

Financial Overview

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Significant Changes

As signalled in the 2015/25 Long Term Plan (LTP) the capital programme has been reviewed over the last 12 months for both for timing and cost which has resulted in a number of significant differences from that adopted last year. The programme has been smoothed so that it is better aligned with our ability to deliver. The under-delivery of projects in the current year and settlement of the insurance claim at better than budget means that our opening debt is \$201 million lower than planned. This, when combined with the smoothing of future years has substantially reduced our future short term borrowing requirement.

Capital Programme:

Overall the ten year programme has reduced by \$131 million. This is due to a reduction in the expected infrastructure repair cost, largely offset by the inclusion of the Northern Arterial project (\$76 million) primarily in 2021 – 2023, and higher inflation on work that has been retimed to later years.

After taking into account the \$502 million shifted from 2015/16 following review of deliverability of the programme, we plan to invest \$3.97 billion in the capital programme over the remaining nine years of the Long Term Plan, an increase of \$371 million over the amount in the LTP for the comparable period.

Impact on Funding Levers

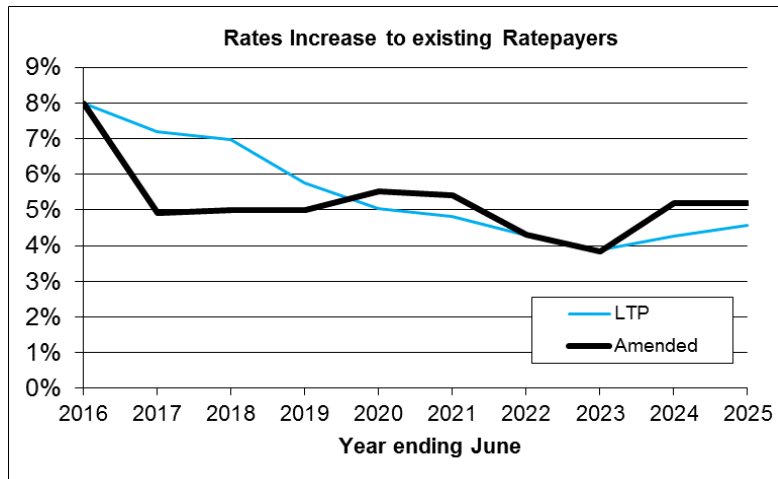
The changes above have allowed us to reconsider the mix of the three funding levers, capital release, rates, and borrowing, to achieve a fair and prudent funding outcome for ratepayers.

Capital Release:

The \$750 million capital release programme has been reduced to \$600 million. \$110 million has been retimed from 2015/16 to 2016/17 and the remaining \$400 million has been moved to \$200 million in each of 2017/18 and 2018/19. This deferral allows us more time to gain further certainty as to both the amount and method of release required.

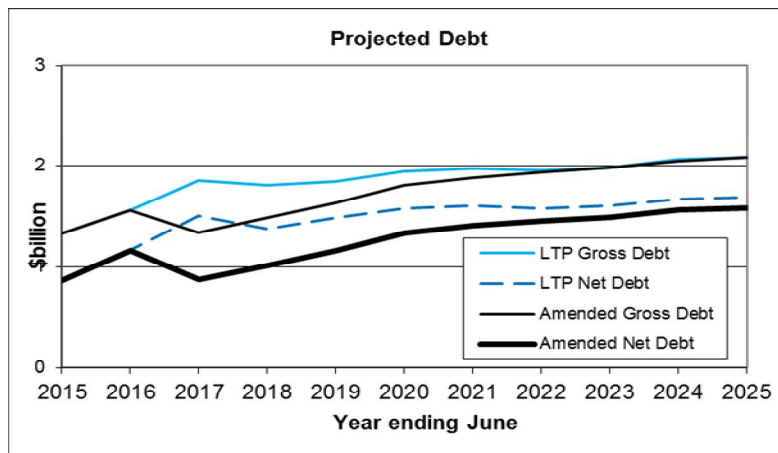
Rate Increases:

The consequential reduction in interest and debt repayment costs have enabled rate increases to be reduced for the next three years to 4.9%, 5% and 5% p.a. to existing ratepayers, a cumulative reduction of 5.6% over that period, and a cumulative reduction over the nine years of 3.4% compared to the original Long Term Plan.(see graph below)



Borrowing:

While there is a short-term reduction in borrowing, long term debt is forecast to remain at very similar levels to the original LTP.



The amended Long Term Plan forecasts a net increase in debt of \$726 million over the remaining nine years, an increase of \$198 million on the Long Term Plan amount. This is largely due to the retimed capital programme and capital release reduction. Although opening debt is \$201 million lower, cumulative debt at the end of 2024/25 is still planned to be \$2.1 billion, only \$4 million lower than the original Long Term Plan projected.

