the Local Government (Financial Reporting and Prudence) Regulations 2014 to report on the affordability and benchmark ratios, in addition, we are required to comply with ratios contained in our funding agreement with the Local Government Funding Agency.

These ratios and benchmarks enable the reader to determine that the Council is prudently managing its revenues, expense, assets, liabilities and general financial dealings.

Local Government Funding Agency Borrowing Covenants

Net debt¹ as a percentage of total revenue²

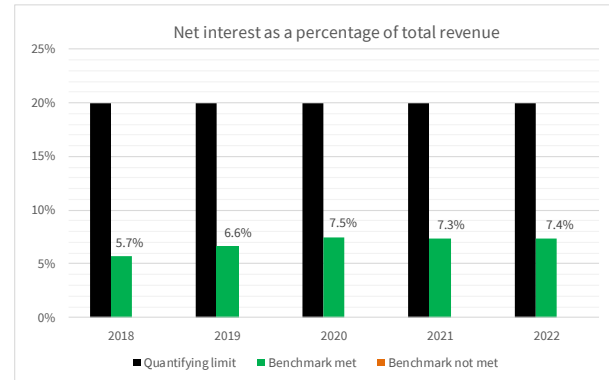
The Council continues to comply with the net debt to total revenue ratio. The following graph compares the Council's actual ratio of net debt (borrowing) as a percentage of total revenue with a quantified limit stated in the financial strategy included each year in the Council's Plan. The quantified limit is 300 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.



¹ Net debt is defined as total financial liabilities less financial assets (excluding trade and other receivables).

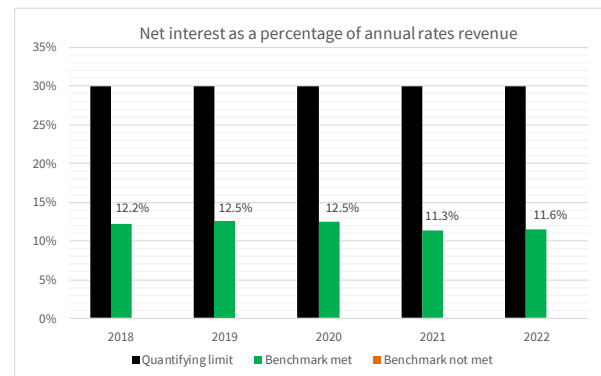
Net interest as a percentage of total revenue

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 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

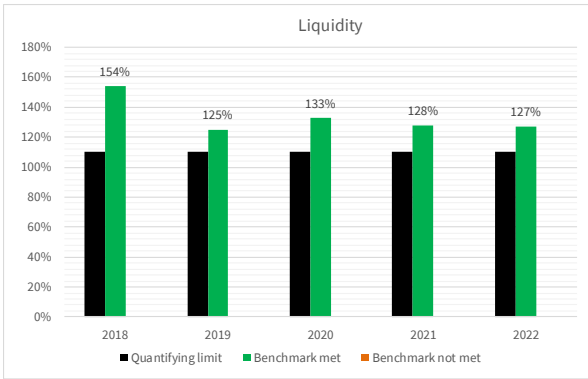
The Council continues to comply with the net interest to annual rates revenue. The following graph compares the Council's actual ratio of net interest as a percentage of annual rates revenue with a quantified limit stated in the financial strategy included each year in the Council's Plan. The quantified 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.



² Total revenue is total cash operating revenue excluding development contributions and non-government capital contributions.

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 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.

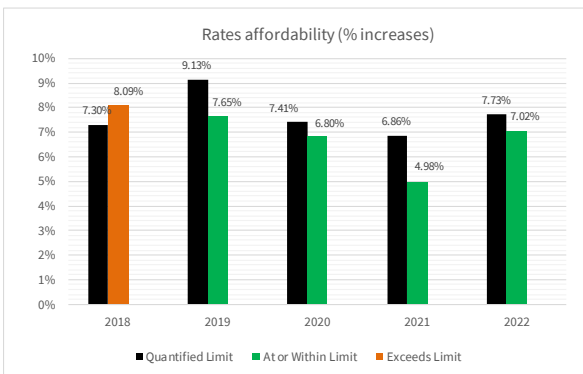


In 2019, the LGFA re-defined its definition of Liquid Investments to include LGFA and CCO deposits held by Council on their behalf. Prior year comparatives have not been updated with this change.

Rates affordability benchmarks

The Council meets the rates affordability benchmark if its actual rates increase equals or is less than each quantified limit on rates increases.

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. 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.

Following an amendment to the Local Government Act 2022 in 2019, the council has not included a quantified limit

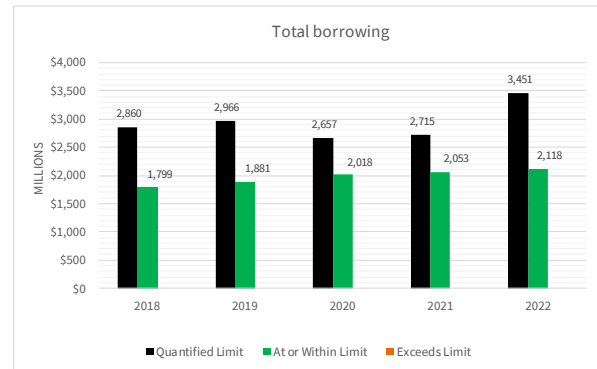
on rates (income) in the financial strategy for the 10-year budget 2021-2031.

Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within the quantified limit on borrowing.

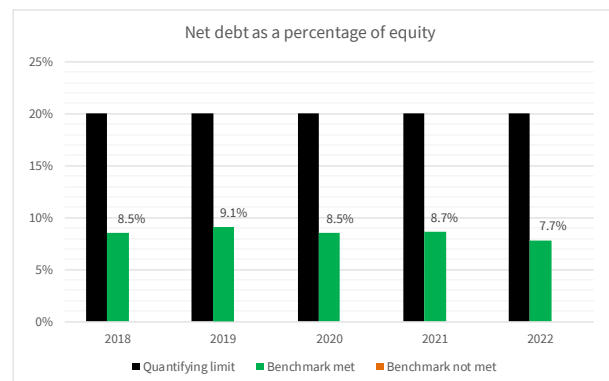
Total borrowing

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.

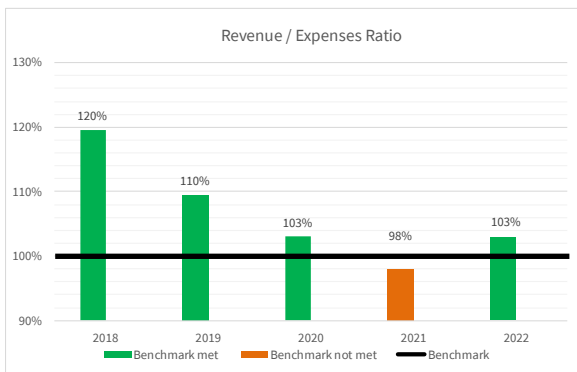


Balanced budget benchmark

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).

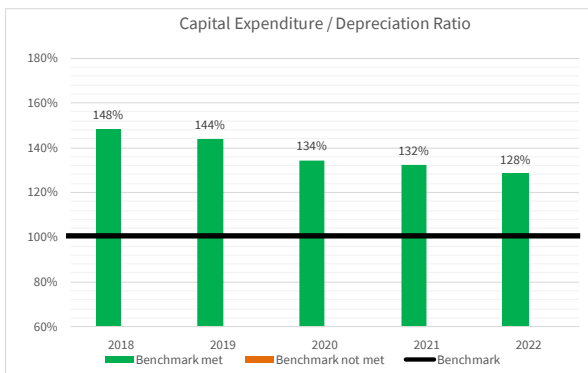
The benchmark is 100 per cent meaning that revenue equals expenses.



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.

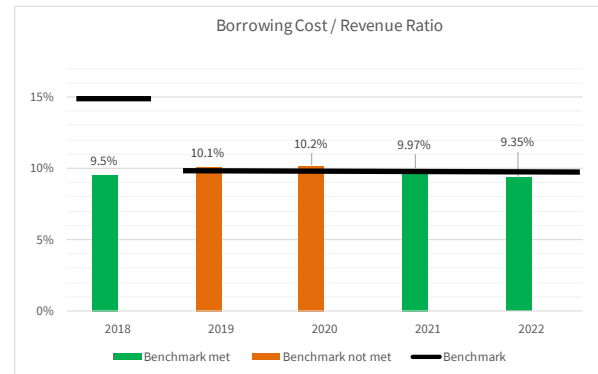
The benchmark is 100 per cent meaning that capital expenditure on network services equals depreciation on network services



Debt servicing benchmark

The 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).

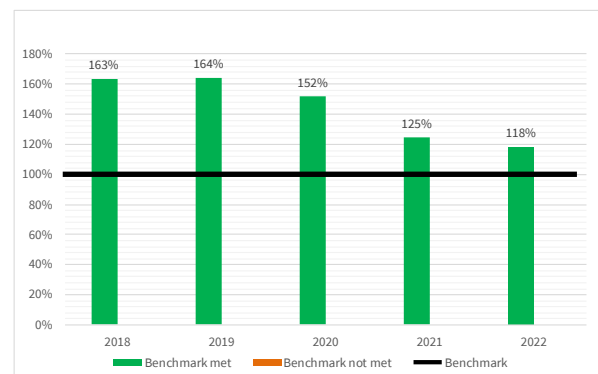
Council will meet the debt servicing benchmark if its planned borrowing costs equal or are less than 10 per cent of its planned revenue post 2019. Prior to 2019 the growth in Christchurch City exceeded the NZ average therefore the benchmark used to measure this ratio was 15 per cent.



The Council did not comply with the debt servicing benchmark in 2019 and 2020.

Debt control benchmark

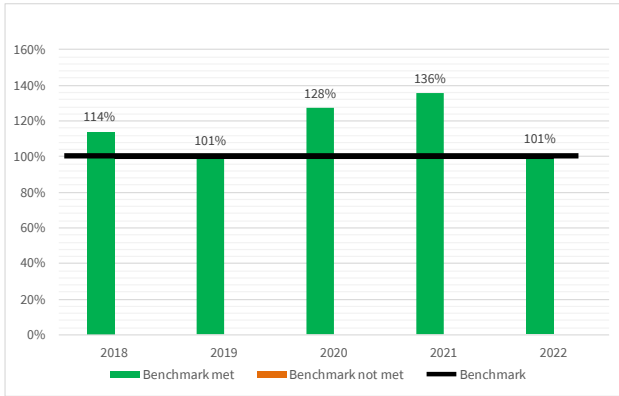
The Council continues to comply with the debt control ratio. The following graph displays the Council’s actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). In line with the Department 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.



Independent Auditor's Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of Christchurch City Council's annual report for the year ended 30 June 2022

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 14 December 2022. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 160 to 164 and 167 to 270:
 - present fairly, in all material respects:
 - the City Council and the Group's financial position as at 30 June 2022; 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; and
- the funding impact statement on page 165, 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;

- the City Council's activities and services on pages 44 to 149:
 - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2022, 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
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 62 to 149, 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
- the funding impact statement for each group of activities on pages 62 to 149, 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.

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 152 to 155, 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.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Emphasis of matter - The Government’s three waters reform programme

Without modifying our opinion, we draw attention to note 37 on page 270, which outlines that, in June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The legislation received royal assent from the Governor-General on 12 December 2022. The impact of these reforms will mean that the City Council will no longer deliver three waters services or own the assets required to deliver these services. Additional legislation is expected in 2023 that will provide detail on the transfer of assets and liabilities to the water service entities.

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 City Council is responsible for assessing its ability to continue as a going concern. The City 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 long-term 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 the 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 activities and services 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 City 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 the 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 auditor’s 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 audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Our responsibilities arise from the Public Audit Act 2001.

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, 11 to 40, and 300 to 302, but does not include the audited information and the disclosure requirements, and our auditor’s report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

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 the 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 177, 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



Statement of comprehensive revenue and expense

For the year ended 30 June 2022

	Note	Parent			Group	
		30 Jun 22 Actual \$000	30 Jun 22 Plan \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Rates revenue	2.1	595,780	594,742	556,696	579,358	541,547
Subsidies and grants	2.2	139,948	151,206	109,450	141,935	106,217
Development and financial contributions	2.3	39,460	24,276	44,298	39,460	44,298
Other revenue	2.4	285,648	149,649	242,048	1,205,438	1,103,170
Finance revenue		22,489	18,290	23,301	6,061	6,145
Share of associate and JV's surplus/(deficit)	18	-	-	-	6,253	5,060
Total revenue		1,083,325	938,163	975,793	1,978,505	1,806,437
Depreciation and amortisation	10,11	281,147	284,519	276,783	435,539	427,174
Finance costs	3	86,823	85,429	86,745	143,569	140,572
Personnel costs	24.1	205,575	203,363	202,825	510,820	498,369
Other expenses	4	322,990	297,088	292,555	639,271	580,139
Net (gains) / losses	6.1	3,528	-	21,051	(54,879)	(19,505)
Total operating expenses		900,063	870,399	879,959	1,674,320	1,626,749
Surplus before income tax expense		183,262	67,764	95,834	304,185	179,688
Income tax expense/(credit)	9.1	(235)	(2,200)	279	1,087	36,177
Surplus from Continuing operations		183,497	69,964	95,555	303,098	143,511
Surplus from Discontinued operations		-	-	-	-	4,077
Surplus for the period		183,497	69,964	95,555	303,098	147,588
Other comprehensive revenue and expense						
Property, plant and equipment valuation movement	10	1,793,489	330,355	423,377	2,076,491	571,848
Revaluation of carbon emissions units		-	-	-	1,035	-
Unrealised gains/(losses) from:						
Investment revaluation gain/(loss)	6.2	237,506	-	311,918	977	951
Cash flow hedges gain/(loss)	6.2	192,918	-	130,084	311,956	182,070
Cash flow hedge de-recognition	6.2	-	-	-	-	-
Income tax relating to components of other comprehensive revenue and expense	9.1	(227)	-	(1,437)	(75,883)	(55,840)
Property, plant and equipment impairment loss		-	-	-	-	-
Transfers and other		-	-	-	387	(1,977)
Total other comprehensive revenue and expense		2,223,686	330,355	863,942	2,314,963	697,052
Total comprehensive revenue and expense		2,407,183	400,319	959,497	2,618,061	844,640
Surplus for the period attributable to:						
Parent entity		183,497	69,964	95,555	284,576	133,841
Non controlling interests		-	-	-	18,522	13,747
Total surplus for the period		183,497	69,964	95,555	303,098	147,588
Total comprehensive revenue and expense attributable to:						
Equity holders of the parent		2,407,183	400,319	959,497	2,528,280	811,717
Non controlling interests		-	-	-	89,781	32,923
Total comprehensive revenue and expense		2,407,183	400,319	959,497	2,618,061	844,640

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 2022

Parent	Asset revaluation reserve \$000	Fair Value thru OCRE reserve \$000	Hedging reserve \$000	Reserve Fund \$000	Capital reserve \$000	Acc. compr. revenue & expense \$000	Attributable to equity holders of parent \$000	Non Controlling interests \$000	Total \$000
Balance as at 1 July 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
OCRE for the year	423,377	311,918	130,084	-	-	(1,437)	863,942	-	863,942
Transfer to/from acc. compr. Revenue & expense	-	-	-	113,953	-	13,546	127,499	-	127,499
Transfer to/from reserves	(22,713)	-	-	(104,786)	-	-	(127,499)	-	(127,499)
Balance as at 1 July 2021	5,024,537	2,306,420	(189,419)	187,056	1,733,853	4,413,705	13,476,152	-	13,476,152
Surplus for the period	-	-	-	-	-	183,497	183,497	-	183,497
OCRE for the year	1,793,489	237,506	192,918	-	-	(227)	2,223,686	-	2,223,686
Transfer to/from acc. compr. revenue & expense	-	-	-	113,953	-	5,301	119,254	-	119,254
Transfer to/from reserves	(17,623)	-	-	(101,631)	-	-	(119,254)	-	(119,254)
Balance as at 30 June 2022	6,800,403	2,543,926	3,499	199,378	1,733,853	4,602,276	15,883,335	-	15,883,335

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Statement of changes in net assets/equity (continued)

For the year ended 30 June 2022

Group	Asset revaluation reserve \$000	Fair Value thru OCRE reserve \$000	Hedging reserve \$000	Reserve Fund \$000	Capital reserve \$000	Acc. compr. revenue & expense \$000	Attributable to equity holders of parent \$000	Non Controlling interests \$000	Total \$000
Balance as at 1 July 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
OCRE for the year	518,268	951	162,075	-	-	(3,418)	677,876	19,176	697,052
Transfer to/from acc. compr. revenue & 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
Dividends paid or provided for	-	-	-	-	-	-	-	(3,217)	(3,217)
Balance as at 1 July 2021	5,890,587	24,153	(225,289)	210,873	1,722,090	5,100,165	12,722,579	371,180	13,093,759
Surplus for the period	-	-	-	-	-	284,576	284,576	18,522	303,098
OCRE for the year	1,998,030	977	270,851	-	-	160	2,270,018	44,945	2,314,963
Transfer to/from acc. compr. revenue & expense	(616)	-	-	113,953	-	5,939	119,276	-	119,276
Transfer to/from reserves	(17,623)	-	-	(118,530)	-	16,877	(119,276)	-	(119,276)
Other items	(669)	-	-	61	-	28,179	27,571	-	27,571
Dividends paid or provided for	-	-	-	-	-	-	-	(5,013)	(5,013)
Balance as at 30 June 2022	7,869,709	25,130	45,562	206,357	1,722,090	5,435,896	15,304,744	429,634	15,734,378

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 2022

	Note	Parent			Group	
		30 Jun 22 Actual \$000	30 Jun 22 Plan \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Current assets						
Cash and cash equivalents	16	167,307	110,045	192,730	255,421	262,754
Receivables from non-exchange transactions	7	68,790	82,225	56,289	62,134	49,197
Receivables from exchange transactions	7	9,384	14,056	9,622	135,505	109,009
Investment in CCOs and other similar entities	17	181,859	-	165,252	7,359	5,552
Other financial assets	20.1	40,006	21,659	1,016	77,171	11,032
Inventories	19	3,129	3,386	3,197	29,532	22,905
Current tax assets	9.2	-	-	-	-	8,582
Assets classified as held for sale	14	4,436	-	3,928	14,487	7,360
Other assets		-	-	-	2,616	1,287
Total current assets		474,911	231,371	432,034	584,225	477,678
Non-current assets						
Receivables from non-exchange transactions	7	-	-	-	-	844
Receivables from exchange transactions	7	-	-	-	5,209	5,878
Investments in associates and joint arrangements	18.1	6,196	-	6,196	13,206	13,183
Investment in CCOs and other similar entities	17	3,309,148	3,073,418	3,130,810	47,425	40,815
Other financial assets	20.1	74,113	137,957	65,147	116,125	66,275
Inventories	19	-	-	-	7,957	16,675
Property, plant and equipment	10	14,221,569	12,672,676	12,188,875	18,655,061	16,259,658
Investment property	15	-	-	-	728,089	660,207
Intangible assets	11	90,069	77,609	86,509	115,448	113,341
Deferred tax assets	9.3	3,719	-	3,540	71,745	32,841
Other assets		-	-	-	439	53
Total non-current assets		17,704,814	15,961,660	15,481,077	19,760,704	17,209,770
Total assets		18,179,725	16,193,031	15,913,111	20,344,929	17,687,448
Current liabilities						
Taxes and transfers payable	8	8,360	-	9,138	28,949	20,117
Payables under exchange transactions	8	91,102	148,472	90,804	172,186	174,361
Borrowings and other financial liabilities	20.3	383,804	314,200	374,796	964,301	844,952
Employee entitlements	24.2	23,721	20,561	20,564	57,361	50,697
Current tax liabilities	9.2	-	-	-	-	1,111
Provisions	25	4,995	2,504	9,555	7,965	13,695
Other liabilities	26	24,139	-	24,401	55,173	42,830
Total current liabilities		536,121	485,737	529,258	1,285,935	1,147,763
Non-current liabilities						
Payables under exchange transactions	8	1,060	-	1,590	1,060	1,590
Borrowings and other financial liabilities	20.3	1,730,831	2,368,268	1,872,082	2,768,679	2,975,377
Employee entitlements	24.2	3,053	3,448	3,314	6,783	7,185
Deferred tax liabilities	9.3	3,719	2,579	3,540	523,673	431,005
Provisions	25	21,177	21,046	26,010	21,438	26,216
Other liabilities	26	429	1,165	1,165	2,983	4,553
Total non-current liabilities		1,760,269	2,396,506	1,907,701	3,324,616	3,445,926
Total liabilities		2,296,390	2,882,243	2,436,959	4,610,551	4,593,689
Net assets		15,883,335	13,310,788	13,476,152	15,734,378	13,093,759
Equity						
Parent entity interest		4,602,275	4,403,022	4,413,703	5,435,896	5,100,163
Non controlling interest		-	-	-	429,634	371,182
Reserves		11,281,060	8,907,766	9,062,449	9,868,848	7,622,414
Total equity		15,883,335	13,310,788	13,476,152	15,734,378	13,093,759

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 2022

Note	Parent			Group		
	30 Jun 22 Actual \$000	30 Jun 22 Plan \$000	30 Jun 21 Actual \$000 Restated *	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000 Restated *	
Cash flows from operating activities						
Receipts from rates revenue	599,528	594,742	568,332	583,106	564,838	
Receipts from other revenue	295,523	286,975	298,656	1,237,455	1,185,399	
Interest received	21,197	17,841	23,670	4,759	5,538	
Dividends received	22,544	20,419	42,662	6,444	8,662	
Subvention receipts	11,437	2,200	2,229	1,420	-	
Payments to suppliers and employees	(525,115)	(502,911)	(503,586)	(1,175,186)	(1,089,051)	
Interest and other finance costs paid	(84,818)	(85,429)	(87,136)	(144,266)	(142,278)	
Income tax paid	8	-	1,740	(11,918)	(23,004)	
Net GST movement	(1,507)	-	(2,006)	(1,498)	(2,034)	
Other	-	-	-	5,423	3,149	
Net cash provided by/(used in) operating activities	28.1	338,797	333,837	344,561	505,739	511,219
Cash flows from investing activities						
Proceeds from sale of investment *	146,644	-	408,556	362,098	628,892	
Proceeds from repayment loans and advances	239,781	-	189,636	47,081	189,636	
Proceeds from sale of fixed assets	4,499	6,996	8,830	16,866	12,860	
Insurance recoveries	10,040	-	-	10,040	-	
Payment for investment *	(187,618)	(87,942)	(424,436)	(418,660)	(642,316)	
Payment for equity investment in subsidiaries	-	-	(10,000)	-	-	
Loans made to external parties	-	-	-	5,719	11,334	
Payment for purchase of fixed assets	(445,105)	(570,228)	(446,166)	(637,519)	(658,480)	
Amounts advanced to related parties	(197,621)	-	(179,275)	(46,421)	(194,275)	
Payment for investment properties	-	-	-	(20,212)	(31,246)	
Payment for goodwill	-	-	-	(6,032)	-	
Other	(1)	-	-	2,471	(3,938)	
Net cash (used in)/provided by investing activities		(429,381)	(651,174)	(452,855)	(684,569)	(687,533)
Cash flows from financing activities						
Proceeds from borrowing	431,450	371,586	445,500	872,837	872,631	
Repayment of borrowings	(363,006)	(54,249)	(408,964)	(695,657)	(764,757)	
Repayment of finance leases	(3,283)	-	(1,913)	(1,526)	(2,197)	
Dividends paid - non controlling interests	-	-	-	(5,012)	(3,218)	
Payment for share buy back	-	-	-	855	-	
Net cash provided by/(used in) financing activities	28.2	65,161	317,337	34,623	171,497	102,459
Net increase in cash and cash equivalents		(25,423)	-	(73,671)	(7,333)	(73,855)
Cash introduced due to consolidation of CCOs		-	-	-	-	-
Cash and cash equivalents at beginning of year		192,730	110,045	266,401	262,754	336,609
Cash and cash equivalents at end of year	16	167,307	110,045	192,730	255,421	262,754

The accompanying notes form part of and are to be read in conjunction with these financial statements.

