Kōrero mai | Let's talk

Mahere Rautaki ā tau

OUR DRAFT ANNUAL PLAN 2025/26

Consultation document

Tell us what you think by 28 March 2025.

letstalk.ccc.govt.nz/annualplan

Christchurch City Council

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Ōtautahi Christchurch

For the period 1 July 2025 to 30 June 2026
Adopted for consultation on 12 February 2025

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Cautionary note

The forecast financial statements in the Draft Annual Plan 2025/26 have been prepared on the basis of best estimates available at the time of preparing the accounts. Actual results may vary from the information presented and the variations may be material.

The purpose of this consultation document is to inform the community on the spending priorities outlined in the Draft Annual Plan 2025/26, and may not be appropriate for any other purpose.

A word from the Mayor

Welcome to Christchurch City Council's plan and budget for 2025/26.

Christchurch is experiencing significant growth and transformation – and Christchurch City Council is playing an important role in shaping this progress. From the water you drink everyday to the dog park down the road, the Council plays a central role in the daily life of the city. I'm proud of the work we do each day to support our community.

Thanks to careful planning and some difficult decisions over the past few years, Christchurch has become one of the most desirable places to live, work and visit. The city has gained recognition as the "capital of cool" and named as one of the "world's greatest places". Christchurch is also the primary economic hub for the South Island. It has the most affordable housing of New Zealand's major urban centres, and a lifestyle that is highly valued by residents. We're New Zealand's second-largest city, and one of the fastest-growing cities in the country.

Several major projects are nearing completion and will bring lasting improvements to the city, including One New Zealand Stadium at Te Kaha, Parakiore Recreation and Sport Centre, and The Court Theatre. These projects are part of our ongoing effort to foster growth and development.

We've always tried to strike a balance between meeting today's issues head-on and keeping an eye on the future. The Long Term Plan set out our 10-year strategy, while the Annual Plan is where we fine-tune that 10-year strategy. However, making major changes could lead to a significant change in projected rates.

This year, we won't achieve a balanced budget. This reflects the current financial pressures, particularly the rising cost of living. Rather than increasing rates immediately to fund asset renewals, we're choosing to borrow more and spread the cost over time. While this approach helps in the short term, we must return to a balanced budget in the longer term to ensure costs are managed responsibly and fairly for future generations. We aim to do this by 2028.

Christchurch City Council has a strong history of tackling challenges and embracing change. We are committed to developing a modern city that meets the needs of its residents. To continue this progress, we value and seek your input.

The best cities are the ones that listen to their communities, and that's exactly what we're doing. Your feedback is vital in shaping the services, infrastructure, and planning that will ensure Christchurch remains the city we're proud to call home.

We're looking forward to hearing from you.

Phil Mauger
Mayor of Christchurch

WORKING IN PARTNERSHIP

Our engagement and relationships with Māori are founded on Te Tiriti o Waitangi as well as subsequent legislation such as the Local Government Act 2002, the Resource Management Act 1991 and Te Rūnanga o Ngāi Tahu Claims Settlement Act 1998.

We acknowledge the intertwined histories, values, and aspirations that shape Ōtautahi Christchurch. We recognise the takiwā of Ngāi Tūāhuriri Rūnanga, Te Hapū o Ngāti Wheke, Te Rūnanga o Koukourārata, Ōnuku Rūnanga, Wairewa Rūnanga, and Te Taumutu Rūnanga within our district.

Since 2015, the relationship anchored by the Te Hononga Council – Papatipu Rūnanga Agreement ensures both governance and ongoing kōrero between the Council and Ngā Pāpatipu Rūnanga. The Council's partnership with Ngā Pāpatipu Rūnanga ensures that the views and values of mana whenua are considered across Council activities as we make decisions about the district, its resources and the environment.

As part of the development of the Long Term Plan 2024–34, Ngā Papatipu Rūnanga shared their priorities, many of which are rooted in infrastructure. These included:

- Enabling and providing affordable housing.
- Ensuring access to safe drinking water supplies, protecting water sources, and conducting water quality monitoring.
- Managing stormwater systems to protect land, property, waterways, and mahinga kai, with a focus on sediment reduction.
- Protecting and enhancing reserves and native biodiversity.
- Collaborating with local communities and marae to develop adaptation plans for areas at risk of coastal hazards.
- Providing fit-for-purpose infrastructure, such as roads, footpaths, and wharves, that enable access to local areas, sites of significance, waterways, and coastal waters.
- Exploring the possibility of transferring Council-owned land, of cultural significance, to mana whenua.

These priorities, along with others, continue to shape our infrastructure investments in this Annual Plan. The Council is committed to engaging effectively with Māori to ensure they have opportunities to contribute to decision-making processes.

WHAT IS AN ANNUAL PLAN?

An Annual Plan outlines the activities, services and capital projects we will deliver and how we will fund them, including the required rates. It also highlights any key changes from the Long Term Plan for the year.

This Draft Annual Plan covers the second financial year of the Long Term Plan, from 1 July 2025 to 30 June 2026.

WE WANT YOUR FEEDBACK

You can make submissions from **Wednesday 26 February until 11.59pm on Friday 28 March 2025.**

See page 30 for a list of the ways you can have your say.

letstalk.ccc.govt.nz/annualplan

A SNAPSHOT OF THE BUDGET

We go into more detail later in this document, but here is a summary of our main proposals:

7.58%

Overall average rates increase across all properties. This is lower than the 8.48% projected in the LTP.

7.40%

Average proposed rates increase for a typical household (an additional $5.64 a week). See page 17 for an explanation of how this works.

$861 million

Operational spend. This is $17.5 million more than what was in the LTP. This is spending on the day-to-day services we provide. See page 10.

$736 million

Capital spend invested into the city. This is spending on the construction of facilities and infrastructure. See page 12.

$443 million

Borrowing for the capital programme in 2025/26 is $66.9 million greater than planned in the LTP. See page 22.

Read the Draft Annual Plan for 2025/26

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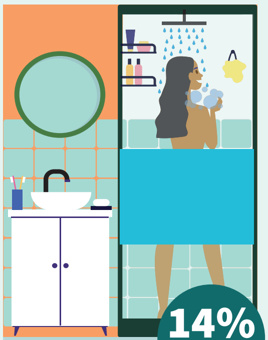
PROSERVICES
0800 PRO HIRE
www.smithcranes.c

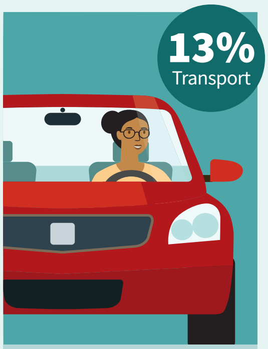
A day in the life of your rates

6am
Start the day right with a toilet break.

6.30am
Hit the gym and take a swim.



7.30am
Shower in nice, clean, safe water.



8am
Head out of the house in a way that suits you.

11am
Swing by the library and pick up the book you ordered online.

Noon
Recover your lost dog from the animal shelter.

1pm
Take in the Art Gallery and museum.

3pm
Spend some time with your community group and attend an event.

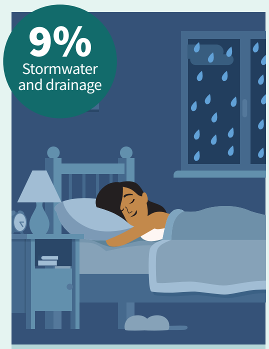
5.30pm
Put out your bins for us to collect.