We are continuing to ensure prudent and sustainable financial management of our operations with debt levels being held well within our ability to service and repay that borrowing.

Surplus, operating deficits, and sustainability

This Amended Long Term Plan shows accounting surpluses before revaluations in all years. Under accounting standards we are required to show all revenue, including earthquake-related recoveries from central Government and NZ Transport Agency, as income for the year. However, some of these recoveries reimburse us for rebuild expenditure. After adjusting for these capital revenues we're budgeting for an operating deficit of \$25.2 million for earthquake response costs in the 2016/17 year only. We borrow to fund this deficit. We do not consider that this operating deficit will undermine our financial sustainability.

(Note that the balanced budget benchmark shown in the Financial Prudence Benchmarks section is calculated on a slightly different basis and shows a small deficit in 2020. This is primarily due to our policy of rating for renewals rather than depreciation.)

Changes have also been made to the operational costs and revenues. Details of the change by Group of Activity for capital expenditure and for operational net cost are shown in the tables below.

For further information on the above, including our options please refer to the Financial Strategy.

Changes between 2015/25 Long Term Plan and Amended Long Term Plan

Changes by Group of Activity

	Changes between LTP and Amended LTP											
	\$000	Note	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Capital Programme expenditure												
Libraries, arts and culture		1	(32,472)	20,064	31,814	(464)	428	207	(71)	163	(168)	19,501
Economic development			-	-	-	-	-	-	-	-	-	-
Flood protection		2	(37,101)	(23,324)	1,592	1,660	1,547	1,195	(617)	(2,981)	(2,447)	(60,476)
Heritage protection and policy		3	(3,853)	(5,996)	13,249	5,305	-	-	-	-	-	8,705
Housing		4	(11,914)	1,036	4,470	4,726	4,999	5,280	5,584	5,907	6,027	26,115
Natural environment			-	-	-	-	-	-	-	-	-	-
Parks and open spaces		5	(1,718)	11,091	6,382	2,697	1,055	1,037	(7)	(25)	(60)	20,452
Refuse minimisation and disposal			(3)	(3)	(4)	(4)	(5)	(6)	(8)	(13)	(14)	(60)
Regulation and enforcement			(1)	(1)	-	(3)	-	-	-	-	-	(5)
Resilient communities		6	342	4,600	2,767	47	104	(11)	(14)	(13)	(24)	7,798
Roads and footpaths		7	(47,416)	44,662	18,737	4,576	20,404	40,842	17,158	(6,681)	(4,336)	87,946
Sewerage collection, treatment and disposal		8	(41,218)	17,951	779	(12,465)	(7,739)	13,807	9,954	9,067	5,359	(4,505)
Sport and recreation		9	(20,611)	(6,096)	33,122	22,482	2,379	(93)	(128)	(159)	(300)	30,596
Stormwater drainage		10	15,414	40,684	(602)	(615)	(633)	(37)	(51)	(84)	(138)	53,938
Strategic governance			-	-	-	-	-	-	-	-	-	-
Strategic policy and planning			(155)	19	19	20	20	20	20	19	18	-
Transport		11	(13,694)	27,164	(10,823)	9,528	10,947	17,813	(53)	(89)	(138)	40,655
Water supply		12	(13,948)	(2,056)	1,387	3,313	(1,166)	2,185	2,216	3,732	2,790	(1,547)
Corporate		13	(54,405)	15,470	115,827	46,839	29,320	6,060	(6,585)	(15,243)	4,653	141,936
Total capital programme expenditure increase/(decrease)			(262,753)	145,265	218,716	87,642	61,660	88,299	27,398	(6,400)	11,222	371,049
<i>Capital Programme funding</i>												
Sale of assets			(23)	(23)	(22)	(17)	(2)	(3)	(4)	(6)	(9)	(109)
Rates		14	(1)	(118)	(124)	(127)	(134)	(425)	(767)	(1,309)	(2,278)	(5,283)
Earthquake rebuild recoveries		15	(22,783)	3,542	(20,886)	14,078	5,597	3,653	4,018	(2,739)	(1,192)	(16,712)
Reserve drawdowns		16	153,362	78,442	(73,055)	4,771	4,271	5,015	4,842	4,981	4,957	187,586
CCHL special dividend		17	(90,000)	(150,200)	200,000	-	-	-	-	-	-	(40,200)
Development contributions			284	381	368	325	262	129	(12)	(200)	(409)	1,128
Capital grants and subsidies		18	(8,027)	11,411	(6,995)	(1,472)	8,978	22,324	7,398	513	310	34,440
Total funding increase/(decrease)			32,812	(56,565)	99,286	17,558	18,972	30,693	15,475	1,240	1,379	160,850
Capital Programme borrowing increase/(decrease)			(295,565)	201,830	119,430	70,084	42,688	57,606	11,923	(7,640)	9,843	210,199

