

Agenda 2021

Council Meeting

Thursday, 20 May 2021

Time: 10.30am

Venue: 200 Tuam Street, Christchurch



Membership

Chair	Cr Jenny Hughey
Deputy Chair	Cr Peter Scott
Membership	Cr Tane Apanui Cr Phil Clearwater Cr Grant Edge Cr Megan Hands Cr Ian Mackenzie Cr Nicole Marshall Cr Claire McKay Cr Elizabeth McKenzie Cr Craig Pauling Cr Lan Pham Cr Vicky Southworth Cr John Sunckell
Tumu Taiao	Yvette Couch-Lewis Iaeon Cranwell

Council Meeting

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1. Mihi/Karakia Timatanga - Opening

2. Apologies

3. Conflicts of Interest

4. Matters for Council Decision

4.1. Long-Term Plan 2021-31 deliberations

Council report

Date of meeting	20 May 2021
Author	David Perenara O'Connell
Responsible Director	David Perenara O'Connell

Purpose

1. The purpose of this paper is to provide information to support Council deliberations on submissions on the draft Long-Term Plan 2021-31.
2. Under the Local Government Act, Councils are required to adopt a Long-Term Plan every three years. The Long-Term Plan represents the contract that Environment Canterbury has with the community and must be adopted by 30 June 2021. Deliberations on the draft Long-Term Plan 2021-31 provide transparency to the community about Council decisions on submissions and direction to staff on changes required.

Recommendations

That the Council:

1. **Receives the public submissions to the** draft Long-Term Plan 2021-31 as provided on Environment Canterbury's website
2. **Receives the 'Submission report'** with submission summaries and staff **notes** as attached with the Council agenda
3. **Resolves each decision on the staff recommendations - as noted in this report to confirm the complete package of work, and how it is funded and accordingly directs staff on the** changes required to the draft Long-Term Plan 2021-31, including the Revenue and Financing Policy and the Fees and Charges Policy **to form the final Long-Term Plan**
4. **Directs the Chief Executive** to complete the final document for the Long-Term Plan 2021-31 **in accordance with resolution 3**, for audit and Council **consideration and then adoption** on 17 June 2021.

Key points

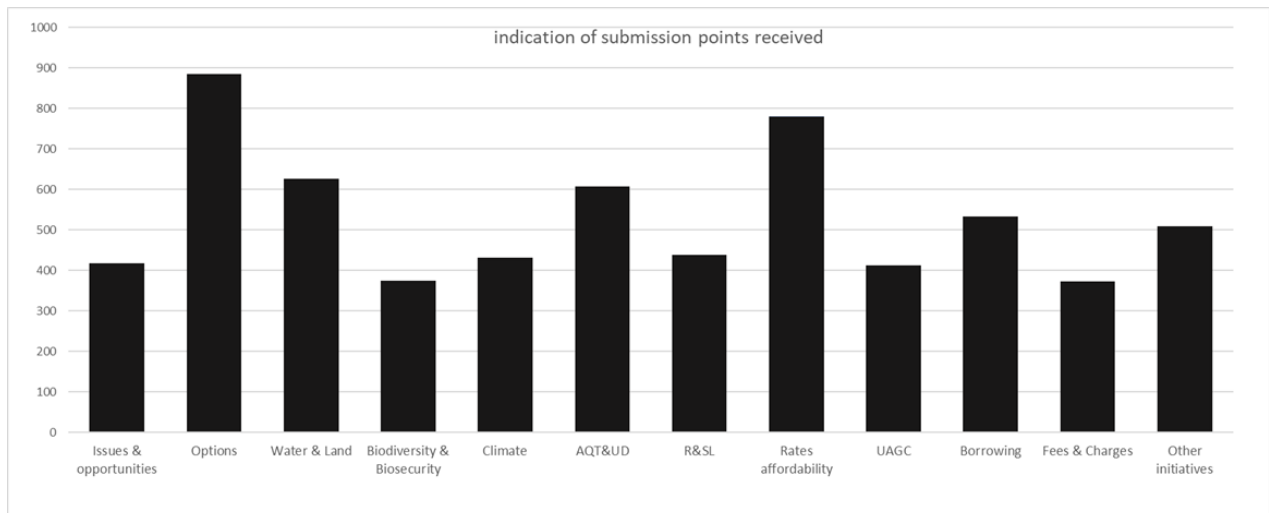
- Council direction on changes to the draft Long-Term Plan 2021-31 is now needed to enable staff to prepare the final Long-Term Plan 2021-31 documents, and the associated rating resolutions, for formal adoption on 17 June 2021.

- Consultation on the draft Long-Term Plan 2021-31 was held from 8 March to 11 April. 1295 submissions were received, and 148 submitters heard.
- This paper provides staff advice and recommendations for Council to deliberate on to help direct staff to the changes required on the draft Long-Term Plan. Staff advice and recommendations for Council are also specifically provided for the Revenue and Financing Policy and Fees and Charges Policy.
- Three options are presented for Council deliberation – Options 1 and 2 as outlined in the Consultation Document, and ‘Staff Advice’ which is a variation of Options 1 and 2. Staff Advice uses Option 1 (the preferred option for consultation) as the starting point, and provides for the delivery of the statutory requirements and core business (as outlined in Option 2) with rephrasing of some of the non-statutory initiatives to respond to submitter concerns regarding do-ability and affordability.
- This deliberations paper is structured so that Council can step through decisions on the final package of work in the Long-Term Plan followed by decisions on how to fund the work, before confirming all decisions to provide final direction to staff.

Background – consultation and submission summary

3. From 8 March to 11 April 2021, Environment Canterbury consulted on the draft Long-Term Plan 2021-31.
4. Awareness of the Long-Term Plan was raised through multiple channels:
 - An engagement portal was built that included all the consultation information and an online submission form. The portal had 25,000 visits during the consultation period.
 - A postcard was delivered to households across Canterbury (246,000). We also advertised in print media (regional and local newspapers) and published a regular Chair’s column in The Star and Canterbury Farming.
 - The digital campaign included social media posts and videos by the Youth Rōpū members, targeted Facebook adverts, as well as advertising on screens at the Bus Interchange. Additional advertising included adverts on buses, cinema adverts and attendance at events and pop-ups.
 - Emails were sent to 228 stakeholders and 77 residents’ associations or community groups.
 - Each library across the region received printed copies of the Consultation Document and a reference copy of the Supplementary Information at the start of the consultation. Councillors attended meetings and field day events.
5. 1295 submissions in total were received. Late submissions, received by 16 April, were accepted by Council at the first public hearing on 27 April. Of those 1295 submissions:
 - 771 submitters indicated their age group, and 48% of submitters were in the 40-64 age group, 28% in the 65+ age group, 17% in the 25-39 age group, 6% in the 15-24 age group, and 1% were aged 14 or under.

- 974 indicated their district, and 51% were from Christchurch, 17% Timaru, 14% Ashburton, 7% Selwyn, 6% Waimakariri, 3% Hurunui, <1% Waitaki, Waimate, Mackenzie, and Kaikōura.
 - For context, the estimated resident population of Canterbury was 645,900 people (provisional estimate year end June 2020) with 61% in Christchurch, 7.5% in Timaru, 5.5% in Ashburton, 11% in Selwyn, 10% in Waimakariri, 2% in Hurunui, 1.3% in Waimate and <1% for each of the following districts (Kaikōura, Mackenzie, Waitaki).
 - As a proportion of population, more submissions were received from Timaru and Ashburton. This was likely due to the specific questions asked on projects funded by local community targeted rates. Timaru residents commented on whether investment into on-demand transport (MyWay) in Timaru should continue and the Ashburton community commented on whether provision for Hekeao Hinds Managed Aquifer Recharge project should continue beyond 2022.
 - 136 organisations submitted. These included three Papatipu Rūnanga, seven territorial authorities, the Canterbury District Health Board, the Youth Rōpū, community boards, residents' associations, community groups and trusts, industry groups, limited companies and education providers. A list of organisations is provided in the submission report. Note that groups are noted as one submitter, so where examples of submitters are referred to in this report, group names are also included where possible.
 - 298 submitters indicated they wished to speak to Council on their submission. 148 attended hearings on 27, 28 April, and 4, 5 and 6 May.
 - The majority of submissions responded to Options 1 and 2 provided by Council, rates affordability and financial tools and policies including Uniform Annual General Charge, use of borrowing and Fees and Charges Policy. Of the portfolios, Water and Land and Air Quality, Transport and Urban Development (public transport) generated the most comment.
 - Submitters indicated they heard about the consultation via word of mouth (289), social media (210), email (188), meetings, hui and/or event (184), newspaper (176), Environment Canterbury Consultation postcard (143), website (127) and other sources (91). Note submitters could select more than one option for how they had heard about the consultation.
6. Submissions received on the draft Long-Term Plan 2021-31 [are published on Environment Canterbury's website](#) and recordings of the [public hearings are available on YouTube](#). A summary of the hearings on the draft Long-Term Plan 2021-31 will be provided in the minutes to be presented to the 17 June 2021 meeting.
 7. A full summary of submitter comments with staff notes by consultation topic is provided in the attached submissions report. Note many submitters elected to indicate support or opposition but did not comment. This paper includes a summary of relevant submissions and examples of submissions under each consultation topic. Council should refer to the submissions report and submissions for further context about submitter views and staff's notes of these.



Deliberations process

8. Council decisions on the draft Long-Term Plan are required at the Long-Term Plan Deliberations Meeting on 20 May so that staff can prepare the final Long-Term Plan for audit and adoption.
9. This report provides summaries of relevant submissions, staff advice and recommendations by consultation topics to assist Council in their deliberations on submissions. The topics in this paper are ordered so that Council can deliberate on submissions on the preferred option and rates affordability, before deliberating on the portfolio programmes (what to fund), funding mechanisms (how to fund) and Long-Term Plan strategies and policies. The proposed order of the consultation topics for Council to deliberate on are:
 - Submissions on options and rates affordability
 - Submissions and staff advice on portfolio programmes
 - Water and Land
 - Biodiversity and Biosecurity
 - Climate Change and Community Resilience
 - Public Transport
 - Air Quality and Urban Development
 - Regional and Strategic Leadership
 - Submissions and staff advice on projects with local community targeted rates
 - MyWay Timaru
 - Hekeao Hinds Managed Aquifer Recharge
 - River rating district scheme
 - Submissions and staff advice on the Uniform Annual General Charge (Revenue and Financing Policy)

- Submissions and staff advice on the use of borrowing (Treasury Policy)
 - Staff advice on reserves (Reserves Policy)
 - Submissions and staff advice on impacts on Long-Term Plan policies including Fees and Charges
10. As Council steps through each topic, staff propose Council make in-principle decisions on each staff recommendation on changes to the draft Long-Term Plan. Once all topics have been deliberated and in-principle decisions made, Council need to resolve all of the in-principle decisions so that Council can confirm the final package of work and how the work is funded in the Long-Term Plan.
 11. The draft Long-Term Plan Consultation Document proposed two packages of work - Option 1 (Council's preferred option for consultation) and Option 2. Three options are provided now for Council deliberations, Options 1 and 2 as articulated in the Consultation Document, and a proposed 'Staff Advice' option – a variation of Options 1 and 2 which has been informed by Council's statutory requirements, submissions received, Council's strategic direction, and considerations associated with do-ability and affordability.
 12. Note that the financial implications including rating information is provided for each of the three options. Staff will be unable to provide 'live' rating change information during the deliberations but will be able to estimate the financial impact of any potential changes Council wish to make to the staff advice.
 13. Following deliberations on the draft Long-Term Plan 2021-31 staff will amend the budget and Long-Term Plan 2021-31 documentation in response to the Council direction, incorporating the changes. Final rates will be struck when the Long-Term Plan 2021-31 is adopted on 17 June 2021.

Options and rates affordability

Relevant submission themes

14. Submitters were asked whether they supported Option 1 or Option 2 as described in the Consultation Document or an 'other option'. 1081 provided a response to this question and 886 submitters commented.

Option 1

- 627 indicated **support for Option 1** and about 400 provided specific comment on Option 1. About 50 groups (out of 136) indicated support for Option 1. Just over half of submitters that supported Option 1 were from Christchurch. About 100 were from Timaru.
- Key themes from submitters that supported Option 1 included:
 - support for the focus on the environment given concerns or further action needed for freshwater (~100 comments), climate change (~60 comments) and/or public transport (~100 comments) or biodiversity and biosecurity (~40 comments). At least 30 reiterated support for Option 1 and how it was presented
 - some expressed support for a particular aspect of Option 1, e.g. 69 submitters that supported Option 1 mentioned MyWay
 - some submitters (~20) expressed concerns about the level of rates or gave funding suggestions
- In response to the consultation question about rates affordability - about 64% of those that indicated support for Option 1 thought it was affordable for their household and about 40% thought it was affordable for the community. About 12% did not think Option 1 was affordable for their household, and 13% did not think Option 1 was affordable for the community.

Option 2

- 149 indicated **support for Option 2** and about 100 provided specific comment. 9 groups (out of 136) supported Option 2.
- Comments from submitters that supported Option 2 included
 - support for option 2 as it cost less than Option 1
 - more than 50 that commented had concerns about the rates increase and made suggestions for how to reduce rates or costs, including who should pay, budget reviews or what to keep or remove from the plan e.g. aspects of public transport.
- In response to the consultation question about rates affordability – about 77% of those that indicated support for Option 2 thought Option 2 was unaffordable for their household and 78% thought it was unaffordable for the community. About

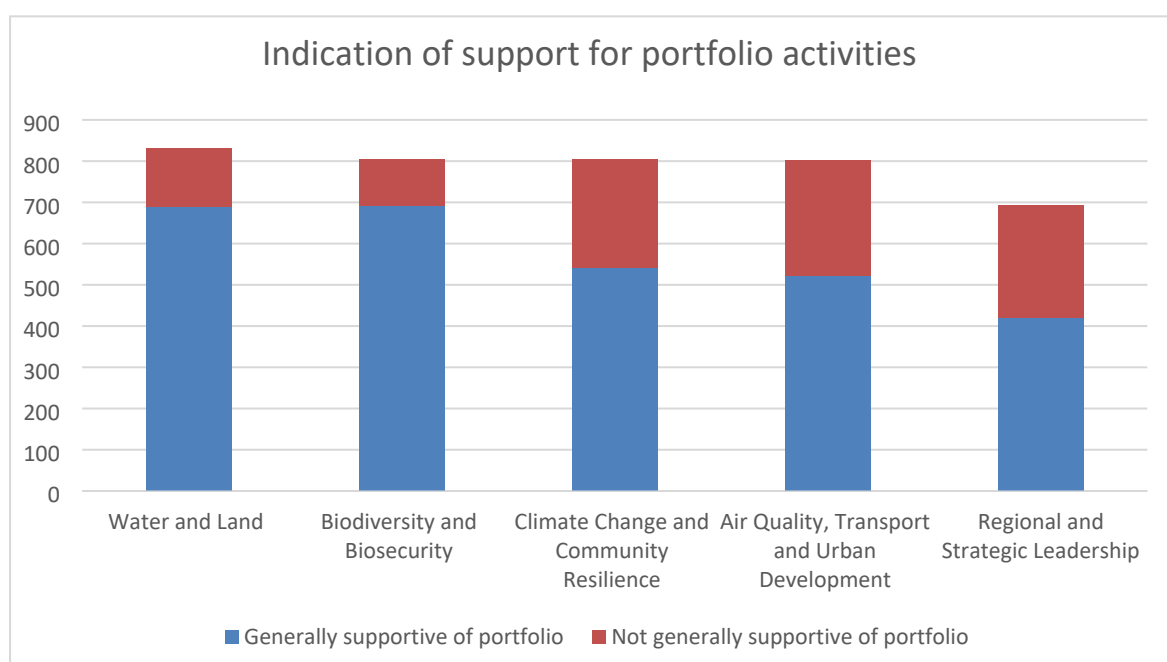
13% of those that indicated support for Option 2 thought it was affordable for their household while 3% thought it was affordable for the community.

