From: Peter Tuffley

Sent: Sunday, 3 April 2022 4:14 pm

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Subject: Annual Plan Submission (personal)

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Peter Tuffley

# **ENVIRONMENT CANTERBURY DRAFT ANNUAL PLAN 2022-23**

## SUBMISSION BY PETER TUFFLEY

#### INTRODUCTION

- Before any discussion of the Draft Plan itself, it should be acknowledged that the world in which this document was written has ceased to exist. In its place, as a result of the war in Ukraine (the first major conflict in Europe since 1945) combined with sanctions against Russia, is a world that is forecast to be increasingly subject to a mounting blizzard of scarcity-driven commodity price inflation affecting food, fuel, and a wide range of other items essential to life which will mean double-digit percentage increases in the cost of living, and thus considerable hardship to large numbers of people. We cannot know how long this state of affairs will last; but among the certainties are that this will be a global phenomenon lasting long after hostilities have ceased, and one from which New Zealand will not be spared.
- 2. Such being the case, it is a major premise of this Submission that ECan should above all avoid doing the slightest thing to increase the living-cost burden that will fall upon Canterbury ratepayers. While acknowledging that the proposed rate increase may be small in absolute terms, it is more than likely that for an unknown number of ratepayers even the smallest increase may be the last straw.
- 3. It is pleasing to see some acknowledgement of inflation and the need to reduce expenditure where possible. However, I would suggest that the inflation to come as a result of the war and its consequences is likely to eclipse anything envisaged when this Plan was drafted, and that the need for scaling back, delaying, deferring or even cancelling some cherished aspirations may prove to be much greater than hitherto envisaged.
- 4. It should be recalled that in 2020, in response to the onset of COVID19, Christchurch City Council scrapped its initial Draft Annual Plan, went "back to the drawing board" and drafted an emergency Annual Plan that made extensive savings including the deferral of numerous important projects; not only that, but it completed consultation on the updated Draft Plan within the statutory time frame. There is no doubt time for ECan to do likewise now, and in my view that would be the most appropriate course of action. Failing that, ECan should nevertheless review the present Draft with a view to pruning, deferring or eliminating commitments that are not inescapable, and/or reducing the impact on ratepayers of how expenditure is funded.
- 5. The following gives some specific examples that arguably should form part of the general approach advocated above.

### FLOODING RECOVERY - NOW AND IN FUTURE

- 6. Given the disastrous flooding of the past year and the very real prospect of such flooding being a portent of things to come throughout the region, Recovery work and work to repair and improve flood protection clearly come under the heading of "inescapable commitment" this is indisputably work that has to be done as a matter of urgency, hopefully before the next flooding disaster strikes. The proposed approach to funding the necessary work i.e. smoothing the impact on rates by borrowing up front and repaying through general rates over the next 10 years seems to me to be a highly appropriate indeed prudent reflection of the sense of urgency required.
- 7. I applaud ECan's seeking views on the question of how recover large-scale flooding on the scale of May 2021 (e.g. flooding that impacts key infrastructure) should be funded in future. I think the answer has to lie in partnership between central government, regional government and more local territorial authorities (e.g. Ashburton in the present instance). Key in such a partnership must be the establishment of guidelines to secure equitable sharing of costs and burdens, and this will need to be carefully negotiated

at national level. Further than that, much will depend on central government being willing to act in good faith and abide by whatever guarantees it may have entered into.

## **TRANSPORT**

- 3. In principle I fully support the policy of promoting use of public transport. However, I am sceptical as regards to the extent to which cost is a determining factor in the choice between public transport and use of a private car; I see convenience as playing at least an equally significant part in determining choice. The availability of cheap, or even free, public transport will be of no use to anyone if there is no bus that goes where they need to go. Furthermore, we note that the Draft Plan cites no evidence in support of any of the options it proposes modelling is apt to be only as good (and not always as good) as the underlying assumptions, and these are not stated.
- 4. Of the three options set out in the Draft Plan, Option 1 seems to us to be extravagant in terms both of the rate increase required and of the claimed benefits. We would be prepared to support Option 2.

### CLIMATE CHANGE RESPONSE LEVY

- 5. ECan's emphasis on the importance of addressing climate change is . In our view the idea of a climate change response levy has some merit; however, rather than create a large "pot" out of which to fund projects as yet unspecified, we would prefer to see ECan propose specific project options with specific price tags for the public to consider. All of the possibilities suggested in the Draft Plan have arguable merit, but we think more work needs to be done to develop and prioritize specific and clearly defined proposals for action.
- 6. We suggest that this might be an appropriate theme for community workshops to be conducted during the forthcoming year (perhaps in each Community Board area) with a view to developing more specific proposals to be included in the next Annual Plan.

## **FUNDING AND RATING**

- 7. In our response to the original LTP we called for a greater use of borrowing in order to reduce the initial rating peaks and spread the rate revenue requirement more evenly through the 10-year term of the LTP. We were disappointed that this was not done, resulting in a very steep increase (18.8%) in the proposed 2022-23 rate requirement.
- 8. The current Draft Plan further exacerbates this situation (raising the already burdensome 18.8% increase to 24.1%) to a degree that we regard as quite unconscionable and unacceptable. We therefore reiterate our demand for greater use of borrowing in order to smoothe out the rate increase curve over the remaining years of the LTP an approach proposed by the Draft Plan in relation to funding flood recovery work (as noted in paragraph 2 above).