Notes: (further details on individual projects are shown in the Capital Programme section of the Amended Long Term Plan)

- 1 New Central and South West libraries costs rephased to 2018 & 2019. New Brighton Library added to 2017.
- 2 Transfer of budget for land drainage programme from Flood Protection to Stormwater (incl Dudley Creek).
- 3 Work carried forward from 2016 to 2017 (Mona Vale, Sign of Takahe), Old Municipal Chambers added to 2018 & 2019, Canterbury Provincial Chambers work pushed out to 2019 & 2020.
- 4 Housing work rephased from 2016 and 2017 to later years.
- 5 Avon River project contribution rephased from 2016 to 2018. New Brighton Pier 2018 & 2019. Red Zone EQ parks added to 2018.
- 6 Sumner library and Shirley community centre rephased.
- 7 SCIRT programme reduced in 2017. Sumner Road corridor increase in 2018. Transitional transport plan c/fwd from 2016 to 2023. Accessible cities projects rephased. \$9 million for footpath renewals added over first three years.
- 8 Akaroa WWTP rephased from 2016 & 2017 to 2018 & 2019. Lyttleton rephased to 2019. SCIRT programme reduced by \$26 million in 2017. Northern relief reticulation rephased to 2022 onwards. Major trunk expansion rephased to 2022.
- 9 South West leisure centre and Woolston/Linwood pool pushed to 2019 & 2020.
- 10 Transfer of budget for land drainage programme from Flood Protection.
- 11 Parking pushed out from 2016 to 2018. Some cycleways pushed out from 2016 -2019 to 2021 & 22. Coastal pathway pushed out from 2017 & 18 to 2019 & 2020. The Square Anchor Project has been increased by \$4.3 million in 2019/20 to reflect the change of project leadership from Crown to Council. This increase is offset by an increase in capital subsidies reflecting the Crown's contribution in the cost share agreement.
- 12 Brooklands/Averill station pump stations removed, some used for Bexley pump station. Gardiners pump station rephased from 2017 to 2018. Some reticulation rephased to 2019/20.
- 13 Improvement allowance removed (2017- \$20 million). Performing Arts Precinct pushed out to 2018/19. Town Hall completion pushed out to 2018/19. Strategic land significant changes in every year. IT budget reduction of \$38 million. Post Draft the Council has continued to review the deliverability of its capital programme and have identified a further \$56 million of works that will not be delivered in the 2016/17 year and have allocated these to the following two years. This work will be progressively moved from Corporate into the appropriate activities over the next month.
- 14 Impact from lower inflation rates.
- 15 Insurance removed due to settlement. Crown contribution timing and quantum changes relating to cost share agreement, funding of accessible cities and Sumner corridor.
- 16 Housing capex funding increased in line with note 4 above.
- 17 Capital release timing and quantum changes.
- 18 NZTA funding of capital works programme, particularly Northern Arterial in 2021 - 2023.