7pm
Take your dog for a walk in the park.

7.30pm
Take a moment to admire just how well-planned the new subdivision is.

8pm
Lull your kids to sleep by telling them how the Council repays debt, offset by returns from the various companies it owns.

10pm
Make a submission on a Council project close to your heart.



11pm
Fall asleep peacefully listening to the rain while the drains do their thing.

(figures for the 2024/25 financial year)

OUR PROPOSED SPENDING TO DELIVER OUR ACTIVITIES, SERVICES AND PROJECTS

Changes to operational spending

Operational spending funds the day-to-day expenses, including the cost of delivering the services provided by the Council, and is primarily funded through rates. It therefore has a direct impact on the level of rates we set.

Operational expenditure for 2025/26 is projected to be $17.5 million higher than forecasted in the LTP. This increase reflects factors such as higher inflation and other external cost pressures, including the proposed Crown-imposed levies and the need to address nationally driven District Plan changes.

While we have had some costs reduce, such as a $9.2 million reduction in insurance costs, other costs have increased since the LTP. These include:

- An additional $4.8 million to extend the use of the Burwood Landfill. However, this will be fully recovered from waste charges.
- An additional $4.1 million in costs for water services maintenance.
- An additional $2.1 million for proposed Water Services Authority and Commerce Commission levies relating to the regulation of water services.
- An additional $1.1 million to manage the large number of District Plan Changes the Council is required to address.
- An additional $75,000 for a feasibility assessment for a skate park upgrade, including a potential vert ramp at Washington Skatepark or an alternative venue, giving us the potential to host national or international skate events.
- An additional $1.1 million to meet higher digital licensing and contract costs over and above inflation.
- An additional $3.7 million to meet staff costs that cannot be covered by capital projects.
- An additional $8.0 million in staff salaries and wages costs due to pay equity, living wage and contract settlement adjustments, partially offset by increased revenue and other budget reductions.
- An additional $6.5 million to cover higher than expected inflation costs.

You can find more information about these proposed changes to our spending from page 8 in the Draft Annual Plan.

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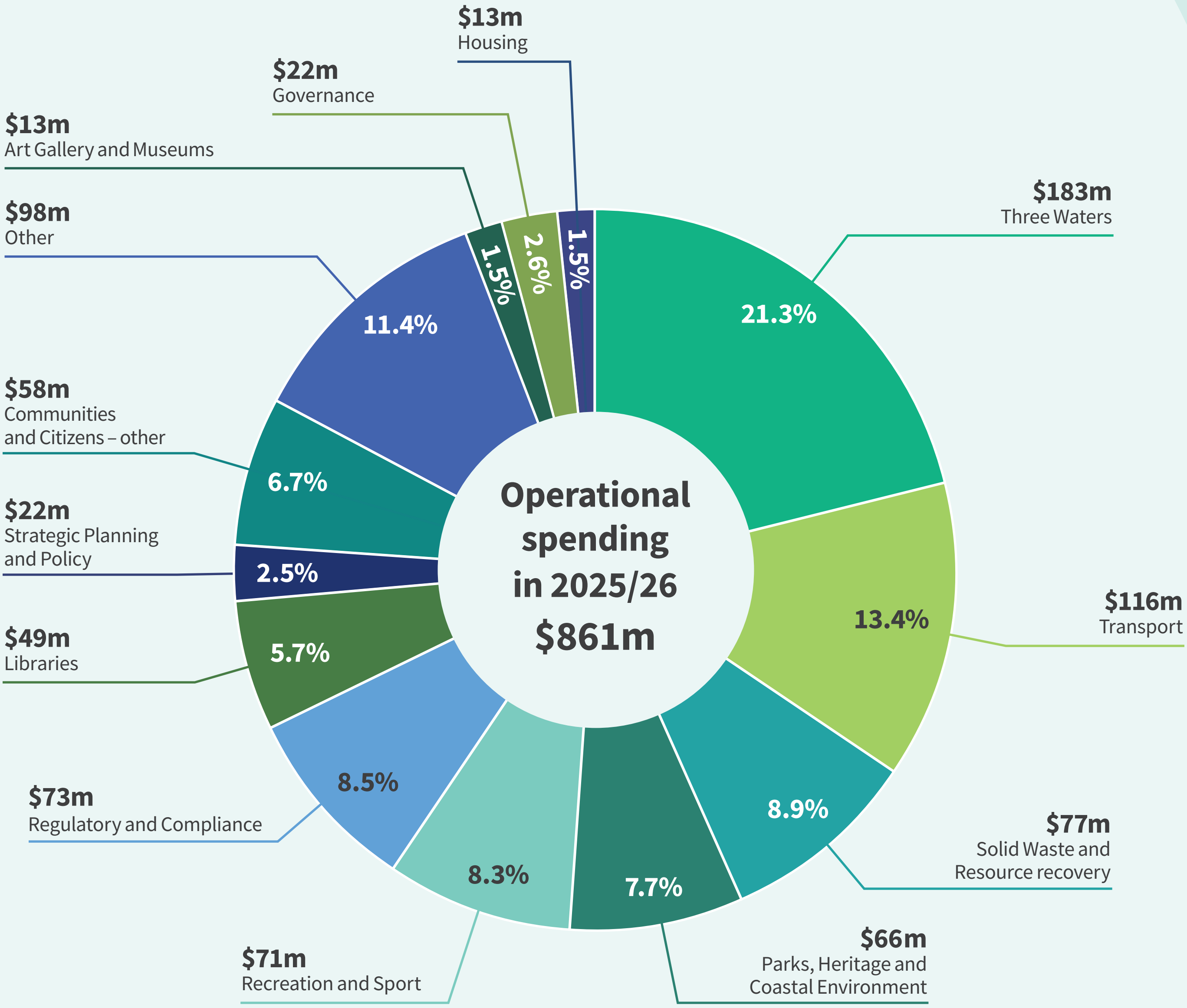
Operational spending in 2025/26



"Other" includes corporate costs not charged to other activities, i.e. interest on on-lending loans, business contingencies, etc.

Changes to capital spending

Our capital spending funds physical infrastructure projects, such as roading and Three Waters improvements, community, sporting and recreation facilities, and upgrades to our parks and reserves. These projects are funded through a combination of rates and debt, subsidies and grants, and development contributions. Since these projects will benefit future generations, we use borrowing to spread the repayment cost over 30 years.

The Draft Annual Plan reflects our priorities for the capital programme:

- Maintaining and renewing our water supply and stormwater infrastructure.
- Improving our roads and footpaths.
- Enhancing our parks and riverbanks.
- Building our facilities.
- Adapting to climate change.

The Draft Annual Plan shows a current capital spend in 2025/26 of $736.1 million (including $92.5 million for One New Zealand Stadium at Te Kaha).

We are reviewing the capital programme to assess its deliverability. We want to avoid charging ratepayers for work in 2025/26 that we may not deliver within that year. By the time of adopting the Annual Plan, we will have a more detailed understanding of what will be delivered in 2025/26.

Adjusting the timing of spending on certain projects does not necessarily mean the project is slowing down or will be delayed. Many projects are delivered over several years, and when we initially establish project budgets, there is often uncertainty about the exact timing of construction to be undertaken in each year. This is why we review our capital programme during the Annual Plan process, to ensure that we remain focused on what we can realistically deliver in a cost competitive way in the upcoming financial year.