‘Other option’

- About 281 indicated **they did not support Option 1 or 2**, with the majority providing comment. 21 groups (out of 136) indicated they opposed Option 1 and 2.
- The majority (~200) of submitters that selected ‘other option’ were opposed to the proposed rates increases, with a number suggesting Council limit rates increase to 10% or less, stick to core responsibilities and manage budget more responsibility. Most of these submitters indicated they were from the rural community.
- About 79% of submitters that did not support Option 1 or Option 2 indicated that the proposed rates increase was not affordable for their household and 74% indicated the proposed rates increase was not affordable for the community. About 9% thought Option 1 or 2 was affordable for their household and 5% thought it was affordable for the community.

Challenges and opportunities

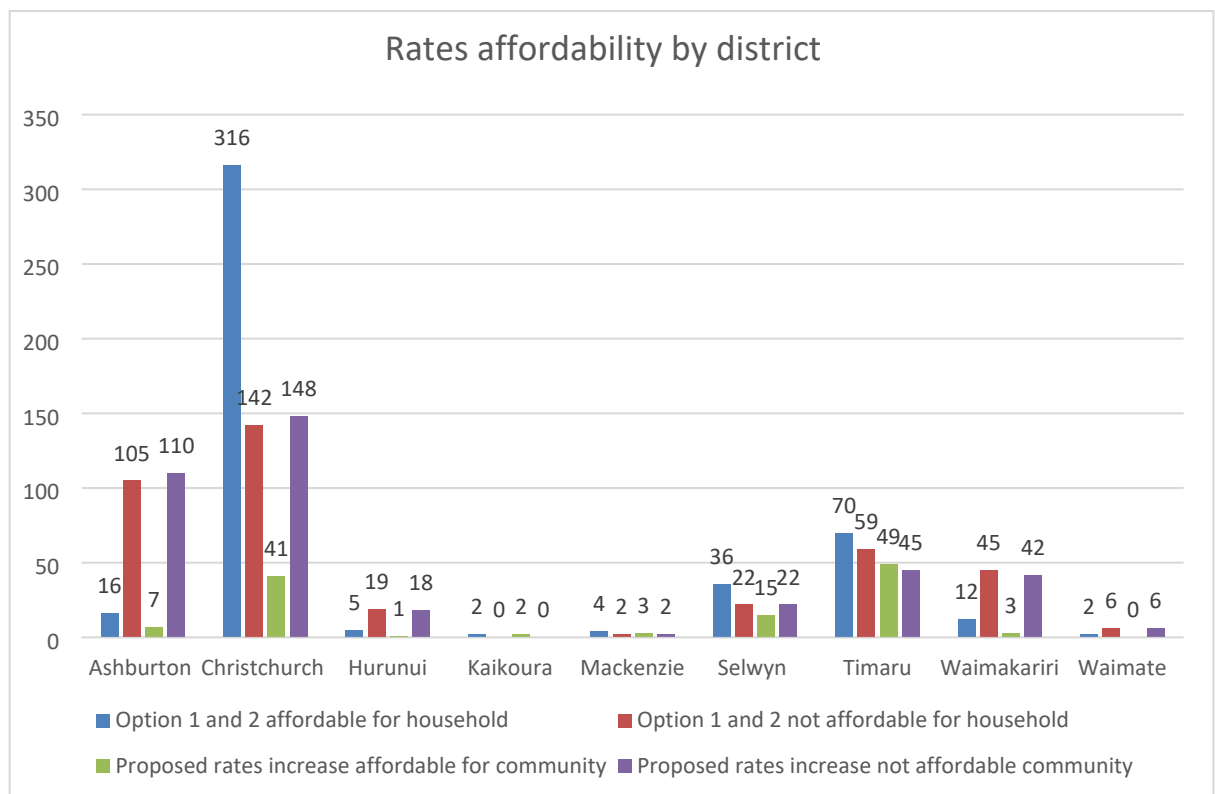
- Submitters were also asked if they thought Council had identified the right challenges and opportunities.
- 486 submitters indicated that the right issues and opportunities have been prioritised and 142 were unsure. 356 submitters indicated the Council had not prioritised the right challenges and opportunities.
- Many submitters expressed concern with the proposed rates increase in the current economic climate. Many commented on the importance of freshwater management, wanted more or less focus on public transport, or more focus on climate change.



Rates affordability

15. Feedback was invited on the affordability of the proposed increase in total rates for households and the community as a whole. 776 submitters commented on questions about rates affordability for their household and/or the community as a whole. Many submitters commented that:

- the proposed rates rise is unaffordable, with a significant volume from submitters who identified as being from the rural community or as retirees. Concern was also raised about low-income households.
- the increase seems inequitable and rural ratepayers are facing considerable increases while urban ratepayers are not, and this doesn't reflect the benefit of activities proposed. Some submitters who appeared to be from the rural community noted that an increase in rates could result in less willingness to put time and money into environmental enhancement projects.
- some submitters, who appeared to be from the rural community, commented that rates largely based on capital values (i.e. the general rate) isn't fair, and that ratings should instead lean towards charges based on people (i.e. the UAGC).
- another relatively large group commented that it was affordable for their household but raised community affordability concerns, particularly those on low incomes. Those that indicated rates were affordable suggested that if action is not taken now, it will be at the cost to the environment and future generations.
- some questioned the ability of Council to deliver such an ambitious programme of work, for example recruiting 70+ FTEs.
- Overall, of the submitters that provided a response to questions about affordability
 - 48% indicated neither option is affordable for their household,
 - 46% indicated Option 1 is affordable for their household, and 6% indicated Option 2 is affordable for their household.
 - 46% indicated the proposed rates increase (Option 1 or 2) was not affordable for community, 28% indicated the proposed rates increase was affordable for the community and 26% were unsure about affordability for the community.



Note not all submitters selected a district

Staff advice

16. While the overall numbers indicate Option 1 is preferred, the submissions indicate no clear overall preference for Option 1 or Option 2 when taking into consideration the comments regarding the proposed rates increase. In general, there was a lot of support for the work proposed in the draft Long-Term Plan, however the comments regarding the rates increase do not closely align with the choice of option. For example, only 64% of those who chose Option 1 thought it was affordable for their household and 77% of those who chose Option 2 did not think it was affordable for their household. In particular, many submitters who appeared to be from rural communities commented that they consider the rates inequitable and unaffordable.
17. Strategic drivers impacting on the draft Long-Term Plan include a changing climate, declining natural capital, changing demographics and increasing community expectations, rapid pace of technological and innovative changes, increasing central government requirements and the growing expectation of mana whenua participation in resource management decision making.
18. In developing the draft Long-Term Plan budget, a number of approaches were taken to balance affordability and restrict rates increases whilst still meeting statutory requirements and increasing expectations. Approaches included:
 - scrutiny of all budgets
 - benefits realisation
 - application of financial framework discussions

- opportunities to prioritise and phase work programmes
 - detailed programme planning to assess ability to deliver.
19. This work resulted in two detailed budgets being developed - Option 1 and Option 2. Option 1 enables Council to deliver statutory work, prior commitments and accelerate key initiatives to enable transformational opportunities to be progressed. Option 2 enables Council to meet statutory obligations, alongside existing commitments including Public Transport Operating Model contracts and COVID-19 funding commitments.
20. The work programme outlined in Option 2 proposes 18% total rates increase under the current revenue settings to deliver on the statutory obligations alongside existing commitments. To reduce the work programme to below Option 2 would require a significant re-prioritisation of existing budgets and halting of some work programmes. Such a reduction would compromise the Council's ability to deliver on some of the opportunities identified in the Strategic Direction and statutory obligations. The staff advice to support the deliberations include options to adjust revenue levers to deliver on the Option 2 work programme with a reduced rating impact.
21. There are a number of risks that exist for both Option 1 and Option 2. A relatively greater level of risk or risk exposure occurs for the more ambitious and transformational option (Option 1). The key risks related to do-ability are summarised as:
- Ability to scale up to deliver a transformational plan including procuring goods and contracting services to ensure delivery
 - Challenges to accessing labour requirements in a competitive market
 - Anticipated changes to, and uncertainty within the local government sector (e.g. three waters reform, future for local government review and the Resource Management reforms)
 - Delivery disruptions that may occur due to external factors (e.g. COVID-19)
22. To mitigate these risks Environment Canterbury has developed a whole of organisation work programme in alignment with the draft Long-Term Plan. In preparing staff advice the draft work programme has been reviewed and rationalised to seek opportunities for a more affordable, yet still transformational Long-Term Plan.
23. Some of the risks are beyond the control of the Council, such as availability of skilled staff, local government sector changes and external factors causing disruptions. While these risks cannot be fully mitigated, staff will monitor these risks and adjust the work programme to manage delivery in response to such uncertainties. These risks and the affordability of the Long-Term Plan proposals must be weighted during deliberations.
24. A further risk appears to be emerging from submissions regarding perceptions of the equity of the distribution of rating impact across the region's rate payers. Urban communities (with larger number of rate payers) are collectively contributing towards

a significant proportion of the rate take. Rural communities are, however, facing a proportionately greater rates increase at an individual ratepayer level (relative to individual ratepayers in urban communities). A theme from submitters who identify as coming from rural communities is that they have invested heavily over the last 10 years to establish a robust planning regime and implement statutory and non-statutory initiatives. These submitters assert this investment has not been recognised by central government (through the Essential Freshwater Package) nor by the proposals in the draft Long-Term Plan. There is a risk that rural communities may disengage given their frustration at the perceived lack of recognition of the investment already made, gains achieved and the perceptions of an inequitable bearing of the rating burden.

25. Another consideration for Council, is over the ten-year lifespan of this Long-Term Plan much will be expected from rural landowners, in both meeting plan/national direction requirements and in taking voluntary action/investment e.g. tree planting in Me Uru Rākau.
26. A number of core principles have emerged during the development of the draft Long-Term Plan and will likely also be useful during deliberations and weighing up the transformational aspirations and strategic direction of Council and the risks around do-ability and affordability. While these principles have been identified as core principles, different levels of importance may be attributed to them. These principles include:
- Designing deliverable programmes that are fiscally responsible
 - Taking advantage of external/COVID-19 funding opportunities
 - Partnering with Ngāi Tahu
 - Retaining collaborative engagement with stakeholders and communities (especially CWMS initiatives)
 - Maintaining transparency
 - Providing for transformational opportunities while delivering on enduring priorities and statutory requirements
 - Considering the needs of future generations as we respond to legacy environmental issues.
27. In the following deliberations report, staff advice and recommendations are based on the need to:
- acknowledge the draft Long-Term Plan's preferred consultation option (Option 1) reflecting Council's transformational opportunities to meet Council's Strategic Direction
 - respond to submissions, including
 - where there has been strong support or non-support of activities
 - balancing affordability concerns with the Council's Strategic Direction and need to meet increasing statutory requirements

- assessing where benefits fall to determine how costs should be shared across ratepayers
- deliver on the Council's statutory requirements and core business (as described in Option 2)
- manage the risk to do-ability, in particular potential challenges to access labour requirements in a competitive market for key skills and capabilities.

28. In developing these recommendations, staff worked from the basis of Option 1 (preferred consultation option) and considered what activities could be rephased and/or reduced in response to submitter comments and management of risk/do-ability while maintaining a baseline of investment to deliver statutory requirements and core business. In summary, the three options for deliberations are:

- **Option 1** - statutory work, prior commitments and accelerating key transformational initiatives. This requires an additional \$46 million of expenditure in year 1, with \$28 million coming from an increase in rates, representing an increase of total rates revenue of 24.5%
- **Option 2** - addresses statutory requirements and existing commitments (public transport and COVID-19 contracts). This requires an additional \$40 million of expenditure in year 1, with \$21 million coming from rates, representing an increase of total rates revenue of 18%.
- **Staff Advice** – based on Option 1, fulfils Council's statutory requirements and core business, but rephases some of the transformational projects to manage the risks associated with do-ability and affordability in response to submissions. It utilises projected additional total income from rates during the year (due to in-year capital value increases and new properties being built), some identified savings in the programmes and a reduction in inflation in year 1 and 2. This results in an option with additional \$44 million of expenditure in year 1, with \$20 million of this from rates, representing an increase of total rates revenue of 17%. All options have the option of reducing rates revenue further by borrowing for one off projects or natural capital projects.

5. **Staff recommend that Council receive submissions on options and rates affordability and indicate a preferred option before considering each deliberation topic**

Portfolio programme changes – Water and Land

Relevant submissions

29. Submissions on the Water and Land portfolio included a range of concerns over the continuing degradation of water quality and quantity. Work to address a number of these concerns is included in the Long-Term Plan 2021-31 work programme. For example, Council will be considering a range of management options to improve freshwater within the Freshwater Regulatory Framework and Healthy Water Actions programmes as part of implementing Essential Freshwater. Other concerns are out of scope of the Long-Term Plan, for example chlorination of drinking water, or comments on consents applications.
30. Many submitters identifying as coming from rural communities commented on the money and time that has already been invested on the sub-regional plans (e.g. #1225 Federated Farmers). These submitters recommended that Council should advocate to central government to recognise the investment already made and Council remove the work to redo the plans. (e.g. #246, #292, #312, #318, #323, #329, #599, #633). Other submitters are in support of aligning Essential Freshwater reform with regional and sub-regional planning (e.g. #585, #624, #1136, #1178, #1215).
31. Some submitters commented on zone committee funding matters and remit. Suggestions included support or increased funding for zone committees and support for Immediate Steps funding (e.g. #361) and more on the ground funding. One submitter (#284) specified the funding amount for Working Together for Healthy Land and Water should be increased to \$6M and that the allocation of funding for grants to each Zone Committee be doubled to \$0.2M/year. Other submitters were opposed to zone committees and suggestions included disbanding zone committees (#1180 MDC), reviewing remit (e.g. #563, #659 Arowhenua, #1222 F&B) or reducing numbers of zone committees.
32. Submitters within Water and Land supported monitoring and data collection to support programmes e.g. #558, #585 but it was unclear what aspect of monitoring. Support for workstreams within the Stewardship programme were noted e.g. support for Whaka Ora #1179 Lyttelton Port Company, #1206 Te Hapū o Ngāti Wheke.

Staff advice

Water and Land Rates funding	Option 1 Y1 (\$m)	Option 2 Y1 (\$m)	Staff Advice Y1 (\$m)	LOS revised?
Freshwater Regulatory Framework	6.2	6.3	6.2	No
Freshwater Resilience	7.7	7.4	6.9	No
Healthy Waterway Actions	5.9	5.9	6.0	No
Monitoring and Understanding our Environment	11.6	11.6	12.2	No
Stewardship of Land and Water	0.4	0.3	0.2	No
Working Together for Healthy Land and Water	4.0	3.5	3.8	No
Portfolio rates funding	35.8	35.0	35.3	

Note: This table shows rate funding for programmes in the Water and Land portfolio, (revenue from user-pays, grants and reserves has been excluded). Significant changes to programme rate funding are described in staff recommendations; minor changes due to overhead reallocations, minor adjustments to labour across programmes and rounding have not been described in detail.

33. Detailed staff advice on submitter points is provided in the attached submission report. In general, submitters supported activities under this portfolio. There is minimal difference between Option 1 and 2 with regards to this portfolio as much of the work in this portfolio addresses statutory requirements.
34. In response to submissions seeking a review of the regional planning framework to respond to Essential Freshwater not be undertaken, staff note that this is statutory requirement and must be progressed. Implementing the requirements of the Government's Essential Freshwater package provides challenges for all communities and we continue to advocate to central government for support for implementing these requirements, including for rūnanga participation.
35. Submitters have generally expressed support for ongoing investment in the Mackenzie Alignment initiative (Te Mokihi). This includes advocating for spending on conservation issues (#744) and concerns expressed regarding further intensification in the Mackenzie Basin (#154). Mackenzie District Council encouraged Environment Canterbury to remain committed to the Mackenzie Basin Agency Alignment Programme, and other submitters also expressing their support for this programme (#1178, #1222).
36. Staff recommend a phased approach to investment be provided for this non-statutory initiative (**Refer to Recommendation 6.1**) through maintaining the Option 1 provision for a 0.5 FTE Cultural Advisor and majority of the honoraria for Rūnanga engagement in year one (\$10k), with honoraria returning to Option 1 levels by year 2 (\$16k). A Project Manager initially budgeted in Option 1 is no longer required and staff recommend the removal of this FTE from the Freshwater Resilience programme (**Refer to Recommendation 6.2**). Te Mokihi is funded by General Rates given the wider benefits this programme delivers.