* Prior year comparatives are restated for proceeds from sale of investment and payment for investment. In the prior year the signage () in the cash flow statement workings was incorrectly reflected. This resulted in the need for a correction to both parent and group of \$914,385,000 to Proceeds from sale of investment and (\$914,385,000) to payment for investment

Funding impact statement (whole of Council)

For the year ended 30 June 2022

	2022 Actual \$000	2022 Long Term Plan* \$000	2021 Annual Report \$000	2021 Annual Plan \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	370,106	368,527	343,792	343,212
Targeted rates	225,673	226,215	212,904	214,013
Subsidies and grants for operating purposes	37,109	29,565	55,391	22,620
Fees and charges	107,915	100,150	107,549	92,379
Interest and dividends from investments	45,032	38,260	65,963	47,567
Local authorities fuel tax, fines, infringement fees, and other receipts	39,223	15,018	18,746	12,999
Total operating funding (A)	825,058	777,735	804,345	732,790
Applications of operating funding				
Payments to staff and suppliers	471,092	448,144	458,623	454,376
Finance costs	86,823	85,429	86,746	88,635
Other operating funding applications	52,356	52,307	37,181	38,960
Total applications of operating funding (B)	610,271	585,880	582,550	581,971
Surplus (deficit) of operating funding (A-B)	214,787	191,855	221,795	150,819
Sources of capital funding				
Subsidies and grants for capital expenditure	104,718	119,041	54,839	42,407
Development and financial contributions	39,460	24,276	44,298	21,874
Increase (decrease) in debt	65,161	317,337	110,113	154,336
Gross proceeds from sale of assets	4,589	6,996	8,830	4,994
Lump sum contributions	-	-	-	-
Other dedicated capital funding	4,008	1,126	2,291	1,173
Total sources of capital funding (C)	217,936	468,776	220,371	224,784
Application of capital funding				
Capital expenditure				
- to replace existing assets	226,615	258,203	265,243	279,908
- to improve the level of service	161,267	314,207	96,157	184,431
- to meet additional demand	47,931	61,564	84,682	42,751
Increase (decrease) in reserves	12,211	1,657	9,071	(144,187)
Increase (decrease) of investments	(15,301)	25,000	(12,987)	12,700
Total applications of capital funding (D)	432,723	660,631	442,166	375,603
Surplus (deficit) of capital funding (C-D)	(214,787)	(191,855)	(221,795)	(150,819)
Funding balance ((A-B) + (C-D))	-	-	-	-

The accompanying notes form part of and are to be read in conjunction with these financial statements.

*In a LTP year, the first year of the LTP serves as the Annual Plan.

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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 2022. The financial statements were approved by the Council on 14 December 2022.

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 \$183 million (2021: \$148 million) for the current financial year ended 30 June 2022 and, as of that date, the Council had net current liabilities (current liabilities less cash and cash equivalents) of \$369 million (2021: \$885 million). As at 30 June 2022, the Parent met all of its prudential ratios. Management expect cash operating revenue to be on par with 2021/22 year in financial year 2022/23.

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.

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 2021/22 budget included in the 2021-31 Long Term Plan adopted on 23 June 2021.

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

Early adoption of PBE IPSAS 41 Financial Instruments

The Council has early adopted all requirements for PBE IPSAS 41 Financial Instruments as of 1 July 2021. As the Council early adopted PBE IFRS 9 Financial Instruments in 2019, transitioning from PBE IFRS 9 to PBE IPSAS 41 does not have any material impact on the Council's reporting requirements.

PBE IPSAS 40 Combinations

This standard was issued in July 2019 and replaces PBE IFRS 3 Business Combinations. PBE IFRS 3 excludes combinations under common control and combinations arising from local authority reorganisations from its scope. The new Standard has a broader scope, and establishes requirements for accounting for both acquisitions and amalgamations (using the modified pooling of interests method). PBE IPSAS 40 does not have any material impact on Council's 2021/22 annual report.

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 2022. 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 2023. 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.

Council's service performance reporting will expand to include the additional required information with the adoption to PBE FRS 48.

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 is measured at fair value.

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.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

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.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
General rates	366,840	340,527	356,673	331,206
Rates penalties	3,267	3,265	3,267	3,265
Targeted rates attributable to activities:				
- water	67,863	59,876	65,982	58,237
- excess water charges	2,366	2,604	2,300	2,533
- land drainage	38,551	35,804	37,483	34,824
- sewerage	82,654	80,015	80,363	77,825
- active travel	3,197	3,162	3,108	3,075
- waste minimisation	29,330	30,017	28,517	29,195
- fire service	115	110	112	107
- cathedral	1,042	1,031	1,013	1,003
- Akaroa medical	135	285	131	277
- heritage	74	-	72	-
- arts centre	196	-	191	-
- central city business association	150	-	146	-
Total rates revenue	595,780	556,696	579,358	541,547
Less remissions	(4,824)	(4,548)	(4,824)	(4,548)
Rates revenue net of remissions	590,956	552,148	574,534	536,999

Commentary / Korerotanga

The increase in annual rates collected by Parent reflects the 6.75% rise as part of the 2021-31 Long Term Plan and growth in rates units.

The annual rates revenue of the Parent for the year ended 30 June 2022 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is the "Rates revenue net of remissions" shown above.

Rating base information

Rating units within the district or region of the local authority at the end of the preceding financial year.

	30 Jun 21	30 Jun 20
	Actual	Actual
	\$000	\$000
Number of rating units	177,411	175,617
Total land value of rating units	50,199,198,900	49,917,350,400
Total capital value of rating units	116,694,854,550	114,001,380,550

Commentary / Korerotanga

The rating database as at 30 June 2021 is used to determine the rates revenue for the 2021/22 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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Waka Kotahi (NZTA) roading subsidies	41,243	68,493	41,243	68,493
The Treasury canterbury multi-use arena	49,205	8,180	49,205	8,180
Department of Internal Affairs (DIA) three water reforms	23,859	16,661	23,859	16,661
Other grants and subsidies	25,641	16,116	27,628	12,883
Total subsidies and grants	139,948	109,450	141,935	106,217

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 (\$41 million), the Canterbury Multi-use Arena (CMUA) project (\$49 million) and COVID-19 recovery “shovel ready” projects (\$8 million).

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Reserves	7,610	15,185	7,610	15,185
Waste Water	15,329	17,708	15,329	17,708
Water Supply	4,385	4,071	4,385	4,071
Storm Water	2,827	1,195	2,827	1,195
Road Network	5,106	3,998	5,106	3,998
Other assets	4,203	2,141	4,203	2,141
Total development and financial contributions	39,460	44,298	39,460	44,298

Commentary / Korerotanga

Residential construction on development sites around Christchurch continued in 2021/22 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

Building and resource consent fees

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

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

Sale of goods and services include electricity distribution revenue, airport service revenue, port services revenue, gross telecommunications revenue, waste and recycling services revenue and other sale of goods and services from Council subsidiaries.

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.

Rental revenue

Rental 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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Fees and charges	76,131	75,581	75,763	75,072
Vested assets	109,343	69,710	109,343	70,546
Sale of goods and services	-	-	492,547	454,910
Construction contract revenue	-	-	351,361	357,044
Rental revenue on investment property	-	-	34,672	35,341
Rental revenue	29,199	28,829	55,325	51,972
Dividends	22,544	42,662	64	65
Subvention receipts	11,437	489	-	-
Petroleum tax	1,220	2,568	1,220	2,568
Insurance receipts	10,040	-	10,040	-
MSD Wage Subsidy	-	-	2,351	4,930
Sundry revenue	25,734	22,209	72,752	50,722
Total operating and other revenue	285,648	242,048	1,205,438	1,103,170

Commentary / Korerotanga

The increase in fees and charges over the 2021 result represents the continued development activity in the housing market.

Vested assets in 2022 include the transfer of parts of the Residential Red Zone from the Crown namely Te Haka land (\$54.3 million), Port Hills (\$1.3 million) and Otakaro Avon River Corridor (\$4.3 million) as part of the Global Settlement Agreement with the Crown. The balance of the vested assets come from the infrastructure transferred to the Parent from residential and commercial developments. The 2021 result included the transfer of Port Hills, Brooklands / Southshore and performing arts precinct land from the Crown to the Parent.

Parent's rental revenue includes rent 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 dividends since 2020.

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Interest on borrowings	80,419	80,133	115,919	110,074
Interest on debt instruments	-	-	24,036	22,684
Interest on borrowing from group entity	-	-	(435)	-
Interest on finance leases	6,404	6,612	4,048	1,790
Other interest expense	-	-	1	6,024
Total finance costs	86,823	86,745	143,569	140,572

Commentary / Korerotanga

The Parent uses interest rate swap agreements to hedge its interest rate risk and reduce the year-by-year volatility of its interest costs. Interest on borrowings is therefore relatively stable as a percentage of total borrowings, despite the increase in market interest rates during the financial year.

4 Other expenses

Accounting Policy / Kaupapahere Kaute

Non-discretionary grants

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

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.

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 22	30 Jun 21	30 Jun 22	30 Jun 21
		Actual	Actual	Actual	Actual
		\$000	\$000	\$000	\$000
Audit fees	5	379	643	1,925	2,189
Directors' fees		-	-	2,974	2,907
Donations and grants		55,036	37,729	29,006	22,756
Net foreign exchange (gains) / losses		-	-	18	3
Minimum lease payments under operating leases		2,531	2,718	3,325	24,822
Raw materials and consumables used		-	-	41,965	44,561
Provision of services and maintenance of assets		183,061	167,655	165,512	126,804
Consultants and legal fees		20,530	16,298	37,385	28,265
Other operating expenses		61,453	67,512	357,161	327,832
Total other expenses		322,990	292,555	639,271	580,139

Commentary / Korerotanga

Within the Parent's results, other operating expenses includes capitalised overheads (including payroll costs) of \$41.6 million (2021: \$37 million).

In 2021/22 \$65,149 of rates were written off under sections 90A and 90B of the Local Government (Rating) Act 2002. (2020/21: 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.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Fees to Audit New Zealand				
- For audit of financial statements 2022	371	-	1,506	-
- For audit of financial statements 2021	-	368	20	1,471
- For audit of financial statements 2020	-	31	-	90
- For other assurance services	8	244	163	370
Fees to other firms for audit of financial statements	-	-	178	182
- For other assurance services	-	-	9	33
Fees paid to other Group Auditors	-	-	49	43
Total remuneration of auditors	4 379	643	1,925	2,189

Commentary / Korerotanga

Primary assurance service is provided by Audit New Zealand. This includes audit of the Council and the Mayor's Welfare Fund.

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.

Other assurance services provided by Audit New Zealand

Audit New Zealand audits the LGFA Debenture Trust Deed on behalf of the Parent. (2021: Audit of the LGFA Debenture Trust Deed and 2021-31 Long Term Plan)

Audit New Zealand 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.

Other losses

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.

6.1 Other gains and losses recognised in surplus / deficit

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Gains / losses in surplus / (deficit)				
Non-financial instruments				
Gains / (losses) on disposal of property, plant and equipment	(14,594)	(20,723)	(5,787)	(20,310)
Gains / (losses) on disposal of investment	-	-	715	587
Gains / (losses) on disposal of investment property or held for sale assets	-	-	-	-
Gains / (losses) on revaluation of property, plant and equipment	-	-	-	-
Gains / (losses) on revaluation of investment properties	-	-	49,915	46,451
(Impairment) / reversal of impairment on other assets	-	-	(250)	-
(Impairment) / reversal of impairment on property, plant and equipment	-	-	470	(9,687)
	(14,594)	(20,723)	45,063	17,041
Financial instruments				
Gains / (losses) through ineffectiveness of cash flow hedges	11,271	6,377	10,836	6,379
Gains / (losses) through de-recognition of cash flow hedges	(6,785)	(6,785)	(6,785)	(6,785)
Transfer from equity for cashflow hedges	-	-	-	-
Gains / (losses) through ineffectiveness of fair value hedges	-	-	107	102
Gains / (losses) on investments held at fair value through surplus and deficit	-	-	-	(39)
Impairment from expected credit loss	769	-	87	-
Fair value through income statement financial instruments fair value change	5,811	80	5,570	2,810
	11,066	(328)	9,815	2,467
Net other gains/(losses)	(3,528)	(21,051)	54,878	19,508

Commentary / Korerotanga

The residual value (\$15.5 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. (2021: \$16.7 million).

See Note 20.4 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.

Impairment from expected credit loss (ECL) includes ECL on trade and other receivables and ECL on other financial assets, mostly community loans.

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.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$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	197,533	294,244	-	-
Venues Ōtautahi Limited	25,668	(8,381)	-	-
Other	14,305	26,055	977	951
	237,506	311,918	977	951
Cash flow hedges gain / (loss)				
Unrealised gain / (loss) on changes in fair value of cash flow hedges	192,918	130,084	311,956	182,070
	192,918	130,084	311,956	182,070

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)

Derivative “swap” instruments are entered into for the purpose of reducing the volatility of cash interest costs from year to year, and all such instruments are designated as Cash Flow Hedges. The fair market value of these instruments increases / (decreases) in line with movements in market interest rates. Market interest rates were significantly higher in June 2022 compared with June 2021, resulting in a significant increase in instrument value, recorded as a cash-flow hedge gain.

See Note 20.6 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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Receivables from non-exchange transactions				
- Current	68,790	56,289	62,134	49,197
- Non-current	-	-	-	844
Receivables from exchange transactions				
- Current	9,384	9,622	135,505	109,009
- Non-current	-	-	5,209	5,878
Total debtors and other receivables	78,174	65,911	202,848	164,928
<i>This comprises of:</i>				
Rates receivables	11,022	12,080	11,022	12,080
Non-exchange receivables from user charges	4,352	5,656	5,108	5,656
Other trade receivables	41,506	26,680	132,665	98,764
Insurance receivables	-	-	-	-
Related party receivables	8,142	7,725	-	-
<i>Subtotal: Trade receivables</i>	<i>65,022</i>	<i>52,141</i>	<i>148,795</i>	<i>116,500</i>
Prepayments	3,599	4,248	25,898	26,180
Chargeable work in progress	-	-	24,302	18,896
Contract retentions	-	-	2,338	2,596
GST receivables	6,191	7,454	(618)	(6)
Dividends receivable	-	-	-	-
Other	3,801	2,516	4,149	2,957
Finance lease receivable	-	-	(230)	(348)
	78,613	66,359	204,634	166,775
Provision for impairment				
Individual impairment	-	-	-	(1,399)
Collective impairment	(439)	(448)	(1,786)	(448)
7.2	(439)	(448)	(1,786)	(1,847)
Total receivables and prepayments	78,174	65,911	202,848	164,928

Commentary / Korerotanga

There has been no material impact on the collectability of receipts from impact of COVID-19.

7.2 Movement in provision for impairment of receivables:

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual \$000	Actual \$000	Actual \$000	Actual \$000
Movement in provision for impairment of receivables				
At 1 July	(447)	(788)	(1,846)	(2,858)
Provisions made during year	(370)	(6)	(547)	(129)
Provisions reversed during year	212	124	343	713
Receivables written off during year	166	222	264	427
At 30 June	(439)	(448)	(1,786)	(1,847)

7.3 Credit risks aging of trade receivables

	30 Jun 22			Parent Net \$000	30 Jun 21			Group Net \$000
	Estimated gross amount at default \$000	Expected credit loss rate %	Impairment \$000		Estimated gross amount at default \$000	Expected credit loss rate %	Impairment \$000	
	Not past due	48,657	0.0%		(15)	48,642	119,008	
Past due 1-60 days	5,094	0.7%	(37)	5,057	11,920	0.4%	(46)	11,874
Past due 61-120 days	4,938	1.6%	(79)	4,859	6,751	1.3%	(89)	6,662
Past due over 120 days	6,333	4.9%	(308)	6,025	11,116	14.6%	(1,628)	9,488
Total	65,022		(439)	64,583	148,795		(1,786)	147,009

	30 Jun 21			Parent Net \$000	30 Jun 20			Group Net \$000
	Estimated gross amount at default \$000	Expected credit loss rate %	Impairment \$000		Estimated gross amount at default \$000	Expected credit loss rate %	Impairment \$000	
	Not past due	39,598	0.0%		(4)	39,594	87,770	
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

Commentary / Korerotanga

With the exception of amounts in dispute, no general allowance is provided on rates receivables as the Parent has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts.

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Taxes and transfers payable	8,360	9,138	28,949	20,117
Payables under exchange transactions - current	91,102	90,804	172,186	174,361
Payables under exchange transactions - non-current	1,060	1,590	1,060	1,589
Total creditors & other payables	100,522	101,532	202,195	196,067
<i>This comprises of:</i>				
Trade payables and accrued expenses	65,004	63,157	166,008	165,589
Amounts due to related parties	9,477	15,405	-	(1,275)
GST payable	-	-	-	-
Interest payable	12,615	10,610	21,415	17,380
Dividend payable	-	-	-	-
Deposits held	-	-	444	414
Amounts due to customers under construction contracts	-	-	19	46
Other	-	-	-	-
Retentions	13,426	12,360	14,309	13,913
Total creditors and other payables	100,522	101,532	202,195	196,067

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 22 Actual \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Current tax expense/(income)	(8)	-	26,710	23,494
Adjustments to current tax of prior years	-	-	(1,926)	780
Deferred tax expense/(income)	(227)	279	(22,197)	14,062
Impairment of deferred tax asset	-	-	-	-
Benefit arising from previously unrecognised tax losses	-	-	(1,500)	194
Reduction in deferred tax on buildings	-	-	-	(2,353)
Deferred tax expense/(income) from change in tax rates	-	-	-	-
Deferred tax expense relating to use of prior year losses	-	-	-	-
Total tax expense/(income)	(235)	279	1,087	36,177
Reconciliation of prima facie income tax:				
Surplus/(deficit) before tax	183,262	95,834	304,185	179,688
Income tax expense at 28%	51,314	26,834	85,171	50,315
Non-deductible expenses	240,117	235,962	241,616	241,141
Non-assessable income and non-deductible items	(282,656)	(249,976)	(310,593)	(254,253)
Effect on deferred tax balances of change in tax rate	-	-	-	-
Deferred tax recognised	(227)	279	(13,919)	991
Reduction in deferred tax on buildings	-	-	-	-
Previously unrecognised and unused tax losses now	-	-	-	-
Deferred tax assets on previously unrecognised and unused tax losses	-	-	-	-
(Over)/under provision of income tax in previous year	-	-	530	129
Imputation adjustment	(8,775)	(12,820)	-	-
Other	(8)	-	(1,718)	(2,146)
Total tax expense/(income)	(235)	279	1,087	36,177
Income tax recognised in other comprehensive income				
<i>Deferred tax</i>				
Asset revaluations	(227)	(1,437)	(44,063)	(39,759)
Revaluations of financial instruments treated as cash flow hedges	-	-	(31,820)	(16,081)
Effect on reserves balance due to changes in income tax rates	-	-	-	-
	(227)	(1,437)	(75,883)	(55,840)

Commentary / Korerotanga

The tax rate in the above reconciliation is the corporate tax rate of 28 per cent (2021: 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, Te Kaha Project Delivery Limited (formerly CMUA Project Delivery Limited) and Venue Ōtautahi Limited (formerly Vbase Limited). As at 30 June 2021, the CCC Tax group has total losses carried forward in excess of \$120 million.

During the year, the CCC Tax group distributed \$33.3 million of tax losses and received \$12.9 million of subvention payments from RBL Property Limited, Enable Networks Limited, Lyttelton Port Company Limited as representative member of Lyttelton Port Group, Civic Building Limited, Eco Central Limited, City Care Limited as representative of City Care Group.

9.2 Current tax assets and liabilities

	Parent		Group	
	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Current tax assets				
Subvention/Tax refund receivable	-	-	-	8,582
Total current tax assets	-	-	-	8,582
Current tax payables				
Income tax payable	-	-	-	1,111
Total current tax liabilities	-	-	-	1,111

9.3 Deferred tax balance

	Parent				Group				
	Charged to:				Charged to:				Acquired through business comb./
	Opening balance	Net surplus and deficit	Other compr. revenue and expense	Closing balance	Opening balance	Net surplus and deficit	Other compr. revenue and expense	Prior period adj.	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2022									
Deferred tax liabilities:									
Cashflow hedges									
Cashflow/Fair value hedges	-	-	-	-	4,621	687	10,704	3,873	19,885
Property, plant and equipment	3,540	(48)	227	3,719	367,692	6,618	44,063	29,448	447,821
Intangible assets	-	-	-	-	28	(492)	-	464	-
Other	-	-	-	-	58,104	(2,863)	-	726	55,967
Total deferred tax liabilities	3,540	(48)	227	3,719	430,445	3,950	54,767	34,511	523,673
Deferred tax assets:									
Cashflow hedges									
Cashflow/Fair value hedges	-	-	-	-	17,410	-	(21,116)	3,873	167
Property, plant and equipment	-	-	-	-	-	218	-	29,463	29,681
Intangible assets	-	-	-	-	-	-	-	464	464
Provisions and employee entitlements	-	-	-	-	9,274	1,116	-	(22)	10,368
Doubtful debts and impairment losses	-	-	-	-	153	(1)	-	(115)	37
Tax losses	3,540	179	-	3,719	3,143	25,233	-	(81)	28,295
Other	-	-	-	-	2,861	(419)	-	291	2,733
Total deferred tax assets	3,540	179	-	3,719	32,841	26,147	(21,116)	33,873	71,745
Net deferred tax liability / (asset)	-	(227)	227	-	397,604	(22,197)	75,883	638	451,928

	Parent				Group				
	Charged to:				Charged to:			Acquired through business comb./ Prior period adj.	Closing balance
	Opening balance	Net surplus and deficit	Other compr. revenue and expense	Closing balance	Opening balance	Net surplus and deficit	Other compr. revenue and expense		Closing balance
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2021									
Deferred tax liabilities:									
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/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	-	221	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

9.4 Unrecognised tax losses

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
The following tax losses have not been brought to account as assets:				
Tax losses	5,775	17,485	-	-
Tax effect	1,617	4,896	-	-

9.5 Imputation credit balances

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Imputation credits available to the tax group for use in subsequent reporting periods	-	-	202,804	183,706

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. Operating 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.

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

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.

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.

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.

Restrictions

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).

Leasing

The net carrying amount of plant and equipment held under finance leases is \$198 million (2021: \$199 million). Note 22 provides further information about finance leases.

Useful life

The following table highlights the useful life 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
Computer and other 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	Closing balances		
	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000		Net movements \$000	Cost/ valuation \$000	Accumulated depreciation \$000
Parent 2022							
Operational assets							
Freehold land	516,538	(19)	516,519	231,656	750,970	(2,795)	748,175
Buildings	1,110,533	(3,569)	1,106,964	121,814	1,258,088	(29,310)	1,228,778
Plant & equipment	128,085	(100,386)	27,699	(1,905)	134,930	(109,136)	25,794
Electricity distribution	-	-	-	-	-	-	-
Specialised assets	-	-	-	-	-	-	-
Work in progress (10.2)	135,577	-	135,577	56,874	192,451	-	192,451
Landfill at cost	8,217	(8,217)	-	-	8,217	(8,217)	-
Library books at cost	136,653	(123,898)	12,755	(106)	140,536	(127,887)	12,649
	2,035,603	(236,089)	1,799,514	408,333	2,485,192	(277,345)	2,207,847
Infrastructure assets							
Roads and footpaths (10.3)	2,925,292	(132,797)	2,792,495	277,303	3,070,123	(325)	3,069,798
Waste water (10.3)	2,921,338	(70,091)	2,851,247	517,517	3,374,217	(5,453)	3,368,764
Water supply (10.3)	1,690,881	(40,658)	1,650,223	264,176	1,917,700	(3,300)	1,914,400
Storm water (10.3)	1,564,057	(21,247)	1,542,810	218,282	1,762,642	(1,550)	1,761,092
Work in progress (10.2)	201,101	-	201,101	52,826	253,927	-	253,927
	9,302,669	(264,793)	9,037,876	1,330,104	10,378,609	(10,628)	10,367,981
Restricted assets							
Land and buildings	1,175,693	(2,846)	1,172,847	257,015	1,454,189	(24,327)	1,429,862
Marine structure	43,047	(603)	42,444	(1,639)	43,354	(2,549)	40,805
Artworks	80,984	(161)	80,823	28,866	109,689	-	109,689
Heritage assets	21,486	(191)	21,295	(22)	21,486	(213)	21,273
Public art	16,552	(5)	16,547	131	16,699	(21)	16,678
Library books	8,609	-	8,609	386	8,995	-	8,995
Work in progress (10.2)	8,920	-	8,920	9,520	18,440	-	18,440
	1,355,291	(3,806)	1,351,485	294,257	1,672,852	(27,110)	1,645,742
Total Parent PPE	12,693,563	(504,688)	12,188,875	2,032,694	14,536,653	(315,083)	14,221,570

Property, plant and equipment (Parent) continued

	Current year movements						Net current year movements \$000
	Additions \$000	Net disposals/ Transfers* \$000	Impairment charged to surplus \$000	Net movement in WIP \$000	Depreciation \$000	Revaluation movement \$000	
Parent 2022							
Operational assets							
Freehold land	65,258	(2,205)	-	-	(2,777)	171,380	231,656
Buildings	49,481	(54)	-	-	(25,742)	98,129	121,814
Plant & equipment	7,779	(460)	-	-	(9,224)	-	(1,905)
Electricity distribution	-	-	-	-	-	-	-
Specialised assets	-	-	-	-	-	-	-
Work in progress (10.2)	-	-	-	56,874	-	-	56,874
Landfill at cost	-	-	-	-	-	-	-
Library books at cost	3,883	-	-	-	(3,989)	-	(106)
	126,401	(2,719)	-	56,874	(41,732)	269,509	408,333
Infrastructure assets							
Roads and footpaths (10.3)	133,047	(3,973)	-	-	(69,492)	217,721	277,303
Waste water (10.3)	34,812	(6,430)	-	-	(66,994)	556,129	517,517
Water supply (10.3)	30,463	(4,140)	-	-	(39,593)	277,446	264,176
Storm water (10.3)	29,217	(1,150)	-	-	(20,925)	211,140	218,282
Work in progress (10.2)	-	-	-	52,872	-	(46)	52,826
	227,539	(15,693)	-	52,872	(197,004)	1,262,390	1,330,104
Restricted assets							
Land and buildings	46,420	(1,189)	-	-	(21,481)	233,265	257,015
Marine structure	307	-	-	-	(1,946)	-	(1,639)
Artworks	623	-	-	-	(82)	28,325	28,866
Heritage assets	-	-	-	-	(22)	-	(22)
Public art	148	-	-	-	(17)	-	131
Library books	386	-	-	-	-	-	386
Work in progress (10.2)	-	-	-	9,520	-	-	9,520
	47,884	(1,189)	-	9,520	(23,548)	261,590	294,257
Total Parent PPE	401,824	(19,601)	-	119,266	(262,284)	1,793,489	2,032,694

* Disposals in this reconciliation are reported net of accumulated depreciation and include PPE classified as held for sale during the year.