The reprioritised capital programme budget for 2025/26 includes changes in the following areas.

Community facilities

- Moving $9.5 million of Jellie Park renewals from 2025/26 to 2026/27. This will allow Jellie Park to remain open until Parakiore has opened.
- Moving $2.0 million of Akaroa Wharf renewal from 2025/26 to 2026/27 to align with the construction of the project.
- Moving $3.1 million for One New Zealand Stadium at Te Kaha from 2025/26 to 2026/27 to align with construction of the project.

Three Waters

- Adding an additional $10.8 million, over and above what was indicated in the LTP, to the water supply mains renewals programme to help reduce water leaks across our network.
- Prioritising the Addington Brook and Riccarton Drain filtration devices, by bringing $4.7 million of the budget from 2030/31 to 2025/26 to allow the project to be delivered earlier.
- Moving $16.2 million from 2025/26 to 2027/28 for the Christchurch wastewater treatment plant activated sludge reactor, as the initial budget phasing was done before the insurance settlement was reached.
- Moving $8.8 million from 2025/26 to 2027/28 to upgrade the biogas storage at the Christchurch Wastewater Treatment Plant while we work through cost-effective solutions.
- Adding $3 million to the Ōtākaro Avon River Corridor stopbank project budgets in 2025/26 to deliver stopbanks from Pages Road to Bridge Street.
- Combining the Duvauchelle wastewater treatment project with the Akaroa Wastewater Treatment Plant project in order to achieve efficiencies.

Transport

- Carrying forward 9.7 million from 2024/25 to stage the delivery of the Papanui ki Waiwhetū Wheels to Wings major cycle route, focusing initially on linking the Te Ara O-Rakipaoa Nor'West Arc and Puari ki Pū-harakeke-nui Northern Line major cycle routes and making road safety improvements to three parts of Harewood Road (see page 14 for more information).
- Moving the Lincoln Road (Curletts to Wrights roads) Public Transport project from 2025–2028 to 2028–2030 while we work on a business case for New Zealand Transport Agency Waka Kotahi funding (see page 14 for more information).
- Adding an additional $2.5 million in 2025/26 and $1.0 million in 2026/27 to enable us to complete the Te Aratai Cycle Connection project.
- Adding an additional $2.0 million in 2025/26 and $1.5 million in 2026/27 to address the speed limit changes announced by the Government.
- Adding an additional $2.0 million in 2025/26 and $2.8 million in 2027/28 to improve the hairpin bend on Evans Pass Road.
- Adding an additional $751,000 in 2025/26 and $759,000 in 2026/27 to complete the Simeon Street cycle connection project.
- Adding an additional $1.25 million in 2025/26 for Antigua Street Cycle Network (Tuam – Moorhouse) to support the initial design for the project.
- Adding an additional $1.0 million in 2025/26 and $7.8 million in 2026–2028 for Major Cycleway – South Express Route (Section 1) Hei Hei Road to Jones Road, to complete the route to Templeton.
- Transferring $1.5 million into 2025/26 and $3.0 million into 2026/27 from the 2028/29 budget for the Major Cycleway – Ōpāwaho River Route (Section 3) Waltham to Ferrymead Bridge, to the Major Cycleway – Heathcote Expressway Route – Scruttons Road KiwiRail Crossing.

An easy way to see all our proposed changes at a glance is using our online search tool at **letstalk.ccc.govt.nz/annualplan**, a handy guide to the Council projects that are affected by the Draft Annual Plan. Search by the area you live in, the type of project, the project name or even just a key word, and see at a glance which project's funding has been updated for the next three years.

Papanui ki Waiwhetū Wheels to Wings major cycle route

Due to escalating project costs and confirmation from New Zealand Transport Agency Waka Kotahi that no government funding contribution will be available this year for Wheels to Wings, the Council has had to reconsider how it delivers the cycleway. This cycleway would provide a connection from Papanui to the airport via Bishopdale and Harewood.

The proposal is now to take a staged approach to construction and for 2025/26 we propose to spend $9.7 million to:

- Link the Te Ara O-Rakipaoa Nor'West Arc and Puari ki Pū-harakeke-nui Northern Line major cycle routes, and install a signalised pedestrian crossing on Harewood Road, between Matsons Avenue and Chapel Street.
- Install traffic lights at the Harewood Road, Gardiners Road and Breens Road intersection, and install a signalised pedestrian crossing on Harewood Road at Harewood School Te Kura o Tāwera.

The construction of the remainder of the route is yet to be finalised and will be confirmed through future Annual Plan or Long Term Plan processes.

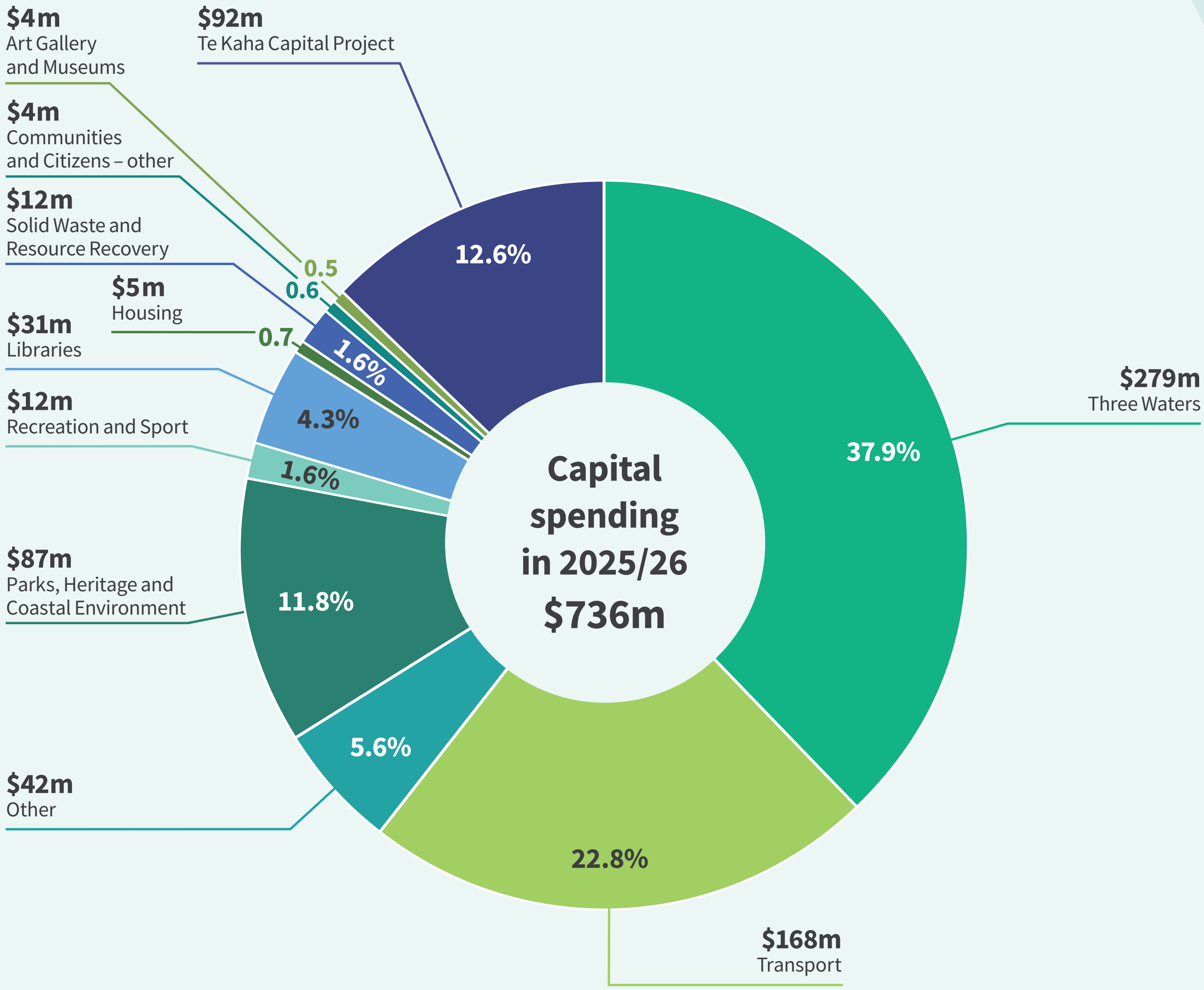
Lincoln Road (Curletts to Wrights roads)

