

Acting Mayor's Foreword

The development of the 2020-21 Annual plan has been challenged by events of this year, but I am pleased to be able to say that after a huge amount of work, some contest of ideas, some difficult decisions and much diligence on the part of elected members and staff we have adopted an Annual Plan for our city which I commend to our residents.

While acknowledging New Zealand's relatively fortunate position globally, the COVID-19 pandemic has none-the-less hit many of our residents and businesses hard. In the ongoing atmosphere of uncertainty that surrounds us, we need to be open to the fact that there could also be further hard times ahead.

The Council has shown considerable agility in reworking the draft Annual Plan, which initially went out for consultation in February, to take into account the impact of the COVID-19 pandemic and the resulting changed social and economic environment.

The Council faced a \$33 million deficit to the end of the current 2019/2020 financial year as a result of lost revenue, additional costs, and reduced dividends due to the impact of COVID-19. We are also forecasting significant further impact in 2020/21 and 2021/22.

Reworking our original draft Plan was our only realistic option, given the seriousness of the financial situation we, along with many of our residents, faced.

Together Council has worked hard to find a balance. We have maintained services at an acceptable level, at the same time as significantly reducing spending in other areas. We have kept a future focus by retaining long planned capital projects, some of which have already been subject to engagement and consultation, which have been anticipated and expected by residents. The continuation of these capital projects, many of which have been rephased to ensure consistent and timely delivery, will also provide much needed employment opportunity at a time when our city needs it most.

We went out for consultation with a document which had some specific questions in it, and we received many insightful and well thought out responses to those questions. A number of changes have occurred as a result of submissions and as a result of new information since the draft Annual Plan was approved. We listened, and we made changes as a result.

These have resulted in a budget which provides for an overall average rates increase of 3.8%, an average residential rates rise of 2.09%, which equates to \$1.12 per week for an average priced home. The average business rates increase is 3.34% which translates to \$8.26 per week.



This rates increase is more than the 3.5% we consulted on, but is much less than it would have been had we not given serious attention to our post-COVID-19 position as we developed the reworked draft Plan.

At the formal meeting to adopt the Annual Plan, a finely balanced decision was made not to go ahead at this stage with a proposal to extend excess water use charges. This matter will be further addressed in the development of the Long Term Plan, with a focus on equity, fairness and the need for conservation of water.

At the same meeting a decision was made not to adopt a proposal to increase the use of the chemical weed killer glyphosate, in response to significant community feedback through the submissions process. A proposal to increase funding to community organisations was supported, resulting in a decision to provide a further \$500,000 in funding to community groups over this financial year to assist our social recovery.

As Acting Mayor I wish to acknowledge the leadership of Mayor Dalziel. With aroha to the Mayor and her family, I acknowledge her influence in how we arrived at this Plan, and I thank her for her confidence in us as we finalised it.

We have much more work to do as we develop the Long Term Plan. There are more hard decisions to be made, but this Annual Plan represents a significant step towards that.

There has been a healthy contest of ideas throughout the development of this Plan which has been part of an open and democratic process. Preparing a budget of this nature in these circumstances is always going to be about compromise and balance, and this has also been a deeply collaborative process.

As I commend this Plan to you, I would like to thank you for engaging with Council, not only on this Annual Plan but on the many other issues where we need your support to help us do our work.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal tail.

Andrew Turner
**Acting Mayor of
Christchurch**