



Ellerslie International Flower Show

The Christchurch Botanic Gardens' exhibition garden *Swamp Modern* won Silver Distinction at Christchurch's first Ellerslie International Flower Show.

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Council vision

The Christchurch City Council has a vision for this City:

Our future
Christchurch is a
world-class boutique
City, where people
enjoy a sustainable
lifestyle, a healthy
environment, a strong
economic base and
the diverse landscapes
of the City and
peninsula.

What is the summary report?

This is a summary of the Christchurch City Council's Annual Report 2009. We produce it so that you can see at a glance what the Council has been doing for the past financial year. Should you require more information please refer to the full report.

You'll find copies of the full annual report 2009 at city libraries and service centres, online at www.ccc.govt.nz/annualreport or you can request a copy through our call centre on 64-3-941-8999.

The Annual Report 2009 sets out what the Christchurch City Council did in the past year, why we did those things, how much they cost, and how we paid for them.

This report shows how the Christchurch City Council is delivering on the promises made to our community – promises made after asking Christchurch residents what they want for their city as part of our long-term planning process.

The report shows the Council's overall financial position and performance as measured by its achievement against its financial Key Performance Indicators.

The annual report of the Christchurch City Council was adopted by the Council on 22 October 2009.

Published by the Office of the Chief Executive, Christchurch City Council, in compliance with s98 (4) of the Local Government Act 2002.

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From the Mayor and Chief Executive

We present this Annual Report 2009 to the community at the end of another significant year for the Christchurch City Council.

As well as improving and delivering the essential services the city needs to keep running, this Council has been responsible for the development of some exciting new initiatives and major infrastructure projects.

We launched the first ever Christchurch Ellerslie International Flower Show and attracted record numbers of visitors to the five-day garden and horticultural event. The success of the show here in Christchurch will help us cement our place as New Zealand's Garden City and will continue to generate significant social and economic benefits for the city.

We also became the first New Zealand council to receive funding from the sale of carbon credits under the Kyoto Protocol. The credits were achieved as a result of our project to use methane gas collected at the Burwood Landfill to power QEII Park. The funding will be used to kick-start 28 energy efficiency projects under our Sustainable Energy Strategy.

As well as these great cultural and sustainability achievements, this Council has also launched a number of major planning and infrastructure projects. This includes the completion of the Central City South Master Plan, which aims to redevelop the Central City South with a mix of residential and commercial uses and an expanded lanes network. Its adoption follows the Council decision in July 2008 to purchase properties in the Central City south of Lichfield Street, along with Sydenham Square, to ensure these important sites were not broken up and are protected from inappropriate development.

In the past year, planning started on the development of a new Transport Interchange in the Central City, replacing the Bus Exchange which is already running at capacity. This is a key component of the Council's plans to revitalise the Central City and meet increasing demand for public transport. Addressing traffic congestion and ensuring our roads can handle future demand is a key task for this Council and in the past year planning for new bus priority measures and bus lanes on busy city roads has been ongoing. These are being installed from late 2009.

The development and eventual adoption on 30 June 2009 of our Long Term Council Community Plan (LTCCP) for the financial years 2009-19 has been a highlight of the past year. This 10-year plan for the city indicates all the work the Council is planning in the coming decade. Finalising our 10-year plan was a challenging process for the Council as it has grappled to provide for the future of the city without overburdening ratepayers. In developing the plan we were mindful of the need to protect existing core services and facilities, plan for long-term community needs and provide a platform that ensures as a city we continue to prosper.

As well as the inclusion of a number of major infrastructure and building projects over the coming years, we have been able to keep rates for our existing ratepayers to an average annual rise of around 4% for the coming years.

Our residents tell us they are happy with the way the Council is running the city. Twice a year we ask residents whether they are satisfied with Council services, what aspects of living in Christchurch they particularly enjoy and where there is room for improvement.

The latest Biannual Survey of Residents, conducted in March 2009, found 77% of residents surveyed were either satisfied or very satisfied with the performance of the Council in delivering its services. Areas where residents feel the Council is performing well include the Botanic Gardens, events and festivals, community libraries, recreation facilities and swimming pools. Areas we are working to improve include easing traffic congestion, processing of consents and the management of city waterways.

The results of these biannual surveys continue to be encouraging. It is very important to this Council that our residents feel they are getting good value for their rates dollar and we will continue to work with the best interest of the city at heart.

This year's Annual Report shows that the Council remains in a strong financial position, with an accounting surplus of \$63.4 million, which after adjusting for capital receipts and non-cash items leaves a cash surplus of \$1.5 million. This surplus will reduce our rates requirement through lower borrowing requirements in future years.

Christchurch people can be pleased with the Council's results for the past year and we look forward to making more progress in the year ahead.



Bob Parker
Mayor



Tony Marryatt
Chief Executive

Our achievements

In the past financial year, the Christchurch City Council has continued to provide those essential services necessary to keep the city running smoothly such as rubbish collection, water supply and the operation of libraries and leisure centres. At the same time, a number of new projects and services have been introduced to help achieve our vision of becoming a world-class boutique city. Highlights are set out below.

Core services

Lyttelton Harbour wastewater

Following community consultation, the Council in May 2009 approved a preferred option for the future of wastewater management in Diamond Harbour, Governors Bay and Lyttelton. Work will continue in the coming months on developing the preferred option of pumping wastewater from these areas to the Christchurch Wastewater Treatment Plant.

South-West Area Plan

The population of Christchurch's south-west is expected to double over the next 35 years. Already development is changing the landscape as new communities are established. The role of the South-West Area Plan (SWAP), adopted by the Council in May 2009, is to determine how best to manage urban growth.

Western Interceptor

Work has started on the Western Interceptor sewer pipeline which aims to reduce overflows into the Avon River during wet weather and allow for growth in the south-west of the city. Eventually, it will extend from Riccarton through the city to the new Pump Station 11 at Phillipstown. Our 10-year plan includes \$51.1 million for future stages of the project.

New initiatives

Carbon credits from landfill gas

The Christchurch City Council in June 2009 became the first New Zealand council to receive money from the sale of carbon credits, receiving significant funding which will kick-start 28 projects in the region. Twenty per cent more carbon credits were produced than expected, being the direct result of the renewable energy project that the Council started a few years ago at the Burwood Landfill, where methane gas is used to heat QEII Park Sports & Leisure Centre.

Central City South Master Plan

A visionary concept for revitalising the Central City South precinct was adopted by the Council in May 2009. The Central City South Concept and Vision aims to redevelop the Central City South with a mix of residential and commercial uses and an expanded lanes network. Its adoption follows the Council decision in July 2008 to purchase four properties in the Central City south of Lichfield Street, and Sydenham Square, to ensure these important sites were not broken up and are protected from inappropriate development.

