

**359th MEETING OF THE
CANTERBURY REGIONAL COUNCIL**

ADDITIONAL DOCUMENTS

COUNCIL MEETING

Thursday, 3 June 2010 at 10.00 a.m.

Item		Page No
6	SUBMISSIONS AND RESPONSES TO THE DRAFT ANNUAL PLAN 2010/11 AND AMENDMENT TO THE 2009-19 LTCCP	
	Attachments:	
	A – Public Submissions Changes to the Draft Annual Plan	26
	B – Alternative Budget Changes to the Draft Annual Plan	38
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	D – Financial Spreadsheet of Changes to the Draft annual Plan	51

Jude Pani
Manager Secretariat
2 June 2010

Everything is connected

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balanced resource management.*

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 **Environment
Canterbury
Regional Council**

A)

Public Submissions Changes to the Draft Annual Plan

Pests and Biodiversity Portfolio – Budget reductions arising from Pest Management Liaison Committee meetings

Overview

Pest Management Liaison Committees provide advice to Environment Canterbury on implementing and funding of the Regional Pest Management Strategy. Advice on implementation covers operational and policy needs to successfully bring about local inspection requirements, for different pest species. Funding advice is given on the level of financial resources that meet affordability and quality standards expected by the local community, while taking into account the need to ensure the Strategy objectives are met.

Submissions

Pest Management Liaison Committees recommend the use of biosecurity reserves to reduce the rates required to fund pest district targeted rate projects.

A reduction in total expenditure of \$4,855 is proposed with \$86,066 of reserves being utilised to reduce general rates by \$23,864, and a targeted rate reduction of \$67,057.

Officers' perspective

Pest Management Liaison Committees are an important link between council and the rural communities that these committees represent. Establishing the inspection requirements and appropriate funding levels for targeted pests within each pest district is done through these committees.

No changes are needed in the annual plan or level of service documents.

Recommendation

That Council approve the use of \$86,066 of biosecurity reserve to fund these pest district targeted rate projects.

Hazards Portfolio – River rating district committee changes

Overview

There are sixty two River Rating District Committees in Canterbury providing advice to Environment Canterbury on implementing and funding of flood protection works in their districts.

Submissions

As a result of meetings with River Rating District Committees they recommend:

- Establishment of a North Rakaia River Rating District Committee.
- Various adjustments to district budgets to reflect revised work programmes (see below).

TOTAL EXPENDITURE	(\$738,307)
General rates	(\$460)
Targeted rates	\$63,954
Grants	\$1,250
User Pays	\$988
Interest	(\$41,257)
Reserves	(\$762,782)
TOTAL REVENUE	(\$738,307)

Officers' perspective

River Rating District Committees are an important link between council and the rural communities that these committees represent. They work with staff to agree on yearly work programmes for maintaining and operating river or drainage schemes within their districts that meet agreed performance measures.

Recommendation

That Council approve the River Rating District Committees budget adjustments and the following word changes.

Annual Plan Document			
Page reference	Paragraph reference	Existing text	Revised text
Page 39	Map of river and drainage schemes		<u>Add North Rakaia</u>
Levels of service document			
Page 85	List of river rating districts		Add URA Upper Rakaia <u>Key deliverable</u> – Maintaining and operating river or drainage scheme to agreed performance levels – Upper Rakaia <u>Outputs</u> –

			Scheme maintained as agreed with community <u>Quantity 1</u> scheme <u>Timeliness</u> All year
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Pests and Biodiversity Portfolio - Rating for bovine Tb

Overview

The funding agreement that underpins the cost allocation under the current National Pest Management Strategy for the Control of Bovine Tb (NPMS) determines that the Crown is responsible for 50% of the cost of the vector control programme, the deer and cattle industries pay 40% and regional councils contribute 10% (averaged nationally). Environment Canterbury has further determined that 75% of its regional contribution will be funded by a targeted rate levied against all rural land owners to reflect the benefit they derive from Bovine Tb control. The remaining 25% is funded by a general rate across all land owners to reflect the broader environmental benefits arising from vector control, especially the protection of biodiversity values.

The Animal Health Board (AHB) is the Management Agency responsible for implementing the NPMS. They determine the scale of the vector control programme necessary in each region in consultation with their local advisory committees and regional council. The LTCCP (2009-2019) resolved to maintain a regional contribution of \$500,000 for the 2009/10 and 2010/11 financial years in recognition that the NPMS was under review. That review includes what level of regional contribution is justified. The AHB have subsequently sought an additional \$275,000 for the 2010/11 financial year. While their submission outlines the merits of the NPMS, it does not provide a detailed breakdown of what the extra \$275,000 is being used for nor the need to specifically accelerate the work for 2010/11 in advance of the NPMS review outcome.

The draft annual plan asked two questions, should the regional contribution stay at \$500,000 (Option 1) or be increased to \$775,000 (Option 2). However recent conversations with the AHB on providing slightly less than the amount asked is said to be unlikely to have an impact on the programme for 2010/11. If there is an impact core work programmes won't be impacted, any reduction in the 2010/11 programme would mean reducing containment effort in the north next to the Clarence buffer, but this could be picked up in future programmes (Option 3).

Submissions

One hundred and eighteen submissions have been made specifically addressing the contribution level. Of the 30 that favour Option 1, 19 are urban ratepayers who do not support any additional funding but fail to provide any explicit reason as to why. Two local authorities oppose an increase because of the lack of detail provided to justify the increase although one suggested that last years funding level of \$650,000 would be acceptable. Eight rural ratepayers oppose the increase because they see no justification for it and one rural ratepayer submitter suggested that last years funding level of \$650,000 is sufficient because the AHB promised savings to the programme through their self-management arrangement.

Option two is favoured by 69 submitters. Putting aside the AHB and Tb Free Committee (a local advisory committee of the AHB), the support is almost equally spread across urban and rural interests including seven submitters representing organisations. The main reasons put forward for supporting Option 2 included the need to protect the gains already made through past investment in vector control, potential loss of government inputs, the likelihood that reduction targets (reduced herd numbers) would not be met and a falling of in biodiversity protection. These submissions express a willingness to pay.