We are proposing to defer the Lincoln Road (Curletts to Wrights) Public Transport project from 2025–2028 to 2028–30. When completed, this project will mean there are peak time bus lanes all the way from Addington to Halswell, allowing one of the most well-used and fastest growing routes in the city to operate quickly and reliably at all times of day.

By delaying this project, there will be a gap in the bus lanes between Barrington Street and Curletts Road. However, for New Zealand Transport Agency Waka Kotahi to consider contributing to the cost of the works, we need additional time for the business case process.

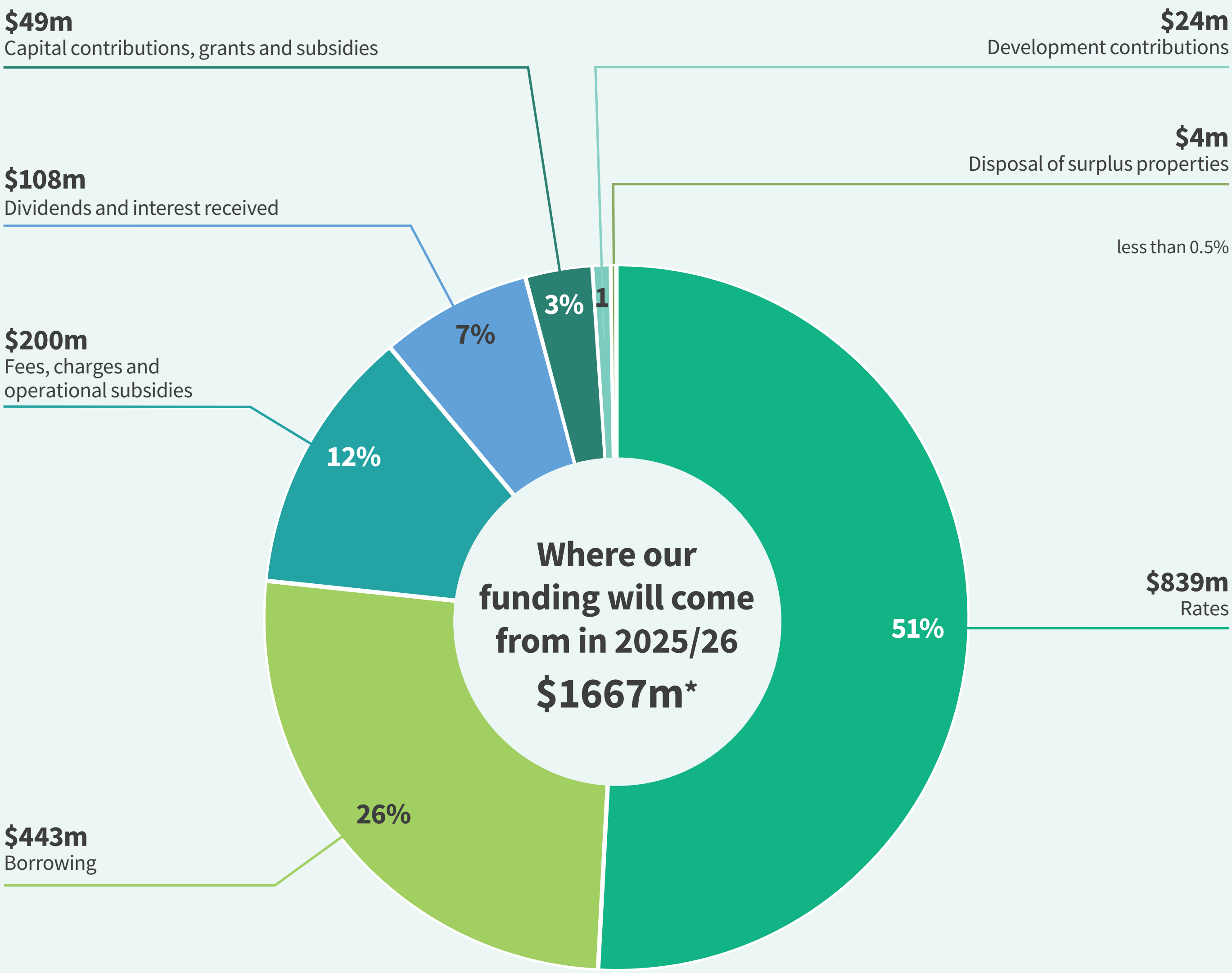
If the deferral goes ahead, some of the money expected to be spent in the meantime will be redirected towards other public transport projects – for example, reducing the waiting time for buses at some intersections, and improving the operation of existing bus lanes.

Capital spending in 2025/26



"Other" comprises capital expenditure relating to IT projects, Performing Arts Precinct, corporate investments, property and fleet replacement.

HOW WE PROPOSE TO FUND ACTIVITIES, SERVICES AND PROJECTS



*Refer to pages 22–23 of the Draft Annual Plan for a full reconciliation of funding sources and application of funding.

Rates provide half (51%) of the Council's funding for the services and activities that keep Christchurch running.

In last year's LTP we proposed an average rates increase of 8.48% for the 2025/26 financial year, which would have collected $844.3 million. This year, we are proposing a rates increase of 7.58% for 2025/26, which will collect $838.5 million (excluding GST) to help pay for essential services as well as capital renewal and replacement projects, events and festivals. This income is topped up with funding from fees and charges, government subsidies, interest, dividends from subsidiaries and development contributions. We borrow to fund a significant portion of the capital programme.

We have been able to reduce the rates increase from 8.48% to 7.58% by using some of our forecasted surplus from 2024/25 to reduce next years' rates. This is partly offset by an increase in spending across our capital and operational programmes, as highlighted in this document.