37. Staff recommend that an amendment is made to the provision of funding for Hekeao Hinds Managed Aquifer Recharge to correct an error that was published in the consultation document for Option 1 regarding provision for Capex in year 1 (**Refer to Recommendation 6.3**). Correcting this error reduced the investment required by \$600k in year one, and \$1.2m in year two.
38. In order to provide for improved alignment across Portfolios, staff recommend that the Water Data programme be moved from Regional and Strategic Leadership to Water and Land (**Refer to Recommendation 6.4**). Water Data is core business and best managed in the Water and Land Portfolio, leaving Data for Decision Making in the Regional and Strategic Leadership Portfolio. This is a cost neutral amendment of \$695k between Portfolios
39. Some feedback from submitters raised concerns around the effectiveness of zone committees to improve freshwater issues, while others sought increased level of investment to support zone committees, or generally advocated for funding and initiatives that supports 'action on the ground' that improve freshwater outcomes.
40. Advice was sought from zone committee Chairs and Deputy Chairs at a 9 April 2021 workshop regarding the CWMS Community Engagement Fund. Members noted they understood and supported the need for allocation of biodiversity funding at a regional scale (as proposed in the draft Long-Term Plan in the Biodiversity and Biosecurity Portfolio) and appreciated the additional flexibility the CWMS Community Engagement Fund proposal offers.
41. Members also expressed some reservations regarding the funding proposals noting that the Immediate Steps funding had enabled zone committees to generate community engagement opportunities associated with allocation of funds for biodiversity initiatives (and this would be missed). Members questioned whether \$50k per committee per year would be sufficient for Action Plan implementation noting some zones may require additional funds depending on the scale of work proposed, and opportunities for alignment with regional and territorial council work programmes. Attention was also drawn to the impact that the proposal to regionalise the biodiversity investment may have on key partner community groups who have utilised Immediate Steps funding to date for their work programmes e.g. Banks Peninsula Conservation Trust.
42. Staff advice is that there be consideration for an increase in funding available for the CWMS Community Engagement Fund (additional \$250k in year 2 and \$250k in year 3) to enable to zone committees to implement their Action Plans (**Refer to Recommendation 6.5**). This would provide a total of \$50k per zone committee in year one, \$75k per zone committee in year two, and a total of \$100k per committee in year three onwards. A phased increase is recommended as zone committees' transition into their new functions and mature the Action Plan approach. Revenue should be obtained through General Rates given the diversity of non-statutory initiatives led by zone committees with benefits that accrue to the community in general.

43. The staff recommendation responds submissions on this point specifically (#361, #284), advice from the zone committee Chairs and Deputy Chairs, and also responds to the range of submitters who sought investment in 'action on the ground' to improve freshwater outcomes generally. Increasing the funding available to support implementation of the zone committee Action Plans will increase investment in non-statutory initiatives and action on the ground in zones throughout Canterbury.
44. New terms of reference for zone committees have been established following a review of the zone committees' future role and function. Zone committees will be operating in accordance with these new terms from July 2021 (year one). Given zone committees have so recently been reviewed a further review, as sought by some submitters, is not recommended in the near term.
45. In order to respond to submitter concerns regarding affordability 2 FTEs have been rephased to reduce the expenditure in each of the following programmes: Healthy Water Ways Action; Stewardship of Land and Water and Monitoring and Understanding our Environment. These adjustments are reflected in the figures in the table above.

Staff recommendations

6. **Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-2031, with the exception of the following:**
- 6.1. decrease \$6k general rate funding for rūnanga honoraria in year one, with rūnanga honoraria provisions returning to Option 1 levels in year two (\$16k)**
 - 6.2. decrease the provision for general rate funding of \$115k for Project Manager in year one onwards.**
 - 6.3. decrease targeted rate funding for capex for Hekeao Hinds Managed Aquifer Recharge by \$600k in year one, and \$1.2m in year two**
 - 6.4. increase general rate funding for Monitoring and Understanding our Environment programme by \$695k in year one in order to transfer the Water Data initiative from Regional and Strategic Leadership to Water and Land Portfolio**
 - 6.5. increase general rate funding for the CWMS Community Engagement Fund by \$250k (in year two and three) within the working together for Healthy Water and Land programme.**

If the above recommendations are agreed to, staff advise that no amendments to the Levels of Service (LoS) are required.

Portfolio programme changes – Biodiversity and Biosecurity

Relevant submissions

6. Submitters were generally supportive of the portfolio programmes and included a range of proposals to add, remove or focus on specific aspects. Many of the additional or focus aspects are included to some extent in the proposed Long-Term Plan but the details were not always visible to submitters. Many submitters supported habitat and wetland protection and restoration, including native vegetation for both biodiversity and climate change mitigation outcomes, and the Braided River Revival / Whakahaumanu Ngā Awa ā Pākihi and Me Uru Rākau programmes.
7. The support for Priority Habitats and Wetland Protection activities included some (11) requests that protection was prioritised over planting, restoration or regeneration (e.g. #1052, #1055). Some submitters requested more funding and more compliance, monitoring and enforcement to protect biodiversity or to support implementation of the Canterbury Regional Pest Management Plan (CRPMP).
8. Many (52) submitters supported the Me Uru Rākau programme specifically or investment in active regeneration and planting generally. Some (26) opposed Me Uru Rākau or asked for Me Uru Rākau to be delayed, with some (14) citing concerns about ongoing maintenance costs (for example #527, #1243, #1297).
9. Many (47) submitters expressed support for Braided River Revival / Whakahaumanu Ngā Awa ā Pākihi activities including ki uta ki tai strategies and implementation, on-the-ground habitat protection and Regional Parks (e.g. #1191, #1222). Submitters expressing concerns about braided river revival activities (22) focussed on feasibility and long-term maintenance costs (e.g. #527, #1243, #1297).
10. Submitters were generally supportive of Regional Pest Management biosecurity activities. A number of submitters (30) raised concerns about specific animal and plant pests and requested changes to management, including adding pests to the CRPMP (e.g. #910, #1023 #1076, #1140). Some submitters opposed the use of herbicides, pesticides and poisons, particularly 1080.
11. Many submitters supported pest-free initiatives, particularly Pest Free Banks Peninsula (16) and some sought increased funding, including for specific community initiatives

Staff advice

Biodiversity and Biosecurity Rates funding	Option 1 Y1 (\$m)	Option 2 Y1 (\$m)	Staff Advice Y1 (\$m)	LOS revised?
Braided River Revival	3.8	2.9	3.6	No
Leading and Partnering for Biodiversity Outcomes	1.6	1.6	1.9	No
Me Uru Rākau	1.0	0.1	0.4	Yes
Priority Habitats Wetland Protection	4.8	4.5	4.5	No
Regional Pest Management	7.1	6.8	6.8	No
Portfolio rates funding	18.3	15.9	17.2	

Note: This table shows rate funding for programmes in the Biodiversity and Biosecurity portfolio, (revenue from user pays, grants and reserves has been excluded). Significant changes to programme rate funding are described in staff recommendations; minor changes due overhead reallocations, minor adjustments to labour across programmes and rounding have not been described in detail.

12. Many submitters proposed changes that are largely captured within proposed work programmes. Staff advice addressing the details of submissions is provided in the attached submission report. With regards to:

- specific requests for funding or commitments to fund, staff advice is that these can be considered through contestable funding or in future plans (Long-Term Plan 2024-34).
- Requests to add pests to the Canterbury Regional Pest Management Plan (CRPMP). Staff advice is that adding pests to the CRPMP is not part of the Long-Term Plan submission process, however submitter concerns could be addressed with a review of the CRPMP. Staff do not recommend this response as it is expected the Biosecurity Act will be reviewed in the coming Long-Term Plan period, which may change the regional pest management framework. The Regional Pest Management programme includes funding for facilitating the management of organisms outside of the CRPMP through education, engagement, awareness and advice. (ref submitter (#1076, #1140) examples).

13. Staff propose that one change be made to the Braided River Revival / Whakahaumanu Ngā Awa ā Pākihi programme as reflected in Option 1. Staff propose that \$150k of year one Parks maintenance be deferred to year two to assist with affordability concerns (**Refer to Recommendation 7.1**).

14. Staff propose a \$300k transfer to the Leading and Partnering for Biodiversity Outcomes programme due to some Goods and Services and staff time being relocated from the Priority Habitats Wetland Protection programme (**Refer to Recommendation 7.2 (and 7.4)**). Submitters were generally supportive of this programme.

15. Staff propose that funding for Me Uru Rākau be reduced by \$600k in year one, with a year two decrease of \$1m and year three decrease of \$1.4m (**Refer to Recommendation 7.3**). Me Uru Rākau focuses on engaging and enabling landowners and community groups to undertake habitat protection and regeneration. Staff note general support for the programme, but also concerns regarding do-ability and affordability. This recommendation enables a start to the programme at a scale that is deliverable and will provide confidence to ratepayers that the outcomes are achievable. A change to the Level of Service targets is required commensurate with the change in proposed funding, for example, working in one catchment in year one and scaling up.
16. Staff propose a \$300k transfer from the Priority Habitats Wetland Protection programme, due to some Goods and Services and staff time being relocated to the Leading and Partnering for Biodiversity Outcomes programme (**Refer to Recommendation 7.4 (and 7.2)**).
17. Staff propose that no changes are made to total funding within the Regional Pest Management programmes, and that \$300k of this funding be funded from reserves, with a commensurate decrease in funding from rates (**Refer to Recommendation 7.5**). Submitters were generally supportive of this programme.

Staff recommendations

7. **Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-2031, with the exception of the following:**
 - 7.1. **Decrease year one UAGC funding for Braided River Revival/ Whakahaumanu Ngā Awa ā Pākihi by \$150k and increase year two funding by \$150k**
 - 7.2. **Increase year one, two and three general rate funding for the Leading and Partnering for Biodiversity Outcomes programme by \$300k**
 - 7.3. **Decrease year one general rate funding for Me Uru Rākau by \$600k, decrease year two funding by \$1m and year three funding by \$1.4m**
 - 7.4. **Decrease year one, two and three of general rate funding for Priority Habitat Wetland Protection by \$300k**
 - 7.5. **Maintain total funding for the Regional Pest Management Programme, while reducing \$300k of 50/50 general/target rates funding by utilising reserves.**

If the above recommendations are agreed to, staff propose the following amendments to Levels of Service (LoS):

- LoS 17.1 – amend year one 2021/22 target to ‘Engaged communities implementing projects in one priority ecological catchment’ (due to rescaled funding for Me Uru Rākau).

Portfolio programme changes – Climate Change and Community Resilience

Relevant submissions

18. A number of submitters were not supportive of the Climate Change and Community Resilience portfolio overall and suggested removing expenditure from Leading Community Resilience and Climate Change Resilience programmes as these have no tangible outcomes.
19. The Climate Change Resilience programme did generate the most comments in this portfolio with the majority of those in support of climate change action, including a focus on climate education. Some submitters urged Council to take more action, including reducing emissions.
20. Some submitters expressed concerns about waste management, including around the coast. Support for the regional coastal plan and more monitoring and focus in coastal area was noted by submitters. A few submitters noted specific contaminated land concerns.
21. There was general support for flood protection and infrastructure (Leading Flood and River Resilience programme). Specific submissions were received on river rating district schemes. These are addressed under targeted rates - river rating.

Staff advice

Climate Change and Community Resilience Rates funding	Option 1 Y1 (\$m)	Option 2 Y1 (\$m)	Staff Advice Y1 (\$m)	LOS revised?
Climate Change Resilience	1.0	1.0	0.9	Yes
Leading Community Resilience	5.4	5.4	4.9	No
Leading Flood and River Resilience	12.2	12.2	12.9	No
Managing Contaminated Land, Hazardous Substances and Waste	1.7	1.6	1.7	No
Managing the Coastal Environment	3.7	3.5	3.6	Yes
Portfolio rates funding	24.0	23.7	24.0	

Note: This table shows rate funding for programmes in the Climate Change and Community Resilience portfolio, (revenue from user pays, grants and reserves has been excluded). Significant changes to programme rate funding are described in staff recommendations; minor changes due overhead reallocations, minor adjustments to labour across programmes and rounding have not been described in detail.

22. Detailed staff advice on submitter points is provided in the attached submission report. There is minimal difference between Option 1 and 2 with regards to this portfolio as much of the work in this portfolio addresses statutory requirements and core commitments.

23. Staff propose that there be minor changes to the programmes in this portfolio as they are proposed under Option 1 of the draft Long-Term Plan. Any additional requirements for each programme, including phasing or funding of the draft Long-Term Plan, are discussed further below.
24. Staff advice is that projects for the Leading Community Resilience programme be maintained as per Option 1 in the draft Long-Term Plan including the development of the Canterbury Resilience Strategy and the formation of the Washdyke/Waitarakao working group. Budget for this is from general rates and through re-allocation of funding within existing budgets. Timaru District Council (#1291) sought the improvement of the Washdyke/Waitarakao lagoon through zone and regional implementation programmes being included in the Long-Term Plan. Note funding for this programme in year 1 has been adjusted due to re-allocation of labour costs across the broader Portfolio programmes. **(Refer to Recommendation 8.1).**
25. For the Managing the Coastal Environment programme, with regards to submitter comments on coastal monitoring, Environment Canterbury has a comprehensive programme for monitoring coastal water quality on an on-going basis. Environment Canterbury is currently investing in building our knowledge of the Canterbury Coast (including changes) by commissioning a range of technical science studies and reports to inform the review of the regional coastal planning framework. The review process will identify the issues impacting the coastal environment (including marine habitats and ecosystems) and identify the best mechanisms to address these.
26. Staff propose that the two new proposed Coastal Water - Quality Monitoring & Investigation FTE science positions proposed to start in year 1 are split as currently shown in Option 2, with one FTE to start in year 1 and the second deferred to year 2. The FTE in year one is approximately \$60k and the FTE in year 2 is approximately \$80k. Deferring FTE will still be able to achieve this work. This labour budget is funded from general rates. **(Refer to Recommendation 8.2).**
27. With respect to the review of the regional coastal planning framework staff propose to retain the funding for years 1 to 3 of the Long-Term Plan as proposed under Option 1. The navigation safety bylaw is also proposed to be reviewed in year 1 of the Long-Term Plan and will cost around \$100k. This is included in year 1 in Option 1. It is noted that Option 2 does not include this review therefore it is proposed that Option 1 be included in the Long-Term Plan.
28. All other projects and funding for this programme are to be maintained as proposed in Option 1 of the draft Long-Term Plan.
29. A minor amendment to Level of Service 22 is required resulting from the decision to notify the review of the Canterbury Regional Coastal Environment Plan alongside the other Regional Plans in year 4 of the Long-Term Plan as opposed to year 3. The amended targets (moved out by a year) will be included in the final Levels of Service.
30. For the Managing Contaminated Land, Hazardous Substances and Waste programme staff propose funding Option 1. If Option 2 is progressed then the team will not be doing site risk assessments of closed landfills. This leads to a risk in the

event of an occurrence that we have not acted on the data we have. To include this work would cost \$30k from total rates.