The remaining 19 submitters provide suggestions that lie between options 1 and 2. Seventeen urban submitters all consider that any increase over and above Option 1 should be paid for by the main beneficiaries, particularly rural land owners running cattle. Two rural land owners support the increase with one suggesting a greater general rate contribution in recognition of biodiversity protection and the other suggesting that the all the local share be funded by general rate contribution.

Officers' perspective

There is clear support (35 out of 48) from the targeted rate-paying submitters (rural) for Option 2. On the other hand just over half (38 out of 72) of the general rate-paying submitters (urban) support Option 1. However, there are 34 urban submitters who support Option 2 and so there is overall support (79 out of 118 or two thirds) for Option 2.

The impact of not providing \$775,000 is difficult to precisely determine. It is reasonable to expect that reducing the size of the programme by only contributing \$500,000 could make it more difficult to meet the objectives and timeframes of the NPMS, and ultimately the goal of eliminating Bovine Tb, along with other desirable community outcomes such as biodiversity protection. However, putting at risk the gains made to date, and consequent resurgence in higher vector numbers, is more a matter of degree. Some decline is likely under the proposed \$500,000 level but it would be more likely that gains would only be jeopardised if the programme was to cease altogether. A realistic conclusion is that progress towards reducing bovine Tb will be slowed as a consequence of only contributing \$500,000 and realising the accruing benefits will take longer. A regional contribution at this level would also lessen government and industry contributions based on the funding rationale. Therefore, the submitters are correct in reasoning that the proposed regional contribution will lead to less government input and a proportionally smaller vector control programme.

The funding policy agreed by Council (75% targeted rate and 25% general rate) prevents sourcing the extra funding solely from targeted ratepayers. For every dollar spent, there are benefits to both urban and rural rate payers. Also, that question about sourcing the amount just from rural ratepayers was not posed in the draft Annual Plan. Therefore it is not an option to not impose the general rate component of the increase. There is an option to use reserves to pay for the \$275,000 increase.

It was pointed out by several submitters that an informed opinion on the increase could not be made because of insufficient detail about the programme. Those submitters are correct and the AHB submission only outlines the merits of the NPMS rather than an explanation of where the work will occur and why.

It is also relevant to point out that AHB did not provide a detailed explanation of the increased programme prior to publishing the draft Annual Plan, the results of the review of NPMS are still unknown and Council has clearly indicated that its contribution would be limited to \$500,000 because it represented approximately 10% of the programme agreed to under the 2002 NPMS.

On balance the view of submitters leads to the conclusion that Option 2 (a regional contribution of \$775,000) should be adopted. However, based on the likely hood that a small reduction will have no impact on the programme for 2010/11 Option 3 (a regional contribution of \$730,000) should be adopted. If previous commitments are considered to override those views, then Option 1 could be retained.

There is no requirement to change Annual Plan text or Levels of Service as a result of this proposed change.

Officer's recommendation

That Option 3 is adopted, to a maximum of \$730,000 using reserves to fund the extra \$230,000 for the 2010/11 financial year.

Land Portfolio – Waimakariri District Council

Overview

Environment Canterbury led the development of a non-statutory Northern Pegasus Bay Coastal Management Plan. As part of implementing that plan, Waimakariri District Council is consulting on introducing a bylaw to control vehicle access to the beach. Staff from Environment Canterbury and Waimakariri District have been discussing actions that are required to support the bylaw. As part of its Annual Plan consideration, the District Council has recommended an additional \$10,000 expenditure for ranger services and asks Environment Canterbury to do the same.

Submissions

7-17-1[2]	269.5	Waimakariri District Council	Provide an additional \$10,000 to the allocation for the beach ranger service for Northern Pegasus Bay, to ensure the effective enforcement of the Waimakariri Bylaw with respect to motor vehicles on the beach.
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Officers' perspective

Environment Canterbury acknowledges the contribution of Waimakariri District Council towards developing and implementing the Northern Pegasus Bay Coastal Management Plan including a contribution towards the costs of a Ranger service. It is envisioned that this first year (2010/11) the new by-laws are introduced will be the busiest for Rangers as the public will require education to comply with them. Environment Canterbury has in its draft annual plan a contribution of \$38,000 towards a Ranger. It links with the establishment of the Ashley- Rakahuri Regional Park. The request for an additional \$10,000 contribution in 2010/11 from Environment Canterbury would enable a greater Ranger presence in the important first year of bylaw enforcement and relationship development. The total ranger costs are to be shared between WDC, Environment Canterbury and Hurunui District Council.

No changes are needed in the annual plan or level of service documents.

Recommendation

That Council approve a further \$10,000 for the beach ranger services, and that this is funded from parks reserves.

Coastal Environment Portfolio – Te Korowai o te tai Marokura (Kaikoura Coastal Guardians)

Overview

Currently there is much happening in the coastal portfolio related to high level policy and national direction. At present we have an existing New Zealand Coastal Policy Statement (NZCPS), Regional Policy Statement (RPS) for the coastal environment, and a Regional Coastal Environment Plan (RCEP). Each of these is currently under review.

Over the past year a new NZCPS was reviewed by a Board of Inquiry. More recently the draft NZCPS has been substantially modified by DOC at the direction of the Minister. Over this time the review of the RPS has been proceeding on the basis a revised NZCPS was some way off. The RCEP is not fit for purpose and a rolling review of all parts of the RCEP has been occurring, while we waited for the higher level direction (i.e. NZCPS and RPS). The situation now appears to have changed, and it is likely that the government will release an updated RCPS in the near future.

The new NZCPS is understood to promote a collaborative approach between tangata whenua, Territorial Authorities (TA) and Regional Councils towards addressing coastal issues in the lead up to a formal review of the RCEPs to align with the NZCPS. At the same time higher level reforms are being signalled in key areas including aquaculture.

In the case of Canterbury, a collaborative approach could be quite a challenge given that we have eight TA's with coastal boundaries to work with – although a sensible grouping might limit that to four non-statutory plans. However, we won't know that for sure until the NZCPS and RPS reviews are completed.