Using one-off savings to reduce the rates increase means future rates increases would be more than were forecasted in the LTP if no further savings or alternative sources of revenue are found, as shown in the following table:

	Long Term Plan	Draft Annual Plan
Proposed for 2025/26	8.48%	7.58%
Forecast 2026/27	5.80%	10.38%
Forecast 2027/28	5.88%	8.62%

The best way to find out exactly what your rates could be from 1 July 2025 is to look up your property at **ccc.govt.nz/rates**

Changes to rates

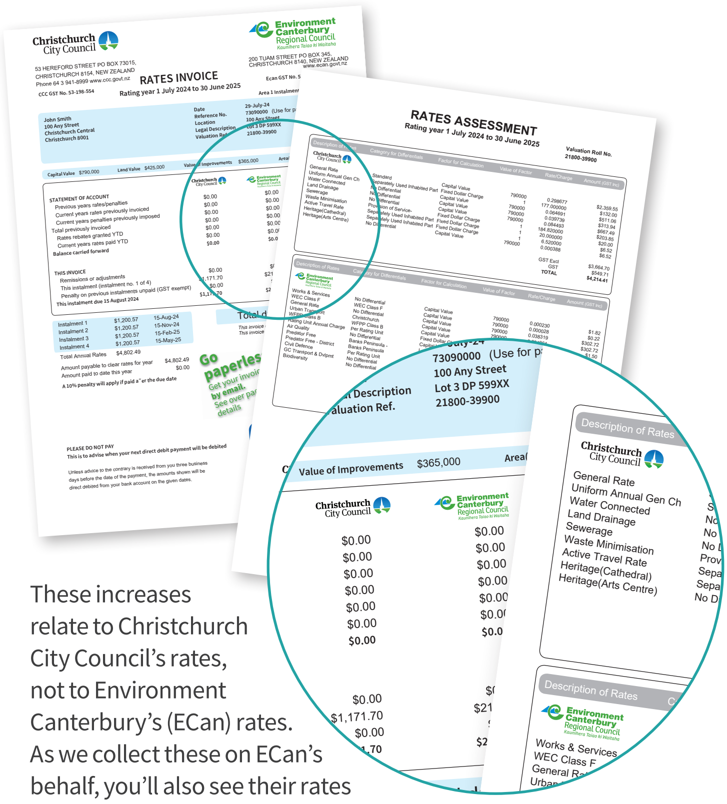
Rates are a tax on property, and most are collected in proportion to the property's value, meaning properties with higher values pay more.

Rates increases for an individual property will depend on:

- The property's classification (whether it is a standard, business or remote rural property).
- Which rates the property pays (for example, a property only pays the sewer rate if it's within the sewer serviced area).
- The capital value of the property.
- How many 'separately used or inhabited parts' (SUIPs) the property has. Fixed rates are paid based on the number of SUIPs. For example, a property with two flats will pay two fixed charges. Most residential properties have only one SUIP.

For the typical household, our proposed average rates increase for 2025/26 is 7.40%.

The average proposed rates increase across all ratepayers – households, and business and rural properties – is 7.58%.



These increases relate to Christchurch City Council's rates, not to Environment Canterbury's (ECan) rates. As we collect these on ECan's behalf, you'll also see their rates on your invoices.

Residential property rates

A typical house would see a rates increase of 7.40%.

Typical residential properties with different capital values will experience slightly different rates increases.

The following table shows average rates increases for residential properties based on their 2022 valuation.

All rates listed below include GST.

CV ($)	2024/25 rates	Proposed 2025/26 rates	Increase $ per year	Increase $ per week	Total change (%)
$300,000	$1684.39	**$1798.79**	**$114.40**	$2.20	6.8%
$400,000	$2116.41	**$2264.72**	**$148.31**	$2.85	7.0%
$500,000	$2548.43	**$2730.64**	**$182.21**	$3.50	7.2%
$600,000	$2980.45	**$3196.57**	**$216.12**	$4.16	7.3%
$700,000	$3412.47	**$3662.49**	**$250.03**	$4.81	7.3%
$800,000	$3844.48	**$4128.42**	**$283.94**	$5.46	7.4%
$1,000,000	$4708.52	**$5060.27**	**$351.75**	$6.76	7.5%
$1,200,000	$5572.56	**$5992.12**	**$419.56**	$8.07	7.5%
$1,500,000	$6868.61	**$7389.90**	**$521.29**	$10.02	7.6%
$2,000,000	$9028.70	**$9719.52**	**$690.82**	$13.29	7.7%
$3,000,000	$13,348.88	**$14,378.77**	**$1029.89**	$19.81	7.7%
Average house					
$828,184	**$3966.24**	**$4259.74**	**$293.49**	**$5.64**	**7.40%**

Business property rates

A typical business property would see a rates increase of 8.21%

Typical business properties with different capital values will experience slightly different rates increases. Based on their 2022 valuation, those average increases are:

All rates listed below include GST.

CV ($)	2024/25 rates	Proposed 2025/26 rates	Increase $ per year	Increase $ per week	Total change (%)
$300,000	$2558.89	**$2752.08**	**$193.19**	$3.72	7.5%
$500,000	$4005.93	**$4319.46**	**$313.53**	$6.03	7.8%
$1,000,000	$7623.51	**$8237.89**	**$614.38**	$11.82	8.1%
$1,500,000	$11,241.10	**$12,156.33**	**$915.24**	$17.60	8.1%
$2,000,000	$14,858.68	**$16,074.77**	**$1216.09**	$23.39	8.2%
$2,500,000	$18,476.27	**$19.993.21**	**$1516.94**	$29.17	8.2%
$3,000,000	$22,093.85	**$23,911.65**	**$1817.80**	$34.96	8.2%
$4,000,000	$29,329.02	**$31,748.52**	**$2419.50**	$46.53	8.2%
$5,000,000	$36,564.19	**$39,585.40**	**$3021.21**	$58.10	8.3%
Average business					
$2,490,288	**$18,406.00**	**$19,917.10**	**$1511.10**	**$29.06**	**8.21%**

Remote rural property rates

A typical farm property would see a rates increase of 8.43%

Typical farms with different capital values will experience slightly different rates increases. Based on their 2022 valuation, those average increases are:

All rates listed below include GST.

CV ($)	2024/25 rates	Proposed 2025/26 rates	Increase $ per year	Increase $ per week	Total change (%)
$300,000	$880.90	**$940.88**	**$59.98**	$1.15	6.8%
$500,000	$1240.08	**$1332.13**	**$92.05**	$1.77	7.4%
$800,000	$1778.84	**$1919.00**	**$140.16**	$2.70	7.9%
$1,000,000	$2138.02	**$2310.25**	**$172.23**	$3.31	8.1%
$1,500,000	$3035.96	**$3288.37**	**$252.41**	$4.85	8.3%
$2,000,000	$3933.90	**$4266.48**	**$332.58**	$6.40	8.5%
$3,000,000	$5729.78	**$6222.72**	**$492.94**	$9.48	8.6%
$4,000,000	$7525.66	**$8178.96**	**$653.30**	$12.56	8.7%
$5,000,000	$9321.54	**$10,135.19**	**$813.65**	$15.65	8.7%
Average remote rural property					
$1,906,247	**$3765.53**	**$4083.08**	**$317.55**	**$6.11**	**8.43%**

Our targeted rate to help reinstate the Christ Church Cathedral

In 2017 the Council decided to grant $10 million towards the capital cost of reinstating the Cathedral. The grant was funded via a targeted rate of $6.52 per rating unit for a period of 10 years, from 2018 until 2028.

The Christ Church Cathedral Reinstatement project was recently paused while the project team determines how to address a significant funding shortfall.

We are proposing to pause the collection of this targeted rate for the remaining three years we had left to collect it. This means a $6.52 reduction in rates for every rating unit, and not paying this is currently factored into our proposed rates increase of 7.58%.

Of the money collected since 2018, we have paid out $3 million to date.