31. In Option 1 there are a number of other transformational initiatives proposed for years 2 and 3 of the Long-Term Plan. These include:
 - a shared leadership role in waste of \$45k in year 2,
 - a risk-based approach to contaminated sites of \$30k in year 2, and \$50k in year 3,
 - a 0.5xFTE increase in year 2 for technical advice on contaminated land, the national climate change risk prioritisation programme of \$30k in year 2, and
 - developing a relationship between Te Ao Māori, mātauranga Māori understanding, and application of Te Mana o Te Wai for contaminated land/soils of \$40k in year 2.
32. Staff consider these initiatives to be of merit and worthy of inclusion in the Long-Term Plan for years 2 and 3 and address submitter concerns around these issues. This is a total of around \$240k in year 2 and \$50k in year 3.
33. Staff advice is that the projects and funding for the Contaminated Land, Hazardous Substances and Waste programme be maintained as per Option 1 of the draft Long-Term Plan, largely funded from general rates.
34. For the Climate Change Resilience programme the objectives of this programme are to build resilience to climate change risks in Canterbury through engaging with our partners and stakeholders. We will achieve this through continuing to build capacity and capability to integrate climate change in decision-making, supporting consistent adaptation planning across the region, and engaging with communities to identify adaptation options. We will also enable Cantabrians to transition to a low emissions future while supporting communities, sustainability, and economic livelihoods.
35. The Climate Change Resilience programme generated the most comments in this portfolio with many submitters in support of the climate change action proposed in the programme, including a focus on climate education. Some submitters urged Council to take more action, including reducing emissions.
36. The regional council has statutory obligations to fulfil relating to climate change (which includes adaptation), including the Climate Change (Zero Carbon) Amendment Act 2019 and RMA. This includes managing infrastructure and services that reduce risks from natural hazards. Also, national legislation expected late in 2021 (National Adaptation Plan and the Emissions Reduction Plan) will have implications for Environment Canterbury's work.
37. There is a small recommended change in funding in year 1 from total general rates for the Climate Change resilience programme due to a small re-allocation of labour costs across the Portfolio and rounding of budget allocation. **(Refer to Recommendation 8.3)**. In year 2 it is proposed to increase public engagement on climate change by \$100k and the same again in year 3. It is also proposed to co-develop a climate change adaptation plan which would cost \$100k in year 2 decreasing by \$60k in year 3. It is also proposed to co-develop a low emissions

transition plan costing \$60k in year 2 with a further increase of \$100k in year 3. These initiatives deliver against those future climate change legislative requirements which are not currently in statute but will be by the end of the year. Staff recommend Option 1 for this programme for years 1 to 3 of the Long-Term Plan.

38. Staff advice is that the projects and funding for the Climate Change resilience programme be included for years 1 to 3 of the Long-Term Plan as proposed in Option 1.
39. A minor amendment to Level of Service 23.2 is also required resulting from a change in the method as to how Council will measure the number of people who are engaged in understanding how they can adapt to the effects of climate change. The amended targets (no survey and instead using analytics from the climate change campaign) will be included in the final Levels of Service.
40. For the Leading Flood and River Resilience programme the work in this programme largely addresses statutory requirements and core commitments. There is some difference in budget between proposed Option 1 for year 1 of the draft Long-Term Plan in respect of the final changes associated with the river catchments and COVID-19 projects, discussed further below in the river rating districts section of this report.
41. The River Management Strategy is proposed under Option 1 which also supports Braided River Revival/ Whakahaumanu Ngā Awa ā Pākihi, but is not included in Option 2. Staff advice is that this project is included.
42. Staff advice is that the projects and funding for the Leading Flood and River Resilience programme be included for years 1 to 3 of the Long-Term Plan as proposed in Option 1 but noting the outcomes of the River Rating Districts Liaison Committee meetings and the impact upon reserves are discussed later in this report.

Staff recommendations

8. **Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-2031, with the exception of the following:**
 - 8.1. **Re-allocation of a part FTE labour budget from within the Leading Community Resilience programme to across the broader Portfolio programmes, funding being from general rates.**
 - 8.2. **Phasing the two new proposed Coastal Water - Quality Monitoring & Investigation FTE science positions proposed to start in year 1 so that they are split as currently shown in Option 2, with one FTE to start in year 1 and the second deferred to year 2, funding being from general rates.**
 - 8.3. **Re-allocation of \$30k (shown as \$100k in the table due to rounding) from within the Climate Change Resilience programme to across the broader Portfolio programmes, funding being from general rates.**

If the above recommendations are agreed to, staff propose the following amendments to Levels of Service (LoS):

- LoS 22.1 - a minor amendment is required resulting from the decision to notify the review of the Canterbury Regional Coastal Environment Plan alongside the other Regional Plans in year 4 of the Long-Term Plan as opposed to year 3. The amended targets (moved out by a year) will be included in the final Levels of Service.
- LoS 23.2 a minor amendment is required resulting from a change in the method as to how Council will measure the number of people who are engaged in understanding how they can adapt to the effects of climate change. The amended targets (no survey and instead using analytics from the climate change campaign) will be included in the final Levels of Service.

Portfolio programme changes – Air Quality, Transport and Urban Development

Clean Air and Integrating Urban Land Use and Regional Transport

Clean Air

Relevant submissions

43. Submitters commented on air quality issues, with submitters requesting better enforcement of outdoor burning, especially in Ashburton, and better enforcement regarding odour, especially in East Christchurch. Support for the approach to home heating was expressed by some submitters.

Staff advice

44. Staff advice is that no changes are made to the Clean Air programme but note that there is a slight difference between Option 1 and staff advice shown in the table below due to overhead changes and rounding of budget figures. Clean air programme is funded by a combination of targeted and general rates.
45. In terms of the issues around dust, odour, outdoor burning these are addressed through the Compliance, Monitoring and Enforcement functions in the Regional Leadership portfolio. Staff advice on submitter points is provided in the attached submission report.

Integrating Urban Land Use and Regional Transport

Relevant submissions

46. The key points raised by submitters that commented on urban development issues included support for better integration with transport nodes and for reducing urban sprawl. There was concern expressed by submitters about the loss of arable land from greenfield developments, particularly around Greater Christchurch.
47. Submitters that commented on regional transport issues included support for mode shift and for emissions reduction from transport in the region. Submitters identified support for walking and cycling, and for better use of passenger rail. This aligns with the direction set in the draft Canterbury Regional Land Transport Plan 2021-2031.

Staff advice

48. Detailed staff advice on submitter points is provided in the attached submission report. There is minimal difference between Option 1 and 2 with regards to these two programmes as much of the work in these programmes addresses statutory requirements and core commitments. Staff propose that there be no change to the

Integrating Urban Land Use and Regional Transport programme, apart from the following discussion.

49. Since the draft Long-Term Plan was developed, work is currently underway with the Greater Christchurch Partnership to develop the draft strategic direction and framework for Greater Christchurch, namely Greater Christchurch 2050. This seeks to deliver a clear and agreed aspiration and positioning of Greater Christchurch for the future, with the objectives to drive and focus investment and commitment to deliver shared outcomes, advance an urban growth partnership with central government, and grow private sector confidence and investment. The next step in giving effect to the aspiration set in Greater Christchurch 2050 is the new spatial plan. The spatial plan will look at the urban form of Greater Christchurch, including identifying areas for significant future growth and change, and the infrastructure that will be required to support this growth.
50. It is proposed to include \$394k for the Greater Christchurch Spatial Plan in this Long-Term Plan. Staff propose that this work is phased over 2 years with \$197k funded from Reserves in year 1 and \$197k funded in year 2 by \$41k from Reserves, \$98k from adjustments within the proposed Long-Term Plan regional transport programme and an additional \$58k from General Rates. This is new cost in addition to that consulted upon in the draft Long-Term Plan. In terms of benefits realisation from the Greater Christchurch Spatial Plan work, it is considered that the broader Canterbury region will benefit from a thriving Greater Christchurch and therefore this work should be funded from general rates, not targeted rates. While the general funding for the Greater Christchurch Partnership contribution is funded from targeted rates, this is due to the benefit of that broader work programme being derived more so from Greater Christchurch residents than the broader region. This is all on the basis of the broader programme funding being applied for year 2 as proposed in Option 1 of the draft Long-Term Plan **(Refer to Recommendation 9.1)**.
51. A portion of the Travel Demand Management programme is included in the Integrating Urban Land Use and Regional Transport programme, which is a joint programme with the Greater Christchurch Partnership Councils. This requires \$50k per annum of targeted rates funds to be contributed in years 1 to 3 of the Long-Term Plan as per Option 1. Not including this in year 1 will have Partnership implications.
52. Staff advice is that the \$50k per annum be included for years 1 to 3 of the Long-Term Plan for the Travel Demand Management Contribution as proposed in Option 1.
53. Staff are proposing to include Regional Spatial planning funding in the Long-Term Plan which is \$100k in year 3 of Option 1. This is in addition to Option 2 statutory requirements.
54. Staff advice is that \$100k be included in year 3 of the Long-Term Plan for Regional Spatial Planning as proposed in Option 1.
55. Staff are proposing to include funding for Regional Rail Investigations in year 3 of the Long-Term Plan which is \$50k as per Option 1. This is in addition to Option 2

statutory requirements. Staff recommend that \$100k be included in year 3 of the Long-Term Plan for Regional Spatial Planning as proposed in Option 1.

56. Staff advice is that \$50k be included in year 3 of the Long-Term Plan for regional rail investigations as proposed in Option 1.

Air Quality, Transport and Urban Development Rates funding	Option 1 Y1 (\$m)	Option 2 Y1 (\$m)	Staff Advice Y1 (\$m)	LOS revised?
Clean Air	2.1	2.0	2.2	No
Integrating Urban Land Use and Regional Transport	0.9	0.9	0.9	No
Transforming Public Transport	32.7	30.0	30.3	No
Portfolio rates funding	35.7	32.9	33.4	

Note: This table shows rate funding for programmes in the Air Quality, Transport and Urban Development portfolio, (revenue from user pays, grants and reserves has been excluded). Significant changes to programme rate funding are described in staff recommendations; minor changes due overhead reallocations, minor adjustments to labour across programmes and rounding have not been described in detail.

Staff recommendations

9. Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-2031, with the exception of the following:

9.1. Include additional funding for the Greater Christchurch Spatial Plan by allocating \$197k from General Reserves in year 1 and \$197k in year 2 being \$41k from General Reserves, \$98k from adjustments within the proposed Long-Term Plan regional transport programme, and an additional \$58k from General Rates.

Transforming Public Transport

Relevant submissions

57. Of the 600 that commented on the Air Quality, Transport and Urban Development portfolio, most of the submitters commented on public transport. Common themes included support for: active transport; decarbonisation of the transport network; improved use of rail; mass rapid transit; fare reviews; and better public transport and on demand public transport, including MyWay Timaru. Some submitters opposed free fares. Clarity was sought from some submitters on rural targeted rate for public transport, and whether urban ratepayers pay. A number of submitters questioned whether Environment Canterbury should be responsible for Public Transport.

Staff advice

58. Detailed staff advice on submitter points is provided in the attached submission report. The draft Long-Term Plan (Option 1) signals significant improvements in service delivery and progressing the transition to a zero emission bus fleet during years two to nine.
59. Option 2 includes only Council's statutory functions in terms of running the bus service as well as our existing commitments to the new PTOM contracts, the new Real Time Information system, Total Mobility Funding uplift, the National Ticketing solution. It does not enable zero emissions transition for buses, MyWay Timaru, the fare stimulus package and trial, U19 child fares, Travel Demand Management, targeted express services, or PT Futures service uplift.
60. Public transport is funded from a mixture of targeted rates, users pays and grant funding.
61. In terms of the COVID-19 Fare reduction offset, our local share is proposed to be funded 100% under Option 2 from Reserves (currently year 1 \$2m, year 2 \$1m and year 3 \$0.5m). Under Option 1 only 50% of the COVID-19 Fare reduction offset is from Reserves (currently year 1 \$1m, year 2 \$0.5m and year 3 \$0.25m). Council could look at a mixture of funding arrangements from Reserves for this across each of the 3 years of the Long-Term Plan.
62. Also of note is that since the draft Long-Term Plan was developed staff have concluded engagement with, and delivery of, the requisite changes to service timetables across the network to support and enable delivery against the requirements for the Employment Relations Act Amendment. This has resulted in an annualised cost of \$1.1m. The budgeted estimate for Employment Relations Act (ERA) costs was set at a maximum of \$2m annually, resulting in a gross saving of \$900k per annum. It is also noted that there is \$130k available from the 2020/21 ERA savings that will go into PT Reserves (**Refer to Recommendation 10.2**).
63. The net saving remaining within the draft Long-Term Plan budget from ERA contracts would therefore be \$450k in year 1. Some of the additional ERA savings could be used for various other options within the PT programme. These include:
- Reduce rates
 - Employment changes
 - Accelerating EV transition
 - Extending the fare trial
 - Bringing forward the In Bus displays project
 - Zero emissions ferry

Reduce rates

- A reduction in the targeted public transport rate of \$183k. This would represent \$1.6 rate reduction for the average Christchurch household (based on \$500k capital value)

Employment inflation

- We note recent signals from government to enable the provision of employment inflation to drivers. Further detailed investigation is required with operators to understand how such a change could be implemented, if considered appropriate by Council, the wider implications of this across Public Transport delivery and the mechanisms that might be implemented to manage this going forward. We are also awaiting further advice from Waka Kotahi as to how alignment with employment inflation may be dealt with in future years. That is to say, at this time there is no formal commitment to funding for this from Waka Kotahi.
- Staff recommend that further detailed investigation is required to enable council to make a fully informed decision. This investigation will take some time. A discussion on this is scheduled to occur with the Performance, Audit and Risk Committee on 27 May 2021 and may inform future changes to the Long-Term Plan in subsequent annual plan years.

Accelerate EV transition

- Council could consider applying these funds to increasing the number of EVs procured in this Long-Term Plan by an additional 4 units (increase from 20 of 40 vehicles to 24 of 40 vehicles). Due to greater success in Ministry of Education contracts, the replacement of 10 GoBus vehicles must be brought forward into Year 1. Up to four of these vehicles could potentially be locally manufactured EVs.

Extend Fare Trial

- Adding these additional funds to the Fare Trial stimulus package could extend this by four to six weeks. As this initiative is a fixed project for year 1 only, the \$400k saving noted would remain available from year 2 onwards and could therefore be applied to Driver wage floor adjustments as of year 2 or accelerated Zero emission transition from year 2.

Bring forward In Bus Displays project

- Staff have budgeted for delivery in year 3 approximately \$1m dollars of capex (translating to \$140k opex per annum) to implement in Bus LCD displays for enhanced customer messaging, information and advertising. This project has the objective of materially improving our communication with and provision of information to our customers.

Zero emissions ferry Fund the differential cost to procure and operate a zero-emission ferry replacement. Indicative additional contract funding required is a \$150k per annum local share contribution.

64. The My Way Timaru service has been performing well and has been well received by the community which is evident in the submissions in support of this service. Staff propose continuing this service in the Long-Term Plan which would require \$600k per annum of funding. This is discussed later in this report under the separate Targeted My Way discussion.

65. Staff are proposing to include the fare stimulus package which is \$500k in year 1 of Option 1. In year 2 this decreases by \$500k and then in year 3 it increases by \$1m. This is in response to submissions around fare costs. Funding for year 3 anticipates potential changes that may come from the Fare Policy review work being undertaken this calendar year.
66. Staff advice is that \$500k be included in year 1 for the Fare Stimulus package and trial as proposed in Option 1. This funding should then be decreased in year 2 by \$500k and then increased again in year 3 by \$1m as per Option 1.
67. The fare stimulus package is also tied to the enhanced bus cleaning of \$250k (rates increase) which we will now be required to contribute to as Waka Kotahi NZTA will no longer be underwriting the additional COVID-19 cleaning costs. These will cease as of 30 June, meaning Environment Canterbury will need to carry its share of these costs from 1 July. The total gross cost to Environment Canterbury of this enhanced cleaning regime is approx. \$500k per annum. Staff believe the retention of this enhanced cleaning regime, combined with the Fare Stimulus trial, will be critical in re-engaging patronage back to PT once the national vaccination programme is well underway. The enhanced bus cleaning will be a new cost for each year of the Long-Term Plan unless anything changes in that regard.
68. Staff advice is that \$250k of targeted rates funds be included in each year of the Long-Term Plan for enhanced bus cleaning, in addition to Option 1 (**Refer to Recommendation 10.1**).
69. An additional two public transport staff members are also required in year 1 in strategy and planning to plan and deliver the changes proposed from year 2 onwards and to support enhanced marketing and engagement with our customers. This is \$150k in year 1. An additional part FTE resource is also required in year 2 under Option 1 which is \$25k.
70. Staff advice is that \$150k be included in year 1 for the new public transport resources as proposed in Option 1 and \$25k in year 2.
71. The Travel Demand Management programme which is a joint programme with the Greater Christchurch Partnership Councils requires \$100k per annum of targeted rates funds to be contributed as per Option 1. Not including this will have Partnership implications.
72. Staff advice is that \$100k be included per annum in the Long-Term Plan for the Travel Demand Management Contribution, as proposed in Option 1.
73. The move to a zero-emissions bus fleet is included in Option 1 from year 2 onwards. Council proposed to transition part of our bus fleet to zero emissions with 50% of the replacement fleet (approx. 20 of 40 vehicles) from year 2 as old fleet are renewed. This attracts funding of \$525k in year 2 and a further \$205k in year 3. There has been significant support in the Long-Term Plan submissions for the move to a greener fleet of buses in order to reduce emissions and meet our climate change

goals. Central government is also requiring all new buses to be zero emissions vehicles beyond 2025.