Submissions

8-23-1[4]	81.1	Te Korowai o te tai Marokura (Kaikoura Coastal Marine Guardians)	Seeks an addition to corporate and democratic process activities and/or coastal environment activities. Te Korowai is seeking financial support from ECan of \$20,000 per year to contribute to part funding of a facilitator and local co-ordinator for Te Korowai. Te Korowai will contribute to the Community outcomes of the Annual Plan in the following ways: Environmental well-being - protection of the coastal environment. Economic well-being - ensuring resources are available for future economic growth. Social well-being - strength of community network. Cultural well-being - values, customs, behaviours and identities that contribute to the Kaikoura Community.
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Officers' perspective

Te Korowai o te tai Marokura is a runanga, community, agency grouping that has developed a management plan for the coast area north and south of Kaikoura. Environment Canterbury has a staff representative on the group. The groups projects broadly align with the outcomes sought in the Regional Coastal Management Plan.

There is an opportunity to utilise the Te Korowai process as a case study to develop strategic direction for coastal management issues along a particular stretch of coast could be agreed to. If this opportunity is to be taken up, it would require a discussion with the group to see whether the overall aims of the group can be aligned with the desired outcomes of a Regional Coastal Environment Plan.

There is no requirement to change Annual Plan text or Levels of Service as a result of this proposed change.

Officer's recommendation

That \$20,000 is provided to Te Korowai o te tai Marokura (Kaikoura Coastal Marine Guardians) as a case study to develop a collaborative coastal management strategy – subject to ensuring Te Korowai's focus will enable this to be achieved. An additional \$5,000 is also provided, to enable staff to support this initiative.

Additional item

One other issue received a significant number of submissions; this was the Resource Consent Compliance Monitoring Charge, particularly as it related to septic tanks and stormwater soak pit systems. To assist you with deliberations we have included information on this issue as well.

Overview of Resource Consent Compliance Monitoring

A total of 37 submissions on the draft Annual Plan 2010/11 relate to consent compliance requirements and the associated compliance monitoring charging regime.

Thirty two submissions were made concerning the annual compliance monitoring charge of \$63. At the time that the draft Annual Plan was released for public consultation, Councillors actively encouraged submissions from people who had issues with the new annual compliance monitoring charge of \$63.

Three submissions enquire as to the need for a, resource consent for soakage pit storm water/septic tank systems, and two submissions relate to addressing non compliance.

The following key points are reflected in the submissions:

- Challenging the legal basis of the \$63 annual charge
- The \$63 charge is not being applied to all septic tank owners
- Septic tank owners who pay for a contractor to maintain their septic tank should not have to pay the \$63 charge
- All domestic septic tank consents should be exempt from the \$63 fee
- The costs being met by the \$63 charge should be paid by ratepayers
- The \$63 charge should not apply until the consent is exercised
- Monitoring septic tanks should be done by Territorial Authorities, rather than ECan
- Septic tank owners have already paid a fee to the Territorial Authority when they get their building consent, they should not have to pay again for resource consent.

This charge was introduced for the 2009/10 year and has attracted feedback from many consent holders from the outset. In particular the submissions highlight that there continues to be some confusion around the role of the regional council, the district council and private contractors who maintain septic tanks. Each of these parties provides different services and all require their services to be funded.

Brief background to the charge

Environment Canterbury has issued in excess of 20,000 resource consents and has a statutory obligation to monitor compliance with consent conditions. Council policy is for all costs of consent monitoring to be recovered from the consent holder. Approximately 40% of the costs of providing this service are attributable to generic costs, and the remaining 60% of costs are associated with on site monitoring.

Prior to the 2009/10 year, the cost of consent compliance monitoring was recovered from those consent holders who were site monitored. As only a proportion of consents are monitored in any one year, the costs (including the overhead supporting administrative systems) to manage consent monitoring were recovered from that minority of consent holders.

For the current year the funding model was changed. Approximately 40% of the overall costs of providing the compliance monitoring capability are now recovered by way of a fixed charge (\$63) on each consent (approximately 10% of resource consents, due to a specific activity category do not attract the fee, so the fixed charge applies to approximately 18,000 consent holders).

The remaining 60% is recovered from on site monitoring charges (at an hourly rate of \$74.25). The new charging structure better apportions costs across all consent holders, but submissions identify two areas where some consent holders do not all support this approach. These relate to septic tank and storm water consents (using soak pits for discharge), particularly in subdivisions where developers have applied for individual consents for each lot/section, rather than a single consent for the subdivision.

Stormwater discharge into soakage pits

Resource consent is required for to manage stormwater and some areas do not have reticulated systems and rely on a soakage pit system. The issue is most acute in the Twizel area. Environment Canterbury and the Mackenzie District Council (MDC) are currently developing an approach whereby stormwater managed through soakage pits would be managed under a global consent held by MDC. In the meantime, individual consent holders are liable for the fixed charge. Often these consents are held in the name of a developer.

Septic tanks

The manner in which the environmental effects arising from the use of septic tanks varies across the region. As a consequence an unknown number of septic tanks are authorised as existing uses, a small number operate as permitted activities and all systems installed or modified post 2001 require a resource consent.

Central government has previously indicated that national consistency could be achieved through a National Environment Standard that effectively established a 'warrant of fitness' requirement for septic tanks. However indications are that this approach is now not likely to be pursued in the foreseeable future. Hence each owner of a consented septic tank is liable for the fixed charge.

OPTIONS

In considering the response to the issues raised in the 37 submissions, it is important to take into account the more than 18,000 resource consents that are subject to the compliance monitoring regime.

Option 1

Maintain the status quo for the 2010/11 year, while continuing to explore options for easing the fiscal burden on resource consent holders for stormwater management through soakage pits and septic tanks.

Option 2

Establish a reduced fixed charge for resource consent holders for stormwater management through soak pits and septic tanks, to reflect the lower level of monitoring that these systems require relative to other resource consents. This option will require alternative funding (to replace the shortfall) if the proposed level of compliance monitoring service is to be achieved.