We have collected (but not yet paid out) an additional $5 million for the reinstatement of the Cathedral. Interest will continue to accrue on this money. If we do not collect any further money, it will take between 10 and 12 years to accrue the additional $2 million required to enable us to fund our commitment of $7 million.

WE WANT TO HEAR WHAT YOU THINK

What do you think of the proposal to pause the collection of the targeted rate for the Christ Church Cathedral reinstatement for the remaining three years we were due to collect it, and instead put the saving into our proposed rates increase of 7.58%?

If we decide to continue to collect the targeted rate, the rates increase would be 0.14% higher at 7.72%.

letstalk.ccc.govt.nz/annualplan

Changes to other revenue

Excluding rates, which are the Council's biggest source of revenue, the total of other revenue for 2025/26 is $384.8 million, which is $30.1 million lower than what was projected in the LTP. This is mostly due to a reduction in expected capital revenues of $43.2 million from New Zealand Transport Authority Waka Kotahi. However, this is partially offset by:

- Revenue from Burwood Landfill of $6.8 million due to an extension of the consent which allows us to continue to use the site.
- Increased subvention receipts of $6 million.

We are also using the remaining $55 million from the Christchurch Wastewater Treatment Plant insurance settlement to reduce borrowing in the interim, which reduces our interest costs.

Changes to fees and charges

We are proposing to change some Council fees and charges in the Draft Annual Plan. We are conscious of the financial pressure many of our residents and ratepayers are under, and we have attempted to avoid cost increases to the community that would create a barrier for them using our services. In other areas the proposed fee increase is in keeping with the increased costs the Council is facing. Fees in some areas are staying the same.

You can find more information about these proposed changes to our fees and charges from page 109 of the Draft Annual Plan.

letstalk.ccc.govt.nz/annualplan

Changes to how we charge for trade waste

Trade waste is liquid waste that commercial and industrial operators discharge to the Council's wastewater network. Our Annual Plan sets out how much we charge for this service.

This year, we have reviewed the charging to help address a number of issues. Currently, we offer reduced rates for operators disposing of trade waste during off-peak hours (4pm–8am) to ease pressure on our wastewater system during peak periods. We are the only council in New Zealand with this approach. However, we are proposing some changes to how we charge to improve efficiency and address the following concerns:

- The off-peak hours for commercial and industrial operators overlap with peak residential hours, which leads to a concentration of disposal at the same time. This creates added stress on our wastewater system.
- Storing trade waste for later disposal allows hydrogen sulphide levels to build up, which can degrade pipes, access chambers, and pump stations. This is costly infrastructure to replace. Hydrogen sulphide is also highly toxic, and elevated levels can pose health risks.
- Retention tanks used for storing trade waste require significant space, maintenance, and additional costs for chemical treatments and odour control.

To address these issues, we are proposing a new charge, from three new charging options, all of which are designed to be revenue-neutral and require less administrative effort. The costs associated with each option vary. All other councils in New Zealand use one of these options. Most have gone with Fixed, and Auckland and Wellington use Tiered.

WE WANT TO HEAR WHAT YOU THINK

What do you think of our proposal to change how we charge for trade waste?

letstalk.ccc.govt.nz/annualplan

Option 1: Three-tiered volume rate (the Council's preferred option)

Three-tiered volume rate	Fee
Volume <20m³/day	$1.15/m³
Volume >20m³/day –<230m³/day	$0.89/m³
Volume >230m³/day	$0.58/m³

The Council's preferred option would be using a three-tiered structure to help balance the impact on medium-sized businesses, while still offering a cheaper discharge rate for our larger dischargers. About 20 companies discharge enough per day to apply for tier 3.

There would be a greater impact on small-sized companies that discharge 100% at off-peak rate but don't reach the >20m³ tier. Ten companies would have their volume fee increase by $50 to $850 per quarter, or more than 90%. Medium-sized companies would benefit from the second tier.

With this structure, there would be around 60 consents with no billing change and around 70 consents with a net positive change in billing per quarter.

Option 2: Two-tiered volume rate

Two-tiered volume rate	Fee
Volume <95m³/day	$1.15/m³
Volume >95m³/day	$0.58/m³

With a two-tiered option, the fee per unit of discharged volume decreases as the discharge quantity increases. This option would have less of an impact on our larger dischargers, increasing their bill by around 5%, or $3000 to $5000 per quarter.

The impact would be greater on the 22 medium-sized companies that discharge 100% at the off-peak rate, but don't reach the second tier – their volume fee would increase by more than 90%.

Option 3: Fixed volume rate

Fixed volume rate	Fee
Volume	$0.77/m³

One set fee for all discharged volume from a site. This option would be the simplest to implement, interpret and calculate billing. It would result in a 33% volume bill increase for companies that discharge only during "off-peak" times – currently, around 20 sites do this. The greatest impact would be seen by our largest dischargers. The charges would come to $10,000 to $40,000 per quarter, or a 33% increase.

Changes to borrowing

In the Draft Annual Plan, we propose borrowing $443.3 million to support the delivery of our capital programme in 2025/26. This is $66.9 million higher than originally planned in the Long Term Plan, due to both the expanded programme and lower capital subsidies from the Government. Additionally, we propose to repay $82.2 million of existing debt.

Overall, 22.6% of Council rates will be allocated to debt servicing and repayment costs, which is slightly lower than the 23.0% originally projected in the LTP. Approximately $104.9 million is net interest costs and the balance of $82.2 million is repayment of the borrowing.

The Council's borowings are well within prudential limits. Borrowing enables us to spread the funding of infrastructure across multiple years.

Balanced vs. unbalanced budget

A balanced budget is where we have enough revenue to meet all our costs, including the costs of replacing and renewing assets that are at the end of their useful life.

In the LTP we forecasted that we would have an unbalanced budget in 2026/27 as a result of reducing the rating for renewals. We have now identified that in 2025/26 we will also have an unbalanced budget, mainly due to the LTP overestimating the amount of Government funding towards our capital programme.

When we do not balance our budget we need to borrow money to cover the shortfall. This means that ratepayers in the future also contribute to the cost of replacing and renewing the assets as the borrowing is repaid over 30 years. It also costs more because interest is paid on the borrowing.

To address the issue of fully funding our renewals we have been increasing what we rate over time, with a plan to be fully funding our renewals by 2032. This is a year later than indicated in the Financial Strategy in the Long Term Plan.

We are not penalised for having an unbalanced budget, but the Council must resolve to accept the unbalanced budget, and that it is acting in a financially prudent manner.

Rating for renewals

The Council currently has approximately $8 billion of water assets and $3 billion of transport assets. Next year we propose to spend $353.4 million renewing and replacing some of these assets, which are at the end of their life.

In 2025/26 we propose to rate $221 million for infrastructure and facility renewals across Christchurch and Banks Peninsula. After adding $26 million of Government revenues such as New Zealand Transport Agency Waka Kotahi subsidies, we propose to borrow the balance of $106 million, with our goal being that current and future ratepayers both bear a fair share of the cost of renewing and replacing assets.

The proposed rates increase of 7.58% includes an additional $5 million for rating for renewals in 2025/26 to help ensure we achieve a balanced budget from 2027/28 onwards, and fully fund renewals by 2032.

Increasing rating for renewals by an additional $2 million a year from 2025/26 would enable us to reduce our borrowing and interest costs over time. It would increase the rates by 0.25% in 2025/26 only, and would result in a small rates savings in each year onwards.