Changes by Group of Activity

Operational net cost of service	\$000	Note	Changes between LTP and Amended LTP									
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Libraries, arts and culture		1	(4,385)	(4,724)	(3,614)	(3,192)	(2,785)	(2,879)	(3,531)	(4,313)	(4,637)	(34,060)
Economic development		2	5,057	4,980	5,070	5,159	5,235	9,912	10,141	10,275	10,445	66,274
Flood protection and control works			1	86	305	313	325	345	346	357	357	2,435
Heritage protection and policy			(339)	(305)	(318)	(347)	(353)	(373)	(395)	(418)	(439)	(3,287)
Housing			(641)	(1,236)	(612)	(300)	(1,894)	(1,534)	(1,136)	(173)	345	(7,181)
Natural environment			123	120	125	125	123	120	120	116	116	1,088
Parks and open spaces		3	4,721	3,258	2,570	2,528	445	327	237	216	73	14,375
Refuse minimisation and disposal		4	209	13	(196)	(919)	(1,307)	(1,727)	(2,363)	(2,634)	(3,078)	(12,002)
Regulation and enforcement		5	3,864	(169)	1,848	1,039	977	823	737	419	400	9,938
Resilient communities		6	569	(302)	(1,016)	(1,158)	(1,912)	(2,129)	(2,305)	(2,519)	(2,741)	(13,513)
Roads and footpaths		7	12,586	11,506	12,885	14,933	17,493	19,489	21,656	27,535	28,953	167,036
Sewerage collection, treatment and disposal		8	1,891	644	(187)	(880)	(2,729)	(2,528)	(1,404)	(1,421)	(949)	(7,563)
Sport and recreation		9	3,851	2,682	1,189	3,170	1,827	2,527	2,037	1,488	1,385	20,156
Stormwater drainage		10	(5,891)	597	667	759	1,002	1,140	1,359	1,375	1,405	2,413
Strategic governance		11	99	(110)	(64)	(353)	(546)	(698)	(922)	(1,227)	(1,483)	(5,304)
Strategic policy and planning		12	(323)	(567)	(732)	(586)	(645)	(725)	(840)	(1,033)	(1,118)	(6,569)
Transport		13	(2,232)	(2,633)	(2,159)	(2,388)	(2,203)	(2,205)	(2,107)	(2,226)	(5,049)	(23,202)
Water supply		14	(2,340)	(3,200)	(2,953)	(2,916)	(2,685)	(2,607)	(2,524)	(2,503)	(2,602)	(24,330)
Corporate		15	(1,891)	(10,225)	3,091	6,566	6,492	7,391	8,862	12,522	14,532	47,340
Operational net cost of service increase/(decrease)			14,929	415	15,899	21,553	16,860	24,669	27,968	35,836	35,915	194,044
Represented by:												
Revenues												
Fees, charges and operational subsidies			(3,016)	(5,706)	(11,450)	(7,586)	(6,269)	(5,423)	(6,551)	(8,184)	(9,893)	(64,078)
Non cash revenue			522	567	621	675	720	720	732	720	717	5,994
Net Increase/(decrease) operating revenues			(2,494)	(5,139)	(10,829)	(6,911)	(5,549)	(4,703)	(5,819)	(7,464)	(9,176)	(58,084)
Expenditure (excl'dg depreciation & interest)												
Depreciation			14,804	(3,564)	(4,435)	(1,440)	888	5,437	2,885	(332)	(3,399)	10,844
Interest			10,559	16,195	18,844	21,899	14,744	16,213	18,006	22,336	20,810	159,606
Net increase/(decrease) in expenditure			(12,928)	(17,355)	(9,339)	(5,817)	(4,321)	(1,684)	1,258	6,368	9,328	(34,490)
			12,435	(4,724)	5,070	14,642	11,311	19,966	22,149	28,372	26,739	135,960
			14,929	415	15,899	21,553	16,860	24,669	27,968	35,836	35,915	194,044

Notes

- 1 Rephasing of Central and Hornby libraries in the earlier years.
- 2 Additional costs for Regenerate Christchurch, starting at \$4 million p.a. and increasing to \$8 million from 2022.
- 3 Increased depreciation due to higher capex. Removal of insurance recoveries in 2017 due to claim settlement in 2016. Lower inflation impacting on later years.
- 4 Lower inflation.
- 5 District Plan review costs added in 2017. Lower inflation impacting on outer years.
- 6 Lower inflation impacting on outer years.
- 7 Depreciation higher due to 2016 revaluation and higher capex.
- 8 Depreciation higher 2017 - 2019. Interest expense lower.
- 9 Higher depreciation of \$2 - \$4 million p.a. due to 2015 revaluation. Rephasing of Linwood, South West, Eastern and Metro facilities.
- 10 Reduction in depreciation in 2017 due to delayed revaluation.
- 11 Lower inflation.
- 12 Addition of carbon mitigation measurement programme. Addition of Council Energy Management programme costs/savings. Lower inflation.
- 13 Increased costs and NZTA funding due to addition of Riccarton bus lounges. Lower depreciation and interest expense due to timing of capex
- 14 Lower interest and depreciation expense.
- 15 Lower interest and depreciation expense, Rockfall costs removed from 2018 (\$5 million), Restructure savings offset by additional insurance and alternative weed spraying provisions