Recommendation

That Council accepts Option 1 and there is no change for the 2010/11 year.

Wording changes to Annual Plan requested by Submitters

Submitters asked for wording changes to clarify parts of the annual plan. These are summarised in the table below.

Recommendation:

That the following changes to the wording in the annual plan are approved.

Financial Implications

No financial implications

Annual Plan document – submissions on wording changes for clarification				
Submitter	Page reference	Paragraph reference	Existing text	Revised text
Canterbury District Health Board (309.1)	Page 11	Our work programmes in 2010/11 – Planning & consents”	Progress working parties with district councils to develop air quality and Clean Heat initiatives.	Progress working parties with district councils <u>key stakeholders</u> to develop air quality and Clean Heat initiatives.
Meridian Energy Limited (403.4)	Page 32	Uncertainties and Assumptions table	-	<u>Uncertainty</u> c) <u>Whether the Proposed National Policy Statement for Renewable Energy Generation will be released in 2010/11 and the impact that this will have.</u> <u>Assumption</u> c) <u>That the Proposed National Policy Statement for Renewable Energy Generation will not have any impact on the Energy Portfolio groups of activities in 2010/11.</u>
Meridian Energy Limited	Page 74	Under Planning and consents heading, 2 nd bullet	Prepare and progress environmental flow plans on rivers, streams and groundwater zones in Canterbury	Prepare and progress environmental flow <u>and</u> <u>allocation plans</u> on rivers, streams and groundwater zones in Canterbury
Central South Island Fish and Game	Page 24	Under Stakeholder relationships	This includes Maori and tangata whenua and district and city councils	This includes Maori and tangata whenua and district and city councils <u>and statutory bodies.</u>
Central South Island Fish and Game	Page 73	Last paragraph on left hand side	Environment Canterbury is the lead agency for this work and works in collaboration with land holders, industry groups, territorial authorities and other agencies.	Environment Canterbury is the lead agency for this work and works in collaboration with land holders, industry groups, territorial authorities, <u>statutory bodies</u> and other agencies

Ellesmere Irrigation Society	Page 75	Under Investigations heading 3 rd bullet	Investigate groundwater resources to characterise aquifers to the support the review of regional plan allocation limits for groundwater zones	Investigate groundwater resources to characterise aquifers to the support the review, <u>or confirmation</u> , of regional plan allocation limits for groundwater zones
Ellesmere Irrigation Society	Page 75	Under Planning and consents heading, final bullet	Review resource consents applications to bring consent in line with operative plans or to address adverse environmental effects.	Review resource consents applications to bring consent in line with operative plans or to address adverse environmental effects.
Ellesmere Irrigation Society	Page 75	Under Monitoring heading, first bullet	Maintain the existing water flow monitoring network and increase to include more lowland streams	Maintain the existing water flow monitoring network and increase to include more lowland streams (<u>including tributaries to Waihora/lake Ellesmere</u>)
Waimakariri District Council	Page 121	Under Year 2010/11 on left hand side, 1 st bullet	Preparation by zone and regional committees of implementation programmes (first suite by March 2011, reviewed every three years)	<u>Commence</u> preparation by zone and regional committees of implementation programmes (reviewed every three years)
Waimakariri District Council	Page 121	Under Year 2010/11 on left hand side, 6 th bullet	Implement zone and regional implementation programmes including regional infrastructure solution	<u>Commence</u> the implementation of zone and regional implementation programmes

B)

Alternative Budget

Changes to Draft Annual Plan 2010/11

Summary

Commissioners have asked officers to carefully examine the draft budget and identify possible reductions in expenditure. This initiative responds to submitters who asked Council to examine the increase in expenditure.

Officers have identified three categories of changes for consideration.

1. Changes as a result of external drivers/influences such as Environment Canterbury Act, national policy, external grants and contracting:
 - Regional coastal environment plan
 - Election costs
 - Contract savings (public passenger transport)
 - Total mobility
 - Removal of Environment Court appeals on regional plans
 - External grants received to support work of the Canterbury Water Management Strategy

2. Changes driven by directorate priorities due to alignment of work programmes with the Canterbury Water Management Strategy and changes in emphasis among portfolios:
 - Air investigations
 - Riparian management strategies
 - Tenure review
 - Consent reviews
 - Communications – A and P shows and exhibition room in Canterbury museum
 - Wetland grants
 - Staff savings arising from non-replacement of vacant positions and reduction in new positions

3. Other potential changes for Council consideration:
 - Clean Heat Christchurch loans
 - Clean Heat Christchurch subsidies
 - Energy strategy
 - Metro marketing
 - Regional Hazardous Waste Management Strategy
 - Waste exchange
 - Portfolio-specific schools educational visits.

Recommendation:

That Council adopts the changes set out in the attached spreadsheet “alternative budget submissions” and the associated changes in wording in the draft annual plan and levels of service documents as set out in the table on the following pages.

Financial implications

The financial implications are provided in the attached spreadsheet "Alternative budget submissions" to the Draft Annual Plan 2010-11.

Level of service implications and wording changes – Alternative budget

Annual Plan document				
Topic	Page reference	Paragraph reference	Existing text	Revised text
Regional coastal environment plan	No change in wording in the annual plan document			
Election costs	Page 25	Under Operations bullet point, 3 rd bullet	Hold council elections	Delete whole bullet
Contract savings (public passenger transport)	Page 59	First para, second sentence.	Significant increases in expenditure are planned, due to rising operating costs, planned improvements to service levels to drive patronage growth, improving environmental performance and increased use of technology.	Significant increases in <u>total</u> expenditure are planned, due to <u>a transition to gross bus contracts</u> , rising operating costs, planned improvements to service levels to drive patronage growth, improving environmental performance and increased use of technology. <u>Whilst total expenditure will rise primarily as a result of a transition to gross bus contracts that change the way fare revenue is accounted for; the cost to the ratepayer will reduce, due in part to increased grants for some activities but primarily as a result of lower than expected bus contract tender prices and savings in metro marketing initiatives.</u>
	Page 59	Third column, bottom of page	As a result of less revenue from grants than was anticipated when the LTCCP was adopted, the scope and quantity of some strategy work, monitoring, and marketing initiatives has decreased.	As a result of less revenue from grants <u>and rates for certain activities</u> than was anticipated when the LTCCP was adopted, the scope and quantity of some strategy work monitoring , and marketing initiatives has decreased.
Total mobility	Page 62	Third column, bottom of page	Targeted rates are lower as savings have been made to competitive tender rounds, the move to gross contracts and a reduction in the marketing budget.	Targeted rates are lower as savings have been made <u>in</u> competitive tender rounds, <u>total mobility grants</u> , the move to gross contracts and a reduction in the marketing budget.