Ellerslie International Flower Show

The city hosted its first ever Ellerslie in March 2009, after purchasing the show in 2007 with the aim of reclaiming Christchurch as New Zealand's Garden City. The first show was a phenomenal success, attracting one of the largest crowds in Ellerslie's 15-year history.

World Buskers Festival

In January 2009, the Council approved the purchase of the World Buskers Festival to ensure the popular event remained in the city. The festival currently attracts up to 300,000 people – half of whom are visitors to Christchurch – and is continually voted a favourite on the Christchurch events calendar by residents and visitors alike.

Our achievements (continued)



Major projects

Transport interchange

Planning is underway on the development of a new transport interchange in the Central City, replacing the Bus Exchange which is already running at capacity. This is a key component of the Council's plans to revitalise the Central City and meet increasing demand for public transport.

Bus priority routes

Planning for new bus priority routes and bus lanes on busy city roads has been carried out over the past year, with the first bus lanes rolled-out in late 2009. The Council wants to encourage people to catch the bus by giving the buses priority on busy routes and ensuring they reach their destination on time. This will in turn help ease traffic congestion on our roads.

City safety

In October 2008 the World Health Organisation accredited Christchurch as a "Safe City". The Council, in partnership with city health and safety agencies, is working to improve the perception of safety in the Central City. In the past year, the Council has been involved with:

- the introduction of Safe City Officers who patrol the streets on foot on Thursday, Friday and Saturday nights providing assistance and information to the public
- spending almost \$1 million to provide an additional 25 crime prevention cameras to target Central City hot spots
- changing the Alcohol Accord's one-way door policy from 4am to 3am to help reduce alcohol-related crime and violence.

The Safe City Officers and one-way door policy contributed to a 36% drop in serious assaults in the seven months to June 2009.

Kerbside waste collection

The city's new three wheeled bin kerbside waste collection service has been up and running since the start of 2009. The scheme aims to reduce the amount of domestic rubbish being sent to landfill by one third, by allowing the recycling of a greater variety of materials and the composting of organic material. A new Material Recovery Plant and an Organics Processing Facility have been built as part of the scheme.

Jellie Park Recreation & Sport Centre

The redeveloped Jellie Park opened on 3 August 2008 with a new 25 metre, 8-lane, 2 metre deep pool, three raised lanes in the existing pool, a refurbished learners pool, new toddlers' pool, spa, sauna and steam room and hydroslide, as well as new aerobics studio, fitness centre and changing facilities. The facilities are proving very popular.

Left: Marketing Assistant **Dave McLaren** makes use of the Christchurch's excellent public transport service.

Celebrating our success

Ellerslie International Flower Show

Assistant Landscape Architects Chris Greenshields and Kylie Smith won a Silver with Distinction Award at the Ellerslie International Flower Show 2009 for their design of an Urban Wetland garden for the Botanic Gardens.

Blenheim Road Deviation

The Blenheim Road Deviation project was a finalist in the Roading Excellence Awards 2008 under the Major Roading Projects category awarded by Roading New Zealand.

Building Consent Authority

Christchurch City Council, which issues the most building consents of any Council in New Zealand, received accreditation as a Building Consent Authority from the Department of Building and Housing. The Council becomes an accredited Building Consent Authority following a long audit process involving its Environmental Policy and Approvals and Inspections and Enforcement Units.

National Community Board Conference

Democracy Services staff Peter Dow and Liz Carter, along with Wendy Graham from Customer and Business Support, received Certificates of Achievement at the 2009 National Community Board Conference for their service of 20 years or more to community boards. Peter Dow also received the inaugural Yvonne Palmer Leadership Award at the same event.

Two Christchurch Community Boards won Best Practice awards at the conference. The Riccarton/Wigram Community Board won a Best Practice Award in the Heritage section for its Riccarton Tea-house project while the Shirley/Papanui Community Board won the NZ Police sponsored Best Practice Award in Safety. The Shirley/Papanui Community Board also picked up a Highly Commended award, as did the Fendalton/Waimairi and Riccarton/Wigram Community Boards.

Architects Team, Capital Programme Group

- 2009 NZIA Resene New Zealand Architectural Medal Finalist Pumpstation 11
- 2009 NZIA Resene National Architecture Award Pumpstation 11
- 2008 NZIA Resene Local Architecture Award Canterbury Pumpstation 11
- 2008 NZIA Resene Colour Award Canterbury Pumpstation 11
- 2008 NZIA Resene Local Architecture Award Canterbury Gowerton Place Social Housing

Green Ribbon Awards

The Travis Wetland Trust received a Green Ribbon Award for Urban Sustainability from the Minister for the Environment, recognising the Trust's work in saving and restoring the wetland. The Green Ribbon Awards recognise the outstanding contributions of individuals, organisations and businesses to sustaining, protecting and enhancing New Zealand's environment.

National Award for Public Service

The Christchurch City Council won the National Award for Public Service at the 2009 NZ Sign Language In Action Awards presented by Deaf Aotearoa NZ. The award in particular acknowledges the work of Disability Advisor Karen Rickerby to raise awareness of NZSL and deaf culture within the Council, as well as other Council initiatives.

Safe City

Christchurch was accredited as an International Safe Community based on criteria developed by the World Health Organisation.

Art Gallery

The Christchurch Art Gallery was recognised as one of New Zealand's leading tourism businesses by being licensed to carry the Qualmark – New Zealand tourism's official mark of quality.

A C Rhodes Medal

The Canterbury History Foundation presented Genealogy Librarian Richard Greenaway with the 2008 A C Rhodes Medal for his services to history.

Samoan language information

The Council received a certificate from the Human Rights Commission for being one of a very small number of councils to provide information in the Samoan language. It also acknowledged that the Council recognised the value of communicating with the Samoan community in this manner.

Sustainability

The Christchurch Art Gallery was awarded the Qualmark Enviro-Silver logo following an audit of energy efficiency, waste management, water conservation and community involvement.

More information on the wider Christchurch City Council group achievements and successes is available in Christchurch City Holdings Limited's annual report or online at www.cchl.co.nz/cchl/annual-reports.

How the Council works

Elected members

Christchurch residents and ratepayers are represented by the Council and Community Boards. Elections are held every three years to select the people who will act and speak for our community.

Council

The Mayor and 13 Councillors govern the City and ensure the needs of its residents are met. They make decisions for Christchurch's future, plan the way forward and are accountable for delivering what the community has identified as necessary for its cultural, economic, environmental and social well-being.