Changes in rates
$2 million increase in each of the six years to 2031 ($12 million in total). **Rates impact: 0.25% in 2025/26.**

$ impact over 2026–2031*	
Interest saved	$1.6 million
Debt repayment avoided	$1 million
Overall rates saving	$2.6 million

$ impact over 2026–2061**	
Interest saved	$9.3 million
Debt repayment avoided	$12 million
Overall rates saving	$21.3 million

* From 2032 renewals are forecast to be fully funded.

** Timeframe to fully repay borrowings.

WE WANT TO HEAR WHAT YOU THINK

Should we increase our rating for renewals by a further $2 million a year ($12 million in total) in order to keep our borrowing costs lower over time? This would result in an additional rates increase of 0.25% in 2025/26 only, but will generate $2.6 million of overall rates savings over the next six years.

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OTHER MATTERS FOR FEEDBACK

Opportunity to reduce or cut services to help reduce rates

We are seeking your input on where we could reduce costs or increase revenue without having a major impact on the services and projects identified in the Long Term Plan.

As a Council we can make minor adjustments to respond to your feedback. However, if there are major changes proposed through the submissions process, we are required by legislation to consult further on the specifics of the change and its impact on communities. We would do this separately to this Annual Plan process.

WE WANT TO HEAR WHAT YOU THINK

Tell us about the services:

- You value the most and would not want reduced.
- You could manage without.
- Where there could be an opportunity for savings.

letstalk.ccc.govt.nz/annualplan

The Climate Resilience Fund

As part of the 2024–34 LTP, the Council agreed to establish the Climate Resilience Fund to support future climate adaptation needs for Council assets.

Establishing the Fund allows the Council to begin accumulating resources now, helping to spread costs over time so that future generations are not solely burdened with the expense of adapting the Council's assets to our changing climate. The Fund will be financed through a 0.25% rate increase starting in July 2025, with an additional 0.25% added each subsequent year, reaching a total increase of 2.25% by the end of the LTP period. This will enable the Fund to accumulate in the order of $127 million by the end of the 10-year period.

While the decision to establish the Fund has been made, we are seeking your feedback on how the Fund will work, including what the fund can be used for, and how long it will be held in reserve before being used.

You can read the draft Climate Resilience Fund Policy at **letstalk.ccc.govt.nz/annualplan**.

WE WANT TO HEAR WHAT YOU THINK

Do you have any feedback on the draft Climate Resilience Policy, including how the Fund will work, what it can be used for and how long it will be held in reserve?

letstalk.ccc.govt.nz/annualplan

Proposal to grant $5 million to the Air Force Museum

The Air Force Museum of New Zealand is the national museum for the Royal New Zealand Air Force and New Zealand military aviation.

Located on the site of the former air base at Wigram, it has approximately 5000 square metres of display area and 14,000 square metres of storage and workshop space, and attracts more than 100,000 visitors a year.

The Museum is planning to construct an extension to house additional historical aircraft and approached the Council during last year's Long Term Plan process for a capital grant of up to $5 million, to be made available from 1 July 2027. The Council would borrow for this grant, rather than fund it through rates, so this grant would have a very minor impact on rates – 0.01% in 2027/28 and 0.03% in 2028/29.

The grant would be conditional on the Air Force Museum confirming it has secured sufficient funding for the whole project prior to drawing down the Council's contribution, and a business case showing how the Museum will benefit the community and be financially sustainable.

WE WANT TO HEAR WHAT YOU THINK

What do you think of the proposal to grant the Air Force Museum $5 million towards an extension of its site? This proposal would have a very minor impact on rates – 0.01% in 2027/28 and 0.03% in 2028/29.

letstalk.ccc.govt.nz/annualplan

Proposal to allocate money for a scoping study for the central city shuttle service

The free central city service shuttle was introduced in 1998 and operated until the Canterbury earthquakes in 2011. It was not reinstated after the central city cordons were removed in 2013, with the future of the service to be determined once big projects in the central city were complete.

We are proposing to allocate up to $200,000 to understand whether there is a case for reinstating a central city shuttle service.

WE WANT TO HEAR WHAT YOU THINK

What do you think of our proposal to allocate up to $200,000 for a scoping study for a central city shuttle service?

letstalk.ccc.govt.nz/annualplan


CITY
TOUR
Coffee Corner
OF TRAMS
New Regent
178

Potential disposal of Council-owned properties

The Council has 45 properties which are no longer required for the purpose for which we originally acquired them.

We are seeking your feedback to help us determine the future of each property.

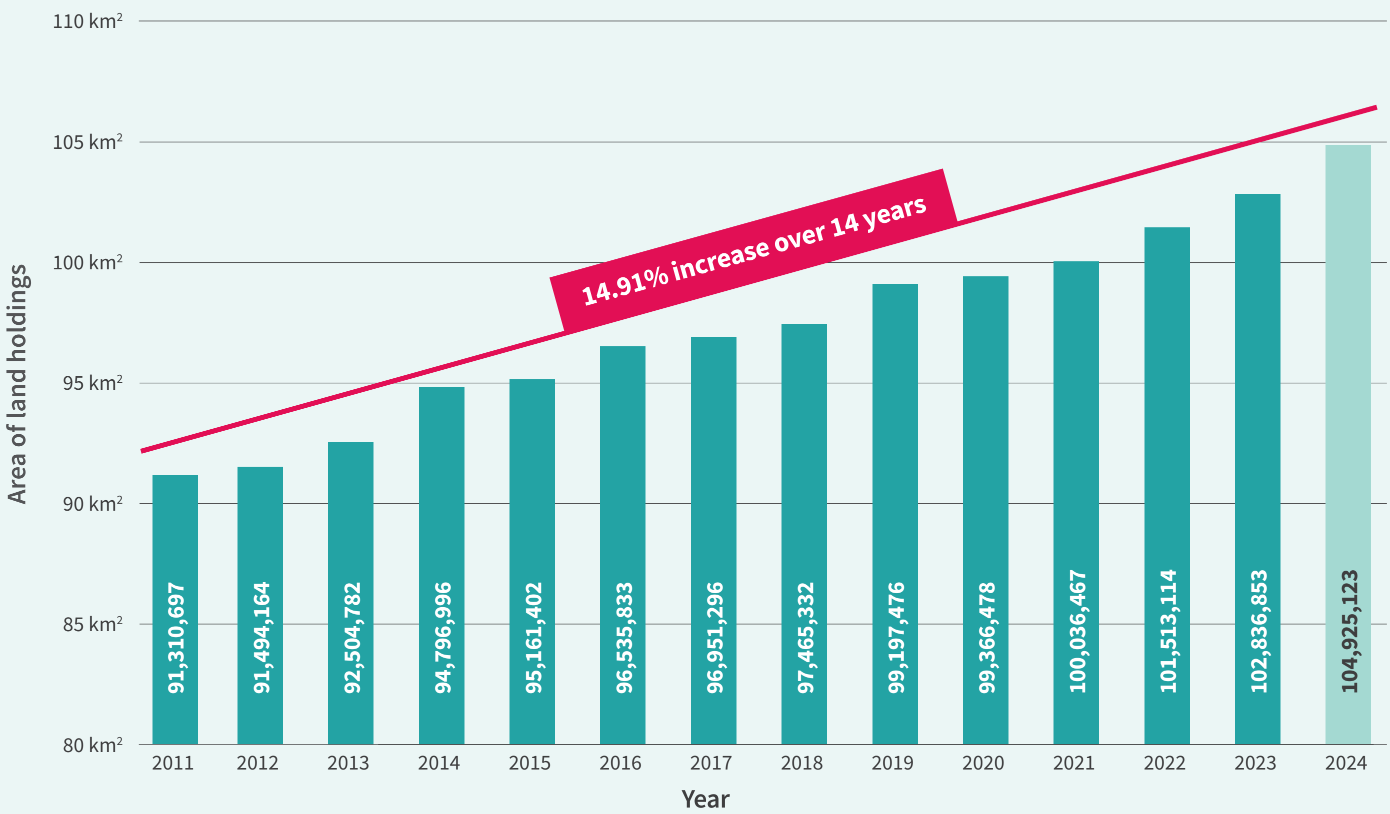
The properties under consideration make up less than 1% of the Council's overall portfolio and will not impact current levels of service. The Council's property portfolio includes a diverse range of properties, and it continues to grow. Since 2011, the total area we own has expanded by more than 14.91%.