74. Staff advice is that \$525k in year 2 and a further \$205k in year 3 be included in the Long-Term Plan for the transition to a zero-emissions bus fleet as proposed in Option 1.
75. It was proposed in year 2 of Option 1 of the draft Long-Term Plan to include the Environment Canterbury minimum commitment for the Public Transport Futures Business Case. This work includes significant PT service delivery improvements from an operational perspective. Funding for this programme is coordinated with the Greater Christchurch Partnership Councils who are also including funding for capital expenditure in their respective Long-Term Plans, so not including the funding for our operational expenditure would have Partnership implications. This equates to a total of \$1.55m in year 2 and a further \$250k in year 3.
76. Staff advice is that \$1.55m in year 2 and a further \$250k in year 3 be included in the Long-Term Plan for the Public Transport Future programme contribution as proposed in Option 1.
77. It was proposed in Option 1 of the draft Long-Term Plan to include the U19 child fares in year 1. This was at a cost of \$300k in targeted rates funding per annum. It is proposed to phase this to year 2 of the Long-Term Plan under Option 1 and this follows the fare review process and considerations. Tertiary fares could be considered through the fare review. It is not proposed to include a Tertiary fare at this stage. This could also be considered through the fare review process.
78. Staff advice is that for the U19 child fare \$300k in year 1 Option 1 be phased to year 2 Option 1 of the Long-Term Plan. **(Refer to Recommendation 10.3).**
79. It was proposed in Option 1 of the draft Long-Term Plan to include the targeted express service improvements of targeted rates funding of approximately \$65k in year 1 and \$250k in year 2. It is proposed to phase the commencement of this to year 2 of the Long-Term Plan under Option 1 thereby reducing year 1 rates impact by \$65k.
80. Staff advice is that for the targeted express service improvements funding of approximately \$65k in year 1 Option 1 be removed **(Refer to Recommendation 10.4).**
81. Some submitters requested that specific routes that had been removed in previous years be re-instated. Environment Canterbury with partners in the Greater Christchurch Public Transport Joint Committee, have collaborated on the development and delivery of the Regional Public Transport Plan which outlines the philosophy and strategy for public transport improvements over the coming 10 years. This plan has driven and shaped the completion of the Future Public Transport business case, recently endorsed by all Greater Christchurch partners, which identifies a co-ordinated package of service improvements, network expansion,

infrastructure delivery and investment priorities for Public Transport in greater Christchurch over the coming 10 years.

82. Where a service is sought that is not within this investment plan endorsed by partners, an appropriate service review and engagement process would be required to evaluate service scope, costs and potential benefits to the Public Transport network as a whole. Such reviews would then inform future Annual Plan considerations and funding requests of Waka Kotahi.
83. Councillors have also sought some advice from staff in relation to the potential for a Tertiary fare to be applied in the Council's bus fare structure. Council staff will be undertaking a fare review process and this would be the appropriate time to consider a Tertiary fare and, if deemed appropriate, then an amendment to the Long-Term Plan through an annual plan process in future years would be the appropriate process to do so. A fare structure change of this nature would be best delivered as part of the National Ticketing provision, as investing in modifications to our existing ticketing system, so close to its replacement, would not be considered a prudent use of funds.
84. In terms of using Reserves to offset project costs within the Long-Term Plan, staff have looked at areas where Council can look at borrowing and reserve use. Staff have already considered borrowing for public transport capital projects, however do not recommend borrowing for ongoing public transport operating costs. Public transport operating reserve is significantly over the policy level, Council could consider reducing public transport reserves balance down to policy level by the end of year 3 and use this balance to offset PT targeted rates for the projects identified within the public transport programme under Option 1 of the Long-Term Plan. Options for this could be for the fare revenue shortfall or the fare stimulus trial.

Staff recommendations

10. **Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-2031, with the exception of the following:**
 - 10.1. **Additional targeted rate funding per annum to be included for enhanced bus cleaning \$250k**
 - 10.2. **Put to Public Transport Reserve the saving of ERA in 2020/21 of \$130k**
 - 10.3. **Phase the proposed targeted rate fare price change for under 19's to start from year 2 onwards with \$300k per annum and post the fare review process**
 - 10.4. **Phase the express service enhancements proposed targeted rate by removing \$65k from year 1, and start this in year 2 with \$250k per annum (as proposed in Option 1).**

Portfolio programme changes – Regional and Strategic Leadership

Relevant submissions

85. A number of submitters commented on the Engagement and Influence programme, including submitters in support (50) and opposed (58) to Enviroschools and youth engagement activities. Those that did not support suggested education was a central government (Ministry of Education) responsibility. 17 submitters expressed support for the establishment of a new contestable fund, while one opposed it.
86. Support for the Tuia partnership was noted by several submitters, including three Papatipu Rūnanga. Some submitters suggested resourcing rūnanga to advise on freshwater should fall more to central government.
87. Some submitters suggested funding for the Investing for the Future programme is scaled back but gave no rationale (e.g. #361, #896, #999). There was support for increased investment in data for decision making.
88. Submitters expressed support for more focus on compliance and enforcement, including polluter pays principles. Some raised matters about consenting processes, including public notification of consents (e.g. #468, #557, #624).
89. Some submitters expressed concerns about air quality and requested a better approach to managing dust from quarries in the air quality programme (e.g. #486, #1011 #188, #771, #1216, #931). Submitters' comments relate to Council's compliance activity so are addressed within this portfolio through the Leading Regional Planning, Consenting and Compliance programme.
90. Detailed submissions were received on the review of air noise contours around Christchurch Airport. e.g. # 538.

Staff advice

Regional and Strategic Leadership Rates funding	Option 1 Y1 (\$m)	Option 2 Y1 (\$m)	Staff Advice Y1 (\$m)	LOS revised?
Data for Decision Making	3.1	2.6	2.0	Yes
Engagement and Influence	8.6	8.2	8.7	No
Governance and Advisory Services	4.6	4.7	3.2	No
Investing for the Future	2.4	1.9	1.8	TBC
Leading Regional Planning, Consenting and Compliance	9.0	9.0	7.7	No
Tuia Partnership	1.6	1.6	1.5	No
Portfolio rates funding	29.3	28.0	24.9	

Note: This table shows rate funding for programmes in the Regional and Strategic Leadership portfolio, (revenue from user pays, grants and reserves has been excluded). Significant changes to programme rate funding are described in staff recommendations;

minor changes due overhead reallocations, minor adjustments to labour across programmes and rounding have not been described in detail.

91. Staff advice on submitter requests are outlined in the submissions report. Note – regarding #538 - the Canterbury Regional Policy Statement directs that the review of the Airport Noise Contours is undertaken by the Airport when requested by Environment Canterbury. As such Environment Canterbury will be requesting that the Airport remodels the Airport Noise to assist the Greater Christchurch partnership in their development of Greater Christchurch 2050 and the subsequent Review of the Regional Policy Statement.
92. Regarding submissions seeking better monitoring of potential dust from quarries, staff advice is to not include new funding at this stage. Given the level of funding required and links to the Innovative Regulator proposal, staff consider this could instead be developed further and if necessary be considered within future Annual Plan processes. Staff considered the work required to initiate such a programme and concluded that approximately \$1m would be required in year one, with approximately 20% of this being cost recoverable. This estimate of \$1m would fund a combination of dust meters, data triangulation, additional (dedicated) officers and community participation (expanding on the McLean's Island Quarry Dust Project) to respond to and manage the effects of dust in our communities.
93. Staff propose a decrease in funding for the Data for Decision Making programme of \$1.1m (**Refer to Recommendation 11.1**). This decrease includes a rephasing of \$750k due to do-ability and affordability concerns of the Citizen Science, Innovative Data Solutions and Data Sharing initiatives, so that these now begin in year two. The decrease also reflects Water Data expenditure shifting to the Water and Land Portfolio (\$695k), while the depreciation of Canterbury Maps assets is now included in the Data for Decision Making programme (previously treated as a cross-organisation overhead). A change in Levels of Service to reflect this drop-in activity would be required.
94. Staff propose an increase in funding of \$100k for the Engagement and Influence programme due to the relocation of staff time from the Tuia Partnership Programme (**Refer to Recommendation 11.2 (and 11.6)**). This programme includes funding for EnviroSchools and the establishment of a new Contestable Fund. This funding for EnviroSchools would mean an additional 25 schools become EnviroSchools by year two.
95. Staff propose a decrease in funding of \$1.4m for the Governance and Advisory Services programme (**Refer to Recommendation 11.3**). Staff have forecast higher rates collection in 2020/21, so propose this funding of \$1.7m be drawn from reserves to offset rates in the 2021/22 year. Staff also propose \$300k of new expenditure including for the Office of the Chief Executive and Chair.
96. Staff propose a decrease in funding of \$600k for the Investing for the Future programme (**Refer to Recommendation 11.4**). This is primarily due to staff proposing that no funding is provided for the investigation of a Council Controlled Trading Organisation (CCTO) from a do-ability and affordability perspective, and this

instead be considered as part of a future Annual Plan process should Council choose to progress this initiative. Staff also propose that efforts regarding a Green Philanthropic Fund and a Fundraising resource/strategy not be progressed.

97. Staff propose a decrease in funding of \$1.3m for the Leading Regional Planning, Consenting and Compliance programme (**Refer to Recommendation 11.5**). This proposed decrease is due to \$1.5m of additional rates forecast to be collected next year, and is partially offset by \$200k for explicit inclusion of the Innovative Regulator initiative (this was included within the Option 1 budget, but was not linked explicitly to the Leading Regional Planning, Consenting and Compliance programme).

98. Staff propose a decrease in funding of \$100k for the Tuia Partnership Programme due to some staff time reallocation to the Engagement and Influence programme (**Refer to Recommendation 11.6 (and 11.4)**).

Staff recommendations

11. Council direct staff to include the projects and funding for the programmes in this Portfolio as per Option 1 of the Long-Term Plan 2021-31, with the exception of the following:

- 11.1. Decrease year one general rates funding for the Data for Decision Making programme by \$1.1m**
- 11.2. Increase year one general rates funding for Engagement and Influence programme by \$100k**
- 11.3. Decrease year one general rates funding for the Governance and Advisory Services programme by \$1.4m**
- 11.4. Decrease year one general rates funding for the Investing for the Future programme by \$700k**
- 11.5. Decrease general rates funding for the Leading Regional Planning, Consenting and Compliance programme by \$1.3m**
- 11.6. Decrease year one general rates funding for the Tuia Partnership programme by \$100k**

If the above recommendations are agreed to, staff propose the following amendments to Levels of Service (LoS):

- LoS 39.3 – delay each year’s target by one year (due to delaying initiation of the Innovative Data Solutions initiative until 2022/23).
- LoS 39.4 – delay each year’s target for Citizen Science data by one year (due to delaying initiation of the Citizen Science initiative until 2022/23).

Targeted rates - MyWay Timaru

Relevant submissions

99. Submitters from Timaru were asked to comment on the continuation of MyWay in Timaru. Out of 219 that provided a response to MyWay, 67% supported the continuation, 8% opposed the continuation and 17% were out-of-scope comments or hard to ascertain. The majority of submitters from Timaru were in favour and were either users of the service or were aware of community members that relied on the service. Organisations that supported MyWay continuation included Timaru District Council (#1291) and Canterbury District Health Board (#1289).

Staff advice

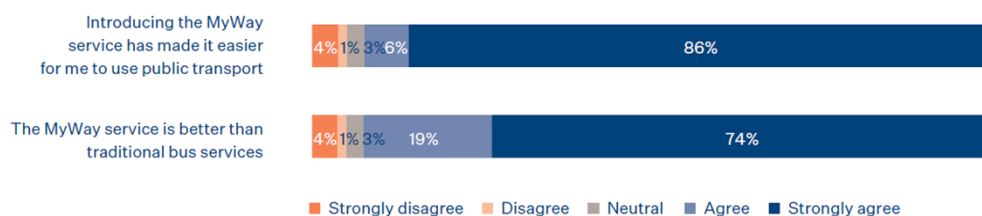
100. There is a clear preference from users for the My Way service to continue. The overall objective was to support the community with a public transport service that is sustainable and fit for purpose, and to provide a service that enhances the lives of Timaru locals. While the disruptions from COVID-19 have impacted on public transport engagement across New Zealand, the trial has demonstrated a clear preference from the community to engage with this service model with patronage growth occurring, where patronage decline has been the norm across New Zealand. Engagement trends with the service demonstrate a continued positive trend supporting the underlying objectives of the trial in the areas of:

- Fit for purpose
- Enhances the lives of the Timaru Community
- Sustainable

101. Customer survey feedback showed that customers find the MyWay service more convenient and efficient compared to the fixed route alternative.

4.3 MyWay Perceptions

MyWay users are highly satisfied with the on-demand public transport offering. Over 90% of MyWay users feel that it is a better service than other traditional forms of public transport (93%) and that the service has made it easier for them to use public transport (92%).



102. Results from a recent community intercept survey identified the following insights with regard to MyWay:

- Almost a third of respondents have increased their public transport use to weekly or fortnightly since MyWay has been introduced (32%).
- Most respondents support continuing the service (77%). Unsurprisingly, support is highest among users of MyWay (91%) but over two thirds of non-users support the service continuing in the region.
- Support for the service is most likely to be those that do not own a car (88%), those aged 16-39 years (87%) and women (82%).

103. MyWay also delivered a reduction in CO2 emissions compared to the fixed route service alternative:

	Previous Fixed Route Network	Current Blended network	On-Demand on
Total kms travelled	286,031	658,567	636,210
Large Bus Km	286,031	102,357	0
Small Vehicle Kms	0	556,210	636,210
CO2 emissions Euro IV	237.1 tonnes	211.8 tonnes	145.2 tonnes
CO2 emissions Euro V	227.7 tonnes	208.5 tonnes	145.2 tonnes
Number of Trips	147,048	159,703	121,619
Emissions per trip	1.5 kg	1.3 kg	1.2 kg

104. Without MyWay a Public Transport service review would be required with likely reductions in current fixed route options in Timaru. The community have engaged with the service and it is seen to be providing greater accessibility and value within the community. Key reasons for this engagement is the greater level of accessibility that the service provides via high convenience of booking at time of need (as opposed to fixed timetables), significantly reduced walking distance and additional service hours.

105. The current MyWay trial has been operating fully since July 2020 and in that short time has achieved a 16% Farebox recovery. Given the progressive increase in community engagement with the service over this period, staff believe that, in the absence of COVID-19, the service would progressively grow to achieve its intended 20% target within the next 12 months.

Staff recommendations

12. Council direct staff to include \$600k per annum of funding for MyWay Timaru as per Option 1 of the draft Long-Term Plan 2021-31.