Property, plant and equipment (Parent) *continued*

	Opening balances			Current year	Closing balances		
	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000	Net movements \$000	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000
Parent 2021							
Operational assets							
Freehold land	523,761	(5,520)	518,241	(1,722)	516,538	(19)	516,519
Buildings	907,526	(59,279)	848,247	258,717	1,110,533	(3,569)	1,106,964
Plant & equipment	157,247	(114,024)	43,223	(15,524)	128,085	(100,386)	27,699
Electricity distribution	-	-	-	-	-	-	-
Specialised assets	-	-	-	-	-	-	-
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	(577)	136,653	(123,898)	12,755
	1,791,655	(306,864)	1,484,791	314,723	2,035,603	(236,089)	1,799,514
Infrastructure assets							
Roads and footpaths (10.3)	2,724,211	(64,504)	2,659,707	132,788	2,925,292	(132,797)	2,792,495
Waste water (10.3)	2,864,388	(3,693)	2,860,695	(9,448)	2,921,338	(70,091)	2,851,247
Water supply (10.3)	1,660,421	(1,466)	1,658,955	(8,732)	1,690,881	(40,658)	1,650,223
Storm water (10.3)	1,520,095	(649)	1,519,446	23,364	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	85,411	9,302,669	(264,793)	9,037,876
Restricted assets							
Land and buildings	999,530	(29,584)	969,946	202,901	1,175,693	(2,846)	1,172,847
Marine structure	32,016	(4,322)	27,694	14,750	43,047	(603)	42,444
Artworks	79,230	(79)	79,151	1,672	80,984	(161)	80,823
Heritage assets	23,179	(181)	22,998	(1,703)	21,486	(191)	21,295
Public art	15,339	(94)	15,245	1,302	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	222,741	1,355,291	(3,806)	1,351,485
Total Parent PPE	11,977,436	(411,436)	11,566,000	622,875	12,693,563	(504,688)	12,188,875

Property, plant and equipment (Parent) continued

	Current year movements						Net current year movements \$000
	Additions \$000	Net disposals/ Transfers* \$000	Impairment charged to surplus \$000	Net movement in WIP \$000	Depreciation \$000	Revaluation movement \$000	
Parent 2021							
Operational assets							
Freehold land	8,521	(11,760)	-	-	(2,880)	4,397	(1,722)
Buildings	28,693	10,912	-	-	(32,507)	251,619	258,717
Plant & equipment	7,725	(14,165)	-	-	(9,084)	-	(15,524)
Electricity distribution	-	-	-	-	-	-	-
Specialised assets	-	-	-	-	-	-	-
Work in progress (10.2)	-	-	-	73,829	-	-	73,829
Landfill at cost	-	-	-	-	-	-	-
Library books at cost	3,497	-	-	-	(4,074)	-	(577)
	48,436	(15,013)	-	73,829	(48,545)	256,016	314,723
Infrastructure assets							
Roads and footpaths (10.3)	203,745	(2,594)	-	-	(68,363)	-	132,788
Waste water (10.3)	63,377	(6,384)	-	-	(66,441)	-	(9,448)
Water supply (10.3)	35,708	(5,210)	-	-	(39,230)	-	(8,732)
Storm water (10.3)	46,210	(2,223)	-	-	(20,623)	-	23,364
Work in progress (10.2)	-	-	-	(52,561)	-	-	(52,561)
	349,040	(16,411)	-	(52,561)	(194,657)	-	85,411
Restricted assets							
Land and buildings	66,467	29	-	-	(14,633)	151,038	202,901
Marine structure	749	(1,025)	-	-	(1,405)	16,431	14,750
Artworks	1,454	298	-	-	(80)	-	1,672
Heritage assets	33	(1,714)	-	-	(22)	-	(1,703)
Public art	571	856	-	-	(17)	(108)	1,302
Library books	384	-	-	-	-	-	384
Work in progress (10.2)	-	-	-	3,435	-	-	3,435
	69,658	(1,556)	-	3,435	(16,157)	167,361	222,741
Total Parent PPE	467,134	(32,980)	-	24,703	(259,359)	423,377	622,875

* 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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Waste water	92,499	64,751	92,499	64,751
Water supply	48,188	23,848	48,188	23,848
Storm water	61,437	50,954	61,437	50,954
Roading and footpaths	51,803	61,548	51,803	61,548
Total infrastructural	253,927	201,101	253,927	201,101
Building - operational	192,451	135,577	192,451	135,577
Building - restricted	18,440	8,920	18,440	8,920
Other- Operational	-	-	143,304	113,948
Total PPE work in progress	464,818	345,598	608,122	459,546

Commentary / Korerotanga

Major infrastructure projects within work in progress include a number of wastewater and water reticulation repair and replacement programmes such as the Lyttelton Harbour Wastewater Scheme and Akaroa Reclaimed Water Treatment and Reuse Scheme. Operating projects within work in progress include metro sport facility and Te Kaha.

Work continued across the Group updating infrastructure assets including the fibre network and electrical reticulation.

10.3 Core Assets (Parent)

2022	Closing Book Value	Assets constructed for the year	Assets transferred for the year	Replacement Cost as at year end
	\$000	\$000	\$000	\$000
Treatment plants	11,138	-	-	17,112
Reticulation	1,903,261	27,200	3,263	3,455,880
Water supply	1,914,399	27,200	3,263	3,472,992
Treatment plants	275,875	1,312	-	572,270
Reticulation	3,092,889	28,697	4,803	5,706,168
Waste water	3,368,764	30,009	4,803	6,278,438
Storm water drainage	1,582,838	1,198	8,598	2,411,146
Flood protection and control works	178,254	19,421	-	195,499
Stormwater	1,761,092	20,619	8,598	2,606,645
Roads and footpaths	3,069,798	115,397	17,650	4,779,385
Total infrastructure assets	10,114,053	193,225	34,314	17,137,460

2021	Closing Book Value \$000	Assets constructed for the year \$000	Assets transferred for the year \$000	Replacement Cost as at year end \$000
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
Stormwater	1,542,810	41,703	4,507	2,259,786
Roads and footpaths	2,792,495	188,762	14,983	4,238,937
Total infrastructure assets	8,836,775	323,721	25,319	14,650,598

Commentary / Korerotanga

The Parent completed the construction of \$192.6 million (2021: \$323.0 million) relating to its core infrastructure and received a further \$43.0 million (2021: \$25.3 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/fair value assessment of the asset class, water supply (2022), wastewater (2022), storm water drainage including flood protection and control works (2022) and roads and footpaths (2022), plus assets constructed and transferred since the last revaluation date.

10.4 Revaluations and review for impairment (Parent)

2022 Revaluations

The following revaluations were undertaken in 2022 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 2022. 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 most 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 community centres, public toilets, sports facilities, and some heritage items. In these instances, buildings have been valued on an estimated cost less depreciation basis. 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.

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 Movement Up \$000	Valuation Movement Down \$000
	+5%	-5%
Land and buildings	154,056	(154,056)

Roads and Footpaths

Roading assets were revalued by WSP New Zealand Limited at 30 June 2022. The fair value of the roading assets was determined using the depreciated replacement cost (DRC) method in accordance with PBE IPSAS 17. In 2022, the fair value of roading assets was revalued to \$2.5 billion excluding land under roads before impairment.

Note: The Roads and Footpaths class of assets includes \$439.9 million of land under roads which has not been revalued. The Parent's policy is not to revalue land under roads.

Valuation Sensitivity Table

	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
	+5%	-5%
Roads and footpaths	131,497	(131,497)

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.

Due to economic conditions since 2020, Council engaged WSP to perform a fair value assessment of the three waters assets' carrying amount on 30 June 2022. This fair value assessment suggested material movement in the fair value of these asset classes. The carrying amount of these asset classes have been adjusted accordingly to reflect their current fair value.

The fair value assessment was conducted in accordance with PBE IPSAS 17 and appropriate international valuation standards. It was conducted based on the 2020 valuation schedules and adjusted for:

- 30 June 2020 to 30 June 2022 depreciation,
- indexed cost rates,
- 30 June 2020 to 30 June 2022 additions and deletions, and
- updated valuation assumptions and parameters.

Valuation Sensitivity Table

	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
	+5%	-5%
Wastewater	168,438	(168,438)
Water supply	95,720	(95,720)
Storm water	88,055	(88,055)

Artworks

Works of art housed at the Christchurch Art Gallery (CAG) and Akaroa Museum have been valued as at 30 June 2022 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 \$109.7 million.

Other valuations

Other than the revaluations undertaken in 2022, the most recent valuations for the other asset classes were as follows:

Park improvements (included in restricted land and buildings)

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 GST inclusive) 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.

Heritage Assets

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.

	Total \$000	Released Prior Years \$000	Released Current Year \$000	Outstanding \$000
Buildings/ facilities	142,034	(126,100)	-	15,934
Impairments	142,034	(126,100)	-	15,934
Infrastructural assets				
Roading	-	-	-	-
Wastewater	1,116	-	-	1,116
Water	-	-	-	-
Stormwater	-	-	-	-
Impairments	1,116	-	-	1,116
Impairments	143,150	(126,100)	-	17,050

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 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 2022 (2021: \$15.9 million).

Trickling Filters

In November 2021, the two trickling filters located at the Council’s Bromley Wastewater Treatment Plant suffered significant damage as a result of a fire. The fire has had a significant impact on the Council’s ability to process waste water in Christchurch.

The plant and equipment associated with the trickling filters has been assessed for damage resulting in a large portion of the assets associated with the trickling filters being impaired in particular the media within the silos.

The trickling filters are a component of the waste water infrastructure class of property, plant and equipment. The waste water class has sufficient valuation gains to cover the cost of the impairment and therefore no impairment expense has been recognised in the statement of financial performance.

10.5 Insurance of assets (Parent)

	30 Jun 22 \$000	30 Jun 21 \$000
Insurance		
Insured value of assets covered by insurance	2,821,202	2,734,409
Book value of assets covered by insurance	8,508,917	7,322,125
Financial risk sharing arrangements		
Insured value of assets covered by financial risk sharing arrangements	-	-
Book value of assets covered by financial risk sharing arrangements	-	-
Total value of assets that are self-insured	-	-
Value of fund maintained for self-insured assets	-	-
Overall Cover		
The maximum amount to which assets are insured under Council insurance policies	2,821,202	2,734,409
Total book value of property Plant and Equipment	14,221,570	12,188,875

Commentary / Korerotanga

Insurance cover

At 30 June 2022 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 the cover over all buildings 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, which will contribute up to 60 per cent of the cost of reinstating the assets. This gives 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	Closing balances		
	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000		Net movements \$000	Cost/ valuation \$000	Accumulated depreciation \$000
Group 2022							
Operational assets							
Freehold land	1,240,155	(12,071)	1,228,084	330,061	1,573,001	(14,856)	1,558,145
Buildings	2,074,670	(238,304)	1,836,366	196,101	2,322,523	(290,056)	2,032,467
Plant & equipment	627,302	(469,984)	157,318	(6,048)	653,335	(502,065)	151,270
Electricity distribution	1,215,915	(169,773)	1,046,142	133,019	1,391,176	(212,015)	1,179,161
Airport infrastructure	493,398	(33,595)	459,803	23,327	527,812	(44,682)	483,130
Harbour structures	324,248	(147,025)	177,223	(476)	330,220	(153,473)	176,747
Optical fibre network	769,311	(70,100)	699,211	9,746	801,992	(93,035)	708,957
Work in progress (10.2)	249,525	-	249,525	86,230	335,755	-	335,755
Landfill at cost	8,217	(8,217)	-	-	8,217	(8,217)	-
Library books at cost	136,653	(123,898)	12,755	(918)	139,726	(127,889)	11,837
	7,139,394	(1,272,967)	5,866,427	771,042	8,083,757	(1,446,288)	6,637,469
Infrastructure assets	9,306,539	(264,793)	9,041,746	1,330,104	10,382,479	(10,629)	10,371,850
Restricted assets	1,355,291	(3,806)	1,351,485	294,257	1,672,852	(27,110)	1,645,742
Total Group PPE	17,801,224	(1,541,566)	16,259,658	2,395,403	20,139,088	(1,484,027)	18,655,061
Group 2021							
Operational assets**							
Freehold land	1,252,223	(17,516)	1,234,707	(6,623)	1,240,155	(12,071)	1,228,084
Buildings	1,810,208	(255,775)	1,554,433	281,933	2,074,670	(238,304)	1,836,366
Plant & equipment	639,893	(456,735)	183,158	(25,840)	627,302	(469,984)	157,318
Electricity distribution	1,161,716	(129,558)	1,032,158	13,984	1,215,915	(169,773)	1,046,142
Airport infrastructure	435,162	(21,739)	413,423	46,380	493,398	(33,595)	459,803
Harbour structures	309,051	(141,959)	167,092	10,131	324,248	(147,025)	177,223
Optical fibre network	673,323	(49,111)	624,212	74,999	769,311	(70,100)	699,211
Work in progress (10.2)	154,537	-	154,537	94,988	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	(577)	136,653	(123,898)	12,755
	6,577,486	(1,200,434)	5,377,052	489,375	7,139,394	(1,272,967)	5,866,427
Infrastructure assets	9,026,647	(70,312)	8,956,335	85,411	9,306,539	(264,793)	9,041,746
Restricted assets	1,163,004	(34,260)	1,128,744	222,741	1,355,291	(3,806)	1,351,485
Total Group PPE	16,767,137	(1,305,006)	15,462,131	797,527	17,801,224	(1,541,566)	16,259,658

Property plant and equipment (Group) *continued*

	Current year movements						Net current year movements \$000
	Additions \$000	Net disposals/ Transfers* \$000	Impairment charged to surplus \$000	Net movement in WIP \$000	Depreciation \$000	Revaluation movement \$000	
Group 2022							
Operational assets							
Freehold land	66,591	(15,352)	-	-	(2,786)	281,608	330,061
Buildings	95,370	5,599	4,134	-	(66,360)	157,358	196,101
Plant & equipment	22,826	3,097	-	-	(32,561)	590	(6,048)
Electricity distribution	93,496	2,261	(3,664)	-	(42,242)	83,168	133,019
Airport infrastructure	-	4,627	-	-	(11,087)	29,787	23,327
Harbour structures	543	5,429	-	-	(6,448)	-	(476)
Optical fibre network	840	31,841	-	-	(22,935)	-	9,746
Work in progress (10.2)	81,287	(59,345)	-	64,288	-	-	86,230
Landfill at cost	-	-	-	-	-	-	-
Library books at cost	4,115	(1,042)	-	-	(3,991)	-	(918)
	365,068	(22,885)	470	64,288	(188,410)	552,511	771,042
Infrastructure assets	227,539	(15,693)	-	52,872	(197,004)	1,262,390	1,330,104
Restricted assets	47,884	(1,189)	-	9,520	(23,548)	261,590	294,257
Total Group PPE	640,491	(39,767)	470	126,680	(408,962)	2,076,491	2,395,403
Group 2021							
Operational assets							
Freehold land	4,704	(26,030)	(53)	-	(2,937)	17,693	(6,623)
Buildings	50,808	37,702	(5,603)	-	(70,746)	269,772	281,933
Plant & equipment	31,532	(20,220)	(1,144)	(61)	(35,947)	-	(25,840)
Electricity distribution	50,478	4,615	(2,263)	-	(40,215)	1,369	13,984
Airport infrastructure	-	9,619	-	-	(11,856)	48,617	46,380
Harbour structures	16,301	(480)	(624)	-	(5,066)	-	10,131
Optical fibre network	28,952	-	-	-	(20,989)	67,036	74,999
Work in progress (10.2)	94,930	(73,681)	-	73,739	-	-	94,988
Landfill at cost	-	-	-	-	-	-	-
Library books at cost	3,497	-	-	-	(4,074)	-	(577)
	281,202	(68,475)	(9,687)	73,678	(191,830)	404,487	489,375
Infrastructure assets	349,040	(16,411)	-	(52,561)	(194,657)	-	85,411
Restricted assets	69,658	(1,556)	-	3,435	(16,157)	167,361	222,741
Total Group PPE	699,900	(86,442)	(9,687)	24,552	(402,644)	571,848	797,527

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 Council’s subsidiaries. Detailed valuation assumptions, methodologies and discount rates can be found in the individual financial statements for the subsidiaries.

CCHL Group

Orion New Zealand Ltd

Electricity distribution network

The electricity distribution network was revalued to fair value of \$1.183 billion as at 31 March 2022 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 \$1.234 billion.

Deloitte performed sensitivity analysis as follows:

- a capital expenditure increase/(decrease) of 5% would decrease/(increase) fair value by \$14.4 million/(\$14.4 million)
- an operating expenditure increase/(decrease) of 5% would decrease/(increase) fair value by \$12.6 million/(\$12.6 million)
- a discount rate increase/(decrease) of 0.5% would decrease/(increase) fair value by \$56.0 million/(\$58.9 million)
- an increase/(decrease) in distribution revenue of 0.5% would increase/(decrease) fair value by \$10.1 million/(\$10.1 million)

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 2022. 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 5.75 per cent and compared with recent market transactions. The Waterloo Road depot site was using a market rental assessment and capitalisation rate of 4.75 per cent and compared with recent market transactions. This resulted in a land and non-substation valuation of \$140.6 million (2021: \$108 million).

Christchurch International Airport Ltd

On 30 June 2022 Land, Commercial Buildings, and Car Parking assets were revalued by independent valuer Crighton Anderson Property and Infrastructure Ltd trading as Colliers International Ltd. The Hotel business assets were valued by CBRE Limited as at 30 June 2022 and is included in the building revaluation. Sealed surfaces and infrastructure assets were valued by independent valuers WSP New Zealand Ltd as at 30 June 2022. The terminal assets and specialised buildings were last valued at 30 June 2021 by WSP New Zealand Ltd.

Valuation Sensitivity Table

	Valuation Movement Up \$000	Valuation Movement Down \$000
Land +/-5%		
Landside Avg/hectare \$920,000 (2021: \$750,000)	25,000	(25,000)
Airside Avg/hectare \$130,000 (2021: \$110,000)		
Infrastructure and Sealed Surfaces +/-5%		
Sealed Surfaces average cost of \$304 (2021: \$263)	16,400	(16,400)
Infrastructure average cost of \$548 (2021: \$503)		
Buildings +/-5%		
Average cost of \$1,309 (2021: \$1,309)	1,700	(1,700)
Hotel Business Assets		
Discount rate +/-0.5%	3,000	(3,000)
Capitalisation rate +/-0.25%	3,000	(3,000)
Terminal +/-5%		
Average cost of \$3,817 (2018:\$4,111)	14,800	(14,800)
Car Parking		
Discount rate +/-5%	9,250	(9,250)
Change in growth rate to 0% or 1.0% for year 11 onwards	1,000	(1,000)

Lyttelton Port Company Ltd

Net carrying value at 30 June 2022 was \$508 million (2021: \$468 million). Property, Plant and Equipment is carried at fair value. LPC has fair valued all of its property, plant and equipment.

LPC believes that valuing the assets based on future cash flows (the income approach) is the most appropriate technique to use to assess fair value. 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 has been estimated.

LPC is not currently achieving a full recovery of the Enterprise Value (EV). The EV is less than the Optimised Depreciated Replacement Cost (ODRC), and the ODRC, in effect, overstates the value of LPC's assets at this time. Therefore, LPC believes that EV is a more accurate estimate of the value of 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 LPC's combined assets. LPC's property, plant and equipment are all categorised as Level 3 in the fair value hierarchy. In 2020, LPC engaged an independent valuer to assess the fair value of LPC's property, plant and equipment on a cost-approach using ODRC as the valuation technique. LPC also prepared an internal enterprise valuation using a discounted cash flow technique. The Board assessed that an income-based approach under IFRS 13 to fair value property, plant and equipment was a better assessment of fair value than using the cost-based approach. Therefore, the Board has adopted the internal valuation to fair value the assets.

In considering these assumptions, LPC's Board of 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. LPC's Board of Directors believe, in considering the sensitivities, that they have reached the appropriate balance in arriving at their valuation assumptions.

Valuation Sensitivity Table

	Valuation Movement Up	Valuation Movement Down
	\$000	\$000
EBITDA Margin +/-1% (all years)	12,320	(12,320)
WACC +/-0.5%	(96,401)	118,753
Container TEU Growth +/-0.5% (compounding per year)	87,052	(83,615)
Capital Cost +/-10% (all years)	(74,271)	67,520
Terminal Growth +/-0.5%	67,884	(56,178)

COVID consideration

In determining the assumptions within the valuation, LPC has considered the on-going impacts of COVID and does not anticipate any material impact to the financial performance of LPC. The sensitivity of isolated changes in key assumptions is set out in the table above. The general economic uncertainty created by COVID means that the forecasts could be subject to material change which is outside LPC's control. LPC continues to monitor the impact of COVID on the business and will respond and adapt as changes occur.

Enable Services Ltd

The net carrying value of assets was \$722 million (2021: \$703 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

	Lower Value	Upper Value
	\$000	\$000
Long run uptake +/- 10%	604,000	796,000
Average revenue per user +/- 0.5%	659,000	745,000
WACC +/- 0.5%	653,000	752,000

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 2022 comprised less than 1% (2021: less than 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

An independent valuer, Bayleys Valuations Limited, performed the most recent valuation of the buildings for the Christchurch Town Hall and Christchurch Arena at 30 June 2022. The opinion of the valuer was arrived at by a registered valuer (FPINZ), in accordance with PBE IPSAS 17.

The total fair value of the buildings assessed by Bayleys at 30 June 2022 was \$228.5 million using a depreciated cost approach. There have been no optimisation adjustments for the most recent valuations and the remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans and experience with similar buildings.

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.

Carbon emission units

The Parent being a public benefit entity records carbon credits received from the Crown upon the registration of indigenous and exotic forest and plantations at historical cost. Group entities that prepare financial statements on the basis of "for profit" accounting standards record carbon emission units at fair value. The consolidated group financial statements are restated to historical cost for this class of intangible assets.