In its long-term plan, the Council asks the community what these goals should be. They are called the Community Outcomes; our residents have determined Christchurch will be:

- a safe city
- a city of inclusive and diverse communities
- a city of people who value and protect the natural environment
- a well-governed city
- a prosperous city
- a healthy city
- a city for recreation, fun and creativity
- a city of lifelong learning
- an attractive and well-designed city

Community Boards

At a local level, eight Community Boards represent and act as advocates for the interests of their communities. Community Board members advise the Council on local needs, community views and how Council proposals will affect their communities.

The Community Boards span seven wards across the City. The metropolitan wards, each represented by two Councillors and five Community Board Members, are:

- Burwood/Pegasus
- Fendalton/Waimairi
- Hagley/Ferrymead
- Riccarton/Wigram
- Shirley/Papanui
- Spreydon/Heathcote

The Banks Peninsula ward, because of its diversity and size, is represented by one Councillor and two Community Boards – Akaroa/Wairewa and Lyttelton/Mt Herbert, each consisting of five Community Board Members.

The Council organisation

The Council is responsible for employing the Chief Executive – the only member of staff who reports directly to elected members. Tony Marryatt was employed as the Chief Executive of the Christchurch City Council in May 2007. He employs all the other staff in the Council.

Council structure

The Council's organisational structure is designed to ensure its services are provided as effectively as possible. To achieve this, Council activities and services are divided into eight groups, each headed by a General Manager, they are:

- Capital Programme
- City Environment
- Community Services
- Corporate Services
- Human Resources
- Public Affairs
- Regulation and Democracy Services
- Strategy and Planning

Within these groups, various units are tasked with providing specific services to the community and organisation.

The services and activities provided by the City Council are wide and varied, from rubbish collection, roads and water, to the Botanic Gardens, Christchurch Art Gallery, city libraries and the funding of festivals and events.

These activities are grouped into 12 Groups of Activities. Find out more about these groups in the upcoming sections: Our activities at a glance, and/or Our Performance Summary.

Helping out swimmers is all in a day's work at Jellie Park Recreation and Sport Centre for Council lifeguard **Song Xiao**.



Our activities at a glance

The work carried out by the Christchurch City Council is organised into categories called groups of activities. They are:

City development

City development helps to improve Christchurch's urban environment and revitalise the Central City through urban renewal, Central City revitalisation, the urban development strategy and heritage protection.

The key priorities for the Central City, which aim to transform the area into one of the Southern Hemisphere's premier urban environments, are:

- Increasing the residential population by 30,000 by 2026
- Growing our business and commercial sector
- Enhancing vital public spaces
- Redeveloping under-utilised sites
- Improving our transport network

Community support

Community support helps build strong, active communities by providing residents and residents' groups with services and support such as halls, early learning centres, grants, housing, civil defence and rural fire fighting.

The Council achieves this through community engagement and development, the facilitation of innovative solutions that respond to community needs, creating a safe environment and catering for diversity, whether it is age, ethnicity, disability or social status.

Cultural and learning services

Christchurch City Libraries develops the knowledge, literacy and cultural well-being of the City's residents by providing access to information through its network of community libraries and supporting volunteer libraries. These facilities contain an extensive collection of books, audio visual resources and online services.

Christchurch Art Gallery Te Puna o Waiwhetu collects, presents, interprets and conserves quality works of art to educate, inspire discovery and preserve the legacy of artistic achievement for today's and future generations. Through its exhibitions, programmes and events the Gallery aims to contribute to the cultural development of the City and make its Cultural Precinct, around Worcester Boulevard, the most visited cultural tourism site in New Zealand.

Democracy and governance

The Christchurch community is represented by the Mayor, 13 Councillors and 40 Community Board members. Council staff provide support to all elected members to carry out their responsibilities and functions by co-ordinating arrangements for elections, arranging meetings and seminars, and providing advice.

The Council provides opportunities for the community to participate in decision-making that contributes to a well-governed City by providing information, undertaking consultation, and processing the community's input.

The Council communicates with residents through a variety of channels, including providing information on Council activities in metropolitan and local newspapers, use of the internet and providing information to local media.

Economic development

The Council actively supports the growth and development of local businesses by means of support to the Canterbury Development Corporation and through its own trading organisations.

The Council has interests in other organisations. Through its wholly owned subsidiary Christchurch City Holdings Ltd (CCHL), the Council owns shares in a number of major local companies including: Orion New Zealand Ltd, Selwyn Board Plantation Ltd, Christchurch International Airport Ltd, City Care Ltd, Lyttelton Port Company Ltd, Red Bus Ltd and Christchurch City Networks Ltd. CCHL serves to group the activities of these Council-controlled Trading Organisations (CCTOs) under one umbrella and keeps Council at arms-length from their activities. These and other companies owned by the Council are investments which both serve the strategic objectives of the Council and pay dividends to assist with the other operating costs of the Council.

Each company operates as a commercial business in a competitive environment and each is managed by an independent board of directors. Find out more about these organisations in the upcoming section: Group structure.

The Council has made significant investments to bring the City's business environment to world-class levels and national and international prominence.

Our activities at a glance (continued)

Parks, open spaces and reserves

The Council manages the City's parks, waterways and drainage infrastructure. Maintaining Christchurch's image as the Garden City requires the Council to be sensitive to the needs of the community and visitors while continuing to develop the extensive parks network and maintain and enhance our waterways and drainage infrastructure.

Recreation and leisure

Through Recreation and Sports, the Council works to promote a City where its residents have easy access to world-class facilities for a healthy and active lifestyle. Accessible pools and leisure centres, stadia, sporting facilities, and recreational and sporting programmes allow residents to participate in sport and physical activity at a recreational and local, national and international competitive level.

Assistance is also given to clubs, associations and event organisers to promote Christchurch as a national and international sports and recreation destination.

Refuse minimisation and disposal

The Council provides solid waste collection, treatment and disposal services in order to protect the community and environment. It owns three transfer stations which, prior to August 2009, were operated by Meta NZ Ltd. The Council has since moved to acquire certain assets and liabilities of Meta's (see the Business Combinations note under Financial statements). Waste minimisation is encouraged through kerbside collection of recyclable products and paper. A number of initiatives and education programmes are run to reduce the amount of material residents and businesses send to the Kate Valley landfill.

In 2009 the Council implemented the new kerbside waste collection system. The new three wheelie bin system – with a bin each for recycling, compost, and general rubbish – will increase the amount and range of material that residents recycle. It will significantly reduce the amount of waste our City sends to landfill.

Regulatory services

The Council administers and enforces statutory regulations and Council bylaws for:

- building and development work
- land and site development
- health and safety of licensed activities
- keeping of dogs
- parking within the city
- swimming pool safety
- bylaws

In addition, complaints about nuisances and non-compliance are investigated and the potential effects of various activities monitored and assessed.