Changes between LTP and Amended LTP

Financial Overview

	Plan 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Funding Summary									
\$000									
Operating expenditure	14,804	(3,564)	(4,435)	(1,440)	888	5,437	2,885	(332)	(3,399)
Capital programme	(262,752)	145,266	218,715	87,642	61,660	88,298	27,398	(6,400)	11,224
Transfers to reserves	(735)	(75,650)	1,303	1,361	1,345	1,228	1,025	794	557
Interest expense	(12,928)	(17,355)	(9,339)	(5,817)	(4,321)	(1,684)	1,258	6,368	9,328
Debt repayment	(1,129)	15,671	(2,303)	(3,850)	(2,799)	(9,739)	(5,833)	(1,088)	5,189
Total expenditure	(262,740)	64,368	203,941	77,896	56,773	83,540	26,733	(658)	22,899
funded by :									
Fees, charges and operational subsidies	(3,016)	(5,705)	(11,450)	(7,585)	(6,269)	(5,426)	(6,549)	(8,184)	(9,895)
Dividends and interest received	(78,534)	(137,280)	212,934	12,319	13,239	12,058	17,831	19,512	22,479
Transfers from reserves	152,628	1,514	(73,058)	4,804	4,396	5,396	5,158	5,346	5,257
Asset sales	(23)	(23)	(22)	(17)	(2)	(3)	(4)	(6)	(9)
Development contributions	284	381	368	325	262	129	(12)	(200)	(409)
Earthquake rebuild recoveries	(22,783)	3,542	(20,886)	14,078	5,597	3,653	4,018	(2,739)	(1,192)
Capital grants and subsidies	(8,027)	11,411	(6,995)	(1,472)	8,978	22,324	7,398	513	310
Total funding available	40,529	(126,160)	100,891	22,452	26,201	38,131	27,840	14,242	16,541
Balance required	(303,269)	190,528	103,050	55,444	30,572	45,409	(1,107)	(14,900)	6,358
Borrowing	(302,827)	201,672	119,365	70,084	42,685	57,602	11,924	(7,641)	9,844
Working Capital reduction	-	-	-	-	-	-	(429)	-	-
Rates	(442)	(11,144)	(16,315)	(14,640)	(12,113)	(12,193)	(12,602)	(7,259)	(3,486)
Rates to be levied on 1 July	(4,499)	(12,492)	(16,264)	(14,567)	(12,017)	(12,062)	(12,433)	(7,047)	(3,220)
Nominal rates increase on 1 July	-1.17%	-1.83%	-0.67%	0.56%	0.67%	0.10%	0.03%	1.04%	0.68%
Percentage rate increase to existing ratepayers	-2.28%	-1.98%	-0.74%	0.48%	0.60%	0.04%	-0.04%	0.94%	0.62%

Updated Financial Overview

Plan 2015/16	Financial Overview		Plan 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		\$000									
Funding Summary											
486,114	Operating expenditure	1	447,097	406,576	410,088	427,135	442,097	459,432	471,884	480,871	492,860
958,208	Capital programme	2	535,530	640,034	593,630	427,691	334,831	337,403	346,853	385,233	372,858
7,137	Transfers to reserves	3	5,679	8,892	9,372	9,770	10,569	11,120	11,453	11,966	12,435
78,574	Interest expense	4	78,051	82,547	89,210	96,912	104,209	108,727	111,265	118,370	123,843
23,718	Debt repayment	5	32,269	59,794	48,496	46,586	54,280	62,960	73,754	90,306	107,146
1,553,751	Total expenditure		1,098,626	1,197,843	1,150,796	1,008,094	945,986	979,642	1,015,209	1,086,746	1,109,142
funded by :											
154,559	Fees, charges and operational subsidies	6	136,329	131,950	140,682	150,444	158,717	164,413	168,969	173,061	178,184
277,957	Dividends and interest received		185,660	281,415	258,068	57,021	57,875	65,619	71,098	75,598	80,070
30,945	Transfers from reserves	7	173,032	6,146	9,044	9,366	9,262	10,059	9,467	9,655	9,732
54,671	Asset sales	8	8,003	5,902	5,835	4,353	502	515	530	545	561
17,231	Development contributions		13,115	18,113	24,262	23,082	24,097	25,537	24,375	23,407	23,352
118,249	Earthquake rebuild recoveries		105,786	58,643	11,412	14,078	5,917	6,018	8,367	5,588	5,160
23,522	Capital grants and subsidies		21,874	42,809	21,515	21,173	26,223	36,860	22,950	17,919	18,559
677,134	Total funding available		643,799	544,978	470,818	279,517	282,593	309,021	305,756	305,773	315,618
876,617	Balance required		454,827	652,865	679,978	728,577	663,393	670,621	709,453	780,973	793,524
483,855	Borrowing	9	30,927	202,259	205,716	225,239	129,975	110,988	124,349	160,889	137,666
392,762	Rates	10	423,900	450,606	474,262	503,338	533,418	559,633	585,104	620,084	655,858
384,357	Rates to be levied on 1 July		414,748	444,041	469,110	498,073	528,032	554,123	579,462	614,306	649,936
9.25%	Nominal rates increase on 1 July		7.91%	7.06%	5.65%	6.17%	6.01%	4.94%	4.57%	6.01%	5.80%
7.98%	Percentage rate increase to existing ratepayers		4.90%	5.00%	5.00%	5.52%	5.41%	4.32%	3.84%	5.19%	5.18%