Useful lives

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	Closing balances		
	Cost/ valuation \$000	Accumulated depreciation \$000	Carrying amount \$000		Net movements \$000	Cost/ valuation \$000	Accumulated depreciation \$000
Parent 2022							
Goodwill	-	-	-	-	-	-	-
Other intangible assets							
Software	157,912	(85,099)	72,813	(6,589)	169,013	(102,789)	66,224
Work in progress (11.2)	8,584	-	8,584	9,657	18,241	-	18,241
Trademarks	3,304	(3,299)	5	-	3,304	(3,299)	5
Other	10,387	(5,280)	5,107	492	12,050	(6,451)	5,599
	180,187	(93,678)	86,509	3,560	202,608	(112,539)	90,069
Total Parent intangibles	180,187	(93,678)	86,509	3,560	202,608	(112,539)	90,069
Group 2022							
Goodwill	46,333	(41,197)	5,136	(250)	46,333	(41,447)	4,886
Other intangible assets							
Easements & resource consents	4,828	(3,826)	1,002	(116)	4,828	(3,942)	886
Software	231,761	(143,844)	87,917	(7,112)	249,873	(169,068)	80,805
Work in progress (11.2)	9,996	-	9,996	9,868	19,864	-	19,864
Trademarks	3,304	(3,300)	4	-	3,304	(3,300)	4
Other	14,115	(6,829)	7,286	1,717	17,069	(8,066)	9,003
	264,004	(157,799)	106,205	4,357	294,938	(184,376)	110,562
Total Group intangibles	310,337	(198,996)	111,341	4,107	341,271	(225,823)	115,448

Intangible assets *continued*

	Current year movements						Current year net movements \$000
	Additions	Additions from internal development	Net disposals/ Transfers	Net movement in WIP	Impairment charged to Surplus	Amortisation	
	\$000	\$000	\$000	\$000	\$000	\$000	
Parent 2022							
Goodwill	-	-	-	-	-	-	-
Other intangible assets							
Software	11,102	-	-	-	-	(17,691)	(6,589)
Work in progress (11.2)	-	-	-	9,657	-	-	9,657
Trademarks	-	-	-	-	-	-	-
Other	1,664	-	-	-	-	(1,172)	492
	12,766	-	-	9,657	-	(18,863)	3,560
Total Parent intangibles	12,766	-	-	9,657	-	(18,863)	3,560
Group 2022							
Goodwill	-	-	-	-	(250)	-	(250)
Other intangible assets							
Easements & resource consents	-	-	-	-	-	(116)	(116)
Software	14,107	1,392	2,614	(2)	-	(25,223)	(7,112)
Work in progress (11.2)	2,420	-	(2,209)	9,657	-	-	9,868
Trademarks	-	-	-	-	-	-	-
Other	2,122	-	844	-	(11)	(1,238)	1,717
	18,649	1,392	1,249	9,655	(11)	(26,577)	4,357
Total Group intangibles	18,649	1,392	1,249	9,655	(261)	(26,577)	4,107

Intangible assets *continued*

	Opening balances			Current year	Closing balances		
	Cost/ valuation	Accumulated depreciation	Carrying amount	Net movements	Cost/ valuation	Accumulated depreciation	Carrying amount
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Parent 2021							
Goodwill	-	-	-	-	-	-	-
Other intangible assets							
Easements & resource consents	-	-	-	-	-	-	-
Software	144,930	(76,595)	68,335	4,478	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	(1,403)	10,387	(5,280)	5,107
	174,558	(84,145)	90,413	(3,904)	180,187	(93,678)	86,509
Total Parent intangibles	174,558	(84,145)	90,413	(3,904)	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	(839)	4,828	(3,826)	1,002
Software	214,529	(128,412)	86,117	3,800	233,761	(143,844)	89,917
Work in progress (11.2)	18,365	-	18,365	(8,369)	9,996	-	9,996
Trademarks	3,304	(3,300)	4	-	3,304	(3,300)	4
Other	13,009	(5,753)	7,256	30	14,115	(6,829)	7,286
	254,743	(141,160)	113,583	(5,378)	266,004	(157,799)	108,205
Total Group intangibles	301,076	(182,357)	118,719	(5,378)	312,337	(198,996)	113,341

Intangible assets *continued*

	Current year movements						Net current year movments \$000
	Additions	Additions from internal development	Net disposals/ Transfers	Net movement in WIP	Impairment charged to Surplus	Amortisation	
	\$000	\$000	\$000	\$000	\$000	\$000	
Parent 2021							
Goodwill	-	-	-	-	-	-	-
Other intangible assets							
Easements & resource consents	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Work in progress (11.2)	19,381	-	1,494	-	-	(16,397)	4,478
Trademarks	-	-	-	(6,979)	-	-	(6,979)
Other	-	-	-	-	-	-	-
	1,621	-	(1,997)	-	-	(1,027)	(1,403)
	21,002	-	(503)	(6,979)	-	(17,424)	(3,904)
Total Parent intangibles							
	21,002	-	(503)	(6,979)	-	(17,424)	(3,904)
Group 2021							
Goodwill	-	-	-	-	-	-	-
Other intangible assets							
Easements & resource consents	-	-	-	-	-	-	-
Software	11	-	(719)	-	-	(131)	(839)
Work in progress (11.2)	20,214	1,200	5,711	-	-	(23,325)	3,800
Trademarks	2,593	-	(3,983)	(6,979)	-	-	(8,369)
Other	-	-	-	-	-	-	-
	3,141	-	(2,033)	2	(6)	(1,074)	30
	25,959	1,200	(1,024)	(6,977)	(6)	(24,530)	(5,378)
Total Group intangibles							
	25,959	1,200	(1,024)	(6,977)	(6)	(24,530)	(5,378)

11.2 Work in progress

Intangible assets under construction by class of asset is detailed below:

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Software	18,241	8,584	19,864	15,563
Total intangibles work in progress	18,241	8,584	19,864	15,563

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Christchurch city holdings Limited (Group)	-	-	4,886	5,136
	-	-	4,886	5,136

11.4 Carbon emission units

Critical Judgements / Whakawa Tino

Carbon sequestration

The Parent has registered 302 hectares of regenerating indigenous forest on Banks Peninsular in the Te Oka reserve in the New Zealand Emission Trading Scheme (NZ ETS). The regenerating forest will sequester carbon and generate for the Parent a new asset class carbon emission units or New Zealand Units (NZU). The Ministry for Primary Industries has received the registration but will not issue NZU until the registration has been verified.

302 hectares of regenerating indigenous forest in the Te Oka Reserve would have an initial assessment of having sequestered 4,711.2 tCO₂-e based on the indigenous tables in the Climate Change (Forestry Sector) Regulations 2008 being back dated five years.

Commentary / Korerotanga

Carbon emission units

The price of carbon as at 30 June 2022 was \$70.66 per New Zealand Unit (NZU). One NZU is equivalent to one (1) tonne of carbon dioxide equivalent (tCO₂-e).

Subject to confirmation from the Ministry for Primary Industries, the equivalent fair value of the 4,711.2 tCO₂-e in Te Oka Reserve would have been approximately \$0.333 million as at 30 June 2022.

The historical cost of these carbon emission units is zero.

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 10). 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 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Service concession asset				
Fair value of service concession asset on initial recognition	11,037	11,037	-	-
Accumulated depreciation to date	(6,879)	(6,366)	-	-
Net book value	4,158	4,671	-	-

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 26.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Service concession liability				
Opening balance	1,900	2,636	-	-
Service concession revenue recognised	(736)	(736)	-	-
Closing balance	1,164	1,900	-	-
Total current service concession liability	736	736	-	-
Total non-current service concession liability	429	1,164	-	-
	1,165	1,900	-	-

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.

	Parent		Group		
	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000 Restated*	30 Jun 21 Actual \$000
(a) Capital and other operating commitments					
Capital commitments					
Property, plant and equipment	260,373	262,693	319,597	275,089	275,089
Electricity distribution network	-	-	72,685	22,365	22,365
Intangible assets	3,084	2,662	3,329	2,805	2,805
Ultra-Fast Broadband Network	-	-	-	-	-
Other	-	-	1,893	8,069	8,069
Total capital commitments	263,457	265,355	397,504	308,328	308,328
Other operating commitments					
Other operating commitments	65,401	48,404	65,401	48,404	48,404
(b) Non cancellable operating lease liabilities					
No later than one year	1,180	1,210	7,010	6,991	(16,769)
Later than one year and not later than five years	4,693	4,659	26,148	26,255	41,535
Later than five years	22,209	23,288	63,462	65,727	535,584
Total non-cancellable operating lease liabilities	28,082	29,157	96,620	98,973	560,350
(c) Non cancellable operating lease receivables					
No later than one year	25,085	24,922	50,606	47,016	47,016
Later than one year and not later than five years	83,374	88,279	148,659	141,290	141,290
Later than five years	379,680	397,615	189,173	192,393	192,393
Total non-cancellable operating lease receivables	488,139	510,816	388,438	380,699	380,699

* Prior year comparatives are restated for non cancellable operating lease liabilities. An incorrect amount was recognised in the prior year on consolidation of group operating lease commitments. This result in the need for a correction of (\$461,377,000) in total to the non-cancellable operating lease liabilities - \$23,760,000 to no later than one year, (\$15,280,000) to later than one year and not later than five years, and (\$469,857,000) to later than five years.

Commentary / Korerotanga

Capital commitments and other operating commitments

The property plant and equipment commitment above includes the Parent's commitments for anchor projects including \$34.8 million for the construction of the Te Kaha Multi-Use Arena (2021: \$18.2 million), \$24.1 million for the Parakiore Recreation and Sport Centre with the Crown (2021: \$57.0 million) and \$23.2 million for New South West Leisure Centre.

Infrastructure works

The Parent has a \$0.8 million (2021: \$3.3 million) capital commitment with Connetics for power and lighting renewals and a \$18.5 million (2021: \$15.5 million) capital commitment with City Care for three waters and waste renewals.

Non-cancellable operating lease liabilities

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.

Non-cancellable operating lease receivables

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.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Land and buildings held for sale	4,436	3,928	14,216	3,928
Plant and equipment held for sale	-	-	271	1,745
Other assets held for sale	-	-	-	1,687
Total amounts held for sale	4,436	3,928	14,487	7,360

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.

The Citycare Board approved the marketing for sale of the Springs Road property in April 2022, and subsequently approved a conditional sale for c.\$14.25m to Cristo Limited in June 2022. The sale settled on 1 August 2022 following completion of due diligence..

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.

	Parent		Group	
	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Balance at beginning of financial year	-	-	660,207	574,636
Net transfer from property, plant & equipment	-	-	2,334	17,247
Additional capitalised expenditure	-	-	15,633	21,286
Disposal	-	-	-	-
Net gain/(loss) from fair value adjustments	-	-	49,915	47,038
Balance at end of financial year	-	-	728,089	660,207

Commentary / Korerotanga

The Parent has no investment properties.

Christchurch International Airport Limited

The valuation of CIAL's investment property as at 30 June 2022 was completed by Crighton Anderson Property and Infrastructure Ltd, trading as Colliers International Ltd, registered valuers and member of the New Zealand Property Institute. The basis of valuation is fair value, being the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The valuation methodologies used were a direct sales comparison or a direct capitalisation of rental income using market comparison of capitalisation rates, supported by a discounted cash flow approach. The valuation methodologies are consistent with the prior year.

Principal assumptions used in establishing the valuations were:

- Average rental yield rate 5.79% (2021: 5.84%)
- Average market capitalisation rate 5.96% (2021: 5.87%)
- Weighted average lease term 6.48 years (2021: 7.46 years)

Rental ranges in aggregate across the different property asset types were as follows:

Asset type	2022 rental range	2021 rental range
office	\$180-\$260/sqm	\$180-\$260/sqm
Warehouse	\$90-\$140/sqm	\$90-\$140/sqm

Fair value hierarchy				
Asset classification and description	Valuation approach	Key valuation assumptions	Fair value hierarchy Level	Valuation sensitivity
Investment Properties are land and buildings which are owned to earn rental income, for capital appreciation or both.	The income-based valuation approach is used.	Land is included when infrastructure services are available and future development is expected within the next 3 years.	3	+ \$32.8m/- \$29.7m (of a 5% change of capitalisation rate)
Level 3 Asset Classification	Sensitivity of significant unobservable inputs.			
Investment Properties	An increase in the cash flow from an asset will increase the fair value. A decrease in the cash flow from an asset will decrease the fair value of the asset.			

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 2022.

Given the circumstances, the property valuations as at 30 June 2022 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 35 for information on valuation uncertainty.

16 Cash and cash equivalents

Accounting Policy / Kaupapahere Kaute

Cash and cash equivalents are classified as financial assets at amortised cost.

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.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Cash and cash equivalents	167,307	192,730	254,690	262,674
Cash and cash equivalents (USD)	-	-	705	80
Cash and cash equivalents (EUR)	-	-	25	-
Cash and cash equivalents (AUD)	-	-	1	-
Overdraft	-	-	-	-
Other	-	-	-	-
Total cash and cash equivalents	167,307	192,730	255,421	262,754

Commentary / Korerotanga

Parent cash holdings have been reduced as COVID-related liquidity risks have receded, with most remaining holdings intended to cover working capital requirements. The increase in Group cash holdings has been caused by Group entities choosing to pre-fund expected debt maturities and/or capex requirements.

17 Investment in CCOs

Accounting Policy / Kaupapahere Kaute

Investments in CCOs are measured using the following methods:

- Loans advances are measured at amortised cost,
- Equity investments in subsidiaries and unlisted shares are measured as fair value through other comprehensive revenue and expense, and
- Investment in debt securities are measured at fair valued through surplus and deficit based on future cashflows.

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Current				
Loans advanced	173,564	159,700	-	-
Investment in debt securities	7,359	5,552	7,359	5,552
Share Investment in CCOs	17.3 936	-	-	-
	181,859	165,252	7,359	5,552
Non-current				
Loans advanced	382,409	446,273	-	-
Investment in debt securities	37,533	30,662	37,534	30,662
Share Investment in CCOs	17.3 2,879,315	2,643,722	-	-
Unlisted shares	9,891	10,153	9,891	10,153
	3,309,148	3,130,810	47,425	40,815
Total investment in CCOs	3,491,007	3,296,062	54,784	46,367

17.1 Loans advanced

The value of the Parent's loans to related parties is \$556 million (2021: \$606 million). The average effective interest rate on the loans to related parties is 3.71 per cent (2021: 2.54 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 4.39 per cent (2021: 3.86 per cent).

Commentary / Korerotanga

During the year \$5.6 million of borrower notes matured (2021: \$6.1 million) and \$10.7 million of borrower notes were purchased (2021: 10.8 million).

The borrower note investment rate on LGFA debt is 2.5%. The LGFA borrower notes are stated at fair value in the financial statements.

17.3 Share investment in CCOs

	Parent	
	30 Jun 22	30 Jun 21
	Actual	Actual
	\$000	\$000
Christchurch City Holdings Ltd	2,624,361	2,426,828
ChristchurchNZ Holdings Ltd	3,121	2,657
Civic Building Limited	47,905	35,041
Venues Ōtautahi	204,864	179,196
Total share investments in CCOs	2,880,251	2,643,722

Commentary / Korerotanga

The fair value of the Parent’s investments in its subsidiary companies was assessed by independent valuers, Deloitte, as at 30 June 2022. 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 2022. 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 2022 by Deloitte. It was determined that the value of the investment increase by \$197.6 million (2021: \$294 million increase) to \$2,624.4 million (2021: \$2,426.8 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 carrying value of CCHL’s equity investment portfolio is \$3,331 million (2021: \$3,182 million).

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.

The investment in Orion New Zealand Ltd (Orion) was valued by Deloitte as at 30 June 2021 using the discounted cash flow methodology. Deloitte used Orion’s forecasts of operating expenditure and capital expenditure to estimate a Regulated Asset Base (RAB) and populate a building blocks model to derive revenue and prepare cash flow forecasts for a 10 year period. The forecast cash flows were discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also risk associated with the business’s future operations. A weighted average cost of capital (WACC), assessed at 4.75% post-tax, was used to discount its future cash flows.

A terminal value was applied to reflect the value of Orion beyond the 10 year forecast cash flow period. Given the stable nature of the regulation and the Commerce Commission’s Input Methodologies, the terminal value was based on a multiple of the forecast June 2031 RAB. A RAB multiple of 1.2x was applied, informed by recent transactions for New Zealand and Australian regulated businesses.

As at 30 June 2021 the Enterprise Value of Orion was assessed at \$1,504 million, implying an equity value of 100% of the shares of \$1,137 million. CCHL’s 89.3% shareholding was therefore assessed at \$1,015 million.

Sensitivity analysis of the impact of different WACC assumptions on Orion’s enterprise value as at 30 June 2021:

Change in	Decrease	Increase
	\$000	\$000
WACC (+ or - 0.5%)	(63)	67

Sensitivity analysis of other assumptions (such as operating expenses) was not considered given the natural hedge aspect of Orion whereby material changes would be expected to be recovered in the future periods via the regulatory pricing framework.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of Orion. This implied an increase in the equity value of Orion to \$1,256 million and CCHL’s shareholding in Orion to \$1,121 million. The increase was driven by a revaluation of the distribution network by Orion in its March 2022 financial statements and additional non-network assets purchased by Orion during FY22, partially offset by additional debt held by Orion. Given that the value change was driven by an increase in the underlying network value of Orion (which was based on a valuation commissioned by Orion) a desktop update assessment of CCHL’s shareholding in Orion as at 30 June 2022 was considered appropriate.

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.

The investment in CIAL was valued as at 30 June 2022 by Deloitte using a combination of methods – a discounted cash flow approach for the airport operations (comprising the aeronautical land, sealed surfaces and infrastructure, terminal facilities, car parking and hotel) and a net asset value approach for the airport's investment property portfolio assets and surplus land.

Airport Operations

CIAL's forecast cash flows for the next ten years were assessed, and discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also the risk associated with the business's future operations. A terminal cash flow, to allow for cash flows beyond the explicit forecast period, was also assessed and discounted back to the valuation date. CIAL's weighted average cost of capital (WACC), assessed at 7.9% post-tax, was used to discount its future cash flows. A valuation cross-check, comparing the implied EBITDA and Net Operating Assets multiples with other airport companies and with recent airport transactions, supported the discounted cash flow valuation of the core airport operations of \$1,181 million.

Sensitivity analysis of the impact of different assumptions on the value of CIAL's airport operations as at 30 June 2022:

Change in	Decrease \$m	Increase \$m
Revenue(+ or - 0.5%)	(232)	243
WACC (+ or - 0.5%)	(51)	55
Capital expenditure (+ or - 5%)	(26)	26
Operating expenditure (+ or - 5%)	(47)	47

Investment Property Portfolio

The airport's property portfolio, which comprises land and buildings not associated with the airport operations (properties classified as investment properties and surplus land held by CIAL), was valued on a net asset basis, on the grounds that:

- a ready market exists for property and hence direct valuation methods for individual assets are available;
- hypothetically these assets could be sold without materially affecting the core airport operations; and
- some assets are held for strategic purposes and hence their value under an earnings approach may be understated.

CIAL had engaged an independent valuer to undertake the valuation of the property portfolio. Based on the valuation figures provided, the value of the property portfolio was assessed at \$960 million.

After deducting CIAL's net debt as at 30 June 2022, the value of CCHL's 75% shareholding was assessed at \$1,177 million.

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.

The investment in LPC was valued as at 30 June 2022 by Deloitte using a discounted cash flow approach methodology.

LPC's forecast cash flows for the next 15 years were assessed, and discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also the risk associated with the business's future operations. A terminal cash flow, to allow for cash flows beyond the explicit forecast period, was also assessed and discounted back to the valuation date.

To form its valuation range, Deloitte also considered a scenario allowing for a lower improvement in forecast EBITDA margin. In both scenarios LPC's weighted average cost of capital (WACC), assessed at 7.1% post-tax, was used to discount its future cash flows, and the mid-point of the two scenarios was applied as the valuation. A valuation cross-check, comparing the implied EBITDA multiples with other port companies supported the discounted cash flow valuation of the port of \$536m.

After deducting LPC's net debt as at 30 June 2022, the value of CCHL's shareholding was assessed at \$376m.

Sensitivity analysis of the impact of different assumptions on LPC's enterprise value as at 30 June 2022:

Change in	Decrease \$m	Increase \$m
Revenue (+ or - 0.5%)	(84)	84
WACC (+ or - 0.5%)	(64)	48
Capital expenditure (+ or - 5%)	(43)	43
Operating expenditure (+ or - 5%)	(53)	53

Enable Services Limited

The investment in Enable was valued as at 30 June 2022 using a discounted cash flow methodology.

Enable's forecast cash flows, based on its latest business plan, for the remaining expected life of the network were assessed, and discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also the risk associated with the business's future operations. The full network life cash flows were utilised rather than a terminal value to explicitly recognise the lumpy major capital expenditure requirements to maintain the asset over its life.

Enable's weighted average cost of capital, assessed at 7.7% post-tax, was used to discount its future cash flows.

A second set of cash flows were forecast to illustrate a potential higher level of competing access technologies such as 5G fixed wireless broadband. A lower weighted average cost of capital of 7.1% was assessed and applied to the lower cash flows in this scenario to recognise that one of the business' uncertainties that is reflected within Enable's cost of capital assessment has been explicitly allowed for in the forecast cash flows in this scenario.

The midpoint of two scenarios was assessed as the enterprise value of Enable, being \$795 million. After deducting Enable's net debt, allowing for its cash levels as at 30 June 2022, the value of CCHL's shareholding was assessed at \$523 million.

Sensitivity analysis of the impact of different assumptions on Enable's enterprise value as at 30 June 2022:

Change in	Decrease	Increase
	\$m	\$m
Revenue(+ or - 0.5%)	(73)	73
WACC (+ or - 0.5%)	(54)	61
Capital expenditure (+ or - 5%)	(19)	19
Operating expenditure (+ or - 5%)	(20)	20

City Care Limited

The investment in Citycare was valued as at 30 June 2022 using a discounted cash flow methodology. In assessing the enterprise value of Citycare, separate assessments were made of the enterprise values of Citycare's Water business and Citycare's Property business.

Citycare's forecasts for its Water and Property businesses for the next five years were assessed, and discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also risk associated with the respective business' future operations. A terminal cash flow, to allow for cash flows beyond the explicit forecast period, was also assessed and discounted back to the valuation date. A weighted average cost of capital (WACC), assessed at 10.1% post-tax for the Water business and 10.9% for the Property business, was used to discount their future cash flows.

A valuation cross-check, comparing the implied EBIT multiples with other comparable companies supported the discounted cash flow valuations of the respective divisions which aggregated to \$60 million.

Citycare holds a block of land which is now surplus to requirements and was in the process of being sold as at 30 June 2022. As its value is not reflected within the discounted cash flow valuations its expected sales value (net commission) has been added to the enterprise value. After deducting Citycare's net debt, and allowing for its cash levels as at 30 June 2022, the value of CCHL's shareholding was assessed at \$74 million.

A sensitivity analysis of the impact of different assumptions on Citycare's enterprise value was performed as at 30 June 2022 as follows:

Change in	Decrease	Increase
	\$m	\$m
Gross Profit(+ or - 0.5%)	(18)	18
WACC (+ or - 0.5%)	(4)	4
Capital expenditure (+ or - 5%)	(2)	2
Overhead expenditure (+ or - 5%)	(6)	6

EcoCentral Limited

The investment in EcoCentral was valued as at 30 June 2021 using the discounted cash flow methodology. This was considered the most appropriate basis of valuation given that EcoCentral has a finite number of years remaining on its operating contract.

EcoCentral's forecast cash flows over the remaining life of its current contract were assessed, and discounted back to the valuation date, using a discount rate that reflected not only the time value of money but also risk associated with the business's future operations. A terminal cash flow, was applied at the end of the contract period to allow for the cash flows associated with notionally transferring assets to Council and winding up EcoCentral. EcoCentral's weighted average cost of capital, assessed at 9.0% post-tax, was used to discount its future cash flows.

The resultant enterprise value of EcoCentral was assessed at \$9.7m which, after allowing for cash and debt levels, equated to an equity value of \$13 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of EcoCentral. This involved obtaining EcoCentral's updated cash flow forecasts for the remaining life of its operating contract, updating the discounted cash flow modelling, updating Deloitte's view on discount rate for changes in the economic environment since June 2021, and allowing for EcoCentral's current level of debt and cash. This implied an immaterial increase in the equity value of EcoCentral to \$15 million.

RBL Property Limited

The investment in RBL Property was last valued as at 30 June 2021 using the realisation of assets methodology. As at June 2021, RBL Property only held the remaining residual assets of the former Red Bus business being cash balances, tax liabilities, land and buildings, and some residual bus fleet. Consequently, it was considered appropriate at that stage to value RBL Property on a net asset orderly realisation basis. This methodology included significant discounts for realising the remaining assets and implied a valuation for CCHL's investment in RBL Property of \$17 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of RBL Property. This involved obtaining RBL Property's updated balance sheet and details of its remaining assets, and updating the realisation value assessment. This implied an immaterial increase in the equity value of RBL Property to \$18 million.

Development Christchurch Limited

The investment in DCL was last valued as at 30 June 2021 using the realisation of assets methodology. As at June 2021, DCL primarily held properties, cash balances and DCL's share in the Christchurch Adventure Park.