Removal of Environment Court appeals on regional plans	No change in wording in the annual plan document			
External grants received to support work of the Canterbury Water Management Strategy	No change in wording in the annual plan document			
Air investigations	No change in wording in the annual plan document			
Riparian Management Strategies	No change in wording in the annual plan document			
Tenure review	Page 43	Under Planning and Consents heading, 5 th bullet point	Continue input to tenure review process	Delete whole bullet
Consent reviews	No change in wording in the annual plan document			
Communications – A and P shows	No change in wording in the annual plan document			
Exhibition room in Canterbury museum	No change in wording in the annual plan document			
Wetlands grant	No change in wording in the annual plan document			
Clean Heat Christchurch Loans	Page 10	Assumption for 2010/11 it is assumed that... first bullet (note that changes outside of Christchurch reflect Chief Executive submission)	a) in Christchurch, Timaru, Ashburton and Kaiapoi/Rangiora, the number of conversions funded with assistance from Environment Canterbury's Clean Heat Project are 3,450, 300, 200 and 200 respectively.	a) in Christchurch, Timaru, Ashburton and Kaiapoi/Rangiora, the number of conversions funded with assistance from Environment Canterbury's Clean Heat Project are <u>2,693, 446, 337 and 427</u> respectively.
	Page 12	Level of service 3 – table of conversion numbers, final column budgeted 2010/11		Make same changes to numbers as per above
Clean Heat Christchurch Subsidies	Wording changes already addressed above			
Energy strategy	Page 32	Under "Involving the community"	"The Draft Regional Energy Strategy is being developed with stakeholders and recommends that an Energy Working	<u>Delete whole paragraph</u>

			Group provides the leadership in its implementation.”	
	Page 32	Under “Uncertainties and Assumptions – “What’s changed since the 2009-19 LTCCP?”	<p><i>“Environment Canterbury’s role in regional energy management, is now known in respect of uncertainty a) in the 2009-19 LTCCP.</i></p> <p><i>We will continue to have an advocacy and facilitative role in regional energy strategy development and implementation as noted in assumption a) in the 2009-19 LTCCP.”</i></p>	<p><u>Uncertainty c) The level of advocacy and facilitative role in regional energy strategy development and implementation.</u></p> <p><u>Assumption c) Provision has been made for funding for an advocacy and facilitative role in regional energy strategy implementation through the Christchurch Agency for Energy.</u></p>
	Page 33	Under “Our work programmes in 2010/11 – Strategy”	Facilitate the implementation of the Canterbury Regional Energy Strategy through engagement with key regional stakeholders and Government agencies	Facilitate the implementation of the <u>Draft</u> Canterbury Regional Energy Strategy through engagement with key regional stakeholders and Government agencies
Metro marketing	No change in the addition to the changes already made on page 59			
Regional Hazardous Waste Management Strategy	Page 69	Under Operations bullet, first bullet point	Provide funding for provision of local waste exchanges	Delete whole bullet
Waste Exchange	Page 69	Under Operations bullet	Implement the Canterbury Targeted Chemical Collection Programme	Investigate new hazardous waste initiatives in conjunction with territorial authorities
Portfolio-specific schools educational visits.	Page 59	Under Communicating, educating and advocating, last bullet point	Provide public transport education programmes in primary schools and intermediate schools in Christchurch and Timaru	Delete whole bullet

Project levels of service document				
Topic	Page reference	Project	Existing text	Revised text
Regional coastal environment plan	Page 23	Project 0344 Regional Coastal Environment Plan	034402 – 1. hearings held for PC 4 – water quality 3. Hearings held for PC 6 – Vech on beaches 034403 – 2. Hearings held for Plan Change 5 – water quality 3. Hearings held for Plan Change 6 – Vehicles on beaches 5. Decisions released for plan change 5 6. Decisions released for plan change 6	No words need for these outputs as they will not occur as result of reduction in G&S.
Election costs	Page 44	0208	Council Elections	Remove parent and projects
Contract savings (public passenger transport)	No change to wording required			
Total mobility	No change to wording required			
Removal of Environment Court appeals on regional plans	No change to wording required			
External grants received to support work of the Canterbury Water Management Strategy	No change to wording required			
Air investigations	Page 3	0260 Investigations 026000 Investigations	0260 Air Quality Investigations Quantity 1 Year: 5 reports 026000 Air Quality Investigations – General	Amend parent project: Quantity 1 Year to: <u>4</u> reports Project 026000 Delete All - Project, Project name, \$, key Deliverable, Outputs, Quantity and Timeliness
Riparian Management Strategies	Page 95	0348	Riparian Management Strategy	Remove parent and all projects
Tenure review	Page 95	0626	Tenure Review	Remove parent and all projects
Consent reviews	Page 5/6, 25, 98, 167 and	076000, 076001, 076003, 076100, 076101, 076103, 076200, 076201, 076203, 076300, 076301, 076303,	Consent reviews	Remove all projects listed, leave parent project worded as is, and Change wording in 076002, 076102.