Streets and transport

The Council manages the City's streets and transport so that people can have safe, easy and comfortable access to homes, shops, businesses and many recreational and leisure destinations. Street corridors also provide access for power, telecommunications, water supply and waste disposal. The Council monitors and manages traffic patterns, undertakes research and devises plans to meet the City's future access and parking needs.

Wastewater collection and treatment

The Council provides liquid waste transport, treatment and disposal services in a manner that enhances the health, safety and convenience of the Christchurch community, meets the needs of a growing City, and conforms to the intentions of district and regional plans and the Greater Christchurch Urban Development Strategy.

The wastewater collection system services all of the Christchurch city urban area as well as Prebbleton, Lincoln, Tai Tapu and Springston in the Selwyn District.

Water supply

The Council plans and operates the City's water supply and distribution system. It provides high quality water to residents and businesses as well as for fire fighting purposes.

Christchurch gets its drinking water mainly from groundwater aquifers. The water is of such high quality treatment is not necessary before it can be used. However, the Council monitors water quality on a daily basis.



Right: Senior Shelter Officer **Rex Woolley** with one of his charges at the Animal Shelter in Bromley.

Our performance summary

The following assumptions in measuring performance KPIs have been made.

A measure is classified as meeting the target if the actual level of service is within + or - 3% of the target. Additionally, any measures with a target of “base line target to be determined” that have been measured are defined as having met the target.

The following are examples of how the Council measures its performances.

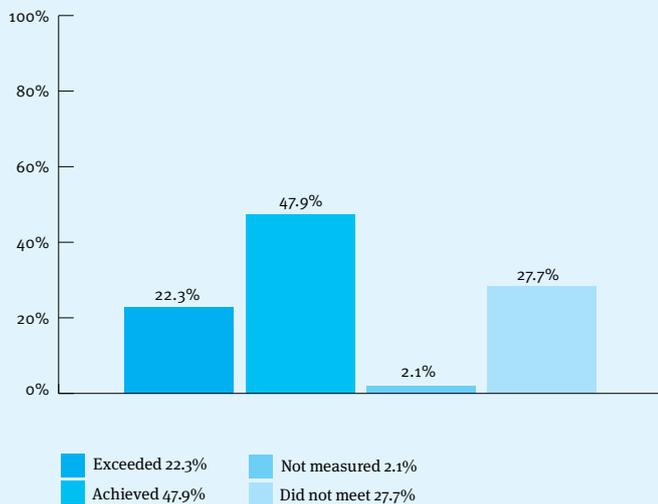
Group of Activity	Activity	Level of Service	Actual	Target
City development	Central city revitalisation	Rate of growth in the number of businesses in the central city compared to city-wide (per year)	Central city businesses grew by 9% whereas city wide grew 30%	50%
Community support	Social housing	Christchurch housing rental stock provided by Council	2,649	2,641
Cultural and learning services	Libraries	Customer satisfaction with the library service	92.08%	85-90%
	Art Gallery	No. of visits to the Art Gallery and the net cost of providing the service	455,878 @ \$15.39	390,000 @ \$19.00
Economic development	Economic development	Number of business start ups per year	Not measured	500
Parks, open spaces and waterways	The Botanic Gardens	Number of visitors to the Botanic Gardens per year.	1.6 million approx.	1.2 million
Recreation and leisure	Pools and leisure centres, stadia and sporting facilities	Area of pool provided per capita	1 sq m per 44.5 persons	1 sq m per 105 persons
Refuse minimisation and disposal	Refuse transfer and disposal	Total amount of waste sent to landfill each year (tonnes)	222,690	260,000 +/- 5%
Regulatory services	Enforcement and inspection activities	Percent of priority 1 complaints (wandering stock and aggressive behaviour by dogs) responded to within two hours	94%	100%
Streets and transport	Streets	Kerb and ditched channel renewal (remove ditched channels by 2023)	19.1 km	19 km
Wastewater collection and treatment	Waste water system as a whole	Number of public health issues attributable to the wastewater system	Zero	Zero reported by the Ministry of Health
Water supply	Water conservation	Total water used by the city per year (million cubic metres, 5 year rolling average)	54.8 M cu m	53 M cu m +/- 6

Our performance

The Council aims to contribute to the cultural, environmental, economic and social well-being of the community through nine Community Outcomes, or community goals. For further information on Community Outcomes and how they link to the groups of activities refer to the Annual Report.

The Council reports against the measures contained in its Long Term Council Community Plan (LTCCP) and details can be found in the full financial statements. The Annual Report 2009 shows that we have delivered on 70% of the service delivery targets which we set in our 2006-16 LTCCP.

Achievement of Levels of Service



Right: Christchurch Art Gallery Te Puna o Waiwhetu has become one of Christchurch's iconic buildings.

Parking officer **Adam Busson** helps to direct cars into the right location as thousands head to Hagley Park for Classical Sparks.



Financial highlights

What was our result for the year?

This year's Annual Report shows that we remain in a strong financial position, with an accounting surplus of \$63.4 million. This is \$21.4 million above plan.

Why do we plan for a surplus?

Under accounting standards we are required to show all revenue, including capital revenue, as income received for the year. Capital revenues include development contributions, which are used to fund future development; New Zealand Transport Agency (NZTA) subsidies; and vested assets (footpaths, water and drainage infrastructure and reserves land), which are vested to Council by developers. The surplus also includes interest received on funds that are held for specific purposes.

What caused the difference?

The additional accounting surplus of \$21.4 million is primarily made up of additional revenue as follows:

- vested assets of \$8.9 million. This is made up of \$11.1 million of assets vested on dissolution of the old Victory Park Board, offset by a shortfall in infrastructure assets
- higher subvention receipts, \$5.9 million
- court recovery of parking fines, \$3.2 million
- sale of Blenheim Road assets, \$2.7 million
- higher than planned subsidy from NZTA, \$2.4 million
- gain on investment in Endeavour iCap, \$2 million

This was offset by increases of \$2.2 million and \$2.7 million respectively in the Weathertight homes and Landfill provisions.

After adjusting for these we have made a cash operating surplus for the year of \$1.5 million.

What will we do with the surplus?

The \$1.5 million is transferred to a reserve and will be used to fund future capital expenditure. This reduces the amount of borrowing that Council must undertake thereby reducing the interest cost to ratepayers.