This methodology applied a mixture of contracted sales prices and independent valuations for the property assets and an assessment of the shareholding in the Christchurch Adventure Park based on its net asset value. This methodology implied a valuation for CCHL's investment in DCL of \$24 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of DCL. This involved obtaining DCL's updated balance sheet and details of its remaining assets, and updating the realisation value assessment. This implied an immaterial increase in the equity value of DCL to \$27 million.

Venues Otautahi Limited

The Council's investment in Venues Otautahi (VO) was last revalued as at 30 June 2021 by Deloitte using a net realisable asset valuation methodology. An asset based indicative valuation estimates the proceeds that would be available from an orderly realisation of VO's assets, to imply the value of the shares in VO. This methodology implied a valuation for Council's investment in VO of \$179 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of VO. This involved obtaining VO's updated balance sheet and details of its remaining assets, and updating the realisation value assessment. This implied an immaterial increase in the equity value of VO to \$204.9 million.

ChristchurchNZ Holdings Limited

The Council's investment in ChristchurchNZ Holdings Limited (CNZHL) was last revalued as at 30 June 2021 by Deloitte using a net realisable asset valuation methodology. An asset based indicative valuation estimates the proceeds that would be available from an orderly realisation of CNZHL's assets, to imply the value of the shares in CNZHL. This methodology implied a valuation for Council's investment in CNZHL of \$2.7 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of CNZHL. This involved obtaining CNZHL's updated balance sheet and details of its remaining assets, and updating the realisation value assessment. This implied an immaterial increase in the equity value of CNZHL to \$3.1 million.

Civic Building Limited

Civic Building Limited (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 last revalued as at 30 June 2021 by Deloitte using a net realisable asset valuation methodology. An asset based indicative valuation estimates the proceeds that would be available from an orderly realisation of CBL's assets, to imply the value of the shares in CBL. This methodology implied a valuation for Council's investment in CBL of \$35 million.

As at 30 June 2022 Deloitte performed a desktop update assessment of the valuation of CBL. This involved obtaining CBL's updated balance sheet and details of its remaining assets, and updating the realisation value assessment. This implied an immaterial increase in the equity value of CBL to \$47.9 million.

17.4 Unlisted shares

Unlisted shares are reflected at fair value and include:

- \$1.5 million (2021: \$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;
- \$8.3 million (2021: \$7.3 million) in Local Government Funding Agency determined on their net asset backing as at 31 December 2020; and
- \$1.3 million (2021: \$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 22	30 Jun 21
Transwaste Canterbury Ltd - Parent	NZ	39%	39%
Christchurch Civic Building Joint Venture (CCBJV)	NZ	50%	50%
City Care Limited John Fillmore Contracting Limited Joint Venture	Not Incorporated	50%	50%
Leisure Investments NZ Limited Partnership	NZ	54.6%	54.6%

No public price quotations exist for these investments.

18.1 Associates and joint arrangements

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual \$000	Actual \$000	Actual \$000	Actual \$000
Balance at start of year	6,196	6,196	13,183	16,764
Acquisitions/ transfers	-	-	-	-
Share of total recognised revenues and expenses	18.2	-	6,253	5,060
Dividends from associates and joint ventures	-	-	(6,380)	(8,597)
Share of revaluations	-	-	150	(44)
Disposal	-	-	-	-
Impairment	-	-	-	-
Balance at end of year	6,196	6,196	13,206	13,183

Commentary / Korerotanga

There is no goodwill included in the carrying value of associates (2021: 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

	Group	
	30 Jun 22	30 Jun 21
	Actual	Actual
	\$000	\$000
Assets	68,978	69,302
Liabilities	31,424	32,858
Revenue	59,764	54,660
Comprehensive revenue and expense	16,074	13,008
Share of total recognised comprehensive revenue and expense	6,253	5,060

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
(a) Current inventories				
Inventory - raw materials and maintenance items	-	-	16,290	12,544
Inventory - work in progress	-	-	-	-
Inventory - finished goods	3,129	3,197	13,369	10,827
	3,129	3,197	29,659	23,371
Inventory - allowance for impairment	-	-	(127)	(466)
Total current inventories	3,129	3,197	29,532	22,905
(b) Non current inventories				
Inventory - finished goods	-	-	7,957	16,675
	-	-	7,957	16,675
Inventory - allowance for impairment	-	-	-	-
Total Non current inventories	-	-	7,957	16,675

Commentary / Korerotanga

There was no write-down of inventory during the year (2021: \$nil). There have been no reversals of previous write-downs (2021: \$nil). No inventory is pledged as security for liabilities (2021: \$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 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.

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.

Early Adoption of PBE IPSAS 41 (Financial Instruments)

The Council and group have elected to early adopt PBE IPSAS 41.

The accounting policies for the year ended 30 June 2022 have been updated to comply with PBE IPSAS 41 where necessary.

20.1 Other financial assets

Accounting Policy / Kaupapahere Kaute

Other financial assets are measured using the following methods:

- General and community loans and advances are measured at fair value through surplus or deficit,
- Investment in debt securities are measured at amortised cost,
- Investment in equity securities are measured at fair value through other comprehensive revenue and expense,
- Derivative assets are measured at fair value through surplus or deficit, and
- Other advances and investments are measured at amortised cost.

		Parent		Group	
		30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
		Actual	Actual	Actual	Actual
		\$000	\$000	\$000	\$000
Loans and advances (excl CCOs)	20.2	45,706	38,438	24,796	30,889
Investment in debt securities		67,000	26,000	103,857	37,488
Investment in equity securities (excl CCOs)		199	504	199	797
Derivative instruments - asset		-	-	63,230	6,912
Other advances and investments		1,214	1,221	1,214	1,221
Total other financial assets		114,119	66,163	193,296	77,307
Total current other financial assets		40,006	1,016	77,171	11,032
Total non-current other financial assets		74,113	65,147	116,125	66,275
		114,119	66,163	193,296	77,307

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. See Note 20.2. The Group's balance of stocks and bonds includes \$22 million (2021: \$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 @ 0.6214 (2021: USD14 million @ 0.6998). This investment is classified as a financial asset through surplus or deficit.

Investment in debt securities includes term deposits with original terms greater than three months. The face value of term deposits approximates their fair value. The Parent's term deposits amounted to \$39.0 million (2021: \$26.1 million). Group's term deposits amounted to \$33.2 million (2021: \$33.2 million).

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 4.39 per cent (2021: 3.86 per cent). The change in discount rate used in the fair value calculation resulted in a net movement down of \$0.305 million (2021: up \$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 Note 20.4.

20.2 Community loans

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Principal	86,309	63,983	8,314	7,987
Principal repaid	(566)	-	(566)	-
Accumulated fair value adjustments	(30,337)	(32,015)	(2,759)	(2,213)
Balance at 1 July	55,406	31,968	4,989	5,774
Amount of new loans granted during the year	87,921	22,069	1,425	156
Fair value adjustment on initial recognition	(30,614)	(7)	(342)	(7)
Loans repaid during the year (principal and interest)	(80,082)	(59)	(2,086)	57
Impairment loss recognised during the year	-	-	-	-
Unwind of discount and interest charged	29,616	1,435	2,038	(991)
Balance before expected credit loss adjustment	62,248	55,406	6,024	4,989
Opening loss allowance at 1 July	(17,662)	(16,714)	(3,728)	(4,195)
Loss allowance movement	422	(949)	(259)	466
Closing loss allowance at 30 June	(17,240)	(17,662)	(3,987)	(3,729)
Balance community loans 30 June	45,008	37,744	2,037	1,260
Other funds	698	694	22,764	29,629
Loans and advances	45,706	38,438	24,801	30,889

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% - 3.15% interest per annum. This includes non-interest bearing loans with a face value of \$50.0 million (2021: \$51.3 million) which are discounted over the term of the loan using the Parent's effective borrowing cost. Loans are advanced to the Ōtautahi Community Housing Trust, Theatre Royal Charitable Foundation, Christchurch Stadium Trust, Piano Centre for Music and Arts, Canterbury Cricket Trust, and other community groups.

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 \$45.0 million (2021: \$37.7 million). Fair value has been determined using cash flows discounted at a rate based on the loan recipient's risk factors of 4.39% (2021: 3.86%), the impact on 2022 is an upward movement of \$29.6 million. During the year \$87.9 million of loans were issued \$80.1 million were repaid, primarily to and from OCHT.

20.3 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 hedge relationship. (see Note 20.4)

	Parent		Group	
	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000	30 Jun 22 Actual \$000	30 Jun 21 Actual \$000
Borrowings from external parties	2,029,529	1,961,085	3,672,725	3,505,778
Borrowings from group entities	-	-	-	-
Finance lease liabilities	22 88,678	91,962	56,645	58,752
Total borrowings	2,118,207	2,053,047	3,729,370	3,564,530
Derivative instruments - Liability	(3,572)	193,831	3,610	255,799
Total borrowings and other financial liabilities	2,114,635	2,246,878	3,732,980	3,820,329
Total current borrowings	382,008	372,329	961,911	838,451
Total non-current borrowings	1,736,199	1,680,718	2,767,459	2,726,079
	2,118,207	2,053,047	3,729,370	3,564,530
Total current borrowings and other financial liabilities	383,804	374,796	964,301	844,952
Total non-current borrowings and other financial liabilities	1,730,831	1,872,082	2,768,679	2,975,377
	2,114,635	2,246,878	3,732,980	3,820,329

Commentary / Korerotanga**Parent**

The Parent's borrowing from external parties is comprised of debt securities issued at either floating or fixed interest rates: Floating rate debt amounts to \$1,798 million (2021: \$1,738 million), with interest based on the three month bank bill reference rate plus a weighted average margin of 0.62% (2021: 0.66%); Fixed rate debt amounts to \$231 million (2021: \$223 million), at a weighted average interest rate of 3.57% (2021: 3.41%). Borrowings mature at different intervals, ranging from 2023 to 2032.

Council has entered into interest rate swap contracts to hedge the floating interest rate risk on this external borrowing (see Note 20.5 for Council's risk management strategy). \$1,121 million of such contracts were current at financial year-end, and a further \$397 million were contracted to start in future periods (usually to coincide with the expiry of current contracts). The overall effective interest rate paid by Council on its external borrowings at financial year-end (including floating rate debt, fixed rate debt, and the impact of interest rate swap hedging contracts) was 4.09% (2021: 3.86%).

During the financial year, the Parent borrowed \$431.5 million (2021: \$445.5 million) to advance to subsidiaries and refinance debt maturities. A total of \$362.9 million (2021: \$408.5 million) of debts were repaid during the year.

Council also has \$200 million of committed bank facilities to support its liquidity position. These facilities expire on or before December 2023, and none had any drawings at financial year-end.

The Parent's debts are secured over its rates income.

In addition to external borrowings, the Parent has borrowed a total of \$71.5 million (2021: \$79.5 million) from its Capital Endowment Fund with terms ranging between 5 - 10 years. Interest of \$2.6 million (2021: \$2.9 million) was charged by the Fund.

Group

Christchurch City Holdings Ltd	2022			2021
Nature of debt	\$'000	Avg rate	Maturity	\$'000
Floating rate notes	135,000	2.63%	2023-2025	85,000
Bank facility	-			50,000
Short term loans - Christchurch City Council	170,000	3.64%	2022-2023	159,700
Long Term Loans - Christchurch City Council	316,200	2.88%	2023-2029	376,500
Fixed Rate Bond	450,000	3.33%	2026-2022	300,000
Commercial paper	65,000	2.31%	2022	175,000
Undrawn bank facility	100,000		2023	100,000

All borrowings at 30 June 2022 are unsecured and have been put in place under a \$1.5 billion (2021: \$1.5 billion) debt issuance programme. CCHL has issued uncalled capital of \$1.5 billion (2021: \$1.5 billion) to support this programme. Bonds and Floating rate notes are issued under a Master Trust Deed. Of the debt above \$3,223 million is accounted for at amortised cost and \$450 million at fair value of \$448 million as this debt is fixed rate that that has been converted to floating rate exposure through interest rate swaps and therefore both instruments are carried at fair value using hedge accounting. Fixed Rate Bonds include a \$150 million sustainability bond issued in October 2021. Commercial

paper is issued under a separate \$200 million Commercial paper programme. CCHL has entered into derivative contracts to hedge its exposure to interest rate fluctuations.

Orion New Zealand Ltd	2022			2021
Nature of Debt	\$'000	Avg rate	Maturity	\$'000
Bank loans	268,500	2.12%	2022-2023	205,350
US Private Placement floating rate notes	140,000	3.13%	2028-2030	140,000
Undrawn bank facility	-			79,650

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 years ended 31 March 2022 and 30 June 2022.

Christchurch International Airport Ltd	2022			2021
Nature of Debt	\$'000	Avg rate	Maturity	\$'000
Bank facility	323,000	4.20%	2022-2026	384,000
Bond funding	250,000	5.10%	2022-2028	205,343
Undrawn bank facility	127,000		2022-2023	141,000

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	2022			2021
Nature of Debt	\$'000	Avg rate	Maturity	\$'000
Bank and overdraft facilities	15,000	4.16%	2025	-
Undrawn bank facility	110,000		2025	165,000

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. In addition to the above, LPC has a loan from CCHL of \$150 million (2021: \$150 million).

City Care Limited	2022			2021
Nature of Debt	\$'000	Avg rate	Maturity	\$'000
Bank facility	-			-
Undrawn bank facility	10,500		2022	15,000

The undrawn bank facility with the BNZ expires on 31 December 2022 at which point those facilities will be rolled or rearranged. The loan from CCHL of \$10 million (2021: \$10 million) was secured by a debenture over the assets and undertakings of Citycare, and made under a committed cash advance facility of \$25 million (2021: \$25 million). The average interest rate for the year was 1.38% (2021: 2.01%). The loan was repaid in full on 29 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 2022 (2021: Nil). Enable Services Limited has a loan from CCHL (\$294.4 million), and Venues Ōtautahi Limited and Civic Building Limited have borrowing arrangements with the Parent (\$15.9 million and \$53.9 million respectively).

20.4 Hedging activities and derivatives

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Derivatives not designated as hedging instruments	-	-	712	-
Derivatives designated as hedging instruments				
Interest rate swaps	-	-	62,518	6,851
Forward exchange rate contracts	-	-	-	61
Total derivative financial instrument assets	-	-	63,230	6,912
Derivatives designated as hedging instruments				
Interest rate swaps	3,572	(193,831)	(3,595)	(255,799)
Forward exchange rate contracts	-	-	(15)	-
Total derivative financial instrument liabilities	3,572	(193,831)	(3,610)	(255,799)
Net derivative financial instrument assets (liabilities)	3,572	(193,831)	59,620	(248,887)
Total current derivative assets	-	-	407	61
Total non-current derivative assets	-	-	62,823	6,851
Total derivative financial instrument assets	-	-	63,230	6,912
Total current derivative liabilities	(1,795)	(2,466)	(2,389)	(6,500)
Total non-current derivative liabilities	5,367	(191,365)	(1,221)	(249,299)
Total derivative financial instrument liabilities	3,572	(193,831)	(3,610)	(255,799)

Commentary / Korerotanga

Most derivative instruments are “pay fixed” interest rate swaps, used to effectively convert floating rate debt to fixed rates. Increases in market interest rates over the financial year has increased the fair value (ie. decreased the net liability) of these instruments.

The continuing and discontinued hedges reserve balances are summarised below:

	30 Jun 22	30 Jun 21
	Actual	Actual
	\$000	\$000
Continuing hedges	26,535	(159,598)
Discontinued hedges	(23,036)	(29,821)
Total	3,499	(189,419)

The notional values of interest rate swaps are summarised below:

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Interest rate swaps				
Less than 1 year	172,200	111,500	219,200	256,500
1 to 2 years	105,000	172,200	418,000	259,200
2 to 5 years	268,500	328,500	1,145,000	1,163,500
More than 5 years	972,500	917,500	1,474,066	1,361,506
	1,518,200	1,529,700	3,256,266	3,040,706

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 20.6 of the financial statements.

Derivative contracts are recognised initially and subsequently at fair value. Changes in fair value are based on the prevailing market rates at valuation date, and 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 hedge relationship.

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. If 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 in surplus or deficit when the forecast transaction is ultimately recognised. 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. If 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.

Council and Group derivative financial instruments include the following:

Interest rate swaps

Interest rate swaps are used to hedge the interest rate risk on outstanding borrowings. They may be designated as either Cash Flow Hedges (ie. converting floating rate borrowing into fixed interest rates) or Fair Value Hedges (ie. converting fixed rate borrowing into floating interest rates).

Hedge relationships are normally established with a hedge ratio of 1:1 meaning that the risk of each interest rate swap is identical to its related hedged item. Potential sources of hedge ineffectiveness include:

- Different interest rate curves 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

At 30 June 2022, the Council had interest rate swaps in place with a notional amount of \$1.518 billion (2021: \$1.529 billion) where the Council pays an average fixed interest rate of 4.27%.

Forward exchange rate contracts

Forward exchange rate contracts are intended to hedge exposure to changes in foreign exchange rates. Exposure may arise from significant future import expenditure or from foreign-currency denominated assets and liabilities.

These contracts are carried at their fair value based on prevailing market foreign exchange rates at valuation date.

20.5 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 (2021: 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:

- **Debt securities and loans**

Fixed rate 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.

Fixed rate debt is recognised in the financial statements at amortised cost, except for \$100 million (2021: \$100 million) of debt held by CIAL which is matched by an interest rate swap agreement in place with a notional amount of \$100 million (2021: \$100 million) whereby CIAL receives a fixed rate of interest of 4.13% (2021: 4.13%) and pays interest at a variable rate on the notional amounts. The swap is being used to hedge the exposure to changes in the fair value of the bond. The accumulated fair value hedge adjustments made on the carrying amount of these bonds total \$2.0 million (2021: \$5.3 million), resulting in a total carrying value of the fair valued hedged debt of \$98 million (2021: \$105 million).

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	Parent			
			Carrying amount		Fair value	
			30 Jun 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
Financial assets carried at amortised cost						
		Amortised cost	167,307	192,730	167,307	192,730
		Amortised cost	68,384	54,209	68,384	54,209
		Amortised cost	582,155	638,433	582,155	638,433
		Amortised cost	76,554	25,883	76,554	25,983
		Amortised cost	1,128	1,138	1,128	1,138
			895,528	912,393	895,528	912,494
Financial assets through surplus or deficit						
<i>Not held for trading:</i>						
	2	Fair value	19,524	4,744	19,524	4,744
	2	Fair value	35,338	36,314	35,338	36,314
	2	Fair value	199	504	199	378
	2	Fair value	133	137	133	137
			55,194	41,699	55,194	41,573
Financial assets through other comprehensive revenue and expense						
	3	Fair value	2,880,251	2,643,722	2,880,251	2,643,722
	3	Fair value	9,758	8,784	9,758	8,784
	3	Fair value	86	83	86	83
			2,890,095	2,652,589	2,890,095	2,652,589
Financial liabilities through other comprehensive revenue and expense						
<i>Not held for trading:</i>						
	2	Fair value	(3,572)	193,831	(3,572)	193,832
			(3,572)	193,831	(3,572)	193,832
Financial liabilities carried at amortised cost						
		Amortised cost	100,522	101,532	100,523	101,532
		Amortised cost	2,118,207	2,053,047	1,997,415	2,069,029
			2,218,729	2,154,579	2,097,938	2,170,561

	Fair value level	Measurement basis	Group			
			Carrying amount		Fair value	
			30 Jun 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
Financial assets carried at amortised cost						
Cash and cash equivalents		Amortised cost	255,421	262,754	255,421	262,754
Debtors and other receivables		Amortised cost	177,568	138,754	177,568	139,564
Loans and advances		Amortised cost	5,272	27,283	5,272	27,283
Investment in debt securities		Amortised cost	113,412	37,471	113,412	37,471
			551,673	466,262	551,673	467,072
Financial assets through surplus or deficit						
<i>Held for trading:</i>						
Derivative assets not designated as hedging instrument	2	Fair value	712	61	712	-
Investment in equity securities	2	Fair value	-	72	-	72
<i>Not held for trading:</i>						
Derivative assets designated as hedging instrument	2	Fair value	62,518	6,851	62,518	6,851
Loans and advances	2	Fair value	19,524	4,744	19,524	4,744
Investment in debt securities	2	Fair value	35,338	36,314	35,338	36,314
Investment in equity securities	2	Fair value	199	504	199	378
Unlisted shares	2	Fair value	133	137	133	137
			118,424	48,683	118,424	48,496
Financial assets through other comprehensive revenue and expense						
Share investment in subsidiary CCOs	3	Fair value	-	1	-	-
Unlisted shares	3	Fair value	9,758	10,153	9,758	10,153
Available for sale equity securities			86	83	86	83
			9,844	10,237	9,844	10,236
Financial liabilities through surplus or deficit						
<i>Held for trading:</i>						
Derivative liabilities not designated as hedging instrument	2	Fair value	7,182	-	7,182	-
Borrowings	2	Fair value	-	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	(3,572)	255,799	(3,572)	255,800
Borrowings	2	Fair value	51,679	46,181	51,679	46,181
			55,289	317,865	55,289	317,866
Financial liabilities carried at amortised cost						
Creditors and other payables		Amortised cost	202,195	196,067	201,840	196,076
Borrowings		Amortised cost	3,677,691	3,434,559	3,503,011	3,519,650
			3,879,886	3,630,626	3,704,851	3,715,726

The table below summarises the reconciliation of movements in the Level 3 financial instruments:

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Opening carrying value	2,652,589	2,331,966	10,154	9,210
Shares acquired during the year	-	10,000	(7,365)	2,635
Valuation movements	237,506	311,910	7,055	(1,691)
Closing carrying value	2,890,095	2,653,876	9,844	10,154

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.

20.6 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.

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 20.4 of the financial statements.

Interest Rate Benchmark Reform

Council's exposure to financial markets benchmarks is limited to the New Zealand 90 Day Bank Bill interest rate ("BKBM") on its borrowings, financial assets, and related interest rate derivative instruments – Council has no material exposure to currency benchmarks or the interest rate benchmarks of other countries. An alternative benchmark interest rate has not yet been defined for New Zealand.

Council has maintained informal discussions about benchmark reform with its lenders and derivatives providers for a number of years, and will continue to do so as a suitable replacement benchmark for New Zealand interest rates is considered, developed, and established. Council considers that the impact of benchmark reform on its overall cost of borrowing will be minimal, because Council's policies and practices around borrowing and interest rate hedging means that most Council debt is effectively borrowed at a fixed rate – that is, Council's "pay floating" exposure to BKBM from its borrowings is largely off-set by its "receive floating" BKBM exposure from its financial assets and interest rate derivative instruments.

Council has not adjusted its risk management policies, practices, or reporting in anticipation of benchmark reform, and no such adjustment is considered necessary as at the date of this Report.

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 (including the impact of hedging instruments). 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:

	Parent		Group	
	Surplus or deficit (pre-tax) \$000	Net asset / equity (pre-tax) \$000	Surplus or deficit (pre-tax) \$000	Net asset / equity (pre-tax) \$000
30 June 22				
100 basis points increase	6,446	60,106	(449)	81,380
100 basis points decrease	(6,446)	(64,313)	449	(86,128)
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)

Currency risk management

The Group's exposure to foreign currency transactions include foreign currencies held on hand as stated in note 16.

Commentary / Korerotanga

The CCHL Group has some exposure to foreign currency risk as a result of transactions that are denominated in a foreign currency - 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 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.

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.