Plan 2015/16	Note 1 Operating Expenditure	\$000	Plan 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
54,019	Libraries, arts and culture		60,426	63,161	67,273	63,232	64,864	66,465	68,050	69,292	71,290
9,942	Economic development		15,024	14,924	15,209	15,548	15,794	20,706	21,221	21,584	22,043
8,036	Flood protection and control works		5,157	2,540	897	930	961	1,008	1,042	1,081	1,114
4,153	Heritage protection and policy		4,154	4,167	2,235	2,317	2,324	2,347	2,384	2,397	2,386
37,499	Housing		23,746	16,659	16,972	17,915	16,679	17,586	18,691	19,710	20,864
387	Natural environment		525	538	554	567	571	581	595	603	617
35,023	Parks and open spaces		37,751	35,938	36,261	36,887	35,381	36,218	37,316	38,052	38,767
43,664	Refuse minimisation and disposal		45,548	46,780	48,251	49,205	50,072	52,120	51,735	53,354	55,236
68,907	Regulation and enforcement		66,531	57,311	58,326	58,984	59,543	60,584	61,937	62,907	64,239
30,853	Resilient communities		30,955	30,665	30,500	31,123	30,728	31,217	31,944	32,424	33,047
89,730	Roads and footpaths		106,745	109,828	115,602	122,803	129,986	137,991	145,926	153,299	160,616
80,389	Sewerage collection, treatment and disposal		80,941	80,882	82,787	85,919	87,638	90,981	94,804	98,046	101,995
33,598	Sport and recreation		38,342	40,095	48,402	61,804	70,756	75,082	77,388	79,611	82,711
23,483	Stormwater drainage		24,229	28,887	29,607	30,720	31,762	32,879	34,059	35,228	36,513
22,468	Strategic governance		24,944	24,569	24,893	26,836	25,905	26,080	28,079	27,281	27,715
11,382	Strategic policy and planning		12,576	12,284	12,062	12,643	12,615	12,714	13,082	13,474	13,605
20,392	Transport		21,103	22,603	25,016	27,830	29,884	31,531	33,035	33,949	32,466
46,747	Water supply		45,258	45,613	47,346	49,414	51,508	53,633	55,765	56,036	57,846
105,183	Corporate		70,677	59,918	59,331	63,172	64,847	65,451	65,219	68,861	70,830
725,855	Total group of activity expenditure		714,632	697,362	721,524	757,849	781,818	815,174	842,272	867,189	893,900
161,166	Less depreciation (non cash)		189,484	208,239	222,226	233,802	235,512	247,015	259,123	267,948	277,197
78,574	Less interest expense shown separately		78,051	82,547	89,210	96,912	104,209	108,727	111,265	118,370	123,843
486,115	Operating expenditure		447,097	406,576	410,088	427,135	442,097	459,432	471,884	480,871	492,860
Note 2											
Capital Programme											
63,639	Libraries, arts and culture		33,133	42,268	44,700	19,955	13,291	9,363	9,187	10,733	10,729
-	- Economic development		-	-	-	-	-	-	-	-	-
45,836	Flood protection		13,296	20,911	39,768	42,893	44,401	46,618	45,474	47,371	46,773
10,569	Heritage protection and policy		7,297	11,453	25,083	5,393	-	-	-	-	-
23,423	Housing		3,782	3,434	7,106	7,247	7,588	8,138	8,129	8,533	8,955
-	- Natural environment		-	-	-	-	-	-	-	-	-
33,699	Parks and open spaces		12,554	24,553	15,397	11,713	10,433	11,181	8,180	7,819	7,723
3,309	Refuse minimisation and disposal		977	830	981	1,087	1,361	1,175	1,006	1,339	950
421	Regulation and enforcement		26	11	6	55	-	-	-	-	-
17,163	Resilient communities		13,800	5,388	3,672	1,687	1,359	1,164	1,784	1,181	1,492
276,923	Roads and footpaths		118,697	123,297	82,301	76,705	89,460	110,699	104,215	85,207	81,500
185,410	Sewerage collection, treatment and disposal		113,945	75,511	51,717	40,258	40,442	54,280	34,997	37,333	47,244
18,245	Sport and recreation		69,912	75,775	91,210	72,245	18,289	16,144	16,463	14,876	19,244
72,467	Stormwater drainage		62,349	67,925	4,325	3,964	4,410	6,399	6,674	7,848	8,857
-	- Strategic governance		-	-	-	-	-	-	-	-	-
577	Strategic policy and planning		150	332	340	349	358	368	378	389	400
81,880	Transport		32,115	74,584	63,599	49,882	40,568	25,700	6,818	8,444	8,819
40,222	Water supply		23,675	27,370	25,349	28,073	27,441	29,897	28,065	29,633	28,335
84,425	Corporate		29,822	86,392	138,076	66,185	35,430	16,277	75,483	124,527	101,837
958,208	Total capital programme		535,530	640,034	593,630	427,691	334,831	337,403	346,853	385,233	372,858