Sources of operating income

Total income and vested assets for the year ended 30 June 2009 is \$494.5 million. It was received from the following sources:

	Actual	Plan
	\$m	\$m
Rates revenue	243.7	243.4
Sale of goods / services	42.3	38.5
Rental revenue	25.3	25.9
Interest revenue	21.8	25.9
Dividends	37.4	39.5
Development contributions	13.8	14.1
NZ Transport Agency subsidies	35.3	32.9
Other revenue	50.1	32.6
Vested assets	24.8	15.9

Understanding the Council's operating expenditure

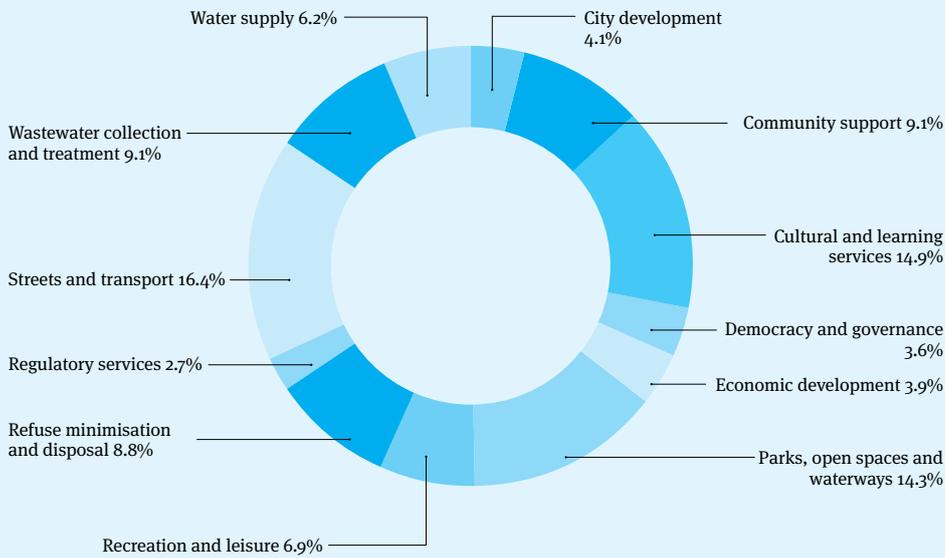
Our total operating expenditure for the year ended 30 June 2009 was \$430.3 million. Key components include:

	Actual	Plan
	\$m	\$m
Depreciation and amortisation	102.5	105.3
Finance costs	11.0	15.7
Employee costs	121.6	118.1
Grants / donations	22.7	23.1
Other operating expenses	172.5	164.5

Financial highlights (continued)

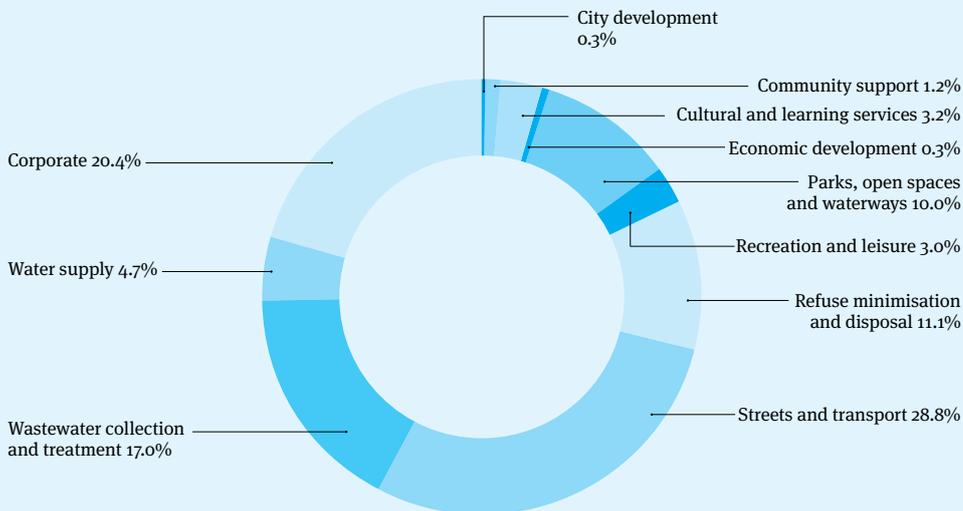
How your rates dollars were spent

The \$243.7 million of rates collected was allocated across groups of activities as shown below.



Investing in the assets of the City

We continued to invest in the City, spending \$226.4 million across a wide range of capital projects. Highlights are below with more detail in the groups of activity pages.



Financial highlights (continued)

What did we achieve?

Major capital projects completed for the year include the Jellie Park upgrade (\$1.0 million), \$21.9 million for the new composting facility, \$0.9 million on Central City crime prevention cameras, \$1.6 million for the Cashmere Reservoir replacement, and \$1.4 million on the landing pontoon access at Akaroa Wharf and other harbour structures.

The Council spent \$17.0 million to acquire four properties south of Lichfield Street and one in Sydenham Square. These properties are integral to the Council's vision for the enhancement of the Central City South.

Projects progressed include the ocean outfall pipeline at South New Brighton (\$9.8 million), \$4.0 million of further property purchases for the planned Transport Interchange, the City Mall upgrade (\$6.2 million), and ongoing work at the Wastewater Treatment Plant (\$10.2 million) including construction of the fifth and sixth digesters and the Biosolids Drying Facility. In addition, \$6.6 million was spent on the Western Interceptor sewer upgrade.

Ongoing projects include \$43.3 million expenditure on the road corridor and \$1.5 million on Bus Priority Lanes, \$1.2 million on housing improvements and redecorations, \$1.3 million on community centre upgrades, and book and art acquisitions of \$5.2 million. \$5.5 million was spent on land for new parks, reserves, and land drainage features, \$8.3 million on upgrades and restoration of storm water drains and natural waterways, and a further \$4.0 million was spent on landscaping, revegetation and renewal of Council assets in parks and reserves. Council also spent \$1.5 million on the Graham Condon Leisure Centre, \$1.1 million on the QEII Centre of Excellence, and \$1.1 million on the Pioneer Fitness Centre Upgrade.

\$10 million was invested in equity in Vbase Limited to underwrite the AMI stadium redevelopment. \$15 million was subsequently received from Central Government after balance date and passed on to Vbase who repaid \$5 million of Council's equity.