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
	\$000	\$000	\$000	\$000	\$000	\$000
30 June 22						
Cash and cash equivalents	167,307	167,307	167,307	-	-	-
Debtors and other receivables	68,384	68,384	68,384	-	-	-
Loans and advances - CCOs	555,973	600,877	192,711	127,714	213,714	66,738
Loans and advances	45,706	94,279	851	3,212	1,150	89,066
Investment in debt securities	111,892	116,599	75,512	8,060	17,040	15,987
Other advances and investments	1,214	1,214	1,006	-	-	208
Creditors and other payables	(100,522)	(100,523)	(99,463)	(1,060)	-	-
Borrowings - external	(2,029,529)	(2,362,480)	(450,221)	(428,082)	(854,975)	(629,202)
Finance lease liability (net settled)	(88,678)	(147,658)	(11,036)	(11,079)	(34,632)	(90,911)
Derivative financial instrument	3,572	2,946	(10,850)	1,007	4,074	8,715
Net contractual inflows / (outflows)	(1,264,681)	(1,559,055)	(65,799)	(300,228)	(653,629)	(539,399)
30 June 21						
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	38,437	83,638	931	537	3,732	78,439
Investment in debt securities	62,214	48,234	12,578	6,898	15,096	13,662
Other advances and investments	1,221	1,221	-	-	-	1,221
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 instruments	(193,831)	(57,673)	(22,163)	(9,878)	(14,617)	(11,015)
Net contractual inflows / (outflows)	(1,393,626)	(1,472,533)	(117,187)	(261,698)	(611,196)	(482,452)
Group						
	Carrying amount	Contractual cash flows	Less than 1 year	1 to 2 years	2 to 5 years	5+ years
	\$000	\$000	\$000	\$000	\$000	\$000
30 June 22						
Cash and cash equivalents	255,421	255,056	255,056	-	-	-
Debtors and other receivables	177,568	187,642	187,642	-	-	-
Other assets	3,055	3,018	3,018	-	-	-
Loans and advances - CCOs	-	-	-	-	-	-
Loans and advances	24,796	7,783	851	3,212	1,150	2,570
Investment in debt securities	148,750	134,651	93,564	8,060	17,040	15,987
Other advances and investments	1,214	1,214	1,006	-	-	208
Creditors and other payables	(202,195)	(202,196)	(201,136)	(1,060)	-	-
Borrowings - external	(3,672,725)	(2,997,184)	(801,336)	(665,753)	(900,893)	(629,202)
Borrowings - related parties	-	-	-	-	-	-
Finance lease liability (net settled)	(56,645)	(113,171)	(13,277)	(12,441)	(32,031)	(55,422)
Derivative financial instruments	59,620	23,923	(11,374)	4,748	21,834	8,715
Net contractual inflows / (outflows)	(3,261,141)	(2,699,264)	(485,986)	(663,234)	(892,900)	(657,144)
30 June 21						
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 - CCOs	-	-	-	-	-	-
Loans and advances	32,027	1	1	-	-	-
Investment in debt securities	72,564	54,852	20,334	6,898	15,096	12,524
Other advances and investments	1,221	1,221	-	-	-	1,221
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)

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.

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 \$68.8 million (2021: \$54 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 \$147 million (2021: \$139 million).

The following table summarises the Council and Group's counterparty credit risks:

	Credit rating	Parent		Group	
		30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
		\$000	\$000	\$000	\$000
Cash and cash equivalents					
	AA	59,307	4,730	147,421	74,753
	A	108,000	188,000	108,000	188,001
	BBB	-	-	-	-
Loans and advances					
	AA	486,200	536,200	-	536,208
	A	-	-	-	-
	BBB	-	-	-	-
	< BBB / unrated	115,479	108,210	24,796	(504,181)
Investment in equity securities					
	AA	-	-	751	-
	A	-	-	-	-
	BBB	-	-	-	-
	< BBB / unrated	199	504	199	504
Investment in debt securities					
	AAA	40,115	-	40,119	-
	AA	-	36,214	36,103	39,374
	A	39,000	-	39,751	-
	BBB	-	-	-	8,428
	< BBB / unrated	32,777	25,983	32,777	24,762
Derivative financial instrument assets					
	AA	-	-	63,230	6,912
	A	-	-	-	-
	BBB	-	-	-	-
	< BBB / unrated	-	-	-	-
Other advances and investments					
	< BBB / unrated	1,214	1,238	1,214	1,221
		882,292	901,079	494,361	375,982

The Parent's 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

Debt securities includes bank term deposits whose original term was 3 months or longer. The Group only invests in 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 issued by the New Zealand Local Government Funding Agency, which has a Standard and Poor's credit rating of "AAA".

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
No later than one year	-	-	68	53
Later than one year and not later than five years	-	-	286	227
Later than five years	-	-	(264)	(334)
Minimum lease receivables	-	-	90	(54)
Less future finance charges	-	-	(318)	(295)
Present value of minimum lease receivables	-	-	(228)	(349)
Present value of future minimum lease receivables				
No later than one year	-	-	(117)	(124)
Later than one year and not later than five years	-	-	(47)	(89)
Later than five years	-	-	(64)	(135)
Present value of future minimum lease receivables	-	-	(228)	(348)
Represented by				
Current portion	-	-	(117)	(124)
Non-current portion	-	-	(111)	(224)
Total	-	-	(228)	(348)

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
No later than one year	11,036	10,561	7,805	5,298
Later than one year and not later than five years	45,711	44,903	28,428	22,497
Later than five years	90,911	102,755	65,973	123,764
Minimum lease payments	147,658	158,219	102,206	151,559
Less: future finance charges	(58,980)	(66,257)	(45,563)	(92,805)
plus: right of use asset valuation	-	-	-	-
Present value of minimum lease payments	88,678	91,962	56,643	58,754
Minimum future lease payments				
No later than one year	9,725	9,324	8,777	(1,143)
Later than one year and not later than five years	33,725	33,226	18,572	5,851
Later than five years	45,228	49,412	29,295	54,046
Total present value of minimum lease payments	88,678	91,962	56,644	58,754
Represented by:				
Current portion	9,725	9,324	9,832	1,454
Non-current portion	78,953	82,638	46,813	57,298
Total finance leases	88,678	91,962	56,645	58,752

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 14 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 group finance lease liability above also includes 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 three and 26 years (2021: 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

Contact assets are initially recognised at fair value. They are subsequently adjusted for credit impairment loss. The Group will recognise a contract asset for work performed where they do not have an unconditional right to consideration. Any amount previously recognised as Contract asset is reclassified to trade receivables at the point which the Group has an unconditional right to consideration. If the payment received exceed the revenue recognised to date then the Group recognises a contract liability for difference.

The financing component in construction contracts with customers is not considered to be significant as the period between the recognition of revenue and receipt of payment is always less than one year.

There has been no change in the estimation techniques or significant assumptions made during the current report period in assessing the loss allowance for the amount due from customers under construction contracts.

	Parent		Group	
	30 Jun 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
Contract costs incurred	-	-	25,339	51,392
Progress billings	-	-	32,956	56,641
Gross amounts due from customers	-	-	7,509	7,918
Gross amounts due to customers	-	-	19	46
Retentions included in progress billings	-	-	-	156

24 Employee benefits

Accounting Policy / Kaupapahere Kaute

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 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
Salaries and wages	197,695	198,098	498,893	495,149
Defined contribution plan employer contributions	4,984	4,998	6,022	5,896
Defined benefit plan employer contributions	-	-	185	170
Increase/(decrease) in employee entitlements/liabilities	2,896	(271)	4,975	(3,157)
Other personnel costs	-	-	745	311
Total personnel costs	205,575	202,825	510,820	498,369

Commentary / Korerotanga

The full financial impact of the Holiday Pay Remediation Project is expected to be \$4.9 million. This cost was recognised in the 2021 financial statements. To-date the Council has paid \$2.2 million to former and current employees.

24.2 Employee entitlements

	Parent		Group	
	30 Jun 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
Current portion				
Accrued pay	2,926	2,245	17,658	14,972
Annual leave	19,239	16,852	36,259	32,071
Sick leave	256	256	496	486
Retirement and long service leave	1,300	1,211	2,392	2,250
Restructuring	-	-	-	-
Bonuses and other	-	-	556	918
	<u>23,721</u>	<u>20,564</u>	<u>57,361</u>	<u>50,697</u>
Non-current portion				
Retirement and long service leave	3,053	3,314	6,783	7,185
	<u>3,053</u>	<u>3,314</u>	<u>6,783</u>	<u>7,185</u>
Total employee entitlements	<u>26,774</u>	<u>23,878</u>	<u>64,144</u>	<u>57,882</u>

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 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
(a) Current provisions				
Landfill aftercare provision	655	2,776	655	2,776
Building related claims provision	1,623	1,623	1,623	1,623
Holiday pay	2,717	5,156	2,717	5,156
Other	-	-	2,970	4,140
	4,995	9,555	7,965	13,695
(b) Non-current provisions				
Landfill aftercare provision	14,684	19,517	14,684	19,517
Building related claims provision	6,493	6,493	6,493	6,493
Other	-	-	261	206
	21,177	26,010	21,438	26,216
Total provisions	26,172	35,565	29,403	39,911

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 \$15.3million (2021: \$20.9million). The discount rate used to calculate this provision is 4.39 per cent for Burwood landfill and other closed landfills (2021: 2.68 & 3.20 per cent respectively). 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.

25.4 Movement in provisions

	Parent				
	Landfill aftercare \$000	Building related claims \$000	Holiday Pay \$000	Other \$000	Total \$000
Balance at 1 July 2021	21,544	6,198	-	-	27,742
Additional provisions made	1,788	4,086	5,156	-	11,030
Amounts used	(1,039)	(2,168)	-	-	(3,207)
Unused amounts reversed	-	-	-	-	-
Discount unwinding	-	-	-	-	-
Balance at 30 June 2021	22,293	8,116	5,156	-	35,565
Additional provisions made	-	1,026	-	-	1,026
Amounts used	(1,099)	(1,026)	(2,217)	-	(4,342)
Unused amounts reversed	(5,855)	-	(222)	-	(6,077)
Discount unwinding	-	-	-	-	-
Balance at 30 June 2022	15,339	8,116	2,717	-	26,172

	Group				
	Landfill aftercare \$000	Building related claims \$000	Holiday Pay \$000	Other \$000	Total \$000
Balance at 1 July 2021	21,544	6,198	-	4,564	32,306
Additional provisions made	1,788	4,086	5,156	3,485	14,515
Amounts used	(1,039)	(2,168)	-	(3,584)	(6,791)
Unused amounts reversed	-	-	-	(119)	(119)
Discount unwinding	-	-	-	-	-
Balance at 30 June 2021	22,293	8,116	5,156	4,346	39,911
Additional provisions made	-	1,026	-	2,348	3,374
Amounts used	(1,099)	(1,026)	(2,217)	(2,950)	(7,292)
Unused amounts reversed	(5,855)	-	(222)	(513)	(6,590)
Discount unwinding	-	-	-	-	-
Balance at 30 June 2022	15,339	8,116	2,717	3,231	29,403

26 Other liabilities

	Parent		Group	
	30 Jun 22 \$000	30 Jun 21 \$000	30 Jun 22 \$000	30 Jun 21 \$000
(a) Other current liabilities				
Income in advance	23,403	23,666	44,541	34,655
Service concession agreement	12 736	735	-	-
Other	-	-	10,632	8,175
	24,139	24,401	55,173	42,830
(b) Other Non-current liabilities				
Income in advance	-	-	2,443	2,769
Lease incentive liability	-	-	-	-
Service concession agreement	12 429	1,165	-	-
Other	-	-	540	1,784
	429	1,165	2,983	4,553
Total other liabilities	24,568	25,566	58,156	47,383
Income in advance				
Income in advance from non-exchange transactions:				
Grants and other revenue subject to condition	1,792	1,746	1,792	1,846
Advanced receipts	14,606	15,790	14,606	15,790
	16,398	17,536	16,398	17,636
Income in advance from exchange transactions	7,005	6,130	30,586	17,636
Total income in advance	23,403	23,666	46,984	35,272

Commentary / Korerotanga

Income in advance

The Parent's revenue in advance includes prepaid rates of \$11.1 million (2021: \$8.8 million), prepaid building inspections of \$7.5 million (2021: \$6.2 million), Christchurch Housing Initiative \$1.7 million (2021: \$1.7 million).

Service concession liability

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.

27 Contingent liabilities and assets

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Contingent liabilities				
Performance bonds	-	-	12,733	18,142
IRU contracts	-	-	458	-
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 Tuam Ltd	-	-	-	-
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	-	-	-	-
Christchurch Symphony Orchestra guarantee	200	200	200	200
Rebuild costs	-	-	-	-
Legal disputes	22,894	22,600	22,894	22,600
Total contingent liabilities	1,536,449	1,536,155	38,896	43,553
Contingent assets				
Ōtautahi Community Housing Trust	43,524	41,513	43,524	41,513
Deferred tax - Venues Ōtautahi	-	-	-	3,220
Total contingent assets	43,524	41,513	43,524	44,733

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 (2021: 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 2022, LGFA had borrowings totalling \$14.1 billion (2021: \$13.6 billion).

PBE Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is 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 raise sufficient funds to meet any debt obligations if further funds were required.

Associate contingencies

The Council's share of the contingencies of associates is \$6.2 million (2021: \$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 specific issues and the potential for claims in eight 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.

Insurance Proceeds

Following the significant fire at the Council's Bromley Wastewater Treatment Plant on 1 November 2021, \$10 million has been received from insurers relating to the fire damage. Further payments will be received from insurers, however Council is unable to quantify the value of these at this stage.

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 2022 a provision based on the results of the Phase 1 calculation methodology was made. Phase 2 is almost complete, an upgrade to the payroll and HR system has completed which incorporates the methodology changes. The final remediation calculations have been completed and the Council's liability is within the provision made. The payments to current employees have been made in October 2022, with former employee payments commencing shortly after.

The following contingent liabilities exist in respect of contract performance bonds:

- CCHL \$nil (2021: \$5 million);
- City Care \$11.4 million (2021: 11.2 million);
- RBL Property \$nil (2021: \$0.1 million); and
- Orion \$1.3 million (2021: \$1.8 million)

CCHL

CCHL entered into a \$50 million performance bond with ANZ bank in June 2011 in support of Enable's obligations under the UltraFast Broadband initiative. This bond reduced each year since inception and terminated during 2022 (2021: \$5 million).

Citycare has an arrangement with Bank of New Zealand for the issue of performance related bonds.

Orion New Zealand Ltd

Port Hills fires

On 13 February 2017, two fires started on the Port Hills near Christchurch and eventually spread to over 1,600 hectares. Fire and Emergency New Zealand released its independent reports into the fires and found that the causes of both fires was 'undetermined'.

IAG Insurance, on behalf of a number of its clients, brought proceeding in the High Court claiming that Orion's electricity network caused the first fire on Early Valley Road that in turn caused \$4.6 million of losses for its clients. On 15 September 2020, Orion reached a confidential commercial settlement with IAG. The settlement was without any admission of liability by Orion.

Over the last three 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

Port Hills fires

In relation to the Port Hills fires discussed above, Leisure Investments NZ Limited Partnership (LINZ), trading as Christchurch Adventure Park – in which DCL owns an equity stake – has appealed a March 2021 High Court ruling that it had unwittingly helped spread the wildfires with its chairlift and must pay \$12 million in damages to affected home owners. LINZ's appeal of Justice Gendall's decision was heard in the Court of Appeal in Wellington on the 25 and 26 of May 2022. LINZ awaits the Court of Appeal decision as at the date of the financial statements.

At 30 June 2022, the total cost of the judgement together with interest and other costs is estimated to be \$14.3 million.

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	Interest and other costs of c.\$4.0 million will accrue during this period leaving an expected total shortfall after \$10 million insurance to be funded by LINZ of c.\$4.3 million	LINZ’s insurance liability cover reduces from \$10 million to \$3 million, interest and other costs of c.\$4.0 million accrues. LINZ’s liability in this instance increases to c.\$11.3 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 of section 43 and of overturning the judgement. On balance, the LINZ directors continue to believe that there is a good prospect of overturning the judgement 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.

Other parties have indicated that they may claim losses from the Port Hills fires from LINZ. To date, none of these claims have progressed to formal proceedings.

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.

Orion New Zealand Ltd

Orion is permitted to receive a maximum allowable revenue (MAR) for its electricity distribution services under the Commerce Commission’s default price path regime. Due to differences between quantity estimates and CPI estimates used in price setting and actual quantities and actual CPI during FY22, Orion estimates that it charged customers \$1.93 million below its MAR (2021: estimated \$2.18 million above MAR). This amount is still subject to wash-ups as improved information becomes available. Orion will adjust the final amount plus interest when it sets delivery prices for FY24 (2021: offset against FY23 delivery prices).

Venues Ōtautahi

The 30 June 2021 accounts excluded a 2018 tax return deduction of approximately \$11.51 million in relation to a land lease surrendered to Council during the 2018 financial year. The deduction was not recognised in the calculation of the tax balances of the Company. If the tax impact of the intangible asset had been recognised there would have been an increase in the deferred tax asset and a decrease in tax expense of \$3.22 million.

Inland Revenue have accepted that no adjustments are required regarding above and consequently as at 30 June 2022, the Company no longer carry’s the tax provision liability and has recognized the full allocation of tax losses as a deferred tax asset.

28 Cash flow reconciliations

28.1 Reconciliation of surplus for the period to net cash flows from operating activities

	Parent		Group	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$000	\$000	\$000	\$000
Surplus for the period	183,497	95,555	303,098	147,588
Add/(less) non-cash items				
Depreciation and amortisation	281,147	276,783	435,539	427,174
Vested assets	(109,343)	(69,710)	(109,343)	(70,546)
Impairment (gains)/losses	-	-	(220)	9,687
(Gains)/losses in fair value of investment property and assets held for sale	-	-	(49,915)	(46,451)
(Gains)/losses in fair value of derivative financial instruments	(4,486)	408	(4,158)	304
Share of associates' (surplus)/deficit (less dividends)	-	-	127	3,537
Net foreign exchange (gains)/losses	-	-	18	3
Deferred tax charged/(credited) to surplus	(227)	279	(13,318)	11,903
(Gains)/losses in fair value of Investments	(6,580)	(80)	(5,657)	(2,810)
Internal labour allocated to PPE & Intangibles	-	-	(6,301)	-
Other non cash movements	(261)	(134)	5,582	1,445
Net changes in non-cash items	160,250	207,546	252,354	334,246
Add/(less) items classified as investing or financing activities				
(Gain)/loss on disposal of non-current assets	14,594	20,723	5,072	19,723
Movement in capital creditors	10,934	10,020	10,695	22,589
Recognition of service concession arrangement	(735)	(736)	(735)	(736)
Insurance proceeds classified as investing activities	(10,040)	-	(10,040)	-
Other	-	-	(8,300)	2,442
Net changes in investing/financing activities	14,753	30,007	(3,308)	44,018
Add/(less) movement in working capital items				
Receivable and prepayment	(12,262)	27,038	(44,069)	14,914
Inventories	68	189	853	(1,197)
Other assets	-	-	1,727	(1,202)
Payables	(1,009)	(28,155)	(743)	(39,810)
Provisions and employee entitlements	(6,237)	7,687	(8,362)	3,383
Income tax receivable/(payable)	-	1,740	2,494	(347)
Other liabilities	(263)	2,954	787	9,626
Operational Assets from Discontinued Operations	-	-	908	-
Net changes in net assets and liabilities	(19,703)	11,453	(46,405)	(14,633)
Net cash from operating activities	338,797	344,561	505,739	511,219

28.2 Reconciliation of movement in financial liabilities to net cash flows from financing activities

	Liabilities				Equity		Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends	Total
Parent	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30 Jun 22							
Opening balance	1,961,084	-	91,962	193,831	-	-	2,246,877
Add/(less) cash items liabilities arising from financing activities							
Cash inflows	431,453	-	-	-	-	-	431,453
Cash outflows	(363,006)	-	(3,284)	-	-	-	(366,291)
Net cash from liabilities arising from financing activities	68,447	-	(3,284)	-	-	-	65,162
Add/(less) non-cash items							
Cash flow hedges gain/(loss)	-	-	-	(192,918)	-	-	(192,918)
Cash flow hedges ineffectiveness	-	-	-	(11,271)	-	-	(11,271)
Derecognition of cash flow hedges	-	-	-	6,785	-	-	6,785
Other	-	-	-	-	-	-	-
Net changes in non-cash items	-	-	-	(197,404)	-	-	(197,404)
Less equity items							
Net changes in equity items	-	-	-	-	-	-	-
Total borrowings and other financial liabilities	2,029,531	-	88,678	(3,573)	-	-	2,114,636

Reconciliation of movement in financial liabilities to net cash flows from financing activities *Continued*

	Liabilities				Equity		Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends	Total
Parent	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30 Jun 21							
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)
Fair value hedges ineffectiveness	-	-	-	-	-	-	-
Derecognition of cash flow hedges	-	-	-	6,785	-	-	6,785
IFRS 16 adoption reversal	-	-	-	-	-	-	-
New leases	-	-	-	-	-	-	-
Crown Infrastructure Partners loan	-	-	-	-	-	-	-
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

Reconciliation of movement in financial liabilities to net cash flows from financing activities *Continued*

Group	Liabilities				Equity			Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends	Other Cashflow	Total
30 Jun 22	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance	3,505,776	-	58,752	255,799	-	-	-	3,820,327
Add/(less) cash items liabilities arising from financing activities								
Cash inflows	713,137	-	-	-	-	-	855	713,992
Cash outflows	(535,957)	-	(1,527)	-	-	(5,012)	-	(542,497)
Net cash from liabilities arising from financing activities	177,180	-	(1,527)	-	-	(5,012)	855	171,495
Add/(less) non-cash items								
Cash flow hedges gain/(loss)	-	-	-	(247,713)	-	-	-	(247,713)
Cash flow hedges ineffectiveness	-	-	-	(10,836)	-	-	-	(10,836)
Fair value hedges ineffectiveness	(10,239)	-	254	-	-	-	-	(9,985)
Derecognition of cash flow hedges	-	-	-	6,785	-	-	-	6,785
IFRS 16 to PBE conversion	-	-	(8,357)	-	-	-	-	(8,357)
New leases	-	-	10,278	-	-	-	-	10,278
Right of use asset valuation	-	-	-	-	-	-	-	-
Fair value of concessionary loans	-	-	-	-	-	-	-	-
Other	9	-	(2,755)	(426)	-	-	-	(3,172)
Net changes in non-cash items	(10,230)	-	(580)	(252,190)	-	-	-	(263,000)
Less equity and other items								
Dividends paid	-	-	-	-	-	-	-	-
Dividends paid - non controlling interests	-	-	-	-	-	5,012	-	5,012
Share purchases	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	(855)	(855)
Net changes in equity and other items	-	-	-	-	-	5,012	(855)	4,157
Total borrowings and other financial liabilities	3,672,726	-	56,645	3,609	-	-	-	3,732,980

Reconciliation of movement in financial liabilities to net cash flows from financing activities *Continued*

Group	Liabilities				Equity		Other Cashflow	Total
	Borrowings from external parties	Borrowings from group entities	Finance lease liabilities	Derivative instruments - liability	Share purchases	Dividends		
30 Jun 21	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
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 adoption reversal	-	-	(67,098)	-	-	-	-	(67,098)
New leases	-	-	6,025	-	-	-	-	6,025
Crown Infrastructure Partners loan	-	-	-	-	-	-	-	-
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

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.

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	2022		2021	
	Services to CCOs	30 June Balance	Services to CCOs	30 June Balance
	\$000	\$000	\$000	\$000
CCHL	107	24	66	6
CBL	20	-	20	-
CAFE	-	-	-	-
RBT	33	-	35	-
Venues Otautahi	4	-	12	-

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	2022	2021	Reason for non-arm's length
	\$000	\$000	
RBT	556	532	In accordance with the Riccarton Bush Act
Regenerate	-	158	Non-contestable funding
CNZ - Seed Fund	1,539	750	Non-contestable funding
Venues Otautahi	9,292	2,500	Non-contestable funding

No balances were outstanding at year end (2021: nil).

Other commercial contracts

The Council has a contract with EcoCentral for waste collection and management. This contract was not tendered. In 2021/22 the Council paid \$10.7 million (2021: \$13.2 million) to EcoCentral and at year end \$0.9 million (2021: \$0.8 million) was outstanding.

Subventions

The final Council tax position for the 2021 tax year resulted in Council transferring losses of \$33 million (2020 tax year: \$5.7 million) and receiving a payment of \$12.9 million (2020 tax year: \$2.2 million).

The total amount of tax losses transferred between group companies was \$33.0 million (2020 tax year: \$10.0 million).