Plan 2015/16	Note 3	Plan 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Transfers to Reserves									
		\$000								
6,764	Interest credited to special funds and reserves	5,341	5,333	5,400	5,541	5,814	6,077	6,120	6,201	6,295
-	Housing cash operating result	-	3,170	3,851	4,132	4,613	4,968	5,259	5,678	6,052
58	Dog control cash operating result	22	73	55	31	76	75	74	87	88
65	Burwood Landfill capping contribution	66	66	66	66	66	-	-	-	-
250	Flood defence fund	250	250	-	-	-	-	-	-	-
7,137		5,679	8,892	9,372	9,770	10,569	11,120	11,453	11,966	12,435
	Note 4									
	Interest Expense									
52,149	General borrowing	49,412	52,470	59,503	66,883	74,000	78,527	81,260	88,123	93,671
10,101	Equity investments	10,048	9,649	9,286	9,239	9,243	9,268	9,276	9,545	9,575
16,324	Advances to Council organisations	18,591	20,428	20,421	20,790	20,966	20,932	20,729	20,702	20,597
-	Housing	-	-	-	-	-	-	-	-	-
78,574		78,051	82,547	89,210	96,912	104,209	108,727	111,265	118,370	123,843
	Note 5									
	Debt Repayment provided for									
38	Targeted rate loans	-	-	-	-	-	-	-	-	-
23,678	Ratepayer funded loans	32,269	59,794	48,496	46,586	54,280	62,960	73,754	90,306	107,146
2	Housing	-	-	-	-	-	-	-	-	-
23,718		32,269	59,794	48,496	46,586	54,280	62,960	73,754	90,306	107,146
	Note 6									
	Fees, Charges and Operational Subsidies									
3,828	Libraries, arts and culture	3,156	3,371	3,610	3,747	3,834	3,921	4,017	4,113	4,216
147	Economic development	150	153	156	160	163	167	171	175	180
-	Flood protection and control works	-	-	-	-	-	-	-	-	-
-	Heritage protection and policy	-	-	-	-	-	-	-	-	-
14,871	Housing	12,532	12,109	12,703	13,336	14,011	14,717	15,471	16,264	17,109
85	Natural environment	86	88	90	92	94	96	98	101	103
4,734	Parks and open spaces	2,330	2,376	2,426	2,479	2,537	2,596	2,658	2,721	2,788
12,029	Refuse minimisation and disposal	12,076	11,919	11,663	11,400	10,807	10,103	9,026	8,845	9,109
46,248	Regulation and enforcement	49,549	46,897	46,922	47,838	48,919	50,051	51,254	52,471	53,785
2,257	Resilient communities	1,294	1,322	1,352	1,383	1,416	1,447	1,482	1,518	1,554
12,854	Roads and footpaths	13,581	13,252	13,462	13,811	14,212	14,891	15,246	15,607	15,997
9,152	Sewerage collection, treatment and disposal	4,836	4,806	4,904	4,994	5,109	5,226	5,352	5,481	5,617
13,667	Sport and recreation	13,251	13,620	17,937	25,218	31,767	34,550	35,799	37,004	38,269
1,570	Stormwater drainage	20	21	21	16	17	11	12	12	12
165	Strategic governance	911	172	176	885	183	188	948	196	202
519	Strategic policy and planning	581	465	475	486	497	508	520	533	546
12,288	Transport	12,854	13,664	15,017	15,802	16,414	16,979	17,453	17,932	18,374
1,579	Water supply	601	613	360	368	377	385	394	404	413
19,512	Corporate	9,989	8,615	10,975	10,050	10,026	10,243	10,439	10,614	10,837
155,505	Total group of activity operating revenue	137,797	133,463	142,249	152,065	160,383	166,079	170,340	173,991	179,111
946	Less non cash revenue	1,468	1,513	1,567	1,621	1,666	1,666	1,371	930	927
154,559	Fees, charges and operational subsidies	136,329	131,950	140,682	150,444	158,717	164,413	168,969	173,061	178,184