Targeted rates – Hekeao Hinds Managed Aquifer Recharge

Relevant submissions

106. The draft Long-Term Plan 2021-2031 sought feedback from submitters on a proposal to fund the Hekeao Hinds Managed Aquifer Recharge (MAR) project through a targeted rate once the trial period is concluded at the end of year one of the draft Long-Term Plan.
107. Specific questions on the MAR were provided only for those submitters from Ashburton district. 132 submitters from the Ashburton District provided feedback on these specific questions out of a total of 138 Ashburton district submissions received. 89% of those Ashburton submissions that commented on the MAR proposals were in support of MAR.
108. Of the 132 submissions on MAR from Ashburton District, comments were provided for 97 submissions, with a range of comments given focused around 5 main themes,
- That this was a decision for the community (~50 submitters)
 - That the project had shown success to date (~24 submitters)
 - That spending money on this project would be more beneficial than other (Environment Canterbury) projects within the Long-Term Plan (~20 submitters)
 - That, while it is expensive it is already starting to show beneficial results (~11 submitters)
 - There was some concern about the need for more consultation with the community and some concern about the funding split (>10 submitters).
109. 36 submitters from the Ashburton district gave no comment but signalled support though choosing a 'Yes' option for the "continuation of MAR".
110. The 12 non-supportive submitters from Ashburton District commented on the costs, the use of water from degraded rivers to dilute polluted ground water, and the uncertainty of the efficacy of MAR and the need to change farming practices instead or alongside the MAR project.
111. Submitters from all other districts were not given the option to respond to specific questions on MAR. These submitters could however respond to a different question which provided options for investment in initiatives 'in your area' including 'On demand public transport services', 'Using managed aquifer recharge to manage freshwater quality' or 'Other initiative/s'. Data from these responses requires further analysis.
112. Arowhenua expressed concern about the use of Managed Aquifer Recharge within its takiwā. Arowhenua Rūnanga noted that LOS 12.1 seeks to transfer the ongoing responsibility for MAR in Hinds Hekeao to the Hekeao Hinds Water Enhancement Trust. Arowhenua seeks that wording is added to this to make it clear that Arowhenua Rūnanga will work alongside Environment Canterbury on any decision to be made on this. Arowhenua also noted they would like this proposal to be considered alongside any specific rating and actions to reduce on-farm nitrates

and the implications that a targeted rate could imply a right to continue to pollute to the same level.

Staff advice

113. Staff recommend that Targeted Rates provide for the development of the Hekeao Hinds MAR project from year two.
114. Managed aquifer recharge was initially identified in the Ashburton Zone Committee Zone Implementation Programme as one of a range of non-statutory initiatives that could potentially be used (alongside other initiatives) to support the achievement of freshwater objectives in the zone. Provision has been made in Plan Change 2 for MAR. The policy settings and targets for freshwater quality standards have recently evolved significantly through Essential Freshwater and the gazettal of the National Policy Statement for Freshwater (NPSFM) 2020. A review of the regional planning framework is now required to respond to the NPSFM and to give effect to Te Mana o Te Wai.
115. It is therefore recommended that the Long-Term Plan include provision for Hekeao Hinds MAR to allow completion of the trial in year one. Initial analysis on amendments required to the regional planning framework to respond to the Essential Freshwater Package are underway to support notification of a revised planning framework in December 2024. It is therefore recommended that the Long-Term Plan provide for a targeted rate in year two onwards, noting the this will be provisional on further engagement with Arowhenua, and analysis on the role of a range of non-statutory initiatives (including MAR) needed to support achievement of the new freshwater quality standards. Any amendments needed as a result of further analysis can be made through the Annual Plan processes.

Staff recommendations

13. **Council directs staff to include provision for Hekeao Hinds Managed Aquifer Recharge enhancements from year 2 via a Targeted Rate**

Targeted rates – River rating district schemes

Relevant submissions

116. Submissions relating to river rating districts included submissions relating to particular districts - Rakaia Rating District (#166), Lower Waitaki (Waitaki Irrigators Collective Limited #775), Ashley River scheme review (#1298 and #1276 Waimakariri District Council) and Waihao-Wainono Combined Rating District (#1287, #1288). Some submitters also requested a review of the rating classification (#609, #628, #1278). Summaries of these submissions and staff advice is provided in the submissions report.
117. River Rating District Committee meetings were held from November to April 2021 and the following staff advice focuses on the outcome of those meeting.
118. It should be noted that the draft Long-Term Plan document did contain some errors with regard to the quantum of rates to be collected in some river rating districts. All Committees were however presented the correct information at all meetings and all Committee and staff recommendations to Council are based on the correct numbers.

Staff advice

119. As a result of River Rating District Committee meetings and a staff review of the published rates, staff recommend changes to the river rating districts as outlined in the attached document 'Staff advice on river rating districts'. All recommended changes align with Committee recommendations except for two.
120. The staff recommendation for the Upper Hinds Scheme is 'no change' in order to adequately fund maintenance of the existing infrastructure. The Committee recommendation is to reduce both rates and expenditure citing affordability concerns.
121. The staff recommendation for the Waihao Wainono Combined Scheme is to include \$15k expenditure in year one for further analysis / investigations, which the Committee does not support.
122. The cumulative impact of all proposed changes is a net rate increase of \$79k and expenditure increase of \$136k. The table below summarises the changes with an individual value over \$50,000. A full list of detailed changes is attached to this document.

Scheme	Change in Income (21/22 FY)	Change in Expenditure
TOTAL	Net increase in Total Rates \$78,618	Net increase in expenditure \$135,675
Halswell Drainage	Increase total rates by \$572,980	No change
Waimakariri Flood Protection Project	Increase total rates by \$187,913	No change
Kaikoura Rivers	Reduce total rates by \$133,733	No change
Orari-Waihi-Temuka	Reduce total rates by \$78,571	No change
Lower Rakaia River	Reduce total rates by \$420,079	No change
Waihao Wainono Combined	No change to rates.	Defer \$100,000 capital works to 2022/23
Upper Hinds	Staff recommendation: No Change Liaison committee recommendation: Reduce targeted rates by \$11,000.	Staff recommendation: No Change. Liaison committee recommendation: Reduce expenditure by \$61,469.
Ashburton River	No change	Increase Expenditure \$100,000
10 Other Districts	Changes under \$50,000 each results in net \$49,000 increase	Changes under \$50,000 each results in net \$197,000 increase

123. Staff propose to increase rates to replenish catchment reserves through the Long-Term Plan. Despite this increase there will still be a short term decline due to committed capital works. Catchment reserves remain below policy level.

124. If Council agrees to staff recommendations, staff will make changes to the financial and rating information and financial summary in the 30 Year Infrastructure Strategy.

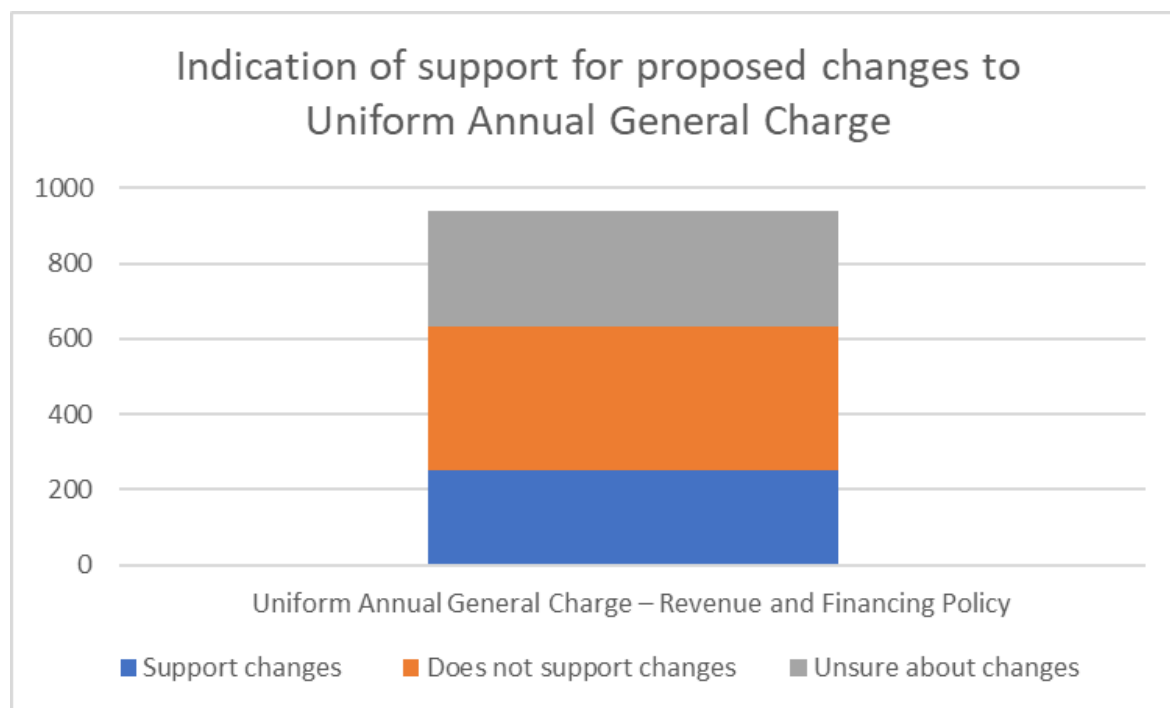
Staff recommendations

14. Council direct staff to make changes to the river rating information as per above which result in a net increase of total rates of \$79k and expenditure increase of \$136k.

Uniform Annual General Charge (Revenue and Financing Policy)

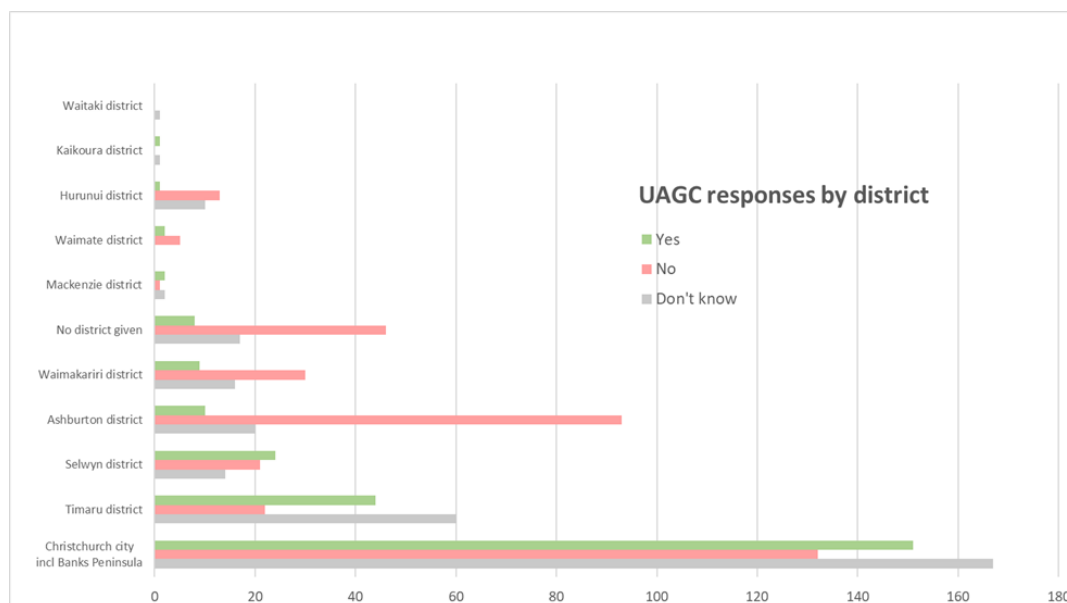
Relevant submissions

125. Submitters were invited to provide feedback on whether they supported changes to the Uniform Annual General Charges (UAGC).



126. Over 110 commented that UAGC should be for the benefit of people as opposed to property, a higher proportion should come from city and town ratepayers and/or that the UAGC should be increased to \$100 or more, or towards the 30% cap set within the Local Government (Rating) Act 2002. Many thought that the UAGC should increase to help spread the burden with urban ratepayers and help with affordability concerns within the rural sector - this point was made strongly and often. Many of these submitters indicated they were from the rural community.
127. About 80 thought the UAGC should decrease or be removed as it was viewed as regressive and unfairly impacting on low-income households.
128. 12 submitters pointed towards the need for more targeted/user pays/ polluter pays. 12 commented on specific aspects of the UAGC e.g. questioned recreational boating safety as UAGC.
129. About 300 were unsure about the proposed changes and provided no or little comment. Those few that commented referred to rates increases, specific targeted or other matters not directly related to UAGC. Over 220 supported the proposed changes and 150 opposed the proposed changes but did not comment or provided little comment. It was difficult to determine what the rationale for these submitter

responses were. Those that did comment referred to equity, but it was unclear whether they thought the UAGC was equitable or inequitable and what ratepayer group they represented.



Staff advice

130. In developing this Long-Term Plan, the financial framework (who pays/who benefits) has had an in-depth review, the first time in over 20 years. This financial framework review is part of the Revenue and Financing Policy and this review has reset where the impost of rating should sit.

131. Staff recommend the Uniform Annual General Charge (UAGC) increase from \$25.60 (incl GST) and the corresponding projects and percentages (which was \$140.94 (incl GST) per rating unit but this number will change depending on the final budget numbers. In determining this figure, staff undertook analysis to assess who benefits from the draft Long-Term Plan, and subsequently where the costs should fall.

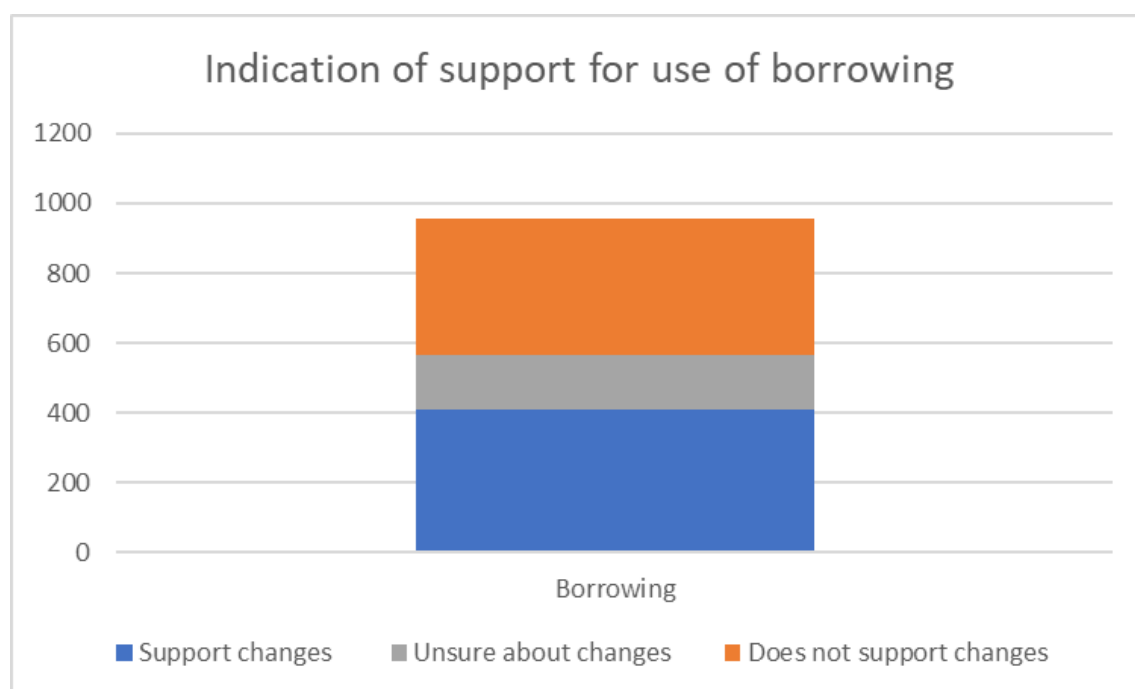
Staff recommendations

15. Council direct staff on which level of UAGC to apply:

15.1. UAGC rate estimated at \$140.94 per rating unit but subject to final calculation based on final budget numbers

15.2. UAGC rate in the Consultation Document, estimated at \$43.49 (Incl GST) plus Civil Defence \$14.68 (Excl Waitaki) totalling \$58.17

Borrowing



Relevant submissions

132. Submitters were asked if they supported the use of borrowing for operating expenditure to offset some of the rates. 531 submitters commented on this proposal.
- 408 indicated they supported the use of borrowing, 393 did not support and 157 were unsure. Note many submitters did not provide any comments but indicated in a check box so numbers that indicated are greater than the number of comments.
133. Submitters comments on borrowing was divided, and a little difficult to determine whether people were opposed to borrowing full stop, or borrowing for operational expenditure, particularly for the planning examples given.
134. Many comments against borrowing for operating expenditure, were from a principled viewpoint rather than something else. Many submitters in support commented that we should borrow while interest rates are low and because action is needed.
135. There was a lot of submitter commentary about fiscal responsibility and suggestions to review the budget, reduce expenditure, look for efficiencies and stick to the basics, before borrowing.