30 Major budget variations (Parent only)

Statement of comprehensive revenue and expense

For the year ended 30 June 2022

Total revenue	\$145.2 million higher than budget arising from:	
	Development and financial contributions	\$15.2 million up due to higher than expected subdivision volume.
	Finance revenue	\$4.2 million up due to increased interest rates on subsidiary on-lending.
	Subsidies and grants	\$11.3 million down mainly due to lower than expected NZTA subsidy and crown contribution for Te Kaha.
	Other revenues comprising:	
	Vested assets	\$92.3 million up due to vested land for Te Kaha Multi Use Aera and increased building activity from new subdivisions.
	Insurance	\$10 million up \$10 million unplanned insurance recovery for the treatment plant fire.
	Subvention receipts	\$9.2 million up due to higher available tax losses to transfer within the Group.
	Fees and charges	\$7.8 million up due to the increase in consent volumes
	Recoveries from BRRP	\$4.1 million up unplanned recoveries from the Burwood Resource Recovery Park (BRRP) following the grant of new consent.
	Dividend revenues	\$2 million up due to better than expected performance from subsidiaries.
Total expenses	are \$29.7 million higher than budget arising from:	
	Net (gains)/losses	\$3.5 million unbudgeted relating to loss on disposal of PPE and assets held for sale, and fair value adjustments for financial instruments.
	Depreciation and amortisation	\$3.4 million down due to lower than expected delivery of capital projects this year.
	Finance cost	\$1.4 million up due to increase in interest rates.
	Other expenses comprising:	
	Regulatory and compliance	\$7.1 million up due to additional external resourcing required to keep up with the surge in consent demand.
	Wastewater	\$12.2 million up due to increased payments to suppliers largely related to the treatment plant fire response including operating and along with higher than planned staff costs.
	Water supply	\$1.8 million up due to higher than planned maintenance costs across the activity.
Total other comprehensive revenue and expenses	Asset revaluations	\$1,463 million up Actual revaluation gains on assets are \$1,822 million higher than budget.
	Subsidiary valuations	\$237 million unbudgeted valuations subject to market conditions existing at balance date
	Derivatives	\$193 million unbudgeted valuations subject to market conditions existing at balance date

Statement of financial position

As at 30 June 2022

Total assets	are \$1,987 million higher than budget explained by:	
Cash and cash equivalents	\$57 million up	due to pre-funding before debt repayments to take advantage of lower interest rates.
Investments and other financial assets	\$378 million up	due to a combination of revaluation increases and additional investments made during the year.
Property, plant and equipment and intangible assets	\$1,561million up	due to a combination of valuation gains and partially offset by a slower than expected delivery of capital projects.
Accounts receivables	\$18 million down	due to timing of invoicing and receipts.
Changes to tax assets	\$4 million unbudgeted	due to imputation credits attached to dividends
Total liabilities	Total liabilities are \$586 million lower than budget explained by:	
Borrowing	\$568 million down	due to the under-delivery of capital projects, including the Te Kaha Multi Use Arena.
Other liabilities	\$23 million up	mainly due to unbudgeted income in advance for prepaid inspections and prepaid rates by ratepayers.
Payables	\$49 million down	due to timing of invoicing and payment.
Provisions	\$3 million up	mainly due to unplanned changes to the building related claims provision and increases in landfill aftercare provision.

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 was:

	30 Jun 22	30 Jun 21
	\$	\$
Dawn Baxendale	526,849	466,235

Commentary / Korerotanga

During 2021, 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.

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 22	30 Jun 21
	\$000	\$000
Key management personnel compensation		
Salaries and other short term benefits	4,046	4,665
Total	4,046	4,665

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 (2021: 22).

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 2022 the Council made four severance payments as follows, \$35,000, \$8,500, \$9,000, \$151,000.

This compares with the year ended 30 June 2021 the Council made eight severance payments totalling \$140,538, \$25,000, \$18,493, \$12,661, \$10,214, \$8,500, \$2,500 and \$1,500.

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 22	30 Jun 22	30 Jun 22	30 Jun 21	30 Jun 21	30 Jun 21
	Council	Directors	Total	Council	Directors	Total
	Remuneration	Fees	Total	Remuneration	Fees	Total
	\$	\$	\$	\$	\$	\$
Lianne Dalziel	195,000	-	195,000	187,688	-	187,688
Andrew Turner	131,255	-	131,255	127,969	-	127,969
Jimmy Chen	114,134	-	114,134	112,281	-	112,281
Catherine Chu	114,134	-	114,134	114,134	-	114,134
Melanie Coker	114,134	3,288	117,422	111,357	-	111,357
Pauline Cotter	114,134	-	114,134	111,277	-	111,277
James Daniels	4,829	-	4,829	111,277	-	111,277
Mike Davidson	114,134	-	114,134	111,277	-	111,277
Celeste Donovan	79,454	-	79,454	-	-	-
Anne Galloway	114,134	-	114,134	111,277	-	111,277
James Gough	114,134	-	114,134	113,783	-	113,783
Yani Johanson	114,134	-	114,134	111,277	-	111,277
Aaron Keown	114,134	-	114,134	111,277	-	111,277
Sam MacDonald	114,134	-	114,134	112,184	-	112,184
Phil Mauger **	114,134	51,119	165,253	111,277	-	111,277
Jake McLellan-Dowling	114,134	-	114,134	111,277	-	111,277
Tim Scandrett	114,134	-	114,134	111,277	-	111,277
Sara Templeton	114,134	-	114,134	111,277	-	111,277
Total	2,008,414	54,407	2,062,821	1,992,161	-	1,992,161

* Council remuneration excluded elected member allowances (technology and mileage)

** Directors fees are for the two years 2020/21 and 2021/22.

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.

Councillor Mauger and Councillor Coker donated their directors' fees to Mayor's Welfare Fund (MWF) in 2022.

31.5 Elected members – Board Members

		30 Jun 22	30 Jun 21			30 Jun 22	30 Jun 21
		Total	Total			Total	Total
		Remuneration	Remuneration			Remuneration	Remuneration
		\$	\$			\$	\$
Banks Peninsula Community Board				Coastal-Burwood Community Board			
c	Tori Peden	21,204	19,734	c	Kelly Barber	47,711	47,229
dc	Tyrone Fields	10,002	9,867	dc	Jo Zervos	23,846	23,615
	Reuben Davidson	10,189	9,867		Bebe Frayle	23,846	23,615
	Nigel Harrison	10,377	9,867		Linda Stewart	23,846	23,615
	Howard Needham	10,143	9,867				
	Jamie Stewart	10,152	9,867				
	Scott Winter	10,002	9,867				
Fendalton-Waimairi-Harewood Community Board				Halswell-Hornby-Riccarton Community Board			
c	Bridget Williams*	47,048	30,019	c	Mike Mora	49,641	49,160
dc	David Cartwright**	23,534	39,869	dc	Andrei Moore	24,821	24,590
	Linda Chen	23,534	23,303		Helen Broughton	24,821	25,330
	Jason Middlemiss	23,534	23,303		Imam Gamal Fouda	24,821	24,590
	Shirish Paranjape	23,534	23,303		Debbie Mora	24,821	24,990
	Mike Wall	23,534	23,303		Mark Peters	24,821	24,590
Linwood-Central-Heathcote Community Board				Papanui-Innes Community Board			
c	Alexandra Davids	49,641	51,333	c	Emma Norrish	47,711	47,769
	Sally Buck	-	378	dc	Simon Britten	23,846	23,615
	Sunita Gautam	24,821	16,645		Ali Jones	23,846	23,615
	Darrell Latham	24,821	24,590		Emma Twaddell	23,846	23,615
	Tim Lindley	24,821	24,590				
	Michelle Lomax	24,821	24,590				
	Jackie Simons	24,821	24,590				
Spreydon-Cashmere Community Board							
c	Karolin Potter	47,711	47,229	c denotes chairperson			
dc	Lee Sampson	23,846	26,308	dc denotes deputy chairperson			
	Keir Leslie	23,846	23,615				
	Callum Steward-Ward	23,846	23,615				
				Total	30 Jun 22	30 Jun 21	
					952,022	939,447	

Commentary / Korerotanga

The Banks Peninsula Community Board remuneration excludes members travel time allowance of \$2,034 (2021: \$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 2,721 (2021: 2,684) staff members. These comprised 1,755 (2021: 1,756) full time employees with the balance of employees representing 379 (2021: 391) 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.

Salary band	30 Jun 22 Number of Employees	Salary band	30 Jun 21 Number of Employees
Less than \$60,000	1,075	Less than \$60,000	1,087
\$60,000 - \$79,999	611	\$60,000 - \$79,999	579
\$80,000 - \$99,999	432	\$80,000 - \$99,999	434
\$100,000 - \$119,999	305	\$100,000 - \$119,999	317
\$120,000 - \$139,999	183	\$120,000 - \$139,999	175
\$140,000 - \$159,999	73	\$140,000 - \$159,999	55
\$160,000 - \$179,999	17	\$160,000 - \$179,999	13
\$180,000 - \$199,999	10	\$180,000 - \$199,999	10
\$200,000 - \$219,999	9	\$200,000 - \$219,999	8
\$220,000 - \$539,999	6	\$220,000 - \$479,999	6
Total employees	2,721	Total employees	2,684

Commentary / Korerotanga

Overall the number of full time equivalent employees of the Parent decreased by 14 or 0.6 per cent.

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 Long Term Plan 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 (LGA) requires the board of a CCO to deliver an annual report, half year report, and a quarterly report (if requested by the shareholder) and a statement of intent to its shareholders within specified timeframes.

In 2021/22, the following CCOs were unable to meet the statutory timeframes for 30 June 2021 annual reports due to delays in its audit programme:

- Riccarton Bush Trust
- Rod Donald Banks Peninsula Trust
- Te Kaha Project Delivery Ltd
- Civic Building Ltd
- Central Plains Water Trust

Venues Ōtautahi and Transwaste Canterbury Ltd authorised their 30 June 2021 annual report for issue within the statutory deadline, but submitted late to Council.

Civic Building Ltd delivered its draft SOI to the Council on 4 March, three days later than the statutory date of 1 March.

Te Kaha did not begin its quarterly reporting until Quarter 2 2021/22 because its SOI for 2021/22 was completed in December 2021. The company's Quarter three performance report was due by 31 May but was received on 5 July largely owing to disruption from the need to revert to Council for new decisions on the stadium's specifications and funding in mid-July.

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.

34 Subsequent events

34.1 Parent

The Council passed a resolution on 14 July 2022 to increase the spending on Te Kaha Multi-Use Arena to \$683 million.

The fair values of Council's derivative hedging instruments have increased significantly since balance date, from an asset of \$3.5 million at 30 June 2022 to an asset of \$33.6 million at 30 November 2022, because of substantial increases in market interest rates in that period. All of Council's hedging instruments qualify for hedge accounting treatment, so this subsequent event has no implication for Council's Statement of Financial Performance.

The parent did not have any significant subsequent events in 2021.

34.2 Group

The group is aware of the following significant events after balance date:

Sale of Spring Road Property

On 1 August 2022, following completion of due diligence, Citycare sold its Springs Road property for c.\$14.25 million to Cristo Limited.

Business combination – Citycare acquisition

On 27 May 2022, Citycare entered into a Sale and Purchase Agreement for the purchase of 100% of the total shares of the Spencer Henshaw Group of companies (SH Group), consisting of Spencer Henshaw Ltd, SW Scaffolding Ltd and Panmure Property Holdings Ltd, for an Enterprise Value of \$71 million, including \$6.8 million held in escrow in relation to warrant issues, and \$3 million of contingent consideration (refer below).

The Spencer Henshaw Group provides a full range of property repair, maintenance and upgrade services to government and commercial organisations.

Following satisfaction of certain conditions, the acquisition settled on 2 September 2022. The breakdown of consideration paid is set out below.

The acquisition gives Citycare a strong market position in the Social Housing sector, which is a segment within Citycare Property's Social Infrastructure strategy. Citycare's acquisition of SH Group will support it to re-engage with the social housing sector by leveraging SH Group's experience and capability in this area. SH Group is aligned to Citycare's core values by demonstrating care for people and communities, and being a leading NZ-owned facilities maintenance service provider.

	Group 2 Sep 22 \$000
Consideration	
Cash	61,200
Cash held in escrow in relation to warrant issues	6,800
Contingent consideration	3,000
Total consideration	71,000

The above does not require any adjustment to the financial statements for the year ended 30 June 2022.

Cash held in escrow in relation to warrant issues

\$6.8 million, being 10% of the initial consideration of \$68 million, is held in escrow for a period of 24 months post-settlement and will apply only to vendors' liability for breach of warranties or indemnities.

Contingent consideration

Certain shareholders are subject to additional deferred consideration by way of an earn out, subject to SH Group's commercial arrangements and financial performance being maintained over the three years following settlement. Contingent consideration will be in the range of \$nil to \$3.0 million.

Costs relating to the acquisition

Citycare incurred acquisition-related costs of \$0.7 million in the year to 30 June 2022 relating to external legal fees and due diligence costs. These costs are included in operating expenses.

Fair value of assets and liabilities

The initial accounting for the business combination is incomplete at the time the financial statements were authorised for issue. Therefore the fair value of identifiable assets acquired and liabilities assumed (and therefore goodwill) cannot be disclosed. The business combination accounting will require a fair value assessment of both the tangible net assets acquired as well as the identifiable intangible assets acquired in order to determine the goodwill on acquisition. Given the nature of the anticipated identifiable intangible assets there has not been sufficient time to gather the necessary information and work through an appropriate fair valuation exercise, nor has there been time to procure fair valuations of the fixed assets acquired. As such it is not possible to disclose the breakdown of the identifiable assets acquired and liabilities assumed at this time.

Advance to subsidiary

On 1 September 2022, the CCHL Parent advanced \$56 million to Citycare in relation to the acquisition of Spencer Henshaw.

Parent guarantee

On 1 September 2022, the CCHL Parent provided a guarantee to Bank of New Zealand for \$31 million to cover Citycare’s banking facilities in relation to the acquisition of Spencer Henshaw.

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 2022 in particular future cash flows, future growth rates and capitalisation rates. Given the circumstances, the investment property valuations as at 30 June 2022 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 decreased over the previous year.

Financial Position

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

Some of Council's non-financial performance are negatively affect by the lockdown and ongoing impact of Covid-19. Most of these are in the Communities and Citizens group of activities, with impact of reduced opening hours, visitor numbers, events and programmes in a number of areas. Detailed impacts are disclosed in the Council Activities and Services section.

35.2 Impact on Group

Orion NZ Ltd (Orion)

COVID had minimal impact on the Orion Group during the year ended 31 March 2022, similar to the previous year. The Canterbury region was affected by a three week level 4 and 3 lockdown during August/September 2021. During these lockdowns, most of Orion's staff were working from home and business activity was predominately restricted to emergency works response, some essential preventative maintenance and high priority capital work. The group remained vigilant throughout the remainder of the year as the Omicron variant also became present in the community.

Overall, as the level 3 and 4 lockdowns were of relatively short duration there was minimal impact on Orion's operational result for 2022. Orion made support payments to three emergency works contractors and also provided rent relief to a contractor. COVID has had minimal impact on Orion's SAIDI and SAIFI measures.

Christchurch International Airport Ltd (CIAL)

While the ongoing impacts of the response to the pandemic continue to evolve, following an initial period of reset, CIAL has subsequently moved into a period of recovery, adjusting operational and commercial structures to align to the ongoing uncertainty but also opportunities presented by the pandemic.

CIAL has seen a reduction in passenger numbers for the year ended 30 June 2022 and is forecasting a recovery back to pre-COVID levels over the next few years. Whilst domestic passenger travel has recovered strongly, despite periods of regional lockdown during the year, there remains uncertainty around the timing of the recovery trajectory for international air travel, given the ongoing uncertainty and disruption caused by COVID.

CIAL uses underlying forecast cash flows in some of its asset valuation and impairment models based on forecasts of passenger and visitor recovery trajectories using information available at the time of preparing these financial statements. As with all reasonable assumptions made at a point in time it is likely that the actual outcome may differ over time.

Lyttelton Port Company Ltd (LPC)

LPC's financial performance improved in 2022, even though it was impacted operationally by COVID. LPC appreciates the incredible commitment shown by their team in this area, and the extensive testing and vaccinations required of frontline border workers. LPC is looking forward to welcoming back the cruise industry over the upcoming spring and summer season.

Enable Services Ltd (Enable)

The COVID level 4 and level 3 lockdown during August / September 2021 limited activity in the field and the Omicron variant severely impacted on the field workforce in March to May 2022.

As a result, gross telecommunications revenue was lower due to lower connections and operational service levels performance was also affected.

The availability of the Network is a testament the dedication of staff as a result of close management of Enable's connection field force and core network availability resulting from careful management of Enable's network assets. Furthermore, tight cost control ensured that Enable exceeded its full year profit target, ensuring payment of Enable's target dividend of \$20m.

City Care Ltd (Citycare)

Citycare came close to achieving its budgeted revenue this year but fell short of its EBIT and NPAT targets largely as a result of the wider impacts of COVID, including lockdowns, staff absenteeism, supply chain disruption, reduced local government spending and increased inflation. Tight working capital management and relatively low capital spend gave rise to strong cash flows as Citycare worked towards protecting its bottom line.

EcoCentral Ltd (EcoCentral)

On 17 August 2021, EcoCentral was impacted by the Government's nationwide COVID level 4 lockdown. As an essential service, the EcoSort's recycling facility continued to operate during this time and the EcoDrop refuse stations also continued to operate for essential customers only. EcoCentral's EcoShop was closed and didn't reopen until Christchurch returned to level 2 on 2 September 2021. EcoCentral experienced a loss of revenue in excess of 55% during the first two weeks of the lockdown and received a wage subsidy from the government for this period. The wage subsidy was subsequently returned to the Government in February 2022 following a healthy rebound in revenue and profitability. EcoCentral also received \$23,000 from the Government's COVID-19 Leave Support Scheme during the current year.

Overall, EcoCentral assesses that COVID-19 had a minimal impact on its operational results for the both the current and previous years.

Development Christchurch Ltd (DCL)

DCL continues to hold an equity investment in Leisure Investments NZ Limited Partnership (LINZ), trading as Christchurch Adventure Park, on behalf of Christchurch City Council. The closure of the Christchurch Adventure Park during Level 4 and 3 lockdowns impacted revenue during the current and prior years.

CCHL Group Impact

All identified impacts of COVID have been reflected in the financial statements. The primary area that COVID has impacted on the 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

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.

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.

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:

Parent

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 (Note 17.3).

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 (Note 10.4).

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 (Note 25.1).

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.

Group

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.

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.

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.

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

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 2022. 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 below.

In June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the Council will no longer deliver three waters services or own the assets required to deliver these services. The Bill is currently before Parliament and as such, the impacts of the proposed reforms are currently unclear. Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.”

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.

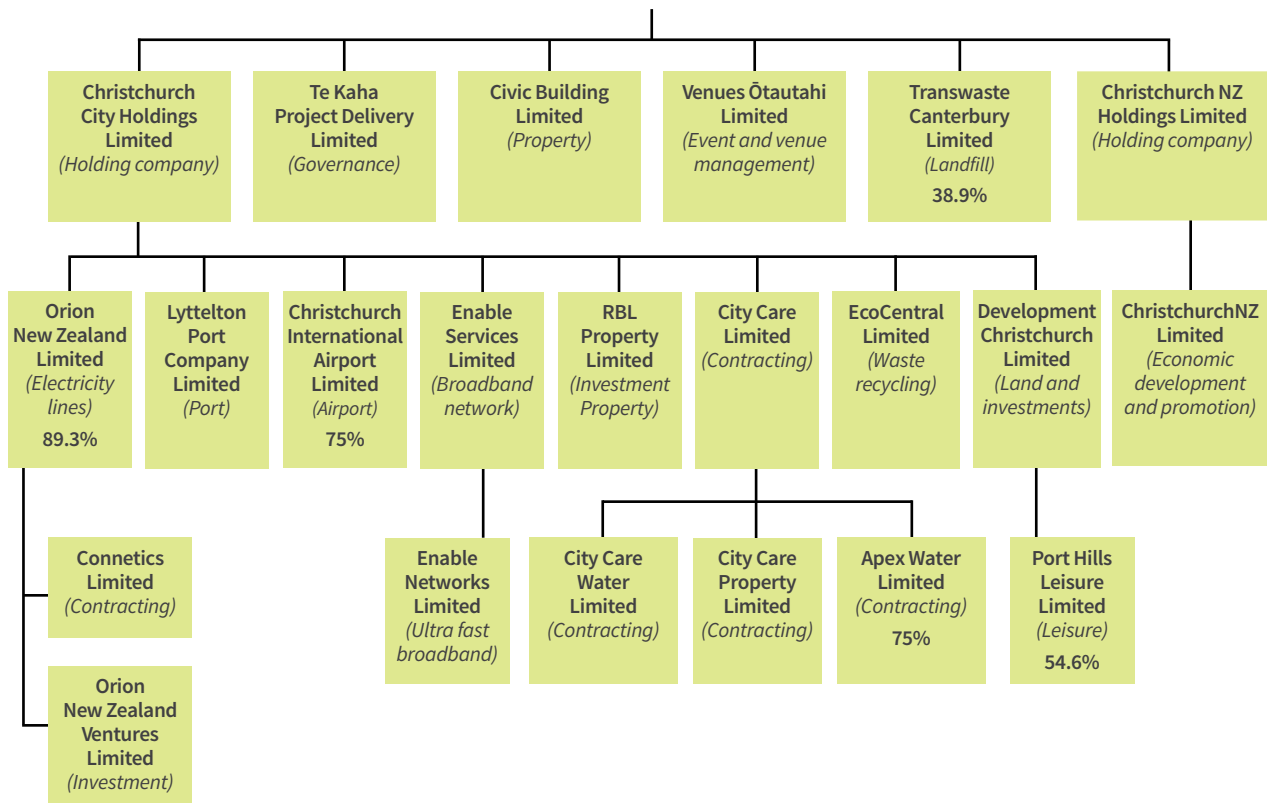
The Council also has invested directly in other CCOs; VÕ CBL and CNZH to enable administrative efficiencies to be achieved.

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 2021/22.



Group structure as at 30 June 2022



Major direct and indirect trading and operating subsidiaries



Summary financial table

For more detail refer to individual organisation reports.

	Income	Net result (after tax)	
	2022 \$000	2022 \$000	2021 \$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	21,721	868	(6,207)
Civic Building Ltd	4,327	(93)	(99)
ChristchurchNZ Holdings Ltd	23,436	782	(2,217)
Transwaste Canterbury Ltd	60,149	16,459	23,832
Riccarton Bush Trust	688	(184)	(110)
Rod Donald Banks Peninsula Trust	300	(9)	745
Christchurch Agency for Energy Trust	-	-	(249)
Central Plains Water Trust	104	-	-
Ōtautahi Community Housing Trust	28,397	3,629	1,600

Christchurch City Holdings Ltd

www.cchl.co.nz



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.

Sustainability

The Group is on a journey towards measuring group wide greenhouse gas (GHG) emissions and is committed to reducing these emissions. The Group is also working to ensure readiness for the mandatory climate reporting

regime, effective for Financial Markets Conduct (FMC) reporting entities from FY24.

Currently individual subsidiaries within the CCHL group have developed and are reporting against their own sustainability metrics, including emissions reduction performance measures. Each subsidiary is at a different stage of its own carbon reduction journey and as a result there is variability in the scope of activities captured by their measures in FY22. We are still working on establishing systems at subsidiary and Group level to measure and report consistently against Group-wide carbon reduction targets on an annual basis.

From next year the Group will take a consolidated approach which will define boundaries from a group perspective and provide an understanding of what is required in order to comply with the FY24 reporting deadline.

Once group-wide targets are set, individual subsidiaries will still be responsible for verifying their own GHG emissions inventories and that will be completed as part of each subsidiary's annual audit process. The subsidiaries will then report this verified information to CCHL for inclusion in the Group GHG inventory.

CCHL has formed a group wide Sustainability Working Group, which will take a principled approach, balancing people, planet and prosperity, understanding that sustainability in its truest sense sits at the intersection of those spaces.

In the letter of expectations to subsidiaries for the FY22, CCHL requested that all subsidiaries:

- Establish clear sustainability targets that they can report against; and
- Support the CCHL Group wide work to develop Group wide sustainability targets.

CCHL continues to monitor and report progress against the targets. The targets will be set using a common platform/measure via www.sciencebasedtargets.org.

There is a level of inherent uncertainty in reporting greenhouse gas emissions. This is due to a level of scientific uncertainty as well as estimation uncertainty involved in the measurement processes. This has resulted in an emphasis of matter paragraph being included in the audit reports of Christchurch International Airport, Enable Services Limited and City Care Limited, as well as in CCHL Group's own audit report, to highlight this uncertainty to its readers.

Key performance targets	2022	2022
	Target	Actual
Subsidiary companies set and attain environmental, social and innovative performance objectives that are compatible with their activities, commercial nature and other objectives.	CCHL Group will prepare a GHG emissions reduction management plan including a timeline to achieve a Group target of being net zero GHG emissions.	Partially achieved - the Group is engaging a consultant to help bring together the current subsidiary level Emissions Reduction initiatives into a group level view. This will include pathways that demonstrate business as usual reductions, alignment with science based targets and being ahead of the science based targets accelerated pathway.
CCHL financial and distribution performance meets the shareholder's expectations.	CCHL pays a dividend that meets or exceeds its \$16.1 million budget.	Achieved – paid 16.1 Million
CCHL's process for the selection and appointment of directors to the group's boards is aligned with governance best practice and reflects the shareholder's expectations of diverse and inclusive boards.	Appointment process is transparent, fully documented and in line with approved policies and procedures.	Achieved - Director appointments made during the year complied with Council/CCHL policies.