Plan 2015/16	Note 7 Transfers from Reserves	Plan 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		\$000								
327	Reserves a/c - reserve purchases	50	326	22	348	22	326	-	-	-
10,192	Housing - net capital programme	3,783	3,353	6,771	6,730	6,861	7,165	6,961	7,102	7,243
15,777	Housing cash operating result	3,707	-	-	-	-	-	-	-	-
415	Dog Account - capital programme	-	-	-	-	-	-	-	-	-
4,167	Capital endowment fund - grants	2,328	2,401	2,185	2,222	2,313	2,568	2,506	2,553	2,489
	- Debt repayment reserve	163,098	-	-	-	-	-	-	-	-
2	Housing debt repayment	-	-	-	-	-	-	-	-	-
65	Burwood Landfill remediation	66	66	66	66	66	-	-	-	-
30,945		173,032	6,146	9,044	9,366	9,262	10,059	9,467	9,655	9,732
Note 8										
Asset Sales										
60	Plant and vehicle disposals	27	58	-	20	-	-	-	-	-
8,970	Surplus property sales	7,522	5,379	5,359	3,844	-	-	-	-	-
445	Surplus roading land sales	454	465	476	489	502	515	530	545	561
45,196	Earthquake related property settlements	-	-	-	-	-	-	-	-	-
54,671		8,003	5,902	5,835	4,353	502	515	530	545	561
Note 9										
Borrowing										
958,208	Capital Programme	535,530	640,034	593,630	427,691	334,831	337,403	346,853	385,233	372,858
2,542	Capital grants	9,052	8,878	6,658	114	22	22	26	25	26
43,992	Earthquake response	25,225	-	-	-	-	-	-	-	-
12,801	Operational costs	-	-	-	-	-	-	-	-	-
1,017,543	Total funding requirement	569,807	648,912	600,288	427,805	334,853	337,425	346,879	385,258	372,884
Funding sources										
54,671	Sale of assets	8,003	5,902	5,835	4,353	502	515	530	545	561
108,678	Rates (for renewals)	112,756	117,082	124,337	132,124	140,491	149,342	158,854	169,095	179,938
338	Rates (for landfill aftercare)	350	359	352	612	699	675	492	714	405
118,249	Earthquake rebuild recoveries	105,786	58,643	11,412	14,078	5,917	6,018	8,367	5,588	5,160
10,999	Reserve drawdowns	166,996	3,745	6,859	7,144	6,949	7,490	6,962	7,101	7,243
200,000	CCHL special dividend	110,000	200,000	200,000	-	-	-	-	-	-
17,231	Development contributions	13,115	18,113	24,262	23,082	24,097	25,537	24,375	23,407	23,352
23,522	Capital grants and subsidies	21,874	42,809	21,515	21,173	26,223	36,860	22,950	17,919	18,559
533,688	Total funding available	538,880	446,653	394,572	202,566	204,878	226,437	222,530	224,369	235,218
483,855	Borrowing requirement	30,927	202,259	205,716	225,239	129,975	110,988	124,349	160,889	137,666
276,718	Less debt repayment	32,269	59,794	48,496	46,586	54,280	62,960	73,754	90,306	107,146
-	- Plus new borrowing on behalf of subsidiaries	-	-	-	-	-	-	-	-	-
400	Less borrowing on behalf of subsidiaries repaid	14,485	-	6,000	1,000	1,000	1,000	1,000	1,100	1,100
206,737	Net change in borrowing	(15,827)	142,465	151,220	177,653	74,695	47,028	49,595	69,483	29,420
1,351,914	Opening gross debt	1,356,657	1,340,830	1,483,295	1,634,515	1,812,168	1,886,863	1,933,891	1,983,486	2,052,969
1,558,651	Closing gross debt	1,340,830	1,483,295	1,634,515	1,812,168	1,886,863	1,933,891	1,983,486	2,052,969	2,082,389

Plan Note 10		Plan								
2015/16 Rates		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		\$000								
384,357	Rates levied 1 July	414,748	444,041	469,110	498,073	528,032	554,123	579,462	614,306	649,936
3,425	Rates in year income per Order in Council	4,072	1,384	-	-	-	-	-	-	-
2,780	Excess water charges	2,836	2,892	2,815	2,877	2,943	3,011	3,083	3,157	3,236
2,200	Penalties	2,244	2,289	2,337	2,388	2,443	2,499	2,559	2,621	2,686
392,762		423,900	450,606	474,262	503,338	533,418	559,633	585,104	620,084	655,858