	193	076400, 076401, 076403		076202, 076302 and 076402 to "Identifying and reviewing resource consents as required" and remove output "an investigation into an adverse effect is completed"
Communications – A and P shows	Page 52	020208 Public Information – A & P Corporate	Outputs: The Council has a presence at 4 events throughout the region Quantity: 4 events Timeliness – 30 April 2011	Outputs: The Council has a presence at 2 events throughout the region Quantity: 2 events Timeliness – 30 June 2011
Exhibition room in Canterbury museum	Page 52	020213 Public Information – Exhibition Room Display	Outputs: 1. A display regarding the Canterbury environment is available for public view at venues around Canterbury Quantity: 2 venues	Outputs: 1. A display regarding the Canterbury environment is available for public view <u>on request</u> Quantity: <u>As required</u>
Wetlands grant	Page 121	Project 0630 – Biodiversity Strategy	LOS: Providing policy advice to the council on biodiversity matters including the implementation of the biodiversity strategy and grants for the enhancement of wetlands.	LOS: Providing policy advice to the council on biodiversity matters including the implementation of the biodiversity strategy and grants for the protection of significant biodiversity sites.
Wetlands grant	Page 121	Project 063001 - Wetlands	Key Deliverable: Grants provided to enhance wetlands. Outputs: Operate council grant scheme for wetlands.	No words needed - as project removed and incorporated into Biodiversity Strategy.
Clean Heat Christchurch Loans	Page 8	Project 0385 and Project 038551	Quantity 1 year 300 Timaru homes	Quantity 1 year 446 Timaru homes
Clean Heat Christchurch Subsidies		Project 0386 and Project 038651	Quantity 1 year 300 Waimakariri homes	Quantity 1 year 427 Waimakariri homes
		Project 0387 and Project 038751	Quantity 1 year 200 Ashburton homes	Quantity 1 year 337 Ashburton homes
		Project 0391 and Project 039151	Quantity 1 year 3450 Christchurch homes	Quantity 1 year 2693 Christchurch homes
Energy strategy	Page 69	Project 0602	Level of Service 1 year: Facilitate the implementation of the Canterbury	Level of Service 1 year: Facilitate the implementation of the <u>Draft</u> Canterbury

		Project 060200	Regional Energy Strategy Key Deliverable and Outputs: Facilitate the implementation of the Canterbury Regional Energy Strategy	Regional Energy Strategy Key Deliverable and Outputs: Facilitate the implementation of the <u>Draft</u> Canterbury Regional Energy Strategy
Metro marketing	No change to wording required			
Regional Hazardous Waste Management Strategy	Page 163	Parent project 0611 Project 061100 Project 061101	Level of service – Implementing programmes under the direction of the Canterbury Hazardous Waste Subcommittee, in accordance with the Canterbury Hazardous Waste Management Strategy Quantity 3 programmes Output 2 Quantity 3 programmes CHWMS Implementation ECan	Level of service – Implementing programmes in accordance with the Canterbury Hazardous Waste Management Strategy <u>and in conjunction with territorial authorities</u> Quantity 1 programmes Output 2 1 programme Remove project
Waste Exchange	Page 170	Regional Waste Exchange		Remove parent and all projects
	Page 14	Project 020302 - Air	Output 1 Secondary schools in Canterbury have access to the NCEA Year 11-13 air education programme Quantity 1 programme Output 2 The primary schools education air programme is implemented and reviewed Quantity One primary programme, at least 20 classes in Christchurch area and 4 in Timaru Output 4 – One community programme	Output 1 Secondary schools in Canterbury have access to the NCEA Year 11-13 air education programme <u>and primary schools have access to an air education programme</u> Quantity 2 programmes Delete output 2 Delete output 4
Portfolio-specific schools educational visits.	Page 29	Project 021501 Coasts	Output 1 Seaweek activities are promoted and implemented among schools in Canterbury Quantity; 1 programme, 5 classes Output 4 Class programmes/lessons are revised/developed for coastal issues	Output 1 Seaweek activities are promoted and implemented among schools in Canterbury Quantity; 1 programme Delete output

	Page 153	Project 048600 Public passenger transport	<p>Output 1 – The public passenger transport senior primary education programme is reviewed, maintained and delivered</p> <p>Timeliness – 1 review; at least 13 classes @ 4 lessons/class</p> <p>Output 2 – The Public Passenger Transport junior education programme is reviewed, maintained and delivered</p> <p>Quantity 1 review; at least 40 classes @ 2 lessons/class</p>	<p>Output 1 – The public passenger transport senior primary education programme is maintained</p> <p>Timeliness – 1 programme</p> <p>Output 2 – The Public Passenger Transport junior education programme is maintained</p> <p>Timeliness – 1 programme</p>
	Page 202	Project 022301 - Water	<p>Output 1 – Waitahi Wai long-term facilitated programme is reviewed, maintained and implemented in schools with Living Streams catchments</p> <p>Quantity 14 classes; 1 or more catchments</p> <p>Output 2 – Schools in Canterbury have access to Waitahi Wai programme</p> <p>Quantity – 1 programme, at least four supplements</p> <p>Output 4 - Waitahi Wai long-term facilitated schools education programme is implemented in schools with significant urban waterway</p> <p>Quantity at least one significant waterway and 8 classes</p>	<p>Delete outputs 1 and 4</p> <p>Keep output 2 but changed quantity to one programme only.</p>

C)

Chief Executives Submission

Changes to Draft Annual Plan 2010/11

Summary

The Chief Executive provided a submission recommending changes to the draft annual plan to reflect changes in funding since the budget was prepared in November 2009. The submission also requests a carry over of funding to cover work that was contracted but unable to be completed in the 2009/10 financial year due to weather and/or availability of laboratory facilities.

The financial implications of each bullet point are set out in the spreadsheet "Chief Executive Submissions to the Draft Annual Plan 2010-11 (excl. items in alternative budget submissions)

Recommendation:

That Council adopts the Chief Executive submission with changes as set out in the attached spreadsheet "Chief Executive Submissions" and the associated changes in wording and levels of services as set out in the table below.

Financial implications

The financial implications are provided in the attached spreadsheet "Chief Executive Submissions" to the draft Annual Plan 2010/11.