Staff advice

136. The Liability Management and Investment Policy (Treasury Policy) sets out what can be borrowed for as follows:
- Capital expenditure cost, interest, and repayments

- Promoting intergenerational equity between current and future ratepayers in relation to Council's assets and investments
- Funding significant one-off projects
- For hire purchase, credit, deferred payment or lease arrangements in the ordinary course of Council business
- To manage timing differences between cash inflows and outflows, and to maintain Council's liquidity
- Natural Capital projects such as resource management plans which have a 10 year life. Natural capital (OECD definition: Natural capital are natural assets in their role of providing natural resource inputs and environmental services for economic production).

137. The Treasury Policy was included in the supplementary information that went to the community. Currently there is no borrowing for operating natural capital expenditure included in the budget. The possible projects that met the natural capital definition are the work to produce resource management plans which have a ten-year life. Borrowing could be used for these planning projects to alleviate some of the first-year impact on ratepayers and smooth rate rises.

138. If borrowing, for the natural capital expenditure projects, specifically the Freshwater, Coastal and the Regional Policy Statement totalling \$20.4 million (over three years) is included in the Long-Term Plan, then the rates impact would be savings of 5.5%, 5.4%, and 4.7% for the first three years. However, repayments must be factored which will be as a % of the programme budget for the first 3 years. From year four the implications of this borrowing would be ongoing rate increases to fully repay this borrowing over nine more years as indicated in the table below. The impact will be similar for Option 2.

LTP year	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
% of Current Rates (Repayments)	1.3%	1.2%	1.2%	1.2%	1.1%	1.1%	1.0%

139. Although interest rates are currently low, and Council is in a strong position to borrow there is uncertainty around future interest rates. Longer term rates have increased in the last few months.

140. Staff advice is not to borrow for operational expenditure that doesn't generate future revenue or produces an asset. If borrowing is increased, it may be more difficult to retain the AA+ standard, noted on Level of Service 37.1 and the Fitch rating should be reviewed from AA+ to at least an A rating.

141. Borrowing would reduce the rates increase as estimated below:

- \$2 million of borrowing would equate to approximately 1.7% rates decrease

- \$3 million of borrowing would equate to approximately 2.6% rates decrease

Staff recommendations

16. Council directs staff whether to:

- 16.1. Not borrow for operating expenditure per staff advice**
- 16.2. To borrow for natural capital projects (the planning programme) as proposed for the first three years of the Long-Term Plan totalling \$20.4 million over three years: for Year one (\$6.3m), Year two (\$7.3m), Year three (\$6.9m) of the natural capital budget or borrow for year one, year two or year three.**
- 16.3. To borrow and take advantage of bringing forward future work programmes for one-off operational projects such as the COVID-19 river projects; and the Council to direct as to the level of borrowing they prefer.**

Reserves

- 142. Reserves are forecast to be \$19.6m at year end 30 June 2021 against a Policy level of \$15.7m. This balance is largely in targeted rates reserves and is not available for general rate projects.
- 143. Public Transport has submitted a separate deliberation on using reserves for COVID-19 fare offset.
- 144. Catchment Reserve and Public Transport have a higher level of risk and uncertainty due to flooding, climate change, and COVID-19.
- 145. No specific submissions were received on use of reserves, this was not a question raised.

Further Detail on Catchment Reserves:

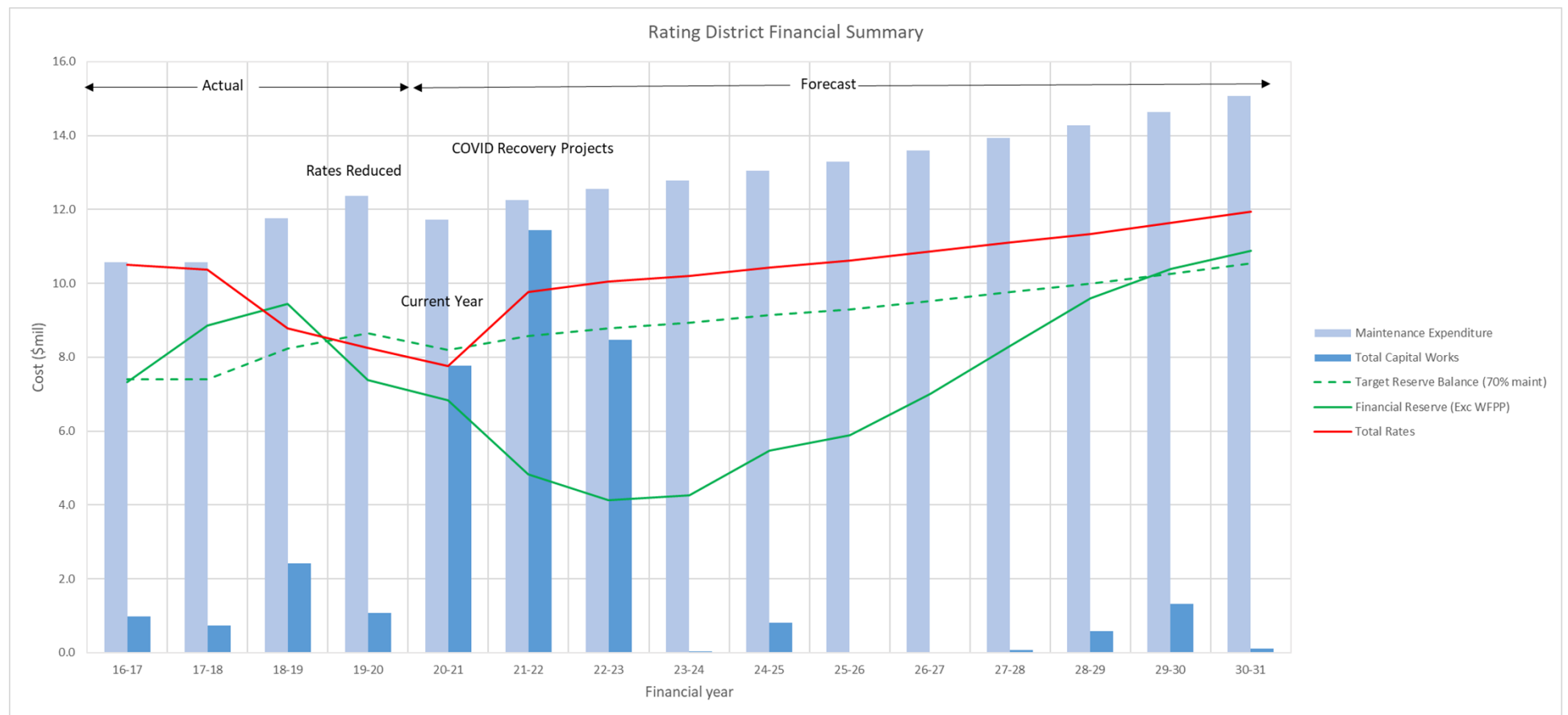
- 146. The Council Corporate Policy on Financial Reserve Funds (April 2019) states an overall minimum fund of \$8.1m should be held for planned and unplanned repair of flood protection works. This is particularly to allow the immediate start on damage repair after floods or other discrete events such as earthquake or fire.
- 147. The estimated damage exposure identified within the 30 Year Infrastructure Strategy is \$40m - \$85m. In an event of this size, the CDEM Essential Infrastructure Recovery Fund would cover 60% of the damage cost, reducing Environment Canterbury's exposure to \$16m - \$35m.
- 148. To be eligible for the CDEM Essential Infrastructure Recovery Fund, Council needs to demonstrate that it can meet the remaining 40% contribution. For many other Councils, this is achieved through insurance. Environment Canterbury does not have flood insurance and has previously chosen to meet this requirement through adequate financial reserves, topped up by borrowing if necessary. Staff advice is that relying on borrowing only (either with zero or inadequate reserves) would put at risk our eligibility to access the CDEM funding as proving we have been financially diligent in this space ourselves is one of the eligibility criteria.
- 149. Each of the 59 river rating districts has a different target for financial reserve, generally set at between 50% and 100% of annual maintenance expenditure. The sum total of \$8.1m has been determined as an overall weighted average of 70% of maintenance expenditure.
- 150. The equivalent July 2021 flood protection target reserve balance is \$8.2m.
- 151. To achieve a total rate rise that was acceptable to Councillors and the community in 2019/20 and 2020/21, a decision was made for each annual plan to reduce the total rates take in the Waimakariri Eyre Cust and Kaikōura Rivers river

rating districts and instead draw down on financial reserves to fund annual maintenance.

152. Nationally around 87% of Regional Councils have a flood protection reserve fund. The value of them is highly variable from \$100k to \$16m and each are structured in different ways. How Environment Canterbury chooses to structure its reserves may be looked at further in the future, but it is not proposed to make changes now. Only two councils do not carry any reserve funds. Environment Canterbury has a high asset value with a correspondingly high asset to reserve ratio compared to other flood protection divisions at other regional councils which is illustrated on the figure below.



153. Staff recommend that beginning in year 1, the flood protection reserves begin to be replenished with a target of being at policy level (70% of maintenance expenditure) at the end of the 10 year Long-Term Plan forecast period. To achieve this a total \$1.1m rates increase is required from 2020/21 to 2021/22 (\$800k Waimakariri Eyre Cust and \$300k Kaikōura). This increase would remain (with an annual inflation adjustment) for the 9 years thereafter.
154. Even with this proposed rates increase, the flood protection financial reserve is expected to decrease further due to existing capital expenditure commitments such as COVID-19 recovery projects over the next 3 years. The plot above shows the actual (past) and estimated (future) revenue, expenditure, and flood protection reserve.



Reserves have been used in the past to fund services instead of increasing rates. However, staff advice is not to use Reserves. To ensure prudent financial management staff recommend we retain reserves close to policy.

Staff recommendation

17. Council directs staff on changes to reserve policy levels including
 - 17.1. Not to utilise Reserves as they are a self-insurance mechanism and a requirement for prudent financial management and that General and Catchment Reserves are all under policy level
 - 17.2. That Council accepts the Public Transport reserve use as outlined in the Air Quality, Transport and Urban Development portfolio
 - 17.3. Reduce CDEM reserves funded from the Targeted Annual General Charge, build up by \$375k for years 1 and 2

Long-Term Plan policies

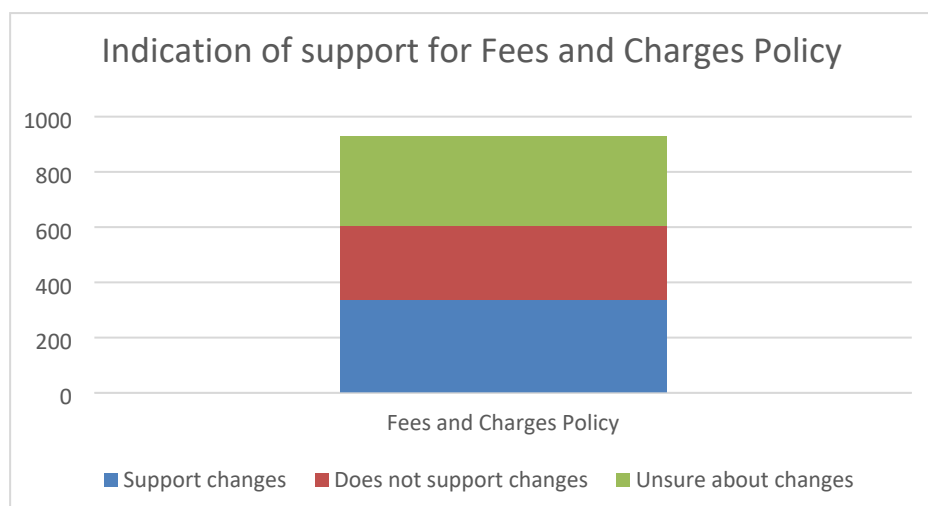
Fees and Charges

155. As part of the consultation process, views were sought on the Council's Fees and Charges policy, which describes and sets Council's fees and charges set under either section 36 of the Resource Management Act 1991, section 150 of the Local Government Act 2002, section 243 of the Building Act 2004, Maritime Transport Act 1994 or Navigation Safety Bylaw 2016. It forms part of Environment Canterbury's Revenue and Financing Policy.

Relevant submissions

156. Submitters were asked if they support the proposed changes to the Fees and Charges policy. 374 submitters commented on this proposal.

- Submitters supportive of the proposed Fees and Charges Policy frequently commented they supported user-pays principles. Many that did not support the proposed policy also commented on the need for a user-pays system.
- Many submitters identifying as coming from rural communities supported the Fees and Charges Policy in principle, but not if it was accompanied by the proposed rates increases. Costs associated with consenting and compliance were noted. Submitters also made the point that increasing compliance costs and rates increase would impact on rural landowner's ability to spend money on environmental projects and on-farm improvements.
- Over 20 submitters did not support the proposal to levy mooring owners with costs associated with abandoned boats, salvage or removal of wrecks and recommended this fee is removed (e.g. #315, #377, #428, #493, #497, #519, #525, #528, #577, #632, #640, #673, #837, #842, #878, #992, #1074, #1093, #1112, #1123, #1182, #1183, #1192, #1205, #1231, #1283)
- Some submitters commented on fees for events in regional parks, concerned this would affect community groups using the parks (e.g. #361).
- A small number of submitters requested that the ability to charge in relation to processing requests under the Local Government Official Information and Meetings Act be removed (e.g. #1065).



Staff advice

157. Following submissions, staff do not propose making changes to the proposed Fees and Charges Policy. With regards to submissions on the proposal to levy mooring owners, staff advice is for no changes to the proposed Policy. The proposed new annual charge on swing moorings is for the recovery of wrecks and abandoned vessels that are at or have come from swing moorings, where these vessels may be a hazard to navigation. Funds from the fee would only be used for costs incurred as a result of action taken with respect to a wrecked, stranded or abandoned vessel that is at, or has come adrift from, a swing mooring. Further information is provided in the staff advice to #315 p.g. 449 of the submission report.
158. With regards to fees for events in regional parks and concerns this would affect community groups using the parks, these charges will not apply to any schools or community groups using our parks for not-for profit purposes. Fees will apply to entities undertaking commercial activities within parks (e.g. #361).

Staff recommendation

18. **Council direct staff to maintain the Fees and Charges policy as proposed in the draft Long-Term Plan 2021-31.**

Other policies

Relevant submissions

159. Questions on Uniform Annual General Charge (the Revenue and Financing Policy), borrowing (Treasury Policy) and Fees and Charges Policy have been described above.
160. Specific questions on other Long-Term Plan strategies and policies were not posed in the consultation documents. On the Financial Strategy, some submitters commented on the rates increase being above the self-imposed limit (e.g. #1056, #980 Hurunui District Council, #1142. Other submitters requested rate increases

limited to different amounts, with 10% commonly specified. (e.g. #1243, #307, #361, #496, #501, #539, #618, #663).

Staff advice

161. As noted in the Consultation Document the proposed rates increases are beyond the current self-imposed limits. These limits are the same for each year. Council acknowledge that the rates increase limits in the policy are no longer realistic in the current climate of increasing statutory obligations and community expectations.
162. Specific comments on requests to change other policies were not received. Where proposed changes impact on changes to Long-Term Plan strategies or policies, these have been identified under the relevant staff advice.