As property ownership incurs costs, it is sound financial practice to regularly review the portfolio and assess whether to retain or dispose of properties that no longer serve their original purpose.

A full list of the properties and more information can be found at

letstalk.ccc.govt.nz/annualplan

Analysis of the Council's land holdings



Our first step in this process was to identify properties that may be surplus and assess them against criteria for retention. These criteria include whether the property is being used for the purpose it was originally acquired for, its cultural, environmental or heritage value, and its potential to meet any of the Council's immediate or longer-term needs. Properties that do not meet the retention criteria were shortlisted for consideration for disposal.

We are now at the next step: consulting the public. If, following consultation, this proposal is adopted and included in the Annual Plan 2025/26, all properties deemed surplus will be disposed of in accordance with Council policy and standard practices:

- **Policy:** Properties will generally be publicly tendered for sale unless there is a clear reason to do otherwise.
- **Practice:** The sale will be conducted in an open, transparent, and well-advertised manner at market value. This may include methods such as auction, deadline sale, or general listing.

In some cases, the Council may consider departing from these practices to support the objectives of the Housing Policy adopted in 2016. This could involve selling land to housing providers to develop or deliver social and affordable housing.

Properties identified that are either parks or reserves:

- **Parks:** If the land is primarily used for community, recreational, environmental, cultural, or spiritual purposes, and we plan to lease it for more than six months (which may exclude or substantially interfere with public access), or sell it, we must consult under Section 138 of the Local Government Act 2002. This involves a greater level of detail being provided about each property and why we are proposing to dispose of it, and the reasonably practicable options that have been considered.
- **Reserves under the Reserves Act 1977:** If we decide a reserve is surplus, this decision will include revoking its "reserve" status. Under Section 24(2)(c) of the Reserves Act, we are required to notify the public of this proposed revocation.

At this stage, we are seeking your views on whether we should embark on these formal processes for all or any of those properties.

How to have your say

We would like your feedback on our plan for the coming year, and the matters we have outlined in this consultation document.

Submissions can be made from Wednesday 26 February 2025 until 11.59pm on Friday 28 March 2025.

There are several ways you can give feedback:

- Online: **letstalk.ccc.govt.nz**
- Email: **cccplan@ccc.govt.nz**
- Fill out a submission form at your nearest library or service centre and hand it to staff.
- Post a letter to:
  Freepost 178 (no stamp required)
  Annual Plan Submissions
  Christchurch City Council
  PO Box 73016
  Christchurch 8154
- Or deliver to the Te Hononga Civic Offices at 53 Hereford Street. (To ensure we receive last-minute submissions on time, please hand deliver them to the Civic Offices.)

Regardless of the method you use to give feedback, your submission must include your **full name, email address and/or postal address.** If you wish to speak to your submission at the public hearings, please also provide a daytime phone number.

If your submission is on behalf of a group or organisation, you must include your organisation's name and your role in the organisation.

Submissions are public information

Anonymous submissions will not be accepted. Contact details are provided to elected members with your feedback to be considered when making their decision. We will also contact you with updates about the decision.

Submissions, including names, are published on our webpage, so please do not include any personal information you would prefer to keep private.

While contact details will not be published, if requested through the Local Government Official Information and Meetings Act 1987, these must be supplied. If there are good reasons why your personal details and/or feedback should be kept confidential, please contact us on **cccplan@ccc.govt.nz** or 027 291 8638.

View our privacy statement at **ccc.govt.nz/privacy**

Hearings

Public hearings will be held in late April 2025 (specific hearings dates to be confirmed).

Social media

Informal feedback, which is not counted as a submission but will be summarised for our councillors to consider, can be made in the following ways:

- Go to our Facebook page **facebook.com/christchurchcitycouncil** and include **#cccplan** in your post.
- Tweet us your feedback using **#cccplan**

Talk to the team

You can give us a call on 03 941 8999, provide your details and a good time for us to call, and one of our managers will be in touch.

Your councillors and local community board members will do their best to be out and about in your area during the time we're consulting on the Draft Annual Plan. If you'd like to talk directly with a councillor or community board member about the Draft Annual Plan, get in touch: **ccc.govt.nz/community-boards**

letstalk.ccc.govt.nz/annualplan

Questions to think about when making your submission

- What do you think of our proposed average rates increase of 7.58% across all ratepayers (which is lower than the 8.48% signalled in the Long Term Plan 2024–34) and an average residential rates increase of 7.40%?
- Do you have any comments about our proposed spending on our transport network, including the staged approach to delivering Papanui ki Waiwhetū Wheels to Wings major cycle route, or the proposal to defer the Lincoln Road (Curletts to Wrights) Public Transport project from 2026/28 to 2029/30?
- Do you have any comments about our proposed spending on our three waters network?
- Do you have any comments about our proposed spending on our parks and reserves?
- Do you have any other comments about spending on our capital programme in general, for example our facilities?
- Should we pause the collection of the targeted rate for the Christ Church Cathedral reinstatement for the remaining three years we were due to collect it, and factor the saving into our proposed rates increase of 7.58%?
- Should we increase our rating for renewals by a further $2 million a year ($12 million in total over six years) in order to keep our borrowing costs lower over time? This would result in an additional rates increase of 0.25% in 2025/26 but will generate $2.6 million of overall rates savings over the next six years, and $21.3 million over 30 years.
- Do you have any comments on our proposed changes to fees and charges?
- What do you think of our proposal to change how we charge for trade waste? Which option do you prefer:

  Option 1: Three-tiered volume rate (the Council's preferred option)

  Option 2: Two-tiered volume rate

  Option 3: Fixed volume rate
- Tell us about the services
  - You value the most and would not want reduced.
  - You could manage without.
  - Where there could be an opportunity for savings.
- Do you have any feedback on the draft Climate Resilience Fund Policy, specifically how the Fund will work, what the Fund can be used for and how long it will be held in reserve before being used?
- Should we proceed with our proposal to grant the Air Force Museum $5 million towards an extension of its site?
- Should we allocate up to $200,000 for a scoping study for a central city shuttle service?
- The Council has a small number of properties which are no longer being used for the purpose for which they were originally acquired. Do you have any feedback to help us decide the future or next steps for these properties?
- Any further comments?

FRP7655 February 2025

Christchurch City Council