Operational achievements for the year include:

- continuous management of the City's wastewater collection and treatment to a satisfactory standard
- continuous management of the City's water supply services to a satisfactory standard
- continuous management of the City's libraries, Art Gallery, sports parks and stadia to a satisfactory standard
- maintenance of the City's streets and transport systems to a satisfactory standard
- adoption of the South-West Area Plan
- rollout of the kerbside collection system
- ongoing support of a range of labour force and business development programs through the Canterbury Development Corporation
- hosting of the Ellerslie International Flower Show
- adoption of the Libraries 2025 plan
- adoption of the Central City South Concept and Vision
- adoption of the Long Term Council Community Plan 2009-19

Looking forward

Major capital works planned for the year to June 2010 include:

- completing the Ocean Outfall project
- commissioning of the fifth and sixth digesters and biosolid dryers
- continuing the City Mall upgrade and tram extension
- continuing work on the new Transport Interchange
- continuing work on the Western Interceptor
- acquisition of new land and the creation of new land-drainage infrastructure and waterways on that land
- completion of the Graham Condon Sport and Recreation Centre at Papanui, and delivery of artificial turfs at English Park and St Bede's College
- ongoing housing maintenance
- ongoing work on the streets corridors along with kerb and channel replacement and the extension of cycleways
- refurbishment of the Town Hall

Operational work planned includes:

- ongoing work on the Urban Development Strategy
- ongoing work with residents to maximise diversion of material from landfill through the new kerbside collection system
- wastewater catchment modelling will be commenced
- design of the Duvauchelle Water Treatment Plant upgrade will be completed
- further work on the Libraries 2025 plan
- development of a Christchurch Economic Strategy
- establishment of the Christchurch Agency for Energy



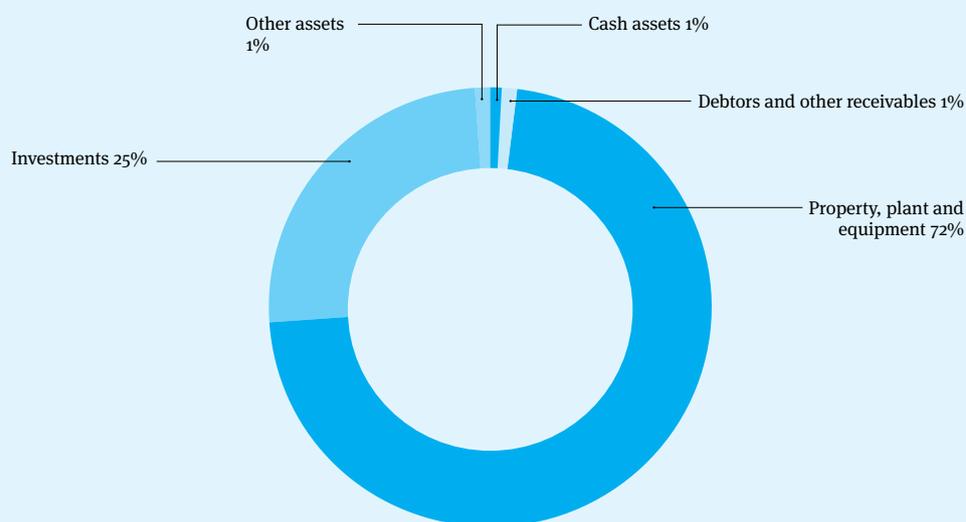
Above: The recently upgraded High Street is a popular shopping area.

Financial highlights (continued)

Financial position

The Council's balance sheet reflects our strong position with total assets of \$6.8 billion and net assets of \$6.5 billion. Equity increased by \$189.6 million during the year the main drivers being \$120.9 million of gains on revalued assets and investments, and the \$63.4 million surplus.

Our asset breakdown is as shown:



Group results

The Group includes the Council and its trading operations. The financial results, after all inter-company transactions have been eliminated, reflect the financial strength and size of the organisation as a whole.

	\$'000
Revenue from operations	949,486
Operating surplus (before tax)	120,556
Total assets	7,598,568
Total liabilities	1,067,685
Total equity	6,530,883

This result continues a positive trend in results for the Group, and the increasing value of the assets held by the City.

Standard and Poor's affirmed the Council's and Christchurch City Holdings Limited long-term rating of AA+ and short-term rating of A-1+.

Summary Audit report

To the readers of Christchurch City Council and group's summary annual financial statements, performance information and the other requirements for the year ended 30 June 2009.

We have audited the summary financial statements, performance information and the other requirements as set out in pages 2 to 26.

Unqualified Opinion

In our opinion:

- the summary financial statements, performance information and the other requirements represent, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the information reported in the summary financial statements, performance information and the other requirements complies with FRS-43: Summary Financial Statements and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 22 October 2009, on:

- the full financial statements;
- the performance information; and
- the Council and group's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Basis of Opinion

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We carried out additional assignments for Council and its subsidiaries. These assignments were a review of interim financial statements, issuing of audit certificates pursuant to the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008, the Commerce Act (Electricity Distribution Thresholds) Notice 2004, the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 and a review of Council's Biosolids Drying Plant contract tender process. These assignments are compatible with those independence requirements.

Other than the audit, the assignments detailed above and in conducting the audit of the Long-Term Council Community Plan, we have no relationship with or interests in Christchurch City Council or any of its subsidiaries.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on those summary financial statements, performance information and the other requirements. These responsibilities arise from the Local Government Act 2002.



S M Tobin
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
12 November 2009

Financial statements

Summary Income Statement for the year ended 30 June 2009

	Parent			Group	
	30 Jun 09	30 Jun 09	30 Jun 08	30 Jun 09	30 Jun 08
	Actual	Plan	Actual	Actual	Actual
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	469,660	452,759	417,780	949,486	866,076
Finance costs	10,981	15,655	5,972	38,723	30,479
Other expenses	419,330	411,053	386,076	818,958	726,628
Expenditure	430,311	426,708	392,048	857,681	757,107
Share of (losses)/profits of associates	-	-	-	3,953	(528)
Surplus before asset contributions	39,349	26,051	25,732	95,758	108,441
Vested assets	24,798	15,926	15,143	24,798	15,143
Surplus before income tax	64,147	41,977	40,875	120,556	123,584
Income tax expense	788	-	652	27,947	29,058
Surplus for the period	63,359	41,977	40,223	92,609	94,526
Attributable to:					
Minority interest	-	-	-	11,267	14,012
Parent entity	63,359	41,977	40,223	81,342	80,514
	63,359	41,977	40,223	92,609	94,526

1. The significant variances to budget relate to Christchurch City Council (parent) and are explained in the Financial highlights on page 15.

Financial statements (continued)

Summary Balance Sheet as at 30 June 2009

	Parent			Group	
	30 Jun 09 Actual \$'000	30 Jun 09 Plan \$'000	30 Jun 08 Actual \$'000	30 Jun 09 Actual \$'000	30 Jun 08 Actual \$'000
Assets					
Current assets	200,776	143,482	173,008	272,400	292,749
Non-current assets	6,647,353	6,562,772	6,379,650	7,326,168	7,088,898
Total assets 1	6,848,129	6,706,254	6,552,658	7,598,568	7,381,647
Equity and Liabilities					
Current liabilities	145,417	105,509	76,759	227,854	286,636
Non-current liabilities	183,850	289,489	146,649	839,831	696,747
Equity*	6,518,862	6,311,256	6,329,250	6,530,883	6,398,264
Total equity and liabilities	6,848,129	6,706,254	6,552,658	7,598,568	7,381,647
				242,706	247,588

*Minority interest included in group equity

1. The Council's (parent) total assets of \$6.8 billion were higher than budget by \$142 million which mainly relates to the revaluation of investments in subsidiaries.