Level of service implications and wording changes – Chief Executive submission

Annual Plan document				
Topic	Page reference	Paragraph reference	Existing text	Revised text
Change to energy efficiency due to ECCA funding allocations	Page 32	Uncertainty b and assumption b	Uncertainty b) The level of future funding from EECA Assumption b) Provision has been made for funding based on current levels of commitment	Delete Uncertainty b and assumption b
	Page 33	Operations 1 bullet	Provide facilities for interest free loans and subsidies for household energy efficiency initiatives	Delete bullet
Hurunui Water Conservation Order	Page 75	Planning and consents		<u>Add new bullet – Processing of Water Conservation Orders</u>
Clean heat effect of average cost of installation	Page 10	(note wording also includes changes to Christchurch as per the alternative budget)	a) in Christchurch, Timaru, Ashburton and Kaiapoi/Rangiora, the number of conversions funded with assistance from Environment Canterbury's Clean Heat Project are 3,450, 300, 200 and 200 respectively.	a) in Christchurch, Timaru, Ashburton and Kaiapoi/Rangiora, the number of conversions funded with assistance from Environment Canterbury's Clean Heat Project are <u>2,693, 446, 337 and 427</u> respectively.
Change of reference to compliance officer		See spreadsheet for changes		
Covering charges where a s100A request is made for the appointment of a commissioner		Document C – Add new part B		To be circulated at the meeting
Amendment to Appendix 4 to reflect		Document		Covered in addition of new part B as per above

RMA changes				
Additional new loan bands for Clean Heat	Page 101	Table of loan bands		Add <u>Band AAAAA Below 1200</u> <u>Band AAAA 1200 to 1400</u> <u>Band AAA 1400 to 1600</u> Plus associated rate implications

Project levels of service document – Chief Executive’s submission				
Topic	Page reference	Project	Existing text	Revised text
Change to energy efficiency due to ECCA funding allocations	Page 71	0384 Energy Efficiency		Remove whole project
Water Conservation Orders	?	Add new parent project Processing of Water Conservation Orders with a sub-project Hurunui Water Conservation Order	No text in draft annual plan	<p>New parent – Processing of Water Conservation Orders <u>Level of Service</u> Making recommendations to the Minister on Water Conservation Order applications <u>Quantity</u> All applications <u>Timelines</u> Within statutory timelines</p> <p>New project – Hurunui Water Conservation Order <u>Key deliverable</u> – Processing and making recommendations on Hurunui application <u>Outputs</u> Submissions are received and hearings held Recommendations are submitted to the Minister <u>Quantity</u></p>

				One hearing programme One recommendation report <u>Timeliness</u> Within Statutory deadlines
Clean heat effect of average cost of installation	No further changes to wording needed			
Change to compliance monitoring officer charge out rate	No further changes to wording needed			
Covering charges where a s100A request is made for the appointment of a commissioner	No further changes to wording needed			
Amendment to Appendix 4 to reflect RMA changes	No further changes to wording needed			
Additional new loan bands for Clean Heat	No further changes to wording needed			

ATTACHMENT D

PUBLIC SUBMISSIONS TO THE DRAFT ANNUAL PLAN 2010-11

	Project	Portfolio	Reserve	TOTAL EXPENDITURE	General Rates	Targeted Rates	Grants	User Pays/Stat	Interest	Reserves Movement	TOTAL REVENUE	SURPLUS/ (DEFICIT)
A. Amendments to the Draft Annual Plan: Public Submissions												
i. Submissions with financial impact												
Pest Liaison Committee changes	Various	Pests	Pests	-4,855	-23,864	-67,057				86,066	-4,855	0
River rating district committee changes	Various	Hazards	Catchments	-738,307	-460	63,954	1,250	988	-41,257	-762,782	-738,307	0
Animal Health Board - Bovine TB contribution	Various	Pests	Pests	230,000						230,000	230,000	0
Ranger services for Northern Pegasus Bay		Coasts	Regional Parks	10,000						10,000	10,000	0
Te Korowai o te tai Marokura (Kaikoura Coastal Marine Guardians)		Coasts	General	20,000	20,000						20,000	0
TOTAL SUBMISSIONS				-483,162	-4,325	-3,103	1,250	988	-41,257	-436,716	-483,162	0

ALTERNATIVE BUDGET SUBMISSIONS TO THE DRAFT ANNUAL PLAN 2010-11

	Project	Portfolio	Reserve	TOTAL EXPENDITURE	General Rates	Targeted Rates	Grants	User Pays/Stat	Interest	Reserves Movement	TOTAL REVENUE	SURPLUS/ (DEFICIT)
i. Changes as a result of external drivers/influences												
Regional Coastal Environment Plan - CPS work	034403	Coasts	General	-60,000	-60,000						-60,000	0
Election costs	020800	Democratic Process	General	-124,679	-124,679						-124,679	0
Contract savings	046400	Public Passenger Transport	Passenger Transport	-2,258,000		-1,129,000	-1,129,000				-2,258,000	0
Total Mobility	046500	Public Passenger Transport	Passenger Transport	0		-228,064	228,064				0	0
Removal of Environment Court appeals on regional plans	034000	Water	General	-150,000	-150,000						-150,000	0
Canterbury Water Management Strategy - CREDS, CIF, & SFF funding now approved	063105	Water	Water Study	457,000		-100,000	557,000				457,000	0
subtotal				-2,135,679	-334,679	-1,457,064	-343,936	0	0	0	-2,135,679	0
ii. Changes driven by Directorate Priorities												
Air Investigations	026000	Air	General	-52,244	-52,244						-52,244	0
Riparian management strategies	034800	Land	General	-11,941	-11,941						-11,941	0
Tenure review	062600	Land	General	-16,917	-16,917						-16,917	0
Consent reviews/team	0760-0764	Various	General	-500,249	-289,082			-211,167			-500,249	0
A&P Communications	020208	Democratic Process	General	-13,594	-13,594						-13,594	0
Exhibition room	020213	Democratic Process	General	-10,275	-10,275						-10,275	0
Wetlands	063001	Pests	General	-70,000	-70,000						-70,000	0
Labour & Overheads Savings #1	Various	Various	Various	-1,093,697	-672,252	-181,692	-55,442	-184,311			-1,093,697	0
subtotal				-1,768,917	-1,136,305	-181,692	-55,442	-395,478	0	0	-1,768,917	0
iii. Other potential changes (for Commissioner decision)												
Clean Heat Chch Loans	0390	Air	Clean Heat	119,535					-8,000	127,535	119,535	0
Clean Heat Chch Subsidies	0391	Air	Clean Heat	-1,859,528			30,000			-1,889,528	-1,859,528	0
Energy Strategy	060200	Energy	General	-42,179	-42,179						-42,179	0
Metro marketing	048500	Public Passenger Transport	Passenger Transport	-319,450		-159,725	-159,725				-319,450	0
Regional Hazardous Waste Management Strategy	061100	Waste	General	-47,838	-47,838						-47,838	0
Waste Exchange	026600	Waste	General	-92,536	-92,536						-92,536	0
Schools Education	Various	Various	Various	-81,635	-36,549	-22,543	-22,543				-81,635	0
subtotal				-2,323,630	-219,101	-182,268	-152,268	0	-8,000	-1,761,993	-2,323,630	0
TOTAL				-6,228,226	-1,690,085	-1,821,024	-551,646	-395,478	-8,000	-1,761,993	-6,228,226	0