Staff recommendations

19. **Council direct staff to maintain the following strategies and policies as proposed in the draft Long-Term Plan 2021-31 supplementary information.**
- 19.1. **Financial Strategy,**
 - 19.2. **Development Contributions or Financial Contributions Policy,**
 - 19.3. **Policy on the Remission and Postponement of Rate on Māori Freehold Land,**
 - 19.4. **Rates Remission Policy,**
 - 19.5. **Rates Postponement Policy and the**
 - 19.6. **Engagement, Significance and Māori Participation Policy**

Other initiatives

163. Submitters were asked what district they were from and what initiatives they would like to see in their district. It was noted new initiatives would not commence till 2024. Most of the comments were related to Timaru MyWay or on-demand transport, and Hekeao Hinds Managed Aquifer Recharge project, or managed aquifer recharge. Suggestions for other initiatives were received and are noted in the submissions report.

Specific funding requests

164. Where submitters have requested specific funding, funding commitments or other support and the proposed activities align with Council's responsibilities and strategic direction, then staff advice is that these submitters could apply to the contestable fund proposed in the draft Long-Term Plan, be considered for the Long-Term Plan 2024-34 and/or managed within existing budgets. Responses to these requests are included in the submission report.
165. Specific requests for funds for community projects include:
- #1165 Spencerville Residents Association requested funding up to \$1m. Staff advice is that a \$1m ratepayer contribution to the Styx Source to the Sea restoration project is not currently considered in the draft Long-Term Plan and would require either additional funding (for example, through increasing rates or borrowing) or a redistribution of funds allocated to other portfolios.
 - #1212 Orana Wildlife park requested a \$250k annual contribution. Staff advice is operational funding of Orana Wildlife Park is not closely aligned with Environment Canterbury's core responsibilities. Species management, including breeding programmes, is led by the Department of Conservation.
 - #1085 Te Ara Kakariki Greenway Canterbury Trust requested a \$30k annual grant to contribute towards their Greendot and Kids Discovery Plantout Programmes. Staff advice is that if Council establishes a new contestable fund in 2021, it is likely that applications for multiyear periods will be considered. The submitter will be able to apply for funding for projects that align with Council's strategic priorities.
 - #1234 Avon Heathcote Estuary Ihutai Trust requested an increase in their grant to \$26k, due to growing demands and associated costs. The draft budget includes a grant of \$20k for 2021/22. In addition, a new contestable fund of \$100k for the 2021/22 year for community organisations is proposed, which the submitter could also apply to.
 - #1185 requested funding for Waterways Management (Waterways Centre for Freshwater Management) for research aiming for the 'Removal of organic micropollutants from stormwater by mycofiltration'. Staff advice is that research into storm water filtration is not a responsibility for Environment Canterbury. Funding for

research through the Waterways Centre would be coordinated via the Waterways Centre Director. This could be of interest to the Christchurch City Council given their requirements to manage storm water effects.

- #330 Okains Bay Reserve Management Committee requested funding for planting. Staff advice is that planting requests are operational matters and could be addressed through zone biodiversity officers.
- #626 Silverstream Reserve Volunteers requested support, which was noted as being more operational by staff e.g. the request for technical ecological advice could be delivered by northern zone biodiversity officers and any other Environment Canterbury technical specialists as required. Advice on public land could be addressed by Environment Canterbury and Waimakariri District Council through existing operational work.
- #1163 requested funding to support purchase of remnants, the planting of natives in permanent plantations for carbon sequestration and enhancing biodiversity. Staff advice is that contestable funds and Environment Canterbury administered grants can be utilised by community groups for a range of purposes, including purchasing of land where appropriate.
- #1167 Waihora Ellesmere Trust requested funds to establish additional cycle/walkways to facilitate access to and along Te Waihora/Lake Ellesmere with the ultimate goal of enabling a circum-lake route. Staff advice is that while Council welcomes increased visitor/recreational facilities, the establishment of cycleways is not primarily a function of regional council and would be better discussed with the district council. The submitter's request for support for the Living Lake Symposium is also noted. Waihora Ellesmere Trust is welcome to apply for sponsorship for the event once details are available.
- Requests from Banks Peninsula groups for increased funding or more long-term commitment to funding for Pest Free Banks Peninsula (e.g. #1228, #843, #893, #1247). #1247 also requested \$50,000 to support operational administrative costs for Banks Peninsula Conservation Trust. Staff note that through the current funding agreement, Environment Canterbury is contributing \$600,000 per year to Pest Free Banks Peninsula for Years 1 - 3 of the Long-Term Plan 2021-31. Council will have the opportunity to review the funding arrangement (including the amount, funding model and targeted rate area) through the Long-Term Plan 2024-34. Staff advice also notes that contestable funds and Environment Canterbury administered grants can be utilised by community groups for a range of purposes, including purchasing of land where appropriate.

Final direction to staff on changes to Long-Term Plan

166. Following Council consideration of all staff recommendations, Council should refer to summary of in-principle decisions made in this meeting and confirm the decisions to direct staff on what changes are required to the draft Long-Term Plan.
167. Following decisions on changes to the draft Long-Term Plan, staff will amend all relevant sections of the draft Long-Term Plan, including the narrative, Levels of Service, measures and targets, strategies and policies and the financial information. As part of these editorial amendments, submissions requesting minor changes to the draft Long-Term Plan narrative that do not have financial impacts will be considered. Changes to Levels of Service measures and targets and narrative will also be considered as per staff advice in the submissions report and as identified in each portfolio section.

Cost, compliance and communication

Financial implications

168. Financial implications have been described within each deliberation point. At the end of the deliberations, Council should confirm resolutions to understand the cumulative financial implications. The final rates will be struck when the Long-Term Plan 2021-31 is adopted.

Risk assessment and legal compliance

169. Compliance with the requirements of the Local Government Act 2002 has been followed and audited by our auditors.

Significance and engagement

170. The Local Government Act 2002 specifies requirements for consultation on Council Long-Term Plans. The Local Government Act 2002 specifies a special consultative procedure be used on Council Long-Term Plans. Consultation was held from 8 March to 11 April. The submissions report with staff advice against summaries of submission points is available for the public to view as part of this agenda. Submissions are available to view on our website.

Communication

171. We want to raise awareness of the outcomes of the consultation, rationale behind decisions and what it means for activities and rates. This is also an opportunity to educate about what we do as a regional council.
172. After adoption of the Long-Term Plan 2021-31 on 17 June 2021, the [Engagement HQ \(EHQ\) platform](#) will be the main repository for articles summarising the outcomes, and the Environment Canterbury website will feature longer lasting 'evergreen' content including the final plan, updated rates bubble tool, sample rates tables, policies and strategies.
173. A campaign will begin on 17 June with a press release once the plan is adopted, followed by columns from the Chair in *The Star* and *Canterbury Farming*. A social media campaign will provide updates on the outcomes in key portfolio areas, with targeting to areas that were the focus of specific consultation topics (for eg. MyWay by Metro in Timaru district and Hinds MAR in Ashburton district) or groups (rural/urban). Stakeholders and community groups will be sent email updates and content will be included in their regular newsletters. Each submitter will receive a letter after 1 July 2021 responding to their submission.

Next steps

- Staff will incorporate Council decisions into the draft Long-Term Plan 2021-31 and produce the final Long-Term Plan document
- The final Long-Term Plan will be delivered to Audit on 31 May 2021
- Council will adopt the final Long-Term Plan 2021-31 on 17 June and set rates.

Attachments

1. Staff advice on river rating districts
2. Long-Term Plan 2021-2031 submission report (circulated separately)

Legal review	Catherine Schache
Peer reviewers	Tafflyn Bradford-James

CHANGES TO RIVER RATING DISTRICT FUNDING AS A RESULT OF LIAISON CTTE MEETINGS						
LTP Page number	Scheme	Change in Income (21/22 FY)	Change in Expenditure	Reason for Change	Consultation undertaken	Other notes
TOTAL		Net increase in Total Rates \$78,618	Net increase in expenditure \$135,675			
187/188	Halswell Drainage	Increase total rates by \$572,980. Total targetted rate+grant should be \$750,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate (including CCC grant in lieu of rates) of \$750,000. Refer to meeting minutes 23/2/21. Published rate is much lower.	Also undercharged about \$100,000 incl GST in 2020/21 means reserve balance is lower than projected.
181/182	Waimakariri Flood Protection Project	Increase total rates by \$187,913. Total targetted rate should be \$740,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$740,000. Refer to meeting minutes 12/3/21. Published rate is lower.	Also undercharged about \$80,000 incl GST in 2020/21. Loan will take longer to pay off.
191/192	Otaio River	Increase total rates by \$9,102. Total targetted rate should be \$36,100 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$36,100. Refer to meeting minutes 10/3/21. Published rate is lower.	
182	Selwyn River	Reduce total rates by \$14,285. Total targetted rate should be \$190,000 plus GST.	Reduce expenditure by \$10,541. Reduce maintenance budget for 21/22FY from \$250,541 to \$240,000	A lot of big works have been completed this year with no imminent major repairs required. Likely to be slightly underspent by FY end. The modified budget is more aligned to the volume of work required for 21/22.	Agreed at committee meeting 15/3/2021. Refer to meeting minutes.	Rate rises of 4-6% are more palatable than the proposed 10-11%, but reserve balance is tracking in the right direction.
188/189	Rangitata River	Reduce total rates by \$39,785. Total targetted rate should be \$270,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$270,000. Refer to meeting minutes 8/3/21. Published rate is higher.	Flat rate of 270,000 proposed for next 10 years to go from deficit to healthy reserve balance (if no further significant flood damage).
184	Orari-Waihi-Temuka	Reduce total rates by \$78,571. Total targetted rate should be \$670,000 plus GST. Note \$37,000 rate rise each year until 24/25FY.	No change	Committee not comfortable with the 21% rise in targeted rates 21/22FY or the large closing balance of 1.3 mil by 27/28FY (maintenance \$944k 27/28FY).	Only four liaison committee members present at 9/3/21 meeting. No decision until more members present. Agreed at committee meeting with eleven members 17/3/21. Refer to meeting minutes.	12% targeted rate rise is more palatable than 21%. Large capital works due going forward, income from logging may help.
184	Sefton Ashley District	Reduce total rates by \$4,833. Total targetted rate should be \$14,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$14,000. Refer to meeting minutes 1/3/21. Published rate is higher.	Also overcharged in 2019/20 and 2020/21. Reserve balance very healthy.
186	Waiau Township	Reduce total rates by \$39,847. Total targetted rate should be \$45,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$45,000. Refer to meeting minutes. Published rate is higher.	Also overcharged in 2019/20 and 2020/21 however paying off new loan for Covid recovery stopbank upgrade (no reserve). Draft rates 2020/21 undercharged about \$80,000 incl GST in 2020/21, and later decision to reduce 2020/21 rates further means reserve balance is lower than projected. Committee resolved: "The Committee would like to express their displeasure at the council for ignoring their recommended rates for the 2020-2021 financial year and the resultant rate of increase for this 2021-2022 year. The Committee wonders what the point of these meetings are if the Council does not listen to their recommendation as the committee is a representation of the views of these ratepayers."
186	Kaikoura Rivers	Reduce total rates by \$133,733. Total targetted rate should be \$310,000 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$310,000. Refer to meeting minutes 11/3/21. Published rate is higher.	
189	Hanmer West/Chatterton	Reduce total rates by \$2,751. Total targetted rate should be \$24,000 plus GST.	No change to total expenditure. Move \$1,500 from maintenance line to amenity.	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$24,000. Refer to meeting minutes 9/3/21. Published rate is higher. Committee moved to add amenity expenditure line of 1,500 per annum (reducing "maintenance" by \$1,500)	Also overcharged in 2019/20 and 2020/21. Reserve balance very healthy.
190	Waiau Spotswood	Reduce total rates by \$1,256. Total targetted rate should be \$6,233 plus GST.	No change	Error in draft LTP published rate	Committee meeting was presented with and agreed to proposed targeted rate of \$6,223. Refer to meeting minutes 11/3/21. Published rate is higher.	

191	Lower Rakaia River	Reduce total rates by \$420,079. Total targetted rate should be \$60,000 plus GST.	No change	Proposed step increase in rates from \$50,000 per year regarded by committee as too large. (Expenditure line was increased by \$100,000 per year from last year 2020/21 to allow for increased rate of planting). Reserve is very healthy. Capital works 2020/21 deferred so closing balance healthy. No need to raise rates this year.	Agreed at committee meeting 2021. Refer to meeting minutes 22/2/21. Committee meeting was presented with proposed targeted rate of \$110,000. Refer to meeting minutes. LTP published rate is much higher (error).	Staff suggestion was for rate of \$100,000. Committee recommended ramping up to the required level over a period of several years by \$10,000 per year. Reserve will remain within target range. Staff accept ctte recommendation.
187	Kowai Leithfield	Reduce total rates by \$2,370. Total targetted rate should be \$5,300 plus GST.	No change		Agreed at committee meeting 3/3/21. Refer to meeting minutes.	
184	Upper Hinds	Staff recommendation: No Change Liaison committee recommendation: Reduce targeted rates by \$11,000 to \$60,000.	Staff recommendation: No Change. Liaison committee recommendation: Reduce expenditure by \$61,469 to \$40,000.	Liaison Ctte do not agree that propsed expenditure and associated rating income is necessary.	Discussed at committee meeting 2/3/21. Refer to meeting minutes.	Staff recommendation is to go with the proposed targetted rates and maintenance budget. The asset value to maintain is approx \$13.5m and the condition of some of the vegetation is deteriorating. The maintenance budget proposed by the committee would not allow for willow / poplar pole planting that is required and there would be no budget available for erosion protection work which in previous years has been one of the more expensive items for the financial year.
191	Ashburton Hinds Drains	Reduce total rates by \$33,531. Total targetted rate should be \$175,000 plus GST.	Increase by \$11,216 to \$240,000	It was felt the jump in targetted rate was too high and that this should happen over a number of years. Tender prices for capping Washdyke Lagoon outlet pipes 5 times the \$25k budgeted. \$5k to be spent 20/21FY for for new grate protecting the inlet to pipes. \$120k budgeted for 21/22FY for pipe capping, instead of \$100k for pipe extention inland.	Agreed at committee meeting 2/3/21. Refer to meeting minutes.	
191	Seadown Drain	No change	Reduce capital expenditure for 20/21FY from \$25,000 to \$5,000. Raise capital expenditure for 21/22FY from \$100,000 to \$120,000.		Agreed at committee meeting 22/2/2021. Refer to meeting minutes.	Staff recommend delay of capital works which will give time for reclassification changes to spread the costs to include Washdyke Industrial area and Washdyke Creek Rating District
183	Ashburton River	No change	Increase of \$100,000 to be set aside for gravel management in Blands reach including any of the \$100,000 remaining from this years budget	It was moved at the rating district meeting that ' Gravel extraction is of utmost concern to this rating district committee'	Agreed at committee meeting 4/2/21, refer to meeting minutes.	\$100,000 gravel management budget for 2020/21 likely to be underspent. Committee want remaining money carried over and the budget to remain.
190	Waihao Wainono Combined	No change to rates. 20/21FY \$90,000 depreciation not utilised as planned. Deferred to 22/23FY \$100,000 to match expenditure on box	No change in maintenance expenditure. Capital works 20/21FY \$100,000 for box renewal deferred until 22/23FY. Capital works box board replacement 20/21FY \$15,000 instead. Staff recommendation is for \$15,000 other expenditure 20/21FY proposed for 21/22FY (Investigations for Silt removal Waihao Arm and Box Condition).	Need for investigation of silt buildup near Waihao lagoon.	Discussed at ratepayer meeting April 9th 2021. Note that committee recommendation is different to staff - Ctte do not support expenditure on investigation of silt removal and box condition.	

5. Other Business

6. Notices of Motion

7. Questions

8. Next Meeting

9. Mihi/Karakia Whakamutunga - Closing