Financial statements (continued)

Summary Statement of Changes in Equity for the year ended 30 June 2009

	Parent			Group	
	30 Jun 09	30 Jun 09	30 Jun 08	30 Jun 09	30 Jun 08
	Actual	Plan	Actual	Actual	Actual
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening equity	6,329,250	6,099,279	5,490,282	6,398,264	5,740,750
Property, plant and equipment valuation gain	80,315	170,000	584,677	67,322	589,890
Investment valuation gain/(loss)	40,614	-	217,000	-	-
Other	5,324	-	(2,932)	(13,520)	(16,864)
Net income recognised directly in equity	126,253	170,000	798,745	53,802	573,026
Surplus for the period	63,359	41,977	40,223	92,609	94,526
Total recognised income and expense	189,612	211,977	838,968	146,411	667,552
Dividends	-	-	-	(9,117)	(8,672)
Adjustment from share acquisitions	-	-	-	(4,675)	(1,366)
Closing equity	6,518,862	6,311,256	6,329,250	6,530,883	6,398,264

	Parent actual			Group actual			
	Retained earnings	Other reserves	Total equity	Retained earnings	Other reserves	Minority interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2007	1,672,874	3,817,408	5,490,282	2,312,273	3,183,754	244,723	5,740,750
Balance at 30 June 2008	1,767,037	4,562,213	6,329,250	2,446,650	3,704,026	247,588	6,398,264
Balance at 30 June 2009	1,866,321	4,652,541	6,518,862	2,564,968	3,723,209	242,706	6,530,883

Financial statements (continued)

Summary Cash Flow Statement for the year ended 30 June 2009

	Parent			Group	
	30 Jun 09	30 Jun 09	30 Jun 08	30 Jun 09	30 Jun 08
	Actual	Plan	Actual	Actual	Actual
	\$'000	\$'000	\$'000	\$'000	\$'000
Net cash provided by/(used in) operating activities	143,070	130,200	107,441	242,361	232,835
Net cash (used in)/provided by investing activities	(198,927)	(305,131)	(133,312)	(286,856)	(230,909)
Net cash provided by/(used in) financing activities	84,813	169,463	32,188	46,399	40,539
Net increase in cash and cash equivalents	28,956	(5,468)	6,317	1,904	42,465
Cash and cash equivalents at beginning of year	55,427	124,553	49,110	107,926	65,461
Cash and cash equivalents at end of year	84,383	119,085	55,427	109,830	107,926

Financial statements (continued)

Notes to the Financial Statements for the year ended 30 June 2009

1. Accounting policies

Reporting entity

Christchurch City Council ("Council") is a territorial authority under the Local Government Act 2002. The Christchurch City Council group includes all subsidiaries and associates.

The primary objective of Council is to provide goods or services for the community or social benefit rather than to make a financial return. Accordingly, Council has designated itself a public benefit entity ("PBE") for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements of Council are for the year ended 30 June 2009. The Council has prepared the summary financial report to provide users with a succinct overview of Council performance. The Council authorised the General Manager Corporate Services to produce and publish the summary report on the 22nd October 2009. The summary report was approved for issue by the General Manager Corporate Services on 12 November 2009. The specific disclosures in the summary financial report have been extracted from the full audited financial report also dated 22 October 2009.

Basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with General Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable financial reporting standards, as appropriate for public benefit entities. There were no changes to Council's accounting policies.

The summary financial report complies with Financial Reporting Standard No. 43 Summary Financial Statements. Users of the summary financial report should note that the information contained therein cannot be expected to provide as complete an understanding as provided by the full financial report of the financial and service performance, financial position and cash flows of the Council.

Users who require additional information are encouraged to access the full Council Annual Report on the Council website at www.ccc.govt.nz/annualreport. Users who do not have access to the website can request a printed version through the call centre or from the following address:

General Manager, Corporate Services
Christchurch City Council
PO Box 237
Christchurch

2. Capital commitments

Christchurch City Council group has contracts committing us to spend \$235 million (2008: \$75 million) on capital works.

3. Contingent liabilities

These are dependent on other future events and total, for the group, \$16 million (2008: \$40 million).