CHIEF EXECUTIVE SUBMISSIONS TO THE DRAFT ANNUAL PLAN 2010-11

	Project	Portfolio	Reserve	TOTAL EXPENDITURE	General Rates	Targeted Rates	Grants	User Pays/Stat	Interest	Reserves Movement	TOTAL REVENUE	SURPLUS/ (DEFICIT)	
A. Amendments to the Draft Annual Plan: Chief Executive Submissions													
i. Submissions with financial impact													
A14	Change to Energy efficiency project level of service due to EECA funding allocations	0384	Energy	Clean Heat	-1,568,000		-1,655,000	-40,000		127,000	-1,568,000	0	
A16	Hurunui Water Conservation Order - ECan commissioners are required to hear this WCO	New Project	Water	General	380,000		380,000				380,000	0	
A17	Clean Heat - effect of average cost of installation increasing from approximately \$2,300 to \$3,000 (excl. Chch)	Various	Air	Clean Heat	736,000		59,000		40,000	637,000	736,000	0	
subtotal					-452,000	0	0	-1,216,000	-40,000	40,000	764,000	-452,000	0
ii. Submissions with no financial impact													
A8	Amend wording of "Compliance Monitoring Officer \$74.25" to "Compliance Monitoring Officer/Enforcement Officer \$74.25" in Appendix Four (fees & charges).	N/A	N/A	N/A	0						0	0	
A9	Add new section to Appendix Four (fees & charges) to cover charges where a s100A request is made for the appointment of a commissioner.	N/A	N/A	N/A	0						0	0	
A10	Amendment to wording to Appendix 4 in relation to RMA charges	N/A	N/A	N/A	0						0	0	
A15	Additional new loan band for loans below \$1,600	Various	Air	Clean Heat	0						0	0	
subtotal					0	0	0	0	0	0	0	0	
TOTAL					-452,000	0	0	-1,216,000	-40,000	40,000	764,000	-452,000	0
B. Carry Over Funding from 2009/10 to 2010/11													
C1	GW Investigations. - Ashley/Waimak: Survey of wellheads to support piezometric survey	026101	Water	General	15,000					15,000	15,000	0	
C2	GW Investigations. - Ashley/Waimak: Analysis of samples by GNS Science	026101	Water	General	42,900					42,900	42,900	0	
C3	Riparian Systems: Water sampling tender currently underway	026119	Water	General	22,950					22,950	22,950	0	
C4	GW Investigations Regionwide: Final gauging of Rakaia River	026105	Water	General	5,000					5,000	5,000	0	
C5	Liaison Tangata Whenua - Fulfilment of contract for development of Iwi Management Plan	020700	Democratic Process	General	20,000					20,000	20,000	0	
C6	Waiau Environmental Flow Review	034008	Water	General	20,000					20,000	20,000	0	
C7	Orari Environmental Flow & Allocation review	034015	Water	General	61,000					61,000	61,000	0	
TOTAL					186,850	0	0	0	0	0	186,850	186,850	0
TOTAL SUBMISSIONS					-265,150	0	0	-1,216,000	-40,000	40,000	950,850	-265,150	0

SUBMISSIONS TO THE DRAFT ANNUAL PLAN 2010-11

\$000's

	General Rates	% increase	Targeted Rates	% increase	TOTAL RATES	% increase
Draft Annual Plan 2010/11	40,035	3.9%	38,074	14.3%	78,109	8.7%
i. Public Submissions	(4)	0.0%	(3)	0.0%	(7)	0.0%
	(4)	3.9%	(3)	14.3%	(7)	8.7%
Alternative Budget Changes:						
ii. Changes as a result of external drivers/influences	(335)	-0.9%	(1,457)	-4.4%	(1,792)	-2.5%
	(339)	3.1%	(1,460)	9.9%	(1,799)	6.3%
iii. Changes driven by Directorate Priorities	(464)	-1.2%	-	0.0%	(464)	-0.6%
	(803)	1.9%	(1,460)	9.9%	(2,263)	5.6%
iv. Other potential changes (for Commissioner decision)	(219)	-0.6%	(182)	-0.5%	(401)	-0.6%
	(1,022)	1.3%	(1,642)	9.4%	(2,665)	5.0%
v. Labour Savings	(672)	-1.7%	(182)	-0.5%	(854)	-1.2%
	(1,694)	-0.5%	(1,824)	8.8%	(3,519)	3.9%
vi. CE Submissions	-	0.0%	-	0.0%	-	0.0%
	(1,694)	-0.5%	(1,824)	8.8%	(3,519)	3.9%
Draft Annual Plan 2010/11 (incl. above changes)	38,341	-0.5%	36,250	8.8%	74,590	3.9%