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

- Connetics 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	2022 Target	2022 Actual
Net profit after tax	\$25 million	Achieved – 33 million
Network reliability targets		
Overall network - Minutes of supply interruptions per customer (SAIDI).	124.39	Achieved – 77.87
Overall network - Number of supply interruptions per customer (SAIFI).	1.1832	Achieved – 0.6760
Halve our Group benchmark corporate emissions by 2030. Obtain Group carbon reduce (previously CEMARS) certification	Group carbon reduce certification obtained: 31 March 2022	Complete

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 2022

	2022 Actual \$000	2021 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 \$32.6 million in 2021/22 compared to a profit of \$33.2 million in 2020/21. This reflects higher revenue from electricity distribution, and a higher operating cost for the year.

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.

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.

Key performance targets

	2022 Target	2022 Actual
Net profit after tax	\$17 million	18.9 million
Total recordable injury frequency rate (TRIFR)	5.4	2.59
Ship rate (TEU per hour per ship).	65.0	Not achieved - 57.26. Ship rates have been lower than target value due to supply chain disruption affecting ship schedules and planning and labour shortages resulting from COVID sickness or isolation.
Coal load out rate (tonnes per day).	25,000	Not achieved - 22,219. Impacted by temporary closure following fatal accident on the ETG Aquarius LPC on 25 April 2022.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 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)

Net profit after tax has returned a profit of \$18.9 million in 2021/2022, compared to a profit of \$15.0 million in 2020/2021. This was driven by large volume growth and the first full year of infrastructure levy.

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

	2022 Target	2022 Actual
Net profit after tax	\$20.2 million	Achieved – 59.5 million
Domestic passengers	4,492,665	Not achieved – 3.1 million
International passengers	14,528	Achieved – 35 ,067
Tasman & Pacific Islands	615,202	Not achieved – 118,004
Carbon	Maintain trend in milestone emissions reduction goal of 84% reduction in scope 1 and 2 by 2035 (using FY2015 carbon baseline).	CIAL continues to align with its emission reduction trajectories and as evidenced by CIAL's independently certified FY21 Green House Gas (GHG) emissions, remain on track to achieve the 2035 target. FY22 has seen a further reduction in CIAL's GHG inventory, which is currently being independently certified.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	189,439	179,203
Finance Income	96	86
Operating and other expenses	135,667	134,601
Operating profit before tax	53,868	44,688
Tax (benefit)	15,210	(3,138)
Net profit for the year	38,658	47,826

Net profit after tax has returned \$59.5 million in 2021/2022, compared to a profit of \$38.7 million in 2020/2021. This favourable result was driven by the non-taxable fair value gain on the land component of CIAL's investment property portfolio, along with a stronger than expected recovery in passenger numbers.



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.

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.

Key performance targets	2022 Target	2022 Actual
Net profit after tax	\$6.421 million.	Not achieved – 3.7 million due to Covid lockdown
Health & Safety	<10 incidents requiring notification to WorkSafe	Achieved
	<1 WorkSafe investigation	Achieved
Sustainability	Annual reduction of company-wide greenhouse gas emissions normalised against annual turnover to reach 2030 goals.	Achieved – Sources of emissions measured by Citycare include diesel used in the asphalt plant and vehicles, purchased electricity including transmission and distribution losses, air travel accommodation and rental cars.
		For more details on the emissions measured and the uncertainties in measurement, please refer to Citycare's 2022 Annual Report

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 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

Net profit after tax returns \$3.7 million in 2021/2022, compared to a profit of \$5.6 million in 2020/2021. The drop in revenue is a direct result of the extended Covid lockdown in Auckland region during quarter 3.

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 CCOs. 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	2022 Target	2022 Actual
Net profit after tax	\$21.6 million	Achieved – 22.4 million
Number of connections (cumulative)	144,100	Achieved – 143,331
Operational service level agreement achieved	>95%	Not achieved – 92.6%
Total network availability	>99.97%	Achieved – 99%
Sustainability – reduce scope 1, 2 and 3 (excluding staff commute) emissions against audited FY 2020 base year) to 581 tonnes	17%	In progress - Enable achieved a 28% reduction on like-for-like emissions. Enable has restated its base year emissions and added new sources of emissions this year to capture a greater portion of the carbon footprint. Emissions reported include scope 1 and 2 emissions, plus partial scope 3 emissions.
Total recordable injuries frequency rate/million hours	<=3	Not achieved – 5
Serious harm injuries	0	Achieved – Nil

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 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

Net profit after tax for 2021/22 of \$22.5 million, compared to a profit of \$15.8million in 2020/21. This reflects Enable's larger income base made up primarily of revenue from wholesale fibre broadband services.

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 CCTOs. 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.

RBL Property 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

	2022 Target	2022 Actual
Net profit after tax	\$379,000	Achieved – 462,000
Mana	Constructive relationship with owners regarding future of land holding	Achieved
Sustainability	Site environmental management maintained to acceptable standard.	Achieved

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 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)

Net profit after tax for 2021/22 is \$0.5 million, compared to \$3 million in 2020/21. This mainly due to discontinued services for Redbus.

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.

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objective of CCOs. 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.

Key performance targets

	2022 Target	2022 Actual
Net loss after tax	(\$658,000)	Achieve – 3.3 million
Work closely with ChristchurchNZ Holdings Ltd	Continue to dispose of land held for resale on commercial terms.	Achieved
Monitor investment in Christchurch Adventure Park	Monitor and establish appropriate ownership model for Council’s stake.	Achieved

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$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

Net profit after tax is \$3.3 million in 2021/22, compared to a deficit of \$0.6 million in 2020/21. The gains achieved on the sale of property.

Venues Ōtautahi Ltd

www.venuesotautahi.co.nz



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).

Key performance targets

	2022 Target	2022 Actual
<u>Financial Target</u>	EBITDA \$437,000	Achieved – 716,000
<u>Economic Impact</u> Attract and manage events that generate positive financial impact contributing to a Prosperous Economy, Liveable City and Strong Community as is defined under the Council strategic framework outcomes	Maximise visitor spending by holding at least 13 major ticketed events at Venues Ōtautahi venues ¹ . Events Economics Tool ¹² used to estimate visitor spending on a sample of major events	<p>Due to the return to Covid-19 Alert Level 4 from 18 August 2021 Venues Ōtautahi had not held a major event in the first half of the 2022 financial year.</p> <p>There were 8 major events held in the period 1 January to 30 June 2022 including three Test Matches between the Black Caps vs Bangladesh and South Africa and ICC Women’s Cricket World Cup (5 matches at Hagley Oval)</p> <p>Venues Ōtautahi used the Events Economics Tool to estimate the economic benefit for the Women’s Cricket World Cup with an estimated economic benefit of \$8.9 million to the Canterbury region for the matches held at Hagley Oval.</p>
<u>Social and Cultural Impact</u> Maximise attendance at Venues Ōtautahi venues which contributes to a Liveable City and Strong Community Council strategic framework outcomes	Guests to venues exceed 500,000	<p>Attendance at Venues Ōtautahi venues prior to the Covid-19 Alert Level change on 18 August 2021 was 89,162.</p> <p>Total attendance for the full year, including Venues Ōtautahi operating under the Covid-19 Framework restrictions for 8 months of the year, was 307,193.</p> <p>This includes the CDHB vaccination drive through at the Christchurch Arena of 63,596 based on the number of vaccinations administered at the drive through venue.</p>
Make venues available to support local community groups/individuals	At least 35 events receive the community rate or \$50,000 of syndicate community funds are allocated to community groups or individuals	<p>Venues Ōtautahi focus remains strongly on community access to and connection with the venues. With 37 groups or individuals having received the community rate.</p> <p>While the syndicate community fund was not established due to the Covid-19 related delay in establishing the Ōtautahi Collective, community discounts applied at Venues Ōtautahi venues in FY21/22 totaled \$116,930, \$66,930 over the \$50,000 target.</p>

Policies and objectives relating to ownership and control

Section 59 of the Local Government Act 2002 sets out the principal objectives of CCTOs. 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.

	2022 Target	2022 Actual
<u>Asset Care</u> Ensure assets are maintained at a suitable level for general use at all venues.	The Asset Management Plan (AMP) is reviewed and updated annually, and asset maintenance is compliant with the AMP timetable.	Due to constraints of Covid-19 on supply of materials and services, the timing of the AMP for the 2022 financial year is slightly delayed. This is expected to be on track by January 2023, with the reprioritisation of some aspects of the capital programme. Of note, there have been no delays to any capital projects associated with ensuring the venues are both safe and compliant. Monthly dashboard reporting tracking the delivery of the AMP is provided to the Venues Ōtautahi Board. Annually the AMP is reviewed, amended as required and approved by the Venues Ōtautahi Board as part of the budgeting process.
<u>Sustainability and Environment</u> Contribute to reducing the City's carbon footprint	Develop and implement a sustainability strategy that supports the reduction in the city's carbon footprint target	Venues Ōtautahi have engaged with Toitū Envirocare, a specialist provider of business sustainability services, to support the business in the development of a sustainability strategy, a robust environmental management system and to seek recognition through the Toitū Environmental Management Certification Programme. Venues Ōtautahi will be working towards Toitū Gold Environ-mark certification commencing Q1 FY22/23. This will be a phased process with the achievement of Bronze certification a target for end calendar 2022 and Gold Enviro-mark certification which will include the development of the Venues Ōtautahi sustainability strategy by end June 2023.
<u>Client and Guest Experience</u> Client Net Promoter Score (NPS ³)	Achieve greater than 45 NPS ⁴ during the year	The target of 45 NPS was well surpassed with an NPS of 68 for the full year to 30 June 2022.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	21,721	15,746
Operating expense	15,680	14,616
Net operating profit	6,041	1,130
Other revenue	-	-
Other expenses	(9,346)	(9,541)
Operating profit before tax	(3,305)	(8,411)
Tax (benefit)	(4,173)	(2,204)
Net surplus/(deficit)	868	(6,207)

The operating profit before tax of \$0.9 million in 2022/22 compared to a deficit of \$6.2 million in 2020/21. This largely reflects the council capital grant of \$5 million received for the year.

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.

Key performance targets

Objective and Strategy	2022 Target	2022 Actual
Net profit after tax	(\$116,000)	Achieved - (\$93,000).
Manage the investment in a commercially astute and prudent manner.	Ensure the Civic Building is managed in accordance with the management agreement.	Achieved.
The Civic building was designed to achieve a high standard in terms of environmental and energy sustainability.	Ensure the Civic Building operates in a manner that preserves Green Star 6 accreditation features.	Achieved – assessed by the Council’s Facilities Management Team.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	4,327	4,445
Operating and other expenses	4,457	4,501
Operating profit before tax	(130)	(56)
Tax (benefit)	(37)	43
Net profit for the year	(93)	(99)

Operating deficit before tax of \$93,000 in 2021/22 compared to a deficit of \$99,000 in 2020/21, variance mainly arising from the amortisation of the finance lease interest (revenue), and lower operating cost.

ChristchurchNZ Holdings Ltd

www.christchurchnz.com



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	2022 Target	2022 Actual
Financial targets. Innovation and entrepreneurial strength	Third party revenue \$6.5 million CCC Funding 15.9 million	Achieved – 6.7 million third party revenue and 16.3 CCC funding.
Grow Christchurch city identity and shift perception to attract visitors, new residents, business and investment, and to grow residents’ advocacy and confidence	Monitor month on month narrative assets and content to ensure consistently increasing engagement and usage.	Achieved
	5.2 million on CHNZ owned digital channels and platforms.	Achieved
	50 engagements with trade agents or investors	Achieved – 58 engagements
Develop Christchurch as an attractive destination	4 initiatives delivered that focus on developing Christchurch and Canterbury as a more attractive and sustainable visitor destination.	Achieved
	30 city bids prepared to attract business events to Christchurch in line with the business event strategy and economic recovery plan	Achieved – 47 bids
	1 major event seeding round delivery using criteria that support strategic goal of the Major Events Strategy	Not Achieved – due to Covid impacts a funding round was not opened.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022	2021
	Actual	Actual
	\$000	\$000
Operating revenue	23,436	16,773
Operating and other expenses	22,651	18,999
Operating profit before tax	785	(2,226)
Tax (benefit)	3	(9)
Net profit for the year	782	(2,217)

The operating profit before tax of \$0.8 million in 2021/22 compared to a deficit of \$2.2 million in 2020/21. 5 million increase in CCC funding reflects confirmed LTP core funding to include addition of the Urban Development function.

Transwaste Canterbury Ltd



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.

Key performance targets

Objective and Strategy

To operate a successful business, providing a fair rate of return to shareholders.

2022

Target

Kate Valley Dividends \$13.7 million

2022

Actual

Achieved – dividend paid \$15.1 million, plus project dividends relating to BRRP activities of 1.3 million

Total Levy Revenue of \$54.6 million

Achieved - \$58 million

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.

Nil established consent breaches notified during the year or advised by ECan.

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.

No transfer station is unable to receive waste during its normal operating hours due to Transwaste’s failure to supply containers.

Fully achieved.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022	2021
	Actual	Actual
	\$000	\$000
Operating revenue	60,149	62,959
Operating and other expenses	38,089	33,613
Operating profit before tax	22,060	29,346
Tax (benefit)	5,601	5,514
Net profit for the year	16,459	23,832

Operating profit before tax of 16.5 million in 2021/22 compared to profit of \$23 million in 2020/21. This is largely due to a lower dividend received from the Burwood Resource Recovery Plant in the current year.

Riccarton Bush Trust

www.riccartonhouse.co.nz



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.

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.

Key performance targets

Performance targets

Performance targets	Target 2022	Actual 2022
Financial performance.	Operating expenses \$654,000	Achieved – operating expenses (before depreciation) \$601,000
Riccarton House.	Encourage public interest, use and participation and promote the natural and cultural heritage values of the site.	Achieved – public consultation resulted in good feedback and comments.
Riccarton Bush and Grounds.	Resource consent application by Sep 21, work commenced Feb 22 and fundraising completed by Jun 22	Achieved – resource consent application submitted. Fundraiser commenced in May 22.
Monitor Health and Safety practices in accordance with policy to meet the requirements of the Health and Safety at Work Act 2015	Report to each Board meeting on: Serious harm incidents = 0 Accident = 1 Near misses = 3	Achieved – zero serious harm incidents and near misses and one accident.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	688	619
Operating and other expenses	872	729
Operating profit before tax	(184)	(110)
Tax (benefit)	-	-
Net profit for the year	(184)	(110)

The operating deficit in 2021/22 of \$184,000 compares with a deficit in 2020/21 of \$110,000. This was represented by increased operating expenses and depreciation partially offset by additional grant and levy received from the Council. Depreciation was higher than the prior year mostly due to asset revaluation.

Rod Donald Banks Peninsula Trust

www.rodonaldtrust.co.nz



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.

Key performance targets

Performance indicator	2022 Target	2022 Actual
Meet Financial targets.	Operating profit 207,336.	Not achieved – surplus \$110,784.
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 - 8 new projects brought to the trust.
	Make submissions on relevant policy documents in support of the pillars.	Achieved – Drafted BPNFCC Group submission
Provide leadership and tangible support for the projects achieving access.	A network of well managed walking and biking trails with long term secure public access that provide free walking and connect major communities.	Achieved - Purchased and maintain new and old tracks.
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 forest 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 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	300	1,003
Operating and other expenses	309	258
Operating profit before tax	(9)	745
Tax (benefit)	-	-
Net loss for the year	(9)	745

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.

The Trust has returned an operating deficit of \$9,000, compared to profit of \$745,000 last year. This was mainly due to the Trust did not receive donation expected toward Te Ahu Patiki Park.

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.

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.

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.

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.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	28,374	25,262
Operating and other expenses	24,768	23,662
Operating profit before tax	3,629	1,600
Tax (benefit)	-	-
Net profit for the year	3,629	1,600

The Trust has returned an operating profit of \$3.6 million, compared to a profit of \$1.6 million last year. This was mainly due to increase in IRR/IRRS rent received for the year.

Te Kaha Project Delivery Ltd

TE KAHA PROJECT DELIVERY

Te Kaha Project Delivery Ltd (TKPDL) 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

TKPDL'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.

Financial summary

Statement of financial performance for the year ended 30 June 2022

	2022 Actual \$000	2021 Actual \$000
Operating revenue	246	325
Finance Income	-	-
Operating and other expenses	246	325
Operating profit before tax	-	-
Tax (benefit)	-	-
Net profit for the year	-	-

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.

The operating costs of Te Kaha is fully covered by Council funding. The Company does not held any assets or liabilities.

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.

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 2022:

Reserve	Activities to which the reserve relates	Balance 1 July 2021 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2022 \$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.	99	-	-	99
Cemetery bequests	Various bequests made for the maintenance of cemeteries.	70	1	-	71
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 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.	604	140	-	744
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.	1,201	491	(380)	1,312
Sub-total trusts and bequests		2,091	632	(380)	2,343
Special Funds & Reserves					
Capital Endowment Fund	Fund that generates an ongoing income stream which is applied to economic development and civic and community projects.	106,321	3,046	(4,327)	105,040
Housing Development Fund	A fund used for funding the Council's Social Housing activity.	2,854	15,669	(18,100)	423
Wairewa Reserve 3185	To enable drainage works relative to Lake Forsyth.	127	1	-	128

Reserve	Activities to which the reserve relates	Balance 1 July 2021 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2022 \$000
Wairewa Reserve 3586	To enable drainage of Lake Forsyth into the sea in times of flood.	68	22	(18)	72
Development & Financial Contributions - Reserves	Development and financial contributions held for growth related capital expenditure.	47,588	7,821	(1,119)	54,290
Development & Financial Contributions - Leisure	Development and financial contributions held for growth related capital expenditure.	-	1,331	(1,331)	-
Development & Financial Contributions - Roading	Development and financial contributions held for growth related capital expenditure.	2,106	8,208	(6,809)	3,505
Development & Financial Contributions - Water supply	Development and financial contributions held for growth related capital expenditure.	3,083	4,554	(3,307)	4,330
Development & Financial Contributions - Waste water	Development and financial contributions held for growth related capital expenditure.	-	15,044	(6,347)	8,697
Development & Financial Contributions - Storm water	Development and financial contributions held for growth related capital expenditure.	4,291	3,380	(6,668)	1,003
Development & Financial Contributions - Libraries	Development and financial contributions held for growth related capital expenditure.	138	28	(166)	-
Development & Financial Contributions - Cemeteries	Development and financial contributions held for growth related capital expenditure.	-	2	(2)	-
Flood Protection Fund	Funds set aside for flood protection works.	796	5	-	801
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.	1,264	6	-	1,270
Community Loans Fund	Fund used to help community organisations carry out capital projects by lending funds at low interest rates.	3,215	27	-	3,242
Dog Control Account	Statutory requirement to set aside any Dog Control surpluses.	2,381	2,863	(2,617)	2,627
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.	1,811	13	-	1,824
QEII sale proceeds	For investment in initiatives that promote the most appropriate and productive use of remaining Council land on QEII site.	3,022	-	(543)	2,479
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.	649	4	-	653
Loan Repayment Reserve	Fund used for facilitating repayment of rate funded loans.	-	51,244	(51,244)	-
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.	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.	555	4	-	559
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

Monitoring – Reserves and Trust Funds

Reserve	Activities to which the reserve relates	Balance 1 July 2021 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2022 \$000
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	115	252	(261)	106
Okains Bay Res Mgmt Committee	To enable maintenance and improvements at public reserves in Okains Bay	590	293	(298)	585
Taylor's Mistake, Boulder Bay & Hobsons Bay	Rent received from the licensing of the baches to provide for amenity, environmental and heritage enhancements in the local area.	2	45	-	47
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.	3,085	1,065	-	4,150
Weather Event Fund	Fund established for costs of future weather events.	-	300	-	300
Miscellaneous reserves	Minor or obsolete reserves.	30	-	-	30
Sub-total special funds and reserves		184,966	115,227	(103,157)	197,036
TOTAL RESERVE FUNDS		187,057	115,859	(103,537)	199,379

Monitoring

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 2021/22. All funds were held as cash investments during

	2022	2021
	Actual	Actual
	\$000	\$000
Fund capital at 1 July	104,292	104,005
Less distributed	-	-
Revaluation adjustment	(305)	287
Fund capital at 30 June 2022	103,987	104,292
Unspent funds at 1 July	2,029	1,589
Plus income received by the fund	3,161	3,292
Less distributed	(4,327)	(2,852)
Returned funds	190	-
Unspent income at 30 June 2022	1,053	2,029
Total Capital Endowment Fund balance at 30 June 2022	105,040	106,321
Distribution details		
Income distributions		
Economic Development and Innovation	1,099	1,205
Community	3,228	1,647
	4,327	2,852

Monitoring 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 2022.

Christchurch City Holdings Ltd (100% owned)

Barry Bragg ⁱ	Claire Evans
Michael Rondel ⁱⁱ	Alex Skinner
Jeremy Smith	
Andrew Turner (Cr)	Sara Templeton (Cr)

Enable Services Ltd (100% owned)

Craig Elliott	Geoff Lawrie ⁱⁱⁱ
Frederick Murray	Mark Petrie
Scott Weenik	

Christchurch International Airport Ltd (75% owned)

Andrew Barlass ^{iv}	Catherine Drayton
Kathryn Mitchell	Sarah Ottrey
Christopher Paulsen	Paul Reid

City Care Ltd (100% owned)

Penny Hoogerwerf	Bryan Jamison
Jennifer Rolfe	Mark Todd
Elena Trout ^v	Kevin Young

Lyttelton Port Company Ltd (100% owned)

Margaret Devlin	William Dwyer
Nicholas Easy	Donald Elder
Malcolm Johns	Fiona Mules

Orion New Zealand Ltd (89.3% owned)

Jennifer Crawford ^{vi}	Sally Farrier
Jason McDonald	Paul Munro ^{vii}
Michael Sang	

Te Kaha Project Delivery Ltd (100% owned)

Barry Bragg	Wynton Cox ^{viii}
Jane Huria ^{ix}	Richard Peebles
Stephen Reindler	

RBL Property Ltd formerly Red Bus Ltd (100% owned)

Claire Evans	Anthony King
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Development Christchurch Ltd (100% owned)

Paul Silk^x

ChristchurchNZ Holdings Ltd (100% owned)

Dona Arseneau	Stephen Barclay
Paul Bingham	Louise Edwards ^{xi}
Andrew Turner (Cr)	

Venues Ōtautahi Ltd (100% owned)

Wynton Cox ^{xii}	Brent Ford
Susan Goodfellow ^{xiii}	Tim Scandrett

Civic Building Ltd (100% owned)

James Gough (Cr)	Sam MacDonald (Cr)
Philip Mauger (Cr)	

EcoCentral Ltd (100% owned)

Mark Christensen	Sinead Horgan
Mark Jordan	Benjamin Reed

Transwaste Canterbury Ltd (38.9% owned)

Wynton Cox	Gareth James
Ian Kennedy	Hans Maehl
Philip Mauger (Cr)	Grant Miller
Thomas Nickels	Ross Pickworth

ⁱ Appointed 08 September 2022

ⁱⁱ Appointed 08 September 2022

ⁱⁱⁱ Appointed 19 August 2021

^{iv} Appointed 15 September 2021

^v Appointed 01 January 2022

^{vi} Appointed 23 August 2021

^{vii} Appointed 24 February 2022

^{viii} Appointed 09 September 2021

^{ix} Appointed 24 March 2022

^x Appointed 08 September 2022

^{xi} Appointed 14 October 2022

^{xii} Appointed 01 September 2022

^{xiii} Appointed 01 January 2022

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
CGU	Cash Generating Unit
CIAL	Christchurch International Airport Limited
City Care	City Care Limited
Te Kaha	Te Kaha Multi Use Arena
Council	Christchurch City Council
COVID-19	2019 Novel Coronavirus Global pandemic
Cr	Councillor
CWTP	Christchurch Wastewater Treatment Plant
DEE	Detailed engineering evaluations
ECE	Early childhood education
ECL	Expected credit loss
EcoCentral	EcoCentral Limited
ENL	Enable Networks Limited
EOC	Emergency operations centre
EQ	Earthquake
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
LDRP	Land Drainage Recovery Programme
LIMs	Land Information Memorandums
LIU	Libraries and Information Unit
LOS	Level of service
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
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
NTPL	Ngāi Tahu Property Limited

Glossary

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
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
SOI	Statement of Intent
Transpower	Transpower New Zealand Limited
Transwaste	Transwaste Canterbury Limited
Tuam	Tuam Limited
UDS	Urban Development Strategy
UFB	Ultra-fast broadband
VO	Venues Ōtautahi Limited
Vested assets	Assets received by Council for no consideration
WHRS	Weathertight Homes Resolution Services
WIP	Work in progress
WINZ	Water Information New Zealand

Definition of Terms used for the Financial Prudence Benchmarks¹

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.

¹ 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.