4. Events after balance date

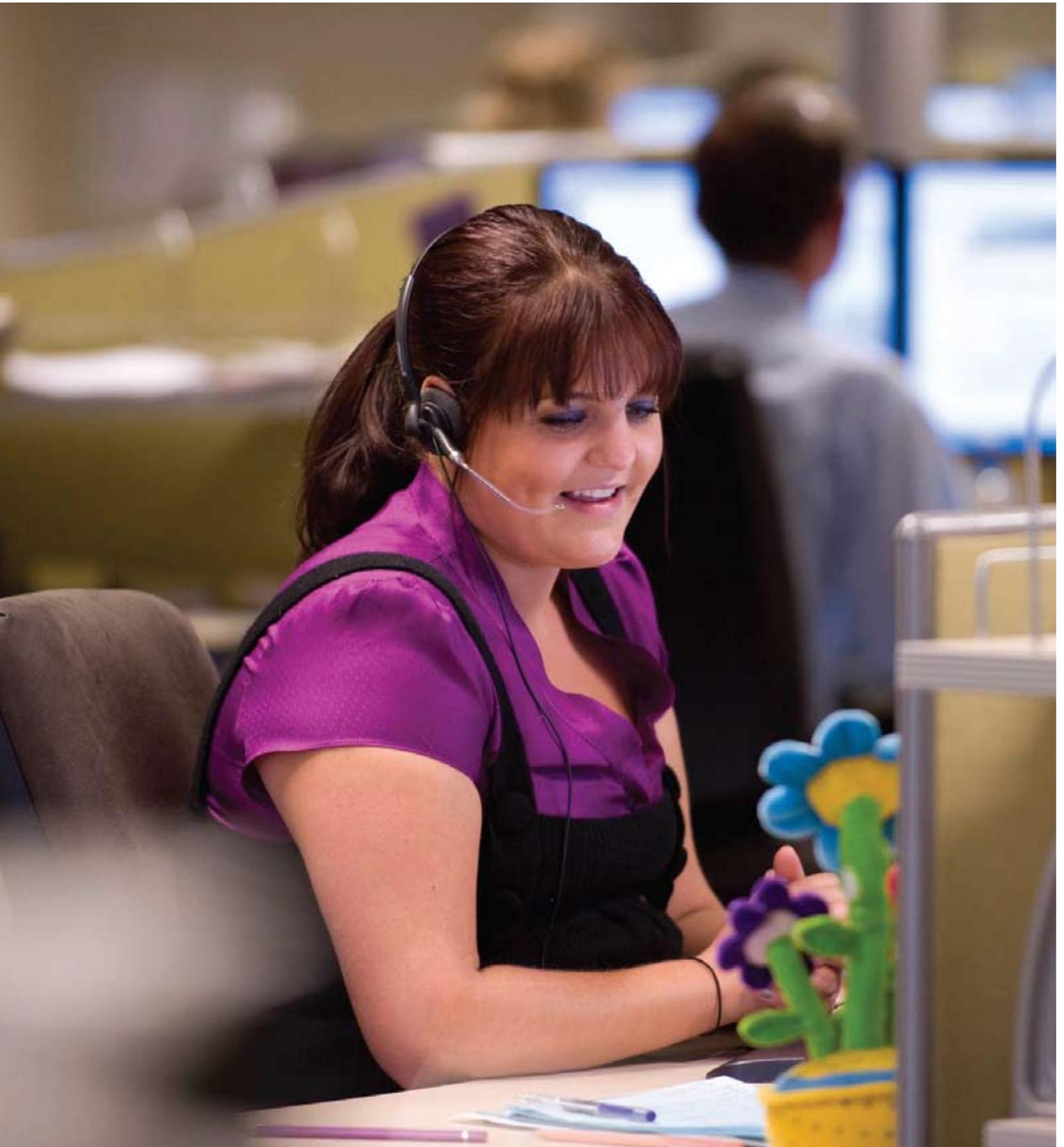
CCC Two Limited

On 4 August 2009 Council subsidiary company CCC Two Limited purchased certain assets and liabilities of Meta New Zealand Limited, Meta Processing Limited, Meta Transport Limited, and Reworks Limited.

The provisional fair value of the assets and liabilities acquired as at 4 August 2009 was \$17.2 million.

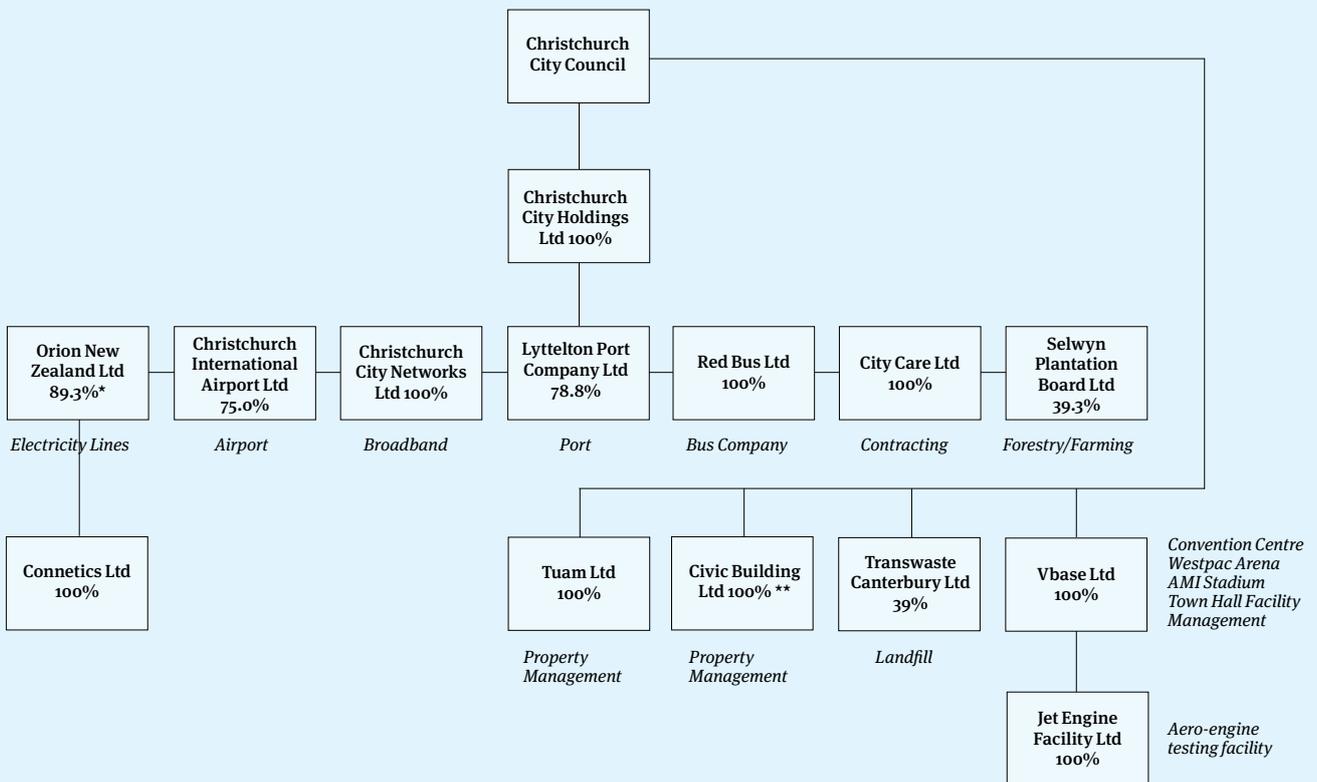
To facilitate the purchase Council invested \$1.1 million in CCC Two Limited by way of fully paid \$1 redeemable preference shares. Council also lent CCC Two Limited \$18.0 million to purchase the assets and liabilities.

Customer Services Representative **Charlotte Morris** helps with a customer enquiry.



Group structure

The Council holds controlling stakes in a number of trading companies which form part of the City's key infrastructure. These Council-controlled organisations are managed for the long-term benefit of the community and aim to help ensure a healthy regional economy. The dividends from these companies help the Council reduce its reliance on rates to fund its activities. The trading companies are run commercially, at arms length from the Council.



* Orion Group Ltd and Orion New Zealand Ltd were amalgamated on 31 March 2009

** Civic Building Ltd and Tuam 2 Ltd were amalgamated on 30 June 2009

Notes





Cover image

Swamp Modern

Kylie Smith and Christopher Greenshields from the Council's Capital Programme Group designed the Christchurch Botanic Gardens' award-winning exhibition garden for the 2009 Ellerslie International Flower Show.

Swamp Modern was a recreation of Christchurch's natural wetland environment as it was before the arrival of European settlers but with a contemporary urban twist. Using modern materials and an array of plants native to Canterbury, the garden celebrated the City's swamp history. Key design features were Perspex stepping stones, a water feature, raised planters displaying cross sections of swamp strata and vertically planted ferns walls.